

Agenda Item	7.
Report No	PEO 02/17

HIGHLAND COUNCIL

Committee: People

Date: 21 June 2017

Report Title: Care and Learning Revenue and Capital Budget

Report By: Director of Care and Learning

1. Purpose/Executive Summary

- 1.1 This report sets out the near final revenue budget out-turn monitoring statement for the year ended 31 March 2017, showing a net underspend of £0.651m for the year, against a final budget of £388.476m.
- 1.2 This report also sets out the near final out-turn capital monitoring statement for the year ended 31 March 2017, which reflects an underspend of £15.653m against a gross budget of £45.105m.
- 1.3 The report also sets out project updates and recommendations in relation to:
 - Tain 3-18 Campus Site Selection
 - Alness Academy affordability cap
 - Killen/Black Isle Education Centre
 - The 2017/18 Programme, in particular the installation of modular units at several primary schools
 - The project to replace and upgrade the floodlights to the running track at Queen's Park, Inverness

2. Recommendations

- 2.1 Members are asked to consider the report and:
 - i. Note the near-final revenue monitoring out-turn for the year ended 31 March 2017;
 - ii. Note the near-final capital programme out-turn for the year ended 31 March 2017;

- iii. Agree to commence a new site selection review for the Tain 3-18 Campus, the outcome of which would be reported back to this Committee;
- iv. Agree that current Tain 3-18 Campus project design and project activity would be paused pending that review;
- v. Agree to homologate the delegated decision on the Alness Academy New Project Request and Affordability Cap as set out in paragraph 5.2;
- vi. Agree to delegated powers to either the Director of Care and Learning or the Director of Finance, in consultation with either the Chair of the Corporate Resources or People Committees, and following consultation with local elected members, in relation to any budget, affordability or specification changes in relation to the Alness Academy project that may need considered over the summer recess;
- vii. Agree a budget allocation of £0.5M for the Killen project, to be met from the £2m initially agreed for the Black Isle Education Centre replacement, noting that the balance of funds remaining will be considered as part of the wider corporate capital review;
- viii. Note the updated 2017/18 programme and agree the new projects recommended for approval, as per appendix 4;
- ix. Agree that a modular unit should be installed at Lochardil Primary School, and the various recommendations in relation to the installation of units at the six other schools (paragraph 6.4); and
- x. Agree to bring forward an additional £70,000 for the replacement of the floodlights to the running track at Queen's Park, Inverness.

3. Revenue Budget Near Final Out-turn 2016/17

3.1 The near-final out-turn of £0.651m represents an improvement on the last reported position to members which indicated a projected overspend of £0.275m for the year. Details of the out-turn are set out on **Appendix 1**.

3.2 The main areas of improvement, leading to the out-turn underspend are as follows:-

- £0.384m reduction in overspend on Out of Authority budget, due to clarification on the Legal Case with East Renfrewshire Council.
- £0.334m improvement re Children's Services Residential In House provision due to corrections to exclude costs related to Adults in residential units.
- £0.289m favourable movement in School Transport due to savings from the new contracts commencing in January starting to take effect.

3.3 While the out-turn position represents an extremely positive position, as the appendix highlights, there remain a significant number of ongoing pressure areas within the budget, and a number of the areas of underspend in year are not recurring in nature. Further close monitoring of the new year budget position will be required, in relation to those pressure areas, and any mitigating action to be considered. The August Committee will receive an updated monitoring position for the current 2017/18 year's budget.

3.4 The final year end budget of £388.476m, represents a decrease on budget position from that last reported to Committee. The adjustments leading to this position are as set out below.

Budget as reported to March Committee		391.534
Funding for VR scheme	1.123	
Equal Pay	(0.556)	
Transport budget to Community Services	(2.850)	
CRC	0.374	
Drawdown from DYW Earmarked Reserve	0.117	
Transfer of Bught Nursery to HLH	0.055	
Developer Contributions (Ben Wyvis & IRA)	0.098	
Drawdown of final balance from the Inverness Museum Exhibits/Archaeology Earmarked Funds.	0.002	
Earmarking of Final Increase in DSM balances 16/17	(1.150)	
Developer Contributions received in year re Education.	(0.262)	
ICT Charges decrease in budget	(0.007)	
Earmarking of Community Justice Transitional Funding	(0.002)	
Net Increase in Budget		(3.058)
Budget per Near Final Out-turn		388.476

