



**Clackmannanshire
Council**

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Comhairle Siorrachd
Chlach Mhanann

Kilncraigs, Greenside Street, Alloa, FK10 1EB (Tel.01259-450000)

Meeting of Clackmannanshire Council

Thursday 29 August 2024 at 9.30 am

Venue: Council Chamber, Kilncraigs, Alloa, FK10 1EB



Clackmannanshire Council

There are 32 Councils in Scotland. Clackmannanshire Council is the smallest mainland Council. Eighteen Councillors are elected to represent the views of the residents and businesses in Clackmannanshire. The Council has approved Standing Orders that detail the way the Council operates. Decisions are approved at meetings of the full Council and at Committee Meetings.

The Council is responsible for approving a staffing structure for the proper discharge of its functions, approving new policies or changes in policy, community planning and corporate governance including standards of conduct.

The Council has further responsibility for the approval of budgets for capital and revenue expenditure, it also has power to make, alter or cancel any scheme made under statute and to make, alter or cancel any orders, rules, regulations or bye-laws and to make compulsory purchase orders. The Council also determines the level of Council Tax and approves recommendations relating to strategic economic development.

Members of the public are welcome to attend our Council and Committee meetings to see how decisions are made.

Details of all of our Council and Committee dates and agenda items are published on our website at www.clacks.gov.uk

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17 August 2024

A MEETING of the CLACKMANNANSHIRE COUNCIL will be held in the COUNCIL CHAMBER, KILNCRAIGS, ALLOA, on THURSDAY 29 AUGUST 2024 at 9.30 AM



**NIKKI BRIDLE
Chief Executive**

B U S I N E S S

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1. Apologies	--
2. Declaration of Interests Elected Members are reminded of their obligation to declare any financial or non-financial interest which they may have in any item on this agenda in accordance with the Councillors' Code of Conduct. A Declaration of Interest form should be completed and passed to the Committee Services Officer.	--
3. Minutes of Meeting of Clackmannanshire Council 27/06/24 (Copy herewith)	07
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14.	Annual report to those charged with Governance and the Controller of Audit for Financial Year Ended 2022/23 – report by the Chief Finance Officer (Copy herewith)	353

EXEMPT INFORMATION

It is anticipated (although this is not certain) that the Council will resolve to exclude the press and public during consideration of this item.

It is considered that the undernoted item is treated as exempt from the Council's general policy of disclosure of all papers by virtue of Schedule 7A, Part 1, Paragraph 9 of the Local Government (Scotland) Act 1973.

15.	Keeping The Promise - Sale and Lease back of 8 Grant Street, Alloa – report by the Strategic Director, People (Copy herewith)	475
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MEETING MANAGEMENT

The Convener has advised that subject to the efficient management of the meeting, meeting breaks will be as follows:

- There will be a 10-minute break after 2 hours sitting, as set out in Standing Orders.
- There will be a 45-minute break for lunch at 12.45 until 13.30
- There will be a 10-minute break at around 15.30.

Clackmannanshire Council – Councillors and Wards

Councillors

Wards

Councillor	Phil Fairlie	1	Clackmannanshire West	SNP
Councillor	Darren Lee	1	Clackmannanshire West	CONSERVATIVE
Councillor	Graham Lindsay	1	Clackmannanshire West	SNP
Councillor	Mark McLuckie	1	Clackmannanshire West	LABOUR
Councillor	Donald Balsillie	2	Clackmannanshire North	SNP
Councillor	Martha Benny	2	Clackmannanshire North	CONSERVATIVE
Councillor	William Keogh	2	Clackmannanshire North	LABOUR
Councillor	Fiona Law	2	Clackmannanshire North	SNP
Councillor	Wendy Hamilton	3	Clackmannanshire Central	SNP
Councillor	Janine Rennie	3	Clackmannanshire Central	LABOUR
Councillor	Jane McTaggart	3	Clackmannanshire Central	SNP
Councillor	Kenneth Earle	4	Clackmannanshire South	LABOUR
Councillor	Ellen Forson	4	Clackmannanshire South	SNP
Councillor	Craig Holden	4	Clackmannanshire South	IND
Councillor	Bryan Quinn	4	Clackmannanshire South	SCOTTISH GREEN
Councillor	Scott Harrison	5	Clackmannanshire East	SNP
Councillor	Kathleen Martin	5	Clackmannanshire East	LABOUR
Councillor	Denis Coyne	5	Clackmannanshire East	CONSERVATIVE



MINUTES OF MEETING of the CLACKMANNANSHIRE COUNCIL held in the Council Chamber, Kilncraigs, Alloa, on Thursday 27 June 2024 at 9.30 am.

PRESENT

Councillor Phil Fairlie, Convener (Chair)
Councillor Donald Balsillie
Councillor Martha Benny
Councillor Denis Coyne
Councillor Ellen Forson
Councillor Wendy Hamilton
Councillor Scott Harrison
Councillor Craig Holden (via Teams)
Councillor William Keogh (via Teams)
Councillor Fiona Law
Councillor Darren Lee (via Teams)
Councillor Graham Lindsay
Councillor Kathleen Martin (via Teams)
Councillor Mark McLuckie
Councillor Jane McTaggart
Councillor Janine Rennie
Councillor Bryan Quinn

IN ATTENDANCE

Nikki Bridle, Chief Executive
Lorraine Sanda, Strategic Director (People)
Pete Leonard, Strategic Director (Place)
Chris Alliston, Strategic Director (Partnership & Performance)
Colin Bruce, Chief Education Officer (People)
Lee Robertson, Senior Manager, Legal and Governance (Partnership & Performance) (Clerk to the Council)
Elizabeth Hutcheon, Management Accountancy Team Leader (Partnership & Performance) (via Teams)
Alastair Hair, Senior Manager, HR (Partnership & Performance)
Sarah Langsford, Senior Manager, HR (Partnership & Performance) (via Teams)
Andrew Buchanan, Housing Operations Manager (Place)
Michael Boyle, Improving Outcomes Business Manager (People) (via Teams)
Carla MacFarlane, Communications Officer (Partnership & Performance) (via Teams)
Claire Fullarton, Communications Officer (Partnership & Performance) (via Teams)
Lesley Robertson, Business Support, Wellbeing Hub (People) (via Teams)
Wendy Forrest, Head of Strategic Planning and Health Improvement, HSCP (via Teams)
Lesley Baillie, Strategy and Performance Adviser, (Partnership & Performance) (via Teams)
Robbie Stewart, Senior Manager, Sport and Leisure (People)
Ross McGuire, Team Leader, Wellbeing Hub (People) (via Teams)
Andrew Ayers, Senior Project Manager, Thomas and Adamson (Wellbeing Hub & Lochies) (via Teams)
Gillian White, Committee Services (Partnership & Performance) (Minute)
Melanie Moore, Committee Services (Partnership & Performance)

CC(24)036 APOLOGIES

Apologies were received from Councillor Kenneth Earle.

CC(24)037 DECLARATIONS OF INTEREST

None.

CC(24)038 MINUTES OF CLACKMANNANSHIRE COUNCIL – 16 MAY 2024

The minutes of the meeting of the Clackmannanshire Council held on 16 May 2024 were submitted for approval.

Councillor Coyne advised of a typographical error within reference **CC(24)034 Scottish Housing Regulator Annual Return Of The Charter (Arc)**. In decision point 2, it should read “Senior **Manager** Housing.”

Decision

Subject to the amendment noted above, the minutes of the meeting of Clackmannanshire Council held on 16 May 2024 were agreed as a correct record and signed by the Convener.

Action

Clerk to the Council

CC(24)039 DRAFT WELLBEING ECONOMY LOCAL OUTCOMES IMPROVEMENT PLAN 2024-2034

The report, submitted by the Senior Manager, Partnership and Transformation, presented the draft Wellbeing Economy Local Outcomes Improvement Plan (LOIP) for 2024-34, following a refresh of the current plan 2017-2027.

Motion

To agree the recommendations set out in the report.

Moved by Councillor Ellen Forson. Seconded by Councillor Graham Lindsay.

Decision

The Council noted:

1. that a robust process of evidence and data collection and analysis has been undertaken (Paragraph 3.4)
2. that a short life working group was established to take forward the refresh of the LOIP (Paragraph 3.1)
3. that a final consultation exercise on the draft will be carried out over the Summer (Paragraph 3.6)
4. that the final version of the refreshed LOIP will come forward to Council in August for formal approval (Paragraph 3.6)
5. note that the Alliance Board will also consider the final draft over the same period (Paragraph 3.6)
6. that there is a commitment to review the partnership working arrangements of the Alliance to ensure accountability and ownership of delivery (Paragraph 3.3)

CC(24)040 WELLBEING HUB & LOCHIES SCHOOL PROJECT UPDATE

The report, submitted by the Senior Manager, Sport and Leisure, provided Council with an update on the progress of the Wellbeing Hub & Lochies School project.

Motion

To agree the recommendation set out in the report.

Moved by Councillor Scott Harrison. Seconded by Councillor Graham Lindsay.

Decision

When the Convener checked if the Council agreed the recommendation set out in the report, all members agreed with the exception of Councillor Craig Holden, who did not agree. Therefore, on a division, the Council agreed to:

1. Approve the Outline Business Case to allow the project to continue through RIBA Stages 3 and 4 (Technical Design) and proceed with the preparation of the Full Business Case. (see paragraphs 3.1-3.12 and appendix 1 of the report); and
2. Note key programme updates including Hub Stage 1 (RIBA Stage 2) Submission and submission of the Full Planning Application (see paragraphs 3.13-3.16)

Action

Senior Manager, Sport and Leisure (People)

Ends: 10.42 am

Report to Clackmannanshire Council

Date of Meeting: 29th August 2024

**Subject: Partnership and Performance Directorate Business Plan
2024/2025**

Report by: Strategic Director – Partnership and Performance

1.0 Purpose

- 1.1. This report presents the Partnership & Performance Directorate Business Plan, 2024/25, for the consideration and approval of Council.

2.0 Recommendations

Council are asked to

- 2.1. Note, comment and approve the plan as attached at Appendix 1.

3.0 Considerations

- 3.1. The Partnership and Performance Directorate Business Plan has been developed in line with the agreed business planning guidance <http://connect/news/201-council-news/5184-business-planning-guidance-2.html>
- 3.2. Partnership & Performance delivers a diverse range of services, including a number of statutory and essential support functions.
- 3.3. The Partnership and Performance Business Plan for 2024/2025 has been developed with the continued focus of ensuring, as a Directorate, we support the Council achieve it's corporate priorities agreed in March 2024 whilst also ensuring business as usual activities are undertaken to support all Directorate deliver their statutory functions.
- 3.4. Our transformation journey will include the deployment across the Council of M365 as well as supporting the procurement and implementation of management information systems as they are renewed as well as continued cyber security of our IT platform. We will also continue to ensure more of our transactional processes are digitally accessible to our citizens.

- 3.5. Financial sustainability continues to be a key challenge and theme for the Council and as a Directorate we will support organisational efficiency, monitor budget performance, ensure/comply with good governance and embrace continued transformation.
- 3.6. As a Directorate we will also ensure that we continuously improve organisational governance, challenging and supporting Directorates as appropriate to ensure our control environment is robust.
- 3.7. There are no direct financial implications arising from this report.

4.0 Sustainability Implications

- 4.1. None

5.0 Resource Implications

5.1. Financial Details

- 5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

- 5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4. Staffing

6.0 Exempt Reports

- 6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies**

Complies with relevant Council Policies Yes

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Partnership and Performance Directorate Business Plan

11.0 Background Papers


11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Chris Alliston	Strategic Director – Partnership and Performance	X2184

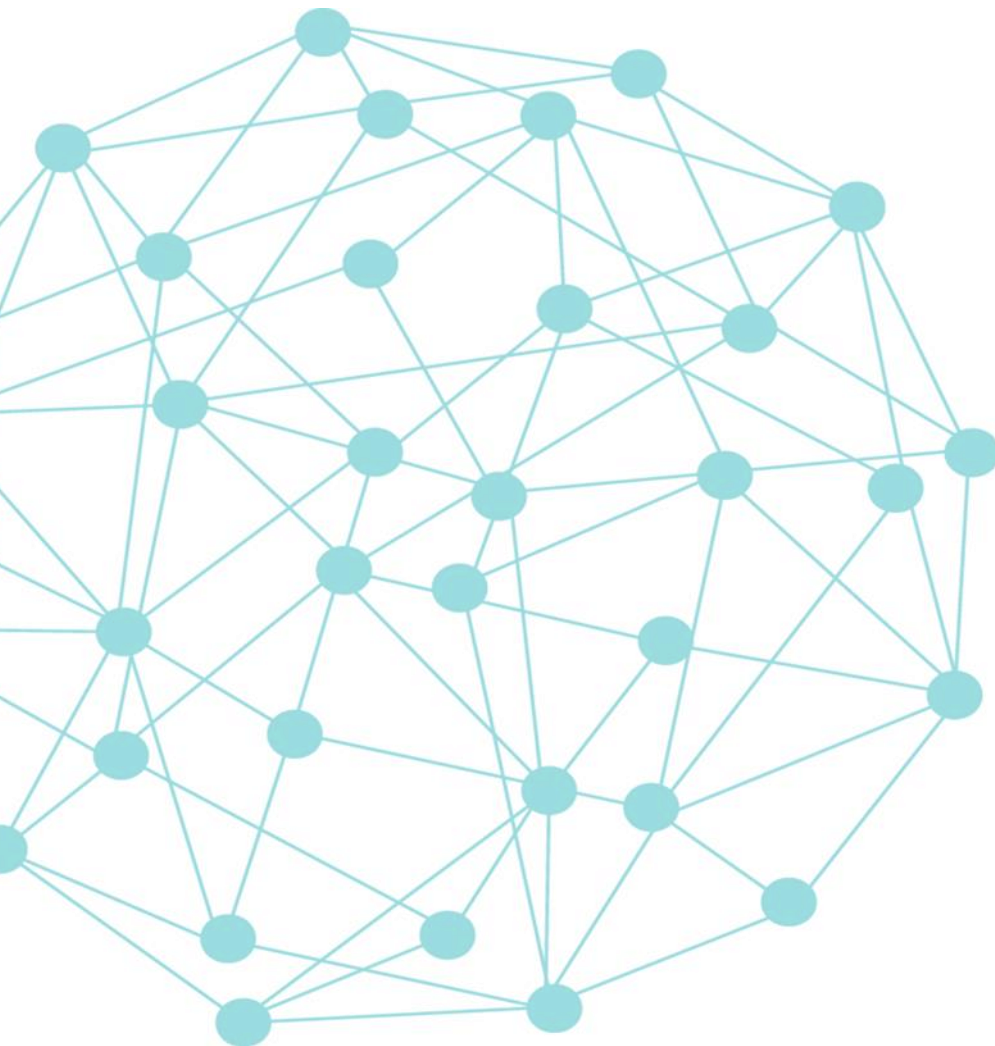
Approved by

NAME	DESIGNATION	SIGNATURE
Chris Alliston	Strategic Director – Partnership and Performance	



Partnership and Performance

Business Plan 2024-25



**Be the
FUTURE**

1 SERVICE OVERVIEW

1.1 SERVICE PURPOSE & OBJECTIVES

The Partnership and Performance portfolio is a key enabler in supporting the delivery of the Council's vision and strategic outcomes. Central to the delivery is the provision of a diverse range of corporate support services. Whilst a number of our services, for example, Registrars, Revenues, Elections Team, Reception and the Contact Centre, engage with thousands of our citizens every year, much of the work of our portfolio often operates behind the scenes. These areas, which include HR and Workforce Development, Finance, ICT and Legal, play a vital role in ensuring that as a large public service organisation our workforce is skilled and that we are able to make the very best use of our limited resources to deliver on our vision in ways that are transparent, and comply with our legal and regulatory obligations.

Our commitment to continuous improvement and ensuring best value underpins everything we do. We aim to provide the highest possible quality and professional customer services for our citizens and our colleagues, embodying our values in delivering the Council's vision. We also continually strive for excellence in terms of performance management and governance to ensure, and inspire, confidence and accountability across our Directorates.

The Council's Vision – Be the Future

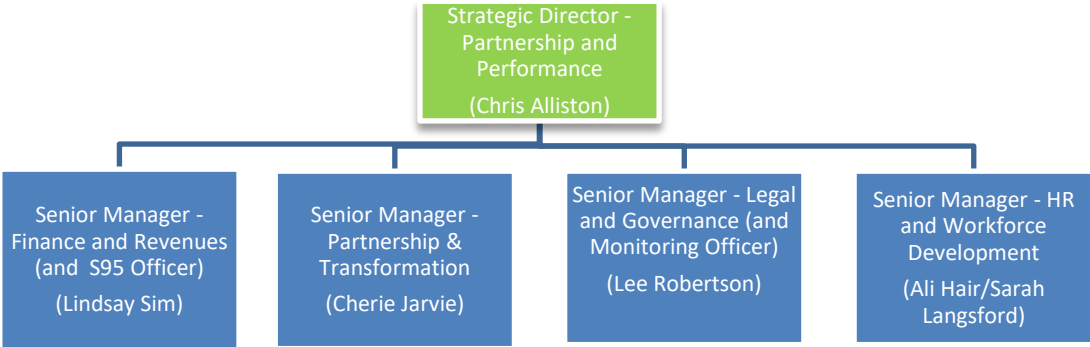
We will be a valued, responsive, creative organisation, through collaboration, inclusive growth and innovation, to improve the quality of life for every person in Clackmannanshire.

Our Values

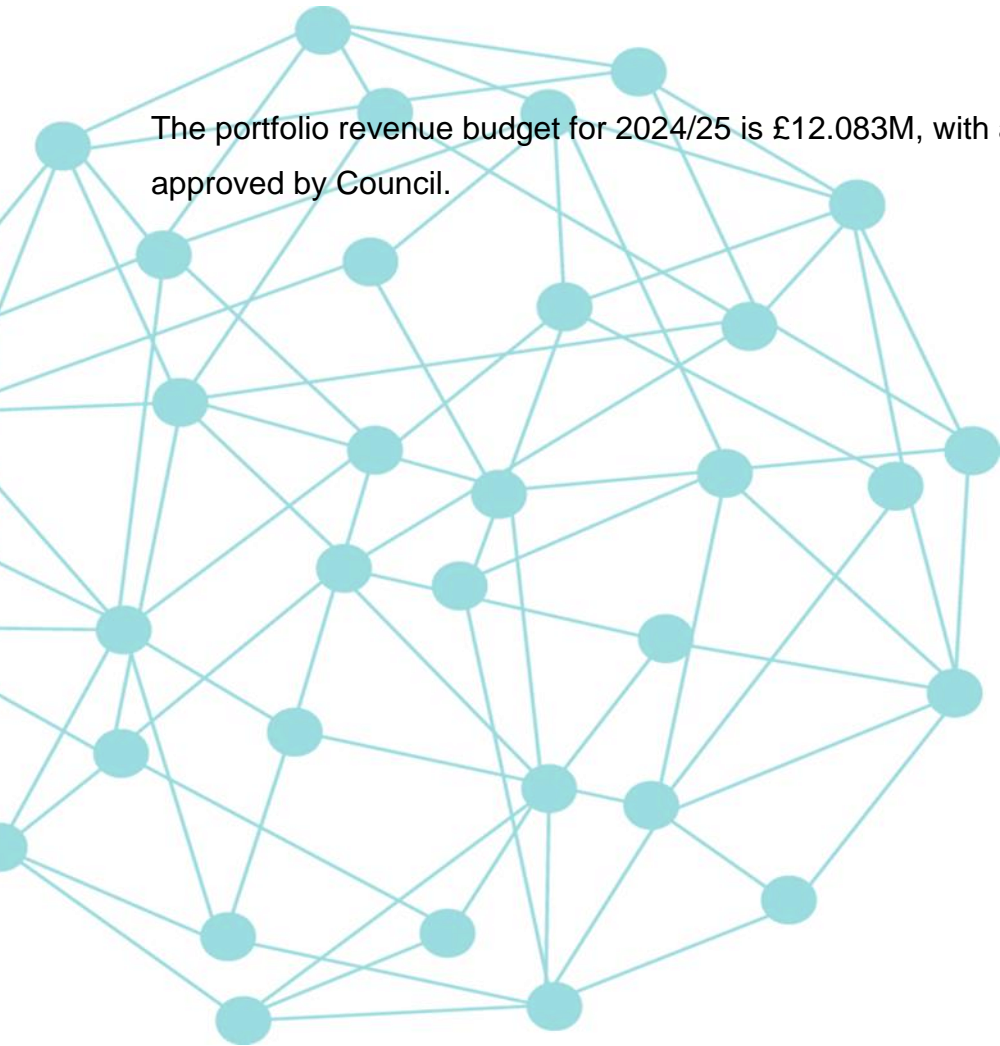
- **Be the customer** - Listen to our customers communicate honestly and with respect and integrity.
- **Be the team** - Respect each other and work collectively for the common good.
- **Be the leader** - Make things happen, focusing always on our vision and outcomes, and deliver high standards of people leadership and corporate governance.
- **Be the collaborator** - Work collaboratively with our partners and communities to deliver our vision and outcomes.
- **Be the innovator** - Look outwardly, be proactive about improvement and strive always for innovation and inclusive growth.
- **Be the future** - Work always towards ensuring that we deliver our vision and live our values, so that we become a valued, responsive Council with a reputation for innovation and creativity.

1.2 SERVICE STRUCTURE

Partnership and Performance incorporates a broad range of functions as outlined in the undernoted structure.



The portfolio revenue budget for 2024/25 is £12.083M, with a savings target of £510K approved by Council.



1.3 KEY SERVICE STRATEGIES & POLICIES REVIEW SCHEDULE

Strategy or Policy	Approved/ last reviewed	Date for review
Wellbeing LOIP	2024	2028
Annual Budget Strategy (reviewed on an ongoing basis)	2024	2025
Interim Workforce Strategy to be replaced by Strategic Workforce Plan	2022	2025
Gaelic Language Plan for Clackmannanshire	2021	2025
Mainstreaming Equalities Report and Outcomes	2021	2025
Procurement Strategy	2018	2025
Digital and Data Transformation Strategy	2019	2024
Corporate Communications and Marketing Strategy	2013	2024
Corporate Risk Management Strategy and Guidance	2023	2027
Major emergencies operational procedures and Civil Contingencies Guidance	2022	2024
Business Planning Guidance and Performance Management Framework	2019	2025
Consultation Guidance and Toolkit	2023	2026
Customer Charter	2023	2027
Council Complaints Handling Procedure	2021	2025
Customer Contact Policy	2023	2027
Standing Orders	2019	2025
Scheme of Delegation	2014	2025
Financial Regulations	2022	2025
Contract Standing Orders	2019	2025
Fraud and Anti Corruption Policy		2025
Health and Safety Policy	2021	2025
Whistleblowing Policy.	2023	2026
Wellbeing Policy	2023	2025
Regulation of Investigatory Powers (Scotland)	2019	2025
Social Media Policy and Guidelines		2025
Building Security Policy		2025

2 KEY ISSUES FOR THE SERVICE & PRIORITIES FOR 2024-25

Clackmannanshire Council, like all local authorities, faces increasingly difficult choices about spending priorities, in the face of unprecedented financial challenges, including cost of living crisis, continued reductions in core grant funding and inflationary pressures which have a significant impact on the costs of service delivery and capital projects as well as increasing demands on all our services.

These factors create immediate pressures in relation to our ability to deliver essential services and capacity to deliver change whilst impacting on resilience and sustainability in the medium to long term.

With a shared focus on our values, good communication and maintaining perspective on our *Be the Future* priorities we can continue to improve.

Over the coming year as part of our improvement agenda we will:

- Provide a continued focus on supporting *Be the Future* themes of Sustainable Inclusive Growth, Empowering Families and Communities, and Health and Wellbeing through programmes such as the Wellbeing Economy and Community Wealth Building;
- Focus on workforce planning, setting a foundation for workforce development and learning to ensure we have the skills and capacity we need for now and the future, with an emphasis on staff wellbeing, hybrid working and developing our leaders;
- Continue to accelerate digital transformation, supported by a modernised, robust and secure digital infrastructure;
- Implement and roll out of M365 across the Council;
- Ensure financial, procurement and information governance, taking appropriate actions as required;
- Improve internal and external communications.
- Ensure outstanding internal audit actions are progressed and completed
- Implement a revised performance management approach to ensure principles of best value are met for both the Council and the Community Planning Partnership. This will include revised guidance and a focus on continuous improvement through a robust programme of self-assessment. Implement the Data Maturity Assessment results and key recommendations
- Complete a Digital and Data skills survey and address the skills gap through the Digital Champion Programme.
- Develop a SMART Clacks strategy which will enable a connected, efficient and sustainable community through the strategic deployment of IoT (Internet of things) technologies.
- Refresh the Digital and Transformation Strategy

- Focus on continuous improvement through performance and data insights and commitment to corporate key priorities and transformation ambitions.
- Strengthen Community Planning partnership approaches to implement the refreshed Local Outcomes Improvement Plan, adopting a focus on continuous improvement, performance and partnership working arrangements.

As has been outlined in previous business plans it is clear that our models of delivery need to continue to adapt and change to a more mixed economy to enable greater resilience. Our workforce is aging and it is more challenging than ever to recruit and retain staff in a number of professional disciplines in a competitive labour market.

In Partnership & Performance specifically, with small teams and multiple potential single points of failure, recruitment and retention issues can quickly create knowledge and capacity issues. These place pressure on existing staff as well as posing risk for the delivery of our statutory and regulatory obligations. Furthermore, our aging employee profile means that some of our longest serving and most experienced staff will retire in the next 3-5 years. Career pathways, investment in and creating opportunities for the development of our workforce, combined with adaptability on new models of delivery will be essential for the future. We are dedicated to fostering an empowered and happy workforce embedding wellbeing of staff at the core of our culture, celebrating achievements, and recognising the contributions of every team member. We aim to create an environment where everyone feels valued and motivated to succeed.

Financial sustainability has been a key challenge and theme for the Council for many years and will continue to be for the foreseeable future. Our focus as a portfolio will remain on supporting organisational efficiency, monitoring budget performance, ensuring/complying with good governance and embracing continued transformation.

Our transformation journey will include the deployment across the Council of M365 as well as supporting the procurement and implementation of management information systems as they are renewed. We will also continue to ensure more of our transactional processes are digitally accessible to our citizens around the clock including the Citizens Access Portal.

Governance failures can have financial and reputational impacts, as well as diverting significant amounts of organisational time and energy away from service delivery and transformation initiatives. Our focus will be to ensure that we continuously improve organisational governance to ensure that our internal audit annual assurance statement for 2024/2025 moves from limited to substantial.

We will also continue to focus efforts on ensuring our resilience and integrated emergency planning approaches are understood and embedded across the organisation and that effective plans are in place and tested. This will include approaches around leadership and decision making during an incident, effective business continuity planning and exercising and debrief activity to build our collective learning to ensure our preparedness for whatever ever the future may hold. Continuing to build on our successful community resilience models as well as partnership working and mutual aid approaches will also remain a clear focus. Effective processes to ensure the safe management of events will be also continue to be monitored and learning and improvements incorporated where appropriate.

