

Notice of Meeting and Agenda Council

Date	Time	Venue
Thursday, 04 March 2021	09:30	Teams Meeting,

KENNETH GRAHAM
Head of Corporate Governance

Recording of Meeting

This meeting will be recorded for subsequent broadcast via the Council's internet site. If you have any queries regarding this please contact Committee Services on 041 618 7112. To find the recording please follow the link which will be attached to this agenda once the meeting has concluded.

Recording of meeting

Part one of three

<https://www.youtube.com/watch?v=INaGVcmMoAM>

Part two of three

<https://www.youtube.com/watch?v=2fDh1-bo-TM>

Part three of three

https://www.youtube.com/watch?v=Lr3dmMQ1K_g

Section 112 Statement

9 - 10

Members' attention is drawn to the enclosed statement regarding declarations in terms of Section 112 of the Local Government Finance Act, 1992.

Procedures

Copies of the notes of the procedures to be followed in respect of consideration of (i) the Revenue Estimates and Council Tax; and (ii) the Housing Revenue Account Budgets, Rent Levels and Capital Investment Plans are attached to the relevant reports.

Membership

Councillor Jennifer Marion Adam-McGregor: Councillor Tom Begg: Councillor Derek Bibby: Councillor Bill Binks: Councillor Bill Brown: Councillor Stephen Burns: Councillor Jacqueline Cameron: Councillor Michelle Campbell: Councillor Carolann Davidson: Councillor Eddie Devine: Councillor Andy Doig: Councillor Audrey Doig: Councillor Natalie Don: Councillor Alison Jean Dowling: Councillor Edward Grady: Councillor Neill Graham: Councillor Jim Harte: Councillor John Hood: Councillor Lisa-Marie Hughes: Councillor Karen Kennedy:

Councillor Scott Kerr: Councillor Alistair Mackay: Councillor James MacLaren: Councillor Kenny MacLaren: Councillor Mags MacLaren: Councillor Eileen McCartin: Councillor Colin McCulloch: Councillor Marie McGurk: Councillor John McIntyre: Councillor John McNaughtan: Councillor Kevin Montgomery: Councillor Will Mylet: Councillor Emma Rodden: Councillor Jim Sharkey: Councillor John Shaw: Councillor James Sheridan: Councillor Andy Steel: Councillor Jane Strang:
Provost Lorraine Cameron (Convener): Councillor Cathy McEwan (Depute Convener): Councillor Iain Nicolson (Leader): Councillor Jim Paterson (Depute Leader)

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 Minutes of Meetings of Council, Boards and Panels (attached separately)

Council, 17 December 2020, pages 294-319
Communities, Housing & Planning Policy Board, 19 January 2021, pages 320-333
Regulatory Functions Board, 20 January 2021, pages 334-341
Education & Children's Services Policy Board, 21 January 2021, pages 342-347
Audit, Risk & Scrutiny Board, 25 January 2021, pages 348-353
Special Communities, Housing & Planning Policy Board, 26 January 2021, pages 354-357
Infrastructure, Land & Environment Policy Board, 27 January 2021, pages 358-365
Petitions Board, 1 February 2021, pages 366-369
Local Review Body, 2 February 2021, pages
Finance, Resources & Customer Services Policy Board, 3 February 2021, pages 372-385
Regulatory Functions Board, 4 February 2021, pages 386-389
Placing Requests & Exclusions Appeals Panel, 23 February 2021, pages 390-391
Leadership Board, 24 February 2021 (copy to follow)

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|----------|--|------------------|
| 2 | Revenue Budget and Council Tax 2021/22 | 11 - 46 |
| | Report by Director of Finance & Resources | |
| 3 | Non Housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2021/22 – 2025/26 | 47 - 98 |
| | Report by Director of Finance & Resources | |
| 4 | Housing Revenue Account Budget & Rent Levels 2021/22 and Housing Capital Investment Plan 2021/22 to 2023/24 | 99 - 116 |
| | Joint report by Directors of Communities & Housing and Finance & Resources | |
| 5 | Social Renewal Plan | 117 - 134 |
| | Report by Chief Executive | |

6	Governance Arrangements	135 - 144
	Report by Director of Finance & Resources	
7	Independent Review of Adult Social Care	145 - 158
	Report by Chief Executive	
8	Equality Outcomes and Mainstreaming Equality	159 - 220
	Report by Chief Executive	
9	Notice of Motion 1 by Councillors Burns and Paterson	
	"Council condemns the use of 'fire and rehire' tactics by employers and calls on companies currently engaged in this process to immediately cease and engage with their workforce and trade unions to agree a fair and constructive way forward."	
10	Notice of Motion 2 by Councillors Hood and Harte	
	"Renfrewshire Leisure	
	Renfrewshire Council Notes that:	
	<ul style="list-style-type: none"> • Renfrewshire Leisure have around 200 'casual' workers on the books who deliver their core services such as fitness instructors and lifeguards without which the trust wouldn't be able to operate. • On the 27th of November, Renfrewshire Leisure workers were sent an email saying they would be taken off the books with only 48 hour's notice. • Two days later workers were sent an email stating that the previous email was sent in error. • This caused a great amount of stress and anxiety to workers and that, despite calls from recognised trade unions, these workers have still not been given any job security. 	
	Renfrewshire Council Resolves to:	
	<ul style="list-style-type: none"> • Instruct Renfrewshire Leisure to guarantee that all workers with contracts active from March 2019 to March 2020 will be given job security. • That workers will be offered hours on these contracts as soon as reasonably and safely possible." 	
11	Notice of Motion 3 by Councillors McCartin and Andy Doig	
	"Unpaid Carers	
	Council aims to provide a minimum of 1 day per week break to support unpaid carers in their relentless task of caring for their loved ones, at least until the Covid pandemic is over.	

“64% of carers have said they haven’t been able to take any break during the pandemic; 74% are left feeling exhausted and worn out; and 44% say they have reached breaking point. [reference - Carers UK report “Caring behind closed doors, 6 months on]”.

“Council will contact the Scottish government to ensure that money provided through the Barnett formula for Covid related funding is provided for this type of support, and that we can start to meet the needs of these very important but vulnerable residents.”

12 Notice of Motion 4 by Councillors Kenny MacLaren and Burns

"Covid Vaccinations

Council congratulates everyone involved in the ongoing campaign to deliver vaccinations against the Covid19 pandemic. This includes health board, Renfrewshire Leisure and council staff as well as those involved from the various medical practices across Renfrewshire. Council encourages everyone who is eligible to come forward and receive their vaccination when offered. Council also condemns those who have been spreading misinformation against the vaccination programme and calls for swift action to counter such misinformation, whether that be the removal of graffiti or other practices."

13 Notice of Motion 5 by Councillors Audrey Doig and Jacqueline Cameron

"Accessible Toilets for People with Crohn’s Disease and Colitis

This Council notes that:

- The charity Crohn’s and Colitis UK is encouraging venues providing accessible toilets to install new signage. This is to help stop stigma and discrimination towards people with Crohn’s Disease and Ulcerative Colitis and other invisible conditions.
- There have been instances nationally where such individuals using an accessible toilet have been accused by staff members of being ineligible to use them.
- The charity signs have two standing figures and a wheelchair user with the words Accessible Toilet and the logo ‘Not every disability is visible’.

Council further notes that the Scottish Government consultation last year recommended that large accessible toilets for severely disabled people - known as Changing Places - are built in large new non-domestic buildings.

Council therefore resolves to:

- Ensure that accessible toilets on Council premises bear these signs.
- Ask town and district centre retailers and leisure outlets to do likewise with their accessible toilets.
- Seek advice from the charity Crohn’s & Colitis UK on the information

and training we should provide to council staff members. This is so they understand these conditions and to prevent potential embarrassment for those who suffer with them.

- Ensure that any Changing Places toilets in our buildings are properly signposted for visitors."

14 Notice of Motion 6 by Councillors McCartin and Andy

Doig

"Local Development Plan

Council agrees to see what ways it can influence changes being made to the Local Development Plan to ensure that NO areas within Renfrewshire are provided to developers where there is land or other important factors providing our population with the means of EXISTING carbon capture e.g mature trees, important grassland, wetlands."

15 Notice of Motion 7 by Councillors James MacLaren and Graham

"Council recognises the need to keep things local during this pandemic and calls for a re-think of our suppliers. Council will write to the Scottish Government to request a change to the Scottish Regulations on Public Procurement rules to allow more weighting to contractors who tender for work if they are locally based. Council believes that this would help embed green recovery principles in Renfrewshire by boosting local procurement and efforts to retain wealth creation in the community for local residents."

16 Notice of Motion 8 by Councillors James MacLaren and McIntyre

"This Council agrees to write to the Scottish Government's Finance Secretary calling on her to extend business rates relief for all retail, hospitality, leisure, and aviation related businesses for all the forthcoming financial year. Believes that the current three month extension doesn't go far enough to support businesses who have had to shut their doors, calls on the Scottish Government to focus on doing everything they can to protect jobs and livelihoods across Renfrewshire and give them the breathing space of a 12 month rates relief extension."

17 Notice of Motion 9 by Councillors Don and Kenny MacLaren

"Universal Credit Uplift

Council calls on the UK Government to make permanent the £20 per week uplift to Universal Credit and to extend this to include legacy benefits.

This increase in Universal Credit was introduced at the start of the pandemic to reflect the additional pressures on those on benefits. However, nothing has changed since the start of the pandemic, we are still in the midst of a health and economic crisis and withdrawing this

uplift would have a serious impact on those on benefits.

Council will write to the Prime Minister and Chancellor of the Exchequer to state the case to make this uplift permanent and to extend it to legacy benefits."

18 Notice of Motion 10 by Councillors Grady and Kennedy

"Curriculum for Excellence – OECD Interim Report

Renfrewshire Council urges the Scottish Government to release the OECD unedited interim report of their review into Curriculum for Excellence. This crucial information must be in the public domain prior to this year's Holyrood elections."

19 Notice of Motion 11 by Councillors McCartin and Andy Doig

"Regulations

Council will provide regulations, through Building Regulations, Planning or other relevant departments, to ensure that standards of buildings developed for private sector housing conforms to at least the same standard as those which the council is developing for socially rented housing. The council must no longer allow developers to aim for the lowest common denominator in building their houses for private purchase."

20 Notice of Motion 12 by Councillors Don and McNaughtan

"The Edinburgh Biodiversity Declaration

Council notes the Edinburgh Declaration on biodiversity and notes the issues raised regarding the importance of addressing the loss of biodiversity. Council notes with concern the significant implications that the loss of biodiversity and climate change has on our livelihood and communities and agrees with the need for a global framework in efforts to deliver biodiversity locally.

Council agrees to sign the Edinburgh Declaration on the post-2020 global biodiversity framework. Council believes this will help the development of effective policy and governance of biodiversity making Renfrewshire a place where nature is protected and enhanced."

LOCAL GOVERNMENT FINANCE ACT 1992 - SECTION 112

RESTRICTIONS ON VOTING BY MEMBERS

The attention of Members is drawn to the provisions of Section 112 of the Local Government Finance Act, 1992. This section has the effect of restricting the voting rights of Members on certain issues if they are in arrears with Council Tax payments.

The legislation applies to a Member in attendance at a meeting of the Council, or of a Committee or Sub-Committee of the Council or representing the Council's interest at a Joint Committee meeting or Sub-Committee thereof.

If at the time of the meeting a Member is 2 months or more in arrears in payment of the Council Tax, the Member will be restricted in voting on matters which relate to:

1. Setting or adjusting the rate of Council Tax;
2. Matters relating to the administration, enforcement and collection of the Council Tax or Council Water Tax.

If a Member falls into arrears as defined by the legislation, the Member is required to disclose this fact at any relevant meeting as soon as practical after it starts. The Member may participate in any debate on the relevant agenda item but the Member should not vote on any matters related to the agenda item.

If the Member does not disclose the restriction due to arrears of Tax and/or votes on a restricted issue the Member will have committed an offence, and on convictions, will be liable to a fine not exceeding level 3 on the standard scale (currently £1,000). The Member will not be guilty of the offence if he/she can prove he/she did not know:

- (a) that Section 112 of the 1992 Act applied to him/her at the time of the meeting;
- (b) the tax item was the subject of consideration at that meeting.

The responsibility for identifying whether a Member is in arrears with Council Tax rests with the Member.

**PROCEDURE TO BE FOLLOWED AT THE MEETING
OF RENFREWSHIRE COUNCIL
TO BE HELD ON 4 MARCH 2021
DURING CONSIDERATION OF ITEM 2 CONCERNING
REVENUE ESTIMATES AND COUNCIL TAX
FOR THE FINANCIAL YEAR 2021/22**

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 4 March 2021.

1. The Convener of the Finance, Resources & Customer Services Policy Board (the Convener) will make his budget statement for financial year 2021/22 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 2021/22).
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: 4 March 2021

Report by: Director of Finance & Resources

Heading: Revenue Budget and Council Tax 2021/22

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 2021/22. 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, 2020/21 has represented the most challenging, complex and unique financial year in the history of the Council. Additionally, it is recognised that moving into 2021/22 and beyond the financial impact on the Council from COVID19 will continue through the ongoing direct impact from the pandemic and the public health response on Renfrewshire, an anticipation of longer lasting legacy impacts on both service costs, service demands and income streams, the lasting impact of the significant disruption to transformation plans as well as the need for the Council to support the social and economic recovery and renewal process which is likely to be a substantial challenge both nationally and locally.
- 1.3 Members will be required to take these very significant and unique ongoing circumstances into account when setting the 2021/22 budget recognising that the Council's immediate and medium term context and challenges have shifted significantly in the last 12 months. As outlined in more detail in the report, the Council's medium term outlook remains uncertain. 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 2021/22 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 potentially a recurring 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 when setting the 2021/22 budget.

- 1.5 In this regard, the Scottish Government has not provided detailed spending plans beyond their draft budget for 2021/22 but has through the third iteration of its annual Medium Term Financial Strategy (MTFS) outlined where it expects to position the local government budget relative to other main areas of their overall budget, most notably spending on the NHS. Within this MTFP, local government has been overtly positioned more positively than in previous years relative to other major areas of the public sector in Scotland. This would imply a greater potential for a more positive relative financial outlook than previously forecast.
- 1.6 However, the Scottish Government's own high level forecast of overall future revenue spending in Scotland over the medium term is highly uncertain following the unprecedented fall in economic output at both a Scottish and UK level, as well as the uncertainty over the future scale and pace of economic recovery at both a Scottish and UK level. Additionally, the strategy and approach to the medium to longer term economic and fiscal recovery plan that is instigated by the UK Government will play a significant role in framing the medium to longer term financial impact on public sector spending across the UK. This ultimately may prove to be the most significant influencing factor in the prospects for the local government financial settlement over the medium term, despite its relative position to the NHS being more positive.
- 1.7 Members will be aware of the significant disruption to the normal budget setting cycle at both a UK level and consequently Scottish Government level following the unprecedented economic impact that has emerged from the COVID19 pandemic. Consequently, the UK budget which would normally have been announced in the autumn of last year, has been delayed and was announced on the 3 March by the Chancellor of the Exchequer. This resulted in the draft Scottish Government budget being published prior to the UK Government budget for the second year in a row, on the 28th January, something which prior to 2020/21 was unprecedented.
- 1.8 Following the publication of the Scottish Government's draft budget for 2021/22, the key headlines confirmed are outlined below to provide context for the local government settlement and Council's individual financial settlement outlined later in this report:
 - (i) The Scottish Government total budget has increased by around 5.4% excluding £1.8bn of non-recurring consequential funding in 2021/22 specifically aligned to COVID19 purposes.
 - (ii) In terms of revenue spending on public services, these have increased by 5.9% (again excluding the £1.8bn of COVID specific funding).
 - (iii) This uplift is nearly all due to Barnett consequential funding flowing from spending increases by the UK Government and additionally an unexpected reduction in the tax related block grant adjustment (BGA) which may yet be adjusted when the UK budget is considered on 3rd March.
 - (iv) The fiscal framework in 2021/22 has provided additional borrowing and Scotland Reserve powers for the Government linked to the triggering of a "Scotland-specific economic shock" event under the framework which is an unexpected quirk of timing due to timing differences in the Scottish Fiscal Commission (SFC) updating its economic forecasts earlier than the Office for Budget Responsibility (OBR) doing likewise for the UK.
 - (v) Consequently, the resource borrowing limit (which can only be used to offset the impact of tax forecast errors) increases from £300 million to £600 million for the next three financial years and in setting the draft 2021/22 budget the Scottish Government plans to borrow £319 million in 2021-22, to offset the negative income tax reconciliation from 2018-19 of £319m.

- (vi) By borrowing, this in effect pushes out meeting the costs of the tax reconciliation, which along with the circa £200m borrowed for similar purposes last year, means that the next Scottish Government after the election will have to repay this money at a future point.
 - (vii) Similar to the economic outlook produced by the OBR in November for the UK, the SFC economic outlook for Scotland follows a comparable path with a significant 11% drop in economic output in 2020 having been experienced as a result of COVID19 imposed restrictions and disruption across the economy. The economy is not expected to recover to pre-COVID levels until the start of 2024 and for there to be permanent economic scarring, with GDP forecast to be 4% lower in 2025 than that forecast for 2025 prior to the COVID19 pandemic unfolding.
 - (viii) Consequently, the outlook for earnings is weak and given this underpins the forecasts for income tax the forecast tax take has suffered downward revisions, reflecting increasing unemployment and reducing earnings. Forecast income tax revenues for 2021/22 have fallen by £634m from the previous forecasts made in February 2020.
 - (ix) As referred to above, the SFC 2021/22 income tax forecast is however £475 million higher than the BGA deducted from the Scottish Budget – a significant £300m change from the SFC latest forecast for 2020/21 where Scottish income tax revenues are only £173 million higher than the BGA. The SFC have acknowledged that this swing cannot be explained by differential performance of the respective economies or policy differences. At this stage, the SFC have indicated a belief that the difference has largely arisen because of the significant uncertainty around COVID-19, the impact of the furlough scheme creating a disconnect between falling economic growth and earnings in the short term and its effects on the data and judgements used in the SFC's and the OBR's income tax modelling. Once the OBR forecast are updated for the UK budget on 3rd March, a revised BGA will be established which may remove this unexplained variance.
 - (x) Although the Scottish Government are not obliged to use this updated BGA, the SFC have recommended that careful consideration be given to reviewing, as part of the overall reassessment of the Budget position, which income tax BGA is used.
 - (xi) A further budget announcement on 16th February in the Scottish Parliament confirmed the use of an additional £1.1bn of Barnett consequential funding which the Scottish Government will receive in 2020/21; with the fundamental assumption being that this funding will be carried forward to 2021/22. This funding will be non-recurring; with most of the funding (circa £0.6bn) being utilised to extend the temporary NDR relief for retail, hospitality, leisure and aviation for the full 2021/22 financial year as well as funding some specific allocations to both the NHS and local government, which are outlined later in this report.
- 1.9 It is recognised that similar to previous years, there remains the possibility that the Scottish Budget and indeed local government grant settlement may change from that confirmed to date in the draft budget at or following any of the three parliamentary stages. Should there be any change following the stage 1 debate on the 25th February that impacts on what is outlined in this report, an addendum will be issued to update members prior to the scheduled Council meeting on 4th March.
- 1.10 As outlined in the main body of the report, despite the improvements in overall spending emerging at a Scottish Government level for 2021/22, this has resulted in only a marginal improvement in the like for like change in the existing core revenue grant for local government from 2021/22, with a 0.8% increase as set against a flat cash position in 2020/21.

- 1.11 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 Government Revenue Grant Settlement is £9.335 million (2.7%)
 - (ii) However, critically the Council's settlement includes approximately £2.210 million of resources for Scottish Government priorities and commitments which drives a corresponding growth in Council spending (most notably the final tranche of early learning funding). These resources are not therefore available to support existing council service levels.
 - (iii) In addition, £3.019 million is conditional grant funding linked to the Council committing to a council tax freeze – and is therefore classed as a compensatory grant offer rather than core grant.
 - (iv) Finally, the Council will also be required to pass through circa £2.323 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.
 - (v) After adjusting for these areas of growing responsibility and conditional aspects of the settlement, this provides a like for like comparison to 2020/21 where the Council's underlying core grant has been increased by £1.783 million (0.5%).
- 1.12 In addition to the normal revenue settlement, the Scottish Government have also confirmed non-recurring COVID specific funding for local government as part of their 2021/22 budget settlement as summarised below:
- (i) As part of the initial draft budget on 28th January, £259m of flexible non-recurring COVID19 funding was announced for local government for which the distribution of resources to individual council level has yet to be confirmed.
 - (ii) The announcement on 16th February confirmed a further £60m for local government for the safe reopening of schools and education catch up as well as £100m to support low income households and again the distributions of these are subject to confirmation.
- 1.13 These funding streams are intended to provide additional non-recurring resources to assist in offsetting ongoing demands, additional costs, income loss and financial disruption linked to COVID19 which are expected will continue for some considerable months yet and potentially to some degree over the course of the full 2021/22 financial year. Additionally, they are available to fund responses from the Council specifically targeting support to the social and economic recovery across Renfrewshire. They are not therefore resources considered to be appropriate to fund core service delivery and have not been included in the overall budget analysis and budget overview outlined in the main body of the report.
- 1.14 The Scottish Government also announced a Public Sector Pay Policy for 2021/22. 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 limited growth in the core local government settlement, is not sufficient to fund a pay settlement at this level. The policy set a flat rate increase of £750 for those earning a salary up to £25k and a 1% increase thereafter subject to a cap of £800. At this juncture, pay negotiations across the local government employee groups are ongoing and therefore no agreement has been reached at this stage.

- 1.15 Over the medium term, significant uncertainty remains, and the Council will be required to continue to plan for a wide range of potential scenarios. Despite the more positive positioning of future local government budgets by the Scottish Government, there remains a significant risk that the core grant for local government may yet still experience a continuation of limited if any growth over the medium term even if the local government budget enjoys healthy headline growth.
- 1.16 This risk is highlighted by both the 2020/21 settlement – where a headline grant increase of around 6% translated into a broadly flat cash core grant position – and the current 2021/22 settlement where headline 2.7% growth has translated into underlying growth on core grant 0.5%. In both years, growth in resources have been invested in new policy areas, responsibilities and commitments made by the Scottish Government. Therefore, headline growth in future local government settlement does not guarantee healthy growth in the core grant which funds existing services. As outlined in the main body of the report, this risk coupled with the relationship 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.
- 1.17 The Council has consistently taken a medium term view of its financial position, agreeing transformation and savings measures which has ensured the Council maintained positive and steady momentum in addressing 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 (R4R) programme arising from COVID19 there are no further transformation savings arising in 2021/22 outwith the full year impact of those R4R changes approved prior to the emergence of COVID19. Additionally, there remains significant uncertainty as to when the R4R 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.
- 1.18 For 2021/22, budget assumptions have been updated as appropriate, including most notably the confirmed grant available to the Council in 2021/22 and the associated conditions, the impact of new statutory obligations, the likely impact of increasing demographic and demand pressures and expected council tax yield levels for 2021/22. After taking account of the cumulative impact of each of these issues there is, as has been anticipated over the course of previous forecast updates, an outstanding budget deficit for 2021/22 of £4.711 million, subject to any further decisions taken by members. Should members elect to freeze council tax at existing 2021 levels, this will trigger the release of the conditional grant offer of £3.019 million, reducing this budget deficit to £1.692 million.
- 1.19 The medium term outlook for the Council continues to remain highly uncertain. On the assumption that the direct financial impact of COVID19 does not extend beyond 2021/22 and no material pressures on the Council's cost base emerges from the post Brexit environment, pay and grant will continue to be the two biggest determinants of the Council's financial outlook. Applying a scenario-based approach varying only these two elements of the projections under a lower, medium and upper scenario for the three year period beyond 2021/22, derives a forecast budget deficit of broadly £5 million - £20 million over this period, on the assumption of a 3% increase each year in Council Tax levels.
- 1.20 There is a reasonable expectation that as part of the wider economic recovery plans, there will be a multi-year UK government comprehensive spending review in the autumn that would be the anticipated catalyst to trigger multi-year Scottish Government budgets and local government settlements. If this sequence of events were to emerge, this will provide materially greater certainty over whether sustained future growth in the core local government grant was planned and if so at what scale. In such a scenario, the increased

funding certainty would provide conditions which would be more likely to 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.

- 1.21 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 2022/23. Notwithstanding the eventual scale of budget deficit to be addressed beyond 2021/22, it is likely that the R4R programme will provide only part year savings in 2022/23 due to the ongoing COVID19 disruption and the time that will ultimately be taken to fully remobilise the programme.
- 1.22 In this context there remains a strong possibility 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 basis. Should the budget deficit for the Council be at the £20 million upper end of the above projections, this would present an emerging saving requirement which the disrupted R4R programme is likely to lag in terms of releasing savings. In such circumstances, the reliance on financial flexibilities to temporarily support the annual budget setting process may persist for up to the three financial years beyond 2021/22.
- 1.23 In setting the 2021/22 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 £2.500 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, service changes and use of financial flexibilities as part of delivering a balanced budget for 2021/22, and in doing so: -
 - to consider the equality impact of any proposed service changes as referred to at paragraph 7.9,
 - to assess whether adequate provision is being made in the 2021/22 budget to deliver against the specified commitments linked to the Council's grant settlement for 2021/22, as detailed at paragraph 3.2.
- 2.2 Approve the provisions for inflationary pressures as recommended at Section 5.
- 2.3 Approve the revenue estimates for all services for 2021/22 subject to adjustment for the allocation of specific grants, inflationary allowances and any proposals for service changes approved by Council.
- 2.4 Approve the release of additional resources being made available in 2021/22 to Renfrewshire Health and Social Care Partnership as set out in paragraph 4.5.
- 2.5 Note that in order to protect the immediate financial resilience of the Council in the context of the increased financial risk profile now faced, and in line with previous Council approval in this regard, unallocated general fund balances will be lifted to £10 million moving into 2021/22

through the appropriate utilisation of financial flexibilities permitted by the Scottish Government.

- 2.6 Submit for approval the council tax banding levels A to H inclusive to apply for 2021/22.

3. GRANT SETTLEMENT

- 3.1 On the 28th January 2021 the Scottish Government published their draft budget for 2021/22 which is subject to parliamentary approval over the course of February and March 2021 (stage 1 debate scheduled for 25 February). On 1st February, the draft local government finance settlement was published as set out in the Local Government Finance Circular 1/2021, which provided details of the provisional revenue and capital funding allocations for 2021/22 for local government across Scotland.

- 3.2 Circular 1/2021 confirmed Scottish Government revenue grant funding in 2021/22 for the Council of £351.219 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 £72.6m nationally to support health and social care as delegated to Integration Joint Boards broken down as follows:

- £34m to support continued delivery of the real Living Wage
- £28.5m to support the ongoing implementation of the Carers Act
- £10.1m to support free personal and nursing care

The government confirmed that taken together, the total additional funding of £72.6 million is to be additional to each Council's 2020/21 recurrent spending delegated to Integration Authorities and not be substitutional. The Government confirmed this means that Local Authority social care budgets for allocation to Integration Authorities and funding for school counselling services must nationally be £72.6 million greater than the 2020/21 recurrent budget.

c) Funding of £90m nationally to compensate councils who choose to freeze their council tax at 2020/21 levels. The total revenue grant funding above includes £3.019 million in this regard, equivalent to an increase in council tax of approximately 3.7% on a cash basis for Renfrewshire Council, which will be deducted by the Scottish Government from the settlement should the council choose to increase council tax from 2020/21 levels as part of setting the 2021/22 budget.

- 3.3 The grant floor (which doesn't include all revenue funding but the majority) was set by the Scottish Government at a minimum increase of 1.73%. Ten councils are immediately on the floor, with a further eleven pulled down onto the floor once the floor calculation mechanism is applied. There are therefore twenty one, of the thirty two councils, on the grant floor with the grant change ranging from a grant increase of 3.20% to an increase of 1.73%. Renfrewshire is 14th on the floor calculation table, one of eleven councils not on the floor, with an initial grant increase of 2.77%, which converts to a grant increase of 1.73% after the

application of the floor mechanism. This results in Renfrewshire surrendering £3.013 million of grant to support the floor compensation measures for the ten 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 £7.552m million linked primarily to the ongoing implementation of the expansion in free Early Years Learning and Childcare; direct pass through of funding to Integration Joint Boards, and the discretionary housing payment quantum. 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 2021/22 core grant figure as set out in the provisional local government finance settlement has, on a like for like basis, increased by 0.5% from 2020/21, slightly below the 0.8% like for like increase nationally. The Council's share of the overall local government revenue funding settlement has decreased marginally from 3.22% to 3.21%.
- 3.6 The publication of the Scottish draft budget in advance of the UK Budget for 21/22 being announced on 3 March 2021 inherently creates a degree of uncertainty with regards the spending commitments outlined within the Scottish draft budget. The timing of both the UK Budget and Scottish Draft Budget also truncates the period available for Parliamentary scrutiny of the draft Scottish Government budget; with the Budget Bill Stage 1 debate in the Scottish Parliament having taken place on 25th February 2021 with stages 2 and 3 taking place on the 8th and 9th March. Should there be any change confirmed to the Council's financial settlement emerging from the Stage 1 debate, an addendum to this report will be issued if appropriate prior to the Council meeting on the 4th March.
- 3.7 As referred to above, the UK Government's budget is not due to be announced until 3rd March. Should this differ materially from the range of assumptions made by the Scottish Government in setting their own budget, there remains the potential that the Scottish Government may revisit and adjust funding and spending commitments as currently set out in their own budget, which could impact on the local government settlement. In the event that the level of funding available to the Council changes from that allocated at stages 2 or 3 a further report to Council may be required to consider the implications of such a change.
- 3.8 In addition to the core financial settlement announced by the Scottish Government, non-recurring Covid19 specific funding for local government in 2021/22 was also confirmed on both the 28th January and subsequently on the 16th February by the Scottish Government. These resources are non-recurring in nature, not intended to support core service provision and are not therefore incorporated into the core grant settlement. At this stage distribution allocations to individual council level has yet to be confirmed, although indicative expectations are outlined below. Similar to 2020/21, this funding is available to support the ongoing management of the impact of COVID19 on the Council's finances, helping to financially protect core service provision and in terms of funding the wider response arrangements supporting communities and business across Renfrewshire. It should be noted however for context, that although this represents significant COVID19 specific funding in 2021/22, it represents only around one third of the funding that has been distributed similarly to the Council over the course of 2020/21 for similar purposes.
- £259 million of funding nationally to provide general support to address the ongoing impact of COVID19 on costs, lost income and wider service demands and impacts (it is estimated that the Council will be allocated approximately £8 million from this fund)

- £100 million nationally to help low income households in the year ahead (it is estimated that the Council will be allocated approximately £3 million from this fund).
- £60m nationally to support a longer-term programme to support children to catch-up on missed education (it is estimated that the Council will be allocated approximately £1.8 million from this fund)

Table 1 – Grant Settlement 2021/22

	2021/2022 £000
Provisionally allocated Government Grant Funding	
Specific Grants	28,742
Non Domestic Rate Income	102,801
Revenue Support Grant (excluding conditional council tax freeze grant)	216,657
Sub-total	348,200
Grant Conditional on a Council Tax Freeze	3,019
TOTAL CONFIRMED GOVERNMENT GRANT AVAILABILITY	351,219

- 3.9 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 with the condition in relation to Council Tax being subject to elected member's decisions in setting the budget for 2021/22. If the Council elects not to take up this package on offer from the Scottish Government, it has not at this stage been confirmed what action the Scottish Government may take in response, however should the Council chooses to increase council tax then the income outlined at paragraph 3.2(c) above would be foregone and the government grant availability restricted to £348.200 million as outlined in table 1 above.
- 3.10 As detailed above, 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 that accompanied the draft budget announcement, presents some positive indications for future local government settlements by outlining a change in where the Local Government budget may be positioned relative to the NHS in particular and other areas of the public sector over the medium term by the current Scottish Government.
- 3.11 The MTFP sets out a range of potential scenarios for future growth in spending across the public sector based on the following scenarios:
- the upper scenario assumes 5.5% annual growth in health spending, local authority funding and 5.5% annual growth in the remainder of the budget (in line with the 5.5% forecast annual growth in overall spending in the upper funding scenario)
 - the central scenario assumes 4% growth in health spending, local authority funding and 4% for the remainder of the budget (in line with the 4% forecast annual growth in overall spending)
 - the lower scenario assumes 3% growth in health spending (above the forecast 2.2% average annual growth in spending in the lower scenario), 2% growth local authority funding and 1% growth for the remainder of the budget

The key message in this forward looking scenario forecast is the greater priority position given to the local government budget where in all but the lower growth scenario, local government is aligned similarly to the NHS to share proportionately in the overall growth in spending. Even in the lower scenario, it is proposed that local government would be partly protected in comparison to other areas outwith Health which would continue to receive the greatest level of protection and growth in funding above that anticipated overall.

- 3.12 While this appears to be relatively reassuring figures for future local government financial settlements, the actual out-turn may be something different. As the MTFs points out, “taken together, Health, Local Government and Social Security represent almost three-quarters of the available (resource) budget in 2021-22”. Future demands may 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.
- 3.13 Additionally, and potentially more significantly, is that such overall medium term spending forecasts are themselves subject to material uncertainty. National 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 certain, as well as the consequential and unprecedented contraction in 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.
- 3.14 The actual position that emerges for the future growth in public sector spending in Scotland is therefore uncertain and will be heavily dependent upon both the economic and fiscal recovery strategy and spending decisions adopted by the UK Government as well as the pace and scale of economic recovery in Scotland and critically, how this compares relative to the UK given the importance of this relationship under the fiscal framework. In the current immediate circumstances, none of this can be predicted with a high degree of certainty and therefore the forecast scenarios outlined in the MTFs are far from certain.
- 3.15 Further, even assuming that sustained 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 both the 2020/21 settlement, where a headline grant increase of circa 6% translated into a broadly flat cash core grant position and the current 2021/22 settlement where headline 2.7% growth translates into underlying growth on core grant of 0.5%. 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.
- 3.16 The Scottish Government’s future budget is therefore subject to significant uncertainty at this immediate stage. The prospect of a UK Government comprehensive multi-year spending review in the autumn of this year, would represent a significant event which would be expected to be the catalyst that would trigger the Scottish Government to set out similar multi-year spending plans and local government finance settlement. Should this sequence of events emerge, this will represent a major step forward in providing 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 2021 and in addition, of any significant developments in the wider UK economy which are likely to materially change the future financial outlook for the Council.

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 2020/21 and 2021/22. 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 2021/22 in the continuing response to 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; and
- 4.2 Demographic and socio-economic factors continue to play a major role in driving core spending pressures for the Council, specifically in relation to both Adult and Children's Services. Over the course of 2020/21 the impact of the Covid19 pandemic has also introduced unprecedented additional pressures.
- 4.3 In relation to Adult Services the HSCP over the course of 2020/21 has 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 assist offset such costs to date; with the remainder expected to be fully reimbursed through the local mobilisation plan reporting arrangements in place with the Scottish Government. Conversely, in terms of core Adult Service budget, the HSCP has reported an underspend throughout the course of 2020/21; with a year end forecast underspend in excess of £2m being reported. This year end core underspend will be added to existing unallocated balances which the HSCP will carry forward and will be available to support future change and transformation as well as addressing pressures in future years.
- 4.4 Over the course of 2021/22 Adult Services will again be exposed to expected cost pressures arising from the renewal of contractual arrangements, the financial impact of the negotiated application of the increased living wage across the sector, and the potential significant increase in National Care Home contract costs.
- 4.5 It is recommended that £2.323 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 which the Scottish Government have indicated it continues to pass through from the Health portfolio to support Social Care via the local government budget. 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 anticipated in 2021/22, which are anticipated to be fully funded by the Scottish Government through the local mobilisation plans as they were in 2020/21.
- 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. Recurring funding provision has been provided for the additional costs that will arise from the opening of the new Dargavel School. Similar to 2020/21, 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 COVID19 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 coming weeks and months and will require careful monitoring. Similar to 2020/21, the non-recurring resources flexibly made available across 2020/21 - 2021/22 by the Scottish Government will continue to be deployed to address such costs and therefore no provision in this respect has been made within the core service budgets. Notwithstanding, there remains a reasonable prospect that there may in the longer term be operational and demand impacts on the wide range of services delivered by Children's Services that may yet result in recurring and longer term financial consequences emerging.

- 4.7 Table 2 below summarises the recommended base budget adjustments to reflect the pressures facing the Council in 2021/22.

Table 2 - Summary of Recommended Base Budget Adjustments 2021/22

	2021/22	
	£000	£000
Impact of previous Council and Board Decisions		
Reversal of 2020/21 single year investments	(4,424)	
Right for Renfrewshire programme	(1,712)	
Total Reductions	(6,136)	
Add Unavoidable Pressures:		
Early Learning Expansion	2,328	
Financial Settlement adjustments	2,205	
Pay/staff related	1,220	
Contract Payment Adjustments	1,418	
CTR contribution	750	
Covid19 and Brexit contingency	2,500	
Other Unavoidable Pressures	1,832	
Total Unavoidable Pressures	12,253	
Net Base Budget (Reduction)/Increase		6,117
Net Increase in Provision for inflationary pressures		3,629
Net Base Budget (Reduction)/Increase		9,746

5. PAY AND PRICE PRESSURES

- 5.1 The 2021/22 budget position detailed in Table 3 at paragraph 7.1, includes a provision for pay inflation which broadly reflects the public sector pay policy announced by the Cabinet Secretary on 28 January. At present pay negotiations across all employee groups within local government are ongoing with no agreements yet secured. 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 2021/22 as well as the recurring financial adjustment required moving into 2022/23.

- 5.2 In setting previous budgets, the Council decided not to apply any general inflationary uplift to non-pay budgets. Given the 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 2021/22 budget.
- 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 £0.101 million for an inflation adjustment to charges at 2%.

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 4.14% has been applied.
- 6.2 Members will recall that as part of the financial planning update to the September Council meeting the Council agreed to a number of corporate financing adjustment, which along with negotiations being progressed between COSLA and the Scottish Government would provide a some financial flexibility capacity to support the Council both manage the impact of COVID19 as well as provide temporary support to the Council's medium term financial strategy where this was required, in particular in recognition of the consequential slowdown in the delivery of savings that is now anticipated due to the disruption and delay to the R4R programme.
- 6.3 To date, temporary changes to allow more flexible use of capital receipts for revenue purposes and a degree of flexibility in the management of loan charge principle repayments has been agreed nationally. These will provide welcome additional flexibility to compliment the corporate financing adjustment made to the Council's financial strategy arrangements. These flexibilities will be deployed in line with previous expectations to firstly lift the Council's unallocated balances to £10 million moving into 2021/22 as approved by the Council and secondly to provide temporary support to assist the Council in achieving a balanced budget in 2021/22. Following the provision of late funding from the Scottish Government the outturn for 2020/21 has improved and is no longer expected to require any draw on unallocated balances. Consequently, the required support from financial flexibilities to fund the adjustment to unallocated balances has reduced from previous expectations and is now expected to be around £3.4 million. As outlined below, based on the position presented in this report and subject to any decisions taken by members, a statutory breakeven position will require a draw of £1.692 million from the financial flexibilities, on the assumption the grant conditional on a council tax freeze is drawn down.

7. SPENDING OVERVIEW

- 7.1 The Council approved spending for 2020/21 of £440.076 million. It is estimated that £449.822 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 2021/22.

Table 3 – Estimated Spending Need 2021/22

	2021/22 £000
Spending approved 2020/21 budget	440,076
Add:	
Recommended Budget Adjustments (per Table 2)	12,253
Net reductions Applied (per Table 2)	(6,136)
Revised Budget per Appendix 1	446,193
Net Increase in Provision for inflationary pressures	3,629
Estimated spending need for 2021/22	449,822

- 7.2 Cost pressures are anticipated to persist beyond 2021/22 for the Council. Some cost pressures, such as those related to some contractual commitments are easier to predict for future years. Uncertainty will once again emerge in relation to future pay pressures with only a single year agreement anticipated in 2021/22. Additionally, although the current triennial valuation of pension commitments will not result in any change to employer pension contributions in 2021/22, there is less certainty about the 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. 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. Moving forward it is expected that it may not be at this scale with up to 3% growth per annum being more probable, but by no means certain. At this stage, only limited financial provision has been made for potential recurring legacy impacts of COVID19 on costs and income streams as well as costs pressures and service demands arising from the post Brexit environment. These are both significant events and there is a risk that moving forward more significant pressures may begin to surface that are not currently provided for in the forward financial plans and which if not offset by growth in resources from the Scottish Government, will add to the scale of medium term financial challenge that is to be addressed.
- 7.3 The medium term outlook for the Council continues to remain highly uncertain. On the assumption that the direct financial impact of COVID19 does not extend beyond 2021/22 and there is no material impact from the post Brexit environment on the Council’s cost base, pay and grant will continue to be the two biggest determinants of the Council’s financial outlook. Applying a scenario-based approach varying only these two elements of the projections under a lower, medium and upper scenario for the three year period beyond 2021/22, derives a forecast budget deficit of broadly £5 million - £20 million over this period. This forecast scenario outlook is based on relatively tight grant and pay assumptions informed by the current financial settlement and the Governments MTFP, as well as likely affordability constraints in relation to future pay awards, as well as an assumption of 3% increase each year in Council Tax levels.
- 7.4 There is a reasonable expectation that as part of the wider economic recovery plans, there will be a multi-year UK government comprehensive spending review in the autumn that would

be the anticipated catalyst to trigger multi-year Scottish Government budgets and local government settlements. If this sequence of events were to emerge, this will provide materially greater certainty over whether sustained future growth in the core local government grant was planned and if so at what scale. In such a scenario, the increased funding certainty would provide conditions which would be more likely to 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 and welcome financial planning certainty for local government over the medium term, something which has not existed for a very considerable period of time.

- 7.5 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 2022/23. Notwithstanding the eventual scale of budget deficit to be addressed beyond 2021/22, it is likely that the R4R programme will provide only part year savings in 2022/23 due to the ongoing COVID19 disruption and the time that will ultimately be taken to fully remobilise the programme.
- 7.6 In this context it is expected there remains a strong possibility 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 basis. Should the budget deficit for the Council be at the £20 million upper end of the updated projections, this would present an emerging saving requirement which the disrupted R4R programme is unlikely to match in terms of releasing savings. In such circumstances, the reliance on financial flexibilities to temporarily support the annual budget setting process may persist for up to the three financial years beyond 2021/22.
- 7.7 The Council will therefore continue to operate with a medium term financial outlook that remains inherently uncertain, both in scale and potential for variability, at least in the short term, with hope that greater may emerge in the next 12 month period. Re-establishing and remobilising the R4R 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.
- 7.8 Members will continue to be updated on developments for future years, but should be aware that in setting the 2021/22 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 decisions 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.
- 7.9 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.
- 7.10 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 2020/21, BALANCES AND RESERVES

- 9.1 Appendix 1 to this report details an overview of the Probable Outturn for 2020/21.
- 9.2 The Council's general fund balances as at 1st April 2020 were £54.811 million, and as outlined in Table 4 below, the significant majority of this was earmarked for specific purposes. Since the onset of the COVID19 pandemic and as reported to members during the course of 2020/21, a year-end overspend position was being projected for the Council and an expectation that unallocated balances would require to be utilised, potentially fully, to offset the residual impact of COVID19 disruption on the Council's finances. The anticipated draw on unallocated 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 Renfrewshire Leisure as a consequence of the furlough scheme being extended for much longer than originally anticipated and the general impact of mitigation measures employed with Directors to redirect existing budgets to offset COVID19 specific costs.
- 9.3 However and significantly, on the 28th January as part of the draft budget announcement and subsequently on the 16th February the Scottish Government announced further tranches of funding for local government for 2020/21, which included a further £110 million funding to specifically offset income loss along with £275 million of general revenue grant to offset wider COVID19 costs, as well as further targeted funding encompassing £40 million to fund additional measures supporting school arrangements and £20 million of further funding to support tackling financial insecurity. It is anticipated that the Council will be allocated approximately £10 million from the income loss and general COVID19 revenue grant streams which will now ensure the net COVID19 related financial impact in 2020/21 after all appropriate mitigations will be fully addressed by additional funding provided by the Scottish Government. This will therefore negate any requirement to draw on unallocated balances as the Council's financial accounts are closed for 2020/21. It is therefore expected that the year-end outturn will report an underspend on the core budget, linked to Adult Services as reported throughout the year, with a level of general and specific COVID related funding streams now being carried forward to assist in supporting 2021/22. The landscape in relation to both the additional costs arising from COVID19 and the very significant range of funding streams released throughout the year by the Scottish Government is exceptionally complex and fluid, and it will be a number of weeks as the close down period is progressed moving into April before certainty can be provided as to the scale of COVID19 funding streams that are expected to be carried forward into 2021/22.
- 9.4 Despite the improved position that has emerged for the 2020/21 outturn, due to the very late and significant additional funding announcements from the Scottish government at the end of January and the middle of February, 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 12 months and in this context the Council in September approved as part of the updated financial strategy to plan to refresh unallocated balances to £10 million moving into 2021/22. At this level, this represents 2.2% of the Council's planned net expenditure in 2021/22 which remains both prudent and appropriate for the Council's individual circumstances and well below the average 3.8% across Scotland as a whole as reported on the closure of the 2019/20 accounts. As always, Audit Scotland will continue to closely monitor the Council's position in respect to unallocated reserves as part of their wider assessment of the Council's financial stability and resilience.