3.5 The final position on budget savings for the year, is as set out on **Appendices 2a and 2b**.

4. **Capital Near Final Out-Turn 2016/17**

- 4.1 The out-turn monitoring statement is set out on **Appendix 3**, showing the project position leading to the overall underspend of £15.653M. This contrasts with the last reported position to members which estimated an underspend of £10.753M. The reasons for the further underspending are year-end fees being lower than anticipated, and cash flow timing of payments on legally committed projects. These additional factors are in the main cash flow slippage rather than slippage against programme completion dates.
- 4.2 Corporately, the Council had assumed a significant degree of 'over-programming' as part of the capital programme funding model, and as a result, the degree of underspend/slippage reported assists with the Council's overall capital funding assumptions for the year.
- 4.3 At this early stage in the new financial year, there is no 2017/18 monitoring statement being considered by this cycle of Committees. When the first new year monitoring is reported to the next Committee cycle, members will note that the Council's agreed governance structure will see all capital monitoring reported to the Places Committee. This Committee will however continue to receive reports on any capital planning matters, and recommendations relating to the Care and Learning capital programme.

5. **Tain 3-18 Campus Site Selection Review**

- 5.1 On 28 August 2014 the Education, Children and Adult Services (ECAS) Committee agreed that the proposed 3-18 campus in Tain should be on the existing Tain Royal Academy site. Thereafter the Council commenced a Statutory Consultation process, leading to formal decision by the Council on 12 March 2015, to discontinue education provision at Tain Royal Academy, Craighill Primary, Knockbreck Primary, St Duthus Special School, and establish a new 3-18 Community Campus on the Academy Site.
- 5.2 During the pre-planning application consultation process, earlier in 2017, there were a significant number of concerns raised by the community with regard to the suitability of the existing Academy site for the Campus. Arising from that feedback, and following discussion with local elected members, it is proposed that the Council commences a new site selection review for the Tain 3-18 Campus, the outcome of which would be reported back to a future meeting of this Committee for decision. If agreed, while that review takes place, current design and project activity on the new Campus would be paused, and the current planning application would be sisted.
- 5.3 In relation to implications of this review, were it to be agreed, and an alternative site to be an outcome, it is estimated that this would delay the project by approximately 22 months from the current position, that represented by:

July – September 2017	Site selection review	3 months
October 2017 – July 2018	Statutory Consultation	10 months
July 2018 – April 2019	Design Development and Planning	9 months

- 5.4 The Council has had productive discussions with Scottish Futures Trust and Scottish Government in relation to these plans, and is submitting a request for funding to be retained by Highland and re-allocated to existing school projects which can deliver improved school conditions for pupils, by Scottish Government Programme dates. It is hoped that a response from Scottish Government will be received before the date of this Committee, and a verbal update provided to members on the day. The retention of that Scottish Government funding clearly represents a key consideration for

members in relation to the recommendations set out within this report.

6. Alness Academy

- 6.1 The ECAS Committee, on 26 October 2016, agreed to delegation arrangements for the agreement of the Alness Academy NPR (New Project Request) and affordability cap.
- 6.2 On 31 March 2017, following agreement by the Chair of Resources Committee and Director of Care and Learning under those delegation arrangements, Highland submitted its NPR, representing the Council's requirements for the project, along with an affordability cap of £29.7M, to Hub North Scotland Limited (hNSL). hNSL have since responded, confirming acceptance of that NPR, subject to some conditions which are being discussed at present.
- 6.3 That affordability cap represents the target cost set for hNSL, though is not as yet a final or formal contracted position. On top of that sum, there will be additional costs falling directly on the Council, including ICT, equipment and fit out costs, and internal Council project team costs. The details of these costs are being finalised at present. Scottish Government project funding is £14.7M, giving a net budget requirement from the Council of £15M plus the additional Council responsibilities referred to above.
- 6.4 The agreement of that NPR, now sees further design development progress by hNSL, in conjunction with the tier 1 contractor. The initial focus of activity is to progress design and costing, to allow hNSL to then submit a formal response on their estimated cost of delivering the project. If, as that process moves forward, indications are that the costing will exceed the affordability cap, then the Council would be required to consider a reduction in specification, an increase in affordability cap, or an element of both.
- 6.5 Due to the very challenging programme for Alness, with Scottish Government funding predicated on the new school being open to pupils by March 2020, further delegation arrangements are set out as a recommendation to this report, should key decisions be required outwith the Committee reporting cycle. In all cases, local elected members would be consulted on any significant decisions related to the project.

7. Other Projects Updates

- 7.1 **Black Isle Education Centre (BIEC)/Killen:** The Council concluded its statutory consultation and decided upon the closure of BIEC, with alternative provision being located at Killen. The currently approved capital programme contains a line for BIEC replacement, totalling £2m. The replacement provision at Killen is estimated as requiring a budget of £0.5M. The surplus funding of £1.5M will be considered as part of the wider corporate capital review due to be reported to Council later this year.
- 7.2 **Invergordon Schools:** The current approved capital programme has a funding line totalling £39.5M for 'SSER – Future Projects'. Members have previously agreed that £7M of that sum would be transferred to the Tain 3-18 Campus project budget, and that the Council's contribution to the Alness Academy replacement would also be met from this budget. With the budget allocation for Alness due to be finalised within the next few months, that will then provide clarity on the residual funding available, which this Committee has previously noted would be considered in the context of other investment requirements within Easter Ross, and Invergordon on particular. Meantime, officers continue to work on assessments and feasibility in relation to Invergordon schools.