We will review the effectiveness of our corporate performance and risk management approaches to ensure they are effective and well understood and embedded. This review will also seek to strengthen our golden thread between our Local Outcomes Improvement Plan 2024/34 and key strategies and plans including Directorate Business Plans. We will also ensure a clear focus on achieving best value, and implement robust plans and approaches to continuous improvement, self assessment and data led decision making.

Given capacity and resource challenges and ever increasing demands within the Directorate we will look to provide corporate service support to Directorates based on planned and agreed priorities and move away from a reactionary service delivery model. This will require the support of Place, People and the HSCP to identify their key priorities to deliver on agreed Council's outcomes and ensure early engagement of relevant staff across the Partnership and Performance Directorate. Support will be prioritised to ensure key Council priorities are delivered.

3 APPROACHES

3.1 TRANSFORMATION, INNOVATION & COLLABORATION

Delivering sustainable public services by improving the economic performance of the area and creating the conditions to ensure our people, businesses and communities enjoy the benefits of greater prosperity is critical to our *Be the Future* ambitions.

Over a number of years transformation has been delivered against the socio-economic impact of COVID, high inflation and a cost of living crisis. Demands on our services are higher than ever at a time when budgets continue to be under sustained and under increasing pressures. Moving forward, we will continue to deliver *Be the Future*, delivering on business continuity and improving our core statutory services. Achieving the balance of these priorities is reflected in this business plan.

The Budget Strategy approved in 2020/21 cemented a series of priorities that recognised how we spend, plan and connect our investment now will lay the foundation for economic recovery for future generations. The budget approved a long term financial planning approach that established a 20 year capital budget, organised around the Council's *Be the Future* Programme priorities of Sustainable inclusive growth; Empowering our families and communities and Health and well-being.

This 20 year capital programme in addition to City Region Deal moving into delivery, the focus of the Scottish Government budget and programme for government on Community Wealth Building, the Well-being economy and Place-based developments presents a significant opportunity in our journey towards sustainable public services. The hard work over a number of years to create the conditions means we are better positioned to take advantage of this alignment to increase the pace, scale and impact of our *Be the Future* programme for the benefits of people, businesses and communities.

In addition a Digital and Data Transformation programme has been agreed at Council as a key enabler of the *Be the Future* programme and Target Operating Model. It covers a range of activities that will support operational efficiencies in line with our budgetary pressures, improve our customer experience and journey and deliver the Council's updated Digital Strategy. The programme sets the trajectory for the council to be a Digital Council of the future. The Partnership and Performance Directorate will play a key part in delivering these changes in order to realise the benefits these changes will bring to the Council and its communities.

3.2 CUSTOMER & STAKEHOLDER ENGAGEMENT

Partnerships and Performance engage with customers and stakeholders and in doing so we aim to meet the Council's service standards in ways that reflect the Council's values, primarily: **Be the Customer**. As such we aim to listen to our customers (internal and external), communicate honestly, openly, with transparency and with respect and integrity. In 2023 the Council's Customer Charter and Customer Contact Policy were refreshed to ensure clear processes are in place for customer and stakeholder engagement.

This approach is deployed through regular team meetings, constructive conversations and systematic supervisory and learning and development supports to enable us to reach a standard of customer service that our citizens expect and deserve. Measures around complaints handling, Freedom of Information and Members Enquiries help to ensure a focus on high quality customer and stakeholder engagement and improvement activities. New systems implemented through the Digital Transformation Roadmap are also assisting with clearly set out process, improved insight and better reporting functionality.

Engagement and consultation with stakeholders as part of the development of new policies will continue to be essential; implementing Equality and Fairer Scotland impact assessment process as part of policy development and engagement and gathering data on services to provide customer insight and feedback.

We are committed to working with our community planning partners – including community groups and community councils, public, private, and third sector organisations – across Clackmannanshire to deliver the outcomes and goals we all share, and which can only be achieved when we work together. In 24/25 the Clackmannanshire Alliance Board, building on opportunities arising from the new Local Outcomes Improvement Plan, will undertake development and improvement work to strengthen local approaches to Community Planning and partnership working.

Equally important will be the views of our staff gathered from our yearly staff engagement survey.

3.3 MANAGING SERVICE PERFORMANCE

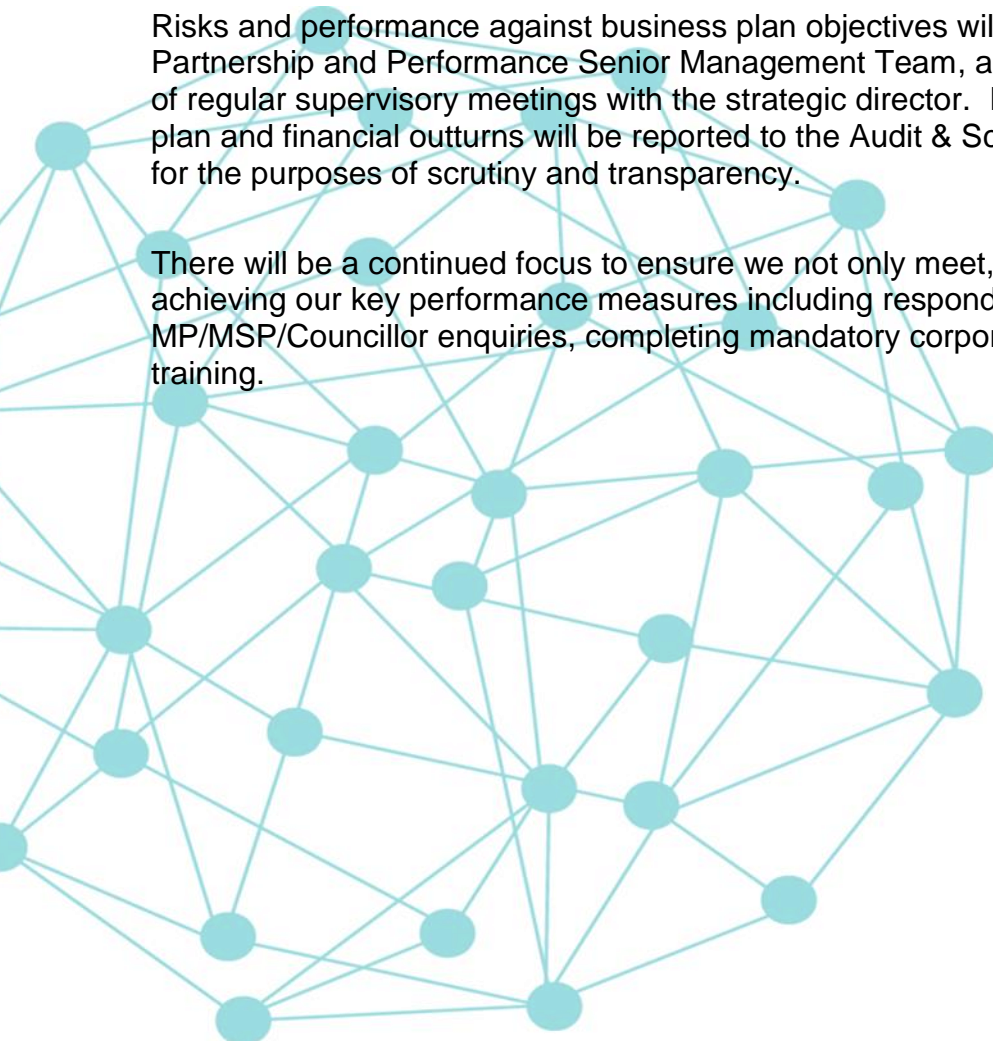
Maximising the contribution and talents of all our staff will be pivotal in supporting our transformation journey. This business plan provides the basis for all service, team and individual constructive conversations within Partnership & Performance. Senior managers will maintain plans and risk registers for their areas of responsibility.

There remains the expectation that every employee within the Portfolio will have regular constructive conversation meetings with their line manager. The 2023 staff survey highlighted that the mental health of staff across the Council has declined. In order to support our staff and ensure positive mental health and wellbeing, managers will be expected to ensure that health and wellbeing is a key discussion at constructive conversation meetings. In addition we will look to ensure we continue to develop and embed appropriate supports for our staff to support their mental and physical wellbeing.

Whilst identifying objectives also forms a core element of how we go about Council business it needs to be a core part of our transformation objectives; therefore, demonstrating how we are living up to the Council's vision and values will form an important element of service performance.

Risks and performance against business plan objectives will be reviewed regularly at the Partnership and Performance Senior Management Team, and for senior managers as part of regular supervisory meetings with the strategic director. Progress against our business plan and financial outturns will be reported to the Audit & Scrutiny Committee six-monthly, for the purposes of scrutiny and transparency.

There will be a continued focus to ensure we not only meet, but wherever possible exceed, achieving our key performance measures including responding to FOIs, responding to MP/MSP/Councillor enquiries, completing mandatory corporate and health and safety training.



3.4 WORKFORCE PLANNING

Local authorities are facing relentless workforce challenges, including recruitment, retention, staff sickness levels and more frequently industrial action. Whilst there have been longstanding recruitment challenges in some professions, local authorities are now struggling to fill posts in senior and front-line roles across the full spectrum of council services. Hybrid approaches to working are also becoming common practice, with staff working between the office and remotely. Whilst this is creating opportunities to work differently and potentially to attract a wider talent pool, it is undoubtedly creating some cultural challenges too.

Partnership and Performance workforce planning took place during spring 2023 where a number of key issues, reflective of the above, were identified. These issues remain relevant for the 24/25 business plan and include:

- A gender split of 70% female and 30% male;
- An ageing workforce - 55% of the workforce is over 50, with a third over the age of 55 with potential retirement options available to them;
- 75% of the portfolio work full time;
- For 2022/23 the portfolio had a turnover rate of 10.66 and an absence lost time rate of 3.43%;
- There are numerous single points of failure in small teams within a small workforce, with particular risks in a number of areas where recruitment is known to be challenging nationally;
- Recruitment difficulties continue to prevail, particularly in highly specialised professions including finance, procurement, legal and health and safety;
- There are ongoing critical skills gaps placing pressure on services and staff with an ongoing reliance on agency workers;
- The above issues combined with pressures to make ongoing budget savings are seeing ongoing capacity issues.
- Current workforce design in some areas has limited flexibility and therefore needs further review in line with the Council's Target Operating Model.

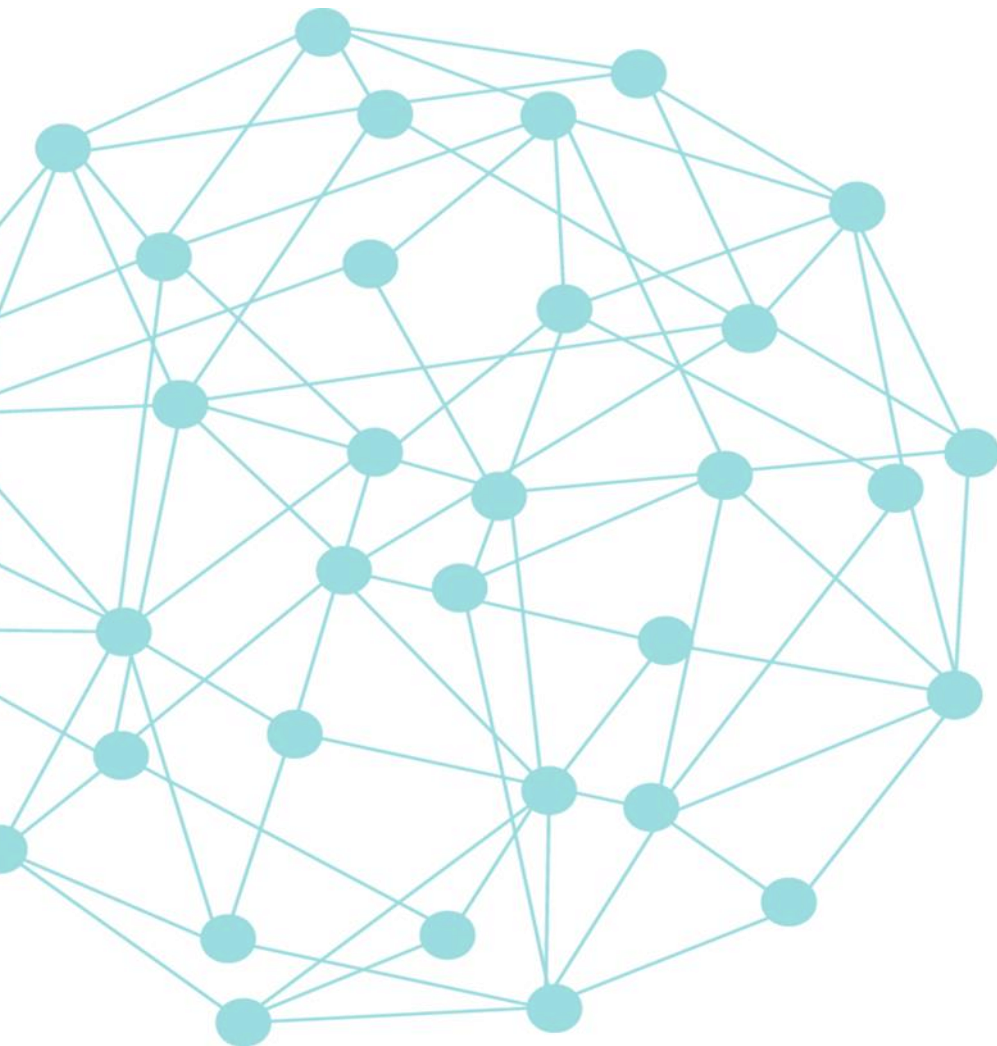
The development of the Strategic Workforce Plan 25-28 will support the Portfolio and wider Council in addressing these issues.

3.4 LEADERSHIP AND MANAGEMENT

Delivery of the Council's transformation plan, and the ongoing management of Council services against a background of significant fiscal challenge, requires leaders both within Partnership and Performance, and Council wide, who have the skills and behaviours to meet our ambitions.

Our Interim Workforce Strategy provided the foundation from where we can build staff supports to meet these challenges and commits in the next year to delivering a cross-council leadership and management development programme.

Over the next year we will work to procure this programme, and work with the open market to ensure that we design and deliver a programme of learning which not only upskills our leaders for the future, but is nuanced to the Clackmannanshire context and the unique set of challenges which we face within our communities, as well as the successes of past work (such as with the Family Wellbeing Partnership, and the Values Based Leadership work).



4 DELIVERY PLAN

Templates for business plans and performance reports are available in Pentana.

Business Plan 2024-25

Service objective / priority

Key Organisational Performance Results

Code	KPI	2021-22	2022-23	2023-24	2024-25	Lead
		Value	Value	Value	Target	
ALL FRD L&D	Instances of Fraud detected	0	0	1	0	Senior Manager Legal & Governance
ALL ICO L&D	Number of organisational data breaches reportable to the Information Commissioner	4	3	2	0	Senior Manager Legal & Governance
RAP CTA 002	Cost of collecting Council Tax (per dwelling)	£3.70	£5.27	Not yet reported	Not yet reported	Senior Manager Finance & Revenues
RAP CTA 01a	Council tax collected within year (excluding reliefs & rebates)	96.2%	96.9%	95.9%	96.5%	Senior Manager Finance & Revenues
ALL AB1 GOV	Average FTE days lost through sickness absence per employee (Teachers plus all other local government employees)	13.57	14.02	14.90	12.00	Senior Manager HR & Workforce Development
RAG CRD 003	Invoice Payment Within 30 Days	89.9%	88.6%	92.2%	93%	Team Leader; Senior Manager Finance & Revenues
GOV EQO 02b	The percentage of the highest paid 5% of earners among council employees that are women	59.8%	58.2%	70%	60%	Senior Manager Partnership & Transformation
GOV EQO 03a	The gap between the average hourly rate of pay for male and female Council employees	2.1%	1.0%	0.1%	-1%	Senior Manager Partnership & Transformation

Partnership & Performance: Financial Results

Code	KPI	2021-22	2022-23	2023-24	2024-25	Lead
		Value	Value	Value	Target	
P&P SAV FRV	Percentage of Partnership & Performance budget savings achieved	83%	100%	To be reported	100%	Strategic Director - Partnership & Performance
P&P VAR FRV	Outturn variance based on budget - Partnership & Performance	-	(£294)	To be reported	0	Strategic Director - Partnership & Performance

Partnership & Performance: Customer Results

Code	KPI	2021-22	2022-2023	2023-24	2024-25	Lead
		Value	Value	Value	Target	
P&P C03 CUS	% formal complaints dealt with that were upheld/partially upheld - Partnership & Performance	17%	54%	27%	0	Strategic Director - Partnership & Performance
P&P C10 CUS	% formal complaints closed within timescale - Partnership & Performance	25%	33%	63.6%	100%	Strategic Director - Partnership & Performance
P&P CNQ BUS	% Councillor Enquiries responded to within timescale - Partnership & Performance	55%	62%	77.3%	100%	Strategic Director - Partnership & Performance
P&P FOI GOV	% Freedom of Information requests responded to within timescale - Partnership & Performance	73%	88%	73.5%	100%	Senior Manager Legal & Governance
P&P MPQ BUS	% MP/MSP enquiries responded to within timescale - Partnership & Performance	24%	50%	25%	100%	Strategic Director - Partnership & Performance
NEW	% calls answered by Contact Centre	-	79%	83%	100%	Senior Manager Partnership & Transformation

Code	KPI	2021-22	2022-2023	2023-24	2024-25	Lead
		Value	Value	Value	Target	
NEW	Average waiting times for calls to be answered (in minutes)	-	1.59	1.19		Senior Manager Partnership & Transformation

Partnership & Performance: People Results


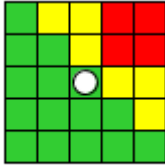
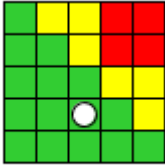
Code	KPI	2021-22	2022-2023	2023-24	2024-25	Lead
		Value	Value	Value	Target	
P&P MDT HWD	Percentage of employees who have completed mandatory training by the due date	24%	50%	52%	100%	Strategic Director - Partnership & Performance
P&P S05 HWD	Staff Survey - Partnership & Performance staff - I am given the opportunity to make decisions relating to my role	77%	No Survey Undertaken	67%	100%	Strategic Director - Partnership & Performance
P&P S12 HWD	Staff Survey - Partnership & Performance staff - I feel valued for the work I do	53%	No Survey Undertaken	60%	100%	Strategic Director - Partnership & Performance
P&P S15 HWD	Staff Survey - Partnership & Performance staff - I feel a sense of achievement for the work I do	69%	No Survey Undertaken	68%	100%	Strategic Director - Partnership & Performance
P&P S17 HWD	Staff Survey - Partnership & Performance staff - I feel that I am treated with dignity and respect within my team	65%	No Survey Undertaken	72%	100%	Strategic Director - Partnership & Performance
P&P S21 HWD	Staff Survey - Partnership & Performance staff - I am clear about how I contribute to the organisation's goals	68%	No Survey Undertaken	58%	100%	Strategic Director - Partnership & Performance
P&P AB1 GOV	Average FTE Days Sickness Absence (Partnership & Performance)	8.19	8.85	9.99	5.00	Strategic Director - Partnership & Performance

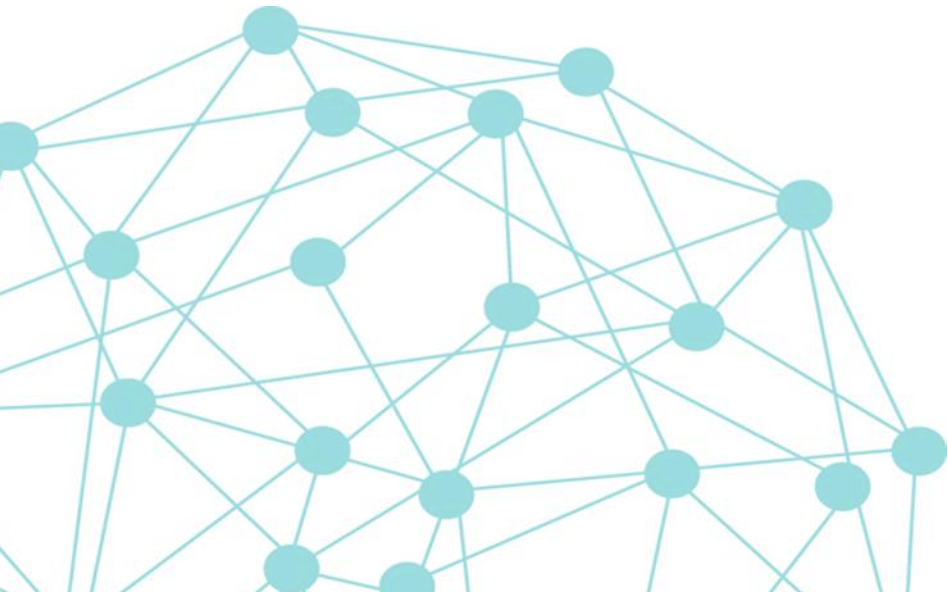
Code	ACTION	Impact	By When	Lead
	Co-ordinate major incident response/recovery and ensure that statutory plans for resilience are in place, updated and tested as part of a scheduled programme of work. This includes implementing workforce development around Integrated Emergency Management and Business Continuity Management.	Enable meeting of statutory requirements Improve corporate governance Corporate risk mitigation Empowering Families & Communities Sustainable Inclusive Growth	31-Mar-2025	Strategic Director - Partnership & Performance
	Ensure robust plans and processes are in place for managing CONTEST risks and ensuring compliance with statutory duties, including preparations for the new Protect Duty	Enable meeting of statutory requirements Improve corporate governance Corporate risk mitigation Sustainable Inclusive Growth	31-Mar 2025	Senior Manager Partnership & Transformation
P&P 20 003	Continue to support consultation and engagement activities (budget and corporate strategies).	Enable meeting of statutory requirements Improve corporate governance Corporate risk mitigation Empowering Families & Communities Health & Wellbeing Sustainable Inclusive Growth	31-Mar-2025	Senior Manager Partnership & Transformation
	Ensure robust approaches are in place to comply with statutory duties on Mainstreaming Equalities.	Enable meeting of statutory requirements Improve corporate governance Corporate risk mitigation Empowering Families & Communities Health & Wellbeing Sustainable Inclusive Growth	31-Mar-2025	Senior Manager Partnership & Transformation
	Continue to embed the Health & Safety Management System ensuring services are utilising full functionality in terms of risk assessments, incident reporting etc.	Enable meeting of statutory requirements Improve corporate governance Corporate risk mitigation Health & Wellbeing	31-Mar-2025	Senior Manager HR & Workforce Development
P&P 20 013	Conclude the P&P Redesign, including implementation of immediate workforce plan priorities	Improve corporate governance Corporate risk mitigation	31-Mar-2025	Senior Manager Finance & Revenues

Code	ACTION	Impact	By When	Lead
				Senior Manager Legal & Governance
	Approval of 2023/2024 Annual Accounts	Enable meeting of statutory requirements Improve corporate governance	January 2025	Senior Manager Finance & Revenues
	Ensure completion of identified outstanding Internal Audit Actions as reported to Audit and Scrutiny Committee in June 2024.	Enable meeting of statutory requirements Improve corporate governance	31-Dec-2024	Strategic Director - Partnership & Performance
	Enable an approved balanced budget 202526	Enable meeting of statutory requirements Improve corporate governance Corporate risk mitigation Empowering Families & Communities Health & Wellbeing Sustainable Inclusive Growth	31-Mar-2025	Senior Manager Finance & Revenues
P&P 20 031	Consolidate corporate support Information management approaches and address any high-risk gaps	Enable meeting of statutory requirements Improve corporate governance Corporate risk mitigation	31-Mar-2025	Senior Manager Legal & Governance
New	Review, streamline and integrate Performance Management Framework incorporating: Implementing revised Business Planning Guidance Self Assessment and Annual Governance Statement Process Improvements to management information and data Risk management Streamlined reporting	Enable meeting of statutory requirements Improve corporate governance	31-Mar-2025	Senior Manager Partnership and Transformation
	Achieve Armed Forces Silver Accreditation	Empowering Families & Communities Health & Wellbeing	31-Mar-2025	Senior Manager Partnership & Transformation
	Complete the refresh of the Local Outcomes Improvement Plan and associated Community Planning operating arrangements; Support the Community Planning Partnership to undertake development and continuous improvement activities in line with	Enable meeting of statutory requirements Improve corporate governance Corporate risk mitigation	31 Mar 2025	Senior Manager Partnership & Transformation

Code	ACTION	Impact	By When	Lead
	Best Value and other statutory duties.	Empowering Families & Communities Health & Wellbeing Sustainable Inclusive Growth		
New	Deliver a focused SLF session regarding good corporate governance	Improved Governance Reduced risk of governance breach Improved Internal Audit Assurance	31-Dec-2024	Strategic Director – Partnership and Performance
New	Roll out training in Financial Governance and financial systems processes including promoting awareness of the management information produced by the finance system to assists decision making.	Improved financial governance Improved accuracy of outturns	31-March-2025	Senior Manager Finance & Revenues
New	Workforce Planning Sessions to be undertaken with all Directorates to inform the Strategic Workforce Plan 2025-2028 and creation of Directorate Workforce Plans.	Improved workforce insights Improved workforce resilience Improved health and wellbeing of staff	31-Dec-2024	Senior Manager – HR and Workforce Development
New	Training in combating fraud and corruption for relevant officers	Increased identification of potential fraud and corruption	31-March-2025	Senior Manager Legal & Governance
New	Enable delivery of the digital and data transformation activities including roll out of M365, PSN compliance, IoT, in line with the Be the future transformational change programme	Improved customer and employee experience, delivering efficiency savings. Streamline processes and case management, assisting staff to deliver enhanced level of service. Improved business Intelligence and reporting through one central platform with dashboards and visualisation tools Deployment of M365 technical environment which meets security standards Tools which enable improved collaboration and ways of working efficiencies.	31- March - 2025	Strategic Director – Partnership and Performance


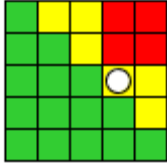
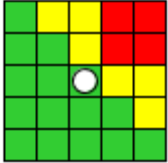
Business Plan Appendix - Service Risk Register

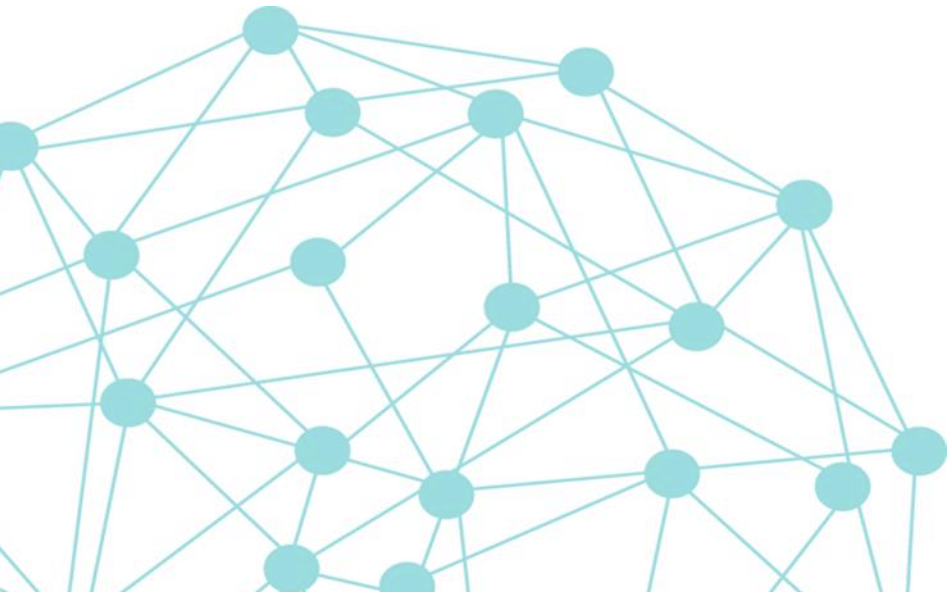
ID & Title	P&P SRR 001	Catastrophic Business interruption	Status		Managed By	Strategic Director - Partnership & Performance	Current Rating	9	Target Rating	6
Potential Effect	Breakdown or significant interruption in service provision for internal and or external customers as a result of catastrophic systems or knowledge loss or major incident.									
Related Actions	P&P 20 001	Co-ordinate major incident response/recovery and ensure that statutory plans for resilience are in place, updated and tested as part of a scheduled programme of work around Integrated Emergency Management and Business Continuity Management.	Internal Controls	Business Continuity Plans			Likelihood	Impact		
	P&P 20 028	ICT Infrastructure Plans								
	P&P 20 029	PSN & Cyber Security compliance								
Latest Note	Concurrent risks from supply chain and labour issues, the cost of living crisis, adverse weather, geopolitical events, cyber threats or major outage continue to pose an ongoing risk to business continuity. IMTs continue to be convened as necessary and a substantial review of business continuity plans, response and recovery arrangements as well as testing and debrief activity continues. There is also significant effort being placed on upgrading systems and infrastructure to mitigate or minimise cyber threats.									