9.6 Table 4 below summarises the forecast movement and year end position of the General Fund balances, including those earmarked for agreed purposes and estimated future liabilities.

Table 4 – General Fund Balances 2020/21

	Balances at 1/4/2020	Forecast In-Year Movement	Forecast Closing Position at 31/03/2021
General Fund Balances 2019/20	£000	£000	£000
Service Modernisation and Reform Fund	6,828	(4,000)	2,828
PPP Reserve	12,670	-	12,670
Alcohol and Drugs Commission	1,000	1,000	2,000
Leisure: Inclusive Play Facility	50	-	50
School Music Participation	375	(125)	250
Development Contribution - Paisley Town Centre	1,057	-	1,057
Early Years Strategy	1,900	-	1,900
Welfare Reform	198	(109)	89
Community Safety	31	(31)	-
Private Sector Housing Grant	2,573	(750)	1,823
Invest in Renfrewshire	1,829	(1,150)	679
Paisley Town Centre Heritage Strategy	1,895	1,650	3,545
City Deal	1,181	(638)	543
Tackling Poverty	3,004	(600)	2,404
Service Year End Flexibility	1,018	-	1,018
Public Wi Fi Project	202	(129)	73
Pupil Equity Funding	1,470	-	1,470
Culture Bid Legacy	2,920	-	2,920
Villages Improvement Fund	370	(26)	344
Community Empowerment Fund	432	(67)	365
Digital Infrastructure	410	-	410
Employability	4,704	1,021	5,725
Environment and Place	2,000	(500)	1,500
British Sign Language	95	(5)	90
Climate Change Fund	-	750	750
Unallocated General Fund Balances	6,599	-	6,599
Total General Fund Balances	54,811	(3,709)	51,102

- 9.7 As previously reported to Council in its consideration of the 2019/20 accounts, and as detailed in Table 5 below, other specific reserves continue to be maintained.

Table 5 – Specific Reserves 2020/21

	Balances at 1/4/2020	Forecast In-Year Movement	Forecast Closing Position at 31/03/2021
	£000	£000	£000
Insurance Fund	2,543	-	2,543
Reservoir Repair Fund	315	-	315
Education Capital Items Fund	1,057	-	1,057
Investment Programme Capital Fund	84,635	-	84,635
Total Specific Reserves	88,550	-	88,550

- 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 which 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 council tax (Band D) for 2020/21 is £1,315.42 and is £7.19 (0.5%) above the Scottish average. It is estimated that in 2021/22 each £1 of council tax will yield £73,445 gross (£61,794 net of adjustment for Council Tax Reduction) which is lower than 2020/21. The reduction in the yield reflects actual and anticipated growth in the council tax base in the context of the pandemic impact being experienced in housing construction, an increase in the level of discounts being awarded, primarily linked to the Council Tax Reduction Scheme and an assumed increased level of bad debt based on the drop in cash collection being experienced in 2020/21.
- 10.2 A maximum net gross yield of £96.610 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 £0.300 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 2021/22, and in doing so, are reminded of the grant conditions detailed at paragraph 3.2; i.e. if a decision is taken to increase Council Tax then the Council will forego £3.019m in grant income (broadly equivalent to a 3.7% increase in Council Tax income).

11. BUDGET OVERVIEW – 2021/22

- 11.1 The overview budget position for the Council for 2021/22, prior to any changes in service levels or council tax levels, is outlined in Table 6 below. This overview position confirms a temporary in year revenue deficit for 2021/22, subject to decisions by members in setting the final budget for 2021/22.

Table 6 – Budget Overview 2021/22

	2021/22 £000
Confirmed Government Grant (per Table 1)	351,219
Council Tax Income	96,611
Council Tax / Community Charge Arrears Recovery	300
Total Income	448,130
Less: Estimated Spending need (Table 3)	(449,822)
Budget (Deficit)/Surplus	(1,692)

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 2021/22 budget, identifying an in-year deficit position, with a significant budget deficit of up to £20 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 2021/22 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 2021/22 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 re-established 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: Alan Russell, Director of Finance & Resources

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

Net Expenditure	2020/21			2021/22
	Approved Estimates* £000	Revised Estimates £000	Probable Outturn £000	Estimates** £000
Children's Services	200,802	219,073	219,073	222,092
Adult Services	69,598	72,259	70,259	74,358
Environment & Infrastructure	41,142	44,221	48,821	42,781
Miscellaneous	37,983	40,072	32,812	25,091
Finance and Resources	31,691	34,408	35,608	34,391
Communities, Housing and Planning	10,514	11,306	11,706	10,935
Chief Executives	9,306	10,755	9,955	9,575
Leisure Services	11,006	11,040	12,900	11,332
Loans Fund	9,438	10,827	10,827	10,907
SPT	3,168	3,168	3,168	3,168
Valuation Joint Board	1,551	1,551	1,551	1,564
Net Expenditure	426,199	458,680	456,680	446,194

*As approved at Council meeting 9th March 2020

** Excludes provision for inflation, total differs from Table 3 due to roundings

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : ADULT SERVICES

£

£

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates

72,258,647

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)

2,323,000

Transfers (PAPER 3)

(223,483)

2,099,517

2021/22 Estimates

74,358,164

(Before budget decisions)

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : ADULT SERVICES

AS		£
1	Settlement adjustment: Health and Social Care	2,323,000
2		
	Total Increase (Decrease) to Budget	2,323,000

PAPER 3

SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : ADULT SERVICES

AS		£
1	Transfer to E&I HSCP Caretakers	(223,483)
2		
	Total Increase (Decrease) to Budget	(223,483)

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : CHIEF EXECUTIVE

£ £

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates 9,752,963

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)	(178,200)	
Transfers (PAPER 3)	-	
		(178,200)

2021/22 Estimates	9,574,763
(Before budget decisions)	

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : CHIEF EXECUTIVE

CE		£
1	Reversal of One-off Motion 2021/22 investment	(94,000)
2	Reversal of CHEF - one year extension	(150,000)
3	Inflationary increase in Scotland Excel requisition	3,600
4	Inflationary increase in COSLA levy	2,200
5	Service payment adjustment	60,000
	Total Increase (Decrease) to Budget	(178,200)

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : CHIEF EXECUTIVE

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

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : LEISURE SERVICES

£ £

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates **11,040,400**

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)	291,400	
Transfers (PAPER 3)	-	
	291,400	291,400

2021/22 Estimates **11,331,800**
(Before budget decisions)

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : LEISURE SERVICES

LS		£
1	Inflationary increase in Renfrewshire Leisure requisition	291,400
2		
	Total Increase (Decrease) to Budget	291,400

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : LEISURE SERVICES

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

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : CHILDRENS SERVICES

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates

£
£
219,618,459

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)

2,474,000

Transfers (PAPER 3)

-

2,474,000

2021/22 Estimates

222,092,459

(Before budget decisions)

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : CHILDRENS SERVICES

ED		£
1	Reversal of One-off Motion 2021/22 investment	(360,000)
2	Settlement adjustment: School counselling	(3,000)
3	Settlement adjustment: 1+2 Languages	(20,000)
4	Settlement adjustment: Pupil Equity Fund	(55,000)
5	Settlement adjustment: Early Learning Childcare expansion	2,328,000
6	Settlement adjustment: Gaelic Grant	(17,000)
7	Settlement adjustment: Criminal Justice Grant	33,000
8	New Dargavel PS running costs	378,000
9	PPP Contract Indexation Adjustment	165,000
10	SEEMIS development costs	25,000
	Total Increase (Decrease) to Budget	2,474,000

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : CHILDRENS SERVICES

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

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : COMMUNITY, HOUSING AND PLANNING SERVICES

£

£

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates

11,377,581

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)

(133,180)

Transfers (PAPER 3)

(309,700)

(442,880)

2021/22 Estimates

10,934,701

(Before budget decisions)

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : COMMUNITY, HOUSING AND PLANNING SERVICES

CHAPS	£
1 Reversal of One-off Motion 2021/22 investment	(230,000)
2 Settlement adjustment: Rapid Rehousing Planning	6,000
3 Settlement adjustment: Environmental Health Officers	63,000
4 Inflationary increase in payment to Glasgow Scientific Services	8,820
5 Contractual increase - fibre costs re operation of CCTV	19,000
Total Increase (Decrease) to Budget	(133,180)

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : COMMUNITY, HOUSING AND PLANNING SERVICES

OH	£
1 Transfer of Clyde Muirshiel Park budget to E&I	(309,700)
2	
Total Increase (Decrease) to Budget	(309,700)

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : ENVIRONMENT & INFRASTRUCTURE

£ £

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates **42,184,015**

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)	64,000	
Transfers (PAPER 3)	533,183	
		<u>597,183</u>

2021/22 Estimates **42,781,198**
(Before budget decisions)

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : ENVIRONMENT & INFRASTRUCTURE

EI		£
1	Reversal of One-off Motion 2021/22 investment	(250,000)
2	Waste collection - increased costs relating to new housing	114,000
3	Maintenance of Riverbrae School Grounds	15,000
4	Inflationary increase in food costs	65,000
5	New Dargavel PS running costs, soft FM	120,000
	Total Increase (Decrease) to Budget	64,000

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : ENVIRONMENT & INFRASTRUCTURE

EI		£
1	Transfer of Clyde Muirshiel Park budget from CHAPS	309,700
2	Transfer of HSCP Caretakers	223,483
	Total Increase (Decrease) to Budget	533,183

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : STRATHCLYDE PASSENGER TRANSPORT

£

£

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates

3,167,700

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)

-

Transfers (PAPER 3)

-

-

2021/22 Estimates

3,167,700

(Before budget decisions)

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : STRATHCLYDE PASSENGER TRANSPORT

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

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : STRATHCLYDE PASSENGER TRANSPORT

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

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : FINANCE AND RESOURCES

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates 33,931,672

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)	264,927	
Transfers (PAPER 3)	194,232	
		459,159

2021/22 Estimates 34,390,831
 (Before budget decisions)

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : FINANCE AND RESOURCES

FAR		£
1	Reversal of One-off Motion 2021/22 investment	(100,000)
2	Settlement adjustment: Discretionary Housing Payment	(119,000)
3	Telephony as a Service growth - COVID related	102,634
4	Microsoft Enterprise Agreement SCP Schools	142,000
5	Microsoft Advanced Threat Protection Corporate	6,302
6	Microsoft Advanced Threat Protection Schools	12,000
7	New Dargavel PS telephony	1,000
8	Additional staffing including Dargaval PS	61,881
9	HR software costs	17,000
10	MyAccount complaints module (Firmstep)	4,720
11	Public-I webcasting software licence upgrade	2,000
12	SLA income adjustment	43,290
13	Payments to additional Community Councils	2,500
14	Adult Services property costs	75,600
15	Government Actuary's Departments LGPS Costs	13,000
	Total Increase (Decrease) to Budget	264,927

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : FINANCE AND RESOURCES

FAR		£
1	Empty Property Relief Review Officer (from Miscellaneous)	27,232
2	Microsoft Enterprise Agreement SCP Corporate (from Miscellaneous)	167,000
	Total Increase (Decrease) to Budget	194,232

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : RENFREWSHIRE VALUATION JOINT BOARD

£

£

Analysis of Change between 2020/21 and 2021/22**2020/21 Estimates****1,551,150****Adjustment to Current Year Estimates**

Unavoidable Increase (Decrease) (PAPER 2)

13,000

Transfers (PAPER 3)

-

13,000

2021/22 Estimates**1,564,150****(Before budget decisions)****PAPER 2**

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : RENFREWSHIRE VALUATION JOINT BOARD

JVB		£
1	Settlement adjustment: Barclay funding pass through	(9,000)
2	Inflationary increase in RVJB requisition	22,000
		13,000

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : RENFREWSHIRE VALUATION JOINT BOARD

JVB		£
1		
2		
		-

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : MISCELLANEOUS

£

£

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates

24,287,143

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)

998,455

Transfers (PAPER 3)

(194,232)

804,223

2021/22 Estimates

25,091,366

(Before budget decisions)

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : MISCELLANEOUS

		£
1	Reversal of One-off Motion 2021/22 investment	(4,389,545)
2	Settlement adjustment: Seat belts in school transport	12,000
3	Settlement adjustment: Educational psychologist training	(18,000)
4	Settlement adjustment: Youth Justice Whole systems approach	12,000
5	Settlement adjustment: Sanitary Products in Public Spaces	2,000
6	Settlement adjustment: British Sign Language	(5,000)
7	Net RFR savings - full year impact	(712,000)
8	New Dargavel PS rates and utilities costs	117,000
9	Provision for additional costs relating to Brexit (one-year)	500,000
10	Provision for additional costs relating to COVID-19 (one-year)	2,000,000
11	Provision for legal claims and insurance premiums	450,000
12	ICT inflation	280,000
13	Financial flexibilities	1,000,000
14	Provision for teacher numbers	1,000,000
15	Council Tax Reduction - council contribution	750,000
	Total Increase (Decrease) to Budget	998,455

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : MISCELLANEOUS

MS		£
1	Empty Property Relief Review Officer	(27,232)
2	Microsoft Enterprise Agreement SCP Corporate	(167,000)
	Total Increase (Decrease) to Budget	(194,232)

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
DEPARTMENT : LOANS FUND

£

£

Analysis of Change between 2020/21 and 2021/22

2020/21 Estimates

10,906,605

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)

-

Transfers (PAPER 3)

-

-

2021/22 Estimates

10,906,605

(Before budget decisions)

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

DEPARTMENT : LOANS FUND

		£
1		
2		
	Total Increase (Decrease) to Budget	-

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2021/22 REVENUE ESTIMATES
TRANSFERS

DEPARTMENT : LOANS FUND

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



To: Council

On: 4 March 2021

Report by: Director of Finance & Resources

Heading: Non Housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2021/22 – 2025/26

1. **Summary**

- 1.1 This report details the planned capital investment for non housing services, which as well as covering a range of Corporate projects includes projects across all service areas within the Council with the exception of Council Housing. The resources available to support investment include prudential borrowing and capital grant as well as contributions from revenue, partners and external funding bodies.
- 1.2 On 28 January 2021 the Scottish Government published the draft Scottish Government budget for 2021/22, with the provisional local government finance settlement as outlined in Finance Circular 1/2021 being published on 1 February 2021. The proposed capital grant for Renfrewshire Council in 2021/22 outlined in the Circular is £12.910 million, of which £0.784 million is specific grant relating to cycling and walking safer streets (CWSS) and £12.126 million is general capital grant. Nationally, the level of general capital grant has not changed from that announced in 20/21, however updated distribution figures have resulted in a slightly increased allocation to Renfrewshire.
- 1.3 As outlined in the capital investment plan report for 20/21, the level of general capital grant allocated to local government in the draft Budget for 2021/22 (£478 million) remains substantially reduced from that received in 2019/20 (£712 million). Additionally the Scottish Government

has recently published medium term financial planning figures for future grant levels which indicatively outline an expectation that the level of core capital grant over the medium term will remain at flat cash for the next 5 years (excluding funding for flood risk management). Confirmation of no capital funding increases in the next 5 years, while useful for capital planning purposes, will present challenges for the Council in terms of addressing asset lifecycle maintenance costs which generally equate to or exceed £12m annually. In this context, the Council will be required to fundamentally review the approach to regular lifecycle maintenance planning recognising the more constrained level of capital grant that is likely to be available over the medium term. In addition, in the context of this funding environment there will be little scope for any investment in assets other than rolling lifecycle maintenance unless the Council is able to access and secure other sources of funding , including for example realised capital receipts, sustainable prudential borrowing funded by recurring revenue savings or external grant funding. Forecasts by the Scottish Fiscal Commission suggest the outlook for the economy is one of marginal growth over the medium term, which may translate into reduced opportunities for capital receipts as a source of income to the capital plan; suggesting potentially a greater reliance on increased borrowing as the main source of capital funding outwith the capital grant settlement. Increased borrowing however will result in revenue pressures at a time when the revenue fund is also severely constrained.

1.4 Outwith the core capital grant settlement, the Scottish Government has also indicated investment in low carbon schemes, which could benefit local government through for example specific funding for waste recycling and collection infrastructure (£14m in 21/22) and bus priority infrastructure (£25m in 21/22). It has been indicated that discussion in regard to the allocation of this funding will be undertaken with local government in due course. The Scottish Government has also indicated policy initiative funding of £23m in 21/22 in relation to town centres and 20 minute neighbourhoods; again the detail of which has to be developed.

1.5 On 16 February further funding announcements were made by the Scottish Government in relation to both 20/21 and 21/22. With regards capital in 21/22 the following funding commitments were made. It is not anticipated that any of these will be allocated directly to local government but similar to those covered in paragraph 1.4 above will be subject to future clarification and detail in respect to routes to support applications and access to these funds : -

- £100m grant and £20m Financial Transactions for affordable housing in 2021-22.

- £45 million capital for heat decarbonisation, energy efficiency and fuel poverty for 2021-22.
- Additional £50 million capital for town centres and 20 minute neighbourhoods for 2021-22.
- A further £10 million in capital funding for tourism infrastructure for rural communities for 2021-22.
- Additional £32m for local bridges maintenance on which further detail will be confirmed.

1.6 It should be noted that the capital plan outlined in this report extends beyond 2021/22 but no capital grant from 22/23 has been incorporated. Approved programmes already in place which are funded by other arrangements eg prudential borrowing or specific funding related to the City Deal are included. It should be further noted that this approach does not preclude the Council taking further investment decisions as part of the budget process where separate funding arrangements are established.

1.7 The Covid19 pandemic and associated lockdown measures have impacted the planned capital programme as outlined in the report to Council in December 2020, with the construction closedown and subsequent social distancing being key issues which has exposed the Council to contractor claims for additional costs. Council agreed to reallocate agreed funding within the capital programme to provide a contingency for this potential additional cost amounting to £2.5 million. Council officers have been having ongoing discussions with contractors with regards the risk of claims and while not totally mitigated the risk appears to have reduced. In addition, the Scottish Government have recently announced further Covid-related funding in both 20/21 and 21/22 which can be accessed to cover COVID specific risks of this nature and address costs arising from contractor claims. Both of these developments combined have reduced the requirement to maintain the contingency funding previously agreed, therefore it is proposed that this funding is available for future investment and to reflect this change, has now been transferred to the Strategic Asset Management Fund.

1.8 The Prudential Code & Treasury Management Code play a key role in capital finance in local authorities, and they require the Council to set prudential and treasury management indicators for the following three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Treasury Management Code further requires the Council to approve, annually in advance, a strategy for its treasury management activities; while the Prudential Code also requires full Council approval of the Capital Strategy which sets out the

long term context within which capital investment decisions are made to improve capital, revenue and balance sheet planning. Details of the proposed prudential indicators and treasury management strategy are attached at Appendix 6; and the proposed capital strategy is attached at Appendix 7.

2. Recommendations

It is recommended that Council:

- 2.1 Approves the investment programme covering the period up to 2025/26 as summarised in Table 2 of the report and detailed in Appendices 1-5 attached.
- 2.2 Notes that, subject to the approval of the proposed investment programme there are uncommitted resources of £2.5 million held in the Strategic Asset Management Fund for allocation to new investment priorities for the Council.
- 2.3 Notes that the level of core capital grant available nationally have been indicatively confirmed to remain at current levels for the next 5 years, however no assumptions are included within the planned programme beyond this financial year in respect to future grant levels with the exception of the commitments agreed by Council in setting the 2019/20 capital plan in relation to roads and infrastructure investment over the medium term.
- 2.4 Note that in the context of this indicative medium term funding outlook, that over the course of 2021/22 officers will review the Council's approach to planned lifecycle maintenance arrangements recognising the greater levels of financial constraints that are now expected to persist.
- 2.5 Delegates to the Head of Property Services, Head of Operations and Infrastructure, and Head of Schools in consultation with the Director of Finance and Resources, authority to adjust where appropriate resources across individual components of the lifecycle maintenance, roads and structures and schools investment programmes respectively.
- 2.6 Approves the suite of prudential indicators set out in Appendix 6 to this report, subject to any required adjustments arising from decisions taken by the Council in relation to the capital and revenue budget reports being presented to this Council meeting.
- 2.7 Approves the treasury management strategy for 2020/21, including the treasury management indicators, set out in Appendix 6 to this report.

- 2.8 Approves the Capital Strategy set out in Appendix 7 to this report.
- 2.9 Considers the equality impact of any decisions being taken by members relating to the recommendations outlined in 2.1 to 2.8 above.
3. **Overview of Capital Resources and Current Programme**
- 3.1 The updating of the capital programme outlined in this report focuses on the 2021/22 financial year. It is against this background that this report is presented and which includes:
- Confirmation of the roll forward of projects already approved as part of the existing Capital Investment Plan. This includes the major projects already underway as part of the existing investment programme.
 - In line with the Council's agreed medium term financial planning principles, general capital grant for 2021/22 be directed in the first instance to maintain the delivery of the Council's rolling lifecycle maintenance programmes across the Council's key asset classes as follows:
 - the life cycle maintenance programme for the Council's property portfolio (£3.1 million);
 - maintaining an annual replacement programme for the Council's vehicle fleet (£1.7 million);
 - maintenance programmes for the Council's transport infrastructure covering roads & footpaths (£5.6 million), bridges (£0.3 million) and streetlighting/traffic lights (£0.5 million).
 - Maintenance and refresh of the Council's ICT estate (£0.7 million)
 - maintaining delivery of the private sector housing programme (£0.2 million).
 - Unallocated capital resource held within the Strategic Asset Management Fund which is available for consideration and direction to priority investment areas.
- 3.2 Table 1 and Table 2 below provide a high level summary of the current resources and investment programmes over this period with full details outlined in Appendices 1-5.

Table 1: Resource Availability 2021/22 - 2025/26

Project Title	Programme 2021/22 £000s	Programme 2022/23 £000s	Programme 2023/24 £000s	Programme 2024/25 £000s	Programme 2025/26 £000s
Prudential Borrowing	44,574	68,901	40,780	27,308	2,260
TOTAL BORROWING	44,574	68,901	40,780	27,308	2,260
Specific Grant	4,557	250	250	0	0
General Capital Grant	12,126	5,600	2,600	0	0
City Deal Grant	0	12,816	40,648	51,154	43,362
City Deal borrowing	29,075	24,771	0	0	0
Usable Capital Receipts	23,186	6,135	445	0	0
C.F.C.R.	2,159	541	0	0	0
Total Resource Availability	115,678	119,014	84,723	78,462	45,622

Table 2: Programme 2021/22 - 2025/26

Project Title	Programme 2021/22 £000s	Programme 2022/23 £000s	Programme 2023/24 £000s	Programme 2024/25 £000s	Programme 2025/26 £000s
Major Programmes					
Schools Estate Programme	13,062	10,600	11,008	25,250	400
Lagoon Internal Play Centre	0	0	500	0	0
Transformation & ICT	1,955	400	400	400	400
Private Sector Housing Programme	1,550	0	0	0	0
City Deal Projects	34,973	51,679	54,150	51,412	43,422
Regeneration	8,750	3,830	0	0	0
Paisley Learning & Cultural Hub	2,581	2,312	125	0	0
Paisley Museum	11,801	17,362	5,949	0	0
Investment in Heritage Venues & Town Centre Infrastructure	9,440	20,625	8,341	0	0
Townscape Heritage 2	1,719	710	0	0	0
Local Green Area Networks Projects	70	0	0	0	0
Town Centre Capital Fund	3,387	0	0	0	0
Digital Infrastructure Provision	300	0	0	0	0
Community Empowerment Fund	534	0	0	0	0
Greenspaces and Parks	442	0	0	0	0
Villages Improvement Fund	150	0	0	0	0
Asset Lifecycle Maintenance Programmes					
Vehicle Replacement	1,700	0	0	0	0
Roads & Footpaths	10,684	10,450	3,250	400	400
Bridges	569	0	0	0	0
Lighting Columns and traffic signals	830	0	0	0	0
Investment In Cemeteries	150	41	0	0	0
Parks Improvement Programme	228	0	0	0	0
Multi Purpose Bins	20	0	0	0	0
Buildings Capital Lifecycle	5,663	1,005	1,000	1,000	1,000
Energy Efficiency Programme	147	0	0	0	0
Community Halls & Facilities Programme	2,474	0	0	0	0
Strategic Asset Management Fund - unallocated	2,500	0	0	0	0
Total Planned Spend	115,679	119,014	84,723	78,462	45,622

4. Lifecycle Maintenance of Existing Assets

- 4.1 As outlined above, the Council has committed to a financial planning principle that capital grant resources would be directed in the first instance to supporting appropriate lifecycle maintenance programmes to protect the Council's existing assets and infrastructure. Annual lifecycle investment across the Council's key asset classes during 2021/22 is included within the capital programme detailed in Appendix 3.

Property Lifecycle Maintenance

- 4.2 The Council's property portfolio was predominantly built prior to statutory and health and safety legislation and guidance and as such the current identified priorities focus primarily on undertaking investment to improve health and safety standards, compliance with statutory duties and improving energy efficiency across the property portfolio. In addition, priority investment is also required to deliver access improvements within Council properties. A summary programme, reflecting those projects considered to be of the highest priority is outlined in Appendix 4.
- 4.3 It is recognised that a sufficient degree of flexibility in the management of the lifecycle maintenance fund is required to allow resources to be directed in a timely and appropriate manner to address changing priorities that may emerge. It is therefore proposed that as in previous years, the Head of Property Services, in consultation with the Director of Finance and Resources, is delegated authority to adjust the allocation of resources within this proposed programme, with appropriate reporting to the Finance and Resources Policy Board.

Roads & Footpaths

- 4.4 The investment level detailed in this report for 2021/22 was agreed by Council on 28 February 2019 as part of a sustained investment programme in the roads, cycling and pathway network over the medium term. The investment programme will deliver a stepped change in the condition of key routes and transport infrastructure. Members should note that the investment agreed commits a significant portion of capital grant over the next 3 financial years, in addition to prudential borrowing. Appendix 5 provides a breakdown of the proposed use of the resources across key programmes for 2021/22. Similar to property lifecycle maintenance, it is proposed that the Head of Operations and Infrastructure, in consultation with the Director of Finance & Resources, is delegated authority to adjust the allocation of resources within this programme.

Streetlighting, Bridges and Other Road Structures

- 4.5 It is proposed that in order to maintain the overall condition of street lighting columns, that a lighting column rolling replacement programme of £0.5 million is continued as in previous years. Surveys of the electrical infrastructure and cabling supporting streetlighting is being carried out in order to ensure any remaining compliance issues are highlighted.
- 4.6 Similar to the Council's property portfolio, a maintenance backlog has historically existed across the bridges and structures portfolio and it is recommended that a rolling maintenance programme of £0.3 million is maintained.

Vehicle & Plant Replacement Strategy

- 4.8 The Council has invested significantly from capital resources over recent years to support a vehicle replacement strategy. Continued investment of £1.7 million is required in order to sustain planned vehicle replacement cycles and maintain the ability of the existing vehicle & plant fleet to meet the needs of services and mitigate against increased revenue pressures arising from additional maintenance and temporary hire costs due to increased vehicle failure rates.

Private Sector Housing Grant (PSHG)

- 4.9 The PSHG is utilised to support a range of support programmes for private sector housing owners and is funded through a mix of revenue and capital funding. A priority component of this programme has been to support owner occupiers in meeting the costs of common works being delivered in mixed tenure blocks. This is a key enabler with regards the implementation of the housing investment programme.

5. Prudential Framework for Capital Finance and Treasury Management Strategy 2020/21

- 5.1 The Local Government in Scotland Act 2003 and supporting regulations require local authorities to have regard to the following codes of practice issued by the Chartered Institute of Public Finance and Accountancy (CIPFA):
- The Prudential Code for Capital Finance in Local Authorities (“the Prudential Code”);
 - Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes (“the Treasury Management Code”).
- 5.2 The Prudential Code & Treasury Management Code play a key role in capital finance in local authorities. Local authorities determine their own programmes for capital investment in assets that are central to the delivery of services. The Prudential Code and Treasury Management Code were developed to support local authorities in taking decisions relevant to their capital investment plans.
- 5.3 Their key objectives are to ensure that:
- capital investment plans are affordable, prudent and sustainable;
 - treasury management decisions are taken in accordance with professional practice and support affordability, prudence and sustainability;
 - capital investment decisions are consistent with, and support, local strategic planning, local asset management planning and proper option appraisal.
- 5.4 The Prudential Code and the Treasury Management Code require the Council to set prudential and treasury management indicators for the following three years to ensure that the Council’s capital investment plans are affordable, prudent and sustainable.
- 5.5 In addition, the Treasury Management Code further requires the Council to approve, annually in advance, a strategy for its treasury management activities. This strategy sets out the Council’s policies and plans for the year ahead in relation to the management of cash flows, money market transactions and capital market transactions (including borrowing and investing), the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.
- 5.6 Attached at Appendix 6 to this report are full details of the Council’s prudential indicators and treasury management strategy for 2021/22 based upon the details outlined in this report. It should also be noted that the Scottish Government are developing guidance which will allow councils some flexibility

in terms of loans fund and PPP accounting arrangements in order to assist in meeting the current extraordinary spend related to the Covid19 response and recovery. The final proposals have not been published as at the date of publication of this report, therefore the principles and policies within this report may need amended in order to incorporate the flexibilities proposed.

6. Capital Strategy

- 6.1 The Capital Strategy provides an overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of public services in local government along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 6.2 Development and full Council approval of the Capital Strategy is a requirement of the Prudential Code, with the intention that the strategy sets out the long term context within which capital investment decisions are made, and to improve capital, revenue and balance sheet planning.
- 6.3 The Capital Strategy is attached at Appendix 7 to this report.

7. Equalities

- 7.1 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.
- 7.2 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 it to assess that impact. Members in considering their capital investment proposals prior to presentation at the Council meeting, are therefore encouraged to seek advice from Directors on the equality implications of each proposal.

Implications of the Report

1. **Financial** – The Capital Plan outlines the planned investments in council assets over a three year period; along with the associated funding sources. The Capital Plan; Prudential Framework and Treasury Management Strategy; and Capital Strategy ensures that investment in council assets is undertaken in a prudent and financially sustainable fashion, is consistent with the council's priorities and agreed financial planning principles and is affordable for the Council now and in future years.
2. **HR & Organisational Development** - none
3. **Community/Council Planning** –
 - **Reshaping our place, our economy and our future** – the Capital Plan outlines investment in facilities and infrastructure which will support the regeneration of the local economy.
 - **Creating a sustainable Renfrewshire for all to enjoy** – the Capital Plan outlines investment in council and community facilities which will ensure these remain available for community use well into the future.
4. **Legal** – none
5. **Property/Assets** – the Capital Plan outlines significant investment in council assets and infrastructure over the medium term in order to ensure they remain fit for purpose and support efficient service delivery.
6. **Information Technology** – the Capital Plan outlines investment in ICT assets which will ensure the council continues to have access to secure, efficient ICT services.
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. 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** – the Capital Plan outlines investment in council assets and facilities to ensure they remain safe and accessible in line with statutory obligations.
9. **Procurement** – the Capital Plan outlines significant investment in council assets which will be procured in conformance with all relevant contract standing orders and procurement legislation.

10. **Risk** – investment in council assets ensures they remain fit for purpose and meet all statutory requirements in terms of accessibility, sustainability and safety.
11. **Privacy Impact** - none
12. **Cosla Policy Position** – none
13. **Climate Risk** – investment in council assets improves energy efficiency and helps to reduce the council carbon footprint.

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2021/22 – 2025/26 Capital Investment Programme Resources

Project Title	Revised Programme 2021/22	Revised Programme 2022/23	Revised Programme 2023/24	Revised Programme 2024/25	Revised Programme 2025/26
Prudential Borrowing	44,575	68,901	40,780	27,308	2,260
Specific Grant	4,557	250	250	0	0
General Capital Grant	12,126	5,600	2,600	0	0
City Deal Interim borrowing	29,075	24,771	0	0	0
Useable Capital Receipts	23,186	18,951	41,093	51,154	43,362
CFCR	2,159	541	0	0	0
TOTAL	115,679	119,014	84,723	78,462	45,622

2021/22 – 2025/26 Capital Investment Programme Summary

Department	Revised Programme 2021/22	Revised Programme 2022/23	Revised Programme 2023/24	Revised Programme 2024/25	Revised Programme 2025/26
Schools and Early Years Investment	13,062	10,600	11,008	25,250	400
Leisure Estate	2,474	0	500	0	0
Environment & Infrastructure	14,180	10,491	3,250	400	400
City Deal	43,723	55,509	54,150	51,412	43,422
Economic Development	28,998	41,009	14,415	0	0
Corporate Projects	11,691	1,405	1,400	1,400	1,400
Private Sector Housing Grant	1,550	0	0	0	0
TOTAL GENERAL SERVICES PROGRAMME	115,679	119,014	84,723	78,462	45,622

2021/22 – 2025/26 Capital Programme

Project Title	Revised Programme 2021/22	Revised Programme 2022/23	Revised Programme 2023/24	Revised Programme 2024/25	Revised Programme 2025/26
SCHOOLS INVESTMENT PROGRAMME					
Early Years 1140 hours Expansion	3,163	0	0	0	0
Primary Schools Estate Programme(SEMP 2014)	362	0	0	0	0
Primary Schools Estate Programme(SEMP 2020)	5,531	10,200	10,608	24,850	0
Other School Investment Programmes					
Riverbrae School	359	0	0	0	0
Kirklandneuk PS Extension	721	0	0	0	0
Bishopton PS Refurbishment	391	0	0	0	0
Dargavel Refurbishment_Fixtures & Fittings	600	0	0	0	0
Schools Estate (inc Early Years)	1,535	0	0	0	0
TOTAL SCHOOLS INVESTMENT PROGRAMME	12,662	10,200	10,608	24,850	0
OTHER PROGRAMMES					
Technology Replacement Strategy ICT	400	400	400	400	400
TOTAL CHILDRENS SERVICES PROGRAMME	13,062	10,600	11,008	25,250	400

Project Title	Revised Programme 2021/22	Revised Programme 2022/23	Revised Programme 2023/24	Revised Programme 2024/25	Revised Programme 2025/26
LEISURE INVESTMENT PROGRAMME					
Lagoon Internal Play Centre	0	0	500	0	0
Community Halls Refurbishment	2,474	0	0	0	0
TOTAL LEISURE SERVICES PROGRAMME	2,474	0	500	0	0

Project Title	Revised Programme 2021/22	Revised Programme 2022/23	Revised Programme 2023/24	Revised Programme 2024/25	Revised Programme 2025/26
PROGRAMME FUNDED BY SPECIFIC GRANT					
Cycling, Walking & Safer Streets - Outwith Travel Plans	784	250	250	0	0
Total Programme Funded By Specific Consent	784	250	250	0	0
ASSET LIFECYCLE MAINTENANCE PROGRAMMES					
Vehicle Replacement Programme	1,700	0	0	0	0
Bridge Assessment/Strengthening	569	0	0	0	0
Roads/Footways Upgrade Programme	9,900	10,200	3,000	400	400
Lighting Columns Replacement	630	0	0	0	0
Traffic Management	200	0	0	0	0
OTHER MAJOR PROGRAMMES					
Parks Improvement Programme	228	0	0	0	0
Investment In Cemeteries	150	41	0	0	0
Multi Purpose Bins	20	0	0	0	0
TOTAL ENVIRONMENT & INFRASTRUCTURE	14,180	10,491	3,250	400	400

2021/22 – 2025/26 Capital Programme

Project Title	Revised Programme 2021/22	Revised Programme 2022/23	Revised Programme 2023/24	Revised Programme 2024/25	Revised Programme 2025/26
PAISLEY VENUE & TOWN CENTRE INFRASTRUCTURE					
Paisley Art Centre Redevelopment	219	1,630	715	0	0
Paisley Town Hall Redevelopment	7,042	11,751	145	0	0
St James Playing Fields Redevelopment	568	1,568	534	0	0
External Sports - ON-X Linwood	0	0	3,991	0	0
External - Ferguslie Pavilion Upgrade	0	292	0	0	0
Paisley Town Centre Infrastructure	1,610	4,784	2,956	0	0
Paisley Museum*	11,801	17,962	5,949	0	0
Paisley Learning & Cultural Hub	2,581	2,312	125	0	0
Town Centre Capital Fund	1,137	0	0	0	0
Town Centre Regeneration	2,250	0	0	0	0
Development & Housing Projects					
Townscape Heritage CARS 2	1,719	710	0	0	0
Local Green Area Networks Projects	70	0	0	0	0
TOTAL CHIEF EXECUTIVES PROGRAMME	28,998	41,009	14,415	0	0

* budget updated to reflect £0.6m budget transfer between Paisley Town Hall and Paisley Museum based on indicative tender returns

Project Title	Revised Programme 2021/22	Revised Programme 2022/23	Revised Programme 2023/24	Revised Programme 2024/25	Revised Programme 2025/26
CITY DEAL					
Glasgow Airport Investment Area	6,446	185	78	80	10
Clyde Waterfront & Renfrew Riverside	28,528	44,718	16,306	178	50
Airport Access	0	6,776	37,766	51,154	43,362
Total CITY DEAL	34,973	51,679	54,150	51,412	43,422
CITY DEAL RELATED PROGRAMMES					
GAIA Regeneration	1,891	1,500	0	0	0
AMIDS: Public Realm Phase	1,586	1,149	0	0	0
District Heat Network	5,273	1,181	0	0	0
TOTAL CHIEF EXECUTIVES PROGRAMME	43,723	55,509	54,150	51,412	43,422

Project Title	Revised Programme 2021/22	Revised Programme 2022/23	Revised Programme 2023/24	Revised Programme 2024/25	Revised Programme 2025/26
ICT PROGRAMME					
ICT Infrastructure Maintenance & Renewal Programme	1,955	400	400	400	400
Total ICT Programme	1,955	400	400	400	400
OTHER CORPORATE PROGRAMMES					
Strategic Asset Management Fund	2,500	0	0	0	0
Energy Efficiency Programme	147	0	0	0	0
Lifecycle Capital Maintenance (LCM) Fund	5,663	1,005	1,000	1,000	1,000
Digital Infrastructure Provision	300	0	0	0	0
Community Empowerment Fund	534	0	0	0	0
Greenspaces and Parks	442	0	0	0	0
Villages Improvement Fund	150	0	0	0	0
TOTAL CORPORATE PROJECTS PROGRAMME	11,691	1,405	1,400	1,400	1,400

Property Lifecycle Maintenance Programme 2021 – 22*

	2020/21
	£m
Minor Works & Roofing Programme	1.500
Health & Safety Programme	0.626
Energy Programme	0.200
Asbestos Works – compliance with Asbestos legislation following inspections	0.100
Electrical Installations Works – compliance with Electrical testing inspections	1.000
Gas Installations Works – compliance with Gas testing inspections	0.300
Office Accommodation	0.200
Design and Pre Contract Works Allocation	0.200
TOTAL	4.126

* Note – the programme above reflects the £3.126m allocated from grant funding and £1m from borrowing. The total above reflects only additional resource being allocated in 21/22, and not resource carried forward from prior years. Hence the total above differs from the figure in Table 2 and Appendix 3 for Building lifecycle maintenance.

Appendix 5

Roads & Footpaths Lifecycle Maintenance Programme 2021 - 22

	£m
Patching programme in advance of surface dressing	0.500
Footway Resurfacing	1.300
Carriageway Resurfacing	4.700
Surface treatment	1.100
Drainage Improvements	0.600
Defect/area based Patching	1.000
Staff Costs	0.700
Walking, Cycling and Safer Streets*	<u>0.784</u>
Total	<u>10.684</u>

* based on level of CWSS specific grant per the draft Scottish Budget 21/22

Prudential Framework for Capital Finance 2021-2024 (estimates) and Treasury Management Strategy Statement 2021-2024

1. Summary

- 1.1 The Local Government in Scotland Act 2003 and supporting regulations require local authorities to have regard to the following codes of practice issued by the Chartered Institute of Public Finance and Accountancy (CIPFA):
- The Prudential Code for Capital Finance in Local Authorities (“the Prudential Code”);
 - Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (“the Treasury Management Code”).
- 1.2 The Prudential Code and the Treasury Management Code require the Council to set prudential and treasury management indicators for the following three years to ensure that the Council’s capital investment plans are affordable, prudent and sustainable.
- 1.3 The Treasury Management Code further requires Council to approve, annually in advance, a strategy for its treasury management activities. This strategy (at sections 8 to 12 of this report) sets out the Council’s policies and plans for the year ahead in relation to the management of cash flows, money market transactions and capital market transactions (including borrowing and investing), the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

2. Prudential framework for capital finance: purpose, governance and affordability considerations

- 2.1 The Prudential Code plays a key role in capital finance in local authorities. Local authorities determine their own programmes for capital investment in fixed assets. The Prudential Code was developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) as a professional code of practice to support local authorities in taking decisions relevant to their capital investment plans.
- 2.2 The key objectives of the Prudential Code are to ensure that:
- capital investment plans are affordable, prudent and sustainable;
 - treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved;
 - capital investment plans are being made in light of the overall organisational strategy and resources, ensuring that decisions are

being made with sufficient regard to the long run financial implications and potential risks to the authority.

- 2.3 To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets out the indicators that must be used and the factors that must be taken into account. The Prudential Code does not suggest indicative limits or ratios – these are for the Council to set itself.
- 2.4 The prudential indicators required by the Prudential Code are designed to support and record local decision-making. They are not designed to be comparative performance indicators, and the use of them in this way would be likely to be misleading. In particular, local authorities have widely different debt positions and these differences are likely to increase over time as the result of the exercise of local choices. The system is specifically designed to support such local decision-making in a manner that is publicly accountable.
- 2.5 The Prudential Code sets out a clear governance procedure for the setting and revising of prudential indicators. This will be done by the same body that takes the decisions for the Council's budget, that is, the full Council. The chief finance officer is responsible for ensuring that all matters required to be taken into account are reported to the decision-making body for consideration, and for establishing procedures to monitor performance.
- 2.6 Prudential indicators for previous years will be taken directly from information in the Council's Annual Accounts. If any item within the Accounts that is relied upon for a prudential indicator is the subject of audit qualification, this must be highlighted when the prudential indicators are set out or revised. No such qualification has been stated.
- 2.7 The Local Government in Scotland Act 2003 refers to affordability. The Council must consider the affordability of its capital investment during all the years in which it will have a financial impact on the Council. In doing so, the Council needs to pay due regard to risk and uncertainty. Risk analysis and risk management strategies should be taken into account. The Prudential Code also requires local authorities to have regard to wider management processes (option appraisal, asset management planning, strategic planning and achievability) in accordance with good professional practice.
- 2.8 The fundamental objective in the consideration of the affordability of the Council's capital plans is to ensure that the total capital investment of the Council remains within sustainable limits, and in particular to consider its impact on the Council's 'bottom line' council tax. Affordability is ultimately determined by judgement about acceptable council tax levels and, in the case of the Housing Revenue Account, acceptable rent levels.
- 2.9 In considering the affordability of its capital plans, the Council is required to consider all of the resources currently available to it and estimated for the future, together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the following two years. The Council is also required to consider known significant variations beyond this time frame. This requires the development of three-year revenue forecasts as

well as three-year capital investment plans. The capital plans are rolling scenarios, not fixed for three years.

- 2.10 Prudential indicators in respect of external debt must be set and revised taking into account their affordability. It is through this means that the objectives of sustainability and prudence are addressed year on year.
- 2.11 It is also prudent that treasury management is carried out in accordance with good professional practice. The Prudential Code requires compliance with the Treasury Management Code.
- 2.12 A soundly formulated capital programme must be driven by the desire to provide high quality, value-for-money public services. The Prudential Code recognises that in making its capital investment decisions the Council must have explicit regard to option appraisal, asset management planning, strategic planning for the Council and achievability of the forward plan.
- 2.13 The Prudential Code does not specify how the Council should have regard to these factors. All of them represent elements of good practice for which guidance has already been provided by CIPFA and other authoritative sources. The Prudential Code instead concentrates on the means by which the Council will demonstrate that its proposals are affordable, prudent and sustainable.
- 2.14 The Prudential Code promotes transparency in decision-making by using information contained within the Council's Statement of Accounts and by having definitions for prudential indicators that are consistent with the definitions used within the Accounts.