7.3 **2017/18 Programme: Appendix 4** lists the updated 2017/18 programme of works in schools previously approved by the ECAS Committee in March 2017 (some budgets have been revised to take account of tender returns but this does not significantly increase the overall cost of the programme). The list now includes several new projects that have been highlighted as recommended for approval with a total cost of £725,000. Also, the cost of the immediate works required at Fortrose Academy, as reported to the ECAS Committee meeting in March, can now be confirmed as £600,000. As there are a number of projects programmed to commence during the summer holidays, Members will be updated at Ward level prior to the end of the current school session.

7.4 **Modular Units**

7.4.1 The above programme includes new double classroom modular units to be installed at six primary schools to address roll pressures and suitability issues. Following a tender exercise, a contract was awarded for four of the units (Avoch, Hilton, Holm and Smithton) at a total cost of £1.25M against a total approved budget of £1.175M.

7.4.2 It became apparent after the Committee meeting in March that a unit would also be required at Lochardil Primary School to accommodate an additional class and which would allow an existing classroom to be freed up for use as a third nursery room at the school. The total project cost is estimated at £350,000, 50% of which could be allocated from the 2017/18 capital funding allocation from the Scottish Government for the expansion of early learning and childcare provision to 1,140 hours by 2020. The remaining £175,000 would be allocated from the Roll Pressures budget.

7.4.3 To minimise the risk of delays in the delivery of the remaining three units (Lochardil, Merkinch and Sleat), it is recommended that the tenderer that came second in the tender evaluation process (which was based on a weighting of 60% price and 40% quality) should be appointed to supply and install these units.

7.5 **Queen's Park, Inverness – Replacement of Floodlights:** There is an approved budget of £310,000 for the replacement and upgrading of the floodlights at the running track. Funding totalling £190,000 has been secured from Sportscotland, Inverness Common Good and Inverness Leisure reserves (set aside prior to the amalgamation with High Life Highland). Tenders have been received and the total project cost is £380,000. There is a total of £2.75M in the capital programme for the second phase of the Inverness Leisure refurbishment programme. It is recommended that £70,000 is brought forward from the 2018/19 budget to increase the funding allocation from the Care and Learning capital programme to £190,000 to allow the project to proceed.

8. **Implications**

8.1 **Resources** – as set out within the report and appendices

8.2 **Legal** – as highlighted in section 4, there may be a requirement to progress a new Statutory Consultation for Tain schools, subject to the outcome of the proposed site selection review.

8.3 **Community (Equality, Poverty and Rural)** – no particular implications to highlight.

8.4 **Climate Change/Carbon Clever** - All major capital projects aim to improve the carbon emissions associated with the existing provision, where this is feasible.

- 8.5 **Risk** – The revenue budget position, including savings, is monitored regularly throughout the financial year. Risk assessment and ongoing monitoring is undertaken as part of capital project management. The enhanced capital monitoring in relation to major projects improves risk management arrangements and visibility to members of the current position for these projects.
- 8.6 **Gaelic** – The Tain 3-18 Campus was to include Gaelic provision, and as such the recommendation to review site selection, and subsequent impact on the project timeline, will have implications for the timescale of improving Gaelic (as well as English medium) provision within Tain. The modular unit for Sleat is for Gaelic medium provision. While the capital programme contains other planned investment targeted at Gaelic provision, there are no other specific recommendations within this report.