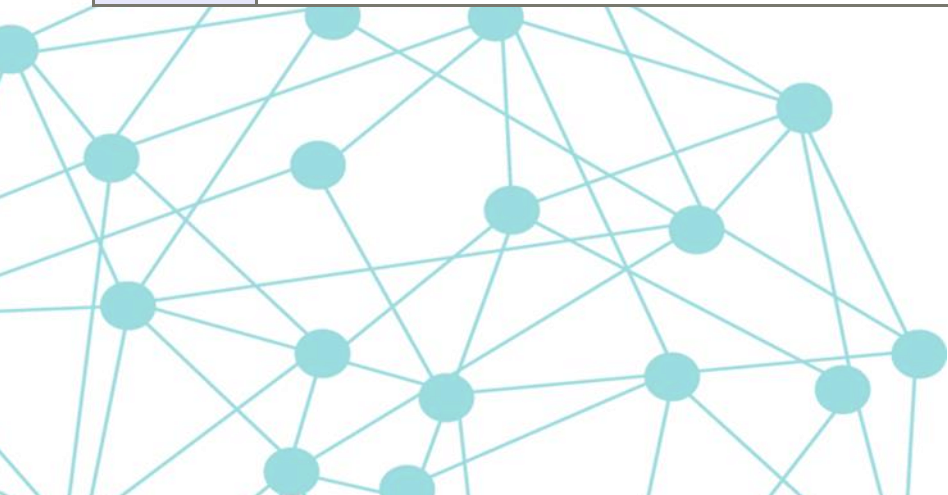
ID & Title	P&P SRR 003	Ineffective community engagement	Status		Managed By	Senior Manager Partnership & Transformation	Current Rating	12	Target Rating	9
Potential Effect	Sub optimisation of community empowerment opportunities and the risk that we will not be able to achieve our corporate priority to empower families and communities. Ineffective communication and engagement with communities may result in poor relationships, breakdown of trust and loss of confidence which impacts on the Councils reputation.						 Likelihood Impact	 Likelihood Impact		
Related Actions	P&P 20 003	Support consultation and engagement activities (budget and corporate strategies).	Internal Controls	Customer Consultation & Engagement						
	P&P 20 005	Refresh our Corporate Communications Strategy, related policies and Communications channels in line with Be the Future and the Strategic Roadmap.		Community Learning & Development Strategy						
	Refresh our Wellbeing Local Outcomes Improvement Plan 2024/34			Mainstreaming Equality & Diversity						
				Customer Charter						
				Community Asset Transfer Guidance						
				Unacceptable Behaviour Policy						
Latest Note	P&P resources for this area of work are modest and delivery or implementation requires a multi-service, and partnership led approach. Implementation of agreed approaches and policies with guidance and support is key to mitigating risks.									



ID & Title	P&P SRR 004	Poor Staff engagement	Status		Managed By	Senior Manager HR & Workforce Development	Current Rating	12	Target Rating	9
Potential Effect	Ineffective or poor engagement with staff resulting in poor relations and an inability to embed our values and achieve our vision. May also result in workforce gaps as a result of difficulties with recruitment and retention leading to difficulties in meeting statutory or regulatory requirements both now and possibly more acutely in the future.						 Likelihood Impact	 Likelihood Impact		
Related Actions	P&P 20 005	Refresh our Corporate Communications Strategy, related policies and Communications channels in line with Be the Future and the Strategic Roadmap.	Internal Controls	Staff Survey						
	P&P 20 010	Undertake Staff Survey		Strategic Workforce Plan						
P&P 20 013	Substantially conclude and Implement P&P Redesign, including implementation of immediate workforce plan priorities									
Latest Note	Work is planned as part of Be the Future programme through a refreshed workforce plan. Labour shortages continue to cause difficulties across the board, impacting on operations, staff and strategic priorities. Forecast suggest that labour shortages and supply chain issues may continue for the foreseeable future, with the potential to impact on the existing, ageing workforce. This will require an ongoing response of flexibility, adaptability and ingenuity.									



ID & Title	P&P SRR 006	Labour Shortages	Status		Managed By	Strategic Director - Partnership & Performance	Current Rating	16	Target Rating	9
Potential Effect	There is a risk that the labour shortage environment amplifies the risk of a significant governance failure that could lead to a potential for serious financial, reputational or workforce harms.									
Related Actions	P&P 20 006	Implement approved Mainstreaming Equalities and Diversity Report 2021/25.	Internal Controls	Internal Audit Programme						
	P&P 20 012	Embed new Health & Safety Management System		External Audit Assurance & Improvement Plan						
	P&P 20 019	Lead on the approach to deliver approved Annual Accounts		Annual Governance Statement						
	P&P 20 029	Implement PSN and Scottish Cyber Security Resilience Framework and identify associated improvement plan.								
	P&P 20 031	Consolidate corporate support Information management approaches and develop an action plan to address gaps								
	P&P 21 001	Refresh the Councils Prevent strategy and approaches including implementing a programme of training and reviewing the Prevent Multi-agency Panel (PMAP) process in line with CONTEST statutory duties and as part of the Corporate Risk and Integrity approach.								
	P&P 21 007	Procurement Strategy Review								
	P&P 21 014	Financial Regulations Review								
		NEW		Finalise the Fraud Strategy and Fraud risk management arrangements and implementing a programme of training for Directors and managers.						
	NEW	Whistleblowing Policy								
Latest Note	Staff turnover and a stretched and ageing workforce has resulted in increased risks of failures of governance. Capacity remains variable across the directorate, and therefore this risk will require ongoing significant focus. We have developed a workforce plan to identify and address a number of key areas of concern.									



ID & Title	P&P SRR 007	Financial Resilience	Status		Managed By	Strategic Director - Partnership & Performance	Current Rating	16	Target Rating	9
Potential Effect	Risk that current resource base cannot meet rising demand resulting from emerging environmental factors including the cost of living crisis, high inflation, financial constraint and climate change. .									
Related Actions	P&P 20 023	Lead on the approach to deliver an approved balanced budget 2025/20206	Internal Controls	Budget Strategy & Monitoring			Likelihood		Impact	
	P&P 21 015	Contract Standing Orders Review		Corporate Transformation Programme						
	Achieve savings for 2024/2025			Procurement Strategy						
Latest Note	Ongoing geopolitical events in Eastern Europe and the Middle East, previous high inflation, reduction in Government funding, increased Government priorities and cost of living crisis continue to impact on costs to the Council, it is also impacting on our communities, which in turn is increasing service demands. Given the extent of external environmental factors there is a large element of this risk that the Council may need to tolerate and react to in the short to medium term.									

ID & Title	P&P SRR 008	Failure to deliver Digital Transformation	Status		Managed By	Strategic Director - Partnership & Performance	Current Rating	16	Target Rating	9
Potential Effect	The aftermath of the pandemic and increasing financial constraint have driven accelerated demand and expectation for increased digital service provision. There is a risk that the Council will not be able to meet these changes or that increased reliance on digital services increases the risks associated with outages or related to information security.									
Related Actions	P&P 20 029	Implement PSN and Scottish Cyber Security Resilience Framework and identify associated improvement plan.	Internal Controls				Likelihood		Impact	
	P&P 20 031	Consolidate corporate support Information management approaches and develop an action plan to address gaps								
	P&P 20 032	Implement M365 and the Digital Champions Programme to support deployment across the workforce.								
	P&P 20 033	Deliver the agreed IT capital plan								
Latest Note	The Council continues to make significant investment in digital infrastructure, including in M365 digital and decommissioning or aged systems. This work will need to continue at pace over the next 3 to 5 years to meet citizen demand and to sufficiently realise benefits. Given the general increased risk profile across the board, including the impacts and consequences of geopolitical developments, this will remain an important area of ongoing focus.									



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Report to: Clackmannanshire Council

Date of Meeting: 29th August 2024

Subject: People Community Wellbeing Plan 2024-25

Report by: Lorraine Sanda, Strategic Director - People

1.0 Purpose

- 1.1. The purpose of this report is seek Council approval for the overarching People Community Wellbeing Plan for 2024-25. More detailed operational plans sit behind the One Page Plans.

2.0 Recommendations

- 2.1. It is recommended that Council:
1. Approves the plan.
 2. Notes the approach to combining all the People Directorate Plans and Community Partnership Plans into one overarching Community Wellbeing Plan, and agrees that the Chief Executive and Council Leader write to the Scottish Government on behalf of Council, recommending that this approach is considered more widely as a model to reduce bureaucracy and burden of reporting on local authorities.

3.0 Background

- 3.1. To reflect a One Plan, One Report approach, this year, the various different People Plans have been streamlined in to One Community Wellbeing Plan (Appendix 1).
- 3.2. A data mapping exercise was carried out across all People Directorate Plans. The Outcomes from the National Performance Framework and the Local Outcome Improvement Plan have also been considered and as a result One combined Plan has been developed, which is focused on the following outcomes:
1. Outcome 1 – Our children and young people (including women and girls) have improved life outcomes by growing up loved, safe and respected
 2. Outcome 2 – Our empowered communities are well designed, inclusive, sustainable, resilient and safe

3. Outcome 3 – People of all ages are able to successfully contribute to our communities as they are education, skilled and confident individuals
 4. Outcome 4 – Poverty in our communities is reduced by improving outcomes for all
 5. Outcome 5 – Our people are healthy and active with improved health and wellbeing
 6. Outcome 6 – Our Equality and Human Rights are respected and fulfilled by tackling inequalities across our communities.
- 3.3. The One Plan incorporates the following the Plans and includes the People Business Plan 2024-25:
- Children Service’s Plan 2024 – 2025 (*2024-2027 plan underway*)
 - The Promise Plan 2023 -2026
 - National Improvement Framework 2024 – 2025 (incorporating the Scottish Equity Fund Plan)
 - Local Child Poverty Action Plan 2024 -2030
 - Violence Against Women and Girls Plan 2023 -2026
 - Community Justice Plan 2023 -2028
 - Community Learning and Development Plan 2024 – 2027
 - Sport and Active Living Framework 2024 -2028
 - Family Wellbeing Partnership Plan 2024 -2026

More detailed operational plans sit behind the One Page Plans.

- 3.4. As some of the Plans are required as partnership plans, and will be submitted to Scottish Government, these will still be presented to the Alliance in October for final approval.
- 3.5. All Plans contribute to the following four Strategic Priorities:
1. Empowering Families and Communities
 2. Health and Wellbeing

- 3. People Workforce
- 4. Sustainable, Inclusive Growth

3.6. The One Plan is consistent with Council Business Planning Guidance. The Actions identified have been developed following rigorous assessment and evaluation of data and feedback from communities, children and families, and other stakeholders. The People Directorate is taking a lead in driving innovative approaches to Public Sector Reform and collaboration with national and local organisations, and this is reflected in the Plan.

4.0 Sustainability Implications

4.1. Sustainability is integrated into all People Directorate planning.

5.0 Resource Implications

5.1. *Financial Details*

5.2. *Staffing*

6.0 Exempt Reports

6.1. Is this report exempt? Yes (please detail the reasons for exemption below) **No**

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box) all

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies**

Complies with relevant Council policies.

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers.

Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1 - Community Wellbeing Plan 2024 – 2025 (People Directorate)

11.0 Background Papers

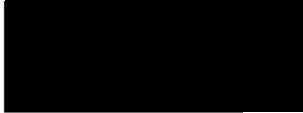
11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No X

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Lorraine Sanda	Strategic Director (People)	2425

Approved by

NAME	DESIGNATION	SIGNATURE
Lorraine Sanda	Strategic Director (People)	

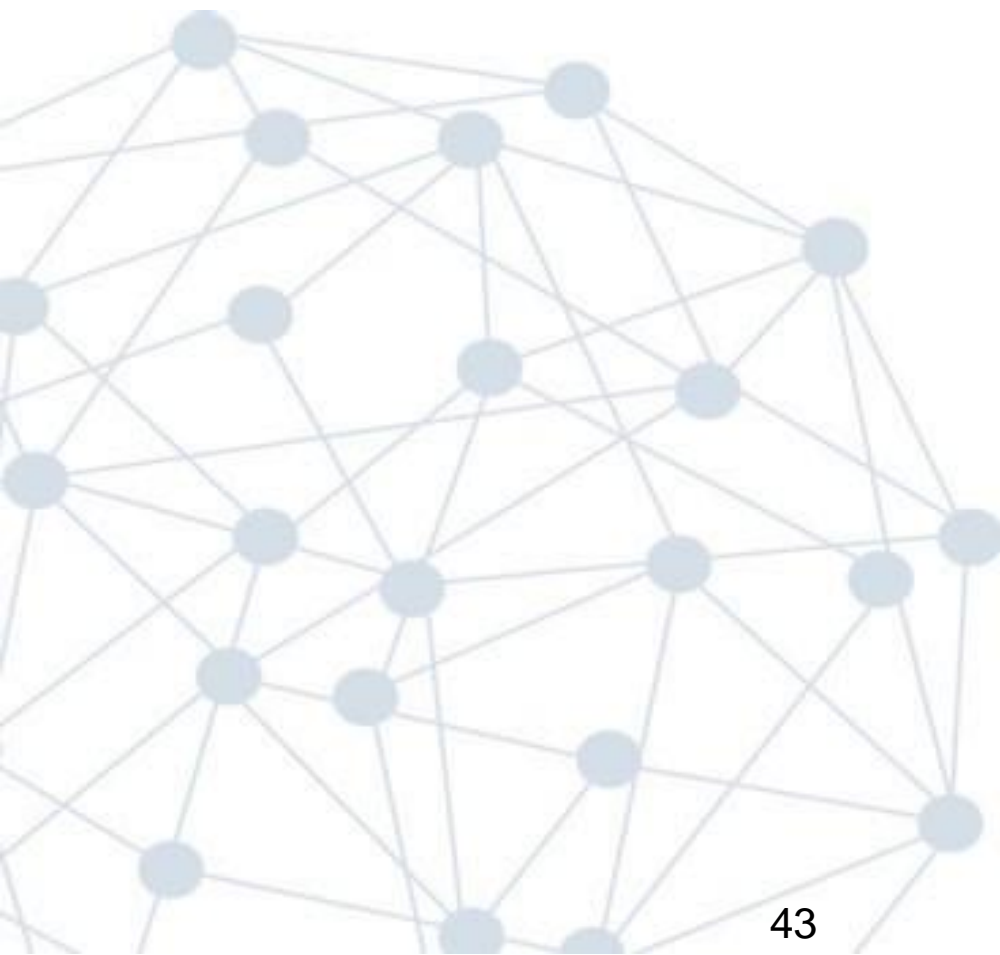


Community Wellbeing Plan 2024-2025

People Directorate

Incorporating: People Business Plan 2024-2025

One Plan, One Report



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Introduction

This Community Wellbeing Plan provides a framework for an **integrated and outcomes focused approach to improving outcomes for people and communities** across Clackmannanshire. This Plan incorporates the **People Business Plan** for the forthcoming year and is compliant with the corporate Business Planning Guide (February 2021).

It sets out our **strategic intent and objectives** that influence and interact with other key strategic plans across not only People Directorate [People], but the wider Clackmannanshire Wellbeing Economy Themes [*will be updated with new Wellbeing LOIP outcomes which are currently in development*], National Performance Framework and our Partnerships.

Whole System Approach: One of the recommendations from The Christie Commission noted that public services can become more efficient by adapting a “whole system approach” across public, third and private sectors, **reducing duplication** and **sharing services** wherever possible.

The Auditor General for Scotland highlighted a continuing focus by the public sector on ‘short term service-specific’ measures rather than the ‘longer term outcomes’ for individuals and communities.

Across People there are several **strategic plans** and **community planning partnership plans**; as well as strategies and reporting frameworks which convey how services are working towards both **individual and shared outcomes and objectives**.

This Strategic Plan addresses both the recommendations of the Christie Commission and the Auditor General for Scotland.

Following an extensive data mapping exercise, a review of objectives and outcomes across all plans and a Strategic Needs Assessment, the following 6 outcomes have been identified.



Strategic Outcomes	
1	Children and Young People have improved life outcomes by growing up loved, safe and respected
2	Empowered communities are well designed, inclusive, sustainable, resilient and safe
3	People of all ages successfully contribute to our communities by developing skills for learning, life and work
4	Poverty in our communities is reduced by improving outcomes for all
5	People are healthy and active with improved health and wellbeing
6	Human Rights are respected and fulfilled by tackling inequalities across our communities

Plan of Actions

Strategic Actions for Community Wellbeing Plan 2024-25

In summary, during 2024-25, the People Directorate will ensure that:

1 Children and Young People have improved life outcomes by growing up loved, safe and respected, we will:

- Ensure women and girls feel equally safe at home, in work and in the community
- Review provision for children with disabilities, in partnership
- Ensure place based whole family support is available at the point of need
- Ensure a portfolio of accommodation and supports to deliver on the Promise

2 Empowered communities are well designed, inclusive, sustainable, resilient and safe, we will:

- Deliver on a new Transformation Funding Vehicle for the Family Wellbeing Partnership
- Improve the use of data to drive improvement, in collaboration with partners
- Increase collaboration with partners and communities
- Develop an Anti Social Behaviour Strategy informed by a comprehensive audit
- Develop an overarching Voice Strategy for Empowering Families and Communities
- Improve Community Justice outcomes

3 People of all ages successfully contribute to our communities by developing skills for learning, life and work

- In partnership with Place Directorate, review and implement a new Learning Estate Strategy
- Strengthen Workforce Development and address any issues
- Ensure high quality self-evaluation and robust Quality Assurance informs service improvement planning
- Improve attainment, with a particular focus on closing the attainment gap

4 Poverty in our communities is reduced by improving outcomes for all, we will

- Test and deliver a system of All Age Childcare for identified communities of need; alleviating poverty by reducing the cost of living and increasing household income
- Cost of living and income maximisation opportunities are prioritised

5 People are healthy and active with improved health and wellbeing

- Ensure effective mental wellbeing services are in place for children, young people and communities
- Ensure the delivery of the Wellbeing Hub and new Lochies School remains on track
- Increase opportunities for children, young people and families to engage in positive and healthier behaviours and choices, with a particular communities focus on those facing inequality

6 Human Rights are respected and fulfilled by tackling inequalities across our communities

- Embed UNCRC (Scotland) Act across all services within the People Directorate
- Reduce inequality through delivery of opportunities co-designed with communities
- Deliver more opportunities which are co-designed with communities
- Review Additional Support for Learning Provision to ensure that the needs of all learners are met

Service Purpose and Objectives

The People Directorate plays an integral role in supporting the delivery of the Council's vision and outcomes. The Directorate is committed to **improving the life chances and outcomes for children, families and communities**, with a particular focus on the most vulnerable.

The Plan sets out our outcomes, priority actions and measurement plan over the next 12 months and has been developed considering the views and experiences of children, young people and families. It demonstrates partnership working to **improve outcomes**.

Individual services and teams have their own Plans and where partnership working enhances the priorities of discrete Service Plans, they are included within our priorities. These individual plans have been summarised into this Plan as a "**Plan on a Page**" and can be found towards the end of this document. Services and teams use their own management information, data and self evaluation to monitor their performance.

Partnerships

Partnerships in Clackmannanshire are integral to improving outcomes for families and communities.

Where existing partnership groups exist, these have been referenced in the Plan. For example, the Tackling Poverty Partnership, Children and Young People's Strategic Partnership, Child Protection Committee and Clackmannanshire and Stirling Alcohol and Drug Partnership. These provide a place to develop a coherent and whole systems approach to tackling local and national priorities.

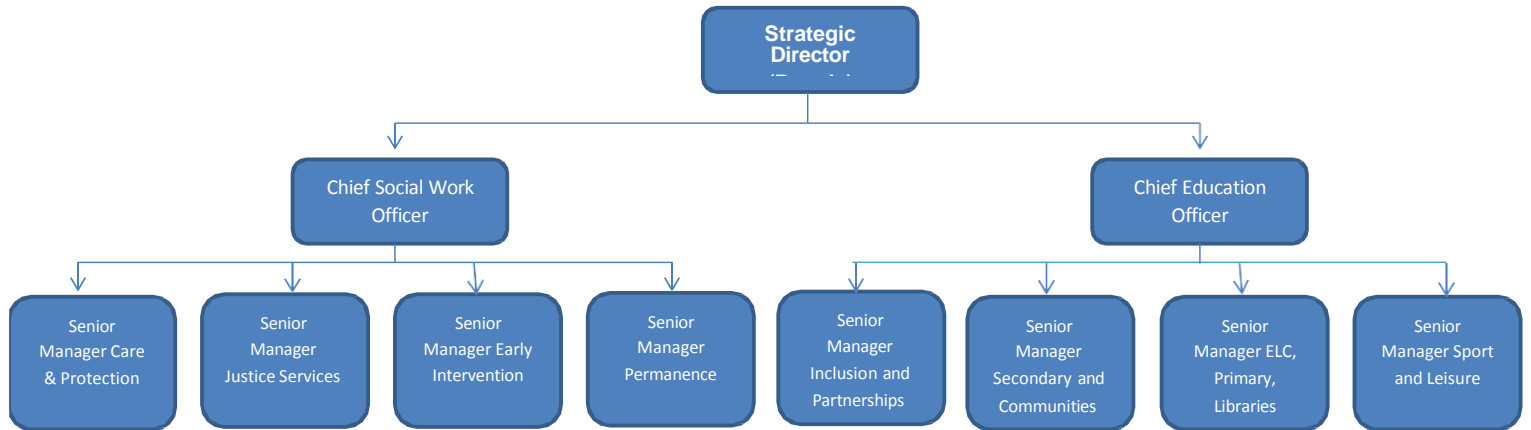
This Plan sets out the combined strategic **key actions** that the People Directorate will deliver in 2024-25.

This plan and approach align with, the 'Be the Future' Programme, Community Wealth Building and the Wellbeing Wellbeing Economy. It supports the Local Outcome Improvement Plan.

The plan sets out targeted aims, outcomes, priorities and activities for 2024-25. It focuses on **collaboration** and intelligence gathered from across the system; particularly, stakeholders' needs. There is a continuing focus on the Health and Wellbeing of our staff, our families and communities, as we continue to address the short, medium and long term effects and learning from the impact of the COVID and cost of living crisis.

As set out in the 'Be the Future' Programme, we need to work differently to deliver **sustained and improved outcomes** for our communities; connecting and collaborating with our public sector and third sector partners, businesses and empowering our families and communities. This means embracing new ways of working, structuring and delivering our services differently; in a more integrated and collaborative way, based on the principle of **continuous improvement**, and prioritising getting the basics right, as outlined in Clackmannanshire's Targeted Operating Model (TOM).

Service Structure



Service Budget

This budget is based on the current People Directorate allocations and may be subject to change due to additional financial burdens.

Revenue Budget 24/25	£,000
Care and Protection	18,342
Education and Learning	62,427
Strategic Director-People	-187
Support and Wellbeing	1,727
TOTAL	82,309
Capital Budget	£,000
Digital Learning Strategy	250
ICT Replacement Secondary Schools	125
ICT Upgrade Primary Schools	90
Fitness Equipment	6
Wellbeing Hub and Lochies school	5,635
Free School Meals Infrastructure	180
Learning Estate including DDA adaptations	620
TOTAL	6,906

The overall People budget for 2024-25 is supplemented by various external funding sources including:

- Scottish Equity Funding (Including Pupil Equity Funding and Care Experienced) - £2.67m
- Whole Family Wellbeing Fund - £337k
- Community Mental Health and Wellbeing Fund - £138k

Additional funding leveraged includes:

- sportscotland - £300k p.a.
- Planet Youth - c£97k
- Family Wellbeing Partnership - c£300k
- The Hunter Foundation - c£100k
- The Child Wellbeing Partnership (Early Adopter Community – Childcare) has received a grant offer letter for c£5.8m multi year funding to March 2026.