3. Prudential framework for capital finance: prudential indicators for capital expenditure

3.1 Capital expenditure

Capital expenditure is defined in the CIPFA *Code of Practice on Local Authority Accounting in the United Kingdom 2020/21* and must be consistent with financial reporting standards for accounting purposes. In addition, under the Local Government in Scotland Act 2003, local authorities have a duty to observe proper accounting practices.

- 3.2 Under section 35(1) of the Local Government in Scotland Act 2003, it is the duty of the Council to determine and keep under review the maximum amount which it can afford to allocate to capital expenditure.
- 3.3 The Council is required to make estimates of the capital expenditure it plans to incur for the forthcoming financial year and at least the following two years, and to keep these estimates under review. Separate estimates should be made for the Housing Revenue Account ("housing") and for General Fund ("non-housing") services. Details in relation to the planned investment programmes for housing and non-housing services are presented to this Council meeting in the main body of this report, and take account of the capital resources that will be made available to the Council from the Scottish Government through the local government settlement 2021/22.

- 3.4 In addition to the approved capital investment plans, there may be projects which emerge throughout the year which will take advantage of the opportunities arising from the flexibility offered by the Prudential Code, and as a consequence the capital expenditure totals may change. Any required changes to the prudential indicators arising from new projects will be considered as part of the reports presented to Policy Boards or to the Council. It is recommended that the Council approves the following as the indicator for capital expenditure for the next three financial years:

Capital expenditure	2021-22 estimate £m	2022-23 estimate £m	2023-24 estimate £m
Non-housing	115.679	119.014	84.723
Housing	25.602	46.917	53.465
Total	141.281	165.931	138.188

- 3.5 The capital investment plans are to be funded from various sources, such as general and specific capital grants, contributions from revenue resources and secured capital receipts, as well as long-term borrowing. As a direct consequence of managing the increased risk in relation to the disposal of surplus land, and in line with practice adopted in previous years, there is no reliance on the funding of the capital investment plans from unrealised capital receipts.

- 3.6 After the year-end, the actual capital expenditure incurred during the financial year will be recorded for housing and for non-housing. These figures will be included in the Council's Annual Accounts, with explanations of significant variations from expectations. The actual capital expenditure incurred in 2019/20 was £85.348 million.

3.7 Capital financing requirement

Local authorities have available to them a number of ways of financing traditionally procured capital investment. The term “financing” does not refer to the payment of cash, but the resources that are applied to ensure that the underlying amount arising from capital payments is dealt with absolutely, whether at the point of spend or over the longer term. A number of financing options that are available to local authorities involve resourcing the investment at the time that it is incurred. These are:

- the application of usable capital receipts;
- a direct charge to revenue for the capital expenditure;
- the application of capital grants;
- up-front contributions from project partners.

- 3.8 Capital expenditure which is not financed by one of the above methods will increase the capital financing requirement of the Council. It has often been referred to as “capital expenditure financed by borrowing”, however this is incorrect as borrowing provides the cash, not the resource, since borrowing has to be repaid. Also, “borrowing” in this context does not necessarily imply external debt since, in accordance with best professional practice, the Council

has an integrated treasury management strategy and therefore does not associate borrowing with particular items or types of expenditure. The Council will at any point in time have a number of cash flows both positive and negative and will be managing its position in terms of its borrowing and investments in accordance with its treasury management strategy.

- 3.9 In measuring external debt, as detailed in section 4, the Prudential Code encompasses all borrowing, whether for a capital or for a revenue purpose. In day-to-day cash management no distinction is made between 'revenue cash' and 'capital cash'. External borrowing arises as a consequence of all the financial transactions of the Council and not simply those arising from capital spending. In contrast, the capital financing requirement reflects the Council's underlying need to borrow for a capital purpose.
- 3.10 The Council is required to make reasonable estimates of its capital financing requirement at the end of the forthcoming financial year and the following two years, showing separately figures for housing and non-housing, and keep this under review. The capital financing requirement will increase whenever capital expenditure is incurred. If this capital expenditure is resourced immediately, through usable capital receipts, direct financing from revenue or application of capital grants/contributions, then the capital financing requirement will reduce at the same time that the capital expenditure is incurred, resulting in no net increase to the capital financing requirement. The capital financing requirement also will be reduced by charges to the revenue account in respect of past capital expenditure or where the Council may initiate voluntary early charges to revenue as part of longer term financial planning decisions. Where capital expenditure is not resourced immediately, this will result in a net increase to the capital financing requirement that represents an increase in the underlying need to borrow for a capital purpose. This will be the case whether or not external borrowing actually occurs.
- 3.11 It is recommended that the Council approves the following as the indicator for the capital financing requirement at the end of each of the next three financial years:

Capital financing requirement	31 March 2022 estimate £m	31 March 2023 estimate £m	31 March 2024 estimate £m
Non-housing	341	431	467
Housing	119	149	188
Total	460	580	655

- 3.12 After the year-end, the actual capital financing requirement as at the year-end will be calculated for housing, for non-housing and the total of the two. These figures will be included in the Council's Statement of Accounts, with explanations for significant variations from expectations. At 31 March 2020 the capital financing requirement was £369.890 million.
- 3.13 **Statutory repayment of loans fund advances**
The Council is required to set out its policy for the statutory repayment of loans fund advances prior to the start of the financial year. The repayment of loans funds advances ensures that the Council makes a prudent provision each year

to pay off an element of the accumulated loans fund advances made in previous financial years.

A variety of options are provided to the Council so long as prudent provision is made each year. A review of the Council's loans fund advances was undertaken during 2020/21 to ensure the Council continues to make a prudent provision each year for the repayment of loans fund advances

For all new loans fund advances, the policy for repayment is:-

Asset Life Method – Loans fund advances will be repaid with reference to the life of an asset using an average life of 40 years for General Fund assets and 30 year for HRA assets, with an annuity rate of 6.00%;

The annuity rate applied to current loans fund repayments has also been revised and is based on an annuity rate of 6.00% and similar average life periods to those referred to above. This is considered to be a prudent approach to ensure the loans fund repayments continue in line with a period that is reasonably commensurate with that over which the asset provides benefits to the Council.

During the year, it has been identified that some new assets particularly those being constructed under City Deal arrangements will have differing asset lives and loans fund repayments are therefore proposed over 50-60 years using the asset life method, to again ensure that the repayments are reasonably commensurate with that over which the assets will provide benefits.

It should also be noted that the Scottish Government are developing guidance which will allow councils some flexibility in terms of loans fund and PPP accounting arrangements in order to assist in meeting the current extraordinary spend related to the Covid19 response and recovery. The final proposals have not been published as at the date of publication of this report, therefore the principles and policies within this report may need amended in order to incorporate the flexibilities proposed.

4. Prudential framework for capital finance: prudential indicators for external debt

- 4.1 External debt is referred to as the sum of external borrowing and other long-term liabilities (such as finance leases). The prudential indicators for external debt must be set and revised taking into account their affordability. It is through this means that the objective of ensuring that external debt is kept within sustainable prudent limits is addressed year on year.
- 4.2 External debt indicators are at two levels: an *operational boundary* and an *authorised limit*. Both of these need to be consistent with the Council's plans for capital expenditure and financing, and with its treasury management policy statement and practices.

4.3 Operational boundary

This is the focus of day-to-day treasury management activity within the Council, and is an estimate of the most likely, but not worst case, scenario in terms of cash flow. Risk analysis and risk management strategies have been taken into account, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes. It is possible that this boundary could be breached occasionally and this should not be regarded as significant. However, a sustained or regular trend would be significant and would require investigation and action.

- 4.4 The Council is required to set for the forthcoming financial year and the following two years an operational boundary for its total external debt (gross of investments), identifying separately borrowing from other long-term liabilities. It is recommended that the Council approves the following as the indicator for the operational boundary over the three-year period 2021/22 through 2023/24:

Operational boundary for external debt	2021-22 estimate £m	2022-23 estimate £m	2023-24 estimate £m
Borrowing	390	514	593
Other long-term liabilities	70	66	62
Total	460	580	655

4.5 Authorised limit

This is based on the same assumptions as the operational boundary, with sufficient “headroom” to allow for unusual/exceptional cash movements. Headroom has been added to the operational boundary to arrive at an authorised limit which is sufficient to allow for cash flow management without breaching the limit.

- 4.6 The authorised limit will be reviewed on an annual basis and any changes will require approval by Council.

- 4.7 The Council is required to set for the forthcoming financial year and the following two years an authorised limit for its total external debt (gross of investments), identifying separately borrowing from other long-term liabilities. It is recommended that the Council approves the following as the indicator for the authorised limit over the three-year period 2021/22 through 2023/24:

Authorised limit for external debt	2021-22 estimate £m	2022-23 estimate £m	2023-24 estimate £m
Borrowing	410	540	623
Other long-term liabilities	70	66	62
Total	480	606	685

- 4.8 After the year-end, the balance of actual external debt as at the year-end will be calculated and reported to Council, with borrowing and other long-term liabilities being shown separately.

- 4.9 The Council's actual external debt at 31 March 2020 was £297.615million of which £225.687million related to borrowing and £71.928million to outstanding obligations on finance leases and guarantees.
- 4.10 The actual external debt is not directly comparable to the authorised limit nor to the operational boundary, since the actual external debt reflects the position at one point in time. In addition, the external debt indicators are set based on the Council's potential external borrowing requirements for capital investment purposes. However, as part of the ongoing treasury management strategy the Council may utilise internal borrowing where it is deemed appropriate to avoid unnecessary exposure to interest rate risk. The adoption of this strategy results in the Council's net external borrowing being lower than the capital financing requirement. The projected external debt compared to the estimated capital financing requirement for the three-year period 2021-2022 through 2023-2024 is detailed at section 10.3.
- 4.11 In December 2018 the CIPFA/LASAAC Local Accounting Board confirmed that from 1st April 2020 the CIPFA Code of Practice on Local Authority Accounting would be adopting the accounting standard IFRS 16 Leases. The practical effect of adopting IFRS will be to require any contract the Council has signed which provides the right to rent or lease exclusive use of an asset such as property or vehicles, to be recognised as an asset on the Council's balance sheet with a corresponding debt liability recognised at the present value of the future lease payments. This liability will be treating as additional borrowing, therefore, increasing the Capital Finance Requirement and other associated Prudential Indicators such as the Operational Boundary and Authorised Limit. Owing to the impact of COVID19 on the ability of finance departments to implement the new standard, the effective date has been deferred to 1 April 2022.

5. Prudential framework for capital finance: prudential indicator for treasury management

- 5.1 The prudential indicator in respect of treasury management is that the Council has adopted the CIPFA *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes* ("the Treasury Management Code"). This requires that the annual treasury management strategy statement is approved by Council, along with treasury limits for the three-year period 2021/22 through 2023/24.
- 5.2 In adopting the Treasury Management Code, the aim is to ensure that treasury management is led by a clear and integrated treasury management strategy, and a recognition of the pre-existing structure of the Council's borrowing and investment portfolios. The prime policy objectives of the Council's investment activities are the security and liquidity of funds, and the avoidance of exposure of public funds to unnecessary or unquantified risk. The Council should consider the return on its investments; however, this should not be at the expense of security and liquidity. It is therefore important that the Council adopts an appropriate approach to risk management with regard to their investment activities. Borrowing more than, or in advance of, the Council's needs purely in order to profit from the investment of the extra sums borrowed should not be

undertaken. In those circumstances where borrowing is taken in advance of need, the security of such funds must be ensured and consideration should be given as to whether value-for-money can be demonstrated. These principles should be borne in mind when investments are made, particularly for the medium to long term.

- 5.3 The Treasury Management Code requires, amongst other things, that the Council approves, annually in advance, a strategy for its treasury management activities. The treasury management strategy for 2021/22 is set out at sections 8 to 12 of this report.

6. Prudential framework for capital finance: prudential indicators for prudence

- 6.1 It is possible that, while a council's financial strategy may be affordable in the short term, it is imprudent and unsustainable because in the medium term it would, if pursued, be dependent on the use of borrowing to fund revenue expenditure. For this reason the Prudential Code makes it necessary, if a financial strategy is to be prudent, that it is one in which the medium-term net borrowing is only to be used for capital purposes.
- 6.2 In the Prudential Code, this requirement is to be demonstrated through a comparison of net borrowing with the capital financing requirement. Except in the short term, net external borrowing should not exceed the total capital financing requirement in the previous year, plus the estimates of any additional capital financing requirements for the current and next two financial years.
- 6.3 The projected capital financing requirement at 31 March 2024 is £662 million (section 3.11). Net external borrowing should not exceed this level and, indeed, the projected operational boundary at 31 March 2024 is £655 million (section 4.4). The Council had no difficulty in meeting this requirement at 31 March 2020 and no difficulties are anticipated in meeting this requirement in the future.
- 6.4 In addition, ensuring that treasury management is carried out in accordance with good professional practice is an essential feature of prudence. The treasury management indicators required by the CIPFA *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes* ("the Treasury Management Code") are designed to help demonstrate prudence. The prudential indicator is that the Council has adopted CIPFA's Treasury Management Code.

7. Prudential framework for capital finance: prudential indicators for affordability

- 7.1 A key measure of affordability is the incremental impact of investment decisions on council tax or housing rents. Estimates of the ratio of financing costs to net revenue stream provide an indication of how much of the Council's revenue is committed to the repayment of debt. The estimated ratios for the next three financial years are:

Ratio of financing costs to net revenue stream	2021-22 estimate	2022-23 estimate	2023-24 estimate
Non-housing	3.31%	3.96%	4.67%
Housing	42.14%	38.40%	36.13%

† 2022-2024 Non-housing estimates are currently based on the 2021-2022 settlement figures because the current spending review does not extend past 2021-2022.

- 7.2 Financing costs include the interest payable with respect to borrowing, interest payable on finance leases, interest and investment income, loans fund and finance lease principal repayments and gains/losses on the repurchase or early settlement of borrowing.
- 7.3 Revenue streams relate either to the amounts received in terms of government grant and local taxpayers ("non-housing") or to the amounts received from tenants in respect of housing rents ("housing").
- 7.4 The estimate of the incremental impact of the capital investment proposals outlined in this report for non-housing services, and as outlined in the *Housing Capital Investment Plan*, are:

Impact of capital investment decisions	2021-22 estimate	2022-23 estimate	2023-24 estimate
... on Band D Council Tax	£0.00	£0.00	£0.00
... on weekly housing rents	£0.40	£1.23	£2.13

- 7.5 The impact on Band D council tax is nil due to the fact that the financing costs resulting from any additional capital expenditure and related borrowing will be funded from government grant support and savings in other areas of expenditure.

8. Treasury management strategy statement: compliance with the Prudential Code

- 8.1 In order to comply with the treasury management requirements of the Prudential Code, local authorities are required to adopt the CIPFA *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes* ("the Treasury Management Code").
- 8.2 This report covers the requirements of the 2017 CIPFA TM Code of Practice, including the Treasury Management Indicators, and the Scottish Government's 2010 Consent for the Investment of Money by Scottish Local Authorities.
- 8.3 The Council's **treasury management strategy statement** for 2021/22 is set out here at sections 8 through 12, and constitutes the Council's annual strategy and plan in relation to its treasury management activities as defined by the Treasury Management Code.

9. Treasury management strategy statement: objectives and responsibility for decision-making

9.1 The overall objectives of the Council's treasury management strategy are:

for **borrowings**:

- to minimise the revenue costs of borrowing,
- to manage the borrowing repayment profile,
- to assess interest rate movements and borrow accordingly,
- to monitor and review the level of variable rate loans held in order to take advantage of interest rate movements and
- to reschedule borrowing to improve the Council's repayment profile or to reduce the revenue costs of borrowing.

for **temporary investments**:

- to protect the capital security and liquidity of the invested funds and
- to obtain an acceptable market rate of return subject to protecting capital security and liquidity of invested funds.

These objectives are set within the context of the Council's over-arching objective in relation to treasury management activities: the effective management and control of risk.

9.2 The Council has a contract with Link Asset Services Limited for the provision of treasury management consultancy services. It is recognised that there is value in employing such external service providers in order to acquire access to specialist skills and resources, however the responsibility for treasury management decisions remains with Renfrewshire Council at all times and undue reliance is not placed upon our external service providers.

9.3 The suggested treasury management strategy for 2021/22 is based upon the views on interest rates, supplemented with market forecasts provided by Link Asset Services, and covers the following aspects of the treasury management function:

- treasury limits in force which will limit the treasury risk and activities of the Council:
- prudential and treasury management indicators;
- the current treasury position;
- the identified borrowing requirement;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy;
- policy on use of external service providers.

10. Treasury management strategy statement: borrowing strategy

10.1 **Current external borrowing position**

The Council's external borrowing position as at 12 February 2021 was as follows:

External borrowing position	borrowing position as at 31.03.2020		borrowing position as at 12.02.2021		change in the year
	£m	average interest rate	£m	average interest rate	£m
Long-term borrowings:					
PWLB: fixed rate	168.357	4.58%	202.131	3.99%	33.774
PWLB: variable rate	0.000	0.00%	0.000	0.00%	0.000
Market loans	52.916	4.70%	52.916	4.70%	0.000
Total long-term borrowings	221.273	4.61%	255.047	4.13%	33.774
Short-term borrowings:					
Renfrewshire Leisure deposit/loan	0.000	0.86%	0.000	0.86%	0.000
Total short-term borrowings	0.000	0.86%	0.000	0.86%	0.000
Total of all external borrowings	221.273	4.61%	255.047	4.62%	33.774

10.2 The increase in Public Works Loan Board (PWLB) borrowing reflects the decision to take 3 new loans totalling £35m while PWLB rates were at historical lows. This borrowing is specifically linked to the agreed Council funding for City Deal projects. Details of the loans taken out are:

- £11 million @ 1.33% 49 years
- £12 million @ 1.32% 49.5 years
- £12 million @ 1.32% 50 years

The increase in PWLB debt was partially offset by £1.226m of scheduled debt repayments.

10.3 Projected borrowing position

The Council's anticipated borrowing position for the forthcoming financial year and the following two financial years is summarised in the following table. This shows the projected external debt compared to the estimated capital financing requirement (the underlying need to borrow for a capital purpose) at the end of each of the next three financial years.

Borrowing Position	2021-22 estimate £m	2022-23 estimate £m	2023-24 estimate £m
Borrowing	336	460	539
Other long-term liabilities	70	66	62
Total External Debt	406	526	601
Capital Financing Requirement	460	580	655
Under borrowing	54	54	54

- 10.4 A number of the prudential indicators are designed to ensure that the Council carries out its treasury management activities within well-defined limits. One of these indicators is that gross external debt does not, except in the short term, exceed the total of the capital financing requirement in 2020-2021 plus the estimates of any additional capital financing requirement for 2021-2022 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not taken in order to fund revenue expenditure.
- 10.5 The Council has complied with this prudential indicator during 2020-2021 and it is envisaged this will remain the position moving forward over the forthcoming three-year period. As detailed in the table above, it is anticipated that the borrowing strategy will continue to progress on the basis of utilising internal borrowing where possible over the medium term to mitigate both interest rate risk exposure for the Council, and also risks associated with maintaining adequate capacity with appropriate investment counterparties. However, some shorter-term borrowing may be required to fund the City Deal projects. This borrowing is required as the grant income for City Deal is phased over a 20-year period from 2015/16, while the project expenditure is incurred from 2015/16 to 2025/26. The requirement for borrowing to cover this period in advance of grant receipt is continually monitored and refined as project designs develop and this requirement is incorporated into the overall Council borrowing forecast.
- 10.6 **Interest rate forecast**
As part of Link Asset Service's treasury management consultancy service to the Council, assistance is provided in preparing a forecast of short-term and longer-term fixed interest rates. Current interest rate forecasts for the official bank rate paid on commercial bank reserves (the "Bank Rate") and for PWLB borrowings based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012 are:

Interest rate forecast: Bank Rate	March 2021	June 2021	Sept 2021	Dec 2021	March 2022	March 2023	March 2024
Bank Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%

Interest rate forecast: PWLB borrowings	March 2021	June 2021	Sept 2021	Dec 2021	March 2022	March 2023	March 2024
5-year loans	0.90%	0.90%	0.90%	0.90%	1.00%	1.10%	1.20%
10-year loans	1.30%	1.30%	1.30%	1.30%	1.40%	1.50%	1.60%
25-year loans	1.90%	1.90%	1.90%	1.90%	2.00%	2.10%	2.20%
50-year loans	1.70%	1.70%	1.70%	1.70%	1.80%	1.90%	2.00%

10.7 Borrowing decisions

The main borrowing decisions to be made for 2021-2022 are:

- when to borrow,
- for how long to borrow and
- whether to borrow externally or to use cash balances.

10.8 Based on the capital investment programme, it is anticipated that the Council may need to borrow up to £103.152 million to fund new capital expenditure during 2021-2022 and to replace loans due to mature that year.

10.9 The Council's borrowing strategy will give consideration to new borrowing in the following order of priority:

- The cheapest borrowing will be internal borrowing by running down cash balances and foregoing interest earned at historically low rates. Over the course of 2020/21 the council has in fact experienced times where rates of zero or below were received (ie the Council has had to pay to lodge funds with the PWLB for short periods). However, in view of the overall forecast for long-term borrowing rates to increase gradually over the coming years, consideration will also be given to weighing the short-term advantage of internal borrowing against potential long-term costs if the opportunity is missed for taking loans at long-term rates which will be higher in future years.
- PWLB borrowing for periods under 10 years where interest rates are expected to be significantly lower than interest rates for longer periods. This offers a range of options for new borrowing which will spread debt maturities away from a concentration at longer-dated time periods.
- Short-dated borrowing from non-PWLB sources.

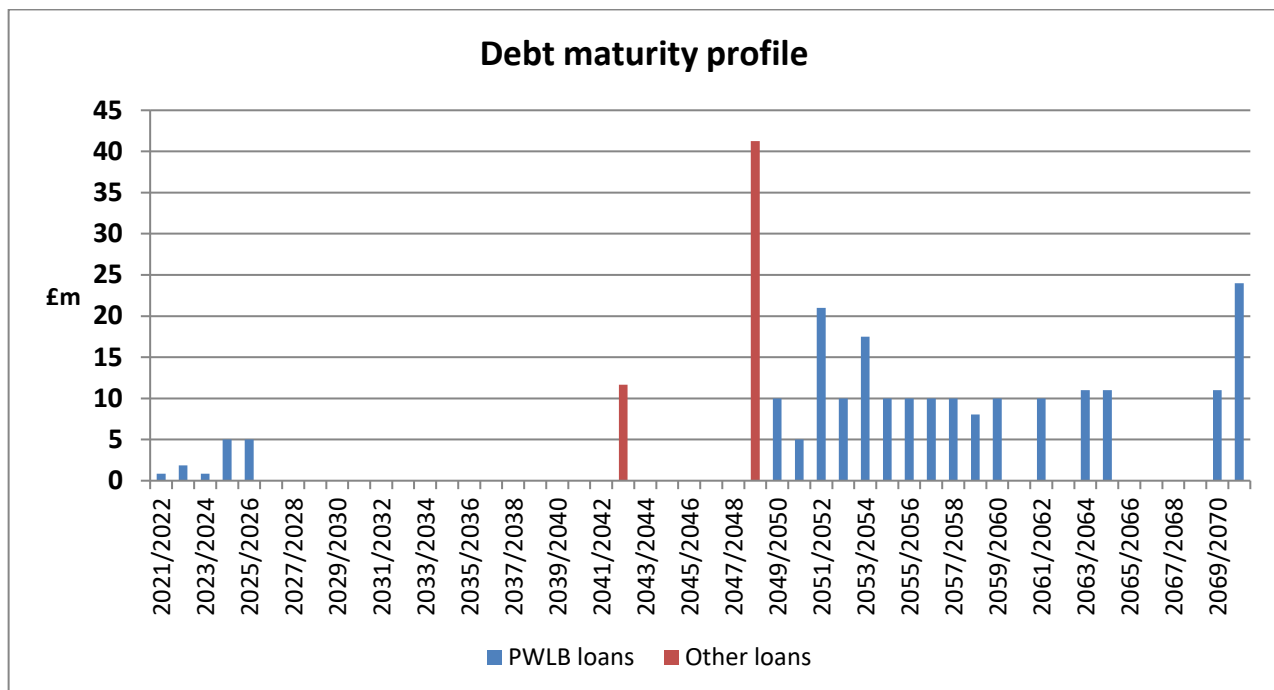
- (iv) Long-term borrowing arranged in advance, in order to achieve certainty on future borrowing costs and reduce exposure to interest rate risk.
- (v) Long-term fixed rate market loans at rates significantly below PWLB rates for the equivalent maturity period (where available), with due regard to maintaining an appropriate balance between PWLB and market debt in the debt portfolio.

10.10 **Sensitivity of the interest rate forecast**

Council officers, in conjunction with the Council's treasury advisers, will continually monitor both the prevailing interest rates and the market forecasts, and will respond appropriately to material changes in interest rate forecasts, for example:

- If it were felt that there was a significant risk of a sharp fall in long- and short-term interest rates than that currently forecast, then long-term borrowings will be postponed, with focus shifting to consideration of short-term borrowing to meet the Council's borrowing need along with any opportunities for rescheduling.
- If it were felt that there was a significant risk of a much sharper rise in long- and short-term interest rates than that currently forecast, then the portfolio position will be reappraised with potentially a move to take on required borrowing whilst interest rates were still relatively low.

10.11 The forecast debt maturity profile at 31 March 2021 per the graph below shows the amount of debt maturing in future years. The Council has less than 15% of its total borrowings redeeming in any one of the next 25 years, with one year beyond this period having a repayment in excess of 15%. It is expected this repayment will be rescheduled well in advance of this date. This is well within the Council's treasury indicators for debt maturity, and therefore provides the Council with the flexibility needed to structure new borrowing over this period in a manner that minimises debt interest costs.



10.12 Since the Council has a capital investment plan covering the period to 2025/26 and detailed investment/borrowing analyses, advantage can be taken of opportunities that may arise to achieve beneficial borrowing rates over the same period, minimising interest rate risk. The Council will not borrow more than, or earlier than, required with the primary intention to profit from the investment return of the extra sums borrowed. Pre-borrowing of this nature will only be taken for risk management reasons and subject to sound justification. The timing of any new borrowing of this nature will take into account the management of liquidity and counterparty risk, and also the projected movement in interest rates.

10.13 Caution will continue to be adopted and the Director of Finance and Resources will monitor the interest rate market. Should long-term rates start to rise or fall sharply, the debt portfolio position will be re-appraised and appropriate action taken.

10.14 **Debt rescheduling opportunities**

The purpose of debt rescheduling is to reorganise existing borrowings in such a way as to amend the repayment profile of the borrowing portfolio, or to secure interest rate savings.

10.15 As short-term borrowing rates will be considerably cheaper than longer-term rates, there may be potential opportunities to generate savings by switching from long-term debt to short-term debt. However, such potential savings will be considered in the light of their short-term nature and risks associated with potential longer-term costs of refinancing those short-term loans, once they mature.

10.16 Consideration will also be given to the potential for making savings by running down investment balances to repay debt prematurely, as short-term rates on investments are likely to be lower than rates paid on current debt.

11. Treasury management strategy statement: annual investment strategy

11.1 Investment policy

In carrying out investment activities, the Council will have regard to The Local Government Investment (Scotland) Regulations 2010, the accompanying Scottish Government Finance Circular 5/2010 and the 2017 CIPFA *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes* ("the Treasury Management Code"). The Council's investment priorities are:

- the security of capital and
- the liquidity of its investments.

11.2 The Council will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The risk appetite of the Council is low-to-medium, with absolute priority given to the security of its investments.

11.3 The borrowing of monies purely to invest or on-lend and make a return is unlawful and the Council will not engage in such activity.

11.4 Investment instruments identified for use in the financial year are listed in Annex A, and counterparty limits will be set as defined within the Council's treasury management practices (TMPs) documentation.

11.5 External investment position

The Council's external investment position as at 12 February 2021 was as follows:

External investment position	investment position as at 31.03.2020		investment position as at 12.02.2021		change in the year
	£m	average interest rate	£m	average interest rate	£m
Temporary investments:	115.800	0.88%	177.200	0.17%	61.400

11.6 The increase in the Council's short-term investments ("temporary deposits") during the period reflects:

- the decision to take PWLB borrowing in the year of £35m given the prevailing historic low interest rates and the agreed requirement to provide for the Council contribution to City Deal projects
- significant in year funding from the Scottish Government in relation to support for the Council and communities relating to COVID19
- the re-profiling of elements of the current capital programme (where capital expenditure was delayed due to COVID19 lockdowns and social distancing measures).

- 11.7 The average rate of interest received on the Council's temporary deposits has substantially reduced over the period, although it continues to out-perform the Bank Rate. The reduction reflects the fact that some of the longer-term temporary deposits which the Council had secured at relatively high rates have now matured, with the longer-term rates for new deposits not being as high in relative terms as they had been. The Council will continue to lock into longer-term temporary deposit deals with counterparties of particularly high creditworthiness, thus securing a higher overall rate of return across the portfolio without compromising the security of investments.
- 11.8 **Creditworthiness policy**
In order to maintain an approved list of counterparties (institutions with which the Council will invest funds), the Council applies the creditworthiness service provided by Link Asset Services. This service shows all the institutions that Link Asset Services are comfortable with the Council lending to and are based on the credit ratings from the three major credit rating agencies: Fitch, Moody's and Standard & Poor's. The Council understands that credit ratings are a good, but not perfect, predictor of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests including:
- credit default swap (CDS) spreads, to give early warning of likely changes in credit ratings;
 - financial statements;
 - sovereign ratings, to select counterparties from only the most creditworthy countries;
 - credit ratings relevant to the specific investment or class of investment are used where available;
 - financial press.
- 11.9 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments and are shown on (Annex B).
- 11.10 The approved list of counterparties (Annex B) also defines a maximum limit on the aggregate value of deposits placed with each counterparty. The purpose of this is to ensure that the Council does not deposit an excessive proportion of its funds with any single institution. Currently the counterparty limit for each bank and building society has been set at 5%. The limits for money market funds and enhanced cash funds has been set at 5% of the total cash balances held by the Council at the time the investment is made, and taking into account the relevant investment period. Due to the restricted number of approved providers of money market funds the deposit level with any one institution can extend to a maximum of 10%, where the element which exceeds the 5% threshold is deposited in another permitted instrument, e.g. an Ultra-short dated bond funds. This approach allows the Council to meet its cash flow management objectives

whilst appropriately spreading investment risk over a range of counterparties and underlying investment instruments.

- 11.11 All credit ratings are monitored daily. Link Asset Services alert the Council to rating changes made by any of the three rating agencies and if a downgrade results in the counterparty/ investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- 11.12 Sole reliance is not placed on the use of this external service: in addition the Council will make its own judgement based on the Adviser's suggestions but will also use market data and market information, the quality financial press, information on government support for banks and the credit ratings of that government support.

Investment decisions

- 11.13 The current forecasts from Link Asset Services indicate that Bank Rate is unlikely to rise from 0.10% for a considerable period. As a result, the Council has assumed that investment earnings from money market-related instruments will be around 0.10% for the foreseeable future.
- 11.14 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.
- 11.15 The majority of the Council's surplus cash is currently invested in short-term deposits with other local authorities, as well as investments in money market funds and short-term deposits with banks. Given the increasing risk and very low returns from short-term unsecured bank investments, the Council will continue to invest with other local authorities and in money market funds. However, if attractive rates become available with counterparties of particularly high creditworthiness, thus making longer-term deals worthwhile and within the risk parameters set by the Council, then longer-term investments will be considered.

12. Treasury management strategy statement: treasury management indicators

- 12.1 The *Guidance Notes for Local Authorities* which accompany the CIPFA *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes* ("the Treasury Management Code") specify four treasury management indicators covered by the Prudential Code: (i) acceptance of the Treasury Management Code, (ii) authorised limit, (iii) operational boundary and (iv) actual external debt. These indicators are dealt with in detail at sections 4, 5 and 6 of this Appendix.

12.2 The *Guidance Notes for Local Authorities* which accompany the Treasury Management Code specify an additional treasury management indicator – the maturity structure of borrowing.

12.4 **Maturity structure of borrowing**

The Council is required to set for the forthcoming financial year both upper and lower limits with respect to the maturity structure of its borrowing. This is to ensure that the Council is not exposed to large concentrations of debt maturing in a single year and requiring to be replaced when interest rates are unfavourable. It is recommended that the Council approves the following as the indicator for the maturity structure of borrowing for the forthcoming financial year:

Maturity structure of borrowing	2021-22	
	lower limit	upper limit
under 12 months	0%	15%
12 months and within 24 months	0%	15%
24 months and within 5 years	0%	45%
5 years and within 10 years	0%	50%
10 years and above	0%	100%

Annex A: Permitted investments

The Council approves the forms of investment instrument for use as **permitted investments** as set out in tables 1, 2 and 3 of this Annex. Please also refer to section 11 in the body of Appendix 6.

A.1 Table 1 lists the permitted investments of a cash-type nature available for use by the Council's in-house treasury management team:

Permitted investments table 1: cash-type instruments arranged in-house	minimum credit criteria	liquidity risk	market risk	maximum share of total investments	maximum maturity period
Debt Management Account Deposit Facility (DMADF)	not applicable	term	no	100%	2 years
Term deposits with local authorities	not applicable	term	no	100%	2 years
Longer-term deposits with local authorities	per approved counter-party list	term	no	20%	10 years
Call accounts and notice accounts with banks and building societies	per approved counter-party list	instant / notice period	no	100%	up to 100 days
Term deposits with banks and building societies	per approved counter-party list	term	no	100%	per approved counter-party list
Certificates of deposit issued by banks and building societies	per approved counterparty list	T+1	yes	10%	per approved counter-party list
Treasury bills	UK sovereign rating	T+1	yes	75%	1 year
UK Government gilts	UK sovereign rating	T+1	yes	75%	2 year
Money market funds	long-term AAA vol-atility rating	instant	no	75%	not applicable
Ultra-short dated bond funds.	Bond fund rating	T+1 to T+5	yes	75%	not applicable

Pooled funds other than money market / ultra-short dated bond funds	long-term AAA vol-atility rating	various	yes	20%	not applicable
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A.2 Table 2 lists the permitted investments of a cash-type nature available for use by the investment managers of the Council's Insurance Fund:

Permitted investments table 2: cash-type instruments used by Insurance Fund investment managers	minimum credit criteria	liquidity risk	market risk	maximum share of total investments	maximum maturity period
Equities	delegated to investment managers	term	yes [‡]	33% ±10%	not applicable
Fixed-interest securities	delegated to investment managers	term	yes [‡]	33% ±10%	not applicable
Other assets	delegated to investment managers	term	yes [‡]	33% ±10%	not applicable

[‡] Market risk is mitigated since investment managers have been instructed to maintain low volatility by investing in a diversified portfolio which incorporates (i) a broad spread of equities, both directly and indirectly (through pooled funds), and (ii) a proportion of fixed-interest securities and cash.

A.3 Treasury risks

All the investment instruments listed in tables 1 and 2 above are subject to the following risks:

- (i) *Credit and counterparty risk*: This is the risk of failure by a counterparty (bank or building society) to meet its contractual obligations to the organisation particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources. There are no counterparties where this risk is zero although AAA-rated organisations have a very high level of creditworthiness.
- (ii) *Liquidity risk*: This is the risk that cash will not be available when it is needed. While it could be said that all counterparties are subject to at least a very small level of liquidity risk as credit risk can never be zero, in this document, liquidity risk has been treated as whether or not instant access to cash can be obtained from each form of investment instrument.
- (iii) *Interest rate risk*: This is the risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately. The Council has set limits for its fixed and variable rate exposure in its treasury indicators as detailed in this report.

- (iv) *Legal and regulatory risk*: This is the risk that the organisation itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.
- (v) *Market risk*: This is the risk that, through adverse market fluctuations, the value of investments may decline over a given time period simply because of economic changes or other events that impact large portions of the market.

A.4 Controls on treasury risks

- (i) *Credit and counterparty risk*: The Council has set minimum credit criteria to determine which counterparties and countries are of sufficiently high creditworthiness to enable investments to be made safely.
- (ii) *Liquidity risk*: The Council has a cash flow forecasting model to enable it to determine the duration for which individual investments can be made, and how much can be invested.
- (iii) *Interest rate risk*: The Council manages this risk by having a view of the future course of interest rates and formulating a treasury management strategy accordingly. The strategy aims to maximise investment earnings consistent with control of risk and minimise expenditure on interest costs on borrowing.
- (iv) *Legal and regulatory risk*: The Council will not undertake any form of investing until it has ensured that it has all necessary powers to do so. The Council will ensure that it complies with all applicable regulations in the carrying out of its treasury management operations.
- (v) *Market risk*: Asset allocation and diversification can protect against market risk because different portions of the market tend to under-perform at different time times. The Director of Finance and Resources has the authority to invest the funds of the Insurance Fund in such investments, securities or property as deemed fit. The Director and officers rely on professional investment managers (currently Aberdeen Standard Capital) for the day-to-day management of the assets of the Council's Insurance Fund. The investment managers are responsible for the allocation of assets between types of investments and for the selection of individual stocks within each type of investment. The investment fund is focused on the objective of achieving moderate capital growth in combination with low volatility to mitigate the impact of market risk. In order to achieve these objectives the investment manager operates within predefined asset allocation limits as outlined in table 2 above.

A.5 Objectives of each type of investment instrument

The objectives of the investment instruments listed in table 1 above are outlined below.

- (i) *Debt Management Account Deposit Facility (DMADF)*: This offers the lowest risk form of investment available to local authorities as it is effectively

an investment placed with central government. It is also easy to use because it is a deposit account and avoids the complications of buying and holding UK Government-issued treasury bills or gilts. As it is low risk it also earns low rates of interest, however it is useful where there may be a short-term priority to avoid credit risk. The longest term deposit that can be made with the DMADF is six months.

- (ii) *Term deposits with other local authorities and with high credit worthiness banks and building societies:* This is the most widely used form of investment used by local authorities. It offers a much higher rate of return than the DMADF (dependent on the deposit term) and, now that measures have been put in place to avoid any over-reliance on credit ratings, there is greater confidence that the residual risks around using local authorities, banks and building societies are at a low, reasonable and acceptable level.

The Council will ensure diversification of its portfolio of deposits ensuring that no more than 5%* (£15m for other Scottish local authorities and £10m for other local authorities) of the total portfolio can be placed with any one institution or group. In addition, longer-term deposits offer an opportunity to increase investment returns by locking into relatively high interest rates ahead of an expected fall in interest rates. At other times, longer-term rates can offer good value when the markets incorrectly assess the speed and timing of interest rate increases.

This form of investing, therefore, offers flexibility and a higher level of earnings than the DMADF. Where it is restricted is that once a longer-term investment is made, that cash is 'locked in' and cannot be accessed until the maturity date. This type of deposit includes callable deposits, whereby the principal deposited is protected and earns a fixed rate of interest but can be terminated early at the bank's discretion.

* In recognition of the restricted number of approved counterparties that now meet our more stringent lending criteria, there is an added degree of flexibility introduced to the maximum deposit level. The deposit level with any one institution can now extend to a maximum of 10%, where the element which exceeds the 5% threshold is deposited on the basis of a call account deposit with the institution.

- (iii) *Longer term deposits with other local authorities:* These are similar to term deposits with other local authorities (described at (ii) above), except that deposits are placed for longer periods – between 2 and 5 years. For longer term deposits, the decision to include any given local authority on the counterparty list will be based on the outcome of due diligence undertaken on that local authority by the Council's treasury advisers. Similar to term deposits with local authorities (see at (ii) above), no more than £10m can be placed with any one institution or group.
- (iv) *Call accounts and notice accounts with high credit worthiness banks and building societies:* The objectives are as for (ii) above, but there is access to recalling cash deposited over short call periods (call account periods vary from short-term such as 7 days, but can extend to 32- and 95-day notice periods). This generally means accepting a lower rate of interest than that which could be earned from the same institution by making a term deposit. However, call accounts can offer interest rates two to three times more than term deposits in the DMADF. A certain level of call account use is highly

desirable to ensure that the Council has ready access to cash when required.

- (v) *Certificates of deposit (CDs) issued by banks and building societies:* These are shorter term securities issued by deposit taking institutions (mainly financial institutions). They are negotiable instruments, so can be sold ahead of maturity and also purchased after they have been issued. However, that liquidity can come at a price, where the yield could be marginally less than placing a deposit with the same bank as the issuing bank.
- (vi) *Treasury bills:* These are short term bills (up to 12 months, although none have ever been issued for this maturity) issued by the Government and so are backed by the sovereign rating of the UK. The yield is higher than the rate of interest paid by the DMADF and another advantage compared to a time deposit in the DMADF is that they can be sold if there is a need for access to cash at any point in time. However, there is a spread between purchase and sale prices so early sales could incur a net cost during the period of ownership.
- (vii) *UK Government gilts:* These are longer term debt issuance by the UK Government and are backed by the sovereign rating of the UK. The yield is higher than the rate of interest paid by the DMADF and another advantage compared to a time deposit in the DMADF is that they can be sold if there is a need for access to cash at any point in time. However, there is a spread between purchase and sale prices so early sales may incur a net cost. Market movements that occur between purchase and sale may also have an adverse impact on proceeds. The advantage over Treasury bills is that they generally offer higher yields the longer it is to maturity (for most periods) if the yield curve is positive.
- (viii) *Money market funds:* By definition, money market funds (MMFs) are AAA-rated (the highest security rating available) and are widely diversified, using many forms of money market securities including types which this Council does not currently have the expertise or risk appetite to hold directly. However, due to the high level of expertise of the fund managers and the significant amounts of funds invested in MMFs, and the fact that the weighted average maturity (WAM) cannot exceed 60 days, MMFs offer a combination of high security, instant access to funds, high diversification and good rates of return compared to equivalent instant access facilities. They are particularly advantageous in a falling interest rate environment as their 60-day WAM means they have locked-in investments earning higher rates of interest than are currently available in the market. MMFs also help an organisation to diversify its own portfolio, for example a £2million investment placed directly with a specific bank is a 100% risk exposure to that specific bank, whereas £2million invested in an MMF may result in only 1% being invested with that specific bank through the MMF. MMFs offer an effective way of minimising risk exposure while still getting better rates of return than available through the DMADF.
- (ix) *Ultra-short dated bond funds. (USDBFs):* These funds are similar to MMFs, can still be AAA rated but have variable net asset values (VNAV) as

opposed to a traditional MMF which has a Constant Net Asset Value (CNAV). They aim to achieve a higher yield and to do this either take more credit risk or invest out for longer periods of time, which means they are more volatile. These funds can have WAM's and Weighted Average Life (WAL's) of 90 – 365 days or even longer. Investment in these funds would only be undertaken in the event funds could be “locked out” for a minimum of 3-6 months in order to mitigate short term fund value fluctuations.

- (x) *Pooled funds other than money market / ultra-short dated bond funds:* Shares or units in diversified investment vehicles covering property, bond and equity investments. Pooled funds whose value changes with market prices and/or that have a notice period will be used for longer investment periods. Money market funds (as well as enhanced cash funds) are included in Table 1, but the Council, given the extent of its long-term investment balances, may use this vehicle to diversify an agreed proportion (capped at a maximum of 25% of total investment balances) of its investment balances into longer term assets (property, bonds and equity) utilising pooled funds.

Pooled funds have the advantage of providing wide diversification of investment risks, including credit risk and interest rate risk, coupled with the services of a professional fund manager in return for a fee. Property, bond and equity funds offer enhanced returns over the longer term, but their prices are more volatile in the short term, leading to the risk that they could be sold at below their purchase price. This risk is mitigated by only placing cash that is available for 3 to 5 years into more volatile funds. The Council's officers in conjunction with its treasury advisers have determined that a proportion of the Council's investments have and will remain available for longer term investment in the future. The funds selected will be subject to further scrutiny and suitability, drawing on the experience and advice of the Council's treasury advisers.

- (xi) *Operational bank accounts:* The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, with its main operational bank (Clydesdale) with credit ratings of BBB+. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will normally be kept below £100,000 however, for short periods normally over public holidays this balance may be higher with the approval of the Director of Finance and Resources.