Designation Director of Care and Learning

Date 13 June 2017

Author Brian Porter, Head of Resources

CARE AND LEARNING SERVICE REVENUE MONITORING REPORT- 2016-17

1st April 2016 to 31st March 2017	£'000 Actual YTD YTD	£'000 Annual Budget	£'000 Year End Outturn	£'000 Year End Variance
BY ACTIVITY				
Education Services				
Secondary Schools	69,974	70,128	69,974	(154)
Primary Schools	61,620	61,850	61,620	(230)
Schools General	1,540	845	1,540	696
Learning and Teaching	1,449	1,468	1,449	(19)
	134,583	134,290	134,583	293
Adult Services				
Commissioned Adult Services	91,662	91,659	91,662	2
Commissioned HLH Services	14,506	14,431	14,506	75
Other Leisure Services	105	177	105	(72)
Services for Vulnerable Adults	2,728	2,765	2,728	(37)
Grants to Voluntary Organisations	1,736	1,762	1,736	(25)
	110,737	110,794	110,738	(56)
Service Management and Resources				
PPP	25,649	26,460	25,649	(811)
School Transport	10,669	10,525	10,669	144
Catering, Cleaning and Facilities Management	13,144	13,473	13,144	(329)
Pensions, Insurance and Other Pan-Service Costs	2,939	2,872	2,939	67
Resources Teams and Property Costs	5,733	4,552	5,733	1,180
Service Management Team and Support	2,199	2,836	2,199	(637)
Hostels	1,001	918	1,001	83
Unallocated Corporate Savings	0	(937)	0	937
	61,334	60,701	61,334	634
Children's Services				
Looked After Children	20,324	20,184	20,324	140
Family Teams	15,816	16,419	15,816	(603)
Childcare and Early Learning	15,229	15,432	15,229	(203)
Other Services for Children	3,534	4,056	3,534	(522)
Commissioned Children's Services Income from NHS	(9,274)	(9,274)	(9,274)	0
	45,629	46,816	45,628	(1,188)
Additional Support Services				
Additional Support- Schools	28,382	28,313	28,382	70
Specialist Additional Support Services	7,159	7,563	7,159	(404)
	35,541	35,875	35,541	(334)
TOTAL CARE AND LEARNING	387,824	388,476	387,824	(651)
	£'000 Actual YTD YTD	£'000 Annual Budget	£'000 Year End Estimate	£'000 Year End Variance
BY SUBJECTIVE				
Staff Costs	207,294	210,704	207,294	(3,409)
Other Costs	206,219	203,593	206,219	2,626
Gross Expenditure	413,513	414,297	413,513	(784)
Grants	(7,572)	(7,378)	(7,572)	(194)
Other Income	(18,117)	(18,443)	(18,117)	326
Total Income	(25,689)	(25,821)	(25,689)	132
NET TOTAL	387,824	388,476	387,824	(651)

2016/17 - 2018/19 Savings

Annex 2a

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving-red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	Transfer of Residential Properties	Saving of the maintenance budget following the planned transfer of former ECS residential properties to Community Services	0.030			0.030	R	0.000	Transfer arrangements are progressing however no saving in maintenance is expected due to the need to address existing condition issues.
C&L	Management of Secondary School Facilities	Transfer of management of secondary school community use to HLH	0.025	0.025	0.025	0.075	R	0.000	Over-taken by Council decision to transfer CCFM and school let activities to Development and Infrastructure.
C&L	Residential care	Cease use of all spot purchased beds with external contractor	0.550	0.450		1.000	A	0.300	
C&L	Secondary Education	Use of more technology to deliver the curriculum	0.400	0.200		0.600	A		
C&L	Conserved teacher salaries	Current national conservation of salary arrangement ends April 2016	0.200			0.200	A		Conservation has ceased, though due to staff turnover the level of saving is lower than had been expected.
C&L	School Catering	Redesign menu options to effect cost savings. The proposal will continue to meet required nutritional standards for school meals. The saving equates to a c4% reduction in food costs.	0.160			0.160	G		
C&L	School Lets	Increased income from school lets, arising from school lets review and potential changes to that policy in relation to free lets.	0.150			0.150	A	0.075	Progress with review delayed during ongoing review of CCFM. D&I now leading on school let review following transfer of CCFM and school lets 1 April.
C&L	Management and staffing savings	Management Savings - 2 posts- C&L senior management structure	0.150			0.150	A	0.110	Saving implemented and 2 posts released under VR, albeit the saving lower than the sum forecast.
C&L	Secondary Education	Re-job sizing secondary school promotion structures	0.100	0.050	0.100	0.250	A		
C&L	Eden Court	16.8% saving target	0.100			0.100	A	0.089	
C&L	School Lets	Over and above existing savings relating to the phasing out of free lets, look to further increase the charges levied on users.	0.035			0.035	A	0.017	See comment for school lets above
C&L	School Transport	Review arrangements for Gaelic school transport provision to target a 6% saving against the current spend of £0.332m	0.020			0.020	A	0.010	Policy review has broadened to consider statutory requirements from Gaelic legislation relating to defined catchment areas. Revised policy to go to Committee later in 2017.