Key Strategies

The People Directorate operates within a highly complex environment. Its key objectives are driven by several overlapping strategic plans, policies and legislation including:

- National Improvement Framework
- Children and Young People (Scotland) Act (2014)
- Getting it Right for Every Child
- Children’s Rights – United Nations Convention on the Rights of the Child (UNCRC)
- Expansion of Early Learning and Childcare
- Curriculum for Excellence
- Strategic Equity Funding
- Forward: Scotland’s Public Libraries Strategy 2021-2025
- Community Empowerment (Scotland) Regulations 2013
- Parental Involvement (Scotland) Act 2006 and national Parental Involvement and Engagement Action Plan ‘Learning Together’ launched in August 2028
- The Education (Additional Support for Learning) (Scotland) Act 2013 (as amended 2009)
- Developing the Young Workforce and Youth Employment Strategy
- Tackling Child Poverty Delivery Plan 2022-26 Bright Start, Bright Futures
- The Promise Plan 2024-30
- Forth Valley and West Lothian Regional Improvement Collaborative (RIC) Plan
- Equally Safe – Scotland’s strategy for prevention and eradicating violence against women and girls
- Framework for Risk Assessment Management and Evaluation (FRAME) with children aged 12-17. Standard, Guidance and Operational Requirements for risk practice June 2021
- Age of Responsibility (Scotland) Act 2019
- Section 13 of the Children’s (Scotland) Act 2020 (Standing Up for Siblings)
- Secure Care Pathways and Standards Scotland October 2020
- National Youth Justice Vision and Strategy June 2021
- Active Scotland Delivery Plan (2018)
- National Guidance for Child Protection in Scotland 2020

and a range of Service strategic documents and publications as follows:

Service Strategy or Policy	Approved/ Last Reviewed	Review Date
Clackmannanshire Children's Services Plan 2021-2024	August 2021	2024-26 Under Development
Community Justice Improvement Plan 2023-2028	August 2023	August 2024
The Promise Plan 2023-2026	August 2023	August 2025
National Improvement Framework (NIF) Education Plan 2023-2024	August 2023	August 2024
Family Wellbeing Partnership Plan 2024-2026	May 2024	April 2025
Digital Learning Strategy 2023-2025	May 2023	May 2025
Additional Support for Learning Strategy 2024-2027	February 2024	August 2026
Strategic Equity Fund Plan 2023-2024	September 2023	September 2024
Health and Wellbeing Strategy	August 2023	August 24
Learning, Teaching and Assessment Strategy	Refreshed June 2024	January 2025
Outdoor Learning Strategy	Implementation Phase	December 2024
Numeracy Strategy	Refreshed 2023	August 2024
Literacy Strategy	Refreshed 2023	August 2024
Parental Involvement and Engagement Strategy	August 2021	August 2024
Learning Estate Strategy, 2019-2040	2023	2040
Community Learning and Development Partnership Plan, 2023-2024	August 2023	August 2024
Sport and Active Living Framework Refresh 2024-2028	March 2024	August 2027
Violence against Women and Girls Strategy 2023-2026	August 2023	August 2024
Clackmannanshire Transitions Policy for young people with additional support needs to adulthood	February 2024	August 2025
Forth Valley Inter Agency Child Protection Guidance 2023	December 2023	October 2024
Forth Valley GIRFEC Guidance	Refreshed July 2024	August 2025
Forth Valley Guidance Getting our Priorities Right for Children and Families affected by Parental Alcohol and Drug Use (2019)	2023	2024

Key Issues for Service

Financial sustainability remains a key challenge and theme for the Council. The negative impacts of rising costs, the Covid crisis and on-going economic challenges are felt across Clackmannanshire and add continuing pressure on services.

As a result, our focus must remain on transforming services and alternative delivery models.

The context of need in our communities is evidenced in the demographic profile [page 12] and continues to be challenging with:

- Higher than average numbers of children who are looked after, often due to areas of significant deprivation and parental substance use.
- Increasing numbers of children with additional support needs in schools and Early Learning Centres.
- Increased emphasis on Public Protection incorporating Child Protection, Adult Support and Protection, substance use, gender-based violence and Multi-Agency Public Protection Arrangements in respect of Community Justice.
- Identification, with partners, of new and innovative community payback placements for unpaid work
- On average there were 118 incidents of domestic violence recorded by the police in Scotland per 10,000 population in 2021-22. Clackmannanshire was in 4th place (146), a slight fall in the previous year's figures of 3rd place (158)

An additional key issue for the People Directorate and community planning and partners is the impending educational reform, which has been informed by the findings of The Organisation for Economic Co-operation and Development (OECD), Muir, Hayward and Withers reviews. Consequently, there will be several significant developments within Scottish Education over the months ahead. Additionally, there are changes pending regarding the new qualifications authority, Education Scotland and Centre of Excellence.

Likewise, there is also uncertainty around the implications of the impending National Care Service.

In Clackmannanshire, we aim to ensure that the voices of our learners, practitioners and communities are pivotal to our trajectory, and we will respond to national educational developments in a manner which best meets the needs of the Children and Young People in our Clackmannanshire context.

Approaches

The Council's Target Operating Model (TOM), agreed in August 2022, aims to allow the Council to transform from its current operating model to one that is sustainable for the future.

The People Directorate has made significant contribution to the 'Be the Future' Transformation Programme and elements within the TOM:

- Family Wellbeing Partnership *
- Innovative and collaborative approach to the Wellbeing Hub and Lochies School development
- STRIVE – Safeguarding through Rapid Intervention
- Mental Health Transformation
- The Promise
- Digital Learning
- Justice Hub Model

*The Family Wellbeing Partnership is an overarching **cross portfolio approach** which aims to shift to early intervention and prevention, person-centred delivery models and increased collaboration with community partners and third sector organisations.

Stakeholder Engagement

Key national policies or legislation such as The Promise, The Scottish Approach to Service Design and the United Nations Convention on Children's Rights have supported the People Directorate to develop our approach to working in partnership and collaboration with the families and communities we serve.

This plan confirms our collective goal to move beyond consultation to direct participation in decision making and co-design of services. Several key areas of activity such as the Family Wellbeing Partnership, The Promise and the development of community led service design are examples of the continued commitment to ensuring that all our activity is influenced by the voice of lived experience.

Some examples of engagement with stakeholders this year are listed below:

- What Matters to You? has provided engagement with community members regarding services for their communities.
- The appointment of the Whole Family Wellbeing Participation and Engagement Officer has produced several opportunities for participation of families and third sector in the development of services, policies and plans.
- The Clackmannanshire Family Support Collaborative has been developed in partnership with families and third sector organisations. This has included the introduction of Family Voices Groups to co-design the delivery of family support in Clackmannanshire.
- There has been extensive engagement with children, families and third sector regarding the development of the Child Wellbeing Partnership childcare provision (Scottish Government, Early Adopter Community). A suite of co-design Childcare Charters for children, parents, carers, guardians and providers have been developed.

- THRIVE group members have been supported to develop and deliver the group for other local participants
- Guides were developed with young people to explain the implications of the adoption of the UNCRC into Scots Law
- Mental Wellbeing Survey for Primary and Secondary pupils
- Engagement with Youth Council and all schools to share information on areas such as UNCRC
- Partner engagement with stakeholders to develop key priorities for Service Development – Columba 1400, MCR Pathways, Youth Link Scotland, Winning Scotland Foundation, DYW, Skills Development Scotland, NHS, etc.
- Extensive collaboration has taken place regarding the review and development of Youth Justice Provision in Clackmannanshire
- Children and Young People’s Centre for Justice consultation and input from young people for youth justice redesign
- Lived experience input for redesign and targeting of Justice Services.
- Columba 1400 Cohorts with young people, families, individuals and communities
- WEAll–Wellbeing Economy Alliance work with Family Wellbeing Partnership and employability stakeholders
- Review of holiday provision provided by the Sport and Leisure team undertaken with both attendees and their families after October, Easter, Christmas and Summer programmes annually which help shape future planning of activities
- Continued public, stakeholder and partner engagement has taken place to inform the development of the Wellbeing Hub and Lochies School development and future leisure provision including the co-design with groups of community representatives with lived experiences, and design competition with S3 and S4 pupils
- Extensive stakeholder and public engagement has taken place regarding the development of the new Children’s Services Plan and family support strategy
- Ongoing engagement with Third Sector, Statutory partners, schools, ELCs and community on the Planet Youth / Icelandic Model
- Engagement with kinship carers has continued through the Kinship Care Support Group and introduction of lead kinship care staff for each locality
- Oor Clacks Voices has reviewed key plans e.g. The Promise plan and have co-designed the Language of Care Policy
- Consultation and engagement took place with parents regarding the Clackmannanshire Transition Policy for Young People with Additional Support Needs
- Young Carers’ Groups in schools
- LGBT Youth – Clax LGBT Youth Group (13-25 years)

Demographic Profile

The demographic profile for Clackmannanshire helps set the context of Clackmannanshire to the rest of Scotland and is included in many of our Plans and Annual Reports across the People Directorate. This year it is also being used to inform our **Strategic Needs Assessment [SNA]** which guides decision-making, resource allocation, and planning efforts across the Community Wellbeing Plan.

Our current priorities were identified through a [data mapping exercise](#), undertaken in Feb/March 2024 and used to inform our new outcomes.

The demographic profile has included where available, data at local authority level however, where this data is not available, the Scottish context has been included and it can be used to *draw comparisons* with any locally held data/local intelligence.

Demographic Profile: Methodology and Format.

The following pages detail the current picture around the threats and risks that are likely to impact on the achievement of our outcomes. Information detailing several Scottish National Performance Network (SNPF) indicators are also included as they help provide national context.

Where the local context is not available, data/information has been provided which should allow for inferences to be drawn with the local context, for example, data at Scottish Index of Multiple Deprivation [SIMD] level should give the same context for the same SIMD area locally.

Population

Clackmannanshire is one of the **smallest** mainland councils in Scotland, covering an area of 61.4 square miles, with 293 kilometres of road, and classed as semi-rural. Census data records the population of Clackmannanshire at **51,800** [20/03/22] almost 1% of the Scottish population. Over the next 10 years, the population of Clackmannanshire *is projected to decrease* by 1.7% due to natural change (more deaths than births).

There are 72 datazones across Clackmannanshire [out of 6976 across Scotland]. Over the last 10 years, 86% of datazones have reported an increase in the median age with the *average age increasing by 3.2 years* compared to the Scottish average of 2.1 years.

20.8% of Clackmannanshire population is 65 and over, **more** than across Scotland where it is 20.1%. Reflecting the picture across Scotland there are **more females than males** living in Clackmannanshire [51.1% compared to 48.9%].

There are 5 electoral wards in Clackmannanshire: Clackmannanshire Central, Clackmannanshire East, Clackmannanshire North, Clackmannanshire South, and Clackmannanshire West. The largest population can be found in Clackmannanshire West.

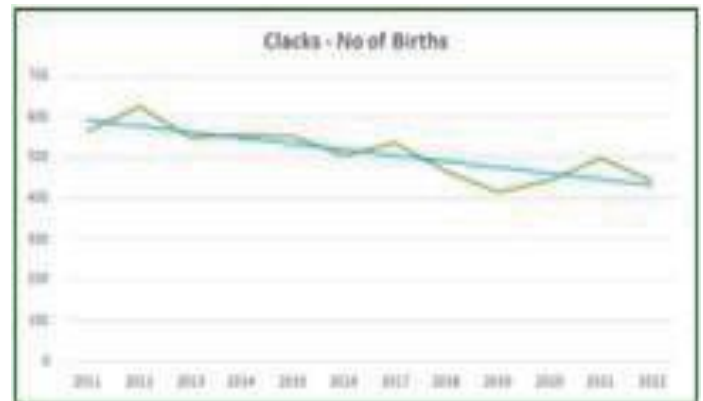
Clackmannanshire has 9 main localities or neighbourhood settlements:

Alloa, Alva, Clackmannan, Dollar, Menstrie, Muckhart, Sauchie, Tullibody, Tillicoultry

A higher proportion of older people [61 and over] live in Clackmannanshire North, a higher proportion of 18-20 year olds and 51-55 year olds live in Clackmannanshire South.

More than a quarter of Clackmannanshire population consists of 0 to 24 year olds [27% - same as across Scotland] with 17.2% being 0 to 15 year olds [higher than across Scotland where it is 16.6%].

In 2022, there were 444 births across Clackmannanshire, a **fall of 7.5%** on the year before and continuing a *decreasing trend*.



Deprivation

A quarter [25%] of all SIMD datazones across Clackmannanshire fall into the 20% most deprived data zones [equates to 18 datazones].

Eight [8] datazones have **more than a quarter** of people who are income deprived, with one datazone in the Alloa South and East area recording **almost half [47%]**. Other datazones include other areas in Alloa

20% most deprived datazones:

- Clackmannanshire South has 6
- Clackmannanshire West has 5
- Clackmannanshire Central has 4
- Clackmannanshire North has 2
- Clackmannanshire East has 1

South and East, Tullibody North and Glenochil, Tullibody South and Tillicoultry.

Revised SIMD data indicates that Clackmannanshire has **10% of its population in the most deprived SIMD area**; 9th highest across Scotland and only 5% of its population is in the least deprived SIMD area. The youngest age group can be found in the most deprived area.

Poverty

The most used poverty indicator in Scotland for showing trends is *relative poverty after housing costs*. Poverty is defined at the household level. If the household income is below the poverty threshold, all people within the household are in poverty. Other poverty measures are absolute poverty, low income and material deprivation and persistent poverty.

A person is in relative poverty if their current household income is *less than 60% of the current UK median*. Increases in the proportion of people living in relative poverty indicate that the gap between the poorest households and the middle income households is **widening**. It is estimated that **21% of Scotland's population were living in relative poverty after housing costs** [three-year average 2020-23]. **A third** of people in poverty live in households that lack high food security. People are in severe poverty when their household income is less than half of the UK median income. **Very deep or severe poverty continues to rise**, and research indicates that nearly half of all people in poverty are in very deep poverty.

Youngest households [household head aged 16-24 years] are consistently more likely to be in relative poverty compared to older households. The poverty rate for a single parent in a household has remained the same at 38%.

Child Poverty

The Child Poverty Action Group reports the cost of bringing up a child at an acceptable standard of living in the UK is at least £166,000. Family incomes are boosted in Scotland by a combination of universal and means tested Scottish Government policies with the combined value reducing the net cost to low income families of bringing up a child by over a third. For typical out-of-work families in Scotland the additional support and lower costs mean that this shortfall can be reduced to around 40 per cent. Despite the additional support many families are still struggling to meet a socially acceptable standard of living.

Across Scotland, it is estimated that **24% of children** [240,000 children each year] are living in relative poverty after housing costs [3 year rolling average 2020-23]. It is estimated that 70% of children in relative poverty after housing costs are living in working households with **78% of children in households with high food security**.

The more children in a household, the higher the poverty rate. Since 2018, the rate has increased to 38% for households who have 3 or more children, however in households with 1 to 2 children this rate has fallen from 23% to 19%. Mothers under the age of 25 experience a higher poverty rate.

Almost a third of children are in workless households [31%], one of the highest rates across Scotland and the UK.

The latest child poverty statistics across Clackmannanshire indicate the percentage of children aged 0-15 years living in relative poverty **has increased** from 25.5% to **27.3%** in 2023. This equates to 2423 children, an increase of 159 children compared to 2022.

This is the third highest in Scotland with only Glasgow City [33.5%] and North Ayrshire [28.5%] reporting a higher percentage of children in low-income families than Clackmannanshire.

The percentage of children in absolute poverty increased from 20.6% in 2022 to 21.9% in 2023, an increase of 119 children.

% of Child Poverty by Electoral Ward 2023

- Clackmannanshire Central 35.6% [increase of 60 children] ** Largest yearly increase**
- Clackmannanshire North 31% [increase of 22 children]
- Clackmannanshire South 30.1% [increase of 63 children]
- Clackmannanshire West 23.2% [fall of 6 children]
- Clackmannanshire East 17.5% [increase of 15 children]

Across Scotland, DWP statistics report 233,542 children were living in relative low income in 2022-23, an increase of 28.9% since 2016-17.

- 58.7% of children were living in lone parent households
- 37.6% living in nonworking households

Across Clackmannanshire the same DWP statistics report, 2855 children were living in relative low income in 2022-23, an **increase of 36.3%** since 2016-17 [760 children]; **higher** than the percentage increase across Scotland. 65% of children were living in lone parent households in 2022-23 compared to 50% in 2016/17; 42% were in non-working families in 2022/23, no change to 2016-17, where it was 43%. 1645 children were living in working families [defined as a family that have an accumulated period of at least 26 weeks paid employment or self-employment within the 52 week tax year].

Costs of Living

Households with low income have been affected by the recent cost of living crisis with increases in food, fuel and interest rates. At risk households are similar to the same households with low income. Households narrowly ineligible for means-tested benefits have been impacted more as they narrowly miss out on qualifying for the extra Cost of Living payment for low-income households.

It is estimated that across Scotland there could be around 10,000 households in this group. Households with an unpaid carer i.e. anyone who provides care for a friend, neighbour or family member unpaid are also likely to be negatively impacted through the increase in cost of living.

The Joseph Rowntree Foundation reported that in the Spring of 2023, 7 in 10 people in Scotland reported they had cut back in one or more essential; either food, heating or for some, skipping meals. The percentage of people increased to 1 in 8 in single parent households, low income households and large families.

Fuel Poverty

In 2022, 31% of all households [791,000] were estimated to be in fuel poverty, of which 18.5% of all households [472,000] were in extreme fuel poverty. This is higher than the 2019 estimates of 24.6% [613,000 households] and 12.4% [311,000 households] respectively.

Overall rates of fuel poverty differed between the social [48%] and private sector [26%]. Similarly, households in the social sector were more likely to be in extreme fuel poverty [26%] compared to households in the private sector [16%]. **More than a quarter [27%]** of housing across Clackmannanshire is socially rented; 21% is by the local authority. Eight per cent [8%] of housing is rented privately.

The latest fuel poverty stats published at local authority level is a 3 year average 2017-19. At that time, it was estimated that **23.7%** of households across Clackmannanshire were in fuel poverty [Scottish figure was 24.4%]. The estimated households in extreme fuel poverty were 9.2% [Scottish average was 11.9%].

AT RISK HOUSEHOLDS: disabled people, lone parent families, minority ethnic households, other child poverty priority group households (3+ children, mother under 25, baby under 1), renters (private and social), young adults (under 25), unemployed adults - those with no formal qualifications, recipients of income-related benefit, people with no recourse to public funds and people with multiple and complex needs.

It is estimated that at least **30% of all households across Clackmannanshire are in fuel poverty in 2022.** [calculated using the updated Scottish figure and considering the difference in 2019].

Carer's Allowance

According to the latest Carers Survey 2022-23 there were 44,310 individual carers, **5% more** than the year before. Three in five carers [60%] included in the Carer's Census in 2022-23 were working age (18 - 64 year old) adults. DWP data indicates that in 2022-23, 58,950 households received Carer's Allowance. This is an **increase of 38.3%** since 2016/17. The largest increase using 2016-17 as the base year is in the age groups 60 to 74 years [indicates ageing population].

Out of Work Benefits

In April 2024, **3.2%** of the population across Clackmannanshire [1030 people] with claiming out of work benefits, slightly more than the Scottish average of 3.1%; more males than females were claiming; 3.9% and 2.5%

respectively [reflects the national picture]. Despite being higher than the Scottish average, this *rate is lower* than the same period in 2023 where it was 3.9% with the gap to the national narrowing – Scottish was 3.3%.

More young people [18 – 21 year olds] are claiming out of work benefits than any other age group at 6.1%, more than the Scottish average of 4.6%. Despite being higher than the Scottish average, this rate is lower than the same period in 2023 where it was 7.5%.

Claimant Count

The Claimant Count is an experimental statistic that measures the number of people who are claiming unemployment-related benefits. The Claimant Count in Clackmannanshire was 1070 in March 2024 [3.4%], down from March 2023, when there were 1220 claimants, 9th highest across Scotland, an *improvement* on the year before where Clackmannanshire was 7th highest at 3.8%.

Food Insecurity

Eating well, maintaining a healthy weight and regular physical exercise are key public health priorities for Scotland. Poor diet is a leading risk factor for ill health and has been linked to a range of health conditions. Risks can be reduced by improvements in the nutritional content of diets [increasing fibre, fruit and vegetable intake, decreasing salt, fats and sugar] and overall reductions in elevated body mass.

Research by the University of Glasgow highlighted the negative impact on food insecurity and the widening of existing inequalities with an **89% increase** in demand for emergency food parcels in the UK in April 2020 compared with the same period in 2019 and *foodbank demand more than doubling* during the same period.

According to the Scottish Health Survey for the period 2018-2022, 9% of the overall population were worried they would run out of food; this is no change to the previous 3 year period.

Across Clackmannanshire a *lower percentage* than the overall Scottish population admitted they would run out of food – **7%** in the three year period 2018-2022 which is slightly more than the previous 3-year period where it was 6%.

The Gate Charity is recognised as one of the main foodbank providers across Clackmannanshire. Established in 2011, its aim was to initially help people who were affected by homelessness and food insecurity. Their most recent Annual Report [2022] reports they supported 5,980 people in 2022, provided 2,830 food parcels and distributed 179,400 meals. At their local soup pot, they served 1,100 meals.

Scottish Welfare Fund

The Scottish Welfare Fund is made up of two different grants. To be eligible you must be 16 years or older and on a low income or getting certain benefits. These grants do not need to be paid back. A Crisis Grant is to help with an emergency like a fire or flood, losing money or a job.

In 2022-23 there were **2,710 Crisis Grants** applied for across Clackmannanshire, 0.9% of the Scottish total, like the year before, and lower than in 2020-21.

Workless Households

In 2022, across Clackmannanshire **48.2%** of households were “working households” *lower* than the Scottish average of 57.6%; and 27.5% were “workless households”, higher than the Scottish average of 17.8%. Just under a quarter [24.3%], like the Scottish average [24.6%] are classed as “mixed households”; a mix of at least one working and one workless adult, almost a third [31%] of workless households have children, much higher than the Scottish average of 10.2%.

Across Scotland 45% of workless households give the reason for living in workless households as being due to “sick/disabled” which is 11 % points higher than across England. Up from 37.6% in 2021.

Housing

In 2022, the number of households in Clackmannanshire was **24,157**. This is a *0.3% increase* from 24,077 households in 2021. In comparison, the number of households in Scotland overall increased by 0.8%.

Between 2018 and 2028, the number of households in Clackmannanshire is **projected to increase** from 23,674 to 24,384. This is a **3.0% increase**, which compares to a projected increase of 4.9% for Scotland as a whole.

DWP data indicates that across Scotland in the financial year 2022-23, there was a *fall of the number of households containing children* to 585,118 households, a fall of more than 26,000 households.

Homeless

Across Scotland the number of homelessness applications in 2022-23 **increased by 9%** compared to the year before, equates to more than 53000 people of which 31% were children.

More households and children in temporary accommodation [as of 31 March 23] with the number of children in temporary accommodation *increasing by 9%* compared to the previous year.

Across Clackmannanshire there was a **yearly increase of 8%** in the number of homelessness applications [593] in 2022-23 – equates to 758 people [Including children]. The percentage of live homelessness cases **increased by 31%** [as of 31 March 23] *higher* than the Scottish average of 15%; tenth highest increase across all local authorities.

Despite the increase in homelessness there was a **4% fall in the number of children associated with homeless applications** [bucks the national trend].

[As of 31 March 23] across Clackmannanshire the number of households in temporary accommodation **increased by 9%**; higher than the Scottish average of 6% and ninth highest across all local authorities. The number of households with children or pregnant women **increased** to 30 [20% increase] with 5 more children in temporary accommodation than the previous year [45 children]; equates to a **13% increase**, again higher than the Scottish average.

Council Tax Reduction

There were 454,350 Council Tax Reduction [CTR] recipients in Scotland in March 2023, a **decrease of 1.8%** from 462,670 in March 2022. The weekly income forgone by local authorities due to the CTR scheme was £7.364 million in March 2023, compared to £6.829 million in March 2022; an increase of 7.8%.

Of all CTR recipients in March 2023:

- 58% [261,220 recipients] were in one of the 30% most deprived areas in Scotland, the same as in March 2022
- 36% [163,180 recipients] were aged 65 or over, the same as in March 2022
- 17% [75,100 recipients] were lone parents, compared to 16% in March 2022

In the 10 year period [April 2013 – March 2023] the percentage of CTR recipients has fallen by 17.7%. **20.8% of households** [dwellings] in Clackmannanshire were in receipt of CTR in March 2023; 17.7% of households [dwellings] across Scotland were in receipt of CTR in March 2023.

Across Clackmannanshire, in December 2023, there were 5,050 CTRs, a **reduction of 0.8%** from 5,090 in March 2022. The percentage fall is slightly lower than the average across Scotland. As of March 2023, the proportion of CTR recipients as a proportion of the Scottish population is 1.1%. In the 10 year period [April 2013 – March 2023] the percentage of CTR recipients has **fallen by 11.1%**, lower than the average across Scotland.

The weekly income forgone by Clackmannanshire Council due to the CTR scheme was £78,126 in March 2023, compared to £70,604 in March 2022; *an increase of 10.7%*, higher than the average across Scotland [8th highest increase across all local authorities in March 2023].

20.8% of households [dwellings] in Clackmannanshire were in receipt of CTR in March 2023, higher than the Scottish average.

Just under half [48%] of households in receipt of CTR are in Band A; higher than the Scottish average of 40%.

Council Tax Bands A-C as total of overall dwellings in each area:

- Clackmannanshire Central 74%
- Clackmannanshire South 71%
- Clackmannanshire North 63%
- Clackmannanshire West 61%
- Clackmannanshire East 40%

Universal Credit

Universal Credit [UC] replaced income-related Employment and Support Allowance [ESA] for new claimants from January 2021. In Feb 2024, 459,904 households across Scotland were claiming UC, *an increase of 40,525 households [9.7%]* since Feb 2023 and 68,085 households since Feb 2022 [17%]. 91% of households in Scotland who were claiming Universal Credit in February 2024 were receiving a payment:

- 51.2% single, no children
- 34.4% single with children
- 10.7% couple with children
- 3.7% couple, no children.

In December 2023, the number of Universal Credit applications made comprised of 1.3% of the overall Scottish total, there were 2,631 assessments made for across Clackmannanshire for Universal Credit [1.3% of the Scottish total for that month].

Data from DWP is broken down into areas. The table opposite is a “snapshot” of the same month over a 4-year period. More

Area	Jan-21	Jan-22	Jan-23	Jan-24	% diff
Alloa North	489	479	520	562	14.9%
Alloa South and East	893	904	975	1077	20.6%
Alloa West	191	185	183	197	3.1%
Alva	451	410	427	464	2.9%
Clackmannan, Kennet and Forestmill	404	404	407	461	14.1%
Dollar and Muckhart	107	80	85	106	-0.9%
Fishcross, Devon Village and Coalsnaughton	191	200	208	214	12.0%
Menstrie	133	128	141	147	10.5%
Sauchie	608	604	620	667	9.7%
Tillicoultry	451	423	451	481	6.7%
Tullibody North and Glenochil	434	442	478	516	18.9%
Tullibody South	356	326	351	392	10.1%
Total	4718	4577	4858	5286	12.0%

households are claiming Universal Credit with the overall total increasing by 12%.

Areas that are reporting a higher percentage increase than the average across Clackmannanshire are:

- Alloa North
- Alloa South and East
- Clackmannan, Kennet and Forestmill
- Fishcross, Devon Village and Coalsnaughton
- Tullibody North and Glenochil

Number of people on Universal Credit by postcode area. The table opposite is a “snapshot” of the same month over a 4 year period. **More people** are claiming Universal Credit with the overall total increasing by 10%. **More people living in FK10 postcode** are claiming Universal Credit than the average across Clackmannanshire.

Area	January 2021	January 2022	January 2023	January 2024	% Diff
FK10	4207	4065	4274	4751	12.9%
FK11	160	150	157	168	5.0%
FK12	500	450	480	527	5.4%
FK13	676	627	686	733	8.4%
FK14	160	125	135	159	-0.6%
Total	5702	5414	5733	6334	11.1%

Single Parents: There is a **significant increase** in the percentage of single parents on Universal Credit with the overall increase being **41.1%** [comparing the same month over a 4 year period]. The percentage increase differs by geographical area as detailed in the table opposite.

Across Scotland DWP figures indicate there were 451,729 households on UC [Jan 2024]. Using the same comparison as above this correlate to an increase of 9.3%, *lower than the increase* across Clackmannanshire [12%].

Single Parent: There were 146,262 single parents with children households claiming UC in Jan 2024; **an increase of 45.8%**,

higher than the increase across Clackmannanshire [41.1%].