A.6 Table 3 lists the permitted investments of a non-cash nature available for use by the Council:

Permitted investments table 3: instruments of a non-cash nature	treasury risks	mitigating controls	maximum share of total investments
Share holdings, unit holdings and bond holdings, including those in a local authority-owned company	Service investments which may exhibit market risk; likely to be highly illiquid	Each equity investment requires Member approval and each application will be supported by the service rationale behind the investment and the likelihood of loss	Policy driven, managing all associated risks; authorised limit and operational boundary apply
Loans to a local authority-owned company or other entity formed by a local authority to deliver services	Service investments either at market rates of interest or below (soft loans); may exhibit credit risk; likely to be highly illiquid	Each loan to a local authority company requires Member approval and each application will be supported by the service rationale behind the loan and the likelihood of full or partial default	Policy driven, managing all associated risks; authorised limit and operational boundary apply
Loans made to third parties, including soft loans (for example, employee loans)	Service investments either at market rates of interest or below (soft loans); may exhibit credit risk; likely to be highly illiquid	Each third party loan (or tranche of loans) requires Member approval and each application will be supported by the service rationale behind the loan and the likelihood of full or partial default	Policy driven, managing all associated risks; authorised limit and operational boundary apply
Investment property	Non-service properties which are being held pending disposal or for a longer-term rental income stream; these are highly illiquid assets with high risk to value	Property holding will be revalued regularly and reported at appropriate periodic intervals for a property investment portfolio in respect of rental levels; in terms of surplus assets held for disposal, the Council has an active surplus property disposal strategy which ensures a coordinated and managed approach is adopted to the disposal of such sites in a way which is reflective of current and future anticipated market conditions, seeks to maximise market interest in site disposals and secures best value for the Council	Policy driven, managing all associated risks; authorised limit and operational boundary apply

Annex B: Renfrewshire Council counterparty list

Counterparty	Country of domicile	Authority-specific limits		
		Maximum deposit		Maximum investment period
		% Limit	or £m Limit	
UNITED KINGDOM: BANKS				
CLYDESDALE BANK	GB	None	2.0	overnight
BANK OF SCOTLAND PLC	GB	5%	5.0	6 months
BARCLAYS BANK UK PLC	GB	5%	5.0	6 months
CLOSE BROTHERS LTD	GB	5%	5.0	6 months
GOLDMAN SACHS INT'L BANK	GB	5%	5.0	6 months
HANDELSBANKEN UK PLC	GB	5%	5.0	12 months
HSBC BANK PLC	GB	5%	5.0	12 months
ROYAL BANK OF SCOTLAND PLC/T	GB	5%	5.0	12 months
SANTANDER UK PLC	GB	5%	5.0	6 months
STANDARD CHARTERED BANK	GB	5%	5.0	6 months
UK: BUILDING SOCIETIES				
COVENTRY BUILDING SOCIETY	GB	5%	5.0	6 months
LEEDS BUILDING SOCIETY	GB	5%	5.0	100 days
NATIONWIDE BUILDING SOCIETY	GB	5%	5.0	6 months
UK: OTHER INSTITUTIONS				
UK LOCAL AUTHORITIES	GB	100%	100%	2 years
UK GOVERNMENT	GB	100%	100%	50 years
COMMONWEALTH OF AUSTRALIA				
AUST AND NZ BANKING GROUP	AU	5%	5.0	12 months
COMMONWEALTH BANK OF AUSTRALIA	AU	5%	5.0	12 months
NATIONAL AUSTRALIA BANK LTD	AU	5%	5.0	12 months
WESTPAC BANKING CORP	AU	5%	5.0	12 months
GOVERNMENT OF CANADA				
BANK OF MONTREAL	CA	5%	5.0	12 months
BANK OF NOVA SCOTIA	CA	5%	5.0	12 months
CAN IMPERIAL BK OF COMMERCE	CA	5%	5.0	12 months
NATIONAL BANK OF CANADA	CA	5%	5.0	6 months
ROYAL BANK OF CANADA	CA	5%	5.0	12 months
TORONTO-DOMINION BANK	CA	5%	5.0	12 months
FEDERAL REPUBLIC OF GERMANY				
LANDESBANK HESSEN-THURINGEN	GE	5%	5.0	12 months
KINGDOM OF THE NETHERLANDS				
COOPERATIEVE RABOBANK UA	NE	5%	5.0	12 months
MONEY MARKET FUNDS				
Insight Liquidity Funds PLC - GBP Liquidity Fund	IR	5%	9.0	call
Federated Short-Term Sterling Prime Fund	GB	5%	9.0	call
CCLA - Investment Management Ltd	GB	5%	3.0	call
Goldman Sachs Sterling Liquid Reserves	IR	5%	9.0	call
Aberdeen Asset Managment	LUX	5%	9.0	call

CAPITAL STRATEGY 2021-24**1. INTRODUCTION**

- 1.1. This Capital Strategy report gives an overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of public services in local government along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.2. Decisions made now on capital and treasury management will have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

2. PURPOSE & AIMS

- 2.1. Following consultation, in December 2017 the Chartered Institute of Public Finance and Accountancy (CIPFA) published an updated version of the Prudential Code for Capital Finance in Local Authorities ("the Prudential Code").
- 2.2. The key objectives of the Prudential Code are to ensure, within a clear framework, that;
 - Capital investment plans are affordable, prudent and sustainable;
 - Treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved;
 - That these risks will be managed to levels that are acceptable to the organisation;
 - Capital investment plans are being made in light of the overall organisational strategy and resources, ensuring that decisions are being made with sufficient regard to the long run financial implications and potential risks to the authority.
- 2.3. In keeping with the objectives above, the purpose of this Capital Strategy is to demonstrate that the Council takes capital investment decisions in line with service objectives that properly takes account of value for money, prudence, sustainability and affordability, setting out the context in which capital expenditure, capital financing and treasury decisions are being made and has given due consideration to the risk associated with these decisions.

3. OVERVIEW

- 3.1. An understanding of what constitutes capital expenditure and how it is financed is fundamental to realising the benefits and mitigating the risks open to an authority under the prudential framework.
- 3.2. Capital expenditure is the investment in new or existing assets, such as property or vehicles, that will generate economic benefits or service improvements that will be realised by the Council for a period of more than one year.
- 3.3. All capital expenditure must be financed, either from external sources (government grants and other contributions), internal sources (current revenue and capital receipts) or debt (borrowing and leasing).

- 3.4. Financing capital expenditure through debt offers the opportunity to spread the cost over future revenues through loan fund repayments. However, due to the interest payments associated with debt, the total cost is usually higher than other methods of capital financing. Therefore, careful planning and monitoring procedures must be in place to ensure capital investment decisions offer value for money and are affordable and sustainable for current and future revenue budgets.

4. CAPITAL EXPENDITURE & FINANCING

- 4.1. The Council is legally obliged to determine the maximum it may allocate to capital expenditure, in line with statutory guidance, the limit is the total shown in the table below. The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately.

Capital expenditure	2021-22 estimate £m	2022-23 estimate £m	2023-24 estimate £m
Non-housing	115.679	119.014	84.723
Housing	25.602	46.917	53.465
Total	141.281	165.931	138.188

- 4.2. The Council Plan “Thriving People, Connected Communities” was agreed in September 2017, it outlines five strategic outcomes for the Council over the period to 2022. The Council Plan forms a “golden thread” that ensures the key strategic priorities of the Council translate into specific capital programmes.
- 4.3. A new Council Plan will be approved for 2023 to enable the Council to continue to focus resources on achieving its strategic outcomes by developing the priorities within the current plan and meet the new challenges that have arisen from the Covid-19 pandemic. A Covid Contingency Fund has been established for 2021-22 to meet these challenges prior to the new plan being approved.
- 4.4. Below is a summary of the main capital projects within the Capital Plan 2021-25:

- **Reshaping our place, our economy and our future;**

Continuation of the City Deal projects of £140.1m which will lead to total investment of £291m in infrastructure in Renfrewshire, translating into an improved local economy.

Investment of £78.5m in cultural and economic infrastructures, transforming Paisley Town Hall, Paisley Learning & Cultural Hub and Paisley Museum;

£3.4m investment in Town Centre regeneration through a mixture of projects leading to transformative investments which will drive economic activities and re-purpose town centres to become more diverse, successful and sustainable;

£25.2m of improvements in infrastructure within Renfrewshire improving roads, traffic management, bridges and street lighting.

- **Building strong, safe and resilient communities;**

Investment of £49.5m in new council homes and regeneration including projects in Tannahill, Gallowhill, Auchengreoch, Foxbar and Seedhill.

- **Tackling inequality, ensuring opportunities for all;**

Completion of the Capital investment of £13m in new builds and refurbishment to expand early learning and child-care from 600 to 1,140 hours.

A schools investment programme totalling £52m, which will initially be prioritised as match funding for SFT investment under the Scottish Government Learning Estate Investment Programme that will lead to a new build community campus at Renfrew Road, Paisley to replace Paisley Grammar school.

- **Creating a sustainable Renfrewshire for all to enjoy;**

Investment of £7.8m to improve the condition and energy efficiency of existing Council Properties;

£6.4m investment in an innovative low carbon District Heating Network at the Advanced Manufacturing Innovation District Scotland (AMIDS). Significantly reducing carbon emissions and enhance the AMIDS site reputation as a site with a vision 'to become internationally recognised for advanced manufacturing, leading innovation and research' whilst acting as a demonstration to the rest of Scotland of how a transition to a low carbon future can be achieved.

- **Working together to improve outcomes;**

£2.7m of capital investment in new ICT equipment and software;

4.5. A full copy of the Council Plan is available on the Council website: [Renfrewshire Council Plan](#)

4.6. As stated in 3.3, all capital expenditure must be financed either from external sources, internal sources or through borrowing. The planned financing of the above expenditure is shown on the table below:

Capital Financing	2021-22 estimate £m	2022-23 estimate £m	2023-24 estimate £m
Non-housing			
Prudential Borrowing	44.574	68.901	40.780
Specific Grant	4.557	0.250	0.250
General Capital Grant	12.126	5.600	2.600
City Deal Grant	-	12.816	40.648
City Deal interim borrowing	29.075	24.771	-
Usable Capital Receipts	23.188	6.135	0.445
C.F.C.R.	2.159	0.541	-
Total Non-housing	115.679	119.014	84.723
Housing			
Prudential Borrowing	20.401	42.831	49.748
Usable Capital Receipts	5.201	4.086	3.717
Total Housing	25.602	46.917	53.465
TOTAL	141.281	165.931	138.188

- 4.7. Debt is only a temporary source of finance, since loans and leases must be repaid, and is therefore replaced over time by other financing, usually from revenue which is known as loan funds repayments.

The Council's cumulative outstanding amount of debt finance that will be charged to future revenue budgets is measured by the capital finance requirement (CFR). The CFR increases with new debt financed capital expenditure and reduces with loan fund repayments, capital receipts can also be used to reduce the CFR. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Capital financing requirement	31 March 2022 estimate £m	31 March 2023 estimate £m	31 March 2024 estimate £m
Non-housing	341	431	467
Housing	119	149	188
Total	460	580	655

- 4.8. The loan fund repayments is combined with the interest payable on loans and forms the total that is charged to revenue, known as financing costs. An estimate of the total financing costs as % of net revenue, the amount funded from Council Tax, government grants, business rates and in the case of HRA, rental income, is shown in the table below.

Ratio of financing costs to net revenue stream	2021-22 estimate	2022-23 estimate	2023-24 estimate
Non-housing	3.31%	3.96%	4.67%
Housing	42.14%	38.40%	36.13%

5. ASSET MANAGEMENT

- 5.1. The Corporate Asset Strategy (CAS) was approved by the Finance, Resources & Customer Services Policy Board in June 2018. The CAS sets out a high-level framework for the management for all the Council's Assets. It guides the development and upkeep of strategies and plans for all classifications of assets.
- 5.2. The Council's Corporate Asset Strategy can be read in full here:
[Renfrewshire Corporate Asset Strategy](#)

6. TREASURY MANAGEMENT

- 6.1. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending requirements, whilst managing the risks involved. Surplus cash is invested until required while temporary cash shortages will be met by borrowing.
- 6.2. The Council's Treasury Management Strategy (TMS) contains objectives for borrowing and investments, with the over-arching objective in relation to treasury management activities being effective management and control of risk. The full TMS is within Appendix 6 of this report.
- 6.3. The main objectives of borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in the future. Statutory guidance is that debt should remain below the CFR except in the short term. As can be seen from table 6.3 below, the Council expects to comply with this during 2021-24.

Borrowing Position	31 March 2022 estimate £m	31 March 2023 estimate £m	31 March 2024 estimate £m
Borrowing	336	460	539
Other Long-Term Liabilities	70	66	62
Total External Debt	406	526	601
Capital Financing Requirement	460	580	655
Under-Borrowing	54	54	54

- 6.4. The Council is required to set an **operational boundary** for external debt. This is an estimate of the maximum external debt of the Council according to the probable events contained in the Council plans, budgets and strategies. Sustained or regular borrowing above the operational boundary would be significant and require investigation and action.
- 6.5. The **authorised limit** for external debt is based on the same assumptions as those used to calculate the operational boundary. It is greater than the operational boundary to allow sufficient headroom for unusual or exceptional cash requirements. The authorised limit reflects a level of borrowing which, while not desired, could be afforded in the short term but would not be sustainable in the long term. The operational boundary and authorised limits are shown in the table below:

Operational Boundary & Authorised Limit for external debt	2021-22 estimate £m	2022-23 estimate £m	2023-24 estimate £m
Operational Boundary	460	460	460
Authorised Limit	480	480	480

- 6.6. Treasury investments arise due to cash flow timings in receiving cash before it is due to be paid out again at a later date. The main objectives of treasury investments are to obtain an acceptable market rate of return subject to protecting capital security and liquidity of invested funds. This ensures the focus is on minimising risk rather than maximising returns

7. COMMERCIAL ACTIVITIES

- 7.1. These are investments made outside the normal treasury management activity, such as property investments, with the sole aim of making a financial surplus. The Council has no such investments at this time.

8. OTHER LONG TERM LIABILITIES

- 8.1. In addition to the debt of £349m detailed in 6.3 above, the Council is party to a Public Private Partnership for the provision and maintenance of educational and other facilities. The Council also has finance lease agreements for a number of vehicles. The outstanding finance lease obligation at the 31st March 2021 will be £73.9m.
- 8.2. The Council is part of the Local Government Pension Scheme in Scotland (LGPS) which is a funded, defined benefit, statutory occupational pension scheme. As a funded scheme, the council and employees pay contributions into the fund, calculated at a level intended to balance the scheme's pension liabilities with the scheme's investment assets. At the 31st March 2020, it was estimated that the Council's share of the defined obligation exceeded scheme assets by £162.5m. An updated estimate will be calculated for the 2020/21 annual accounts.
- 8.3. Provisions are made when an event has taken place that gives the Council a legal or constructive obligation that will probably require a settlement, usually in cash but it can be other economic benefit or service benefits. At the 31st March 2020 the Council had set long term provisions of £4.7m related to holiday pay compensation payments and insurance claims. The long term provisions will be re calculated for the 2020/21 annual accounts.

9. GOVERNANCE

- 9.1. **Capital Programmes:** Potential capital projects will be assessed for strategic fit, achievability, affordability, practicality, revenue impact and non-monetary impacts such as future economic growth, environmental or social well-being.
- 9.2. Once the capital projects have been considered, the Capital Plan is approved annually by the full Council, setting out the funding available, means of financing and Prudential Indicators. No capital expenditure can be authorised unless it has been provided for in the approved capital plan or is within an officer's delegated authority. The Financial Regulations set out the framework for transferring money from one budget to another.

- 9.3. Capital budget monitoring reports from the Director of Finance and Resources are considered by the relevant Policy Board including any explanations for significant variances from budget targets and the Policy Board will approve any actions required to bring financial performance within approved limits.
- 9.4. Each capital programme is under the control of a responsible project manager who will approve and monitor expenditure against the programme. The project manager will receive support from a variety of sources within Finance & Resources, for example to receive capital budget reports, to ensure that the expenditure complies with the statutory definition of capital, that any external contracts agreed comply with the Standing Orders of the Council or any advice over legal matters.
- 9.5. **Treasury Management:** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Finance & Resources and relevant staff who must act in within the parameters set out in the Treasury Management Strategy approved annually by full Council. A mid-year review of treasury management activity is presented each year to the Finance, Resources and Customer Services Policy Board with a full year review reported to Council.
- 9.6. **Commercial Activities:** Property investments would be classified as capital expenditure and therefore included as part of the capital plan. Any commercial investment decisions would be made by the Council in line with the Financial Regulations and Standing Orders of the Council.

10. KNOWLEDGE AND SKILLS

- 10.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council ensures qualified staff meet their continuous professional development requirements. The Council provides support to finance staff for training and study towards relevant professional qualifications.
- 10.2 Council staff knowledge and experience is supplemented by the use of external advisors and consultants that are specialists in their field, for example, the Council currently has a contract with Link Asset Services for the provision of treasury management consultancy services. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

**PROCEDURE TO BE FOLLOWED AT THE
MEETING OF RENFREWSHIRE COUNCIL
TO BE HELD ON 4 MARCH 2021
DURING CONSIDERATION OF ITEM 4 CONCERNING
THE HOUSING REVENUE ACCOUNT BUDGET, RENT LEVELS
2021/2022 AND HOUSING CAPITAL INVESTMENT PLAN
2021/2022-2023/2024**

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 4 March 2021 viz:

1. The Convener of the Communities, Housing & Planning Policy Board (the Convener) will make her budget statement for financial year 2021/2022 and move as appropriate. She will then speak to the principal points of her proposals. The motion will require to be seconded.
2. For the purposes of the subsequent discussion and voting, the Convener's proposals will be taken as one motion.
3. 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 budget proposals, the rent levels and the capital investment plans).
4. 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.
5. 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.
6. Provost Cameron will then invite other Members to take part in the debate.
7. The debate will conclude with Provost Cameron giving the Convener an opportunity to reply.
8. A vote or votes will then be taken in accordance with the provisions of standing orders.
9. 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: 4 March 2021

Report by: Director of Communities & Housing, and Director of Finance & Resources

Heading: Housing Revenue Account Budget & Rent Levels 2021/22 and Housing Capital Investment Plan 2021/22 to 2023/24

1. Summary

- 1.1 This report details the proposed Housing Revenue Account (HRA) budget for financial year 2021/22 and sets out the information which allows consideration of rent levels for 2021/22.
 - 1.2 The report provides members with the results from the consultation process with tenants regarding the annual rent setting process.
 - 1.3 The report also details the Housing Capital Investment Plan for the three-year period from 2021/22 to 2023/24.
 - 1.4 In setting the 2021/22 HRA budget, members will wish to consider the medium and longer term financial context for the HRA in light of the ongoing risks and challenges facing the HRA as outlined in this report.
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2. Recommendations

- 2.1 It is recommended that the Council:
 - (i) considers the contents of this report and approves an average weekly rent increase of 1.5% for 2021/22 for housing rents, lock up rents and laundrette charges;
 - (ii) notes the findings of the recent Tenant Consultation exercise;

- (iii) approves the Housing Revenue Account Budget for financial year 2021/22 as detailed in Appendix 2;
 - (iv) approves the Housing Capital Investment Plan 2021/22 to 2023/24 as detailed in Appendix 3 of the report; and
 - (v) notes the continuing requirement to achieve best value in the commissioning of works by having an optimum workflow over the 3 years of the investment plan and authorises the Director of Communities, Housing and Planning to liaise with the Director of Finance and Resources to re-profile the capital programme and available resources, as necessary, in line with the appropriate limits established under the Council's capital prudential framework arrangements.
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3. Background and Medium Term Financial Context

- 3.1. The HRA operates a rolling 30-year Business Plan model which is the standard operating practice amongst local authorities and Registered Social Landlords. The 30-year basis of the model reflects the need for a long term planned approach to the replacement of major items such as rewiring, central heating etc aligned to the lifecycle of the element. The model ensures that planned rental income is sufficient over the term of the plan to cover the costs of servicing capital expenditure including significant investment and regeneration initiatives together with funding the annual costs of maintaining the housing stock and all HRA operating costs including staffing.
- 3.2. The Business Plan model is reviewed annually to take account of the adjusted base budget position from the previous year and to update any key assumptions. This review process allows consideration to be given to the setting of rent levels for the forthcoming and future financial years.
- 3.3. The COVID-19 pandemic has significantly impacted on housing services since March 2020, as adjustments have been made to services to comply with the various restrictions and government guidance that has been in place. Impacts include lower than expected rental income due to ceased letting activity in the period from late March to mid-July, and cessation of the rent arrears recovery process from lockdown onwards, delayed completion of new build homes at Dargavel Village and Johnstone Castle, and delays to works in void properties with consequent loss of rental income, restrictions to essential only repairs and delays to the gas servicing programme, with consequential building services workforce productivity impact, and delays to capital projects impacting on in year capital spending.
- 3.4. The financial impacts of COVID have been assessed and reported in financial monitoring reports to policy boards. At period 8 the overall projected overspend in the HRA is £342k for 2020/21 and this will be managed through the HRA reserve, thereby reducing the level of reserves from £6.8m to £6.4m. The HRA is a ring-fenced account and it is important that an adequate level of reserve is maintained to provide protection against any unforeseen risk or financial impact that may materialise through the year. It is considered prudent to maintain reserves at this level.

3.5. Notwithstanding these in year exceptional costs, and as previously outlined to members in the report “Housing Led Regeneration and Renewal Programme for Renfrewshire” to the December meeting of Council , a number of factors continue to have a positive financial impact on the HRA’s long term 30 year business plan. These include:

- accelerated payment of existing HRA debt linked to asset lifecycle planning and prudent financial management.
- better than expected performance in core housing management areas including rent collection and the management of rent arrears.

As a consequence, the HRA has financial capacity that is expected to emerge over a medium to longer term basis. The absolute scale of this more positive financial outlook will be subject to a range of influencing factors over the long term including ongoing rent levels. However, as reported to the December meeting of Council it is anticipated that the more positive financial outlook will confidently allow £100 million of additional investment over and above the existing programme of investment contained within the HRA business plan over the next 10 years. The HRA business plan assumptions have been amended to take account of this additional investment and the capital programme spend profile has similarly been updated accordingly.

4. HRA Budget Planning Assumptions

4.1. The rental income generated by the HRA must support service delivery, the costs of appropriately maintaining the housing stock and the financing costs to service the investment required in HRA assets. Details are provided in Appendices 1 and 2.

4.2. Key Assumptions are:

4.2.1 Estimated housing stock for 2021 is 11,853 and this includes the new build stock at Johnstone Castle and Bishopton.

4.2.2 An allowance has also been made for HRA pay inflation for 2021/22. Whilst discussions regarding pay awards are ongoing and may take time to conclude it is considered prudent to make provision for such costs

4.2.3 An allowance for inflation of £263k has also been added to the 21/22 HRA repairs and maintenance budget. This allowance is required to ensure the repairs budget reflects the inflationary impacts on the use of both internal and external contractors to deliver repairs. Equally it ensures that the repairs and maintenance budget, year on year, can deliver the same volume of repairs.

4.2.5 Rental loss from voids will remain at 1.5% for 2021/22 together with an allowance of 0.25% for Council Tax on empty properties in line with business plan assumptions.

- 4.2.6 The bad debt provision will remain at 3.5% for 2021/22. We continue to review the levels of bad debt throughout the year as part of the routine budget monitoring process.
- 4.2.7 A provision of £1.5m was made in 2019/20 as part of a planned programme of works to meet the Scottish Government's new standard relating to smoke, heat and carbon monoxide alarms. This provision was subsequently increased by £1.5m in the 2020/21 budget. In common with other councils this programme of works has been delayed due to COVID. The Scottish Government have recognised that COVID has impacted on the programme and extended the deadline for the works to February 2022. The capital plan, as detailed on the attached appendix 3, has been adjusted to reflect this extended timescale. Operational plans are in place to deliver all relevant works by this deadline.
- 4.2.8 The capital plan for 2021/22 – 2023/24 has been updated to include the additional investment in housing regeneration and new build as reported to the Council meeting of 17 December 2020
- 4.2.9 The strategy of using HRA surpluses and Capital Financed from Current Revenue (CFCR) to reduce new debt and smooth debt repayments will continue to be used to ensure the medium to long term sustainability of the HRA.
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5. Tenant Consultation

- 5.1 Renfrewshire Council has a statutory duty to consult tenants before increasing rents. To help inform the decision on rents for 2020/21, consultation was undertaken in December 2020 and January 2021 involving discussion with tenant representatives as the annual Council Wide Forum, an on-line survey of Council tenants and a telephone survey of Council tenants.
- 5.2 The majority of tenants who took part in the consultation agreed with a 1.5% rent increase. Only a very small number of tenants responded to the online survey (5 respondents), but over 600 telephone interviews with tenants were conducted by external consultants during January (this represents 5% of Council tenants).
- 5.3 Of those who took part in the telephone survey, 77.7% said they agreed with a 1.5% rent increase, with a range of comments including that the proposed increase of 1.5% is fair and reasonable in the current circumstances, with many comments supportive of the increase given the investment in existing and new homes. Of the 136 respondents who said they did not agree with a 1.5% increase, most said this was because their rent is expensive already, that their home needs improvement, poor customer service, or that rents should not increase during the pandemic.
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6. Housing Capital Investment Plan – 2021/22 to 2023/24

6.1 Overview

- 6.1.1 The proposed Housing Capital Investment Plan for the 3-year period from 2021/22 to 2023/24 is attached at Appendix 3. The net value of the plan is £112.98m and includes allowances for new build homes and related Scottish Government grants, regeneration & renewal and the planned investment programmes required to ensure council house stock is maintained at the Scottish Housing Quality Standard (SHQS).
- 6.1.2 The planned net capital investment in 2021/22 will be £20.40m, followed by £42.83m in 2022/23 and £49.75m in 2023/24. The plan will be reviewed on an annual basis incorporating an ongoing assessment of risk.
- 6.1.3 Authority is granted to the Director of Communities and Housing in consultation with the Director of Finance and Resources, to flexibly manage the capital investment programme as necessary to ensure optimum use of resources within the corporate limits of prudential borrowing. It is proposed that this facility remains in place over the life of the new three-year plan detailed in Appendix 3.
- 6.1.4 The table below sets out the proposed composition of the plan for 2021/22 (gross expenditure of £25.60m) and how it will be funded.

2021/22 Programme		2021/22 Funding	
Planned Investment Programmes	£13.68m	Prudential Borrowing	£20.40m
Regeneration & New Build etc	£11.92m	Government New Build Grant	£5.20m
Total	£25.60m	Total	£25.60m

6.2 Planned Investment Programmes

- 6.2.1 Since achieving compliance with the Scottish Housing Quality Standard (SHQS) in April 2015, there has been an ongoing requirement to ensure our housing stock continues to be maintained at this standard. This requirement will continue to be the driver for the planned investment programmes which will focus on:

- Investing in those properties which had been assessed as complying prior to 2015 but which subsequently drop below the standard
- Ensuring properties in the abeyance category which subsequently become void are upgraded prior to being re-let

The capital programme for 2021/22 to 2023/24 will deliver a total of £58.35m in planned investment programmes in the existing housing stock.

6.2.2 The Council is required to ensure that all stock achieves the minimum energy rating under the Energy Efficiency Standard for Social Housing (EESH). It is anticipated that by April 2021 80% of the Council's housing stock will meet the 2020 standard. The Council's position is that EESH will be achieved through the capital funding for planned investment programmes, together with Government sourced supplementary funding (e.g. HEEPS:ABS - Home Energy Efficiency Programmes for Scotland) and other external sources such as ECO (Energy Company Obligation).

6.2.3 As a result of the level of investment during the SHQS programme which saw internal improvements delivered to 10,700 homes, the main focus of the planned investment programme has now shifted towards external improvements which will also contribute to the achievement of EESH. There will continue to be a programme of heating renewals in 2021/22 and the smaller programme of kitchen, bathroom and rewiring combinations will only be carried out in properties which are void or were otherwise in abeyance at the end of the SHQS programme.

6.2.4 The main categories of planned investment programmes are:

- External improvements which includes renewal of roofs, rainwater goods and external fabric,
- Internal improvements which includes replacing or upgrading kitchens, bathrooms, electrical wiring and heating systems,
- Multi storey flat and sheltered housing improvements, and the roll out of the new standards relating to smoke, heat and carbon monoxide detectors.
- Other investment including launderettes, disabled adaptations, asbestos removal and rotworks.

6.2.5 The main elements of the planned investment programme for next year will include the following:

2021/22 Planned Improvements	Number of Properties
External fabric upgrading	438
Kitchen, bathroom and rewiring replacement	200
Heating renewals	250

6.2.6 In August 2019, an Acquisition Scheme was approved by the Communities, Housing and Planning Policy Board which will enable these funds to be reinvested in replacement housing stock. Privately owned properties will be identified for acquisition by the Council where they meet criteria set out in the scheme (i.e. properties which would meet identified needs, close to existing Council housing and where the purchase represents good value for money).

6.3 New Build

- 6.3.1 The Capital Investment Plan continues to include provision for investment in building new Council Housing. Two new build projects at Johnstone Castle (95 new homes) and Bishopton (80 new homes) were delayed due to the impact of COVID19 however they are now substantially complete and the plan approved in March 2020 also included provision for further newbuild Council projects at additional sites across Renfrewshire.
- 6.3.2 Work is expected to start on site shortly at two other Council newbuild sites: Tannahill, Ferguslie Park (101 homes) and Auchengreoch Rd, South West Johnstone (39 homes).
- 6.3.3 In addition to these sites, further new build developments are planned at Gallowhill (around 60 homes), and Foxbar Rivers (around 40 new homes), with provision of £9.92m also included in the three-year capital plan for further newbuild projects, with sites still to be identified.
- 6.3.4 The Strategic Housing Investment Plan 2021/22 – 2025/26 approved by the Communities, Housing and Planning Policy Board on 27 October 2020, includes provision for Scottish Government grant funding for Council newbuild projects.
- 6.3.5 Phase 1 of the Housing Led Regeneration and Renewal Plan reported to Council in December 2020 also includes capacity for an additional 300 new council homes. Planning for these new homes will be taken forward as part of this programme and the capital allowances for this has been incorporated in the plan.
- 6.3.6 The current new build grant benchmark rate for local authorities is £59,000 per unit. At present there is no certainty about levels of grant funding for Renfrewshire from the Scottish Government's Affordable Housing Programme beyond March 2021, but allowance is made in the Housing Capital Investment Plan to fund the cost of developing these new Council homes, net of the anticipated grant contribution and assuming that grant continues to be available at the current rate.

Implications of the Report

- 1. **Financial** – The report and appendices detail the proposed HRA budget and average weekly rent increase for 2021/2022 and the Housing Capital Investment Plan for 2021/22 to 2023/24.
- 2. **HR & Organisational Development** – None.

3. **Community/Council Planning**

- *Our Renfrewshire is well* – enabling communities to have their voices heard, and influence the places and services that affect them – consulting tenants on the proposed changes to rents for 2021/22
 - *Building strong, safe and resilient communities* - continuing housing regeneration programmes across Renfrewshire to create sustainable communities.
 - *Tackling inequality, ensuring opportunities for all* - improving and maintaining housing conditions for the benefit of tenants and providing assistance to tenants to mitigate the impacts of Welfare Reform.
 - *Creating a sustainable Renfrewshire for all to enjoy* – accessing supplementary external funding where available to support the achievement of the minimum energy rating under the Energy Efficiency Standard for Social Housing.
 - *Working together to improve outcomes* – consulting tenants on the proposed changes to rents for 2021/22 and involving tenant representatives in the specification and monitoring of the investment programme.
4. **Legal** – The council is required to set an HRA budget for 2021/22 and agree any rent changes for notification to tenants. The council must give tenants at least 28 days notification in advance of any changes.
5. **Property/Assets** – The report proposes the Housing Capital Investment Plan for 2021/22 to 2023/24.
6. **Information Technology** – None.
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. 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** – The proposed Capital Investment Plan for 2021/22 to 2023/24 will include procurement of contracts.
10. **Risk** – The HRA Business Plan remains subject to a number of risks including the impact of welfare reform and economic factors such as interest rates and inflation.
11. **Privacy Impact** – None.
12. **Cosla Policy Position** – Not applicable.
13. **Climate Risk** - None

List of Background Papers

None.

Author: Mary Crearie, Director of Communities and Housing

Housing Revenue Account - Budget Changes for 2021/22

Expenditure					
Subjective Heading	2020/21 Budget	Change	2021/22 Budget	Major Changes	Change
	£000	£000	£000		£000
Employee Costs	£8,924	£263	£9,187	Allowance for pay inflation for employees	£263
				Total Movement in Employee Costs	£263
Property Costs	£14,816	£39	£14,855	Budget realignment to reflect no rebate to HRA from Building Services in 21/22 & onwards	-£224
				Inflation on payments to all contractors for undertaking maintenance works	£263
				Total Movement in Property Costs	£39
Supplies & Services	£714	£0	£714		
Support Services	£2,425	£0	£2,425		
Transfer Payments	£3,910	£52	£3,962		
				Increased allowance for bad debt and void rent loss as a result of the % rent increase	£52
Transport	£103	£0	£103		
Loan Charges	£21,821	£470	£22,291	Realignment of repayment of principal debt reflecting the debt smoothing strategy.	£470
Total Expenditure	£52,713	£824	£53,536	Total movement in Expenditure	£824

Income					
Subjective Heading	2020/21 Budget	Change	2021/22 Budget	Major Changes	Change
	£000	£000	£000		£000
House Rents	£48,353	£1,040	£49,393	1.5% increase in house rents	£730
				Increase in rent yield reflecting lower number of properties held vacant/void for major improvement works	£310
				Total Movement in House Rents	£1,040
Supporting People Income	£898	£0	£898		
Commercial Rents	£1,181	£0	£1,181		
SHQS Professional Fees	£961	£0	£961		
Service Charges	£322	£3	£325		
Building Services Rebate	£224	-£224	£0	1.5% Increase in Laundrette Charges	£3
				Budget adjustment to reflect no rebate to HRA from Building Services in 21/22 & onwards	-£224
Temporary Interest	£132	£0	£132		
Lock Up Rents	£293	£4	£297	1.5% Increase in Lock up rents	£4
Renewable Heat Initiative (RHI) income	£100	£0	£100		
Other Income	£250	£0	£250		
Total Income	£52,713	£824	£53,536	Total movement in Income	£824
Movement in net expenditure	£0	-£0	-£0		

Renfrewshire Council
Estimates of Expenditure and Income for the Year Ending 31st March 2022
Housing Revenue Account
Subjective Summary

Line No	Expenditure	2020/21 Estimates £	Tsfrs, Savings & Unavoidables £	2021/22 Estimates £	Rent Increase/ Inflation, etc £	2021/22 Estimates £
1	Employee Costs	8,924,170	0	8,924,170	262,930	9,187,100
2	Salaries - Apt&C	6,259,970	0	6,259,970	187,800	6,447,770
3	Overtime - Apt & C	69,670	0	69,670	2,090	71,760
4	Superannuation - Apt&C	1,204,170	0	1,204,170	36,130	1,240,300
5	National Insurance - Apt&C	591,214	0	591,214	17,740	608,954
6	Salaries - Manual Workers	562,011	0	562,011	16,860	578,871
7	Overtime - Manual Workers	84,840	0	84,840	2,550	87,390
8	Contractual Overtime - Manual Workers	54,380	0	54,380	1,630	56,010
9	Superannuation - Manual Workers	122,943	0	122,943	3,690	126,633
10	National Insurance - Manual Workers	51,415	0	51,415	1,540	52,955
11	Employee Turnover Savings	-236,643	0	-236,643	-7,100	-243,743
12	Occupational Health Services	54,800	0	54,800	0	54,800
13	Conference Expenses	1,500	0	1,500	0	1,500
14	Pension Increases	66,400	0	66,400	0	66,400
15	Training Costs	37,500	0	37,500	0	37,500
16	Property Costs	14,816,030	-224,000	14,592,030	263,001	14,855,031
17	Community alarm maintenance	51,000	0	51,000	0	51,000
18	Contract cleaning	159,450	0	159,450	0	159,450
19	Electricity	402,020	0	402,020	0	402,020
20	Factoring & common charges	52,000	0	52,000	0	52,000
21	Garden assistance scheme	371,200	0	371,200	0	371,200
22	Gas	147,030	0	147,030	0	147,030
23	Improve garden / close cleaning	494,400	0	494,400	0	494,400
24	Maintenance of Gardens and Open Spaces	246,800	0	246,800	0	246,800
25	Maintenance of Commercial Units	30,000	0	30,000	0	30,000
26	Maintenance of houses	12,024,670	-224,000	11,800,670	263,001	12,063,671
27	Property insurance	335,400	0	335,400	0	335,400
28	Rates	131,300	0	131,300	0	131,300
29	Office Rent	72,000	0	72,000	0	72,000
30	Temporary Accommodation	9,000	0	9,000	0	9,000
31	Water metered charges	10,000	0	10,000	0	10,000
32	Repairs direct	11,000	0	11,000	0	11,000
33	Special uplift service	224,900	0	224,900	0	224,900
34	Commercial Refuse	3,860	0	3,860	0	3,860
35	Supply of bins	5,700	0	5,700	0	5,700
36	Estate Management costs	30,000	0	30,000	0	30,000
37	Other Property Costs	4,300	0	4,300	0	4,300
38	Supplies and Services	713,860	0	713,860	0	713,860
39	Advertising	3,600	0	3,600	0	3,600
40	Bank Charges	7,000	0	7,000	0	7,000
41	Clothing/Uniforms	21,700	0	21,700	0	21,700
42	Ict Software & Licenses	196,600	0	196,600	0	196,600
43	Ict Equipment Maintenance & Replacement	10,000	0	10,000	0	10,000
44	Office Equipment And Furniture	5,900	0	5,900	0	5,900
45	Legal Expenses, Sheriff Officer Services	136,000	0	136,000	0	136,000
46	Publicity	18,000	0	18,000	0	18,000
47	Removal Costs	11,800	0	11,800	0	11,800
48	Customer Research	18,300	0	18,300	0	18,300
49	Energy Management Recharge	23,400	0	23,400	0	23,400
50	Postage	68,600	0	68,600	0	68,600
51	Printing And Stationery	40,050	0	40,050	0	40,050
52	Telephones	109,810	0	109,810	0	109,810
53	Translation And Interpreting Services	1,700	0	1,700	0	1,700
54	Other Supplies & Services	41,400	0	41,400	0	41,400
55	Carried Forward	24,454,060	-224,000	24,230,060	525,931	24,755,991

2
Renfrewshire Council
Estimates of Expenditure and Income for the Year Ending 31st March 2022
Housing Revenue Account
Subjective Summary

Line No	Income	2020/21 Estimates £	Tsfrs, Savings & Unavoidables £	2021/22 Estimates £	Rent Increase/ Inflation, etc £	2021/22 Estimates £
1	Income	52,712,580	86,000	52,798,580	737,694	53,536,274
2	District Heating Income - Tenants	79,700	0	79,700	0	79,700
3	District Heating Income - Owner Occupiers	15,100	0	15,100	0	15,100
4	Renewable Heat Incentive (Rhi) Income	100,000	0	100,000	0	100,000
5	Launderette Income - Tenants	65,000	0	65,000	975	65,975
6	Launderette Income - Owner Occupiers	161,900	0	161,900	2,429	164,329
7	Other Charges To Owners	10,000	0	10,000	0	10,000
8	Recovery Of Legal Fees	40,000	0	40,000	0	40,000
9	Sheltered Housing Contribution	151,300	0	151,300	0	151,300
10	Customer Support Contribution	746,990	0	746,990	0	746,990
11	Rental Income - Commercial Properties	1,181,000	0	1,181,000	0	1,181,000
12	Rental Income - Houses	48,352,900	310,000	48,662,900	729,900	49,392,800
13	Rental Income - Lock Ups	292,690	0	292,690	4,390	297,080
14	Rechargeable Repairs Income (Net Of Write Offs)	90,000	0	90,000	0	90,000
15	Temporary Interest	131,500	0	131,500	0	131,500
16	Shqs Professional Fees	961,000	0	961,000	0	961,000
17	Admin Recoveries	56,500	0	56,500	0	56,500
18	Building Services Rebate	224,000	-224,000	0	0	0
19	Commission On Insurance	5,000	0	5,000	0	5,000
20	Energy Management System Recharge	15,000	0	15,000	0	15,000
21	Other Accounts Of The Authority	25,000	0	25,000	0	25,000
22	Property Enquiry Fees	5,000	0	5,000	0	5,000
23	Property Management Service	3,000	0	3,000	0	3,000
24	Carried Forward	52,712,580	86,000	52,798,580	737,694	53,536,274

3
Renfrewshire Council
Estimates of Expenditure and Income for the Year Ending 31st March 2022
Housing Revenue Account
Subjective Summary

Line No	Expenditure	2020/21 Estimates £	Tsfrs, Savings & Unavoidables £	2021/22 Estimates £	Rent Increase/ Inflation, etc £	2021/22 Estimates £
56	Expenditure Brought Forward	24,454,060	-224,000	24,230,060	525,931	24,755,991
57	Support Services	2,425,000	0	2,425,000	0	2,425,000
58	Apportionment Of Central Administration	1,085,100	0	1,085,100	0	1,085,100
59	Apportionment Of Central Administration Business Support	308,110	0	308,110	0	308,110
60	Apportionment Of Central Administration Non Defined	441,790	0	441,790	0	441,790
61	Mss Recharge - Devt & Housing Services	175,000	0	175,000	0	175,000
62	Asist & Mediation Recharge From Environmental Services	245,250	0	245,250	0	245,250
63	Insurance	123,000	0	123,000	0	123,000
64	Membership Fees & Subscriptions	31,750	0	31,750	0	31,750
65	Tenant Consultation	15,000	0	15,000	0	15,000
66	Transfer Payments	3,909,590	15,300	3,924,890	36,850	3,961,740
67	Council Tax	118,500	0	118,500	0	118,500
68	Garden Competition	5,700	0	5,700	0	5,700
69	Apprenticeship Levy	31,260	0	31,260	0	31,260
70	Grants To Tenants Associations	8,000	0	8,000	0	8,000
71	Irrecoverable Rent - Housing	1,667,000	10,700	1,677,700	25,200	1,702,900
72	Welfare Reform Initiatives	38,000	0	38,000	0	38,000
73	Neighbourhood Housing Forums	269,500	0	269,500	0	269,500
74	Neighbourhood Environmental Trainees Scheme	200,000	0	200,000	0	200,000
75	Voids - Commercial	170,000	0	170,000	0	170,000
76	Voids - Operational	725,300	4,600	729,900	10,900	740,800
77	Voids - Lock Ups	50,130	0	50,130	750	50,880
78	Strategy & Quality Initiatives	67,690	0	67,690	0	67,690
79	Commissioned Costs - Customer Support	558,510	0	558,510	0	558,510
80	Transport	102,500	0	102,500	0	102,500
81	Travel And Subsistence	78,300	0	78,300	0	78,300
82	Internal Transport - Hire	22,200	0	22,200	0	22,200
83	Internal Transport - Maintenance	1,000	0	1,000	0	1,000
84	Internal Transport - Fuel	1,000	0	1,000	0	1,000
85	Loan Charges	21,821,430	0	21,821,430	469,613	22,291,043
86	Loan Charges - Expenses	97,000	6,000	103,000	0	103,000
87	Loan Charges - Interest	4,017,000	914,000	4,931,000	0	4,931,000
88	Loan Charges - Principal	17,707,430	-920,000	16,787,430	469,613	17,257,043
89	Total Expenditure	52,712,580	-208,700	52,503,880	1,032,394	53,536,274

4
Renfrewshire Council
Estimates of Expenditure and Income for the Year Ending 31st March 2022
Housing Revenue Account
Subjective Summary

Line No	Income	2020/21 Estimates £	Tsfrs, Savings & Unavoidables £	2021/22 Estimates £	Rent Increase/ Inflation, etc £	2021/22 Estimates £
90	Income Brought Forward	52,712,580	86,000	52,798,580	737,694	53,536,274
91	Total Income	52,712,580	86,000	52,798,580	737,694	53,536,274
92	Total Expenditure	52,712,580	-208,700	52,503,880	1,032,394	53,536,274
93	Net Expenditure	-0	-294,700	-294,700	294,700	0

Expenditure Category	2021-22 £m	2022-23 £m	2023-24 £m	3 Year Totals £m
Existing Housing Stock				
Internal Investment	2.850	2.530	3.380	8.760
Low Rise External Improvements	4.700	8.900	11.625	25.225
Multi Storey Flats Improvements	1.537	5.337	5.000	11.874
Sheltered Housing Improvements	0.100	0.100	0.400	0.600
Others e.g. Adapts, Rotworks & Asbestos	2.140	2.440	2.340	6.920
Smoke and Heat Detectors	1.250	0.125	0.000	1.375
Professional Fees	1.100	1.250	1.250	3.600
Total Existing Housing Stock	13.677	20.682	23.995	58.354
Regeneration and New Build				
Demolitions and Acquisitions	0.625	1.230	1.275	3.130
New Build Tannahill	6.500	6.280	0.000	12.780
New Build Gallowhill	1.000	6.500	3.300	10.800
New Build Auchengreoch	3.500	2.050	0.000	5.550
New Build Foxbar Rivers	0.100	3.000	4.200	7.300
New Build replacement projects	0.050	2.175	7.695	9.920
Total Regeneration and New Build	11.775	21.235	16.470	49.480
Regeneration and Renewal Investment Programme	0.150	5.000	13.000	18.150
Government Grant Income	(5.201)	(4.086)	(3.717)	(13.004)
Net Housing Investment Expenditure	20.401	42.831	49.748	112.980



To: Council

On: 4 March 2021

Report by: Chief Executive

**Heading: Impact of COVID-19 on Renfrewshire's Communities – Social
Renewal Plan**

1. Summary

- 1.1 In September 2020, Council agreed that a community impact assessment should be undertaken to develop a deeper understanding of the impact of the pandemic on local people, and that this would inform the develop of a Social Renewal Plan for Renfrewshire setting out how the Council will work with partners to tackle both the impact of COVID-19 and existing inequalities across Renfrewshire's communities.
- 1.2 It was recognised that the impact on communities would have to be assessed over an extended period of time of at least one year, as changes to for example employment, income, relationships and mental health and wellbeing may develop over time. Ongoing restrictions also continue to impact local people, businesses and communities and there is an ongoing need for the Council to work with partners to identify and respond to any emerging issues as these arise.
- 1.3 This report builds on the report to Council on 17 December 2020, which highlighted the initial findings from the community impact assessment in relation to issues such as income, employment and health and wellbeing. The report noted that further engagement was required over the winter period to conclude this initial phase of the community impact assessment, including

targeted engagement with groups that may have been more disproportionately impacted by the pandemic.