2016/17 - 2018/19 Savings

Annex 2a

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving-red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	School Transport	Review arrangements for school transport provision to denominational schools to target a 6% saving against the current spend of £0.070m	0.004			0.004	A	0.002	Policy review has broadened to consider statutory requirements from Gaelic legislation relating to defined catchment areas. Revised policy to go to Committee later in 2017.
C&L	NHSH Adult Services	4.3% Saving Target	4.100			4.100	G		
C&L	Early Years staffing re-structure	Maximisation of grant funding	0.438			0.438	G		
C&L	Secondary Education	Reduce teaching staff allocation by 1%	0.400	0.200		0.600	G		
C&L	Cleaning Services	Major review of service to look at service standards and options for service delivery	0.400			0.400	G		
C&L	Highlife Highland	4.3% saving target (£0.148m savings already included in HC 18/12/14 agreed savings)	0.325			0.325	G		
C&L	Secondary Education	Remove any over entitlement teaching posts	0.280			0.280	G		
C&L	Major School Capital Projects	Savings arising from capital investment in new schools projects. Savings derive from staffing structures, energy efficiency improvements, and other school budgets.	0.250	0.200		0.450	G		
C&L	Community Health co-ordinators	Stop funding to NHS Highland to provide targeted support to areas	0.240			0.240	G		
C&L	Health Weight Dieticians	Stop funding to NHS Highland to provide dietary advice in areas of need	0.200			0.200	G		
C&L	Primary and Secondary Education	Efficiency saving from revised school management	0.200	0.300	0.300	0.800	G		
C&L	Savings from specialist services	Closure of the Black Isle Education Centre with full saving achieved as a result.	0.200			0.200	G		
C&L	Highlife Highland	4% reduction in funding for HLH in 2015/16 and a 1% reduction in the following three financial years	0.140	0.140	0.140	0.420	G		
C&L	School Catering	Increase school meal prices over the next 4 years by 10p per meal per annum in addition to the inflationary increase	0.138	0.135	0.131	0.404	G		
C&L	Early Years	Removal of PTs & QIO in Early Years	0.130	0.070		0.200	G		

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving-red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	School Transport	Additional Support Needs transport - a review to achieve a 6% saving target on ASN transport costs of £2.1m (incl c£0.350m on escorts).	0.126			0.126	G		
C&L	Senior management	Deletion of 2FTE posts- Children's services	0.120			0.120	G		
C&L	Unallocated budget	Funding not specifically allocated, earmarked for community capacity building	0.106			0.106	G		
C&L	Learning & Teaching	Remove Curriculum Development Secondments	0.105			0.105	G		
C&L	Early Years staff training	Reduce budget	0.100			0.100	G		
C&L	Education Central Budgets	Change the parameters when central supply cover kicks in	0.100			0.100	G		
C&L	Cleaning Services	Over and above the saving from the primary school week, and existing agreed savings currently being implemented of £580k, implement further reductions to cleaning specification across buildings.	0.090			0.090	G		
C&L	Cleaning Services	4% budget saving target for the Cleaning function in 2015/16 - To be achieved through a combination of cost efficiency and service reduction.	0.090			0.090	G		
C&L	CAMHS	Deletion of posts (Child and Adolescent Mental Health service)	0.086			0.086	G		
C&L	Catering Services	4% budget saving target for the Catering function in 2015/16 - to be achieved through a combination of cost and production efficiency.	0.085			0.085	G		
C&L	Primary and Secondary Education	A 6% reduction in school non-staffing DSM budgets	0.080	0.070		0.150	G		
C&L	3rd party grants and payments	Reduction of 5% in grants and support to 3rd party organisations providing culture, leisure and learning services in 2016/17. Further reduction of 45% in the budget from August 2017, linked with major policy review. (Proposal excludes HLH Ltd, Inverness Leisure & Eden Court which are covered by proposal 45).	0.063	0.373	0.200	0.636	G		
C&L	Wrap-around childcare	Increase income target	0.060			0.060	G		

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving-red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	Savings from specialist services	Stop providing an Autism Outreach Education Service by raising the level of awareness and understanding of ASD at a local level through a systematic training strategy delivered at an Area level (50k – 1FTE coordinator post)	0.050			0.050	G		
C&L	Education Central Support	Reduce manpower and workforce planning teams	0.050	0.050		0.100	G		
C&L	Savings from specialist services	Reduction in ASL Legislation budget that is generally underspent by managing the risk of legal challenge effectively at an earlier stage (50k);	0.050			0.050	G		
C&L	Information, Support & ICT Team	Remove project budget for current projects when complete (£250k phased), recharge staff time on capital ICT projects to capital budget (£20k)	0.050			0.050	G		
C&L	External funding officer	Delete post - post currently vacant. Duties will require to be undertaken by commissioning officer and Head of Service	0.046			0.046	G		
C&L	Commissioning officer post	Delete post - post currently vacant. Duties will require to be undertaken by existing post holder	0.045			0.045	G		
C&L	Resources Teams - Service Information and Support	On the assumption that the Council reaches agreement with NESH over the transfer of resources back to the Council, to provide specialist business support, there may be scope to achieve savings through integration and restructuring of these resources within the existing SIAS team.	0.030			0.030	G		
C&L	Catering Services	Increased income generation - with a focus on commercial opportunities and new income sources.	0.030			0.030	G		
C&L	School Transport	Charges for concessionary places - the charges are currently set at a flat rate of £1 per day. The charge will be reviewed, with a view to a flat increase for all charges, or introducing a sliding scale based on route distance. A 100% increase on existing income could produce £25k.	0.025			0.025	G		
C&L	Resource Manager Youth Justice	Delete post	0.025			0.025	G		