Single, with children	January 2021	January 2022	January 2023 (r)	January 2024 (p)	% diff
Alloa North	125	146	174	198	58.4%
Alloa South and East	219	242	291	313	42.9%
Alloa West	54	61	68	76	40.7%
Alva	123	135	139	155	26.0%
Clackmannan, Kennet and Forestmill	111	129	137	147	32.4%
Dollar and Muckhart	24	25	27	35	45.8%
Fishcross, Devon Village and Coalsnaughton	51	62	69	68	33.3%
Menstrie	23	32	53	56	143.5%
Sauchie	184	204	219	236	28.3%
Tillicoultry	112	116	124	147	31.3%
Tullibody North and Glenochil	149	179	192	212	42.3%
Tullibody South	106	113	136	153	44.3%
Total	1284	1449	1631	1812	41.1%

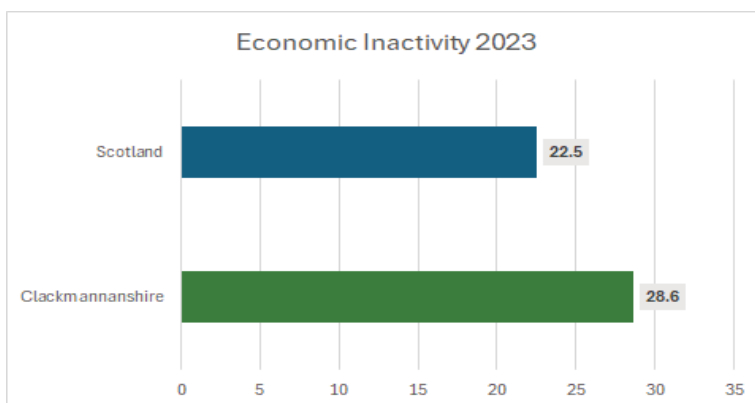
Unemployment

Latest Office of National Statistics (ONS) reports the unemployment rate [16-64 years] across Scotland for January to March 2024 is 4.4%.

Less than four percent [3.8%] of Clackmannanshire’s population was recorded as “unemployed” in 2023 [around 900 people]; *an improvement* on the year before [4%], however the rate remains higher than the Scottish average of 3.5% and is the fourth highest across Scotland.

Unfortunately, within the unemployed group, Clackmannanshire has a higher percentage of them classed as “long term sick”; **39.2%**, higher than the Scottish average of 31.6%.

In 2023, 28.6% of people across Clackmannanshire were reported as “Economic Inactive” [around 9210 people] with 39.2% of them recorded as “long-term sick”; *both figures higher than the Scottish average* [22.5% and 31.6% respectively]. This is a fall compared to the year ending December 2022, where around 9,700 people [30.5%] were classed as Economic active.



Latest estimates for 16-24 year olds in Scotland [January to December 2023] show the unemployment rate has **increased slightly** over the year, the employment rate had decreased and the economic inactivity rate had increased. In Scotland, the estimated employment rate for was 55.9%; the estimated unemployment rate was 9.9% and the estimated economic inactivity rate was 37.9%.

Employment

Latest ONS statistics reports the employment rate [16-64 years] for January to March 2024 across Scotland is 73.1% with 76.6% Economically active.

Clackmannanshire employment traditionally consisted of industries such as brewing, coal mining and textiles. Now the area relies more heavily on public service employment, manufacturing, retail, education and health and social care. Employment in Clackmannanshire has **stayed at around the same rate** as the previous year. Clackmannanshire's employment rate at **67.3%** was lower than across Scotland in the year ending December 2023.

Overall, there were 22,600 people aged 16 and over in Clackmannanshire who were employed in the year ending December 2023. This is **up from the previous year**, when there were 21,900 people aged 16 and over who were employed.

According to NOMIS, a service provided by the Office for National Statistics, figures for 2023 [Jan – Dec], **more than 70% [71.4%]** of Clackmannanshire population is recorded as “Economically Active”, more than the year before but still lower than the Scottish average of 77.5%.

More males than females are self-employed with the most recent labour profile indicating that of the 68.9% of females in employment, 67% are employees whereas of the 65.2% of males in employment, only 57.5% are employees.

The highest percentage of occupations across Clackmannanshire is in “Associate Professional Occupations” accounting for a fifth of the workforce, *higher* than the Scottish average of 16.5%; this includes professions across the public sector, health and social care, technicians, etc. “Caring, Leisure and other Service Occupations” is also higher than the Scottish average at 15.1% of the workforce compared to the Scottish average of 8.5%; this includes occupations such as Teaching and Childcare, NHS staff, Sport and Leisure. Hairdressers etc.

The gross weekly pay across Clackmannanshire at **£686 remains lower** than the Scottish average [£702], although male workers receive on average a higher weekly pay in Clackmannanshire than the Scottish average. Female worker's weekly pay remains much lower than the Scottish average [£588 compared to £672].

Child Protection

Across Scotland 2,094 children were on the Child Protection Register, **an increase of 4%** on 2022 [2,019 children] but a fall of 21% on 2013 [as of July 2023]. During 2022-23, 3,231 children were registered onto the Child Protection Register a fall of 2% on 2021-22 [3,287 children] and a fall of 24% on 2012/13.

The most common concerns identified at Case Conferences were domestic abuse [16%], neglect [15%], parental mental health problems [15%], parental substance use [15%], and emotional abuse [12%].

Of those on the Child Protection Register, 47% were male, 48% were female, and 5% of children were not yet born. The proportion of children on the Register under the age of 5 years was 47%, a slight fall from the year before. The proportion of children on the Register in 2023 aged 5 years and over was 53%, a slight increase on the year before.

The number of children on the Child Protection Register across Clackmannanshire on 31st July 2023 was 15, a rate of **1.7 per 1000 children**. The national rate across Scotland was 2.3 per 1000 children.

Across Clackmannanshire the main concern identified is linked to **domestic abuse** followed by neglect. In the year 2021-22, 80 children were registered with the main concerns identified at case conference being neglect, domestic abuse and parental substance abuse [in that order]- reflecting the national picture.

Juvenile Offending

In 2022-23, 10,981 children and young people in Scotland were referred to the Children's Reporter: 1.2% of all children and young people in Scotland. Most children and young people [9,025] were referred due to concerns about them [care and protection grounds].

Lack of parental care is the most common reason assigned by Reporters when a child or young person is referred. The most common ages for children and young people to be referred to the Reporter continues to be **14 and 15 years**. For very young children [those who were aged under one year] the principal concern identified related to a lack of parental care or having close connection with a person who has carried out domestic abuse.

Across Clackmannanshire **118 children were referred to the Children's Reporter in 2022-23**, 43 children less than in 2020/21: a fall of 27% over a two-year period. The most common reason for referral remains "parental care/neglect" at 30% of all referrals. Young people "committing an offence" accounted for 24% of all referrals in 2022-23.

Crime Victimization

Crime victimisation is an indicator for the National Performance Framework [NPF] Communities "we live in communities that are inclusive, empowered, resilient and safe". This indicator estimates the proportion of adults in Scotland who have been the victim of one or more crimes in the past year, as measured by the Scottish Crime and Justice Survey [SCJS]. The SCJS measures crime by interviewing a representative sample of Scotland's population about their experiences of crime, perceptions of the justice system and services in Scotland. The survey includes crime reported and not reported to the police (and therefore will not be in the crime statistics recorded by the police), providing a more accurate estimate of the extent of victimisation in Scotland of crimes covered by the survey.

Across Scotland the proportion of adults **experiencing crime has reduced**. In 2021-22, 10% were victims of crime, a decrease from 2019-20 where it was almost 12%. **Adults living in the 15% most deprived areas were more likely than those living elsewhere in Scotland to have experienced crime in 2021-22** [13.7% compared to 9.4%].

Local Crime Rate

Across Scotland there was a **slight increase** in the number of crimes and offences reported [just under 3,000], an overall increase of 1%. There has been an **increase in Group 3 [crimes of dishonesty] of 11%**.

Across Clackmannanshire, since 2016-17, the number of crimes and offences has **fallen** to 2697, a fall of 82 crimes [3%]. A **steady fall in the crime rate** has been reported since 2020-21, where it was reported to be at its highest in the seven years under review. Crimes of violence have fallen by 4%, sexual crimes by 20%, vandalisms by 12%, drug offences by 11% and antisocial behavior crimes and incidents by 22%. Only Group 3 crimes [includes theft and housebreakings] increased in 2022-23 by 14%, a slightly higher increase than across Scotland.

Since 2016-17 the overall crime clear up rate [detection rate] across Scotland averaged around 55% with Group 2 [sexual offences] and Group 5 crimes [drug offences] traditionally having the higher detection rate and Group 4 [vandalisms] having the lowest rate. Across Clackmannanshire, since 2016-17, the overall crime detection rate is *reportedly better* than the Scottish rate, averaging around 62%. Group 2 offences across Clackmannanshire have a **much lower detection rate** though than across Scotland. Group 5 [drug offences] have the highest detection rate and Group 4 [vandalism], the lowest.

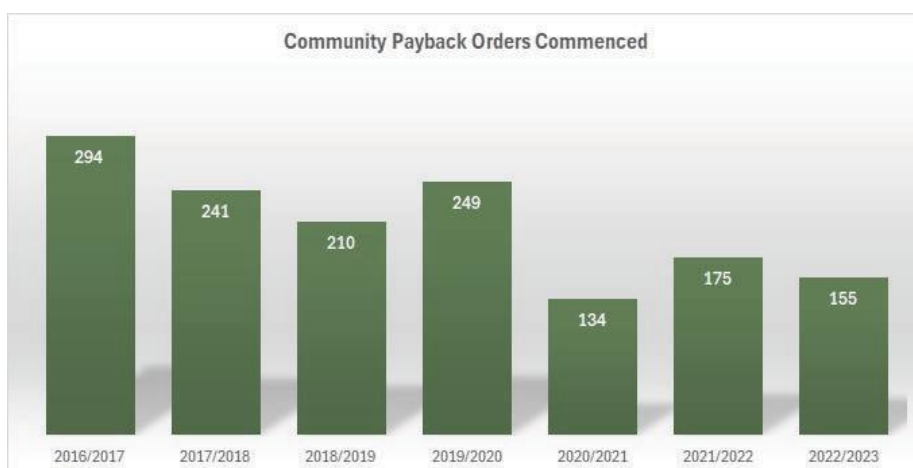
The police recorded 61,934 incidents of domestic abuse in 2022-23, a **decrease of 4%** compared to the previous year and the second consecutive year this rate has fallen. This rate is at the lowest level since 2018-19. Of these incidents, 39% resulted in the recording of a crime or offence, no change from the year before. The clear up rate for Domestic Abuse crimes in 2022-23 was 71.9%, a fall on the year before where it was 74.1%.

Across Clackmannanshire the number of domestic abuse incidents recorded in 2022-23 was 656, a **fall of 13%** [99 incidents] on the year before - larger fall than across Scotland. Slightly less than the Scottish average, 38% resulted in the recording of a crime or offence. The rate of domestic abuse fell to **105 incidents per 10K population**, lower than the Scottish average at 114 and *no longer one of the highest rates in Scotland*. The clear up rate for Domestic Abuse crimes across Clackmannanshire in 2022-23 was 69.6%, slightly lower than the Scottish average of 72%; and a significant fall from the year before where it was 82.4%.

Community Sentences

There has been a **slight reduction** in the number of Community Payback Orders [CPOs] commenced in 2022-23 across Clackmannanshire at 155, a fall of 20 CPOs compared to the previous year. The trend differs to the Scottish picture.

A small number of CPOs involved young people aged under 20 years at 11, a reduction of 22 since 2016-17. The age group 31-40 years continues to contain the largest proportion of CPOs commenced since 2016-17, although the trend is falling.



Across Scotland the number of social work orders **increased by 20%** [2482 orders] in 2022/23 with the number of CPOs commenced increasing; it is reported that this is due to a backlog of cases caused by the COVID pandemic.

The total number of social work orders [includes CPOs, Drug Testing and Treatment Orders [DTTOs] and Fiscal Work Orders] **has fallen** across Clackmannanshire in 2022-23 to 158. This is a fall of 20 orders, **11%**. The highest percentage of social work orders remain CPOs.

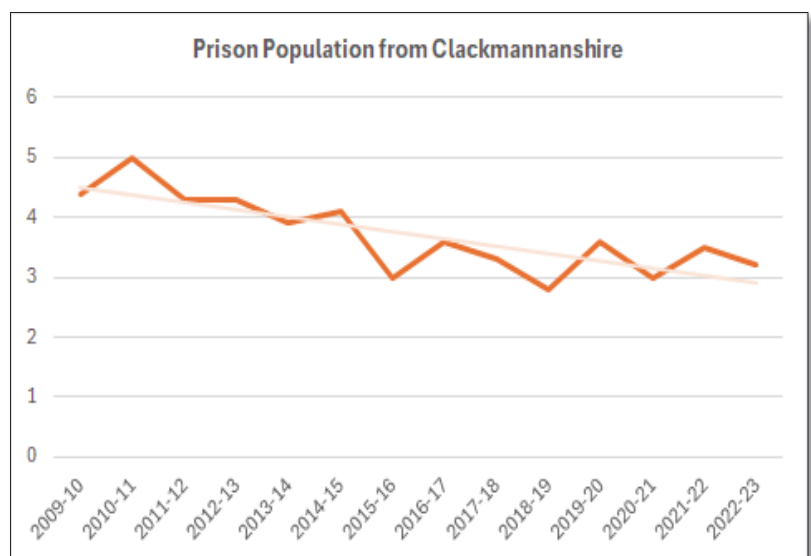
Prison Population

The average daily prison population in 2022/23 was 7,426. This is a **1% decrease** from the average daily population in 2021-22. The overall remand prison population level also fell by 3%, accounting for 24% of the overall prison population. The population of women in prison also remained stable in 2022-23; they accounted for 4% of the total prison population although the proportion of women on remand increased to 33%.

The number of young people in prison in Scotland **continues to fall**. In 2022-23, 2% of the population comprised of young people. Both the population of 16 and 17 year olds fell as did the 18 to 20 year old population, over the same period. Pending legislation proposes to reduce the number of under 18 year old people in prison to zero.

The overall Scottish rate of arrival to prison decreased by a small amount from 1.9 per 1,000 head of population in 2021-22 to 1.8 in 2022-23.

The number of offenders who entered the prison system [arrivals] from the Clackmannanshire area in 2022-23 **fell slightly to 3.2 per 1000 population** however this *remains one of the highest rates* across Scotland. The rate of imprisonment of people from the Clackmannanshire area has been falling since 2009/10 from a rate of 4.4 per 1,000 population to 3.2.

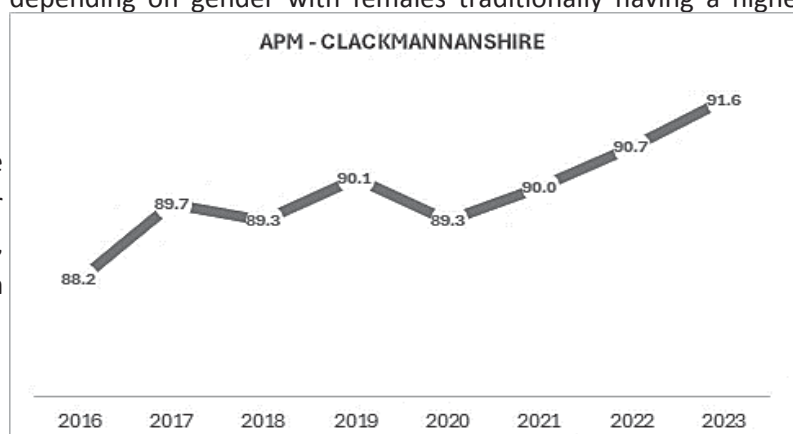


Youth Employment

Youth employment rate [16-24 year olds] across Clackmannanshire between October 2022 and September 2023 was **41.3%**, *much lower* than the Scottish rate of 56.9%. This is a *yearly fall of 25.2pp* [between October 2021 and September 2022 the rate was 66.5%, higher than the Scottish rate of 58.3%]. Data available at Scottish level reports the youth employment rate differs depending on gender with females traditionally having a higher employment rate than males.

Participation Measure

In 2023, the Annual Participation Measure [APM], [i.e. the percentage of 16 to 19 year olds participating in education, employment, or training] is **94.3%** across Scotland; an increase compared to 2022.



The APM in 2023 in Clackmannanshire *remains lower* than the Scottish average but is reporting an increasing trend at **91.6%**; as illustrated in the chart on Page 24. The increase in 2023 is attributed to an **increase in employment** especially among the 18-year age group.

The gender participation gap [the difference between the APM for men and women] for young people narrowed to 1.5pp with young women continuing to participate more than young men.

Due to small cohort size in SIMD Quintile 5, the participation gap between those who live in the 20% most deprived areas [Q1] and those in the 20% least deprived areas [Q5] cannot be calculated for 2023 however the participation rate for Q1 increased in 2023 to 86%, continuing *an increasing trend* although this rate remains lower than the Scottish average at 89.6%.

Health Risk Behaviours

This National Performance Framework [NPF] indicator measures the proportion of adults [aged 16+] with two or more health risk behaviours [current smoker, harmful or hazardous drinker, low physical activity and obesity].

Across Scotland, the proportion of adults with two or more risk behaviours in 2021 was **26%**, a 2pp decrease from 2019 where it was 28%. The percentage of adults with two or more risk behaviours was at its *lowest point* in the time series in 2021, having ranged from 28% to 32% between 2012 and 2019. In 2021, there was a **significant difference in health risks behaviours by deprivation**, with the percentage of adults with two or more health risk behaviours in the most deprived areas [39%] **almost double** that of the least deprived areas [20%].

Life Expectancy

This National Performance Framework [NPF] indicator estimates the average number of years a person spends in good health. Healthy life expectancy was analysed at birth and at 65 years.

Across Scotland between 2019-21, healthy life expectancy was 60.4 years for males and 61.1 years for females, compared with 60.9 for males and 61.8 for females in 2018-20. Female healthy life expectancy has been decreasing since 2014-2016. Male healthy life expectancy has been decreasing since 2015-2017. Healthy life expectancy is *now the lowest* is has been for both males and females throughout the time series covered by the NPF. The decrease in healthy life expectancy coincides with a stalling of growth in life expectancy in recent years and has resulted in a lower proportion of life being spent in good health. Males spend 78.9% of their life in good health while females spend 75.6% of their lives in good health.

According to the latest ScotPHO data, the healthy life expectancy for females in Clackmannanshire is *lower* than the Scottish average at **59.6 years** however the healthy life expectancy for males in Clackmannanshire is *higher* at **61.3 years** [2019-21 3 year aggregate data]. The total life expectancy for both males and females is slightly lower than the Scottish rate at 80 years for females [Scottish 80.7 years] and 76.1 years for males [Scottish rated 76.5 years].

Mental Wellbeing

Poor mental health is an important public health challenge and **significant mental health inequalities** exist in Scotland. Improving the mental health and wellbeing of the population is a national priority.

Socially disadvantaged people have an increased risk of developing mental health issues to the extent that adults living

Stressful experiences occur across the life course and include

- poverty
- poor housing
- family conflict
- unemployment
- childhood adversity
- chronic health problems

in the most deprived areas are approximately **twice as likely** to have common mental health problems as those in the least deprived areas (22% versus 11%).

According to the latest ScotPHO data, the rate of population prescribed drugs for anxiety/depression/psychosis in Clackmannanshire at **22% is higher** than the Scottish average at 20.1% [Financial Year 2021-22].

Suicides

“About one in four of all deaths among young people is caused by suicide”

The number of probable suicides across Scotland has **risen slightly** in 2022, up by 9 deaths from 2021. During a ten year period [2011-2020] 820 young people resident in Scotland died because of suicide. More females succumbed to suicide than males in 2022.

The overall number of suicides across Clackmannanshire *remained the same* at 7 in 2022. ScotPHO data reports the rate of deaths from suicide at **16.5 per 100,000 population**, higher than the Scottish rate at 14.1 [2017-2021 5 year aggregate].

Alcohol

In 2022 this was a **small increase** in alcohol specific deaths across Scotland with 31 more deaths recorded than in 2021, totalling 1276 deaths. Alcohol-specific deaths were **4.3 times as high in the most deprived areas** of Scotland compared to the least deprived areas in 2022.

- Average age of female: 58.7 years
- Average age of male: 60 years

Across Clackmannanshire, the number of alcohol related deaths **increased** from 9 in 2021 to 13 in 2022. According to the latest ScotPHO data, the rate of alcohol-related hospital admissions for people from Clackmannanshire was *higher* than the Scottish average at **639.5 per 100,000 population** compared to the Scottish rate of 611.1 per 100,000 [data for Financial Year 2021-22].

Drug Use

The Scottish Government “National Mission on Drugs” aims to reduce the number of drug-related deaths and improve the lives of people affected by drugs in Scotland. It has 6 outcomes with the first one being fewer people develop problem drug use. Unfortunately, prevalence data for problem drug use is not yet available.

One of the supporting metrics is the percentage of S4 pupils who have ever taken illegal drugs. This data is taken from the Health and Wellbeing Census in 2021/22 which found that 9.6% of S4 pupils reported ever having taken illegal drugs with the most common drug being Cannabis followed by Cocaine.

In 2022, Police Scotland figures for Forth Valley report **54 suspected drug related deaths**; to the end of September 2023 the figure stands at 37 – slightly lower than the same period the previous year. If the final quarter reports a lower number, then drug related deaths are continuing to fall.

Males still account for the largest percentage of drug deaths although there is a reported rise in drug deaths in females. The 45 to 54 age group remains the highest risk group for drug deaths.

According to the latest ScotPHO data, the rate of drug-related hospital admissions for people from Clackmannanshire was *higher* than the Scottish average at **337.6 per 100,000 population** compared to the Scottish rate of 228.4 per 100,000 [data for Financial Year 2021/22].

Smoking and Vaping

Rapid rise in youth vaping is a health concern

Even though deaths have been falling, smoking contributed to an estimated 8,942 deaths [271 deaths per 100,000 population] in those aged 35 and over in Scotland in 2022 and is a **major cause of health inequalities** across the country. People living in the most deprived communities are almost **four times** more likely to smoke than those living in other areas. In 2020 the figures were **517 deaths per 100,000 population** for persons living in most deprived areas compared to 122 deaths per 100,000 for persons living in least deprived areas.

In 2022, the rate for males was 1.8 times higher than the rate for females. For both males and females, cancer was the cause of the largest number of smoking-attributable deaths.

Young People and Smoking: in 2021/22, almost all 13 year olds (94.5%) were non-smokers [like 2018]; 0.8% of S2 pupils were occasional smokers, and 1.6% reported regular smoking (at least one cigarette per week). Regular smoking remained more common among 15 year olds, as 4.3% of S4 pupils reported regular smoking, and 2.4% were occasional smokers. 92.3% were nonsmokers. Highest rates of regular smoking among 13 year olds were 8% in 1998, and 29% in 1996 among 15 year olds.

Scottish Schools Adolescent Lifestyle and Substance Use Survey [SALSUS] Survey

In 2022 there is a reported increase in the percentage of 16-24 year olds as current smokers [22%; with more men than women 2:1]

The rapid rise of youth vaping is a concern. A review of single use vapes carried out by the Scottish Government found that, in the year ending January 2023, there were 543,000 vapers in Scotland – of which 9% [51,000] were under 16 years and 14% [78,000] were under 18 years. In 2022, 25% of 15-year-olds reported using an e-cigarette in the last 30 days, compared to just 7% in 2018. Most under 18 e-cigarette users prefer single use vapes. There are worries about the unknown long-term negative health outcomes of vaping.

Teenage Pregnancies

The teenage pregnancy rate [under 20 years] in Scotland is at its **lowest level** since reporting began as rates fell for a fourteenth consecutive year to 23.2 per 1000 women in 2021 (equivalent to 3,221 teenage pregnancies).

There is a *strong correlation between deprivation and teenage pregnancy*, with typically higher rates in more materially deprived areas. In 2021 those living in the areas of highest deprivation had teenage pregnancy rates **more than four times higher** than those in the least deprived (44.3 compared to 9.9 per 1000 women).

Across Clackmannanshire, the rate of teenage pregnancies **fell from 32.8 per 1000 women to 30.5 per 1000 women** in 2021, this rate remains higher than the Scottish average and is the fourth highest across all local authorities [previous year Clackmannanshire was the second highest].

- Pregnancy rates for 16 and under fell from 2.8 per 1000 women to 2.3 per 1000 women [average 2019/21]
- Pregnancy rates for 18 and under rose slightly to 18.6 per 1000 women from 18 per 1000 women [average 2019/21]

According to the latest ScotPHO data, the rate of smoking during pregnancy for people from Clackmannanshire was *higher* than the Scottish average at 18.8 per 100,000 population compared to the Scottish rate of 12.9 per 100,000 [data for Financial Year 2021/22].

Breastfeeding

There is strong evidence that **breastfeeding reduces children’s risk of infections** and can lead to a small but significant improvement in brain development. Improving breastfeeding rates in Scotland would help to improve the health of babies and mothers and reduce inequalities in health.

Two out of three (66%) babies born in Scotland in 2022-23 were breastfed for at least some time after their birth; a *slight increase* on the year before where it was 65%.

Across Clackmannanshire this figure is slightly lower at **56%** but is an **increase** on the year before where it was 42.7%. According to the latest ScotPHO data, **21% of babies** are exclusively breastfed at 6-8 weeks in Clackmannanshire, *lower* than the Scottish average at 31.8% [Financial Year 2018/19 to 2020-21 3 year aggregate].

Healthy Start

The National Performance Framework uses the indicator “the perinatal Mortality Rate per 1,000 births [the rate of stillbirths and deaths of babies in the first week of life] as a measure for children and young people having a “healthy start”. Scotland’s perinatal mortality rate *continues to reduce*, falling to 5.3 per 1,000 births in 2022 from 5.7 per 1,000 births in 2021.

Early Years

Early child development is influenced by both biological factors [being born premature] and environmental factors [the parenting and opportunities for play and exploration children receive]. Problems with early child development are important as they are strongly associated with long-term health, educational, and wider social difficulties.

The pre-school development indicator is “the percentage of children with a developmental concern at their 27–30 month child health review”. Across Scotland, in 2022-23, 12% of children who received a 13-15 month review, 18% at 27-30 month review, and 17% at 4-5 year review had a concern noted about at least one area of their development. At the 27-30 month review, most concerns were noted about **speech, language and communication** [13%], no change from year before.

There are persistent inequalities in the proportion of children who are found to have a developmental concern. At 27-30 months, this proportion is **2.3 times higher among children living in the most deprived areas [26%]** than those in the least deprived [11%].

Across Clackmannanshire, the percentage of children with a concern about any developmental concern at 27–30 month review is *reporting a decreasing trend*. In 2020-21, 21.3% were reported to have a concern whereas in 2022/23 this is now **17.5%**, the same as the Scottish average.

Childhood Obesity

A child’s Body Mass Index (BMI) is calculated by dividing their weight by their height squared. Children are then allocated to a healthy or unhealthy weight category by comparing their BMI to the range of BMIs seen among a reference group of children of the same age and sex. Across Scotland in school year 2022-23, 76.8% of Primary 1 children measured had a healthy weight, **21.9% were at risk of overweight or obesity** and 1.3% were at risk of underweight. In 2021-22 15.5% of children living in the most deprived areas were at risk of obesity, compared with 7.3% of those living in the least deprived areas. Boys remain slightly less likely than girls to have a healthy weight.