- 1.4 Section 4 of this report provides a summary of the extensive work that has taken place to complete this first phase of the community impact assessment, including a COVID-19 impact survey issued to 1500 local people, engagement with the Local Partnerships and targeted engagement with a range of different equality groups.
- 1.5 All of the information gathered to date has been now been analysed and key findings have been identified. It is clear from these findings, that local residents have been, and continue to be, significantly impacted by the pandemic. Section 5 of this report, highlights a number of key areas of concern including:
- *The impact of high levels of COVID-19 infections and deaths recorded across Renfrewshire's communities. Local people remain very concerned about the risk of themselves or someone they know becoming ill due to COVID-19, and there is a need to consider support for people that experienced bereavement during the pandemic.*
 - *The increasing number of low-income households that are struggling to manage financially and need support with food and fuel costs.*
 - *Potentially high levels of local people feeling worried about their physical health and who have not accessed help or have been unable to access treatment due to ongoing restrictions.*
 - *The significant impact of the pandemic on mental health, with significant levels of anxiety and loneliness being reported across Renfrewshire.*
 - *Concern in relation to the ongoing impact of restrictions on many services across society which provide opportunities for support, advice, socialisation and care, and the impact that this has had on physical and mental health.*
 - *The impact on children and young people and their families of lockdown restrictions and changes to learning, assessment and examinations and the reduced opportunities for socialisation.*
 - *The positive benefits that digital access has brought to many households across Renfrewshire were recognised strongly, however for specific groups of people there remain real barriers to access.*
- 1.6 There is strong evidence that the pandemic has impacted some people and communities more profoundly than others. The starting point of local people in terms of the inequalities or challenges that they faced before the pandemic has been important, with issues such as low income, insecure employment, caring responsibilities and disabilities all being exacerbated by the pandemic and its associated restrictions. It is clear that targeted work needs to continue

to identify people that need help, and to break down barriers to allow them to access this support in the most appropriate way.

- 1.7 The role that community groups and organisations have played locally in terms of responding to the pandemic has been fundamental, and the close partnership working that has developed with the Council is widely recognised as a key strength. Groups and organisations remain committed to this work but have raised concerns in relation to the availability of national and local funding available going forward to maintain and develop this role.
- 1.8 The research findings have been used to develop an initial **Social Renewal Plan** which sets out a range of priority actions which the Council and partners should take forward. At the heart of this plan, there is a **focus on improving wellbeing and tackling the inequalities** that exist across Renfrewshire's communities. This is the first step in the process of social renewal, with more detailed work to commence with community planning partners in late March 2021.
- 1.9 It is critical that the Council continues to engage with local people and communities to take forward the local response. There are very strong foundations upon which to build locally to respond to both existing and new challenges arising from the pandemic, and it is important that local people are involved in shaping the future, whatever this may look like following the pandemic.

2. Recommendations

- 2.1 It is recommended that members:
 - Note the progress that has been achieved in terms of assessing the impact of COVID-19 on local people and communities to date;
 - Note the emerging issues being experienced locally, as identified through the community impact process;
 - Agree the initial Social Renewal Action plan attached as appendix 1 to this report in response to these key issues; and
 - Agree that updates on the Social Renewal Plan will be brought back to the Council's Leadership Board on a regular basis.

3. Background

- 3.1 In September 2020, Council agreed that a community impact assessment should be undertaken in Renfrewshire, in order to develop a much deeper understanding of the impact that COVID-19 has had on local people and communities. It was recognised that the issues being experienced were likely to emerge over an extended period of time, and that partners would need to

work together to continually assess and respond to challenges as these emerged over time.

- 3.2 Although it was agreed this process would primarily focus on the impact of the pandemic, the opportunity to tackle some of the existing inequalities across Renfrewshire's communities was also recognised. Council agreed that the approach to be undertaken was one of "listening and learning", and that a Social Renewal Plan would be brought forward to set out how the Council, partners and communities could work together to respond to the issues being experienced.
- 3.3 It is also important to explore some of the positive developments that have emerged through the pandemic, most notably in terms of the community response and the partnership working in place to support local people and communities most in need. The strength of this partnership working in Renfrewshire was recognised in a national report produced by the Carnegie Trust and it has been important to recognise the role of community groups and organisations by involving them in this process.
- 3.4 The community impact assessment process has encompassed the following activities:
- Analysis of all available data - on service demands, national and local data and research.
 - A programme of listening events and surveys to gain a deeper insight into the issues being experienced by different demographic groups.
 - Engagement with Local Partnerships on key issues impacting local communities.
- 3.5 On 17 December 2020, Council considered an update on the community impact assessment process, with particular focus on the issues being experienced around income and employment and health and wellbeing, and consideration of the extensive support that has been provided across communities by local groups, organisations and services during the pandemic.
- 3.6 It was agreed that further targeted engagement would be prioritised with these groups between December and February 2021, and be drawn with wider research to inform the development of an initial Social Renewal Plan for Renfrewshire. Section 4 of this report provides an update on the community impact assessment process.

4 Community Impact Assessment – Update

- 4.1 Between December 2020 and February 2021 officers worked with partners across sectors and communities to finalise this first phase of the community impact assessment in Renfrewshire. The key areas of activity include:
- Initial analysis of the findings from the 2020 COVID-19 Impact survey of the Renfrewshire Public Services Panel.

- Engagement with all seven Local Partnerships on the impact of the pandemic at a community level.
- Engagement with local representative groups and organisations on issues impacting people from BME communities, women and people with a disability in Renfrewshire.
- Further analysis of national policy developments and research in relation to the COVID-19 pandemic with a specific focus at a local level on housing and children and young people.

4.2 Public Services Panel – COVID-19 Impact Survey (December 2020)

4.2.1 In December 2020, a survey was issued to approximately 1500 Renfrewshire residents through the Renfrewshire Public Services Panel, with a focus on gaining a deeper insight on the impact of COVID-19 on issues such as wellbeing, income and employment, support needs and digital access. 897 responses were received to the survey, which could be accessed online or through a postal return and was managed by an independent research company on behalf of the Council.

4.2.2 The results from the survey indicate that the biggest impact of the pandemic has been in relation to mental health and wellbeing. Respondents reported experiencing a range of worries during the pandemic with:

- 66% worried about their/family's future
- 44% worried about helping / supporting a family member that needed help
- 34% worried about health treatment they needed
- 33% experiencing social isolation and feeling lonely
- 20% worried about job security, losing their job or being furloughed
- 20% feeling stress of working from home

4.2.3 Those worries were also still evident now with 70% respondents reporting that they were worried about a family member becoming unwell/seriously from COVID-19 or indeed themselves (42%). Approximately one-third of respondents were also worried about their own or a family member's mental health, whilst just over 1 in 5 (22%) respondents reported that they are currently worried about their financial situation or employment.

4.2.4 The majority (65%) of people said they feel a little or a lot less happy than they did before the pandemic, and almost half (47%) reported feeling lonely some, all or most of the time.

4.2.5 Panel members were asked to think about how they were managing financially before the pandemic, and how this compared to their experience now. 74% of respondents felt that they had been managing their finances quite well or well before, however this dropped to 62% now. Whilst the majority of respondents reported they did not require help at present, 8% of respondents were experiencing difficulty paying their energy bills, 6% were finding it difficult to get the food or medicine they need and 4% were finding it difficult to pay their rent or mortgage.

4.2.6 Survey respondents reported that they had received support from a range of sources during the pandemic mainly to check they were OK, bring food or prescriptions or support with an existing condition. 33% of people reported that they still need help now, with 11% of people stating they need help with their mental health in particular.

4.2.7 Further more detailed analysis of the survey results will be undertaken at an SIMD level.

4.3 Targeted engagement

Local communities

4.3.1 Presentations were delivered at all seven Local Partnerships over January and February 2021 to present early interim findings from the Public Services Panel, with a view to gaining feedback on local perceptions of the results and also providing an opportunity for Local Partnerships to reflect the impacts of the pandemic into their Local Priorities.

- In some cases, local data shows that issues already identified by Local Partnerships are being exacerbated, for example, social isolation had already been identified by a number of Local Partnerships as an area of focus but is now felt to be a more significant issue. In other cases, some Local Partnerships are seeking further information around new areas of concern, such as access to digital devices.
- Further to this, the results of the Public Services Panel survey show a variation in results at a locality level which warrants further exploration, particularly as areas understood to be more affluent consistently show more favourable results compared to more deprived areas.
- It is also important to note that in many cases community organisations providing support during the pandemic have often been very focussed on smaller communities and geographies, and Local Partnerships were keen to recognise the role of groups operating to support people in their particular area.

Equalities groups

4.3.2 As outlined within section 3 of the report, through the initial phases of the community impact assessment it was evident that some specific groups are also experiencing more challenges as a result of the pandemic, including those from black and minority ethnic communities, women, and people with a disability. Further targeted engagement work was carried out with community organisations representing these groups to gain a deeper understanding of some of the emerging issues. Key findings are highlighted below:

- **Disabled participants** reported adverse impacts of extended periods of shielding or self isolation due to underlying health conditions, such as greater anxiety about contracting COVID-19 (especially when attending hospital appointments) and greater levels of isolation.

- While efforts to move services online were recognised, there were also concerns about higher levels of digital exclusion for disabled people generally, as well as specific challenges around the poor level of accessibility of some digital platforms and the additional costs of accessibility software and equipment.
- **Black and minority ethnic participants** reported a lack of information and support, particularly with regard to medical information. It was reported that a 'one size fits all' approach had left people feeling less safe and sometimes stigmatised. It was also felt that some people in BAME and Polish communities may have less extended family and support networks available, with increasing childcare responsibilities having a greater impact.
- Digital exclusion was also referenced again for BAME communities, who felt digital exclusion was higher and that lack of access has exacerbated social isolation where people are unable to travel to visit family.
- **Women** also reported a number of specific impacts, such as isolation from networks such as mothers' groups and extended family, which were vital sources of support pre-pandemic for women with primary care responsibilities. It was felt that responsibilities for home schooling had also fallen disproportionately to women, adding to workload, stress and anxiety.
- Financial insecurity due to the impact on the economy has also affected women due to gendered employment patterns. Many women in low income jobs have been severely impacted by jobs ending or being furloughed, putting further strain on household budgets.

4.4 Children and Young People

- 4.4.1 A number of national reports have been published in relation to the impact of the pandemic on children and young people, considering the impact of lockdown restrictions, changes to learning, assessment and examinations, opportunities for socialisation and wider family support. Two reports published in Winter 2020 are of particular relevance - a Scottish Government Report on the impact of COVID-19 on children and young people, and a report summarising the results of partnership survey conducted by the Scottish Youth Parliament, YouthLink Scotland and Young Scot called Lockdown Lowdown.
- 4.4.2 Both of these reports note significant impacts in terms of mental and physical wellbeing, with boredom, isolation, too much screen time and poor routine all being described as particular issues by both children and young people and their families. Some of these impacts were felt to be more pronounced for vulnerable children in particular. Some positive aspects were however reported by some in terms of increased outdoor exercise and play, and also in relation to mental health.

- 4.4.3 Within the Lockdown Lowdown survey, children and young people also reported a number of concerns about their future due to the longer term impact of COVID-19, including in relation to employment (lack of choice and availability), financial security, education (difficulty making plans in uncertain times, exams), mental health, and digital access (both a barrier and opportunity).

Impact on learning

- 4.4.4 In late 2020, Scottish Government produced an initial report considering the impact of the pandemic on attainment. A local pupil equity audit has also been undertaken by Children's Services, as part of its ongoing COVID-19 response and focus on recovery and improvement of learning. The key purpose of the audit was to better understand the extent to which the attainment and needs of local children and young people have changed throughout this pandemic, and to develop actions to respond to the issues being experienced. Key initial findings:
- The data suggests that although not as large as might have been expected, the attainment gap has widened across all quartiles. This is a similar picture nationally.
 - As is the case with the national equity audit, there is evidence that children with additional support needs, behavioural issues and those obtaining free school meals and clothing grants have experienced greater impact.
 - Engagement with learning continues to be an important factor in determining the impact on attainment. Families continue to juggle home learning and parental employment, and some families may not have access to the digital devices required to support learning. Some young people reported they found it difficult to engage with learning.
 - Children and young people reported that they had felt anxious and stressed at home with lack of social contact being the most common theme that was discussed. Children and young people missed interaction with their teacher and face to face contact with their classmates.
 - Several children had also been personally impacted by COVID-19 with family members having tested positive or parents shielding. While they noted that this caused them some anxiety and felt it might have affected their learning, they also felt that returning to school helped to alleviate their concerns and that it brought some normality back to their lives.
- 4.4.5 Since August 2020, schools have been working with children and young people to narrow the gap and are using a range of evidence-based

approaches and interventions to support children and young people. Following the equity audit, planning sessions were undertaken with headteachers to develop and identify key priorities between January and March 2021. Whilst these plans have been impacted due to the subsequent lockdown in December 2020, the organisation remains absolutely committed to supporting young people and their families through the pandemic.

4.5 Impact on housing

- 4.5.1 Safe and secure housing is a critical element of individual and family wellbeing, and services across Renfrewshire have worked very closely to provide housing support services to local people during the pandemic. There have been some changes to legislation over the period, with a ban on the enforcement of evictions until 31 March 2021 in place. This position is likely to be masking a number of issues which could lead to an increased number of homeless presentations after this period ends.
- 4.5.2 In Renfrewshire the number of statutory homeless households increased during the 'lockdown' period, rising from 297 awaiting settled accommodation at March 2020 to 409 by September 2020, and is currently at 381. There have been a total of 619 statutorily homeless households since lockdown.
- 4.5.3 The Council and Registered Social Landlords have focused over this period on providing settled tenancies for those statutorily homeless or in chronic housing need, and this may need to continue into the future. Prior to the pandemic partners had been working to implement Renfrewshire's Rapid Rehousing Transition Plan, which is a 5 year plan detailing how the length of time that those who are homeless stay in temporary accommodation can be reduced, and how they can be supported to resettlement. This work was impacted by the pandemic but has now restarted.
- 4.5.4 During the pandemic there has also been a substantial increase in demand from those in need of Housing Support – with around a 50% increase. Sheltered Housing tenants at our 10 complexes have not had access to the same form of housing support and wellbeing activities as usual due to COVID-19 related restrictions, and as lockdown restrictions ease, it is anticipated that wider health and wellbeing and digital participation activities can be restarted.
- 4.5.5 Although difficult to quantify at present, the impact on homelessness and demand for housing support in the post COVID-19/ furlough period is expected to be high. The impact on tenants will continue to develop over time and services will continue to take a proactive and supportive approach to assist with difficulties being experienced. For example, the housing team have been making targeted contact with those tenants whose payment patterns have changed during the pandemic, whilst also supporting tenants who have proactively contacted the service to discuss some of the issues they are experiencing in terms of income, support needs or digital access.

4.5.6 The Public Services Panel COVID-19 Impact Survey (see 4.2) found that just over 1 in 5 (22%) of respondents reported they are currently worried about their financial situation or employment. Although this percentage does not relate solely to council tenants, it confirms the need for our ongoing effort during the pandemic and priorities in the post COVID-19 recovery to continue to target activity at enabling access to all financial and other support available. Work is ongoing through the Right for Renfrewshire programme to work towards simplifying access to advice service of which housing and homelessness advice will play a key part alongside wider welfare advice.

4.5.7 Consistent with the findings from Panel members, staff feedback from the ongoing proactive contact confirms that the majority of tenants report that they do not require help at present. However, it is anticipated that as support schemes such as furlough end, we may experience a steep increase in members of our communities finding it increasingly difficult to manage, particularly in relation to household income. As a consequence of this and the uncertainty in the local employment market and wider economic implications it is anticipated that there will be an increase in rent arrears, new universal credit claims and changes in payment methods. This situation is being closely monitored and officers are undertaking detailed analysis and monitoring on rent account management as well as providing detailed welfare contacts to support our tenants where there is an indication of financial pressure.

4.6 National focus on social renewal

4.6.1 On 21 January 2020, the Scottish Government published the first report from the Social Renewal Advisory Board – *If not Now, When ?* - which was set up by Ministers to make proposals to improve society across Scotland as it emerges from the pandemic. In establishing the Board, the Scottish Government recognised the significant inequalities that exist across Scotland's communities, and for this reason it was important not to wait until the pandemic is over to begin to learn its lessons.

4.6.2 The report sets out 20 calls to action in relation to Money and Work, People, Rights and Advancing Equality and Communities and Collective Endeavour. Local authorities have a significant role to play in terms of responding to the call to action including in relation to:

- proposals to end digital exclusion
- the development of a social contract on fair work – with the public sector using this to support people most disproportionately impacted
- ensuring there are enough homes that are secure, warm, accessible, affordable, and not overcrowded, in places people want to live
- ensuring everyone has access to nutritious, culturally appropriate and affordable food

- giving more control to people and communities over the decisions that affect their lives.

4.6.3 The calls to action are seen as essential building blocks to the COVID-19 response, which can build on the commitments and strengths which already exist across Scotland. A particular focus of the report is on the importance of place-based approaches to strengthen communities, reduce inequalities and make the most of the opportunities where people live and work.

5. Community impact assessment - key findings

5.1 The initial phase of the Community Impact Assessment is now complete, with a number of significant findings being identified through this process. These can be summarised at a high level as follows:

- ***Renfrewshire has experienced amongst the highest levels of incidence and death from COVID-19 in Scotland***, and has been impacted by a range of ongoing related restrictions and lockdowns at both a local and national level to control high levels of community transmission. Support for people experiencing bereavement in very difficult circumstances continues to be required.
- ***The starting point that people had in terms of factors such as income, employment and health has played a significant role in terms of the ability of people to manage the impact of the pandemic.*** Whilst many people may have experienced loss of income/employment or ill health for the first time, for others the pandemic has represented a deterioration in already difficult circumstances.
- ***The pandemic has exacerbated inequalities in Renfrewshire in relation to income and employment.*** Lockdowns and associated restrictions have impacted people on low incomes and groups of people most likely to be in insecure or part time employment such as women and young people. 6% of the working age population are currently claiming out of work benefits (77% increase since March 2020).
- There is strong evidence that **some individuals and families are finding it increasingly difficult to manage**, particularly in relation to household income. Food insecurity and fuel poverty are seen as being particular issues, with high ongoing demand for community based supports. Between March 2020 and November 2020, the number of people in receipt of Universal Credit in Renfrewshire increased by 92% (80% increase in Scotland overall). Applications for crisis grants in Renfrewshire were also 30% higher in November 2020 than in November 2019.
- There are particular concerns with the ongoing nature of restrictions and the health and wellbeing of local people, particularly in relation to **loneliness and isolation and the impact that this can have on mental health and wellbeing**. Young people were a key area of concern, as were people with a disability, with a significant loss being reported in terms of socialisation.
- In terms of wider health and wellbeing, there is emerging evidence at a local and national level that **people are not seeking help with medical**

issues, or are experiencing delays or difficulties accessing support with an existing medical condition. The impact of the pause in particular health services, treatments and screening programmes during the course of the pandemic will emerge over time.

- **Restrictions on the services provided by the Council and wider partners across communities have had a significant impact**, with services and community supports being provided in different ways as permitted under guidance. This includes general advice support services, as well as access to leisure services, community groups and activities and formal day services. There is a risk that levels of harm are not being identified in the same way that they would have been prior to the pandemic and that people providing unpaid care have been impacted.
- **Children, young people and families have been significantly impacted** by ongoing restrictions and the lockdowns that have taken place, and the shift to online learning at home. Young people have also experienced major changes to assessment and examinations. Whilst there has been significant work at a local level to support children and parents with online learning and to provide access to digital devices and connectivity, local and national evidence does indicate some level of disruption to attainment levels. Particular impacts have been identified for children with additional support needs, and from low income households.
- **Digital exclusion remains a significant issue for some**, with many groups and organisations stating that online provision had worked well in some instances, but that issues remained in terms of access and engagement through online means. Positive feedback was received on support received through the Connecting Scotland programme and through the provision of digital devices and connectivity to support learning. Findings from the Public Services Panel noted reasonably high levels of access to digital devices within the home and to internet connectivity and it is clear that much further work needs to be done to identify people who are most likely to be experiencing digital exclusion.
- Engagement indicates that ***some specific groups are also experiencing potentially a greater impact as a result of the pandemic***, including those from black and minority ethnic communities, women, and people with a disability. Initial listening sessions have taken place recently and it was reported that issues were being experienced in terms of social isolation and loneliness, digital inclusion, provision of information, managing family relationships and advice and income and employment.
- Community groups and organisations have played a fundamental role in responding to the COVID-19 crisis and in providing support to local people and communities. Initial funding was made available by Scottish Government to support these groups and organisations, however there is increasing concern about the **availability of future community based funding**, and the resilience of some groups to be able to continue to meet increased demand within existing resources. The strength of partnership working is of real significance locally, and is a key building block for future work to respond to the pandemic.

5.2 These findings have been used to inform the development of an initial Social Renewal Plan for Renfrewshire. The plan sets out some of the high level

actions that will need to be taken forward with partners and communities as a priority.

6. Renfrewshire Response - Social Renewal Plan

- 6.1 As outlined in section 3, given the ongoing impact of the pandemic and the likely longer term issues that may emerge over time within Renfrewshire's communities, it was recognised by Council that there would be a need to work with partners on a continuous basis to respond to changing priorities and levels of need.
- 6.2 The findings from the community impact assessment to date, confirm a number of key priorities which partners and communities should address jointly. It is important that partners and communities continue to work together on these priorities, and that people most impacted are able to shape the actions that are taken to address the issues being experienced. In effect the first stage of the community impact assessment represents only the initial phase of the engagement that will be required.
- 6.3 It is also critical that both the economic and social wellbeing response to the pandemic are fully aligned, as economic recovery will be a major driver of social recovery. An Economic Recovery Plan for Renfrewshire was approved by Council in December 2020 which recognised the need to fundamentally tackle inequalities across Renfrewshire in terms of employment, income, education and health including measures to mitigate the risks of increasing multiple disadvantages and any widening of the gap between the most and least deprived as a result of the economic crisis. It is also important to consider the opportunities and challenges arising from the pandemic in relation to the declared climate emergency in Renfrewshire.
- 6.4 An **initial Social Renewal Action plan** has been developed which sets out how the Council will work with partners to **improve wellbeing and tackle inequality**. Appendix 1 provides a summary of the key initial actions which have been identified by the Council in response to the key findings from the community impact assessment. These actions demonstrate how the organisation will build on the work that is already being progressed locally.
- 6.5 The next stage of the social renewal planning process will involve working with community planning partners and with local communities to further develop the Social Renewal Plan and to identify further opportunities to work together to address the key findings from the community impact assessment. A special meeting of the Community Planning Partnership Executive Group will take place on 29 March 2021 to take this work further.



- 6.6 Work will also be undertaken with partners to further explore the disproportionate impact that COVID-19 has had on specific demographic groups across Renfrewshire. A particular focus will be on:
- Unpaid carers
 - Young people
 - People experiencing issues accessing medical treatment.
 - People who have experienced bereavement during the pandemic.
 - Opportunities and challenges in relation to climate change
 - People directly impacted by poverty (joint work with the Poverty Alliance)
- 6.7 The Council and its partners have very solid foundations upon which to progress this work, with a number of existing programmes already in place to address the wellbeing of children, to raise attainment, to tackle poverty and inequality and support community empowerment amongst many others. The Health and Social Care Partnership have also moved quickly to respond to issues in relation to social isolation and loneliness, with a range of community-based proposals receiving funding to progress initiatives which will support people now and through the pandemic.
- 6.8 There is also an opportunity to link the social renewal response from the pandemic, to many of the significant investments and developments being progressed through existing economic, cultural and housing regeneration programmes in Renfrewshire, which will build a positive and vibrant future for local people and communities. The role of culture in facilitating sustainable change socially and economically is recognised, and partners will work together to embed cultural and creative practice across social renewal activity. This will include identifying opportunities to align closely with the Future Paisley programme.
- 6.9 Moving forward there will be a requirement to consider the resources that are available across partner organisations and to ensure that these are targeted in the right places and at the right level to support social renewal in

Renfrewshire. Further discussions in relation to resource allocation will be progressed with community planning partners.

Implications of the Report

1. **Financial** – the pandemic has had and will continue to have a significant impact on the resources available to the Council. Given the anticipated longer term financial challenges facing the Council, the requirement for targeting of resources in priority areas will be essential.
2. **HR & Organisational Development** - the commitment of the Council's workforce since the pandemic emerged has been fundamental to the ability of services to continue to support local people, businesses and communities. A significant proportion of the Council's workforce live locally in Renfrewshire, and many of the social impacts outlined in the report are also being experienced by our employees. Targeted support is being offered to employees in order to address issues such as financial insecurity and mental health and wellbeing.
3. **Community/Council Planning** – There has been a strong partnership response to the COVID-19 pandemic in Renfrewshire with community and third sector organisations working closely together to maximise the resources available at a local level to meet the needs of local people and communities. This will be a critical focus going forward as partners work collectively to mitigate the impact on those most negatively impacted in our communities.
4. **Legal** - New legislative requirements have been put into place by the Scottish Government to support the country's response to COVID-19. There may be further changes to these requirements or further legislation as the lockdown measures ease, which the Council will require to respond to.
5. **Property/Assets** - none
6. **Information Technology** – none
7. **Equality and 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 because it is for noting only. 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 and Safety** – none
9. **Procurement** – none
10. **Risk** – none

11. **Privacy Impact** – none
12. **COSLA Policy Position** – none
13. **Climate Risk** – there are climate emergency actions in the attached action plan, aligning this Social Renewal Plan to the Council’s commitment to tackling the climate emergency through a green recovery from COVID-19

List of Background Papers

Author: *Laura McIntyre, Head of Policy and Commissioning*

SOCIAL RENEWAL PLAN FOR RENFREWSHIRE

Theme	Actions
Income, poverty and financial insecurity	<ul style="list-style-type: none"> Review and Relaunch the Tackling Poverty Programme to address issues arising from the pandemic with particular focus on addressing gaps in available support
	<ul style="list-style-type: none"> Support the development of a local community resilience network, particularly to explore models of (a) dignified food provision such as Community Pantries (b) providing emergency support for fuel costs
	<ul style="list-style-type: none"> Review and promote supports for financial inclusion, including income advice to maximise income and manage debt, and increase awareness of affordable credit options
	<ul style="list-style-type: none"> Develop participatory approaches for people with lived experience of poverty, as part of the Get Heard programme with the Poverty Alliance
	<ul style="list-style-type: none"> Providing a simplified service model for accessing advice services, such as housing and homeless advice, income and welfare advice
Ensuring economic recovery for all	<ul style="list-style-type: none"> Align to actions in economic recovery plan to make sure those from disadvantaged groups have opportunities, particularly black and minority ethnic people, women and disabled people.
	<ul style="list-style-type: none"> Review procurement strategy to maximise benefits for local people through community wealth building, community benefits and supporting local suppliers
Building community resilience and capacity	<ul style="list-style-type: none"> Develop neighbourhood hub model beyond COVID-19 response to provide support to communities at a locality level, strengthening connections across services and to the community and third sector groups in their respective localities
	<ul style="list-style-type: none"> Develop and promote opportunities for communities to have voice and influence, for example by supporting Local Partnerships to progress their local priorities, and by creating opportunities for participation in local neighbourhoods
	<ul style="list-style-type: none"> Build on the Community Learning and Development function with increased focused on locality working and community development
	<ul style="list-style-type: none"> Explore external funding opportunities to support innovative practice around community resilience and partnership
Health and wellbeing	<ul style="list-style-type: none"> Continue to develop programme of work around social isolation and loneliness
	<ul style="list-style-type: none"> Implement the recommendations of Renfrewshire's Alcohol and Drug Commission

	<ul style="list-style-type: none"> Identify actions to increase physical activity levels, particularly in key groups such as children who are physically inactive, and older and clinically vulnerable people who have been shielding/at home
Digital participation	<ul style="list-style-type: none"> Work with partners to develop a new Digital Participation programme for Renfrewshire, which will seek to increase access, participation and digital skills.
Green / Climate emergency	<ul style="list-style-type: none"> Deliver projects funded through the Climate Change Action Fund, including those which will support food insecurity, encourage participation and enable active travel and use of greenspace with a link to wider health and wellbeing.
	<ul style="list-style-type: none"> Develop a climate change adaptation plan, linked to social and economic recovery plans in order to maximise the opportunities that may exist to tackle climate change as part of the COVID-19 response and recovery process
Housing	<ul style="list-style-type: none"> Progress a significant housing led regeneration programme across Renfrewshire's communities improving the quality of homes and environment contributing to sustainable communities and improved wellbeing.
	<ul style="list-style-type: none"> Implement the Rapid Rehousing Transition Plan including wrap around support services through programmes such as Housing First, and tenancy resettlement services, and increase the proportion of lets to homeless households.
Children and Young People	<ul style="list-style-type: none"> Deliver comprehensive of programme of mental health support for children and young people through a partnership programme of activity
Culture and creativity	<ul style="list-style-type: none"> Activity driven by Culture, Arts, Health and Social Care Group (CAHSC) to embed cultural regeneration within health and social care services at a local level, with specific focus on support and recovery for those most impacted by Covid19 Through Future Paisley cultural programme and the newly established BAME cultural steering group, tackle social isolation by co-producing, programming and curating work with those groups most adversely affected by the impact of the pandemic. Developing a clear pipeline from Future Paisley projects that drive participation and skills development to work experience and paid work.



To: Council

On: 4 March 2021

Report by: Director of Finance and Resources

Heading: Governance Arrangements

1. Summary

- 1.1 The purpose of this report is to seek approval for arrangements for the next cycle of Board meetings up to and including the next full Council meeting on 13 May 2021 and to provide an update on the acquisition of the Public-i system that enables livestreamed hybrid meetings to take place, once restrictions to combat the Covid-19 pandemic have been eased.
 - 1.2 The proposal is to continue the arrangements that have been in place for Board and Council meetings since August 2020.
 - 1.3 The arrangements set out in the report aim to allow the next cycle of Board meetings to take place as efficiently as possible in the current circumstances as well as enabling the Council to continue to respond to any urgent issues arising from the continuing Covid-19 pandemic.
 - 1.4 The report also proposes a delegation in relation to decisions regarding the lending or borrowing of museum collection items and seeks approval or noting of various other governance related matters.
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2. Recommendations

- 2.1 Council is asked to:
 - a) approve the arrangements for the next cycle of Council and Board meetings set out in section 4 of this report;

- b) note the delay in the installation of the Public-I system;
- c) note that the arrangements for subsequent Board cycles will be the subject of a report to Council on 13 May 2021;
- d) continue the temporary changes to the membership and remit of the Emergencies Board approved by Council on 25 June 2020;
- e) approve a delegation to the Head of Policy and Commissioning in consultation with the Leader of the Council to authorise lending of any item from the Council's museum collection and the borrowing of items from another party for exhibition by the Council and to agree the terms under which the lending or borrowing of items takes place;
- f) authorise the Leadership Board to decide requests for the return of items from the museum collection to the place or community of origin of those items.
- g) agree to appoint:
 - i) Cllrs Devine and Sheridan to replace Cllrs McCulloch and Montgomery on the Communities, Housing and Planning Policy Board
 - ii) Cllr Sharkey to replace Cllr Montgomery on the Cross-Party Sounding Board
 - iii) Cllrs Harte and Hood to replace Cllrs Bibby and Davidson on the Education and Children's Services Policy Board; and
 - iv) Cllr Sharkey to replace Cllr Davidson on the Infrastructure, Land and Environment Policy Board
- h) note the outcome of Cllr Mack's appeal against the decisions of the Standards Commission and that as a result, Cllr Mack can resume his role as an elected member of Renfrewshire Council. Further note that a further hearing by the Standards Commission is due to take place on 9 March 2021.
- i) agree that the meeting of the Audit, Risk and Scrutiny Board scheduled for 28 September 2021 be rescheduled to 25 October 2021.

3. Background

- 3.1 Since the start of the Covid-19 pandemic in March 2020, the Council has had in place emergency governance arrangements to enable oversight of its functions and services in circumstances where it has not been possible for meetings of the Council's Boards to take place safely in Renfrewshire House.

- 3.2 These arrangements initially involved weekly meetings of the Emergencies Board, held remotely, extended emergency delegations to the chief executive and the cancellation of all Council and Board meetings up to the Council meeting on 25 June 2020.
- 3.3 Several full cycles of Board meetings have now taken place with remote access for members using Microsoft Teams. However, due to a continued resurgence in the Coronavirus since the last Council meeting, it has still not been possible to consider a safe return to holding meetings in the Council Chamber in Renfrewshire House.
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4. Arrangements for the March to May 2021 Cycle of Meetings

- 4.1 The dates for meetings of the Council and Boards from October 2020 to June 2021 were approved by Council on 26 September 2019. Those dates, including those for meetings during the March to May 2021 Board cycle, have remained in place as scheduled and are listed in the appendix to this report.
- 4.2 It is proposed that, subject to paragraph 4.6 below, the planned meetings in the March to May 2021 Board cycle continue to take place remotely using video or audio links with the same arrangements as previously approved for the last cycle of meetings.
- 4.3 The position in relation to the impact of Covid-19 on the possibility of holding physical meetings in Renfrewshire House remains the same as in previous reports. Until the position is clarified, it is not possible at this time to arrange meetings in the Council Chamber or any of the committee rooms in Renfrewshire House or any other indoor venue in a way that is in accordance with government guidance.
- 4.4 As indicated in the report to Council on 17 December 2020, the Council had purchased a system from Public-I that would allow hybrid meetings to take place with some members present in the Council Chamber and others accessing the meeting remotely.
- 4.5 The system was due to be installed during week beginning 11 January 2021. However, due to the additional Covid-19 related restrictions imposed on travel, the engineer from Public-I was unable to attend Renfrewshire House to complete the installation work. A provisional date has been fixed for between 8 to 10th March 2021 for the installation to now take place although this too will be subject to whatever Covid-19 related restrictions are in place at that date. It is hoped that testing of the system with elected member involvement can then take place in late March 2021. However, it is not anticipated that the system will be available for use for a hybrid Board or Council meeting in the March to May 2021 cycle, even if guidance permitted such a meeting to take place.

- 4.6 In any event, it is proposed to continue the discretion given at previous Council meetings to each Convener in consultation with the chief executive and the representatives of the other political groups on the Board to agree to use the new system for a Board meeting once the system has been successfully tested.
- 4.7 Although the Policy Boards have been meeting regularly, the governance of the Council still needs to be sufficiently flexible to respond to the rapidly changing situation during the pandemic. Accordingly, it is proposed that the revised remit and extended membership for the Emergencies Board will continue although no meetings of the Board will be programmed at this time. Should any matters relating to Covid-19 require urgent decisions to be taken that can't wait until the next meeting of the relevant Board or Council the Emergencies Board can be reconvened quickly.
- 4.8 The arrangements for future Council and Board meetings will continue to be reviewed and will be the subject of a further report to Council on 13 May 2021.
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5. Delegation Regarding the Museum Collection

- 5.1 The Collections Agreement between Renfrewshire Council and Renfrewshire Leisure Limited dated 2 July 2015, outlines the obligation of and agreements between Renfrewshire Council and Renfrewshire Leisure Limited in managing the civic collection and transactions associated with the collection. Such transactions include acquisitions, lending and borrowing, research and disposal. At present there is no delegated authority that oversees requests to borrow or lend items relating to the Council's museum collection. Whilst RLL will prepare and manage such requests, they must be authorised by the Council as owners of the collection. Therefore, it is proposed that delegated authority is given to the Head of Policy and Commissioning in consultation with the Leader of the Council to oversee RLL's obligations in relation to these collection transactions.
- 5.2 However, the delegation will not apply in the case of:
- Any matter out with the Collections Agreement which is of material interest to Renfrewshire Council and /or its reputation
 - Loan requests of items from the Recognised Collection (the Paisley Shawl Collection)
 - Sampling and analysis requests
 - Disposal and rationalisation
 - Spoliation / Repatriation

In such cases, the approval of the Leadership Board will still be required.

- 5.3 To reflect growing interest in the sources of items within the collection, particularly those originally sourced outside the United Kingdom it is proposed that the Council establishes a procedure to consider requests that may be received to return items held in the collection to their place or community of origin. The proposal is that any such request is considered initially by an officer group chaired by the Head of Policy and Commissioning and comprising senior officers from Renfrewshire Leisure and the Council as the Head of Policy and Commissioning and the chief executive of Renfrewshire Leisure consider appropriate. That group would then submit a report with recommendations to the Leadership Board. The Leadership Board would then take a decision on the request unless the Board was of the view that the request involved matters of such significance it should be referred to the full Council for a decision.
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6. Changes to Board Representation for the Labour Group

- 6.1 The Leader of the Labour Group has intimated the following proposed changes to that Group's representation on Boards:

Cllrs Devine and Sheridan to replace Cllrs McCulloch and Montgomery on the Communities, Housing and Planning Policy Board.

Cllr Sharkey to replace Cllr Montgomery on the Cross-Party Sounding Board.

Cllrs Harte and Hood to replace Cllrs Bibby and Davidson on the Education and Children's Services Policy Board.

Cllr Sharkey to replace Cllr Davidson on the Infrastructure, Land and Environment Policy Board.

7. Appeal against the Decisions of the Standards Commission of Scotland

- 7.1 A report to the last meeting of the Council on 17 December 2020 advised members of the outcome of a hearing held by the Standards Commission for Scotland into complaints against Cllr Paul Mack. The outcome of the hearing was that Cllr Mack was disqualified from being a councillor for a period of 17 months beginning on 1 October 2021. The report also asked members to note that Councillor Mack had submitted an appeal against the findings of the Commission and the sanction imposed on him but at the time of the last Council meeting, the appeal had still to be heard.
- 7.2 The appeal has now been determined in Cllr Mack's favour and the decision of the Sheriff Principal is that the original decision of the Standards Commission to proceed with the hearing in Cllr Mack's absence has been quashed and the matter is remitted back to the Standards Commission to hold a new hearing. The date for the new hearing has been fixed for Monday 9 March 2021.

- 7.3 As a result of the Sheriff Principal's decision, Cllr Mack has been reinstated as a councillor and can attend Council and Board meetings.
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8. Meetings of the Audit, Risk and Scrutiny Board

- 8.1 Owing to the ongoing Coronavirus pandemic, there is again flexibility in terms of the timescales for approval of the audited annual accounts. It is likely that the unaudited accounts will still be submitted in June 2021 with the audited accounts being submitted in October 2021. It is therefore proposed, following consultation with the Convener of the Board, that the meeting of the Audit, Risk and Scrutiny Board scheduled for 28 September 2021 be rescheduled to 25 October 2021.
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Implications of the Report

1. **Financial** – None
2. **HR & Organisational Development** - None.
3. **Community/Council Planning** – None
4. **Legal** – As detailed in the report.
5. **Property/Assets** – None
6. **Information Technology** – None
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 because it is for noting only. 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** – The proposals in the report recognise that it is not currently possible for formal council and board meetings to take place safely in Renfrewshire House.
9. **Risk** - None
10. **Privacy Impact** – None
11. **Cosla Policy Position** - None
12. **Climate Risk** - None

List of Background Papers –

- 1) Minute of the meeting of the Emergencies Board on 20 March 2020.
 - 2) Report to the Emergencies Board on 29 May 2020 headed “Arrangements for the Council meeting on 25 June 2020.
 - 3) Minute of the Council meeting on 25 June 2020.
 - 4) Minute of the Council meeting on 17 December 2021
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Author: Ken Graham, Head of Corporate Governance.

March 2021						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4 – 9.30am: Council	5	6
7	8	9	10	11	12	13
14 - 1/4	15	16 – 1pm: Communities, Housing & Planning 3pm: Police, Fire & Rescue Scrutiny	17 – 10am: Regulatory Functions	18 – 1pm: Education & Children's Services	19	20
21 - 2/4	22 – 10am: Audit, Risk & Scrutiny	23 – 2pm: JNC	24 – 1pm: Infrastructure, Land & Environment	25 – 9.30am: Appeals	26	27
28 - 3/4	29 – 2pm: Petitions	30 – 2pm: Local Review Body	31 – 2pm: Finance, Resources & Customer Services			
April 2021						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 – 10am: Regulatory	2 Public Holiday	3
4	5 Public Holiday	6 recess	7 recess	8 recess	9 recess	10
11	12 recess	13 recess	14 recess	15 recess	16 recess	17
18	19	20	21	22	23	24
25 - 5/4	26	27 – 2pm: JNC	28 – 1pm: Leadership	29	30	
May 2021						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2 - 6/4	3 Public Holiday	4	5	6 – 9.30am: Council	7	8



To: Council

On: 4 March 2021

Report by: Chief Executive

Heading: Independent Review of Adult Social Care in Scotland

1. Summary

- 1.1 In September 2020 the Scottish Government announced that it intended to commission an independent review of adult social care in Scotland. The review was identified as a key element of the 2020 Programme for Government, and expedited in order that key findings could be published in early 2021.
- 1.2 The review was led by Derek Feeley, a former Scottish Government Director General for Health and Social Care and Chief Executive of NHS Scotland, who was supported by an Advisory Panel comprising of a range of experts. The principal aim of the review was to recommend improvements to adult social care in Scotland.
- 1.3 Following a process of engagement and consultation, the final report from the independent review was published on 3 February 2021. This report to Council provides an overview of the findings of the independent review of adult social care in Scotland which was undertaken between September 2020 and January 2021. The full report can be accessed on the [Scottish Government website](#).
- 1.4 A fundamental proposition within the independent review and report, is that the country needs to recognise and value the critical role that social care plays within society. The report identifies social care support as being an investment in citizens and the economy itself, and that there needs to be a greater shift to a model of care which is more consistent and fair, which enables and promotes the rights and capabilities of individuals, and that there is an inherent right to services rather than assessment for services in line with eligibility criteria. A strong, skilled and valued workforce are

recognised as being key to achieving these ambitions, with the system being funded to deliver the improvements required.

- 1.5 The recommendations within the report have significant implications for the provision of adult social care across Scotland and for the role of local authorities, with fundamental changes proposed to achieve the new vision for adult social care going forward. Key changes proposed include:
- The accountability for social care support should move from local government to Scottish Ministers, and that a Minister should be appointed with specific responsibility for Social Care.
 - The creation of a National Care Service with its own board. Integration Joint Boards would be reformed and operate as “local delivery agencies” of the new National Care Service. The report identifies that a National Care Service is needed to achieve consistency, drive national improvements, ensure strategic integration with the National Health Service, set national standards, terms and conditions, and to bring national oversight/accountability. The National Care Service will bring together everyone with a role to play in planning and providing social care support to achieve a common purpose.
 - Local authorities should no longer be responsible for Commissioning and Procuring Adult Social Care support but could continue to provide social care services procured by reformed Integration Joint Boards.
 - Integration Joint Boards to be directly funded by Scottish Government, and local authorities would no longer be involved in decision making in relation to the allocation of funding to adult social care. The National Care Service would be responsible for distribution of resources based on a new funding methodology. The report also highlights that a further investment of over £600m is required to support the required improvements in the system.
 - A shift from competitive to collaborative commissioning with alternatives to competitive tendering developed and less focus on time and task based commissioning of services from social care providers.
 - The requirement to undertake a radical overhaul of the National Care Home Contract, with the care home sector becoming an actively managed market with a revised and reformed National Care Home Contract in place, and with the Care Inspectorate taking on a market oversight role.
- 1.6 As outlined above the review does not make it clear as to whether the Council would have a role in the delivery of adult social care services going forward as a commissioned service provider (although this is identified as a possibility), or whether services would required to be transferred formally to Integration Joint Boards. There are significant financial, risk, legal, procurement and staffing issues in relation to either scenario.
- 1.7 Finally, it should be noted that the review was intended to focus on adult social care, however there are several recommendations which relate to the provision of social work services. The report does not specifically address the role of the Chief Social Work Officer going forward, or set out how statutory

functions relating to mental health and adult protection would be managed in light of the system wide changes proposed. Further clarity is required in relation to these issues as well on the potential impact of the proposed governance changes on the provision of criminal justice and children's social work services, which are not delegated to the Integration Joint Board in Renfrewshire.