2016/17 - 2018/19 Savings

Annex 2a

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving-red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	School Catering	Introduce charging for school hostel pupil lunches.	0.023			0.023	G		
C&L	School Lets	Additional income generation from more consistent application of the existing 2009 school lets policy	0.020			0.020	G		
C&L	Music Tuition	A 10% reduction in the Music tuition budget	0.020	0.050		0.070	G		
C&L	Plockton School of Music	6% saving target on funding provided	0.014			0.014	G		
C&L	Primary and Secondary Education	CPD training budget	0.010			0.010	G		
C&L	Highlife Highland	4% reduction in funding for Inverness Leisure in 2015/16 and a 1% reduction in the following three financial years	0.008	0.008	0.008	0.024	G		
C&L	Savings from specialist services	Reduction in SLA to Glachbeg Farm as only 2 of the 3 days currently contained within the SLA are used consistently (6k).	0.006			0.006	G		
C&L	Blindcraft	6% Saving Target in 16/17	0.003			0.003	G		
C&L	Education Central Budgets	Skills for work funding	0.060			0.060	G		
C&L	Eden Court	4% reduction in funding for Eden Court in 2015/16 and a 1% reduction in the following three financial years	0.005	0.005	0.005	0.015	G		

2016/17 - 2018/19 Corporate & Transformation Savings

Annex 2b

Ref.	Activity Heading	Savings Proposal	16/17 Allocation Comments	2016/17		Comment
				2016/17 Service Allocations C&L £m	Saving RAYG (enter R, A, Y, or G)	
Corp 5	Voluntary Severance	Voluntary Severance	Allocation agreed 30/05/16 (includes £300k for ASN)	-1.933	G	
PIM16	Transport Programme	Seeking contract variation opportunities for school and public bus services provision; home-to-school transport efficiencies; future services provision re-tendering	Allocation agreed 30/05/16	-0.506	G	School transport tendering exercise now concluded.
Corp 6	Recruitment Freeze	Recruitment freeze for non-exempt posts	Allocation agreed 30/05/16	-0.288	G	
Corp 4, TSP Proc 1 & 3, TSP WPP4-SSJV9	Procurement	Procurement Shared Service & Collaborative Spend	Allocation agreed 30/05/16	-0.299	A	Awaiting further details of the specific procurement activity which will deliver the anticipated saving.
Corp 2	Fees & Charges	10% increase on all fees and charges that are not nationally set, or a different amount has already been agreed	Allocation already included within HC 25/02/16 Service budgets; Based on actual % increases for individual fees & charges budgets	-0.175	G	
PIM1 & PIM20	Entitlements & Digital Services	Simplifying & streamlining entitlements applications processes Channel shift activity - increase the number of services accessible on-line, via the Council's website, and via the Council's Service Centre	Allocation agreed 30/05/16	-0.192	R	Forecast saving will result in time savings within the school office and other care and learning teams. At this time it is not anticipated this saving can be realised as a cashable saving.
Corp 3	Energy	Reduced consumption, pricing & behavioural change	Allocation agreed 30/05/16	-0.166	A	Delivery subject to progress with delivery of corporate action plan to reduce consumption.
	Information Management		Allocation agreed 30/05/16	-0.070	R	Pending clarification of the expected cashable savings the project can deliver.

2016/17 - 2018/19 Corporate & Transformation Savings

Annex 2b

Ref.	Activity Heading	Savings Proposal	16/17 Allocation Comments	2016/17		Comment
				2016/17 Service Allocations C&L £m	Saving RAYG (enter R, A, Y, or G)	
PIM8	Fuel Procurement	Rationalise arrangements for fuel procurement	Agreed to allocate 30/05/16; WG to confirm sums per service ; Final allocation agreed 25/07/16	-0.013	G	
Corp 1	Salary Sacrifice	Savings from salary sacrifice schemes	Allocate proportionate to take up of schemes in year to date	-0.113	A	Further scheme uptake over the course of the year should provide a better indication of achievement of saving.
Corp 7	Management and staffing savings	Agency Staff	Allocation agreed 30/05/16	-0.054	R	Will be managed as part of a wider 'staff budget' saving.
PIM27	Reduction in Light Vehicles and Plant	3 year programme to reduce the number of items of light vehicles and plant utilised full-time by the Council	Allocation agreed 30/05/16	-0.054	A	Awaiting details from the project of how/where the specific savings will be achieved.
	Savings to be Identified		To be considered at 27/06/16 Board	-0.001	G	
PIM2	Attendance Management	Reduction in sickness absence by continuing to adopt a robust and consistent approach to attendance management	Allocation agreed 30/05/16	-0.106	R	Will be managed as part of a wider 'staff budget' saving.
PIM2A	Travel, Subsistence and Overtime	Reduction in the costs of staff travel, subsistence and overtime through management action and greater use of technology	Allocation agreed 30/05/16	-0.051	A	Budgets will be top-sliced but ongoing monitoring will be required to establish of expenditure trends have altered also.