Across Clackmannanshire, in school year 2022-23, 73.5% of Primary 1 children measured had a healthy weight, **25% were at risk of overweight or obesity** and 1.5% were at risk of underweight. Overweight or obesity rates are *higher* than the Scottish average and the percentage of young people at risk of underweight is lower.

The recent Health and Wellbeing Census 2021-22 aimed at P5 to S3 and S5 to S6 pupils, reported only 22.3% eat both fruit and vegetables at least once a day with females marginally better at 24%. This percentage *dropped quite significantly* with children and young people who live in our most deprived areas where only 13.6% admitted to eating both fruit and vegetables at least once a day; this more than doubled in our least deprived areas at 32.5% confirming the link with poor diet and deprivation.

According to the latest ScotPHO data, **68.4%** of P1 pupils in Clackmannanshire have dental health, *lower* than the Scottish average at 73.8%. Unlike the Scottish picture, the percentage of P7 pupils with dental health fell to 67.7% whereas the Scottish average for P7 pupils increased to 75.2% [2022-23 school year].

Child and Parental Wellbeing

Increasing incomes and reducing costs of living are important mechanisms for reducing poverty, but they are not the only mechanism. Improving quality of life, and life chances, is important in building a solid long term foundation to support the lives of children, young people and families. In considering children's wellbeing it is important to consider the wellbeing of their parents and carers as these are often inextricably linked to children's wellbeing. Negative impacts on wellbeing have arisen from the COVID-19 pandemic and the cost of living crisis which have disproportionately impacted upon families in low income households.

Indicators for measuring parental wellbeing outcomes remain experimental however what is known is that **mental wellbeing is linked to deprivation** with wellbeing lowest in the more deprived quintiles and highest among the least deprived quintiles.

Two questions from the Scottish Household Survey give a starting point for assessing parental wellbeing; one which falls under the theme of social networks [felt lonely in the last week] and one on community cohesion [neighbourhood rating]. The question on loneliness is also included in the NPF.

Analysis indicates that **feelings of loneliness are closely associated with household income** – with loneliness levels tending to decrease as household income increased. In 2022, 18% of all adults with children in the household felt lonely some, most, all or almost all the time. A third of adults [32%] living in the lowest household income band [up to £20,000] reported feeling lonely at some point in the past week, while this fell to 16% of adults for those in the highest household income band [£60,000 and over]. People in lower income households, and particularly in the lowest income households, tend to *perceive their neighbourhood less positively* than those in higher income households.

Children and Young Person's Overall Attitudes

Analysis of the latest Health and Wellbeing Census indicates children's attitudes to school, views on neighbourhood and life at home, physical health, and mental health and wellbeing differ by stage, sex and deprivation. Positive perceptions decrease with pupil stage, particularly up to S4. Girls have fewer positive perceptions than boys across aspects of life from perceptions of school and pressure of school work, feeling positive about their future, being worried about things in their life, perceptions of their body, sleep, diet, physical activity, having trusted adults they can talk to, and across the range of mental health and wellbeing measures.

This difference is also replicated with those in the most deprived areas feeling less positive across attitudes to school, life at home, having a trusted adult they can talk to, physical activity and sleep, mental health and

wellbeing and confidence; with higher scores on loneliness and worrying about a lot about things in their life. Children and young people's relationships with adults vary according to area deprivation, with those from more deprived communities *less likely to report positive interactions with adults*, compared to their less deprived peers, in relation to trust and decision-making.

Children and young people from more deprived communities are less likely than those living in the least deprived communities to agree that their local area is a good place to live or feel safe when out in their local area.

Children and Young Person's Confidence Levels

The recent Health and Wellbeing Census 2021-22 aimed at P5 to S6 pupils across Clackmannanshire reported **41.3%** of pupils felt confident often or all the time, *slightly less* than the average at 44.6%. Interestingly, the level of confidence differs by sex with more males than females feeling confident; 51% of males to 32% of females. There is also *variation by deprivation* with more children and young people feeling confident in our least deprived areas [42.8%] compared to our most deprived areas [39.3%].

Children and Young Person's Wellbeing and Happiness

The Strengths and Difficulties Questionnaire (SDQ) measures wellbeing in Children aged 4 to 12 across five dimensions and gives each child a "total difficulties score". The five dimensions making up the SDQ are Emotional Symptoms; Conduct Disorder; Hyperactivity; Peer Problems; and Prosocial Behaviour.

The percentage of 4 to 12 year old children who have a "borderline" or "abnormal" score on the Strengths and Difficulties Questionnaire (SDQ) section of the Scottish Health Survey [SHeS] is a national indicator. The "total difficulties score" a child receives can range from 0 - 40, with a higher score indicating more difficulties. Traditionally a three band categorisation has been used whereby if an individual has a score between 0-13, they are deemed "normal"; 14-16 they are "borderline"; and 17-40, they are "abnormal".

Across Scotland, the proportion of children aged 4-12 years having an "abnormal" or "borderline" score on the Strengths and Difficulties Questionnaire was at 16% during 2017-2021 [excluding 2020]. This is the same as in 2016-19, but a 1 percentage point [pp] increase since the 2015-18 period and a 2 pp increase since 2012-15. Children from the most deprived areas of Scotland [26%] had more than double scored as "abnormal" or "borderline", compared to children from the least deprived areas [10%].

Children and Young Person's Relationships

Analysis of the latest Health and Wellbeing Census 2021-22 indicates younger children are more likely to enjoy being with the people they live with and have meals with; find it easy to talk to their mother/female carer, father/male carer or another adult; or always have an adult in their life who they can trust and talk to about personal problems. Boys are more likely to agree they enjoy being with the people they live with and eat meals with and find it easy to talk to their mother/female carer and their father/male carer about things that bother them; and they always have an adult in their life they can trust to talk to about personal problems. A noticeable difference is that girls are much less likely to find it easy to talk to their father/male carer about things that bother them.

Across Clackmannanshire a slightly lower percentage of children and young people are more likely to enjoy being with the people they live with and eat with. There are also slight differences to how easy they find talking to their mother/female carer compared to their father/male carer or another adult about things that bother them; 79.8% for mother/female carer compared to only 62.2% for father/male carer.

Children and Young Person’s Environment

Findings from the Health and Wellbeing Census 2021-22 indicates children and young people from the most deprived areas are *less likely to say they always feel safe* in the area they live; or think where they live is a good place to live. Across Clackmannanshire **half of children and young people reported always feeling safe in the area they live in** which is *lower* than the average of 55.2%. Notably, only **57.5%** of children and young people think the area they live in is good, much lower than the average of 65.5%.

Children and Young Person’s Friendships

Children and young people from the most deprived areas are less likely to have enough money to do the same things as their friends; or have taken part in activities such as sports clubs, drama/acting/singing/dancing groups or charity/voluntary work. Interestingly, a higher percentage of children and young people living in the most deprived areas enjoy being with the people they live than those living in the least deprived areas.

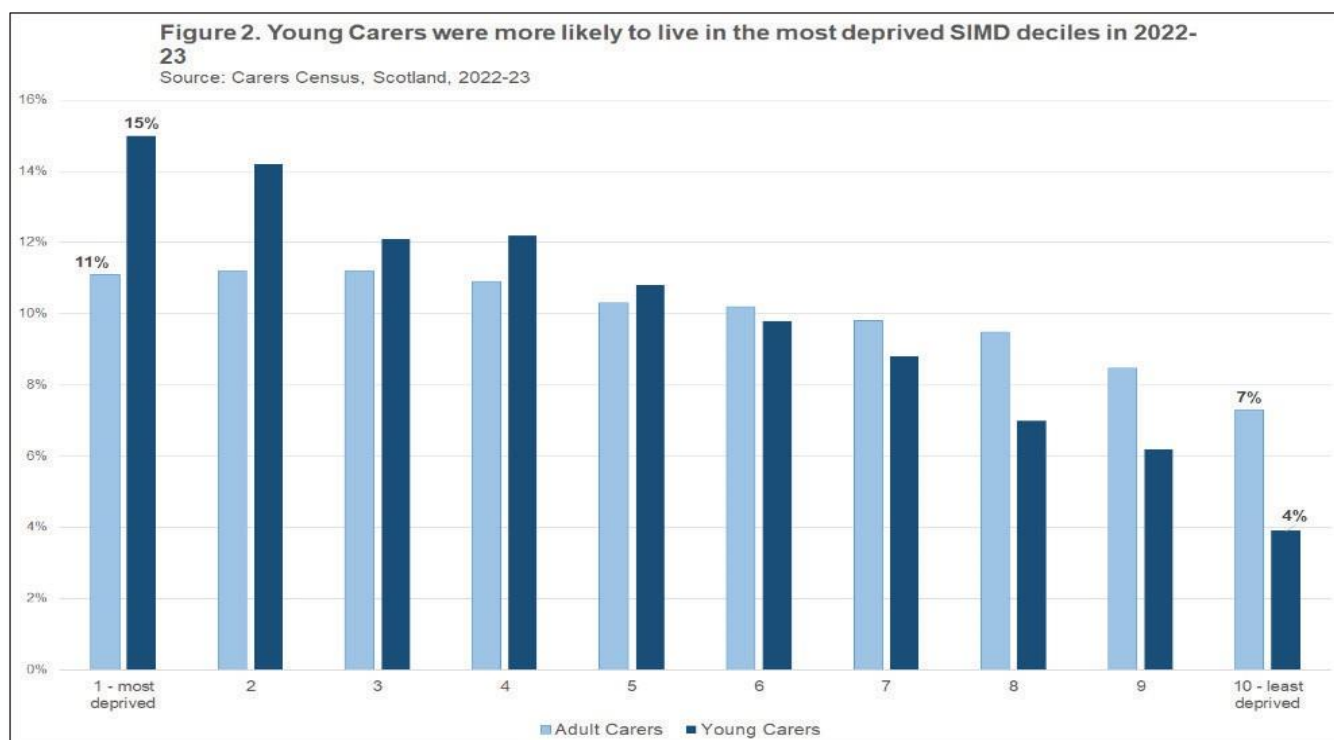
The recent Health and Wellbeing Census 2021-22 aimed at P5 to S6 pupils across Clackmannanshire reported **41.3%** of pupils felt confident often or all the time, slightly less than the average at 44.6%. Interestingly the level of confidence differs by sex with **more males than females feeling confident**; 51% of males to 32% of females. There is also variation by deprivation with **more pupils feeling confident in our least deprived areas** [42.8%] compared to our most deprived areas [39.3%].

Young Carers

Across Scotland there has been an *increase* in the number of applications for young carer grants. Comparing the same period [Jan-Sept] in the 3 year period 2021-2023, there has been an **increase of 42%** across Scotland.

According to the Carers Trust, there are an estimated 800,000 unpaid carers in Scotland; this includes 30,000 young carers under the age of 18. Three out of five of us will become carers at some stage in our lives, and 1 in 10 of us is already fulfilling some sort of caring role.

The latest Carers Census indicates that young carers [carers aged under 18] made up 15% of the individual carers identified in 2022-23; **15% of young carers lived in areas within the most deprived SIMD decile**, while 4% lived in areas within the least deprived SIMD decile. The most reported impact of providing unpaid care



2022-23 was on carers' emotional well-being. For records where this information was available; 79% of adult carers and 89% of young carers experienced an impact on their emotional well-being due to their caring role. Female Carers accounted for 4 in 5 of working age carers.

Results of the Scottish Health Survey 2022 reports 16% of adults aged 16+ years are caring for someone with the highest percentage being cared for in the 45-54 age group. It also reports that the **highest proportion of carers live in the most deprived areas** [equates to the Carers Census] with a high percentage who have never been in employment.

According to SEEMiS [education system] there are currently **127 young carers** across Clackmannanshire schools. This number has *steadily increased* over the last few years due to increased awareness and confidence of young people to identify as being a young carer and the introduction of The Promise recognising young carers as children and young people who need extra support.

Care Experienced Children and Young People

Across Scotland, there were 12,206 children looked after on 31 July 2023, a **fall** of 241 children [2%] compared to July 2022 where there were 12,447 children looked after. According to Children's Social Work Statistics, across Clackmannanshire, there were 225 children looked after on 31 July 2023; equates to **2%** of the overall Care Experienced population. This is a *fall* compared to July 2022 where there were 257 children looked after; fall of 32 children, 12.5%.

More males continue to be looked after than females with a split of 57% to 43% across Clackmannanshire. There are **more children looked after under 5 years** compared to 2022 from 16% to 21%. This is higher than the Scottish average of 17%. The highest proportion of looked after are with friends/relative, 40%; followed by foster carers recruited by the local authority [LA] at 22% which is *much higher* than the Scottish average of 9.7% looked after by the LA.

In 2023, **50%** of care leavers over 16 years had a pathway plan [9 young people] and 44% had a pathway coordinator [8 young people]. This is *lower than the Scottish average* where 71% had a pathway plan and 52% had a pathway coordinator; however, is an *improvement on 2022* where there was no pathway plan or coordinator in place for care leavers.

During the year 2022-23, 76 children and young people were ceased as being looked after with almost half [47%] returned to their biological parents, *slightly less* than the Scottish average. Almost 30% were returned to be looked after by friends/relatives, almost double the average across Scotland.

In 2023, 98 young people were eligible for aftercare service with 54% receiving such care [53 young people]. This is lower than in 2022 where there were 78 young people eligible with 73% receiving aftercare [57 young people] – smaller cohort in 2022. Despite being lower the percentage of young people receiving aftercare services is *higher* than the average across Scotland at 49%.

MCR Pathways

MCR (Motivation, Commitment and Resilience) is a proven early intervention model to help ensure young people are determined by their talent and potential and not their circumstances. The delivery of the programme aligns with delivering on The Promise and the national all-party commitment that care experienced young people should “grow up loved, safe and respected so that they realise their full potential.” The impact of MCR mentoring in post school destinations in particular progressing to college, university or employment is evident across the country.

82.1% of MCR mentored care experienced young people progressed to the higher level of positive destinations of college, university and employment in the new MCR areas. This contrasts with the Scottish level of all care experienced young people of 73.3%. MCR estimates that the Scottish number drops to 69.1% when MCR young people are excluded.

Across Scotland, *attainment figures increased significantly* for MCR Mentored care experienced young people in comparison to the national average for care experienced young people. 55 MCR care experienced young people achieving at least 5 qualifications at National 4 was **86.6%** in comparison to the national care experienced level of 61.2%; 55 mentored young people who achieved at least 1 qualification at National 5 was **89.8%** in comparison to the national level of 65.7% and those achieving at least 3 qualifications at National 5 was **66.7%** relative to the national care experienced level of 43.8%. **41.3%** of MCR mentored care experienced young people nationally achieved at least 1 Higher qualification before leaving school in comparison to the national level of 29.2%.

In the year-end survey, 83% of mentored young people stated that having a mentor improved their confidence, 83% said it helped them understand their talents and strengths, 86% said it supported them in identifying goals, and 85% said it helped them believe in themselves more.

In 2022/23, 2,061.00 hours of mentoring were provided by MCR Pathways to young people of Clackmannanshire.

United Nations Convention on the Rights of the Child

The Scottish Government recently demonstrated to the UN Committee the progress that Scotland are continuing to make in taking forward its commitment to place human rights, including the rights of the child, at the heart of all that it does. This includes

- Raising the age of responsibility from 8 to 12 years
- Implement the equal protection from assault legislation, providing Scotland's children with the same legal protection from assault as adults
- Tackle child poverty, including through the Scottish Child Payment, the expansion of free school meals and the near doubling of the funded early learning and childcare offer to 1140 hours per year
- Keeping the Promise, including through the implementation of Bairns' Hoose for children and young people who have experienced trauma.

Children and Young Person's Voices

Another National Performance Framework indicator is "the percentage of young people who feel adults take their views into account in decisions which affect their lives". The most recent data for this is 2019 where **58%** of young people agreed that adults were good at taking their views into account when taking decisions that affect them.

Education

Clackmannanshire has 18 publicly funded primary schools, 3 publicly funded secondary schools, 2 ASL Schools [Secondary School Support Service and Lochies], 4 Specialist Provisions [Alloa Academy [EASN], Alva Academy [ASD], Alva PS [ASD] and Primary School Support Service] and 4 standalone extended year Early Learning and Childcare [ELC] establishments.

Across Clackmannanshire, there were 6618 pupils registered in 2022/23 [3,780 primary school pupils, 2,747 secondary school pupils and 91 pupils who attend our Specialist Provisions], continuing a *decreasing trend* over the last three years in the overall school roll [2% fall since 2020/21]. The fall is attributed to a smaller number of primary school pupils.

At the latest annual school staff survey, Clackmannanshire is reporting 555 teachers [including ELC], slightly lower than the year before but still an increase of 6% since 2016-17. The overall pupil teacher ratio changed very little at 12, lower than the Scottish average of 13.2 [no change on previous years]. The average class size for primary schools across Clackmannanshire in 2022-23 was 21.1 pupils, smaller than the Scottish average of 23.2.

Early Years Education

In 2022-23, there were 128 parents who were on qualifying benefits for their 2 year olds to have a free place in an ELC Establishment in Clackmannanshire. There was a total of 144 2 year-olds, 246 3 year-olds, and 444 4 year olds across our ELC establishments.

Just over a fifth [21%] of all ELC registrations were assessed as having Additional Support Needs with 9% having language, speech and communication issues; both higher than the Scottish average where there are 18% with ASN and 8% with speech and language issues.

Children and Young Persons Attitudes to School and Aspirations

Analysis of children and young people's responses to the Health and Wellbeing Census aimed at P5 to S6 pupils indicates positive perceptions of attitudes to school are highest for those in primary stages and decrease as they progress into secondary school. Across a few measures, **attitudes to school are lowest in S1 to S4 cohorts** and increase in S5 and S6 cohorts.

The analysis indicates differences by pupil sex, with boys being more likely to agree that they are happy at school and feel positive about their future. Girls were much more likely to feel pressured by schoolwork. deprivation, positive perceptions of enjoyment of learning new things, being happy at school, feeling their teachers treat them fairly, and feeling positive about their future *were lower for children and young people living in more deprived areas.*

Across Clackmannanshire just over half of children and young people agree to being happy at school most of the time **[53%]**, lower than the average of 57.4%. Over three quarters agree to enjoying learning new things [76.9%] with only 39.2% agreeing that they have a choice in what they learn at school; both lower than the average [80.1% and 43.2% respectively]. Seven in ten children and young people feel positive about their future which is slightly lower than the average of 72.8%.

Free School Meals [FSM]

All pupils in primary one to five in Scotland, and all children in specialist schools, currently receive free school meals, reporting to save families who take up the offer an average of £400 per child per year. In 2024/25, the Scottish Government announced a further investment to extend this free provision to all pupils in primary 6 and 7 whose families receive the Scottish Child Payment.

According to SEEMiS records, **26.7%** of children and young people were entitled to FSM in 2022-23 [not including the automatic inclusions for FSM]. This is an *increase* on the previous year where it was 24.8% entitled to FSM in 2021-22. Kinship care families in Clackmannanshire receive FSM entitlements.

Scottish Government statistics report **77%** of primary school pupils were eligible for school meals [includes all P1-5] in Clackmannanshire in 2022-23 and between 20 - 30% of secondary school pupils.

The Health and Wellbeing Census found that 10% of children in the most deprived areas across Scotland do not eat any fruit or vegetables daily; however more than a fifth [23%] have 5 portions or more. **Less than a quarter** of children and young people in our most deprived areas are having a high fibre/low sugar diet at least 5 days per week, compared to 34% in our least deprived areas.

The Health and Wellbeing Census 2021-22 reported **27%** of children and young people across Clackmannanshire sometimes go to school or bed hungry. This is *slightly more* than the average of all children and young people who participated in the census at 25.8%. A fifth do not usually have a breakfast on weekdays, slightly higher than the average of 18.1%.

Additional Support Needs [ASN]

All children and young people have the right to get the support they need to reach their full learning potential. Scotland has an inclusive educational system which focuses on overcoming barriers to learning and “Getting it Right for Every Child” [GIRFEC]. Some children and young people need additional support to benefit fully from their education. Additional support needs can arise, in the short or long term, from a variety of circumstances including:

- the learning environment
- family circumstances
- health or disability needs
- social and emotional factors

Across Scottish schools, **36.7%** are recorded as having an Additional Support Need [ASN], continuing an *increasing trend* where in the last 5 years the increase has been 5.8 percentage points [pp], with the largest increase being in the secondary school population. More male pupils than female have an ASN [57%:43%].

The most recorded reason for support for ASN is **social, emotional and behavioural difficulty** [24.4%]; English as an Additional Language [20.1%]; Other moderate leaning difficulty [12.1%] and Dyslexia [11.9%]. Interestingly, there is a much higher percentage of males with Autistic Spectrum Disorder [ASD] than females with 15% recording ASD in males compared to 7.2% in females and in recording social, emotional and behavioural difficulty at 28.6% for males compared to 18.8% for females. More male pupils are assessed or declared as having a disability than females across Scotland, with 66% of all pupils assessed or declared as having a disability being male and 64.4% .

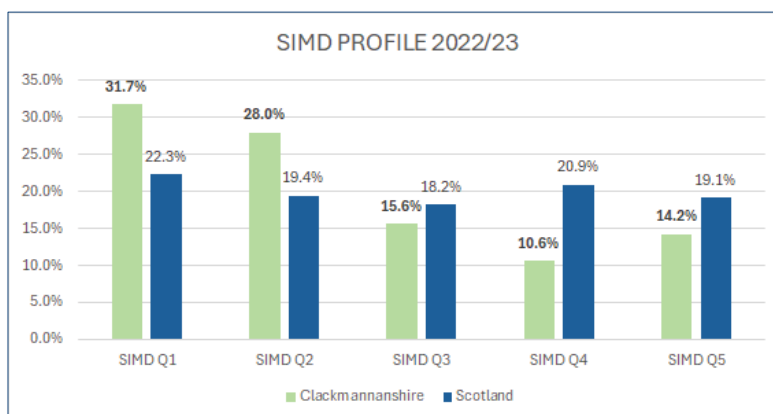
Across Clackmannanshire schools in 2022/23, **34.9%** of pupils were recorded as having an Additional Support Need [ASN]; 30.1% in primary schools and 39.4% in secondary schools; all *lower* than the Scottish average. [Scottish average: 36.7%; primary – 30.4% and secondary – 42.9%]. The rate of pupils across Clackmannanshire who have been assessed and/or declared as having a disability per 1,000 pupils in 2022/23 was 16.2 [Scottish average was 31.1]. This is **one of the lowest rates** across all local authorities [9th lowest].

The recent Health and Wellbeing Census 2021/22 aimed at S1-S3 pupils reported 70.9% of pupils with ASN across Clackmannanshire as participating in a positive leisure activity, lower than the overall figure of 78%.

Deprivation Profile – Educational Establishments

Across Scottish schools, 22.3% of pupils live in the most deprived areas [Q1] and 19.1% live in the least deprived areas [Q5].

Across Clackmannanshire, **31.7%** of pupils live in our most deprived areas [Q1] and **14.2%** live in our least deprived areas [Q5]. Clackmannanshire has the **8th highest percentage of pupils from the most deprived areas**.



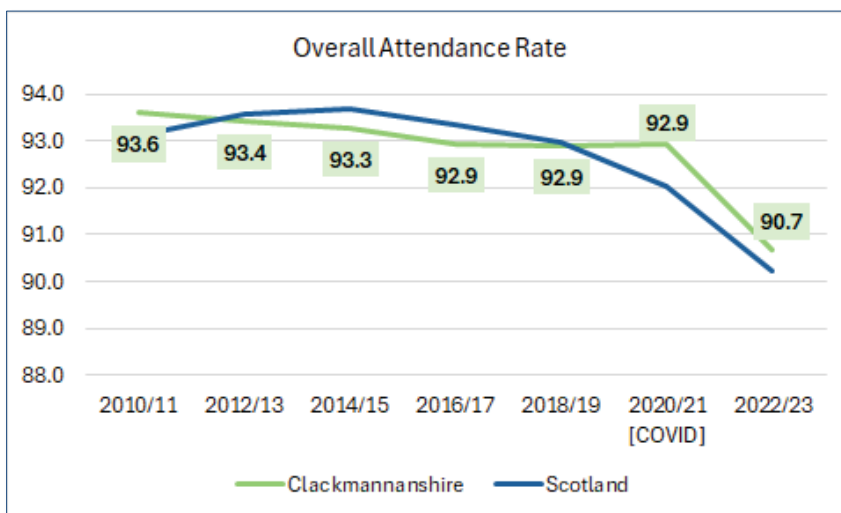
Attendance

Statistics on attendance and absence were previously collected and published every two years by Scottish Government; however, it is moving to annually from 2023-24. In 2022-23, overall attendance across Scotland, recorded a fall since the last published data [2020-21] at 90.2%. The attendance rate across Scotland took a dip when the country was dealing with the COVID pandemic and the impact of the resultant school closures. Attendance has yet to achieve pre-pandemic levels.

Overall attendance by pupils who are entitled to Free School Meals [FSM] across Scotland was **82.1%**, much lower than the overall rate. Attendance rate for pupils who live in the most deprived areas of Scotland [SIMD Q1] was **86.8%**, the lowest rate out of all the SIMD quintiles; Q5 attendance was 93.5%, the poverty related attendance gap is therefore -6.7 percentage points [pp].

In 2022-23, overall attendance across Clackmannanshire, despite a recorded fall since the last published data [2020-21], was **higher than the national average at 90.7%**.

Prior to COVID, overall attendance across Clackmannanshire schools was lower than the Scottish rate. Since COVID, despite the overall fall across all of Scotland, the attendance rate is higher than the national rate. Attendance campaigns led by Forth Valley and West Lothian Regional



Improvement Collaborative have been targeting schools and pupils needing additional support to attend school.

Overall attendance by pupils who are entitled to Free School Meals [FSM] across Clackmannanshire was **83.8%**, higher than the Scottish average but lower than the overall attendance rate. It was the 9th highest across all Scottish local authorities. Attendance rate for pupils who live in our most deprived areas of Clackmannanshire [SIMD Quintile 1] was **88.2%**, higher than the Scottish rate; Quintile 5 attendance was 94.5%, again higher than the Scottish rate; the poverty related attendance gap for Clackmannanshire is -6.3 percentage points [pp].

Since the introduction of a new exclusion policy across the authority, there continues to be no exclusions reported. The last reported exclusion was in 2020-21.

Bullying Incidents

Children and young people from more deprived communities are more likely to report having been bullied in the past year compared to those from the least deprived communities. The Scottish Health and Wellbeing Census 2021-22 reports children and young people in P5–S3, the prevalence of being bullied *decreased* as pupils got older. **Of those who had been bullied** in the last year, **more than 80% said they were bullied at school.**

The prevalence of being bullied at school was greater for children and young people as they got older. While those in the least deprived areas were more likely to say they had been bullied at school, those in the most deprived areas were more likely to say they had been bullied elsewhere or online.