- 1.8 The recommendations outlined within the independent review report were debated in the Scottish Parliament on 16th February 2021, with further detail anticipated on any next steps to be undertaken by the Scottish Government in response to the review. It is clear from the scope of the recommendations that these will require significant further engagement with local authorities, Integration Joint Boards, NHS Boards, social care providers and representative organisations and importantly people that use adult social care services across Scotland. Changes to existing legislation will also be required to enact any changes.

2. Recommendations

- 2.1 Council is asked to:
- Note the contents of the independent review report and its recommendations as these relate to Renfrewshire; and
 - Note that further updates will be provided to elected members as further information becomes available on the Scottish Government's response to this independent review and its recommendations.

3. Background

- 3.1 On 1 September 2020, the First Minister announced that there would be an Independent Review of Adult Social Care in Scotland as part of the Programme for Government. The review was chaired by Derek Feeley, a former Scottish Government Director General for Health and Social Care and Chief Executive of NHS Scotland. Mr Feeley was supported by an Advisory Panel of Scottish and international experts.
- 3.2 The principal aim of the review was to recommend improvements to adult social care in Scotland. This was primarily in terms of the outcomes achieved by and with people who use services, their carers and families, and the experience of people who work in adult social care. The review concluded at the end of January 2021 and was published on 3 February 2021.
- 3.3 As part of the review an extensive programme of engagement was carried out to inform the proposals for reforming social care and the following key themes emerged:

The report notes:

Access, eligibility and assessment – The process to access social care was described as ‘notoriously difficult’, ‘over-complicated’ and ‘bureaucratic’. The eligibility criteria were described as one of the main barriers to accessing social care and that the threshold for accessing support is too high, and meaningful support is only available when people are acutely unwell or in crisis. In order to improve, social care needs to focus on holistic wellbeing and personal outcomes. It should be flexible so that it can adapt to changing needs and wishes.

Structure and design of services – Integration Joint Boards have had benefits in terms of health and social care support services working together better locally, but in many instances people need to be much more directly involved in planning their own care, and in decisions about local priorities. National and local service must also work better together. The important role that technology can have on people but not as a replacement for support.

Planning, commissioning and procurement – Strategies were described as good the however, implementation was lacking. There was felt to be too much focus on costs rather than high quality, person-centred care and support. There should be a bigger role for communities and third sector organisations.

Workforce – The social care workforce was described as ‘motivated’, ‘resilient’, ‘adaptable’ and ‘proud of their work’. However, serious concerns were also noted including: feeling under-valued and underpaid, and a lack of support and training opportunities.

Unpaid carers – expressed that they feel undervalued by society and that accessing support was complex, time consuming and frustrating.

Registration, regulation and inspection – mixed views were expressed on current arrangements for regulation and inspection of social care support services, illustrated with observations including, Care Inspectorate inspections being based on dialogue and improvement, whilst too much attention is paid to procedural and process issues. It was also observed that the Scottish Social Services Council is not equipped or resourced to support effective training and development of staff.

Equality – people who use services described being expected to pay to access their human rights to carry out normal day-to-day activities (such as, washing and getting dressed, and going to work). Other equality issues highlighted included: gender unfairness; the needs, rights and preferences of people from minority ethnic communities are often overlooked; that communication support for people with sensory impairments and learning disabilities is often inadequate; and that the stigma sometimes attached to accessing supports for mental health problems, addictions and criminal justice issues should be addressed. Lastly, the report highlighted the need for advocacy services to be improved.

National Care Service – There were a wide range of views about what a National Care Service should represent. It was widely felt that social care services should not be run for profit. Charges, if any, should be fairer and the same in different Local Authority areas. It was also felt that assessments and care packages should be portable between Local Authority areas, and the workforce should be better supported with effective planning, training and support arrangements – consistently managed at national level.

4. Key findings and recommendations

4.1 At the centre of the remit for this review was a request to recommend improvements to adult social care support in Scotland. The review recommends that there are three key things which must be changed to secure better outcomes: Shifting the paradigm, Strengthening the foundations and Redesigning the system.

4.1.1 Shifting the paradigm

- There is a need to challenge some of the prevailing narrative about social care support.
- Social care support should be seen as an investment in our economy and in our citizens.
- It should be underpinned by a human rights-based approach.
- The table below identified the necessary changes required:

4.1.2 Strengthening the Foundations

- There are many strengths in the Scottish system of social care support and these must be built upon - including self-directed support, the Independent Living Fund and integration of health and social care.
- A step change in the capability of the system is required along with the adoption of science based improvement methods.
- The National Care Service must learn from success and failure – to solve problems when they are identified and to scale-up and spread promising practice much more effectively.
- The workforce should also be nurtured and strengthened and must feel engaged, valued and rewarded. Unpaid carers must be supported, and they must be provided with a stronger voice, along with the networks, support and respite necessary to continue in their role.

4.1.3 Redesigning the System

- A new delivery system is required to achieve the potential of social care support in Scotland.
- A National Care Service is needed to achieve consistency, drive national improvements, ensure strategic integration with the National Health Service, set national standards, terms and conditions, and to bring national oversight/accountability.
- The National Care Service will bring together everyone with a role to play in planning and providing social care support to achieve a common purpose.
- Transformation is needed in the way social care support is planned, commissioned and procured. An approach that builds trusting relationships rather than competition is needed which involves partnerships rather than market-places.

- The voice of lived experience must be central to all aspects of the redesign and the new system must be co-produced with those who it supports at an individual and collective level.
- 4.2 The review makes 53 recommendations (detailed in appendix 1), grouped into the following themes:
- A human rights based approach
 - Unpaid carers
 - The case for a national care service (NCS)
 - A National Care Service for Scotland – how it should work
 - Models of care
 - Commissioning for public good
 - Fair Work
 - Finance

5. Implications for Renfrewshire and next steps

- 5.1 Many of the recommendations made in the review are of relevance to, and will impact upon, local authorities. The report calls for: new legislation: the reform of Integration Joint Boards; the establishments of a National Care Service; and a national job evaluation exercise amongst many other aspects.
- 5.2 The recommendations set out in the report which have particular implications for local authorities and for Renfrewshire are:
- New legislation should empower Scottish Ministers to discharge responsibility for the local planning, commissioning and procurement of social care support via Integration Joint Boards; and create national bodies to service and support social care support and social work at local and national level.
 - Accountability for social care support should move from local government to Scottish Ministers.
 - The establishment of a National Care Service for Scotland in statute, on an equal footing, with NHS Scotland.
 - The National Care Service should oversee commissioning and procurement of social care and be supported by reformed Integration Joint Boards, with services procured from Local Authorities and third and independent sector providers.
 - Integration Joint Boards should be reformed to take responsibility for planning, commissioning and procurement and should employ Chief Officers and consideration given to other relevant staff (for example, Chief Finance Officers) who would be employed by the IJB rather than the local authority/ health board. They should be funded directly by the Scottish Government.
 - The care home sector should become an actively managed market with a revised and reformed National Care Home Contract in place.

Consideration should be given to developing national contracts for other aspects of care and support.

- The National Care Service should address gaps in national provision for social care and social work in relation to workforce planning and development, data and research, IT and, as appropriate, national and regional service planning.
- The review recommends a national job evaluation exercise for work in social care, to establish a fair and equitable assessment of terms and conditions for different roles. This should take account of skills, qualifications, responsibilities and contribution.
- National minimum terms and conditions are recommended as a key component of new requirements for commissioning and procurement by Integration Joint Boards. Specific priority should be given to pay, travel time, sick pay arrangements, training and development, maternity leave, progression pathways, flexible pathways and pension provision. A national evaluation of terms and conditions should be undertaken to inform this.
- National oversight of workforce planning for social work and social care is recommended as a priority for a National Care Service.
- The current eligibility criteria and charging regime are seen as barriers to people accessing the support they need, when they need it. The report recommends fundamental reform of these and also advice and signposting to community-based resources.
- Informal, community support should be encouraged, supported and funded.
- A co-production and supportive process involving good conversations with individuals should replace assessment processes.
- Packages of care and support plans must be made more portable.
- Carers should be given a right to respite with an amendment to the Carers Act as required, and a range of options for respite and short breaks should be developed.
- Social work and social care support should be cohesive across age/professional groupings enabling transitions between children's services and adult services. Implementation should link with The Promise.

5.3 In summary, the recommendations within the independent review report have potentially significant implications for adult social care and for the role of local authorities going forward. The system wide change which is being proposed will require significant further engagement with all stakeholders and legislation will need to be developed and enacted in order to enable these changes.

5.4 The Council, at both elected member and officer level, will engage in discussions through COSLA and professional organisations to consider the implications of the report and its recommendations in more detail. It is anticipated further detail will emerge following consideration of the report by the Scottish Parliament on 16th February 2021. Further reports will be provided to elected members as further detail becomes available.

Implications of the Report

1. **Financial** – The recommendations set out in the independent review, if implemented could have a significant impact on the financial resources available to the Council. Under these, Integration Joint Boards would be funded directly through the National Care Service to provide adult social care services. These may be commissioned from the Council, or may be required to transfer to IJBs.
2. **HR & Organisational Development** – If implemented, the recommendations within the independent review report could have significant implications for the Council's workforce. As highlighted within this report to Council, this could require transfer of staff and professional responsibilities to the Integration Joint Board.
3. **Community/Council Planning** – The recommendations within the independent review advocate for greater engagement with local people and communities in relation to the provision of care.
4. **Legal** - The report recommends that new legislation should be enacted to reform Integration Joint Boards. The reconfigured IJB would then have responsibility for procuring health and social care support locally, funded directly by the Scottish Government.

If implemented, local authorities would no longer have an active role in making decisions in relation to the allocation of adult social care funding, however elected members would still be represented on local Integration Joint Boards. This could create a conflict of interest if the Integration Joint Board chooses to commission services from the Council.

5. **Property/Assets** - *None*
6. **Information Technology** - *None*
7. **Equality & Human Rights** –

- (a) 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. 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.

- (b) The independent review report and its recommendations identify the need to shift adult social care provision to a rights based approach where barriers to access are reduced and fairness and equity are established in approach.
- 8. **Health & Safety** - *None*
- 9. **Procurement** – While there are no immediate implications for procurement, the recommendations set out in the Commission are likely to have a significant impact on the procurement of social care support in the future with a shift to an outcomes focused or collaborative approach to the commissioning of services and in relation to the national care home contract arrangements.
- 10. **Risk** – If implemented there are potentially significant risks to the Council in terms of finance, HR, procurement and governance.
- 11. **Privacy Impact** – Not applicable
- 12. **COSLA Policy Position** – COSLA is currently engaging with local authorities in relation to the independent review and its recommendations. It is anticipated that a local government response to the report will be prepared by COSLA and submitted to MSPs prior to the planned debate on the report in the Scottish Parliament in February 2021.

List of Background Papers

- (a) n/a

Author **Laura McIntyre, Head of Policy and Commissioning**

Appendix 1

Recommendations

A human rights based approach

1. Human rights, equity and equality must be placed at the very heart of social care and be mainstreamed and embedded. This could be further enabled by the incorporation of human rights conventions.
2. Delivering a rights based system in practice must become consistent, intentional and evident i the everyday experience of everyone using social care support, unpaid carers and families, and people working in the social care support and social work sector.
3. People must be able to access support at the point they feel they need it, including for advice and signposting to local community-based resources and help, and for barriers to this, such as the current eligibility criteria and charging regime, to be fundamentally reformed and removed, to allow a greater emphasis on prevention and early intervention.
4. People should understand better what their rights are to social care and supports, and “duty bearers”, primarily social workers, should be focused on realising those rights rather than being hampered in the first instance by considerations of eligibility and cost.
5. Where not all needs can be met that have been identified as part of a co-production process of developing a support plan, these must be recorded as unmet needs and fed into the strategic commissioning process.
6. Informal, community based services and supports must be encouraged, supported and funded to respond appropriately to the needs of local citizens, including for preventative and low level support.
7. A co-production and supportive process involving good conversations with people needing support should replace assessment processes that make decisions over people’s heads and must enable a full exploration of all self-directed support options that does not start from the basis of available funding. Giving people as much choice and control over their support and care is critical.
8. More independent advocacy and brokerage services, including peer services, must be made available to people to ensure that their voices are heard, and to help prepare for participation in planning and organising their support.
9. When things do not work well for people and their rights have not been upheld, they must have rapid recourse to an effective complaints system and to redress.
10. Packages of care and support plans must be made more portable and supported people should not have to fight to retain support because they have moved home.

Unpaid carers

11. Carers need better, more consistent support to carry out their caring role well and to take a break from caring with regular access to quality respite provision. Carers should be given a right to respite with an amendment to the Carers Act as required, and a range of options for respite and short breaks should be developed.
12. A new National Care Service should prioritise improved information and advice for carers, and an improved complaints process. It should take a human rights based approach to the support of carers.
13. Local assessment of carers’ needs must, in common with assessment of the needs of people using social care support services and supports, better involve the person themselves in planning support.
14. Carers must be represented as full partners on the Integration Joint Boards and on the Board of the National Care Service.

The case for a national care service (NCS)

15. Accountability for social care support should move from local government to Scottish Ministers, and a Minister should be appointed with specific responsibility for Social Care.
16. A National Care Service for Scotland should be established in statute along with, on an equal footing, NHS Scotland, with both bodies reporting to Scottish Ministers.
17. The National Care Service should oversee local commissioning and procurement of social care and support by reformed Integration Joint Boards, with services procured from Local Authorities and third and independent sector providers. Integration Joint Boards should manage GPs' contractual arrangements, whether independent contractors or directly employed, to ensure integration of community care and support provision, to respect and support professional interdependencies, and to remove the current confusion about where responsibility for primary care sits.
18. The National Care Service should lead on the aspects of social care improvement and support that are best managed once for Scotland, such as workforce development and improvement programmes to raise standards of care and support.
19. The National Care Service should oversee social care provision at national level for people whose needs are very complex or highly specialist and for services such as prison social care that could be better managed on a once-for-Scotland basis.
20. The National Care Service's driving focus should be improvements in the consistency, quality and equity of care and support experienced by service users, their families and carers, and improvements in the conditions of employment, training and development of the workforce.

A National Care Service for Scotland – how it should work

21. The National Care Service in close co-operation with the National Health Service should establish a simplified set of outcome measures to measure progress in health and social care support, through which to oversee delivery of social care in local systems via reformed Integration Joint Boards and national care bodies.
22. A Chief Executive should be appointed to the National Care Service, equivalent to the Chief Executive of the National Health Service and accountable to Ministers.
23. Integration Joint Boards should be reformed to take responsibility for planning, commissioning and procurement and should employ Chief Officers and other relevant staff. They should be funded directly by the Scottish Government.
24. The role of existing national care and support bodies – such as the Care Inspectorate and Scottish Social Services Council – should be revisited to ensure they are fit for purpose in a new system.
25. The National Care Service should address gaps in national provision for social care and social work in relation to workforce planning and development, data and research, IT and, as appropriate, national and regional service planning.
26. The National Care Service should manage provision of care for people whose care needs are particularly complex and specialist, and should be responsible for planning and delivery of care in custodial settings, including prisons.
A new approach to improving outcomes – closing the implementation gap, a new system for managing quality
27. A National Improvement Programme for social care, along the lines of the NHS Patient Safety Programme, should be introduced by the National Care Service, and should address the three following key areas:
 - The experience and implementation of self-directed support must be improved, placing people using services' needs, rights and preferences at the heart of the decision making process.
 - The safety and quality of care provided in care homes must be improved to guarantee consistent, appropriate standards of care.

- Commissioning and procurement processes must be improved in order to provide a vehicle for raising the quality of social care support and for enhancing the conditions and experience of the social care workforce.

Models of care

28. The Scottish Government should carefully consider its policies, for example on discharge arrangements for people leaving hospital, to ensure they support its long held aim of assisting people to stay in their own communities for as long as possible.
29. A national approach to improvement and innovation in social care is needed, to maximise learning opportunities and create a culture of developing, testing, discussing and sharing methods that improve outcomes. The future role of the Institute for Research and Innovation in Social Services (IRISS) and its inclusion as part of the National Care Service must be considered.
30. There must be a relentless focus on involving people who use services, their families and carers in developing new approaches at both a national and local level.
31. Investment in alternative social care support models should prioritise approaches that enable people to stay in their own homes and communities, to maintain and develop rich social connections and to exercise as much autonomy as possible in decisions about their lives. Investment in, or continuance of, models of social care support that do not meet all of these criteria should be a prompt for very careful reflection both by a National Care Service and local agencies.

Commissioning for public good

32. Commissioners should focus on establishing a system where a range of people, including people with lived experience, unpaid carers, local communities, providers and other professionals are routinely involved in the co-design and redesign, as well as the monitoring of services and supports. This system should form the basis of a collaborative, rights based and participative approach.
33. A shift from competitive to collaborative commissioning must take place and alternatives to competitive tendering developed and implemented at pace across Scotland. Commissioning and procurement decisions must focus on the person's needs, not solely be driven by budget limitations.
34. The establishment of core requirements for ethical commissioning to support the standardisation and implementation of fair work requirements and practices must be agreed and set at a national level by the new National Care Service, and delivered locally across the country.
35. To help provide impetus and support to the adoption of a collaborative and ethical approach to commissioning, the idea from CCPS of pressing pause on all current procurement should be fully explored in the context of a National Care Service, with a view to rapid, carefully planned implementation.
36. The care home sector must become an actively managed market with a revised and reformed National Care Home Contract in place, and with the Care Inspectorate taking on a market oversight role. Consideration should be given by the National Care Service to developing national contracts for other aspects of care and support. A 'new deal' must form the basis for commissioning and procuring residential care, characterised by transparency, fair work, public good, and the re-investment of public money in the Scottish economy.
37. National contracts, and other arrangements for commissioning and procurement of services, must include requirements for financial transparency on the part of providers along with requirements for the level of return that should be re-invested in the service in order to promote quality of provision and good working conditions for staff.

38. A condition of funding for social care services and supports must be that commissioning and procurement decisions are driven by national minimum quality outcome standards for all publicly funded adult social care support.
39. A decisive and progressive move away from time and task and defined services must be made at pace to commissioning based on quality and purpose of care – focused upon supporting people to achieve their outcomes, to have a good life and reach their potential, including taking part in civic life as they themselves determine.
40. Commissioning decisions should encourage the development of mutually-supportive provider networks as described above, rather than inhibiting co-operation by encouraging fruitless competition.
41. Commissioning and planning community based informal supports, including peer supports, is required to be undertaken by Integration Joint Boards and consideration of grant funding to support these is needed.

Fair Work

42. Rapid delivery of all of the recommendations of the Fair Work Convention, with an ambitious timetable for implementation to be set by the Scottish Government.
43. Conduct a national job evaluation exercise for work in social care, to establish a fair and equitable assessment of terms and conditions for different roles. This should take account of skills, qualifications, responsibilities and contribution.
44. Putting in place national minimum terms and conditions as a key component of new requirements for commissioning and procurement by Integration Joint Boards. Specific priority should be given to pay, travel time, sick pay arrangements, training and development, maternity leave, progression pathways, flexible pathways and pension provision. The national evaluation of terms and conditions should be undertaken to inform these minimum standards and these should be reviewed as required.
45. Establishing a national organisation for training, development, recruitment and retention for adult social care support, including a specific Social Work Agency for oversight of professional development. The current role, functions and powers of the SSSC should be reviewed and appropriate read-across embedded for shared and reciprocal learning with the NHS workforce.
46. Establishing a national forum comprised of workforce representation, employers, Integration Joint Boards and the Scottish Government to advise the National Care Service on workforce priorities and to take the lead in creating national sector level collective bargaining of terms and conditions.
47. National oversight of workforce planning for social work and social care, which respects the diversity and scale of employment arrangements while improving resilience and arrangements for mutual support should be a priority for a National Care Service.
48. The recommendations listed above should apply to Personal Assistants employed by people using Option 1 of SDS, who should be explicitly recognised as members of the workforce, as well as employees of providers in the public, third and independent sectors. This recommendation should be delivered in full partnership with the independent living movement.

Finance

49. Prioritising investment in social care as a key feature of Scotland's economic plans for recovery from the effects of the Covid-19 pandemic.
50. Careful analysis by a National Care Service, with its partners in the National Health Service, Integration Joint Boards and beyond, of opportunities to invest in preventative care rather than crisis responses, to avoid expenditure on poor outcomes such as those experienced by people who are delayed in hospital.
51. Additional investment in order to:

- expand access to support including for lower-level preventive community support;
 - implement the recommendations of the Fair Work Convention;
 - remove charging for non-residential social care support;
 - increase the sums paid for Free Personal and Nursing Care for self-funders using care homes to the levels included in the National Care Home Contract;
 - re-open the Independent Living Fund, with the threshold sum for entry to the new scheme reviewed and adjusted; and
 - review financial support made available to unpaid carers and increase investment in respite.
52. Robustly factoring in demographic change in future planning for adult social care.
53. Careful consideration to options for raising new revenues to increase investment in adult social care support



To: Council

On: 4th March 2021

Report by: Chief Executive

Heading: Equality Outcomes and Mainstreaming Equality

1. Summary

- 1.1 The report provides an update on progress with equalities and is intended to meet Renfrewshire Council's duties to report this progress publicly and in an accessible manner. The report provides a draft set of equality outcomes, along with information on what activities have been delivered in the reporting period from 2019-21. The report also details a range of information that the Council is required to publish by the end of April 2021, in accordance with the Equality Act 2010.
-

2. Recommendations

- 2.1 To approve the Progressing Equality Outcomes and Mainstreaming Equality Report for final publication on the website.
- 2.2 To note the progress made in mainstreaming equalities and pursuing Renfrewshire Council's Equality Outcomes.
- 2.3 To approve the proposed draft Equality Outcome areas for 2021-25
-

3. Background

- 3.1 Renfrewshire Council has a general equality duty, which requires it to pay due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations as set out in section 149(1) of the Equality Act 2010. There are a number of Specific Duties laid out for public authorities by Scottish Ministers to support the general equality duty.
- 3.2 In line with these Specific Duties, Renfrewshire Council is required to report on its progress with mainstreaming equality, its progress against its equality outcomes, employee information and gender pay gap information by the end of April 2021.
- 3.3 The progress report provides a single report to provide an update on progress and meet the duties to report this progress publicly and in an accessible manner. The report provides information on the progress on mainstreaming equality as well as progress against the Equality Outcomes agreed in 2017.
- 3.4 The report further proposes a number of draft Equalities Outcomes areas for the period 2021-2025. These include:
1. Supporting employment and improving economic prospects for women, BAME people and disabled people
 2. Improving routes to employment and training for young people
 3. Black history and culture fully incorporated into cultural and educational activities.
 4. Doing more to address social isolation in older people and disabled people
 5. Improve transparency of monitoring and reporting of equality work across the Council
 6. Any re-design of street scene in response to the pandemic, putting accessibility at its heart to ensure those who have had to shield the most are confident to venture back outdoors
- 3.5 The appendices to the report provide a wide range of data, including equalities information about Council employees, occupational segregation and pay gap data, along with more detailed information on education.

4 **Highlights**

Some highlights from the Council's mainstreaming report include:

- 4.1 Renfrewshire had a busy programme of events for Black History Month 2020. Black History Month: Our Culture, Our Future – was co-curated by Renfrewshire Leisure, Engage Renfrewshire, Jambo! Radio, Pachedu, University of the West of Scotland, Action for Culture and Ethics and the School of African Culture. The events were held via

online platforms and on Jambo! Radio and included an online exhibition called Museum of Me, curated by children from the African School of Culture; a podcast featuring the children discussing the theme of identity and exploring what it means to be African and Scottish living in Renfrewshire in 2020. There were online performances from an eclectic mix of musicians and artists. A webinar on the representation of black, Asian, minority ethnic talent in the arts in Scotland and Renfrewshire was the culmination of the month. Black History Month activities were funded by Renfrewshire Council and delivered in partnership with Renfrewshire Leisure as part of Future Paisley.

- 4.2 The Invest in Renfrewshire team have been working on the Parental Employment Support Fund (PESF) Project to reduce gender inequality and improve the prospects for women within their workplace by offering access to accredited vocational qualifications which will improve employment and increase earning capacity.
- 4.3 The Celebrating Renfrewshire Fund - by young people, for young people – took place successfully in 2020, despite challenging circumstances. This a participatory budgeting process that gives young people a voice in their community and lets them decide how to make living as a young person in Renfrewshire better. Celebrating Renfrewshire Fund 2020 had £150,000 available for young people, or groups who work with them, to apply for. Young people then chose the successful projects. 1,721 young people voted, with 5,163 votes cast and 68 projects receiving funding.
- 4.4 Sanitary products have been made available throughout Renfrewshire both in community settings and in organisations working with families with low income. These are now available to be delivered to homes to enable people to access sanitary products while community settings remain closed due to coronavirus restrictions.
- 4.5 The education-based Language Bank has been going from strength to strength. Over the last 12 months, the Language Bank has been used 127 times across different education establishments in Renfrewshire. This total consists of 88 face to face interpreter support and 20 written translations of documents. Most recently, during the pandemic, interpreters ably assisted establishments to support families over the phone with weekly welfare check in telephone calls and in the provision of key information in accessible formats.
- 4.6 Pupils from six schools in Renfrewshire have collaborated with an award-winning charity to develop a new app that promotes mental wellbeing. I Am Me Scotland have been working with children and

young people in Renfrew High, Paisley Grammar, Castlehead High, Kirklandeuk Primary, St James Primary and Arkleston Primary schools to design their innovative new phone app, Keep Safe Kids. The app will give pupils access to online information about issues affecting young people, such as mental health, bullying and online abuse. It will also allow young people to report incidents of harassment and bullying discreetly to their school without having to approach a teacher. Research suggests that young people across Scotland do not often report bullying behaviour.

- 4.7 The outdoor access strategy continues to be implemented to the benefit of wheelchair users and other people affected by mobility issues in accessing our parks and open spaces and being better able to participate in active travel. Equally improvements continue in the street scene and in the bus shelter facilities to improve access for those with mobility issues and also improve navigation for those with sensory impairments.
- 4.8 Mental health first aid training has been rolled out to several service areas across the Council, with key staff now able to support colleagues. This is part of a wider approach to support disabled employees across the Council, with a focus on mental health.
- 4.9 A new Council website has been developed, with accessibility as the key focus. We are particularly working with older people and disabled people to ensure they can access council services online as easily as possible. This has come up as a priority from the consultation with Renfrewshire's Deaf community as part of the Council's BSL Plan. A priority for the coming year will be increasing BSL presence on the Council website.

Implications of the Report

- 1. **Financial** – none.
- 2. **HR & Organisational Development** – continue to gather and use employee information to better perform the general equality duty and publish information on gender pay gap, statement on equal pay and occupational segregation.
- 3. **Community/Council Planning** –

- *Our Renfrewshire is well – addressing inequalities is shown to have a beneficial impact on health outcomes*
- *Our Renfrewshire is fair - the plan will promote better equalities practice*
- *Tackling inequality, ensuring opportunities for all – equality will be promoted by this plan and opportunities improved for equality groups*
- *Working together to improve outcomes – the outcomes were developed in partnership with local equality groups and partner organisations*

4. **Legal** – The reports attached are designed to satisfy statutory equality duties which are enforceable by the Equality and Human Rights Commission.
5. **Property/Assets** - none
6. **Information Technology** - none
7. **Equality & Human Rights** - The report attached details the Council's performance against the general equality duty and meets various specific duties. The recommendations do not require an Equality Impact Assessment, and the areas of focus identified for the next reporting period are specifically designed to improve the Council's fulfilment of its Equality Duties
8. **Health & Safety** – none
9. **Procurement** – none
10. **Risk** - none
11. **Privacy Impact** - none
12. **Cosla Policy Position** – none

List of Background Papers

- (a) Renfrewshire Council Progressing Equality Outcomes and Mainstreaming Equality 2017-2019 Report
- (b) Renfrewshire Council Staff Equality Data Report

Author: Annabelle Armstrong-Walter, Strategic Partnerships & Inequalities Manager, Chief Executive's Service, 0141 618 5968

Equality Outcomes and Mainstreaming Equality

2021-2025



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Contents

1. Introduction	4
1.1 The Law & our duties	4
2. What we know about our communities	4
3. What we know about our staff	6
4. National research & issues affecting Renfrewshire	6
5. Equality Outcomes 2021-2025	9
6. Mainstreaming Report	11
6.1 Reshaping our place, our economy and our future	11
6.2 Building strong, safe and resilient communities	12
6.3 Tackling inequality, ensuring opportunities for all	15
6.4 Creating a sustainable Renfrewshire for all to enjoy	19
6.5 Working together to improve outcomes	19
7. Assessing Impact	22
8. Previous Equality Outcomes Progress	22
9. Public Procurement	24
Appendix 1–Children’s Services data	26
Appendix 2 – Occupational segregation data	Error! Bookmark not defined.
Appendix 3 – Gender Pay Gap	Error! Bookmark not defined.

1. Introduction

The report provides an update on our progress and outlines new equality outcomes for 2021-25. It is intended to meet our duties to report this progress publicly and in an accessible manner. The report provides information on how we have reached these new equality outcomes, along with information on what activities have been delivered in the reporting period from 2019-2021. The report also details a range of information that we are required to publish by the end of April 2021.

Renfrewshire Council is committed to embedding equality into all our functions. We know how challenging this can be, so are systematically assessing our progress through our Council Plan. This also means that progress against our overall Council Plan has equalities reporting as an integral part of it. You can find our Council Plan at <http://www.renfrewshire.gov.uk/councilplan>.

1.1 The Law & our duties

Equality law (The Equality Act) protects people from unfair treatment and asks public bodies like the Council to show how they make a positive difference to different groups of people.

The Equality Act 2010 brings together more than forty years of equality legislation and aims to make Britain a more equal society. It protects many people from unlawful discrimination. It covers “protected characteristics” which include:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion and belief
- Sex
- Sexual orientation

We usually refer to people covered by the protected characteristics as “equality groups”. The Equality Act 2010 requires that all public bodies take account of the need to:

- Eliminate discrimination, harassment and victimisation
- Advance equality
- Foster good relations between different groups

The Act also asks key public bodies to publish a set of equality outcomes, which are outlined in this report.

2. What we know about our communities

We used a range of data and analysis to inform our equalities outcomes. Accurate population data remains a challenge, but available quantitative and qualitative data and information has been reviewed to inform this work. Given the challenges related to the COVID-19 pandemic, any research

about differential impacts on equality groups has formed a significant part of formulating the outcomes.

In Renfrewshire, in common with most of Scotland has an ageing population. Renfrewshire is less ethnically diverse than Scotland as a whole, with almost 95% of Renfrewshire citizens identifying as White Scottish or White British, although this shows signs of changing in our schools data. There is some evidence to suggest there are more disabled people in Renfrewshire than in Scotland as a whole. 20.5% of economically inactive people between 16-74 are long-term sick or disabled. We find that our highest rates of disability are also in our most deprived wards, as measured by the Scottish Index of Multiple Deprivation (SIMD). Reliable statistics on sexual orientation and gender reassignment remain an issue.

We have updated some of our monitoring data in specific Council service areas to understand better who our citizens are and how we can best meet their needs. Appendix 1 shows the quantitative data we have gathered about the equalities profiles of our children and young people in education. We find that our primary school rolls continue to become increasingly ethnically diverse.

Our data analytics team have been working closely with partners at a local and national level on a Community Impact Assessment which will analyse the available data in terms of risk, infection levels, positive cases and death rates to help us understand the trends, identify any critical areas and inform our Covid-19 response. This work will continue as a solid understanding of the likely medium to long term impact on communities will take time to emerge and officers will continue to review national and local data to identify trends and insight to support the Council and our partners' operational and strategic responses.

We are also collecting qualitative information from our citizens which will feed into our Community Impact Assessment using our Public Services Panel, the outcomes from the listening events we and others have held, including targeted work with equalities led groups and through working with Poverty Alliance on their 'Get Heard' programme. This allows us to hear at first hand the issues that are affecting our residents, and we are ensuring this includes equality groups, with updates reported to Council in March 2020.

However, with the existing research, analysis and understanding of our communities across Renfrewshire described in this report and working alongside our community planning partners, we are in a good position to ensure our policy response, our collaborative recovery planning and our combined support takes due cognisance of the particular needs of equality groups, as we work together to rebuild following this crisis.

We will continue to develop Neighbourhood Hubs in partnership with local community groups and organisations and develop the role of volunteers. This will be important to our ability to respond flexibly to any future lockdowns. This work will also link to our planned community impact assessment and as we continue to work closely with our partners to review activities in relation to equality and inequality, in light of our shared experiences and learning through the pandemic and subsequent lockdown.

In Renfrewshire, we have the Diversity and Equality Alliance in Renfrewshire (DEAR) Group, facilitated by our Community Planning Partnership. This group is formed by representatives of equality led local community groups and some national groups also. The group develops objectives and a workplan each year to further equalities work in the area. Over 2020 the group has formed a Black Lives Matter sub group, which had articulated the main concerns and areas for action for the area. This group has been helpful in articulating aspirations for equality in Renfrewshire and checking what is going well and not so well. We are conscious that our equality led groups on the DEAR group do not represent all

equalities groups in Renfrewshire and so national qualitative information has been used also. We have been proactive in ensuring that equalities led groups in Renfrewshire are involved with Council developments and the Council is responsive to articulated needs.

The new Fairer Scotland Duty was launched in Renfrewshire and addressing socio economic disadvantage has been a long-term part of Renfrewshire's overall approach. Having the new duty enacted as part of the Equality Act means we have changed our equalities impact process to ensure it reflects socio economic considerations, rather than just relying on staff to include this as a matter of course in project and policy planning.

Our response to the BSL (Scotland) Act 2015 has been put in place. We are in the process of improving significantly our approach to British Sign Language (BSL), with the development of our BSL action plan. Following involvement with the BSL using community in developing the plan, we are now working on implementation, with support from the national lead. The Renfrewshire Council BSL Plan sets out our actions for improving Council practice and services for BSL users. There is some crossover with this equalities reporting process and so where particularly relevant, some elements of the plan are reflected in this report.

3. What we know about our staff

In common with our community's data, our staff data has not changed significantly since the 2019 report. Following the introduction of Business World in the autumn of 2018, employees are now able to update their own records directly, it is hoped with the ongoing promotion of self-service to employees, this will increase declaration rates for equalities monitoring.

The majority of our declaration rates for equalities monitoring have increased since the last report, which is positive, but we still have much progress to make to ensure that the proportion of answers stating 'prefer not to answer' decline.

The 'prefer not to answer' rates vary by protected characteristic and in some instances, are not what would generally be expected. However, we have seen a significant increase in the number of employees providing a response to the equality's information, as opposed to the "prefer not to answer" response. In 2019, the response by employees in relation to pregnancy and maternity was 44.78%, who stated they preferred not to answer, however in 2020 this has significantly reduced to 11.60%. Similarly, in relation to Religion or Belief, in 2019 the response "prefer not to answer" was 34.48%, whereas the data captured for 2020 shows a reduction to 3.69%, allowing the council to have more meaningful data on their workforce.

More detailed information can be found in the accompanying Equalities Staff Data report.

Headcount in the Council overall and in Children's Services (including Education)

While broadly employees of Renfrewshire Council reflect the population they serve, there are some noteworthy patterns. We find we are overrepresented in the groups from 31 years old to 60 years old, with our largest age group proportion falling within the 51 to 60 year old age profile (around 30% of our workforce). In Children's Services, the spread is relatively even within the 31 to 60 year old groups, but again underrepresentation below 31 years old and 61 years old and over. We know we have an overrepresentation of women in Council employment, in common with most other Councils. Overall approximately 73% of our staff are female and this rises to 85% in Children's Services. As could be expected, our local population is more evenly split between male and female. In terms of disability, our workforce significantly under represents the proportion of disabled people in Renfrewshire. 20% of Renfrewshire residents report that they experience a condition that affects their

day to day activities a little or significantly, whereas Council staff only declare a 3% rate of disability and in Children's Services this drops to 2%. In relation to the ethnicity of Council staff overall and Children's Services staff in particular, the data shows that 64% of our workforce identify as White - Other/White Irish/Scottish. Whilst we work to continue to gather data, the information held gives some indication that Asian and African groups as well as Eastern European and other white groups may be underrepresented in Council employment. There also appears to be a slightly higher representation of those from mixed or other non-stated ethnic groups in the Council workforce. Our statistics related to religion look to be broadly in line with the local population, with perhaps a slight underrepresentation of the dominant local religions (Church of Scotland and Roman Catholic), again a pattern also reflected in Children's Services. Both the Council and Children's Services have a slightly higher representation than the local community of people who identify with a religion which is not stated.

Whilst we will continue to work hard in encouraging our staff to disclose their equality information, members should note that information sought is on a voluntary basis.

Recruitment

Our recruitment data for the Council reveals the rate at which applications convert into appointments for all applicants. 1486 posts were filled from 23,163 applications. Caution should be applied within the interpretation of these figures, due to low numbers 'skewing' percentages and that the figures for applications cannot identify where there have been multiple applications from the same applicant. Women are slightly more successful in their applications having a 6.06% conversion rate compared to 5.27% for men. It is quite difficult to compare the conversion rates for ethnicity, but it appears that all minority ethnic groups have lower conversion rates, with the exception of those who have chosen not to answer. Our sexual orientation figures look broadly in line with our average conversion rate, except for those identifying as being from a non-stated group having a lower rate, and people who prefer not to answer having a higher rate. The conversion rate for those with a disability is low at 6.42%, whereas those who preferred not to answer this question have a conversion rate up at 18.57%. Our marital or civil partnership figures are also difficult to compare, with those who prefer not to answer having a higher conversion rate of 17.66%, those separated or widowed being marginally above average and all other categories being lower. Most of our religious groups have average conversion rates of around 5% or above, with the exception of those applicants of Hindu and Muslim faith who have lower conversion rates.

Development

We have looked at our corporate training and development figures, which include e-learning. Our split of training and development between men and women looks to be reflective of the overall proportion of men and women in overall Council employment. In terms of age, religion and sexual orientation, all groups are represented in the training and development figures broadly in keeping with the levels in overall employment. Low figures have hampered attempts at analysis of our pregnancy / maternity figures and ethnicity figures, which also look broadly in line. Those people who are married / in a civil partnership appear to be around 4% more likely to have undertaken training and development than could be expected from their proportions in the organisation. The number of disabled staff undertaking training and development is similar to their overall proportion in the organisation.

Retention

We have compared the profile of our leavers to that of our overall headcount. As above, caution should be applied when looking at percentage figures due to low numbers. We find that while men

only make up 24% of the workforce, they make up 33% of leavers. In terms of age, we find that those aged 31 to 40 years old were just above those aged between 51 to 60 years old who left the council's employment. Those who are bisexual and gay separately accounted for around for less than 1% of leavers, while each of these groups comprise 0.5% or less of the workforce. There were no significant patterns related to religion or gender reassignment. Declaration rates for ethnicity indicate that White Scottish employees are more likely to leave than those from other ethnic backgrounds not stated. The pregnancy and maternity figures were so low, no patterns could be identified. Married/in a civil partnership seemed more likely to leave. 70% of disability declaration figures indicated they were not disabled, with 5.5% of staff declaring they have a disability.

We have examined the data related to leaving method by protected characteristic and have tried to identify any patterns. This has been challenging, as the reasons cited are open to interpretation and some headings, such as termination can include other headings. Both women and men are most likely to resign as a method of leaving the organisation, in line with the overall proportion of women and men in Council employment. Retirement is another significant reason for men and woman to leave the organisation, and retiral totals are again consistent with overall Council workforce gender levels. A further key reason for leavers are temporary contracts coming to an end. This appears to impact on a higher proportion of men than women compared to the levels in overall employment. The propensity to resign from Council employment is highest for those aged 31 to 50 years old, with totals consistent with their proportion to the overall workforce. The figures for those leaving due to retirement are highest for those aged 51 years old and over as would be expected. Those aged 21 to 30 years old are most likely to leave Council employment due to the end of temporary contracts, at a level higher than would be expected from their workforce numbers.

4. National research & issues affecting Renfrewshire

Given that local data is often difficult to obtain, it is also necessary to assess relevant national research that is likely to impact on equality groups in Renfrewshire. Themes from national research are addressed as part of our outcome development process to decide if they are priority areas locally. The EHRC has published information about persistent areas of inequality in our communities, and progress to tackle them. This includes 'Is Scotland Fairer (2018),' 'How coronavirus has affected equality and human rights (2020)' and Scottish Government equality evidence finder. Those key areas are outlined here and assessed against experiences in Renfrewshire.

In terms of education and children's services there is found to be: lower attainment for disabled and Gypsy Traveller pupils; higher exclusions for disabled and Gypsy/ Traveller pupils; and higher rates of bullying for LGBT+ pupils. Closing the attainment gap and addressing any homophobia in schools have been significant areas of work in Renfrewshire and are addressed in our mainstreaming report.

There are significant socio-economic inequalities affecting equality groups: disabled people, single parent families and ethnic minority groups more likely to live in poverty; women, disabled people, younger people are found most likely to experience reduction in earnings as a result of the COVID 19 pandemic; and people from ethnic minority groups, and younger people, are more likely to rent from a private or social landlord. This picture is also reflected in employment patterns for example, the reduction of employment for part-time employees has had a greater impact on women. Ethnic minorities (especially women) were more likely to be in low paid work and experience employment gaps. Ethnic minority workers were less likely to be furloughed but more likely to be unemployed than white (non-BAME) workers. There has been little progress in tackling employment and pay gaps for disabled people. Disabled people have a higher unemployment rate than non-disabled people and are possibly more at risk of being made redundant. Some of these findings can be seen to be reflected in Renfrewshire, with the COVID-19 pandemic exacerbating some of these issues.

The area of Health and Social Care has experienced increasing inequalities because of the pandemic including: the loss of social support during the pandemic due to diminished or interrupted care and support has made disabled people, ethnic minorities, older people and children and young people more vulnerable; challenges in recruitment and retention of social care staff has negatively impacted service provision; adults identifying as LGBT+, women and disabled people have poorer mental health and wellbeing; and people with a learning disability or autism experience delays in accessing appropriate mental health community services. While many of these areas are addressed jointly with partners in the Health and Social Care Partnership, we have heard from some groups, particularly disabled people about the increased levels of loneliness and isolation experienced over 2020.

The move to digital has also further contributed to some inequalities: older and disabled people are less likely to have access to digital services; young people risk being much further excluded from education and learning if they do not have internet access; older adults are among those most at risk of digital exclusion with effects in health and work. These findings are echoed in Renfrewshire and are addressed in the mainstreaming section of this report.

Specific Impacts of COVID-19

The impact of the global pandemic is starting to be felt as these outcomes and accompanying report were being developed. Data has already indicated that COVID-19 and the resulting economic hardships are having a disproportionate effect on certain equality groups and are exacerbating existing inequalities. The specific areas of concern, as taken from the EHRC's 'How Coronavirus has Affected Equality and Human Rights,' include:

- The potentially severe and long-lasting impact on young people, who risk becoming a "lost generation". School closures, exam disruption and lack of access to remote learning technology mean recent gains in academic attainment could go into reverse.
- The disproportionately negative effect of the pandemic on ethnic minorities, some of whom are more likely to die from the virus and more likely to experience financial hardship and unemployment as a result of the pandemic.
- The isolation of care home residents from their family and friends, with significant consequences for their mental health. There is a difficult balance between protecting the lives of older people against their other rights, especially to a private and family life.

A large body of research has been drawn on to develop a Community Impact Assessment for Renfrewshire, which will inform the Council's Social Renewal Plan. The impact of the pandemic in widening pre-existing inequalities is a key theme of the Community Impact Assessment.

5. Equality Outcomes 2021-2025

Developing outcomes to implement over the coming years is challenging in the context of the rapidly changing circumstances and impacts related to the COVID-19 pandemic. Having analysed the available research and data, local equalities led community groups were contacted to find out about their areas of concern and where they thought the outcomes and resulting actions should be focussed. These initial areas were then sense checked back with available data and presented back to groups as draft outcomes to see if these are the most relevant areas for action in Renfrewshire. We are still in the process of developing specific measures and actions to meet the outcomes. Because of the various challenges presented by the pandemic, we would rather take more time to develop these to ensure they can be delivered in the changing circumstances. The following draft outcome areas have been identified.