2016/17 - 2018/19 Corporate & Transformation Savings

Annex 2b

Ref.	Activity Heading	Savings Proposal	16/17 Allocation Comments	2016/17		Comment
				2016/17 Service Allocations C&L £m	Saving RAYG (enter R, A, Y, or G)	
Agreed TSPB 17/08/15	Invergordon SW Office Relocation	Invergordon SW Office Relocation	Allocated in full to C&L budget	-0.050	G	
Total				-4.071		

Care and Learning- Capital monitoring 2016-17 P12 Mar - Near Final

Appendix 3

Area	Budget heading	Initial Full Year Budget	Adjusted Full Year Budget	P12 Year to Date Actuals	Year End Forecast	Acceleration/ (Slippage)	Over/ (Under) Spend
Community and Leisure Facilities	Am Fasgadh (Highland Folk Museum)	0	0	8	8	0	8
	Dornoch Sports Centre	2,088	2,088	187	186	(1,901)	0
	Grantown Swimming Pool	0	0	0	0	0	0
	Invergordon Leisure Centre	(35)	(35)	13	13	0	48
	Inverness Leisure Phase 1	(149)	(149)	265	265	414	0
	Thurso Library	(127)	(77)	60	60	0	137
	Thurso Swimming Pool	938	1,178	1,351	1,351	0	173
	Minor - Community and Leisure Facilities	508	356	1,621	1,621	0	1,265
	CLL Total	3,223	3,361	3,504	3,504	(1,487)	1,631
	Secondary School Programme	Alness Ac New Sch -	0	0	53	53	53
Inverness High School		2,179	2,179	174	174	(2,005)	(0)
Inverness Royal Academy		6,465	6,465	6,098	6,098	(367)	(0)
Lochaber High School Phase 3 & 4		342	342	280	280	(61)	(0)
Portree High School Hostel		2,086	86	597	597	0	511
Tain 3-18 Campus		8,497	8,497	976	976	(7,520)	(0)
Wick Community Campus		1,839	1,839	1,730	1,730	(109)	0
Minor - Secondary School Programme		44	44	15	15	0	(28)
Secondary Total		21,451	19,451	9,923	9,923	(10,009)	482
Primary School Programme		Beauly - New Primary	0	0	6	6	6
	Cromarty Primary - Extension/Refurbishment	(292)	(292)	500	500	0	792
	Cauldeen PS Annex	0	439	0	0	(439)	0
	Dunvegan PS - New	0	500	9	9	(491)	0
	Fort William - Caol Joint Campus	3,334	3,584	4,079	4,079	0	495
	Fort William - New Gaelic Primary	267	267	97	97	0	(170)
	Fort William - Lundavra Primary	201	201	190	190	0	(10)
	Portree - New Gaelic Primary	2,027	0	104	104	104	(0)
	Wick - New Noss Primary	1,883	1,883	1,357	1,357	(526)	0
	Minor - Primary School Programme	(27)	(27)	14	14	0	41
Primary Total	7,393	6,555	6,356	6,356	(1,346)	1,148	
Special School Programme	St Clements/St Duthus - Modular Accommodation	(398)	(398)	32	32	0	430
	Black Isle Education Centre - Replacement	250	250	0	0	(250)	0
	Special Total	(148)	(148)	32	32	(250)	430
Health & Social Care Programme	Adult Services (NHS)	2,002	982	339	339	(643)	0
	Alternatives to Out-of-Auth ChildPlace	626	626	256	256	(369)	(0)
	Children's Services Investment	263	263	179	179	(84)	0
	Minor Works & Equip't Replacement	105	105	2	2	(103)	0
	Residential Unit Wick	113	113	3	3	0	(109)
	Wade Centre Refurbishment H&SC	0	1,020	1,184	1,184	164	0
	H&SC Total	3,108	3,108	1,963	1,963	(1,035)	(109)
Estate Management	C&YP Act - Early Learning & Childcare	506	506	685	685	0	179
	C&YP Act - Additional 2 Year Olds	3,700	4,700	0	0	(4,700)	0
	Estate Strategy - Life Cycle Investment	(880)	(1,163)	2,731	2,731	3,894	(0)
	Estate Strategy - Roll Pressure	532	532	880	880	348	0
	Free School Meals	3,294	4,294	2,340	2,340	(1,954)	0
	ICT Investment	1,690	1,690	382	382	(1,308)	(0)
	Radon Remedial Works	(33)	0	38	38	0	38
	SSER - Inverness Schools	2,453	2,014	200	200	(1,814)	0
	SSER - Remaining Phases of Review	203	203	422	422	0	219
	SSER - North West Skye	500	0	0	0	0	0
	Income from Sales of Vehicles	0	0	(11)	(11)	0	(11)
	Estate Management Total	11,966	12,777	7,668	7,667	(5,534)	425
	C&L contribution to corporate slippage target	0	0	0	0	0	0
Overall Totals	46,994	45,105	29,446	29,445	(19,661)	4,008	