Across Clackmannanshire schools, bullying incidents are now recorded on SEEMiS [school system]. Data drawn from this system indicates there have been a **low number of incidents of bullying** across the schools in 2022-23 although there are more than previous years. *Figures are small hence not included here.*

Attainment – Curriculum for Excellence [CfE]

Across Scotland, the percentage of pupils achieving the expected CfE Level has *increased* in 2022-23 across all organisers and stages, as compared to 2021-22. For P1, P4 and P7 combined both literacy and numeracy have *risen slightly* above 2018-19 levels whilst for S3 (Third Level or better) they remain slightly lower.

Female pupils outperformed male pupils across almost all stages and organisers. Across all stages and organisers, the proportion of pupils achieving the expected level was lower for pupils with Additional Support Needs than for those without.

Education Scotland measure the achievement of levels using the combined rate for P1, P4 and P7 for literacy and numeracy hence for the purposes of this profile the same measures are included here [national picture]. *Comparisons are made to the year before the COVID pandemic [2019-20]:*

- **72.7%** achieved literacy in 2022-23; higher than pre pandemic levels by 0.4pp
- **79.6%** achieved numeracy in 2022-23; higher than pre pandemic levels by 0.5pp

At senior level:

- **87.8%** achieved third level or better in literacy in 2022-23; lower than pre pandemic levels by 0.1pp
- **89.6%** achieved third level or better in numeracy in 2022-23; lower than pre pandemic levels by 0.6pp
- **56.1%** achieved fourth level in literacy in 2022-23; higher than pre pandemic levels by 7.9pp
- **63%** achieved fourth level in numeracy in 2022-23; higher than pre pandemic levels by 4.1pp

Poverty Related Attainment Gap

The achievement level for pupils from the most deprived areas [Q1] for P1, P4 and P7 combined *increased* in 2022-23 in both literacy and numeracy; and is *higher* than pre pandemic levels. The gap **narrowed slightly** in literacy but **widened** slightly in numeracy. The achievement level for pupils from the most deprived areas [Q1] for third level or better *increased* in 2022-23 in both literacy and numeracy; but lower than pre pandemic levels. The gap **narrowed slightly** in literacy but **widened** slightly in numeracy. The achievement level for pupils from the most deprived areas [Q1] for fourth level *increased* in 2022-23 in both literacy and numeracy and is *higher* than pre pandemic levels. The **gap narrowed in both literacy and numeracy.**

Across Clackmannanshire, the percentage of pupils achieving the expected CfE Level **has increased** in 2022-23 across P1, P4 and P7 combined in both literacy and numeracy, as compared to 2021-22. For S3 (Third Level or better) and Fourth Level, there were **yearly increases** in both literacy and numeracy.

Even though there have been yearly increases reported in the achievement levels for both literacy and numeracy, comparisons are made to the year before the COVID pandemic [2019-20] to provide another data point for comparative purposes:

- **69.6%** achieved Literacy in 2022-23; lower than pre pandemic levels by 1.6pp and lower than the Scottish average
- **72.4%** achieved Numeracy in 2022-23; lower than pre pandemic levels by 4.4pp and lower than the Scottish average

At senior level:

- **90.7%** achieved third level or better in Literacy in 2022-23; higher than pre pandemic levels by 7.9pp and higher than Scottish average
- **86.9%** achieved third level or better in Numeracy in 2022-23; higher than pre pandemic levels by 9.6pp but lower than the Scottish average
- **53.5%** achieved fourth level in Literacy in 2022-23; higher than pre pandemic levels by 20.3pp but lower than the Scottish average
- **66.1%** achieved fourth level in Numeracy in 2022-23; higher than pre pandemic levels by 26.8pp and higher than the Scottish average

Poverty Related Attainment Gap

The achievement level for pupils from the most deprived areas [Q1] for P1, P4 and P7 combined *increased* in 2022-23 in literacy but not in numeracy; literacy levels are the same as pre pandemic levels, but numeracy is lower. Compared to pre-pandemic levels, the **gap has narrowed** in both literacy and numeracy.

The achievement level for pupils from the most deprived areas [Q1] for third level or better *increased* in 2022-23 in both literacy and numeracy and is higher than pre pandemic levels. *[unable to measure gap due to redacted data]*. The achievement level for pupils from the most deprived areas [Q1] for fourth level *increased* in 2022-23 in both literacy and numeracy and is higher than pre pandemic levels. Compared to pre-pandemic levels, the gap widened in literacy but narrowed in numeracy.

Attainment – Senior Level

SQA attainment is higher than pre-pandemic levels [2019]

Across Scotland, National 5, Higher and Advanced Higher attainment decreased in 2023 to levels between 2022 attainment and pre-pandemic levels [2019].

National 5: The overall attainment rate at grades A to C for National 5 was **78.9%** in 2023. This represents a decrease of 2.7pp from 81.6% in 2022 but an increase of 0.6pp from 78.3% in 2019. The overall attainment rate at grade A was 38.8% in 2023. This represents a decrease of 2.4pp from 41.2% in 2022 but an increase of 3.6pp from 35.2% in 2019.

Higher: The overall attainment rate at grades A to C for Higher was **77.4%** in 2023. This represents a decrease of 2.9pp from 80.3% in 2022 but an increase of 2.5pp from 74.9% in 2019. The overall attainment rate at grade A was 33.3% in 2023. This represents a decrease of 3.2pp from 36.5% in 2022 but an increase of 4.8pp from 28.5% in 2019.

Advanced Higher: The overall attainment rate at grades A to C for Advanced Higher was **80.2%** in 2023. This represents a decrease of 2.4pp from 82.6% in 2022 but an increase of 0.6pp from 79.6% in 2019. The overall attainment rate at grade A was 33.4% in 2023. This represents a decrease of 1.6pp from 35% in 2022 but an increase of 1.4pp from 32% in 2019.

Across Clackmannanshire, there was an increase in the percentage of awards at National 4 [82%] in 2023, a yearly increase of 1.1pp and higher than pre-pandemic levels [81.3%].

National 5: The overall attainment rate at grades A to C for National 5 was **74%**, in 2023. This represents a decrease of 1.7pp from 75.7% in 2022 but an increase of 5.3pp from 68.7% in 2019; overall rate remains lower than Scottish average [78.9%]. The overall attainment rate at grade A was 30.1% in 2023. This represents a decrease of 0.2pp from 29.9% in 2022 but an increase of 9pp from 21.1% in 2019.

Higher: The overall attainment rate at grades A to C for Higher was **70.3%** in 2023. This represents a decrease of 3.3pp from 73.6% in 2022 but an increase of 4.6pp from 65.7% in 2019; overall rate remains lower than Scottish average [77.4%]. The overall attainment rate at grade A was 23% in 2023. This represents a decrease of 6.1pp from 29.1% in 2022 but an increase of 4.9pp from 18.1% in 2019.

Advanced Higher: The overall attainment rate at grades A to C for Advanced Higher was 66.9% in 2023. This represents a decrease of 10.4 pp from 77.3% in 2022 and a decrease of 14pp from 80.9% in 2019; overall rate remains lower than Scottish average [80.2%]. The overall attainment rate at grade A was 27% in 2023. This represents an increase of 2.1pp from 24.6% in 2022 and an increase of 8.5pp from 18.5% in 2019.

School Leaver's Attainment

The following Scottish Credit and Qualifications Framework (SCQF) level qualifications provide three of the key measures used by the Scottish Government in its National Improvement Framework to measure progress over time in closing the poverty related attainment gap.

Across Scotland:

- 96.0 % left with one pass or more at SCQF Level 4 or better in 2022-23
- 84.8 % left with one pass or more at SCQF Level 5 or better in 2022-23
- 57.9 % left with one pass or more at SCQF Level 6 or better in 2022-23
- 20.2 % of leavers attained no passes at SCQF level 7 or better in 2022-23

Across Clackmannanshire:

- 91.6 % left with one pass or more at SCQF Level 4 or better in 2022-23
- 81.3 % left with one pass or more at SCQF Level 5 or better in 2022-23
- 49 % left with one pass or more at SCQF Level 6 or better in 2022-23
- 16.3 % of leavers attained no passes at SCQF level or better in 2022-23

All the above attainment rates are lower than in 2021-22 and lower than the Scottish average. Compared to pre-pandemic levels:

- SCQF Level 4 is the same [91.6%]
- SCQF Level 5 is higher by 2.5pp [78.8%]
- SCQF Level 6 is lower by 5.4pp [54.4%]

The gap between the most deprived and least deprived areas in 2022-23 for leavers attaining 1 pass or more under the National Qualifications measure at:

- SCQF Level 4 or better is 5.9 pp
- SCQF Level 5 or better is 20.2 pp
- SCQF Level 6 or better is 36.9 pp

Poverty Related Attainment Gap

At SCQF Level 5 the gap has remained similar at -16.3pp across the authority, but at SCQF Level 6 it has widened further to -42.9pp.

School Leaver Destinations

Across Scotland, 95.9% of all young people entered an initial positive destination in 2022-23; slightly higher than the previous year and continuing an increasing trend; higher than pre-pandemic levels [95%]

- 40.3% of young people moved on to higher education, a fall on 2021-22 where it was 41.2%; the same rate as pre-pandemic levels [40.3%]
- 26.6% of young people moved on to further education, an increase on 2021-22 where it was 41.2%, a fall compared to pre-pandemic levels where it was 27.3%
- 24.3% of young people entered employment, a fall on 2021-22 where it was 25.1%; an increase on pre-pandemic levels [22.9%]
- 2.2% of young people were “unemployed seeking”, a slight fall on 2021-22 where it was 2.3%; lower than pre-pandemic levels [3.1%]

Across Clackmannanshire, **94.9%** of all young people entered an initial positive destination in 2022-23; a fall compared to the previous year [96.5%] and now lower than the Scottish average; higher than pre-pandemic levels [94.2%]

- 26.5% of young people moved on to higher education, a fall on 2021-22 where it was 32.7%; lower than pre-pandemic levels [32.3%]
- 28.4% of young people moved on to further education, an increase on 2021-22 where it was 24%, a slight fall compared to pre-pandemic levels where it was 28.7%
- 28.4% of young people entered employment, a fall on 2021-22 where it was 29.9%; an increase on pre-pandemic levels [24.4%]
- 3.1% of young people were “unemployed seeking”, an increase compared to 2021-22 where it was 2.4%; lower than pre-pandemic levels [3.9%]

The overall destination rate is lower than the Scottish average; lower percentage of school leavers moving on to higher education than the Scottish average but higher percentage of school leavers moving on to further education compared to the Scottish average. Traditionally, higher percentage in employment than the Scottish average. Higher percentage of young people in unemployment than the Scottish average.

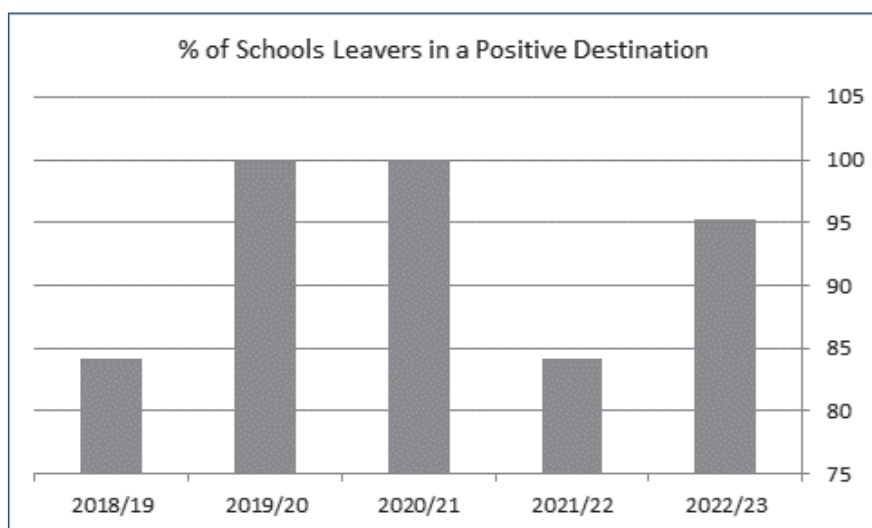
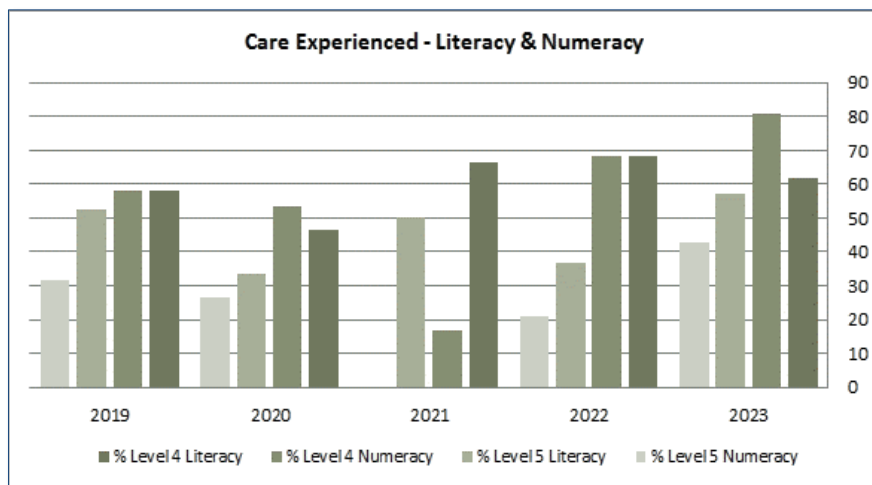
Care Experienced Attainment and Destinations

Overall, more care experienced school leavers are achieving the relevant levels in literacy and numeracy. Yearly comparisons for attainment for Care Experienced school leavers can be influenced by the size of the cohorts as this cohort tends to be small.

In 2022-23, out of 17 school leavers: 15 achieved 1 or more SCQF awards at level 3; 13 achieved 1 or more SCQF awards at level 4; 12 achieved 1 or more SCQF awards at level 5 and 5 achieved 1 or more SCQF awards at level 6.

In 2021-22, there was a smaller cohort size, but all achieved 1 or more SCQF awards at level 4; almost all achieved 1 or more SCQF awards at level 5 and just under half achieved 1 or more SCQF awards at level 6. 1 or more SCQF awards at level 6

Destinations: More care experienced school leavers are entering employment with more than a third moving onto Further Education in 2022-23

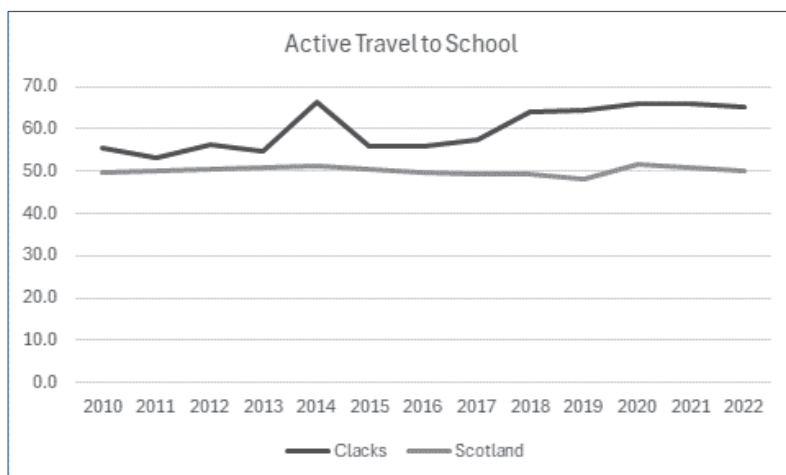


Active Travel

There are two National Performance Framework [NPF] indicators which indicate how “active” our communities are. One is the proportion of short journeys less than two miles that are made by walking and the other is the proportion of journeys under 5 miles made by cycling.

Since 2012, across Scotland the proportion of journeys under two miles made on foot has changed little, from 48.5% to 47.6%. Over the same period the proportion of journeys under 5 miles made by bike has changed little from 1.5% in 2012 to 1.7% in 2019. Although the proportion of cycling journeys remained steady,

the rise in the number of walking journeys has improved.



It is those living in the least deprived areas that make the largest proportion of short trips by bike although it is people living in the most deprived areas in Scotland that have generally made a larger proportion of their short journeys by walking compared with those living in the least deprived areas.

According to the latest ScotPHO data, in 2022, **65.3%** of primary and secondary school children in Clackmannanshire normally travel to school in an active way (walking, cycling, and using a scooter, skateboard or inline/roller skates) *higher* the Scottish average of 50.2% [Hands Up Scotland Survey (HUSS), Sustrans (Official statistic)].

Physical Activity

According to the latest Scottish Health Survey which covered the years 2018-2022, 4% of the Scottish population admit to being of low activity in relation to their overall activity levels. This level is higher across the Clackmannanshire area with **7% of the population admitting being of low activity levels.**

The Health and Wellbeing Census 2021/22 reported **37.4%** of children and young people across Clackmannanshire do none or less than one hour of physical activity, slightly more than the average of 36.5%. More children and young people admit to doing physical activity so much that they got out of breath, outside school hours, every day [29.3%] compared to the average [26.7%].

Out of School Activity

The recent Health and Wellbeing Census 2021/22 aimed at S1-S3 pupils reported **78%** across Clackmannanshire as participating in a positive leisure activity with those living in our most deprived participating to a lesser extent at 70% compared to the least deprived participating at 86%.

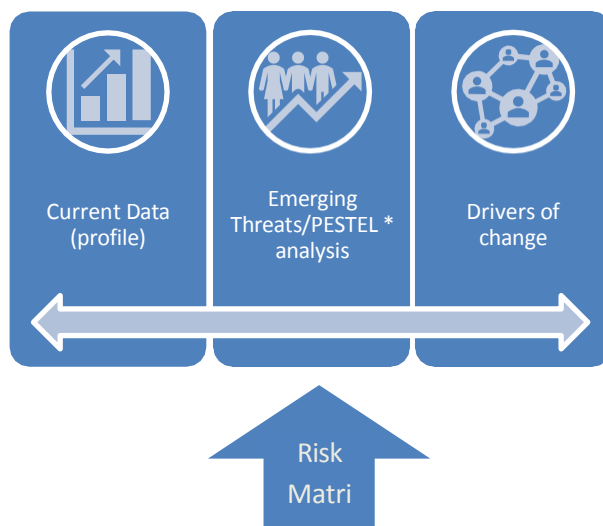
Strategic Needs Assessment

Risk Assessment Process:

The diagram (right) illustrates the process taken for the Strategic Needs Assessment [SNA]. Information from the Demographic Profile and the individual Service Plans in People Directorate **informed the risk assessment process**, identifying threats and risks likely to impact on Community Wellbeing in 2024-25 and beyond.

Most threats identified already have mitigation in place, either through service delivery and/or partnership working. Our strategic actions under the Community Wellbeing Outcomes will enhance mitigation against such threat and risks.

*The PESTEL framework (political, economic, social, technological, environmental, legal) helps managers assess how external factors affect a business.



Outcomes

Data Mapping: During 2023-24, a data mapping exercise was conducted across People Directorate as a first step to streamline reporting by aligning our outcomes and priorities. This exercise considered 14 Plans and Strategies. It **identified 113 outcomes and over 230 indicators**. It found there were similarities in outcomes across more than one plan. By considering the updated National Performance Framework Outcomes and the Wellbeing Local Outcome Improvement Plan, the 113 outcomes were streamlined to 6 outcomes and mapped tyo our 4 strategic priorities.



Strategic Outcomes	
1	Children and Young People have improved life outcomes by growing up loved, safe and respected
2	Empowered communities are well designed, inclusive, sustainable, resilient and safe
3	People of all ages successfully contribute to our communities by developing skills for learning, life and work
4	Poverty in our communities is reduced by improving outcomes for all
5	People are healthy and active with improved health and wellbeing
6	Human Rights are respected and fulfilled by tackling inequalities across our communities

Plans on a Page

The following pages include a strategic Plan for 2024-25 on a Page for each of the following plans:

- **Children Service's Plan 2021 – 2024 (2024-2027 plan underway)**
- **The Promise Plan 2023 -2026**
- **National Improvement Framework 2024 – 2025 (incorporating the Scottish Equity Fund Plan)**
- **Local Child Poverty Action Plan 2024 -2030**
- **Violence Against Women and Girls Plan 2023 -2026**
- **Community Justice Plan 2023 -2028**
- **Community Learning and Development Plan 2024 – 2027**
- **Sport and Active Living Framework 2024 -2028**
- **Family Wellbeing Partnership Plan 2024 -2026**
- **Library Service Plan 2024-27**

Each Plan on a Page outlines the respective ambition, objectives, intended outcomes and the planned actions for 2024–2025.

Children’s Services Plan 2021-2024

Ambition				
We want Clackmannanshire to be a great place for children and young people to grow up. We will do this by ensuring they have the best opportunities and life chances; experience a safe and happy childhood; develop positive wellbeing and can access high quality learning and development opportunities.				
Objectives				
A Good Childhood	Whole Family Support	Planning	Supporting the Workforce	Building Capacity
Outcomes				
<ul style="list-style-type: none"> Children in Clackmannanshire are safe from harm Children and young people in Clackmannanshire have the best possible life experiences and opportunities Children and young people in Clackmannanshire understand their rights and are engaged and involved in decision making 	<ul style="list-style-type: none"> Children, young people and their families can access a range of support services and family therapies in Clackmannanshire Children, young people and their families can access the right services based on their needs The health and wellbeing of children and young people is improved and inequalities are reduced 	<ul style="list-style-type: none"> The Children and Young People Strategic Partnership Group is meeting the planning and reporting requirements under Children’s Services legislative framework Joint investment plans for Children’s Services in Clackmannanshire are in place and reviewed at least annually Plans, policies, information and systems for Children’s Services are shared seamlessly across the partnership where there are clear benefits to do so 	<ul style="list-style-type: none"> CYP partners have the skills and competencies they require to deliver high quality services when working with our children, young people and their families CYP partners have common and shared workforce values when working with our children, young people and families 	<ul style="list-style-type: none"> The partnership and its public agencies have plans in place to meet Children Service Planning and emerging legislative framework
Actions for 2024-25				
<ul style="list-style-type: none"> Ensure that there is early and effective support in place to identify children and families affected by substance use and to minimise the harm caused by this Develop a rights-based approach that reflects the United Nations Convention on the Rights of the Child (UNCRC) Deliver Place based provision for children and young people in communities delivered in partnership with community, voluntary organisations and public sector partners 	<ul style="list-style-type: none"> Develop opportunities for early intervention and family support for financial inclusion at earliest opportunity Develop integrated early intervention pathways for vulnerable children and explore options to link this work with STRIVE Child Improve the support available for kinship families Develop a collaborative approach to the commissioning and delivery of Family Support provision 	<ul style="list-style-type: none"> Ensure that the Community Planning Partnership can respond to national policy and developing legislation including consultations on these? Strengthen the sharing of information across partners in order to safeguard children, young people and vulnerable adults to align with the national refresh of GIRFEC 	<ul style="list-style-type: none"> Develop access pathways to training for wider workforce working with children and young people within communities and third sector through the new TSI Scotland Network online training platform Develop values and workforce development strategies to fully implement the UNCRC across Children’s Services The Clackmannanshire Family Wellbeing Partnership to understand what it takes to shift a whole system towards a wellbeing and capabilities approach to service design and delivery 	<ul style="list-style-type: none"> Ensure CYP partnership have clear operating arrangements and governance structures in place. Improve collaborative use of data to drive performance across Children’s Services Planning Partnership to ensure robust performance management processes and systems are in place

Ambition				
By 2030, Clackmannanshire will #KeepThePromise and ensure that all young people grow up Loved, Cared for, Safe and Respected				
Objectives				
Children in Clackmannanshire will experience a good childhood	Whole Family Support will be accessible to communities	Supporting the Workforce; ensuring practitioners/care givers are trauma informed, skilled, and supported	Planning to ensure that the foundations of the Promise are central to service design and council business	Building Capacity to deliver best outcomes for children, young people and their families
Outcomes				
<p>Transformational approaches to youth justice</p> <p>Inclusive and supportive school communities through 'Communities that Care'</p> <p>Attendance and attainment of Care Experienced children and young people is maximised</p> <p>Brothers and sisters live together where safe to do so, and children keep connected with significant relationships</p> <p>Trauma informed safe care is provided for children and young people, without physical intervention</p>	<p>A range of Whole Family Support is provided through an alliance of statutory, third sector and community services.</p> <p>Support to families is timely, effective, accessible to households and local communities, and non-stigmatising</p> <p>Strengths led approaches are developed and delivered in collaboration with families</p> <p>Our Care Community receives greater supports for foster carers, adopters, and kinship carers</p> <p>Young people preparing to and leave care are supported well.</p>	<p>Care givers report enhanced support and understanding of trauma informed approaches to training and care 'Readiness for Caring'.</p> <p>The workforce demonstrates understanding of trauma informed, relationship based approaches</p> <p>The language of care will change through implementation of co designed language policy to inform practice and communication that is non stigmatising</p> <p>Council staff demonstrate awareness of their responsibilities under The Promise</p>	<p>Support for families is flexible coordinated, local and relationship based approaches.</p> <p>Council policies ensure that all care experienced children, young people and families are positively represented.</p> <p>The Voice of Care experienced children and young people is represented in service design and redesign.</p> <p>UNCRC principles are embedded into systems and processes</p>	<p>Local care provision and housing options for care experience young people are provided, in partnership with the Vardy Foundation</p> <p>Pathway Planning for Care Experienced Young People is strengthened in collaboration with partners.</p> <p>Robust tracking mechanisms are in place to track attendance, attainment and positive destination outcomes for all care experienced young people, strengthening oversight of children placed out with Clackmannanshire.</p> <p>Data is mapped, analysed and used to improve the lived experience of care experienced children and young people</p>
Actions for 24-25				
<p>Improve educational outcomes for Care Experienced Children and Young People</p> <p>Provide tailored support for children and young people; ensuring their attendance and attainment is maximised.</p> <p>Review children's plans to ensure that they have safe, quality time with siblings and people they care about.</p> <p>Extend Clackmannanshire Care Leavers' Guaranteed Interview Scheme</p>	<p>Clackmannanshire Alliance of statutory, third sector and community services continue to meet to support and challenge authority support for CECYP</p> <p>Reduce the number of children becoming care experienced through Intensive Support for children on the edge of care</p> <p>Improve outcomes for children and young people through effective early intervention and support</p> <p>Break down stigma within schools and communities, supported by .Communities That Care</p>	<p>Identify Trauma Champions to facilitate a support network for practitioners</p> <p>Deliver 'Readiness for Caring' for foster carers, adopters and kinship carers</p> <p>Deliver 'Readiness for Practice' to support the workforce and care givers and deliver Council wide Promise training</p> <p>Review digital methods to enhance young people's participation and sharing of views</p>	<p>Train all Directorates in The Promise by 2028 - Who Cares ? Scotland</p> <p>Ensure Clackmannanshire's implementation of UNCRC takes account of The Promise and aligns with this plan</p> <p>Create Youth Voice strategy Ensure all Council policies and procedures are cognisant of The Promise by 2028</p> <p>Improve relationship based services to families. Recruit local Foster carers and Supported Lodgings Carers.</p>	<p>Develop a portfolio of accommodation and supports for care experienced young people in partnership</p> <p>Review housing policy; ensuring priority access for all care experienced young people</p> <p>Review and improve Pathway Planning for Care Experienced Young People in a collaborative way with partners</p> <p>Develop a data map and develop analyse processes and indicators of success</p> <p>Develop effective self evaluation and quality assurance processes</p>