- Supporting employment and improving economic prospects for women, BAME people and disabled people. (response to national and local data identifying economic impacts of pandemic)
 - Measures of success may include: employment rate for women, people from BAME backgrounds and disabled people, poverty measures,
 - Service areas/ partners for activity delivery would include: Invest in Renfrewshire, local Job Centre Plus, Advice Works, Scottish Social Security.

- Improving routes to employment and training for young people. (response to national data showing young people disproportionately impacted in employment by the pandemic and the disruption to education and training children and young people)
 - Measures of success may include: youth employment and unemployment rate, rate of young people not in education, employment or training.
 - Service areas/ partners for activity delivery would include: Children's Services, Invest in Renfrewshire, West College Scotland and University of the West of Scotland

- Black history and culture fully incorporated into cultural and educational activities. (response to local activism and research, in addition to national/ international focus)
 - Measures of success may include: Black history and culture reflected in school curriculum, cultural services reflect the experiences of the Black community.
 - Service areas/ partners for activity delivery would include: Children's Services, Renfrewshire Leisure.

- Doing more to address social isolation in older people and disabled people. (situation exacerbated by the pandemic and reflected in input from local groups, in addition to national/ local research)
 - Measures of success may include: Survey data, mental health outcomes for older and disabled people
 - Service areas/ partners for activity delivery would include: Health and Social Care Partnership, ROAR

- Improve transparency of monitoring and reporting of equality work across the Council. (this would include reporting to local equality led community groups)
 - Measures of success may include: number of impact assessments completed, reflections on involvement from local equalities led community groups.
 - Service areas/ partners for activity delivery would include: Committee Services, DEAR Group

- Any re-design of street scene in response to the pandemic, putting accessibility at its heart to ensure those who have had to shield the most are confident to venture back outdoors.
 - Measures of success may include: completed accessibility audits
 - Service areas/ partners for activity delivery would include: Environment and Infrastructure Service, Renfrewshire Access Panel, ROAR

6. Mainstreaming Report

Renfrewshire Council has been working hard since our last report to bring together all the good practice going on in relation to equalities across the Council. We have detailed our mainstreaming activities in line with the 2017 – 2022 Council plan. This means that the progress we are making, and measuring is reported on through mainstream mechanisms. Our 5 outcome areas are covered below, with the key areas of activity also provided for context. While the Covid-19 pandemic has had a huge impact on our communities, causing a massive shift in our services, much of that impact on our communities and families will not be immediately apparent and the Community Impact Assessment we are developing will inform our longer term response.

6.1 Reshaping our place, our economy and our future

Key areas of activity:

- Driving economic and cultural regeneration
- Growing our working age population
- Promoting learning and skills for life
- Driving our local economy/new sectors
- Delivering required infrastructure
- Promoting tourism
- Maximising the benefits from City Deal and City Region investment
- Supporting youth employment
- Fostering “Inclusive Growth”
- Regenerating town centres
- Being ready for Brexit
- Embracing digital opportunities

Before the pandemic hit, we continued to fund and host weekly BSL learning sessions in Paisley Arts Centre, which are open to all and attended by many Renfrewshire Council employees. New sessions were added to the programme to be family friendly and particularly focus on those families with a d/Deaf child.

Renfrewshire Leisure continue to develop a cultural programme that is reflective of Renfrewshire’s diverse community. The team at Paisley Museum Re-Imagined have been engaging extensively with equality groups across Renfrewshire. Equality and diversity are key considerations in the team’s work and they use a representation audit template to ensure they make explicit and incidental links to equalities issues in designing exhibitions or stories. The process guards against stereotyping and ensures that the stories are presented in an empowering way.

Renfrewshire had a busy programme of events for Black History Month 2020. Black History Month: Our Culture, Our Future – was co-curated by Renfrewshire Leisure, Engage Renfrewshire, Jambo! Radio, Pachedu, University of the West of Scotland, Action for Culture and Ethics and the School of African Culture. The events were held via online platforms and on Jambo! Radio and included an online exhibition called Museum of Me, curated by children from the African School of Culture; a podcast featuring the children discussing the theme of identity and exploring what it means to be African and Scottish living in Renfrewshire in 2020. There were online performances from an eclectic mix of musicians and artists. A webinar on the representation of black, Asian, minority ethnic talent in the arts in Scotland and Renfrewshire was the culmination of the month. Black History Month activities were funded by Renfrewshire Council and delivered in partnership with Renfrewshire Leisure as part of Future Paisley.

We continue to develop our readiness for Brexit in a way that is responsive to the needs of our local communities and staff. Ongoing communication and cascading information when it is made available on the EU settlement scheme will continue to take place as we seek to reassure residents and staff.

Our DigiRen project continues to grow and support those most excluded from the use of digital. This has been supported further through the Connecting Scotland programme, providing tablets for those who would benefit most. We worked with local equalities led community groups on the allocation of these resources to ensure that addressed digital inequality.

Connecting Scotland is a Scottish Government programme set up in response to coronavirus and managed by the Scottish Council for Voluntary Organisations (SCVO). It provides iPads, Chromebooks, data and support to develop digital skills for people who are digitally excluded and on low incomes.

Phase 1 (April – July 2020) focused on those who were at risk of isolation due to coronavirus because they were in the extremely high vulnerability group ('shielding') or the higher risk of severe illness group. Phase 2 launched on 18th August and is focused on; households with children or where a child is normally resident and care leavers up to the age of twenty-six (in line with eligibility for aftercare support).

Renfrewshire Council successfully applied for devices and mobile data on behalf of over 300 families and individuals. Forty have been distributed to end users as part of Phase 1 with a further 380 plus for distribution in December 2020. Children's Services and Community, Housing & Planning Services have identified families, young care leavers and elderly tenants who all face barriers relating to poverty, and who are lacking digital skills and confidence in their abilities. These barriers can prohibit them from accessing learning or employment opportunities and the impact of COVID-19 and the resulting restrictions has resulted in families, children and adults alike, being more isolated and excluded from the online learning and support that has been put in place to replace the face to face or group support. As part of the programme, Digital Champions are identified who are committed to providing regular telephone support to help those allocated a device to engage with the services, support and online learning.

Our Invest in Renfrewshire team have been working on the Parental Employment Support Fund (PESF) Project to reduce gender inequality and improve the prospects for women within their workplace by offering access to accredited vocational qualifications which will improve employment and increase earning capacity. The project will mainly target women with the focus on improving pay. This will directly be contributing to reducing gender inequality and will have a positive impact on the gender pay gap. We will continue to promote the Living Wage to local employers and traineeship opportunities created by PESF will all be paid at the Living Wage rate.

The gender pay gap in Renfrewshire is significant with men earning, on average £57.50 more than women each – this gap is lower than in Scotland (£92.90) however action is required to close the gender gap in Renfrewshire. We will aim to deliver some higher-level qualifications to move more women into professional and managerial roles. We also aim to target the 5 C sectors: Cleaning, Catering, Care, Cashiering, Clerical where pay can be low within the private sector and support participants to move to better paid employment within the public sector or at a higher level within the private sector.

The employment rate in Renfrewshire prior to the Covid Pandemic was 76.7% (Scotland Rate: 74.1%) and the employment rate for people with a disability was 43% (Scotland Rate: 45.6%). We recognise that the disability employment gap is higher in Renfrewshire than in Scotland. A Fairer Scotland for Disabled People: Employment Action Plan, sets out the ambition to reduce the disability employment gap and in Renfrewshire this is one of our strategic aims. The PESF will also provide resources to take positive action to support disabled people into employment or improve employment for those in work.

6.2 Building strong, safe and resilient communities

Key areas of activity:

- Empowering communities • Working with partners to keep people safe • Embedding community justice arrangements • Protecting children and adults • Supporting vulnerable people • Tackling issues related to private landlords • Tackling serious and organised crime • Ensuring availability of affordable

housing • Driving housing regeneration • Supporting independent living and social isolation • Providing high quality care and support services • Delivering community based services • Leading on civil contingencies and resilience planning

Renfrewshire Multi Agency Risk Assessment Conference (MARAC) continues to contribute to safety planning for high risk victims of serious harm with a robust partnership approach and compliance with Renfrewshire's MARAC Operational Protocol. MARAC has continued to meet as normal using MS Teams to consider high risk domestic abuse cases.

Work on gender-based violence in Renfrewshire is co-ordinated through the Gender Based Violence Strategy Group. Renfrewshire currently meets or partly meets 34 of the 38 priorities identified in Equally Safe. The group has representatives from statutory and third sector agencies across Renfrewshire. Renfrewshire GBV services worked with over 1000 people during 2018/19, including children; domestic abuse (including coercive control) was the main referral reason for 95% of cases. Renfrewshire Council's Criminal Justice Social Work service delivers the Up2U programme, which works with perpetrators to address their behaviours. Renfrewshire is highlighted in the Year 2 report as an example of good practice in relation to the implementation of the Safe and Together model

Much work has been done to promote gender equality over 2019 and 2020. The 16 days of action to tackle Violence Against Women took place despite the pandemic. Instead of a Reclaim the Night March, a small ceremony was held and a video shared online <https://www.youtube.com/watch?v=Mtsi92MkQEI>. The impact of the pandemic on domestic abuse incidence levels has been worrying and this was another opportunity to publicise the support available.

RISE (Respect, Inclusion, Strength, and Empowerment) via Children First are a group of young women aged 13-18 who have accessed Children First Abuse and Trauma Recovery Service. The members share common themes particularly in relation to their experiences of abuse, coercive control and unhealthy relationships with the aim to take action, raise awareness and influence policy. They produced an Open Letter to Renfrewshire on the issues of healthy relationship and coercive control, which won a creative arts competition at the recent Renfrewshire Open Mind Festival. They identified one main issue to influence policy; schools' response to coercive control in young people's behaviours.

All organisations explored young people's experiences of the issues and began to generate ideas for service prototypes. Supported by Engage Renfrewshire, who coordinated the reports at the end of their research and hosted a debrief meeting, organisations presented Phase 1 findings at an Early Action System Change Learning Event, attended by 130 people including voluntary and public sector practitioners, young people and families

Providing local voluntary sector organisations with the opportunity to explore these 2 priority issues has been hugely beneficial to their understanding of the challenges their client groups face, and how they might be addressed. Coercive control in adolescent relationships was far better understood by the end of Phase 1. Furthermore, organisations developed ways to open conversations and discuss the issues with young people and their families, particularly parents. Phase I (considered to be wide and shallow) is now completed. Phase II (considered narrow and deep) will take place during 2020/21.

Human Trafficking remains a priority for Renfrewshire Council and is monitored and discussed at the Council Community Protection Chief Officer Group/Member Officer Group and Community Protection (Prevent) Steering Group. Renfrewshire Council has a key role to play via the National Referral Mechanism as front-line responders e.g. Adult Services and also working with Police Scotland as part of the Renfrewshire Community Safety Hub. Reports have been presented to the Communities, Housing and Planning Policy Board in 2019 regarding a consultation on s.38 of the Trafficking and

Exploitation Strategy (Duty to Refer for Local Authorities) and the COSLA guidance for Local Authorities.

Renfrewshire Council recently submitted views to the Scottish Parliament Justice Committee on questions relevant to the Hate Crime and Public Order (Scotland) Bill. Renfrewshire Council is generally supportive of the Bill proposing to simplify the current Hate Crime Legislation and consolidating into one new Hate Crime Statute this will be an important milestone in protecting victims. We also welcome the fact that the Scottish Government is looking at the development of a standalone offence of misogynistic harassment. However, Renfrewshire Council would have liked to have seen a change to the overall definition and a move away from the term 'Hate' Crime to better represent that people are being targeted, not always through hatred, but often because of a perceived vulnerability or a visible/behavioural difference.

Renfrewshire's Refugee Resettlement Project continues to evolve to meet the needs of refugees as they become more settled in Renfrewshire. The project is unique in its approach amongst local authorities in Scotland and offers a person-centred, holistic service to Syrian refugees to support them to settle in Renfrewshire. This support lasts for 5 years from arrival.

Families are now living in various locations across Renfrewshire and receive assistance with maintaining their tenancies in the community, whether that be through the local authority or a registered social landlord. The level of support varies depending on the individual needs of each family. Some are more vulnerable than others and therefore receive a more intense package of support. This is constantly under review and can be increased or reduced as required. Support from the team follows them through their time here until the point where they apply for Indefinite Leave to Remain (ILR). We are already providing additional support to the first families who will apply for ILR in November 2020, ensuring they have appointments booked with immigration specialists, who will advise them throughout the process.

As Refugees are dispersed into the community, we have set up a number of surgeries in local amenities such as the Tannahill Centre and Glenburn Library. Included in this work is an opportunity for face to face contact with our Welfare Rights Officer who has been part of the team since April 2019. This valuable resource enables us to ensure a full income maximisation assessment is carried out for every family, in particular when there is a change in circumstances which can impact on their finances.

Links with the Adult Literacy and Learning Service helps with English and other learning, and the Project works with a variety of partners including HSCP teams, to ensure the best start for families who have lost everything before arriving in Renfrewshire. The majority of our adults who attended ESOL classes have now progressed to college. As a result of this we are working more closely with the college to provide a level of learning which everyone can build upon. The classes are more structured and require greater commitment from the Syrians, which many of them have embraced. This has had a positive impact on our learners and has produced positive results.

This is a very fast moving service which changes constantly to ensure the needs of the Syrian families are addressed in line with the SLA we have with the Home Office. We continue to encourage our families to make the most of themselves and their surroundings in the hope they will successfully achieve the right to remain here in the UK and potentially go on to gain UK citizenship.

In our Adult Learning and Literacies Service, a successful bid to Connecting Scotland is providing 60 laptops and 30 wi-fi units for low income adults and families who participate in adult and family learning programmes. The laptops will be used to help families attending Pizza Family Learning and adult learners remove barriers of digital exclusion. Four I-pads were also secured from the community

hubs and were distributed to vulnerable learners who were extremely isolated with no access to technology during lockdown. Eight laptops were sourced through funding from Youthlink Scotland for low-income learners aged under 30 who do not have any access to suitable IT devices.

Pizza Family Learning team delivered family activity packs to homes over the summer months to help parents keep the children occupied. Adult learning activity packs were also distributed to alleviate isolation during the months of lockdown.

The team also secured grants of £49 from Citrus Energy for learners who are on low-income and have pre-payment fuel meters. The grants were distributed to 22 learners who met the criteria and it is hoped that this will be repeated over the festive period.

The family learning team have been engaged in planning and developing a new online Pizza Reading programme that will be delivered in January to families with children in primaries 1 to 3, identified by the school as part of the Scottish Attainment Challenge.

Literacies, English for Speakers of Other Languages (ESOL) and Personal and Social Development groups have been supported to keep them engaged with their learning and to continue to build on the work that had took place before the pandemic. The team are working towards using more remote learning platforms to deliver the programme in the new year. However, access to digital and online resources continues to be a challenge for many of the individuals and families the service works with.

6.3 Tackling inequality, ensuring opportunities for all

Key areas of activity:

- Promoting skills and learning for life • Fostering “Inclusive Growth” • Developing new approaches to tackle in-work poverty • Tackling drug and alcohol misuse • Celebrating youth! • Improving mental health and wellbeing • Addressing health inequalities • Tackling the poverty related attainment gap • Driving attainment for all • Delivering on expansion of early years provision • Ensuring young people achieve positive, sustainable destinations • Supporting young carers • Celebrating diversity • Promoting active lifestyles

Our Council plan, through this outcome, recognises the important role community groups and employees have in developing and monitoring our equality outcomes.

We have recognised the read across between the Equality Act 2010 and the Child Poverty Act. As part of our mapping and engagement for Child Poverty Act reporting, we have ensured that we reflect the higher risk of poverty can sometimes be because of a protected characteristic.

The Celebrating Renfrewshire Fund - by young people, for young people – took place successfully in 2020, despite challenging circumstances. This a participatory budgeting process that gives young people a voice in their community and lets them decide how to make living as a young person in Renfrewshire better. Celebrating Renfrewshire Fund 2020 had £150,000 available for young people, or groups who work with them, to apply for. Young people then chose the successful projects. 1,721 young people voted, with 5,163 votes cast and 68 projects receiving funding.

Sanitary products have been made available throughout Renfrewshire both in community settings, including all Renfrewshire leisure premises, such as libraries and town halls and in organisations working with families with low income. Due to the pandemic, a new method for distribution of sanitary products was developed where people can order what they need online or by telephone for delivery directly to their door. Marketing materials have been developed and distributed, to ensure

residents know where they can obtain the products. This has been very successful, with almost 250 individual orders per week.

In line with Scottish Government's commitment to LGBTI (lesbian, gay, bisexual, transgender, intersex) Inclusive Education, schools have been supported to build on existing practice through provision of professional learning from LGBT Scotland on tackling homophobic, bi-phobic and transphobic bullying. Feedback was very positive, with 100% of staff reporting an increased knowledge of LGBTI identities, language and experiences, and confidence to support and include LGBTI young people. Additional support has been provided for the 5 secondary schools and 3 primary schools currently pursuing LGBTI Charter Award. One of the primary schools has achieved the Silver Award and the others are making good progress towards achieving their awards. Collectively, some of the key actions identified included attempting to use more gender-neutral language, become a more visible LGBT ally, be more inclusive with language, not make assumptions, and to challenge inappropriate attitudes. Castlehead High School has achieved an LGBT Charter Bronze Award. Glencoats Primary School has achieved an LGBT Charter Bronze Award. Bridge of Weir Primary School has achieved an LGBT Charter Silver Award.

Our education-based Language Bank has been going from strength to strength. Over the last 12 months, the Language Bank has been used 127 times across different education establishments in Renfrewshire. This total consists of 88 face to face interpreter support and 20 written translations of documents. Most recently, during the pandemic, interpreters ably assisted establishments to support families over the phone with weekly welfare check in telephone calls and in the provision of key information in accessible formats.

We have been supporting children with Additional Support Needs to improve their employability. My Future Pathway (Hospitality)—10 young people from Mary Russell School visited college twice a week to gain and build on their cooking and hospitality skills. The young people worked towards their REHIS: Introduction to Food Hygiene Qualification and the SQA unit D263: 10 Food Preparation Techniques which will give them the entry level qualifications for part time work in the commercial hospitality sector. All 10 young people submitted evidence and testing materials from home during lockdown and await their qualifications.

Pupils from six schools in Renfrewshire have collaborated with an award-winning charity to develop a new app that promotes mental wellbeing. I Am Me Scotland have been working with children and young people in Renfrew High, Paisley Grammar, Castlehead High, Kirklandeuk Primary, St James Primary and Arkleston Primary schools to design their innovative new phone app, Keep Safe Kids. The app will give pupils access to online information about issues affecting young people, such as mental health, bullying and online abuse. It will also allow young people to report incidents of harassment and bullying discreetly to their school without having to approach a teacher. Research suggests that young people across Scotland do not often report bullying behaviour.

Renfrewshire pupils and older adults teamed up for the seventh annual staging of IQ, Renfrewshire's Intergenerational Quiz. More than 300 people took part in IQ2019, which saw primary school pupils team up with older people from the local community. Ten teams of primary six and seven pupils each joined forces with older adults from local day centres, sheltered housing, seniors' forums, extra care housing and members of the community. The annual event at the Lagoon Leisure Centre is the culmination of each team meeting regularly in recent months to get up on their knowledge and build long-lasting relationships.

Renfrewshire Sheltered Housing and Youth Services teamed up to work together on some special projects. Young people from the Children's Hubs wrote kind messages of hope and optimism, drew pictures and created posters to brighten up our Sheltered Housing complexes. The team had enough pieces of art to safely deliver one to each of our 300 Sheltered Housing tenants who were delighted to

receive them, and further joint initiatives between these two services who support Renfrewshire's young and not so young people are currently being scoped out

During COVID-19 The Council's 10 sheltered housing complexes continued to have officers on duty 7 days a week to make daily calls to all tenants and responding to requests for advice and assistance. Daily visits were made to every complex to ensure safety checks on fire doors etc were carried out, and a range of activities to keep tenants occupied within their homes continued to be delivered.

Renfrewshire was the first local authority in Scotland to fund a pilot Housing First project delivered in partnership with Turning Point Scotland. This initiative provides wrap-a-round support for those with a history of repeat homelessness, and / or addiction, people with convictions and so on. Housing First service users demonstrates a 90% tenancy sustainment rate, higher than sustainment levels for lets to other homeless applicants in Renfrewshire.

Following the successful pilot of an in-house Shared Living Project for 16 -25 year olds, Scottish Government funding for the implementation of 'Rapid Rehousing' initiatives was used to launch a project in partnership with Simon Community Scotland, who have previous experience in delivering this type of work. The operation of the scheme allows homeless applicants to consider flat sharing as an option, helps prevent feelings of social isolation in young people who are homeless or threatened with homelessness and will contribute to decreasing the amount of time spent in temporary accommodation.

Unlike many other local authorities, Renfrewshire has never used hostels for those who have nowhere to stay but has five supported accommodation projects providing self-contained flats for young people and people with complex or specialist mental health needs. The approach is based on client choice and positive outcomes from on-site support providers.

Renfrewshire Council's Housing Options service offers daily access for all to Officers without the need for an appointment, including an out-of-hours service in the evening and at weekends.

Our Housing Support team provides funding for a third sector organisation, 'Impact Arts', to deliver 'Make It Your Own' for homeless or formerly homeless individuals to learn homemaking and up-cycling skills with an artistic and creative slant. Of the 32 service users to date, 96% have sustained their tenancy.

The charity 'SAY Women' and Renfrewshire Council's George Street Youth Homelessness Prevention Team, have initiated a Tenancy Sustainment Service that provides focussed, time limited support for young women aged 16-25 years who are identified as survivors of child sexual abuse and/or survivors of other forms of sexual violence, and are having housing/ homeless/ tenancy related issues. The aims of this new partnership are to increase tenancy sustainment, prevent repeated homelessness and provide key staff in the local authority area with increased skills and capacity through access to SAY Women's specialised training and consultation with SAY Women staff.

Community Learning and Development provided critical childcare hubs for children of essential workers, with the support of staff from across the Council including Street Stuff coaches throughout the summer. Over 2,000 children and young people came along each week to the hubs over the six-week summer period. The hubs took place in West Johnstone, Glencoats, West Primary and St James Primary and Riverbrae schools and were extremely successful and very well attended.

The Macmillan Improving the Cancer Journey (MICJ) project got off to a positive start in Renfrewshire in January 2020, and although the service, which is usually carried out face to face, has had to be altered due to Covid – 19, it continues to run ensuring everyone diagnosed with cancer in Renfrewshire can easily access all the support they need from diagnosis, as soon as they need it, to enable them to live as well and as independently as possible.

The initiative, which is funded and supported by Macmillan Cancer Support (Scotland) for a minimum of three years sets out to:

- Invite all with a cancer diagnosis in Renfrewshire to complete a Holistic Needs Assessment (HNA) and develop an individual care plan that includes carers and family members;
- Provide the dedicated support of a named 'link Worker' to everyone in Renfrewshire with a cancer diagnosis, and to his or her carer or family; and
- Facilitate the delivery of effective Health and Social Care support solutions, based on their needs.

The service helped more than 275 people in the first year with a variety of services and financial gains, such as benefit claims and Macmillan grants.

Youth Services and Renfrewshire Youth Voice delivered the "Celebrating Youth" programme during the Youth Voice Residential which focussed on the 2019 theme of "Participation". Young people from youth voice groups, young carers and volunteers came together to plan a yearlong programme and events

- Young people were supported to attend youth voice groups and events through smart travel and Young Scot rewards and discounts
- Participation Roadshow ran over the summer school holidays in community venues across Renfrewshire: Youth led activities including "Escape Rooms events focussing on problem-solving and team working, Young Scot information, Youth Voice and Participation workshops and promotion of the theme "Celebrating Youth"
- Supported young people to attend and present to Local Partnerships about the Celebrating Renfrewshire Fund
- Supported MSYPs to attend national sittings to decide national campaign; 'Pack it up Pack it In' on environmental issues and climate change
- Autumn/winter programme of youth voice workshops delivered to community-based youth provision with Renfrewshire Youth Voice.
- Progressing work towards LGBT+ charter and equalities agenda for young people. Youth Services carrying out mapping of exiting youth activities in Local Partnership areas
- Co-designing of Youth Assembly called 2020 Vision; This was cancelled due to Covid-19 lockdown, and investigating ways of delivering digitally/online in 2020/21
- Partnership working with Schools and Education Scotland to involve young people in the Renfrewshire PSHE review; Presentation to Head teachers; recruitment/training of peer leaders and design and delivery of peer led consultation workshops on the future delivery of PSHE offer in Schools completed.

All youth provision offers young people opportunities to work towards Saltire, and Youth Achievement Awards.

- Young people participating in awards, are in the process of building portfolios and evidence towards moderation for awards.
- Advice and training given to partners who wish to offer awards.

- Awards include, Hi5, Dynamic Youth Awards, John Muir awards, Duke of Edinburgh's Award Programme, and Certificate in Participative Democracy
- Providing support for youth volunteering, developing information for linking young people to opportunities

Street Stuff is a youth engagement and diversionary project, delivered throughout Renfrewshire in locations which are identified through the Renfrewshire Community Safety Partnership using relevant datasets. These include areas of multiple deprivation as well as areas with high incidences of youth disorder and anti-social behaviour and targets engagement with those currently disengaged. Street Stuff are also delivering activities throughout the school holiday periods as part of the tackling poverty agenda providing football, gaming, DJ sessions and much more in the popular buses. A healthy meal is provided each day as part of the activities.

6.4 Creating a sustainable Renfrewshire for all to enjoy

Key areas of activity:

- Driving carbon management activities • Leading on local environmental management issues • Addressing flood management issues • Ensuring effective business regulation • Supporting fairtrade • Keeping local places clean and attractive • Facilitating increased recycling and reducing waste • Supporting access to woodlands, public spaces, and cycling paths • Promoting sustainable food

The regeneration of the West End of Paisley is being undertaken with care to protect the needs of local residents, with many from BAME backgrounds and older people. We also recognise the broader role for the area, as many local businesses in the area cater for a large diversity of cultural needs.

Our outdoor access strategy continues to be implemented to the benefit of wheelchair users and other people affected by mobility issues in accessing our parks and open spaces and being better able to participate in active travel. Equally improvements continue in the street scene and in the bus shelter facilities to improve access for those with mobility issues and also improve navigation for those with sensory impairments. We are continuing to monitor disabled parking bays in Renfrewshire to prevent misuse including processing Traffic Regulation Orders for all disabled parking places to make them legally enforceable through the warden service.

We have supported reduction of food waste with a FareShare membership, through which we support community organisations to provide food to support their clients which may otherwise have gone to landfill. The organisations supported include those working with families on a low income, and those with ill-health and include Kairos, which supports women and non-binary people.

6.5 Working together to improve outcomes

Key areas of activity:

- Ensuring financial sustainability • Providing good quality services • Delivering the Better Council Change Programme • Being ready for potential structural change e.g. education governance • Strengthening our partnership approach • Embedding a new approach to self-evaluation • Improving the customer journey/My Account • Implementing our agreed approach to workforce planning • Promoting learning and development opportunities for employees • Achieving employee recognition • Embracing new ICT developments and opportunities

Our new Business World system enables employees from across the organisation to update their equalities profiling information easily and securely. As part of the roll out of the system, staff have

been encouraged to take ownership of their own data. It is hoped that this will improve confidence in the security of the data and so improve declaration rates.

In addition, the 2021 Scottish Census requires all 32 local authorities to implement revised questions and responses to mainstreaming data collation. The mainstreaming report covering to April 2021 will continue to utilise the old questions and responses, with the report for April 2022 reflecting the new information gathered.

Mental health first aid training has been rolled out to several service areas across the Council, with key staff now able to support colleagues. This is part of a wider approach to support disabled employees across the Council, with a focus on mental health.

Our LGBTQIA+ Staff Network grew further over 2019/20. The Network has hosted some very successful meet and greet sessions for all employees, which have contributed to increasing the number of representatives on the network. Despite the pandemic and distant working, the network has continued to grow, by attracting new members onto online platforms to share ideas and experiences.

Renfrewshire Council also celebrated IDAHOT Day in 2019 and 2020 by flying the Pride flag outside Renfrewshire House. In 2019, this involved a flag raising ceremony with local school children and members of the LGBTQIA+ Staff Network reading poems. The flag raising was followed by the Provost's civic reception for all involved. In 2020, the Diversity Equality Alliance in Renfrewshire participated in virtual celebrations.

We have developed a new Council website, with accessibility as the key focus. We are particularly working with older people and disabled people to ensure they can access council services online as easily as possible. This has come up as a priority from our consultation with Renfrewshire's Deaf community. A priority for the coming year will be increasing BSL presence on the Council website.

We remain a Disability Confident employer, undertaking regular reviews of our practices in relation to demonstrating robust recruitment, selection and retention of employees with disabilities.

During 2020 we have continually supported those who were identified as key workers and the remainder of the workforce who worked from home, if they could. We have supported employees particularly around their bespoke needs to facilitate either a safe return to the workplace or to enable them to work home safely. Further to this, there has been a number of health and wellbeing initiatives for example, mental health, exercise and healthy eating. A dedicated section on the staff website has been continually update with the latest supporting information for staff and managers as well as signposting to other supportive websites.

We continue to collaborate with the trade unions on all aspects of health safety and wellbeing, particularly as we move through the varying control stages of the pandemic.

Most employee absence cases over 4 weeks will result in some kind of reasonable adjustment being made, for example phased return to work, lighter duties, modified equipment, change in working hours, increase supervision, temporary removal of front-line duties. We work in partnership with ACCESS to WORK who help provide solutions and advice on supporting employees with disabilities enter and remain at work.

The Council approved the implementation of a new employee benefits package in September 2020. The new contract started in January 2021 and will see the implementation of 5 new employee benefit schemes throughout 2021 which our staff can access. These are:

- Cycle to Work (Salary Sacrifice)

- Green Car Leasing (Salary Sacrifice)
- ICT Equipment/Phones (Salary Sacrifice)
- Employee Discounts (Voluntary Benefit)
- Financial Wellbeing (Voluntary Benefit)

The employee benefits package will strengthen the council's brand as a destination employer, offering a way to attract and retain employees, and contribute to improving staff wellbeing and engagement. A key principal of the package will also be to include local suppliers and retailers where possible, which in turn will help to support the local economy by encouraging employees to spend local. The benefits package will also be utilised to attract and retain a range of employees across different sectors into local government.

In 2021, our new people strategy called 'Our People, Our Future 2021-2026' will be implemented to support the council and staff in the 'here and now' in response to and recovery from COVID-19. It will also be future-focused over the longer term, ensuring we provide staff with the necessary skills to delivery future services to meet changing public needs and that staff health, wellbeing and resilience is protected and supported by integrating our values in decision making.

By implementing this strategy, our approach to training and learning will be tailored and bespoke, designed by engaging with services, staff and trade unions to understand the skills that are required and ensure training is as accessible and inclusive as it can be for all staff groups. A blended model of training delivery and resources will be available in a variety of flexible and interactive formats to allow staff to progress and learn at a convenient time that suits their needs and life commitments. A particular focus will directed to the development of our frontline staff, designing training to the bespoke needs of services to ensure it will have the maximum impact on service delivery and the personal development needs of our frontline colleagues – a predominantly female workforce.

To support opportunities for progression along career pathways, since September 2018, the Council has participated in the Scottish Government Graduate Level Apprenticeship programme, with strong female participation the BA (Hons) Business Management Course. The programme provides funded opportunities for staff who have often never been in formal higher education to gain degree level qualifications. Skills and experience are considered in the application process, which removes the barriers that entry qualifications can bring.

We continually review, adapt and modernise our approach to people development, particularly in our recent response to the impact of COVID-19 restrictions. Our approach to training and learning is informed by engaging with services, staff and trade unions to understand the skills that are required and ensure training is as accessible and inclusive as it can be for all staff groups. A blended model of training delivery and resources are available in a variety of interactive formats to allow staff to progress and learn at a convenient time that suits their needs and life commitments. In 2021, a particular focus will directed to the development of our frontline staff, designing training to the bespoke needs of services to ensure it will have the maximum impact on service delivery and the personal development needs of our frontline colleagues – a predominantly female workforce.

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As the future demand to use technology becomes more essential for work, life and learning, we continue to look at opportunities to develop employee digital skills. We have continued to build digital confidence across our whole workforce by equipping staff with the knowledge and skills to use our systems and technology effectively. At the start of the COVID lockdown and restrictions in March 2021, we provided a range of online learning options to help staff stay connected whilst working from home e.g. Microsoft Teams. We continue to work with our frontline services to identify digital skills these staff require and address these in partnership with our local college e.g. basic digital skills fear free technology. Within our new Digital Strategy, there will be a Digital Skills Workstream. This will provide us with the opportunity to embed digital skills across all that we do to ensure that we work collaboratively and maximise the opportunities from our current systems e.g. Business World and any new emerging digital technologies, to support new ways of working and how we do business.

7. Assessing Impact

Our impact assessment approach continues. It has been simplified, so staff can more easily highlight the key equalities issues and also the Fairer Scotland duty has been incorporated. Staff have found this helpful, as socio economic inequality and equality are often intertwined and so reflect the complexity of different interventions. Our reporting has also been streamlined, so assessments are more easily found in one place.

Our work on improving the consultation process is continuing, with some further focus on how to involve people when face to face meetings are not possible. This is a cross council effort, which will be further developed over 2020/21.

8. Previous Equality Outcomes Progress

Renfrewshire Council's last set of equality outcomes were developed in consultation with local equalities led community groups and as responses to local and national equalities data and research. The sections below reflect progress against the success measures and explain where further action may be necessary. Details of activities complete against these outcomes in 2019 are not repeated here.

Outcome 1: Public spaces improve access and promote dignity for disabled and older people

- **Paisley town centre capital developments all have full impact assessments completed, with the appropriate local equality led community groups involved beyond the assessment.** Equality led community groups continue to be fully involved with these developments.
- **Changing Places toilets are in place in appropriate places in Renfrewshire, having worked with Renfrewshire Access Panel on locations.** Installation of these toilets has happened in some locations, with further work planned to complete the programme.
- **Audits of the street scene by specialist local equalities led groups show satisfaction.** In progress, this work will need to be ongoing.

Outcome 2: Our staff and communities fully understand the causes and consequences of gender based violence and are equipped to respond

- The action plan from the strategy is updated annually, with a progress report published during the 16 days of action. Performance indicators are included in the action plan, also available [here](#).
- In addition, a cross service working group was established in 2017 and the council's new Domestic Abuse Policy was implemented in 2019, with specific training for the HR Team and our Trade Unions being part of the roll out. New e-learning was also launched in 2020 to raise awareness of Domestic Abuse within the workforce and provide guidance for managers in supporting employees who may experience Domestic Abuse.

Outcome 3: Equalities-led organisations are supported to become sustainable and influential partners

- **Increased number of equalities led community groups in Renfrewshire.** This has been achieved, with an increased number of organisations now participating in the Diversity and Equality Alliance Renfrewshire and its associated work programme. In addition, a number of equalities-led groups are now on Local Partnerships, specifically representing the needs of younger people, older people, black and minority ethnic people and disabled people.
- **New Buddies Network is in place and known by many Renfrewshire residents.** A New Buddies Network Officer is now in post, employed through Engage Renfrewshire and is working with Black and Minority Ethnic communities across Renfrewshire.

Outcome 4: Council services are responsive to the needs of equalities groups, with well-designed and flexible services

- **Enhanced equalities training focussing on specific local issues is delivered to customer facing staff and opportunities for shadowing with local equality led community organisations made available to staff.** Further action is required to meet this success measure.

Outcome 5: Renfrewshire Council promotes itself as and becomes an employer of choice for disabled people

- **There is well attended and vibrant Disability Staff Network in place.** A Network was supported to launch, but there were a range of diverging aspirations for the group. A different approach is now being developed. Some of those originally interested have joined other staff networks, such as the Carers' Network or LGBTQIA+ Network.
- **Management training courses show attendance from disabled employees and BME employees.** Data shows attendance at training courses from disabled and BME employees, although varying declaration rates means it is not possible to draw accurate conclusions on levels of representation. Further work is ongoing to ensure equitable access to training and development.

Outcome 6: Equalities implications are clearly and consistently considered in decision making

- **All reports going to the Boards of the Council have accompanying impact assessments, approved by the relevant Head of Service.** Work has been undertaken to improve the Equality Impact Assessment process, including the approval and publishing of assessments. Further work is required to refine the summaries presented at Boards.

- **Service Improvement Plans in each Service area have included impact assessment as a key area of performance.** Service Improvement Plans have been on hold in most areas due to the pandemic.

9. Public Procurement

Renfrewshire Council as a contracting authority has adopted a number of approaches to ensure that equality is an integral part of the procurement process. The Council's Standing Orders Relating to Contracts 2016 set out specific requirements to support equalities and prevent discrimination under Section 5.0 which states that:

- 5.1 Tenderers must be asked to produce their equal opportunities policies before they may be shortlisted or recommended for an award of contract.
- 5.2 Before entering into a contract, the Head Of Policy And Commissioning (HOPAC) shall obtain from the contractor an assurance in writing that, to the best of the contractor's knowledge and belief, the contractor has complied with all statutory requirements under the Equality Act 2010 and all previous legislation, regulations and statutory guidance relating to equality matters.
- 5.3 All contracts entered into by the Council shall contain a condition obliging the contractor to comply with all duties arising from the Equality Act 2010.

The Council's corporate procurement unit have integrated the statutory Fair Work Practices, including the Living Wage requirements, into contracts for all regulated procurements where the estimated value of the contract is equal to or greater than £50,000 for goods and services and £2,000,000 for works contracts and which are not otherwise exempt from regulation. To ensure that the requirements are relevant and proportionate to the contract Fair Work Practices are considered at the outset when developing the contract strategy and where relevant are evaluated and scored as part of the tender process.

As a contracting authority Renfrewshire Council expects delivery of high quality services and achieving best value. Therefore, we actively require suppliers to provide evidence of Fair Work Practices and compliance with relevant employment, equality and health and safety law, human rights standards. We also expect that workers who are engaged through, for example, employment agencies, 'umbrella' companies and/or other intermediaries receive fair, equitable and non discriminatory pay, terms and conditions and reward packages.

As part of our continuous improvement regime we are working with a range of partners including officers from the Scottish Government to fully embed the Fair Work Practices statutory requirements aligned to the Procurement Reform (Scotland) Act 2014.

Renfrewshire Council continues to maintain its commitment to maximising the use of community benefits as an integral part of the procurement process and activities in addition to the core purpose of the contract. Tenderers are asked to identify the community benefit outcomes they wish to offer which include, targeted employment and training initiatives; educational support initiatives; supply chain development activity; vocational training; community, corporate social responsibility (CSR) and environmental initiatives; supported business, third sector and voluntary sector initiatives; and equality and diversity initiatives.

Community Benefit requirements are shaped and developed in consultation with various internal and external stakeholders who are members of Renfrewshire's Community Benefit Forum. A range of innovative approaches have been implemented such as suppliers delivering a recruitment and industry

awareness to those who are 16 to 24 of age, participating and supporting the STEM (Science, Technology, Engineering & Mathematics) programme encouraging and raising awareness amongst women. Over 700 Community Benefits are being offered by external providers with contracts with the Council, providing a broad range of employment and education initiatives for young people and communities in Renfrewshire. Over 50% of all Community Benefits offered by external providers with contracts with the Council are providing employment and work placement opportunities for priority groups.

Community Benefit Forum

Renfrewshire's Community Benefit Forum was established to both put a focus on, and best manage the community benefits aspect of procurement. Representatives from Renfrewshire Council Services, such as Employability, Economic Development, and Education along with others such as Developing the Young Workforce come together with the TSI, Engage Renfrewshire to provide a 'menu' of community benefit opportunities for those bidding for a Council Contract. This makes things easier for the contractor, but also allows a tailoring of benefits to local need.

The benefits can be in the form of apprenticeships and training, jobs, volunteer opportunities, upskilling, or either grants to, or work carried out within, local social enterprises.

As part of the Council's procurement process, interested prospective contractors are provided with the contact details of individual Forum members, and they can talk to them about need and what they may be able to provide. This has led to benefits such as work placements, but also the development of a programme for senior pupils who want to work in construction.

Where support is offered in the form of a grant, the grants are usually fixed at £1000 and the application form is designed to be simple to encourage a wide variety of organisations to apply for the support. Renfrewshire's TSI, Engage Renfrewshire organises this process, offering the opportunity to their network of social enterprises, collecting the application forms and passing those to the companies bidding for contracts, to choose which application they wish to support.

Where the company has offered a service, such as painting and decorating, flooring, or goods such as workwear, the process is the same, with organisations applying for the goods or service.

The Forum, which meets once a month constantly self-evaluates to examine how it could do things better, and ensures the 'menus' are up to date and meet need.

Appendix 1–Children’s Services data

Summary of findings

Ethnicity

Renfrewshire - Pupil Ethnicity	Sep-20	
	Total	Percentage
Total Pupils	23,862	100%
White – Scottish	19,701	83%
White – Other British	1,006	4%
White - Other	945	4%
Mixed	280	1%
Asian – Indian	241	1%
Asian – Pakistani	280	1%
Asian – Bangladeshi	11	0%
Asian – Chinese	88	0%
Asian – Other	83	0%
Caribbean/Black	48	0%
African	312	1%
Other	181	1%
Not known	477	2%
Not disclosed	209	1%

The data shows that ethnic diversity in Renfrewshire schools continues to increase overall. This pattern that has been followed for several years. The change over time shows our proportion of minority ethnic children in primary schools has risen from 5.8% in 2017 to 6.5% in 2019. In secondary schools, this figure has risen from 4.1% in 2017 to 4.8% in 2019. In ASN schools the figures show a decrease from 6.5% in 2017 to 6.2% in 2019.

Figures are derived from the Scottish Government’s pupil census supplementary statistics publication. A link to these publications can be found below:

<https://www.gov.scot/publications/pupil-census-supplementary-statistics/>

Please note that minority ethnic includes all categories other than White-Scottish, White Other-British and White-Other. White-Other includes White-Gypsy/Traveller, White-Other, White-Polish and White-Irish.

Pupils in Renfrewshire schools use an increasing variety of first languages. In 2019, 68 foreign languages were spoken across primary, secondary and ASN settings, a rise from 60 languages in 2017. The main 3 languages after English are: Polish; Scots and Urdu.

We have recorded the number of racist incidents in schools (as shown on the following table). In the last 3 years there has been a downward trend in the number of racist incidents reported.

Sector	Number of incidents					Number on school roll				
	2019 /20	2018/19	2017 /18	2016 /17	2015 /16	2019	2018	2017	2016	2015
Primary	10	12	28	32	15	13,189	13,240	13,238	13,058	12,916
Secondary	3	15	18	20	10	10,126	9,927	9,920	9,886	9,953
ASN	0	3	0	0	0	404	403	386	371	363
Total	13	28	46	52	25	23,719	23,570	23,544	23,315	23,232

Please note the number on school roll figures are taken from the Scottish Government pupil census publication as at September each year. Racist incident figures are for the school session (Aug – June each year). School roll figures may be slightly different to what was previously reported as the figures above are sourced from the most recent publication which may incorporate amendments to figures.

Sector	Number of exclusions									
	2019/20		2018/19		2017 /18		2016 /17		2015 /16	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Primary	82	10	74	13	73	15	72	9	68	9
Secondary	300	101	399	155	317	106	341	69	355	97
ASN	17	3	7	1	16	2	15	2	11	0
Total	399	114	480	169	406	123	428	80	434	106

Gender

Our gender split in schools is now fairly even, whereas previously we had slightly more boys. In 2019, 50.4% of our pupils were male.

We also find that there are significant gender differences in terms of exclusion, as the table below shows. Please note the figures in this table are the number of exclusions and not the number of pupils the exclusions relate to. Some pupils have multiple exclusion incidents.

Please note figures for 17/18 and 16/17 have been amended since the last report due to an error in the figures previously reported.

There is also a slight gender difference in the figures for looked after children, and as at 31 July 2019, this is only very slightly more pronounced in Renfrewshire than that of the national picture.

In Renfrewshire there seem to be proportionally fewer looked after children from an ethnic minority group or with a disability than in Scotland overall. It is not yet known whether this is due to under recording or a genuine under representation. However, it is important to look at the information for all local authorities when considering the Scotland figures and how Renfrewshire compares to them. For example, as at 31 July 2019, 69% of children looked after by Midlothian Council are recorded as known to have a disability.

The full table published by the Scottish Government can be found via the link below. Please refer to Table 3.2 in the additional tables document which can be found under the supporting files section.

<https://www.gov.scot/publications/republication-childrens-social-work-statistics-scotland-2018-19/>

Characteristics of children looked after by local authority, 31st July 2019 (extract of published data)

	Gender			Children known to be from Ethnic Minority Groups		Children known to have a disability	
	Male	Female	% Male	Number	%	Number	%
Renfrewshire	345	284	55	9	1	31	5
Scotland	7,706	6,556	54	493	3	1,535	11

(1) Table excludes children who are on a planned series of short term placements.