(15,653)

APPENDIX 4 - 2017/18 PROGRAMME

PROJECT		BUDGET	FUNDING SOURCE	COMMENTS
1	Acharacle Primary	£650,000	Life Cycle Investment	Synthetic Playing Field
2	Avoch Primary	£350,000	Roll Pressures	Classroom Unit/Demolition
3	Badcaul Primary	£50,000	Roll Pressures	ASN Alterations/Refurbishment of Toilets
4	Banavie Primary	£50,000	Life Cycle Investment	Various Works
5	Bishop Eden's Primary	£50,000	Roll Pressures	Additional Accommodation
6	Broadford Primary	£350,000	Roll Pressures	Classroom Unit
7	Brora Primary	£80,000	Life Cycle Investment	Replacement Windows
8	Dingwall Primary	£50,000	Roll Pressures	ASN Alterations
9	Dornoch Primary	£550,000	Early Learning and Childcare	Nursery Expansion
10	Fortrose Academy - Phase 1	£600,000	Life Cycle Investment	Immediate Priorities
11	Foyers Primary	£100,000	Life Cycle Investment	Various Works
12	Gairloch High	£275,000	Life Cycle Investment	Resurfacing of Synthetic Playing Field
13	Golspie Primary	£250,000	Life Cycle Investment	Internal Alterations/Demolition
14	Hilton Primary	£100,000	Life Cycle Investment	Dining Room Store/Reception
15	Hilton Primary	£275,000	Roll Pressures	Classroom Unit
16	Holm Primary	£275,000	Roll Pressures	Classroom Unit
17	Invergordon Academy	£50,000	Life Cycle Investment	Internal Alterations
18	Kiltearn Primary	£80,000	Life Cycle Investment	Refurbishment of Toilets
19	Kingussie High	£600,000	Life Cycle Investment	Refurbishment of PE Changing
20	Lochardil Primary	£50,000	Life Cycle Investment	ASN Alterations
21	Merkinch Primary	£275,000	Roll Pressures	Classroom Unit
22	Millbank Primary	£300,000	Life Cycle Investment	ASN Alterations/Refurbishment of Toilets
23	Milton of Leys Primary	£100,000	Roll Pressures	ASN Alterations
24	Muck Primary	£30,000	Life Cycle Investment	Various Works
25	Portree Primary - Internal Alterations	£50,000	Life Cycle Investment	Initial phase of improvements
26	Sleat Primary	£350,000	Roll Pressures	Classroom Unit/Demolition
27	Smithton Primary	£275,000	Roll Pressures	Classroom Unit
28	St Joseph's Primary	£650,000	Life Cycle Investment	Replacement Windows/Internal Alterations
29	Tongue Primary	£50,000	Roll Pressures	ASN Alterations

30	Ullapool High	£225,000	Life Cycle Investment	Resurfacing of Synthetic Playing Field
31	Ardersier Primary - Nurture Room	£50,000	Roll Pressures	New projects recommended for approval
32	Bonar Bridge Primary - Relocation of Nursery	£50,000	Early Learning and Childcare	
33	Brora Primary - Re-Roofing	£100,000	Life Cycle Investment	
34	Central Primary - Various Works	£50,000	Life Cycle Investment	
35	Cradlehall Primary - Internal Alterations	£25,000	Roll Pressures	
36	Craighill Primary - Refurbishment of Toilets	£50,000	Life Cycle Investment	
37	Farr Primary (Bettyhill) - Alterations to Nursery	£25,000	Roll Pressures	
38	Portree High - Construction Class	£175,000	Life Cycle Investment	
38	Scoraig Primary - Various Works	£100,000	Life Cycle Investment	
39	South Lodge Primary - Refurbishment of Toilets	£50,000	Life Cycle Investment	
40	Stratherrick Primary - Nursery Alterations	£25,000	Early Learning and Childcare	
41	Ullapool High - Internal Alterations	£25,000	Life Cycle Investment	