(2) Cells containing * represent numbers that are suppressed to maintain confidentiality.

(3) 'Minority Ethnic Group' includes the ethnic groups Mixed Ethnicity, Black, Asian, and Other Ethnic Background.

(4) Until 2012 this category was presented as 'disability'. This was amended to additional support needs until 2015 because the information collected did not meet the definition of 'disability' outlined in the Equality Act 2010. The current binary question was introduced in 2015/16 for consistency with other parts of the UK.

Appendix 2 – Occupational segregation data

The following data was extracted in April 2020 and makes the comparison to previous data extracted in April 2019.

Chief Officers:

The Chief Officers consist of the Chief Executive, Directors and Heads of Service. Grades range from CO1 to CO24.

- The concentration of men and women are 10 women and 15 men. This is a small increase in the % of women from the 2019 data by 1.5%, with 37.5% chief officers now women.
- 17 Chief Officers have declared they do not have a disability and 8 chose not to disclose. A small increase in those not declaring in comparison to 2019.
- 6 Chief Officers chose not to disclose if they were from a minority racial group, and 19 identified as White Scottish, British or Irish. A small increase in those identified as White Scottish, British or Irish in comparison to 2019.

Craft Employees:

Craft employees consist of key occupations such as plumbers, bricklayers, electricians, joiners, painters, glaziers, plasterers, slaters, mechanics and engineers. Grades range from SSCRAFT1 to SSCRAFT28 and TELEC.

- The concentration of men and women are 182 men (compared to 204 in 2019) and still no women.
- 118 craft employees have declared they do not have a disability (compared to 133 in 2019), 61 chose not to disclose (compared to 68 in 2019) and 3 have declared they have a disability (same figure as presented in 2019).
- 78 craft employees chose not to disclose whether they were from a minority racial group (compared to 90 in 2019), 104 disclosed they were White Scottish or British (compared to 114 in 2019) and still no-one from a minority racial group.

Local Government Employees (LGE):

LGE consist of key occupations such as caterers, cleaners, housekeepers, janitors, refuse collectors, drivers, home care workers, gardeners, social workers, labourers, classroom assistants, additional support needs assistants, road workers, wardens, nursery officers and all administration, professional, technical and clerical occupations. Grades range from GRA to GRQ.

- The concentration of men and women are 4,532 women (compared to 4463 in 2019) and 1,465 men (compared to 1582 in 2019).
- 4,065 LGE have declared they do not have a disability (compared to 4,107 in 2019), 1,723 chose not to disclose (compared to 11,715 in 2019) and 209 have declared they have a disability (compared to 223 in 2019 in 2017).
- 1,870 LGE chose not to disclose if they were from a minority racial group (compared to 2,029 in 2019) and 63 declared they are from a minority racial group (compared to 100 in 2019) and 4,064 declared they are White Scottish, British or Irish (compared to 3,916 in 2019).

Teachers:

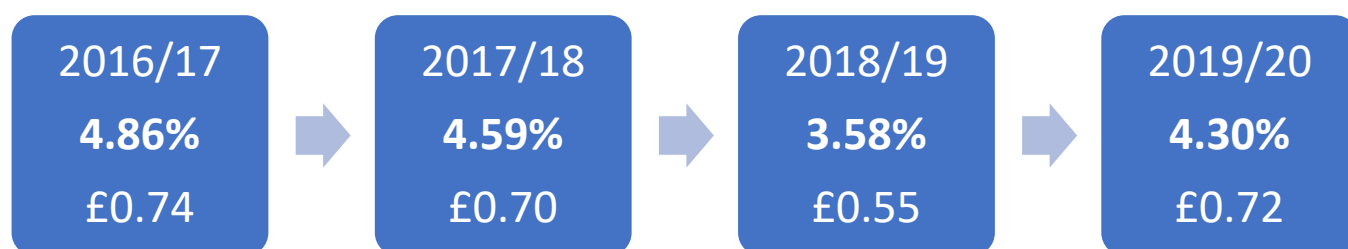
Teaching employees consist of key occupations such as educational psychologists, instructors, head teachers, depute head teachers, heads of faculty, principal teachers, teachers and trainee teachers for all subject areas. Key grades range from TEACHER1 to TEACHER55, PSYCHOLS1 to PSYCHOLS3, CONCERNV29 to CONSERV32, MUSIC1 and ADVISER1.

- The concentration of men and women are 1,514 women (compared to 1,494 in 2019) and 368 men (compared to 384 in 2019).
- 1,306 teaching employees have declared they do not have a disability (compared to 1,241 in 2019), 546 chose not to disclose (compared to 606 in 2019) and 30 have declared they have a disability (compared to 33 in 2019).
- 601 teaching employees chose not to disclose if they were from a minority racial group (compared to 685 in 2019), 12 declared they were from a minority racial group (compared to 18 in 2019) and 1,269 declared they were White Scottish, British or Irish (compared to 1,175 in 2019).

Appendix 3 –Gender Pay Gap

Introduction

The previous report of 1 May 2019 highlighted a reducing gender pay gap year on year from 2017. The infographic below shows the Council's gender pay gap journey and modest movement from 2016-2020. The overall reason for the slight movement in pay gap year on year is due to employee turnover (leavers and new starters including internal movement). Our pay gap remains a modest figure in comparison to other local and national data and a gender pay gap of less than 5% is not considered significant by the EHRC.



Each year the gender pay gap is in favour of males and the data above covers the Council's four different conditions of service: Local Government Employees, Teachers, Craft Operative and Chief Officers. 2016/2017 to 2018/2019 have previously been reported to board. 2019/2020 is the most current gender pay position.

As previously reported to Board, detailed work was carried out to better understand the Council's pay gap and a report was submitted to the Council's Leadership Board outlining key steps to be explored in order to reduce the pay gap. The full report and associated infographics can be found [here](#).

HR & OD have continued to progress the key steps agreed by the Leadership Board and an update is provided below. Implementing these steps will ensure the Council monitors the pay gap movement more rigorously, whilst developing a better understanding of the reasons for the pay gap and outlining a range of internal interventions to be put in place. Progressing such actions will demonstrate the Council continues to take reasonable steps to 'advance equality of opportunity' to reduce the pay gap as required by the PSED.

The latest gender pay gap calculated was at 31 March 2020 at 4.30% or £0.72 in favour of men, an increase of just over 0.7%. Significant work was undertaken throughout the year 2019/20 to reduce the pay gap in line with our agreed actions. However, progress against the key actions was hampered during 2020/21, by the COVID-19 pandemic and the council's response to this. This has meant that focused activities were reduced because of the impact of restrictions on staff, reprioritisation of work focus and deployment of staff to where they were needed most.

The key steps include:

1. More rigorous monitoring and benchmarking of the pay gap by officers and
2. reporting of progress to members;
3. Implementing revised HR & OD policies to encourage men and women to share caring responsibilities;
4. Promoting flexible working provisions, making jobs at all levels across the Council available on a flexible basis where appropriate;

5. Re-launching of the Council's Mentoring scheme with a focus on encouraging women to become mentors or mentees;
6. Developing campaigns to positively encourage greater levels of applications from men for jobs traditionally dominated by women; and develop managers to use positive action when recruiting;
7. Implementing targeted development programmes supporting women in lower grades to apply for more senior roles.

2019/2020 – 2020/21 and beyond

Some of the key activities to reduce the gender pay gap since our last report in May 2019 are detailed below. These activities will also continue in the year 2021/22 and beyond.

Leadership programmes

513 managers and staff from across all services completed our Leaders of the Future, ASPIRE and CMI Leadership programmes, Levels 2, 3 & 5, introduced in August 2018 until early 2020. **69%** of all those participating in programmes were female, supporting our commitment to reducing the gender pay gap. A large proportion of staff on our first line management programmes Chartered Management Institute (CMI) Levels 2 and 3 were females **67%** aspiring to take up their first supervisory or management position or newly appointed into such a role.

Continuing to support females with career pathways, April 2021 will see the launch of our new leadership development pathway "Lead to Succeed". This programme will offer 3 levels of management qualification to support our current and aspiring managers to develop leadership and business skills at every stage of their career. Our entry level "Inspire" pathway will again target our predominantly female workforce providing opportunity to progress along career pathways into first line management roles and continue their learning journey by competing each of the 3 levels. Each level covers the essential skills to support staff become managers or to enhance the skills of existing managers, with the option to achieve an accredited Chartered Management Institute (CMI) qualification at each stage.

A blended model of delivery will be accessible and inclusive, available in a variety of interactive formats, and allow participants to gain accredited qualifications, if desired, at a convenient time that suits their needs and life commitments. Learning will be maximised through a combination of trainer-led online workshops, interactive e-learning, self-study and groupwork activities, allowing staff to build a colleague network and variety of skills and knowledge as they learn.

Modernised HR & OD policies

Significant progress has been made in modernising our suite of HR & OD policies in recent years. Our policies have been crucial in supporting our employees through the COVID-19 response and encouraging the continued sharing of family and caring responsibilities. Since 2018, the council has achieved all three levels (Engaged, Established and Exemplary) of the Carers Positive Accreditation, most recently achieving "Exemplary" the highest accreditation in demonstrating active support for working carers within the council. Our new Domestic Abuse Policy was implemented in 2019, with specific training for the HR & OD Team and our Trade Unions being part of the roll out. New e-learning was also launched in 2020 to raise awareness of Domestic Abuse within the workforce and provide guidance for managers in supporting employees who may experience Domestic Abuse.

Work is progressing well on the development of a new HR & OD Policy to support employees who experience symptoms of menopause. Symptoms can be severe and have a significant health impact on day to day activities including attendance and performance at work. A policy is being developed and a package of support for employees is being considered, which includes awareness and training, professional support from our Occupational Health and Employee Assistance Providers and paid leave provisions. It is anticipated that the new Menopause Policy will be presented to Members for approval later in 2021.

During 2020/2021 and in response to COVID restrictions a large proportion of our staff have been working from home. We have continued to promote and support informal and formal flexible working to ensure staff and their families are able to manage their work and family commitments. This has included those staff with home schooling and caring responsibilities that have increased during this period. We recognise that the new ways of working within the Council will continue beyond COVID in terms of how we work, where and when we work, with the Council providing a more agile and flexible approach which not only meets staff's new expectations but also enables the Council and staff to continue to deliver our services effectively.

Staff engagement

Equality and diversity is currently mainstreamed through council decisions and HR policies and this will continue by engagement with staff to improve the quality of our data, explore and implement opportunities to engage with underrepresented groups and identify areas for further development. Staff network groups related to disability, sexual orientation, caring, menopause and domestic abuse will be key forums for engagement with our staff. We will also continue to focus on ensuring our workforce is reflective of the communities we serve.

Our Values

Our Values were developed through staff engagement in summer 2019 and highlighted what is important to our workforce – focus groups were reflective of our workforce 75% female and 25% male. We asked staff to tell us what it was like working for the council, including the positive and negative aspects and what was important to them to develop a set of shared council values. Specific feedback from engagement with all staff informed our new people strategy approach and placed a focus on our front-line workforce – a large proportion of which are female. In Spring 2021 we will start a cultural change journey by embedding our values across the employment lifecycle including our policies and the decisions we take day to day. This will start with “Leading Our Values” training for all leaders/managers and then “Living Our Values” training for all staff.

People Strategy 2021-2026

In 2021, our new people strategy called ‘Our People, Our Future 2021-2026’ will be implemented to support the council and staff in the “here and now” in response to and recovery from COVID-19. It will also be future focused over the longer term, ensuring we provide staff with the necessary skills to delivery future services to meet changing public needs and that staff health, wellbeing and resilience is protected and supported by integrating our values in decision making.

By implementing this strategy, our approach to training and learning will be tailored and bespoke, designed by engaging with services, staff and trade unions to understand the skills that are required and ensure training is as accessible and inclusive as it can be for all staff groups. A blended model of training delivery and resources will be available in a variety of flexible and interactive formats to allow staff to progress and learn at a convenient time that suits their needs and life commitments. There will be a particular focus on the development of our frontline staff, designing training to the bespoke needs of services to ensure it will have the maximum impact on service delivery and the personal development needs of our frontline colleagues – a predominantly female workforce.

Pay and Grading Structure

The council as part of the national pay agreement has committed to consolidating the Scottish Local Government Living Wage into our revised pay structure for local government employees by 1 April 2021. The living wage will therefore become the minimum hourly rate of pay for employees. 90% of the proposed costs for implementing this commitment is invested in our bottom 4 grades of the pay structure, approx. 3000 of our lowest paid employees, predominately female, (approx. 80%), and (approx. 36%) of the council's overall workforce.

An impact assessment has been carried out which confirms the council continues to meet its obligations under the Public Sector Equality Duty. In addition, there is a reduction in the gender pay gap in each grade on implementation maintaining the council's overall gender pay gap to be less than 5% which is not considered significant by the EHRC.

Coaching and Mentoring

We have been piloting executive coaching with some of our senior leaders with the intention of seeking board approval for a formal coaching service later in 2021. The proposed coaching service will support our leaders and managers to develop appropriate responses to current real-life issues, whilst strengthening self-awareness and leadership capacity and is aligned to strengthening career pathways and opportunities for succession planning a key action in reducing our gender pay gap. Of the current pilot 75% female and 25% male, which is reflective of our workforce gender make up. Evaluation so far has been positive with coachees

In 2019, we launched a Cross Organisational Mentoring programme, an innovative partnership led by Renfrewshire Council and involving 6 public sector organisations designed to facilitate the sharing of knowledge and expertise and help our managers to see and do things differently to improve outcomes. A key objective in the concept of the programme was to ensure a significant participation from our female workforce, a key action to reduce the Council's gender pay gap. The Council has 35 managers on the programme, both mentors and mentees, of which, 60% are female.

In 2021, Building on the successes of our previous award winning and cross organisational mentoring programmes, we will use our learning and launch another cohort of this in-demand programme, with a range of internal and external partners. We will also use the wealth of experience held by previous mentors and mentees to launch an internal programme to enhance learning and grow our own talent to support succession planning.

Graduate apprenticeships

To support the development of career pathways, since September 2018, the Council has participated in the Scottish Government Graduate Level Apprenticeship programme, with strong female participation the BA (Hons) Business Management Course. The programme provides funded opportunities for employees who have often never been in formal higher education to gain degree level qualifications. Skills and experience are considered in the application process, which removes the barriers that entry qualifications can bring.

Since 2018 we have had 20 employees doing Graduate Apprenticeships within the Council. There are 8 females (40%) and 12 males (60%). We will continue to promote the programmes for 2021-2023 to actively encourage females to take up this funded and supported development opportunity.

Modern/Foundation apprenticeships

To strengthen career pathway opportunities, we currently have 49 Modern Apprentices - the gender split across these is approximately 50/50 males and females. We also have 41 Foundation Apprentices – the gender split across these is approximately 56% male and 44% female. We will continue to progress targeted recruitment campaigns to attract males and females into under dominated roles – a key action in reducing our gender pay gap.

Digital Skills

We have continued to build digital confidence across our whole workforce by equipping staff with the knowledge and skills to use our systems and technology effectively. At the start of the COVID lockdown and restrictions in March 2021, we provided a range of online learning options to help staff stay connected whilst working from home e.g. Microsoft Teams. We continue to work with our frontline services to identify digital skills these staff require and address these in partnership with our local college e.g. basic digital skills for free technology. During 2019/2020, 245 employees completed digital skills courses within the council 171 (70%) were female and 74 (30%) were male.

Within our new Digital Strategy, there will be a Digital Skills Workstream. This will provide us with the opportunity to embed digital skills across all that we do to ensure that we work collaboratively and maximise the opportunities from our current systems e.g. Business World and any new emerging digital technologies, to support new ways of working and how we do business.

Recruitment

We have run targeted recruitment campaigns between 2019-2021 in a number of 'hard to fill' areas such as Primary Teachers, Early Years, Care at Home. Any campaigns have also focussed on encouraging males to apply for roles that are in predominantly female areas. This will continue between 2021-2023.

Equality Data – Employees 2020

Renfrewshire Council

This document contains a range of datasets about Renfrewshire Council's employees by protected characteristic including:

- 1) Staff Head Count
- 2) Children's Services Staff Establishment
- 3) Recruitment
- 4) Training and Development
- 5) Leavers

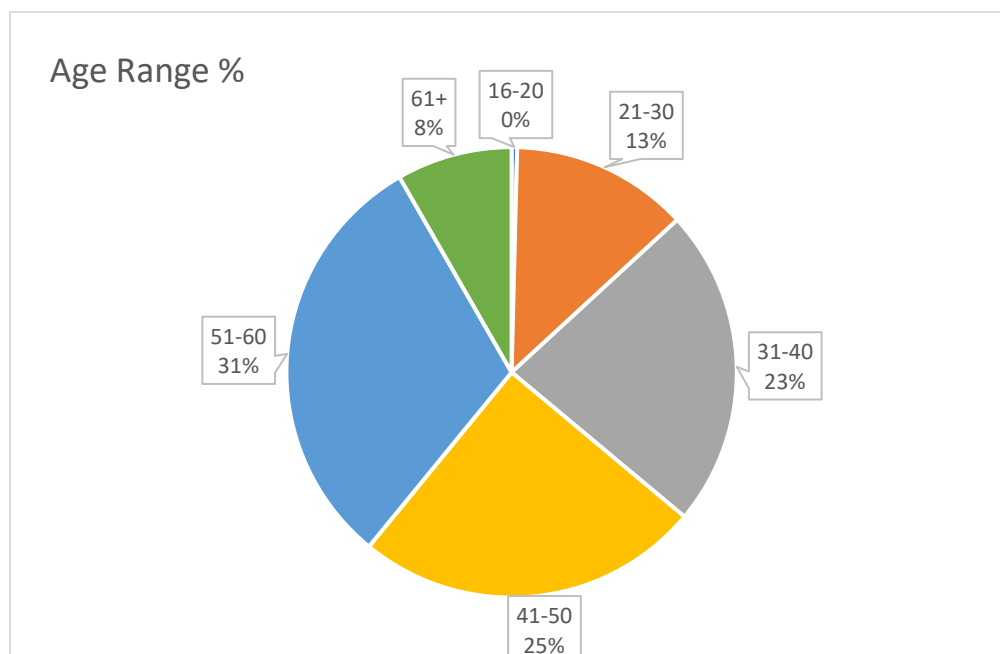
Renfrewshire Council – Staff Head Count

This data tells us who works for Renfrewshire Council, by protected characteristic. This is the headcount for all employees, including the education authority (although this is also provided separately). Commentary and analysis on these figures can be found in the accompanying Equalities Outcomes and Mainstreaming Report 2021. Pie charts have been presented where they aid interpretation of the statistics.

Please note in some cases where the numbers are very small, percentages can often not be very useful.

Age

Age Group	Head Count	%
16-20	32	0.40
21-30	1032	12.76
31-40	1853	22.92
41-50	2009	24.85
51-60	2489	30.78
61+	671	8.30
Total	8086	100

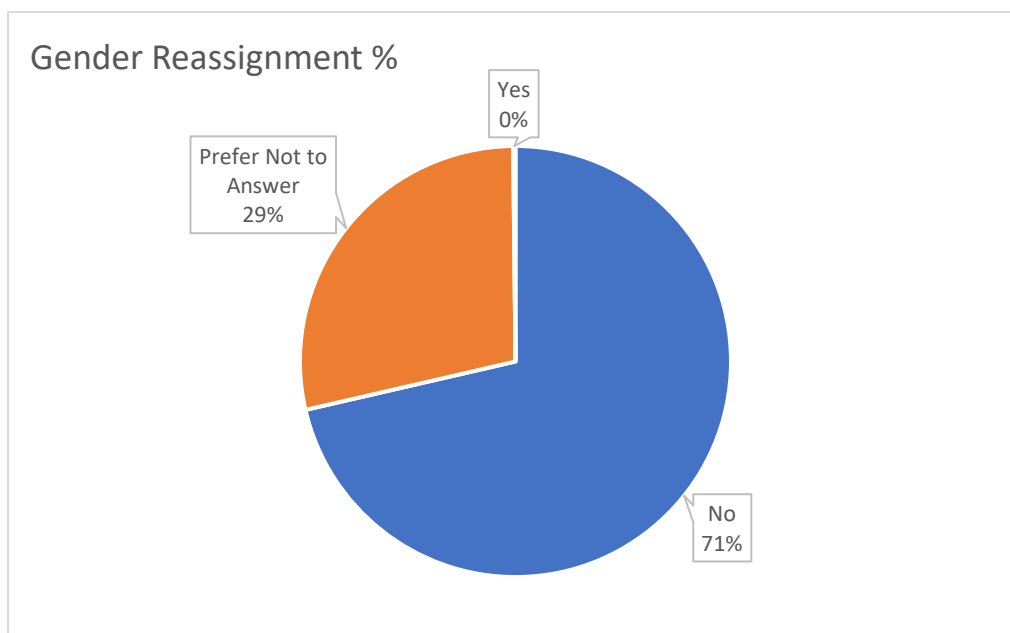


Gender

Gender	Head Count	%
Female	5913	73.13
Male	1988	24.59
Prefer not to answer	185	2.29
Total	8086	100

Gender Reassignment

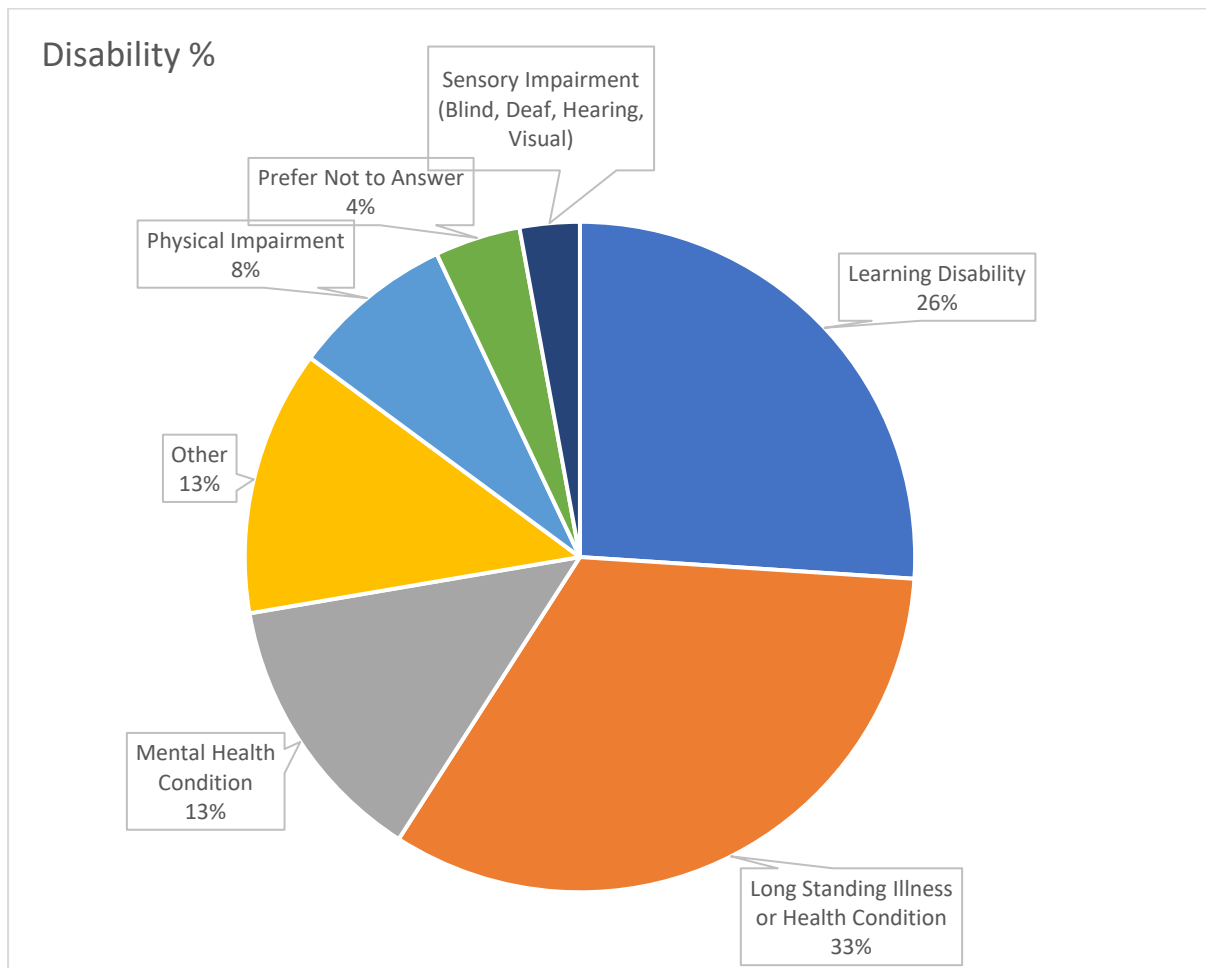
Gender Reassignment	Head Count	%
No	5773	71.40
Prefer Not to Answer	2299	28.43
Yes	14	0.17
Total	8086	100



Disability

Disability	Head Count	%
No	5506	68.09
Prefer Not to Answer	2338	28.91
Yes	242	2.99
Total	8086	100

The pie chart below shows the type of disability recorded by the 2.99% of employees who declared that they have a disability.



Ethnicity

Ethnic Origin	Head Count	%
African (inc Scottish / British)	6	0.07
African-Other	*	0.06
Arab (in Scottish / British)	*	0.06
Asian-Chinese (inc Scottish / British)	*	0.04
Asian-Indian (inc Scottish / British)	17	0.21
Asian-Other (inc Scottish/British)	*	0.04
Asian-Pakistani (inc Scottish / British)	14	0.17
Black (inc Scottish / British)	*	0.01
Caribbean (inc Scottish / British)	*	0.02
Caribbean or Black (Other)	*	0.01
Mixed or Multiple Ethnic Groups	17	0.21
Other	*	0.01
Prefer not to answer	2555	31.60
White-Eastern European	27	0.33
White-Irish	52	0.64
White-Other British	213	2.63
White-Other White Ethnic Group	36	0.45
White-Polish	7	0.09
White-Scottish	5121	63.33
Total	8086	100

Religion or Belief

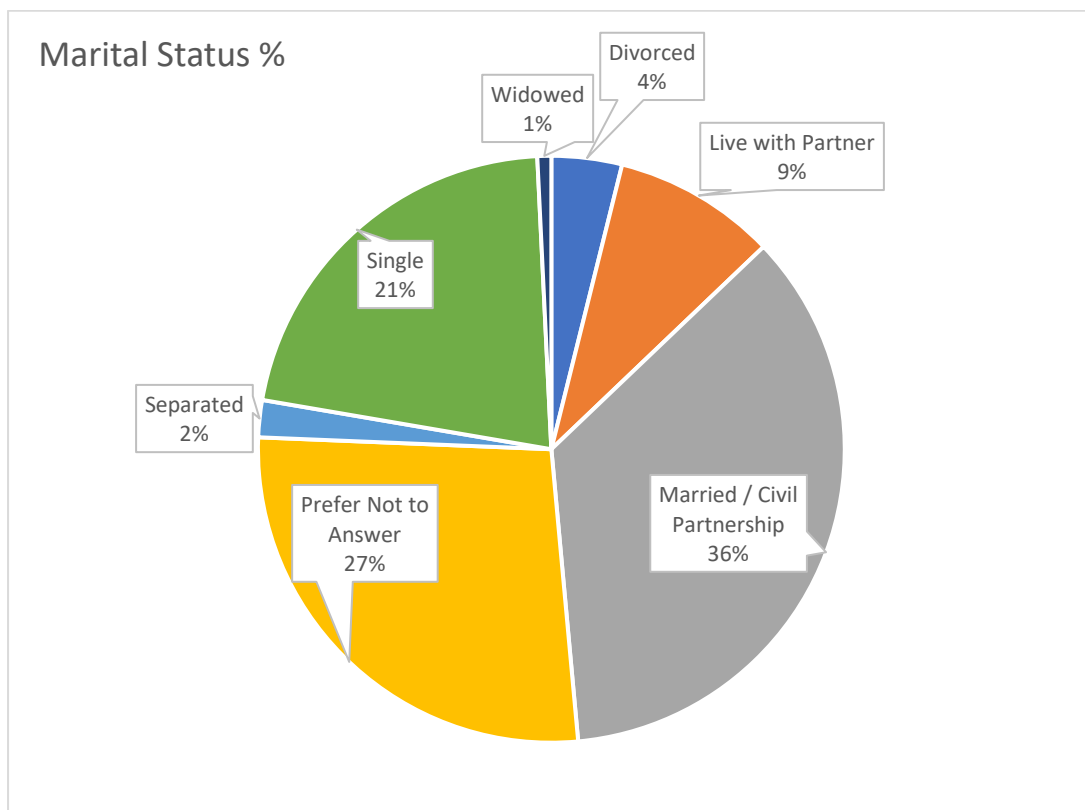
Religion or Belief	Head Count	%
Buddhist	10	0.12
Christian - Roman Catholic	1443	17.85
Church of Scotland	1391	17.20
Hindu	*	0.05
Humanist	48	0.59
Jewish	*	0.05
Muslim	30	0.37
None	4457	55.12
Other Christian	328	4.06
Other Religion or Belief	49	0.61
Pagan	7	0.09
Prefer Not to Answer	298	3.69
Sikh	17	0.21
Total	8086	100

Sexual Orientation

Sexual Orientation	Head Count	%
Bisexual	26	0.32
Gay	48	0.59
Heterosexual/Straight	5483	67.81
Lesbian	38	0.47
Prefer Not to Answer	2491	30.81
Total	8086	100

Marital Status

Marital Status	Head Count	%
Divorced	314	3.88
Live with Partner	727	8.99
Married / Civil Partnership	2884	35.67
Prefer Not to Answer	2192	27.11
Separated	165	2.04
Single	1742	21.54
Widowed	62	0.77
Total	8086	100



Pregnancy and Maternity

Pregnancy/Maternity	Head Count	%
Neither	7133	88.21
On Maternity Leave	*	0.02
Prefer Not to Answer	938	11.60
Pregnant	13	0.16
Total	8086	100

Renfrewshire Council – Children’s Services – Staff Establishment 2020

Age

Age Group	Head Count	%
16-20	5	0.15
21-30	593	17.52
31-40	962	28.43
41-50	877	25.92
51-60	792	23.40
61+	155	4.58
Total	3384	100

Gender

Gender	Head Count	%
Female	2907	85.90
Male	443	13.09
Prefer not to Answer	34	1.00
Total	3384	100

Transgender

Transgender	Head Count	%
No	2482	73.35
Prefer Not to Answer	896	26.48
Yes	6	0.18
Total	3384	100

Disability

Disability	Head Count	%
No	2393	70.72
Prefer Not to Answer	919	27.16
Yes	72	2.13
Total	3384	100

Disability Type	Head Count	%
Learning Disability	29	40.28
Long Standing Illness or Health Condition	23	31.94
Mental Health Condition	9	12.50
Other	8	11.11
Physical Impairment	*	1.39
Sensory Impairment (Blind, Deaf, Hearing, Visual)	*	2.78

Total	72	100
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Ethnicity

Ethnic Origin	Head Count	%
African (inc Scottish / British)	*	0.03
Asian-Chinese (inc Scottish / British)	*	0.03
Asian-Indian (inc Scottish / British)	6	0.18
Asian-Other (inc Scottish/British)	*	0.03
Asian-Pakistani (inc Scottish / British)	10	0.30
Mixed or Multiple Ethnic Groups	7	0.21
Prefer not to answer	980	28.96
White-Eastern European	8	0.24
White-Irish	16	0.47
White-Other British	87	2.57
White-Other White Ethnic Group	11	0.33
White-Polish	*	0.09
White-Scottish	2253	66.58
Total	3384	100

Religion or Belief

Religion or Belief	Head Count	%
Buddhist	4	0.12
Christian - Roman Catholic	689	20.36
Church of Scotland	606	17.91
Hindu	*	0.06
Humanist	22	0.65
Jewish	*	0.09
Muslim	14	0.41
None	1786	52.78
Other Christian	163	4.82
Other Religion or Belief	13	0.38
Pagan	*	0.03
Prefer Not to Answer	76	2.25
Sikh	*	0.15
Total	3384	100

Sexual Orientation

Sexual Orientation	Head Count	%
Bisexual	10	0.30
Gay	20	0.59
Heterosexual/Straight	2382	70.39
Lesbian	15	0.44
Prefer Not to Answer	957	28.28
Total	3384	100

Marital Status

Marriage/Civil Partnership	Head Count	%
Divorced	90	2.66
Live with Partner	268	7.92
Married / Civil Partnership	1237	36.55
Prefer Not to Answer	880	26.00
Separated	66	1.95
Single	832	24.59
Widowed	11	0.33
Total	3384	100

Pregnancy and Maternity

Pregnancy/Maternity	Head Count	%
Neither	2625	77.57
On Maternity Leave	*	0.03
Prefer Not to Answer	753	22.25
Pregnant	*	0.15
Total	3384	100

Renfrewshire Council – Application and recruitment data 01.01.2019 – 31.03.20

This data gives us information about the people who have applied to work at Renfrewshire council, by protected characteristic, between 1 January 2019 and 31 March 2020. It also tells us how many people were successful in their applications, by protected characteristic. We can use this to calculate a 'conversion rate', i.e. the percentage of people from a particular group who are successful.

This data also counts the number of applications rather than applicants. There are likely to be people who have applied for a number of different jobs within the Council. Also, in some cases, where the numbers are very small, percentages can often not be very useful. Figures under 5 are denoted with an *.

Gender			
Female	16558	1003	6.06%
Male	5753	303	5.27%
Prefer not to answer	852	180	21.13%
Total	23163	1486	6.42%

Transgender			
No	22200	1297	5.84%
Prefer not to answer	941	189	20.09%
Yes	22	*	0.00%
Total	23163	1486	6.42%

	Applications 23163	Appointed 1486	% Appointed Av -
Disability			
No	20757	1248	6.01%
Prefer not to answer	996	185	18.57%
Yes	1410	53	3.76%
Total	23163	1486	6.42%

Caring Responsibilities			
Yes	9287	592	6.37%
Prefer not to answer	1070	192	17.94%
No	12806	702	5.48%
Total	23163	1486	6.42%

	Applications 23163	Appointed 1486	% Appointed Av -
Ethnic Origin			
African - Other	181	8	4.42%
African - (Inc. Scottish/British)	115	*	0.87%
Any Mixed or Multiple	115	*	2.61%
Asian - Bangladeshi (Inc. Scottish/British)	30	0	0.00%
Asian - Chinese (Inc. Scottish/British)	26	0	0.00%
Asian - Indian (Inc. Scottish/British)	177	7	3.95%
Asian - Other (Inc. Scottish/British)	59	*	1.69%
Asian - Pakistani (Inc. Scottish/British)	278	7	2.52%
Black	77	*	1.30%
Caribbean	13	0	0.00%
Other - Arab (Inc. Scottish/British)	20	*	5.00%
Prefer not to answer	1143	187	16.36%
White - Eastern European (e.g. Polish)	102	6	5.88%
White - Irish	182	10	5.49%
White - Other British	1003	56	5.58%
White - Other ethnic group	431	15	3.48%
White - Polish	187	12	6.42%
White - Scottish	19024	1171	6.16%
Total	23163	1486	6.42%

National Identity			
British	3460	181	5.23%
English	303	16	5.28%
Northern Ireland	98	6	6.12%
Prefer not to answer	2227	232	10.42%
Scottish	17047	1050	6.16%
Welsh	28	*	3.57%
Total	23163	1486	6.42%

	Applications 23163	Appointed 1486	% Appointed Av -
Religion or Belief			
Buddhist	29	*	3.45%
Church of Scotland	3501	212	6.06%
Hindu	72	*	1.39%
Humanist	222	11	4.95%
Jewish	23	*	8.70%
Muslim	341	9	2.64%
None	10021	600	5.99%
Other Christian	1440	71	4.93%
Other Religion or Belief	129	6	4.65%
Pagan	20	*	5.00%
Prefer not to answer	2627	265	10.09%
Roman Catholic	4657	300	6.44%
Sikh	81	7	8.64%
Total	23163	1486	6.42%
	Applications 23163	Appointed 1486	% Appointed Av -
Sexual Orientation			
Bisexual	257	9	3.50%
Gay	330	20	6.06%
Heterosexual	20545	1216	5.92%
Lesbian	147	14	9.52%
Other	105	*	0.95%
Prefer not to answer	1779	226	12.70%
Total	23163	1486	6.42%
Marital Status			
Divorced	830	42	5.06%
Living with Partner	2929	151	5.16%
Married / Civil Partnership	7526	522	6.94%
Prefer not to answer	1121	198	17.66%
Separated	539	40	7.42%
Single	10077	521	5.17%
Widowed	141	12	8.51%
Total	23163	1486	6.42%

Renfrewshire Council – Training and Development Data

This data includes information on take up of corporate training and e-learning, and does not represent the full range of training and development activity that happens at individual service level.

Sex	Training	% Trained
Female	1908	59.68%
Male	721	22.55%
Prefer Not to Answer	568	17.77%
Grand Total	3197	100.00%

Gender Reassignment	Training	% Trained
No	2033	63.59%
Prefer Not to Answer	1160	36.28%
Yes	*	0.13%
Grand Total	3197	100.00%

Age Grouping	Training	% Trained
16-20	21	0.66%
21-30	305	9.54%
31-40	580	18.14%
41-50	697	21.80%
51-60	834	26.09%
61+	221	6.91%
Prefer Not to Answer	539	16.86%
Grand Total	3197	100.00%

Religion or Belief	Training	% Trained
Buddhist	*	0.06%
Christian - Roman Catholic	473	14.80%
Church of Scotland	471	14.73%
Hindu	*	0.06%
Humanist	17	0.53%
Muslim	9	0.28%
None	1478	46.23%
Other Christian	115	3.60%
Other Religion or Belief	21	0.66%
Pagan	*	0.13%
Prefer Not to Answer	595	18.61%
Sikh	10	0.31%
Grand Total	3197	100.00%

Pregnancy & Maternity	Training	% Trained
N/A	1636	51.17%
Neither	134	4.19%
On Maternity Leave	*	0.06%
Prefer Not to Answer	1420	44.42%
Pregnant	*	0.16%
Grand Total	3197	100.00%

Ethnic Origin	Training	% Trained
African (inc Scottish / British)	*	0.03%
African-Other	*	0.09%
Arab (in Scottish / British)	*	0.06%
Asian-Chinese (inc Scottish / British)	*	0.03%
Asian-Indian (inc Scottish / British)	8	0.25%
Asian-Other (inc Scottish / British)	*	0.03%
Asian-Pakistani (inc Scottish / British)	*	0.13%
Caribbean (inc Scottish / British)	*	0.06%
Caribbean or Black (Other)	*	0.03%
Mixed or Multiple Ethnic Groups	7	0.22%
Other	*	0.03%
Prefer not to answer	1270	39.72%
White-Eastern European	7	0.22%
White-Irish	14	0.44%
White-Other British	88	2.75%
White-Other White Ethnic Group	13	0.41%
White-Polish	*	0.06%
White-Scottish	1772	55.43%
Grand Total	3197	100.00%

Sexual Orientation	Training	% Trained
Bisexual	11	0.34%
Gay	22	0.69%
Heterosexual/Straight	1917	59.96%
Lesbian	14	0.44%
Prefer Not to Answer	1233	38.57%
Grand Total	3197	100.00%

Marital Status	Training	% Trained
Divorced	121	3.78%
Live with Partner	235	7.35%
Married	1011	31.62%
Married / Civil Partnership	69	2.16%
Prefer Not to Answer	1146	35.85%
Separated	50	1.56%
Single	551	17.23%
Widowed	14	0.44%
Grand Total	3197	100.00%

Disability	Training	% Trained
No	1884	58.93%
Prefer Not to Answer	1220	38.16%
Yes	93	2.91%
Grand Total	3197	100.00%

Disability Type	Training	% Trained
Learning Disability	13	0.41%
Long Standing Illness or Health Condition	38	1.19%
Mental Health Condition	15	0.47%
N/A	3104	97.09%
Other	14	0.44%
Physical Impairment	9	0.28%
Prefer Not to Answer	*	0.09%
Sensory Impairment (Blind, Deaf, Hearing, Visual)	*	0.03%
Grand Total	3197	100.00%

Renfrewshire Council – Leavers Data

This data gives us information about the people who left their roles at the Council, by protected characteristic. It tells us the proportion of each group that have left their jobs at the Council, and compares this to the proportion of that group within the Council as a whole. From this we can see whether certain group are disproportionately leaving the Council.

Age Group	Head Count	%	No. of leavers	% of leavers
16-20	32	0.40	13	1.09
21-30	1032	12.76	217	18.24
31-40	1853	22.92	282	23.70
41-50	2009	24.85	187	15.71
51-60	2489	30.78	266	22.35
61+	671	8.30	225	18.91
Total	8086	100	1190	100

Gender	Head Count	%	No. of leavers	% of leavers
Female	5913	73.13	794	66.72
Male	1988	24.59	396	33.28
Prefer not to Answer	185	2.29	0	0
Total	8086	100	1190	100

Gender Reassignment	Head Count	%	No. of leavers	% of leavers
No	5773	71.40	927	77.90
Prefer Not to Answer	2299	28.43	260	21.85
Yes	14	0.17	*	*
Total	8086	100	1190	100

Disability	Head Count	%	No. of leavers	% of leavers
No	5506	68.09	834	70.08
Prefer Not to Answer	2338	28.91	290	24.37
Yes	242	2.99	66	5.55
Total	8086	100	1190	100

Type of Disability	Head Count	%	No. of leavers	% of leavers
Learning Disability	21	31.82	21	31.82
Long Standing Illness or Health Condition	15	22.73	15	22.73
Mental Health Condition	11	16.67	11	16.67
Other	8	12.12	8	12.12
Physical Impairment	8	12.12	8	12.12
Prefer Not to Answer	*	4.55	*	*
Total	66	100	1190	100

Ethnic Origin	Head Count	%	No. of leavers	% of leavers
African (inc Scottish / British)	6	0.07	*	*
African-Other	*	0.06	0	0
Arab (in Scottish / British)	*	0.06	0	0
Asian-Chinese (inc Scottish / British)	*	0.04	*	*
Asian-Indian (inc Scottish / British)	17	0.21	7	0.59
Asian-Other (inc Scottish/British)	*	0.04	*	*
Asian-Pakistani (inc Scottish / British)	14	0.17	*	*
Black (inc Scottish / British)	*	0.01	*	*
Caribbean (inc Scottish / British)	*	0.02	*	*
Caribbean or Black (Other)	*	0.01	0	0
Mixed or Multiple Ethnic Groups	17	0.21	5	0.42
Other	*	0.01	*	*
Prefer not to answer	2555	31.60	300	25.21
White-Eastern European	27	0.33	6	0.50
White-Irish	52	0.64	6	0.50
White-Other British	213	2.63	38	3.19
White-Other White Ethnic Group	36	0.45	*	*

Ethnic Origin	Head Count	%	No. of leavers	% of leavers
White-Polish	7	0.09	6	0.50
White-Scottish	5121	63.33	810	68.07
Total	8086	100	1190	100

Religion or Belief	Head Count	%	No. of leavers	% of leavers
Buddhist	10	0.12	*	*
Christian - Roman Catholic	1443	17.85	201	16.89
Church of Scotland	1391	17.20	214	17.98
Hindu	*	0.05	*	*
Humanist	48	0.59	16	1.34
Jewish	*	0.05	0	0
Muslim	30	0.37	7	0.59
None	4457	55.12	630	52.94
Other Christian	328	4.06	53	4.45
Other Religion or Belief	49	0.61	12	1.01
Pagan	*	0.09	*	*
Prefer Not to Answer	298	3.69	45	3.78
Sikh	17	0.21	6	0.50
Total	8086	100	1190	100

Sexual Orientation	Head Count	%	No. of leavers	% of leavers
Bisexual	26	0.32	6	0.50
Gay	48	0.59	9	0.76
Heterosexual/Straight	5483	67.81	877	73.70
Lesbian	38	0.47	7	0.59
Prefer Not to Answer	2491	30.81	291	24.45
Total	8086	100	1190	100

Marital Status	Head Count	%	No. of leavers	% of leavers
Divorced	314	3.88	48	4.03
Live with Partner	727	8.99	112	9.41
Married / Civil Partnership	2884	35.67	403	33.87
Prefer Not to Answer	2192	27.11	258	21.68
Separated	165	2.04	21	1.76
Single	1742	21.54	336	28.24
Widowed	62	0.77	12	1.01
Total	8086	100	1190	100

Pregnancy/Maternity	Head Count	%	No. of leavers	% of leavers
Neither	7133	88.21	954	80.17
On Maternity Leave	*	0.02	0	0
Prefer Not to Answer	938	11.60	236	19.83
Pregnant	13	0.16	0	0
Total	8086	100	1190	100