Ambition				
Reduce inequalities of educational outcome experienced by children and young people as a result of socio-economic disadvantage and increase excellence and equity for all learners				
Objectives				
Placing the human rights and needs of every child and young person at the centre of education	Improvement in children and young people's health and wellbeing	Closing the attainment gap between the most and least disadvantaged children and young people	Improvement in skills and sustained, positive school-leaver destinations for all young people	Improvement in attainment, particularly in literacy and numeracy.
Outcomes				
<ul style="list-style-type: none"> Children and young peoples rights are respected and upheld in line with the UNCRC (Scotland) Act 2024 Children with Additional Support Needs (ASN) are supported and empowered in decision making The Additional Support for Learning (ASL) strategy ensures that childrens needs are met and outcomes are improved 	<ul style="list-style-type: none"> Young people, particularly those experiencing inequity have improved health, wellbeing and mental wellbeing Attendance is improved, particularly for identified groups Number of children meeting developmental milestones has increased Learning from Family Wellbeing Partnership approaches influence Education settings 	<ul style="list-style-type: none"> Digital approaches are supporting a broader curriculum offer in Senior Phase Community around the School is making a difference across secondary school communities The attainment gap is further narrowed as a result of community, third sector and council collaboration Differentiated learning, teaching and assessment approaches are enabling children and young people to reach their potential 	<ul style="list-style-type: none"> Young people securing and sustaining a positive destination Positive destinations for care experienced children and young people Increased number of school leavers attaining Scottish Credit Qualifications Framework and wider achievement qualifications Young people have the skills for learning, life and work that prepare them for the work place 	<ul style="list-style-type: none"> Experiences in schools and ELCs meet the needs of children and young people, leading to increased attainment Robust systematic approaches to assessment and moderation are in place, including enhanced use of rich data to track progress Schools and ELCs evaluated as good, across core indicators has increase Children and young people access learning environments which are safe and inclusive places to grow, learn and flourish Enhanced Literacy and Numeracy approaches are enabling children and young people to reach their potential
Actions for 2024-25				
<ul style="list-style-type: none"> Support schools and ELCs to achieve Rights Respecting Schools (RRS) status Design a system to capture rights in all educational settings and develop a consistent, widespread approach to ensuring all children's and young people's voices are heard Support schools to achieve the Keeping the Promise Award Implement child friendly complaints process in line with guidance produced by the Scottish Public Services Ombudsman Review and develop systems, processes and approaches to meet the evolving needs of our learners with ASN 	<ul style="list-style-type: none"> Increase opportunities to improve physical health and wellbeing through the implementation of the Sport and Active Living Framework Increase the number of people engaging in extra curricular and Community Around the School (CATS) activities, with a particular focus on identified groups Develop Cluster approaches to improve attendance Refresh materials and professional learning for Readiness for Learning (R4L) Consolidate the tracking of developmental milestones for 2 year olds, including those in partner nurseries. Extend the developmental milestone tracking system to include 3 year olds 	<ul style="list-style-type: none"> Design and deliver innovative approaches to support families Expand the reach of the Family Wellbeing Partnership into schools and ELCs Effectively analyse and use data to improve schools and ELCs curriculum Support individual establishments to plan and deliver evidence based approaches to narrow the attainment gap. Identify and share best practice of the targeted interventions which are narrowing the attainment gap Further develop partnership approaches which prioritise support to children and young people living in poverty 	<ul style="list-style-type: none"> Fully implement the findings of the Withers review in establishments, through a 3-18 Skills Framework Strengthen vocational qualifications offer Develop closer relationships with Clackmannanshire LEP to improve sustained destinations Use tracking data more effectively for all Care Experiences Children and Young People who are living in poverty Extend analysis and application of labour market intelligence to upskill young people Strengthen partnerships that support Developing the Young Workforce (DYW), with a particular focus on those experiencing barriers, including mental health. 	<ul style="list-style-type: none"> Design and deliver enhanced professional learning network opportunities to increase staff skills, knowledge and understanding Consistently implement agreed approaches to robust, rigorous self-evaluation Review and enhance approaches to learning, teaching and assessment to increase consistency of high quality experiences, with a particular focus on Literacy- Writing Develop and implement approaches which enable schools to better use the Broad General Education toolkit effectively for improvement Support and deliver, in partnership with Place, a refresh of the Learning Estates Strategy

Ambition					
For all people in Clackmannanshire to live longer in good health by reducing inequalities and child poverty through a Wellbeing Economy approach					
Objectives					
Voice led transformation is prioritised	All parts of the system that cause and /or alleviate poverty are working together	Income from employment is maximised	Income from Social Security and benefits in kind is maximised	Costs of living are minimised	Health and wellbeing inequalities linked to poverty are mitigated
Outcomes					
<ul style="list-style-type: none"> • Access to labour markets is equitable and people can access fair work and quality jobs • Access to childcare is increased and equitable • Transport is available, affordable and convenient • Costs of living including food, fuel, housing and childcare are reduced and manageable • Household incomes are increased and costs of living and debts are reduced for people in poverty • Aspirations, educational outcomes and career prospects are high, regardless of poverty • Mental. Physical and social wellbeing outcomes are equitable regardless of poverty 			<p>The approaches used will be pivotal in reaching and sustaining these outcomes. Approaches will involve: <i>Community are involved in decision making, prevention and early intervention is prioritised, partners and providers have closer collaboration and there is alignment of community partnership plans, partners work together to reduce barriers to access, maximise up-take of services and programmes, and ensure people are aware of the full support available to them</i></p>		
Actions 2024 - 25					
<p>Design strategic approach to communications in consultation with stakeholders</p> <p>Consult and design solutions to the Cost of the Day, including the School Day with children and young people (C&YP)</p> <p>Build poverty and child poverty agenda into local plans policies and events</p>	<p>Design a system to ensure enhanced community planning progress, where performance is evidenced and actively managed to meet outcomes agreed</p> <p>Forth Valley Strategic Needs Assessment (SNA) and Clackmannanshire SNA along with local intelligence and community voice inform priorities and solutions.</p>	<p>Progress Employability Action Plan (Wellbeing Economy Alliance) alongside the Local Employability Partnership (LEP) and partners to support clients and employers to maximise sustainable work opportunities and embed fair and flexible work practices.</p> <p>Design employment services collaboratively, further aligning child poverty with employability</p> <p>Continue mapping the local employability system, identifying gaps and duplication; aligning funding and resources effectively</p> <p>Increase uptake of employment support for targeted families and communities.</p>	<p>Design and deliver opportunities for income maximisation based on what communities want and need.</p> <p>Realise NHS Demonstrator Project and apprenticeships opportunities.</p> <p>Promote uptake of Free School Meals and School Clothing Grants (in consultation with C&YP).</p> <p>Embed Childcare Funding Pathway – including Universal Credit Childcare element.</p>	<p>Child Wellbeing Partnership, Scottish Government – Early Adopter Community:</p> <p>Continue to test and build a system of school age childcare and family support, with a focus on priority families identified locally and those defined by Best Start, Bright Futures:</p> <ul style="list-style-type: none"> • School Aged Childcare within Alloa South and beyond to targeted communities of need • Development and maximisation of early learning childcare for pre-5 children in communities of need • Promote, maximise and develop baby and toddler groups in communities of need 	<p>Progress place paced approaches to improving health and outcomes in communities; delivered in partnership with community, voluntary organisations and public sector partners.</p> <p>Audit continuum of mental wellbeing and resilience supports for adults (including parents/carers) and maximise use of Community Mental Health and Wellbeing Fund for Adult</p> <p>Evaluate and extend current adult learning opportunities.</p> <p>Continue to promote the continuum of wellbeing supports and services for children and young people.</p>

Violence Against Women and Girls 2023 - 2026

Ambition			
Women and girls in Clackmannanshire are equally safe at home, at work and in the community.			
Objectives (From Equally Safe, Scottish Government 2018)			
Society embraces equality and mutual respect, and rejects all forms of violence against women and girls	Women and girls thrive as equal citizens – socially, culturally, economically and politically	Interventions are early and effective, preventing violence and maximising the safety and wellbeing of women, children and young people	Men desist from all forms of violence against women and girls, and perpetrators of such violence receive a robust and effective response
Outcomes			
<ul style="list-style-type: none"> • More people in the workforce and the community are aware of VAWG and have confidence in available support • Increased awareness amongst young people of GBV issues and where to get help • Increased skills and knowledge across the workforce to support women and children affected by VAWG using a trauma informed approach 	<ul style="list-style-type: none"> • More women take up earlier support for GBV issues. • Fewer incidents of VAWG across Clackmannanshire • Reduction in inequalities in workplace as a result of GBV • More employers implement ES at Work • Local policies, processes and services promote equality for women and girls 	<ul style="list-style-type: none"> • Women and girls living with VAWG receive the right support, in the right place, at the right time • Policies and services to support survivors of VAWG are co-produced 	<ul style="list-style-type: none"> • Earlier interventions for both perpetrators and survivors
Actions for 24-25			
<ul style="list-style-type: none"> • Deliver plans to empower community with trauma informed skills; reducing the need for survivors to engage with services at crisis point • Ensuring services and policy is informed by lived experience • Introducing DA abuse policy for staff • Engage all Secondary schools in Equally Safe at School • Launch status campaign with White Ribbon 	<ul style="list-style-type: none"> • Promote resilience with Safe and Together model • Exploration on Equally Safe at Work scheme • Ensure practices, policies and processes in place to work towards Equally Safe At Work • Work closely with partner agencies to reduce touch points for survivors and streamline services to make access easier • Recruitment of VAWG Coordinator and ES Housing Worker 	<ul style="list-style-type: none"> • Ensure Training Matrix is rolled out and evaluation processes in place • Plan and support a range of gender based violence education and support from Early Learning Childcare (ELC) through to college • Continue to work with perpetrators of VAWG through self-help line & non court mandated work • Using STRIVE to intervene before crisis point • Focus on community empowerment 	

Community Justice Outcome Improvement Plan 2023-2028

Ambition					
The purpose of the CJP is to improve community justice outcomes for people involved with the justice system and for communities					
Objectives					
people successfully complete diversion from prosecution (National)	More people in police custody receive support to address their needs (National)	Increased skills and knowledge across the workforce to support people throughout their justice journeys using a trauma informed approach (Local)	More victims access services and receive consistent support with their needs throughout the justice process (Local) More people across the workforce and in the community understand, and have confidence in, community justice. (National) Fewer people experience stigma due to involvement in the justice system (Local)	More joined up pathways and commissioning of services across local strategic partnerships (Local) More integrated pathways of health and social care between statutory and third sector services support victims, and people accused of or who have committed an offence (Local) More people access peer support and mentoring (Local)	Community justice services and policies are co-produced (Local) Assurance of services is based on meaningful engagement with people with lived experience (Local)
Outcomes					
<ul style="list-style-type: none"> Improved opportunities for diversion from prosecution through enhanced partnership working More people are assessed for and successfully complete bail supervision Fewer people sent to prison 	<ul style="list-style-type: none"> More people have access to suitable accommodation following release from a prison sentence More people have access to, and continuity of, health and social care following release from a prison sentence Increased uptake of voluntary community supports 	<ul style="list-style-type: none"> More effective support for perpetrators and victims provided through an appropriately skilled workforce 	<ul style="list-style-type: none"> Improved service provision to meet the needs of victims involved in the judicial system More people across the workforce and in the community understand, and have confidence in, community justice More people with convictions access support to enhance their readiness for employment 	<ul style="list-style-type: none"> More people access voluntary throughcare following a short term prison sentence Provide immediate supports and interventions tailored to the individuals needs. 	<ul style="list-style-type: none"> Enhanced partnership working to ensure services are codesigned with joint funding initiatives encouraged Increased representation from people with "lived experience" in commissioning and designing of local services
Actions for 2024-25					
<p>Continue to explore opportunities to increase the use of diversion and non-custodial sentence</p> <p>Further develop a multidisciplinary hub with immediate access to multiple support services</p> <p>Identify opportunities for earlier interventions prior to individuals entering the Justice System</p>	<p>Increase awareness of all support options available for people in police custodial suites</p> <p>Continue to develop a whole systems approach to service delivery, with a particular focus on earlier intervention for issues such as substance use, mental health and trauma.</p>	<p>Review workforce development needs across the justice workforce to ensure that the appropriate level of trauma informed training is embedded within both statutory and third sector services</p> <p>Create a more trauma informed safe place for assessments, supports and interventions</p>	<p>Review Victims' pathways and update communication concerning proceedings and support available.</p> <p>Commission and carry out a survey on victim services and test out on small scale with HSCP Peer Enquiry GP / RLP</p> <p>Develop support pathways beyond Justice Services</p> <p>Promote practice locally and nationally</p>	<p>Review and address pathways through the justice process which need to be more transparent and easily negotiable</p> <p>Identify shared agendas, resources and funding opportunities to aid collaborative working</p>	<p>Engage with people with lived experience of the justice system to build support / mentor with services to build confidence and increase engagement with services</p> <p>Create a lived experience role within Justice Services</p>

Community Learning and Development Plan 2024-2027

Ambition			
Community Learning and Development (CLD) is offered across Clackmannanshire, thereby reducing inequalities. CLD practice is embedded in the wider Family Wellbeing Partnership approach.			
Objectives			
Develop the conditions to enhance wellbeing and capabilities	Create a community where everyone has the opportunity to flourish	Radical shift towards preventative and relational model of public services	Voice and agency of Clackmannanshire people and communities at the heart of decision making
Outcomes			
<ul style="list-style-type: none"> Through partnership working, identified adults are equipped with knowledge and skills for learning, life and work Young people access formal and informal opportunities leading to an increase in achievements Targeted Outdoor Learning opportunities support the wellbeing of identified groups, leading to wider achievement qualifications 	<ul style="list-style-type: none"> Communities are empowered and supported to lead and participate in place based approaches Communities have increased access to a range of wellbeing support and learning opportunities Individuals engage in volunteering which contributes positively to the community 	<ul style="list-style-type: none"> The shift to early Intervention, prevention and trauma informed service delivery is positively impacting people's lives Plans, Policies, information and systems for CLD are shared seamlessly across partnerships Children, young people and families can access the right services based on their needs 	<ul style="list-style-type: none"> Our communities have the confidence, knowledge and skills to influence decisions. Children and young people understand their rights and are involved in decision making. Priorities are evidence based, informed by data sets, local intelligence and community voice.
Actions for 2024-25			
<ul style="list-style-type: none"> Develop and deliver learning opportunities for vulnerable groups, across communities Support young people at risk of disengagement through partnership work. Developed and implement Outdoor Learning opportunities, through the locality model 	<ul style="list-style-type: none"> CLD support identified Individuals and groups across our community to lead place based approaches that matter to them. Create supported volunteering opportunities within CLD settings and promote local opportunities using CTSI and Volunteering Scotland database Ensure CLD practitioners and volunteers have the skills and competencies they require to deliver high quality services when working with children, young people and their families 	<ul style="list-style-type: none"> Ensure the CLD Partnership Plan responds to the needs of the community Effective information sharing across partners is supportive to the needs of the community Embed CLD into the locality model, ensuring integration with multi agency planning and support 	<ul style="list-style-type: none"> Ensure participation plans offer opportunities for individuals and groups to actively engage in communities to shape decisions and planning Implement a rights based approach which reflects the UNCRC (Scotland) Act Ensure effective use of data and local intelligence informs priorities, practices and processes

Sport and Active Living Plan 2024-28

Ambition			
An active Clackmannanshire which inspires more people to get out, get going and get active. This will be achieved through enhanced partnership working between professional bodies, third sector partners and our communities.			
Objectives			
Workforce - More people with the right skills working in paid and voluntary roles.	Facilities - More accessible and higher quality, sustainable and inclusive public and community facilities.	Programmes - More suitable and targeted programming for people with specific needs, across school and community environments.	Travel - More accessible and connected active travel options.
Outcomes			
<ul style="list-style-type: none"> A highly skilled, energised, and resilient workforce deployed across the sector in Clackmannanshire There is a workforce created and developed ready to be deployed in the new Wellbeing Hub 	<ul style="list-style-type: none"> The Wellbeing Hub is built to the highest standards of inclusion, accessibility and sustainability and this approach is embedded in all future sport and active living facility developments The Wellbeing Hub is part of a network of high-quality public, private and community run sport, leisure and recreation facilities across the county 	<ul style="list-style-type: none"> People, including those who may not traditionally participate, are more able and confident to take part in sport or physical activity Children, young people and families purposefully engage in positive and healthier behaviours and choices in school and community settings More people with long term health conditions have access to appropriate physical activity opportunities that improve their health and wellbeing More diverse and inclusive sport and physical activity opportunities are offered within clubs and community environments, including women and girls, and other targeted groups 	<ul style="list-style-type: none"> A network of safe and connected Active Travel routes that support the communities of Clackmannanshire to access the Wellbeing Hub and the wider network of sport, leisure and recreation facilities and spaces by walking, wheeling and scooting Active travel approaches are contributing to the sustainability agenda
Actions for 2024-25			
<ul style="list-style-type: none"> Work collaboratively with key stakeholders to ensure there is a coordinated and inclusive approach to workforce development; recruitment, training and development, retention and nurture Provide a range of leadership opportunities and pathways for children and young people in school and community settings Support all schools to engage in the sportscotland School Sport Award 	<ul style="list-style-type: none"> Develop a state-of-the-art Wellbeing Hub that provides high quality swimming facilities alongside multi-purpose indoor and outdoor spaces where people can connect, relax, be active, play sport and access services that is the benchmark for all future sport and active living developments Maximise the out of school hours use of the sport and leisure facilities within the three Academies Support community sports clubs to enhance their facilities 	<ul style="list-style-type: none"> Take a multi partner approach to better understanding the barriers people face to lead an active life. Review all available qualitative and quantitative stakeholder data and consult directly with local people to confirm the suitability of existing programmes and explore gaps that need to be addressed Establish a strategic partnership with cluster primary healthcare professionals to develop a suite of offerings for those facing long term health conditions (i.e. heart conditions, obesity, drug, alcohol conditions) to improve their health and wellbeing Ensure our Community Sport Hubs, clubs and community groups and Active Schools Programme are supported to expand their reach and offering to identified target groups and individuals facing inequalities 	<ul style="list-style-type: none"> Develop new and improved existing active travel routes and schemes to support accessible access to and from the Wellbeing Hub & Lochies School (Alloa West) Support all school to review and develop their active travel plans

Family Wellbeing Partnership 2024 -2026

Ambition			
Realign the values, cultures and behaviours of the people who design and deliver services so that poverty and inequality are tackled head on, making an immediate and lifelong impact.			
Objectives			
Develop the conditions to enhance wellbeing and capabilities	Create a community where everyone has the opportunity to flourish	Radical shift towards preventative and relational model of public services	Voice and agency of Clackmannanshire people and communities at the heart of decision making
Outcomes			
<ul style="list-style-type: none"> • There is a continuum of mental wellbeing supports and services leading to improved outcomes on a variety of measures • Qualitative data, plans and processes evidence enhanced wellbeing and capabilities • More opportunities are realised for local people • Personal wellbeing of local people, council staff and key delivery partners is enhanced. • FWP supports Be the Future transformation programme • Clackmannanshire is recognised as a thriving Wellbeing Economy 	<ul style="list-style-type: none"> • Community Around the School (CATS) - including Clackmannanshire Active Learning Academy (CALA) - is making a difference across Clackmannanshire • Collaborative community wellbeing approach is supporting people • Child Wellbeing Partnership (CWP) is delivering, testing and co-designing all age childcare incorporating whole family wellbeing approach. • Community Wellbeing Strategy (ASB) is implemented • Sport and Active Living Framework is realised • Sustainable transport system enables enhanced opportunity realisation 	<ul style="list-style-type: none"> • Service delivery and planning is informed by data and strategic needs analysis (One Plan). • One Plan One Report ensures more efficient use of resources and accurate resource prioritisation • Transformation Vehicle leverages additional funding and maximises existing resources • FWP vision and learning influences Be the Future service re-design and council business • The shift to early Intervention, prevention and trauma informed service delivery is positively impacting people's lives. • In line with the Christie Commission, work across the council is more efficient; reducing duplication and sharing services wherever possible 	<ul style="list-style-type: none"> • Voice Strategy underpins all that we do. • Communities are empowered and supported to lead and participate in place-based approaches that matter to them. • There is a recognised community of active change makers. • More opportunities are realised for local people. • Community wealth building approaches are enhanced.
Actions 2024 -25			
<p>Audit continuum of mental wellbeing and resilience supports for adults</p> <p>Review and agree monitoring and evaluation processes and key performance indicator</p> <p>Strengthen place-based approaches to improve mental wellbeing, health and outcomes</p> <p>Sustain Columba 1400 (C1400) legacy through continued development of local facilitators to embed values based leadership (VBL) approaches throughout the Council and community partners; maximise</p> <p>Continue targeted C1400 values based leadership residential experiences</p> <p>Ensure FWP aligns to the People Directorate 4 Strategic Priorities and 6 outcomes [and the new Wellbeing Economy Local Outcomes Improvement Plan, when developed]</p>	<p>Continue to test and build:</p> <ul style="list-style-type: none"> • provision and delivery of Community around the School (CATS) and Clackmannanshire Active Learning Academy (CALA) • a system of School Age Childcare • a system of early learning childcare for pre 5 children in communities of need • an enhanced children and Families Together Programme • promote, maximise and develop Baby and Toddler groups in communities of need <p>Develop Community Wellbeing Strategy (ASB) with partners</p> <p>Embed FWP approaches within the delivery of the Sport and Active Living Framework</p> <p>Explore sustainable transport systems, in collaboration with partners</p>	<p>Embed One plan, One Report framework (Community Wellbeing Plan)</p> <p>Progress actions identified at stakeholder 'Transformation Vehicle' event</p> <p>Design coherent FWP identity and Communication Strategy</p> <p>Gather impact stories and evidence and strengthen outcomes by working alongside learning partner</p> <p>Support systems change by defining clear Terms of Reference and operating models for:</p> <ul style="list-style-type: none"> • FWP Board • FWP Strategic Planning Team • FWP Operational Team • FWP Collaborative 	<p>Amplify and extend voice led projects and initiatives to proactively identify, prioritise and address the issues that matter to local people</p> <p>Empower and support communities to lead and participate in what communities want, in collaboration with What Matter to You (WM2U)</p> <p>Scale elements of FWP to identified local communities</p> <p>Share FWP approaches locally and in other areas of Scotland - Theory of Change</p> <p>Progress Employability Action Plan (Wellbeing Economy Alliance alongside Local Employability Partners and partners.</p>

Ambition		
Our Public Libraries enable and empower the communities they serve		
Objectives		
Libraries support people and communities	Libraries are valued community spaces	Libraries in partnership
Outcomes		
<ul style="list-style-type: none"> Communities and people are supported and enabled 	<ul style="list-style-type: none"> Highly skilled, energised and resilient staff Health and wellbeing of our communities is supported and enhanced Spaces are accessible, inclusive and well used 	<ul style="list-style-type: none"> Partnership working is collaborative and outcome focused Service development is collaborative and co-designed
Actions for 24-25		
<ul style="list-style-type: none"> Improve literacy and reading through national programmes and local initiatives. Ensure our rich and diverse communities are reflected in both library resources and programming Review and renew our library vision and values with consideration of Directorate, Corporate and National direction 	<ul style="list-style-type: none"> Equip library staff with the skills to deliver a progressive library service Maximise the use of our library spaces for community wellbeing 	<ul style="list-style-type: none"> Develop opportunities for partnership and collaboration between libraries, communities and People Services. Develop a service improvement culture which embeds consistent data measurement and self-evaluation practices

Common Business Plan Performance Indicators 2023/24

KPI	2021/22 value	2022/23 value	2023/24 Value	Target
Average FTE working days lost through sickness absence PPL AB1 GOV	11.9	12.3	14.02	13%
% of Freedom of Information requests dealt with within timescale PPL FOI GOV	90%	92%	86%	100%
% of Councillor Enquiries dealt with within timescale PPL CNQ BUS	91%	93%	96%	100%
% of MP/MSP enquiries dealt with within timescale PPL MPQ BUS*	76%	86%	83%	100%
% formal complaints closed within timescale (stages 1 and 2) PPL C02 CUS	55%	62%	85%	100%
% formal complaints dealt with that were upheld/partially upheld PPL C04 CUS	23%	49%	36.5%	35%
% of employees who have completed mandatory training by the due date	N/A	10.3%*	58%	100%
Staff Survey - I feel valued for the work I do PPL S12 HWD	63%	N/A	56%	100%
Staff Survey - I feel that I am treated with dignity and respect within my team PPL S17 HWD	75%	N/A	74%	100%
Staff Survey - I am clear about how I contribute to the organisation's goals PPL S21 HWD	74%	N/A	69%	100%
Survey response rate PPL S26 HWD	23%	N/A	31%	100%

Overarching KPI's (Individual Plans will also have their own KPIs)	2021/22	2022/23	2023/24	2024/25	TARGET
Child Poverty Rate (0-15 years Clackmannanshire) – relative poverty after housing costs	25.5%	27.3%	Not yet available		24%
Percentage of school leavers entering initial Positive Destination*	96.5%	94.9%	Not yet available		97%+
Percentage of children with one or more developmental concerns at 27-30 month reviews	17.9% [Jan – Mar 22]	15.3% [Jan – Mar 23]	16.1% [Jan-Mar 24]		14.7% [national]
Attendance Rate – all* (taken from stretch aims)	90.3%	90.7%	90.1%		92%
Attendance Rate – Care Experienced (taken from stretch aims)	89.5%	86.5%	88.1%		92%
Percentage of P1, P4 and P7 pupils combined achieving expected CfE Level in Literacy* (taken from stretch aims)	63.3%	69.6%	73.9%		75%
Percentage of P1, P4 and P7 pupils combined achieving expected CfE Level in Numeracy* (taken from stretch aims)	71.7%	72.4%	77.3%		78%
Attainment gap at Senior Phase - SCQF Level 5 (percentage points) *	-10.4	-20.7	-14		-10
Percentage of School Leavers achieving at SCQF Levels in Literacy and Numeracy (Levels 4, 5 & 6) *	54.5%	53.7%	Not yet available		60.1% [national]
Percentage of Care Experienced School Leavers achieving at SCQF Levels in Literacy & Numeracy (Levels 4, 5 & 6) *	26.3%	30.2%	Not yet available		38.7% [VC]
Domestic Abuse Incidents (rate per 10,000 population)- Clackmannanshire	146	127	Not yet available		114
No of children referred to Children's Reporter (offences only) – rates per 1000 children	5.8	10.5	13.4		11.2 [national]
Percentage of care experienced children with 3 or more placements during the year	6%	5%	Not yet available		0%
Number of unplanned external placements changes for children	9	1	6		0
Number of children in residential placements	17	12	24		12
Percentage of Children and Young People who describe their mental health as good or very good	No data	41%	Not yet available		50%
Percentage of Children and Young People (under 18's) participating in extracurricular school sport and physical activity	36%	42%	45%		47%
Proportion of adolescents who have consumed alcohol in last 30 days (Icelandic Model/Planet Youth)	36%	No data	28%		14%
Teenage Pregnancy Rate (under 20 years) Rate per 1000 women	30.5	33.6	Not yet available		27.1
% of Girls in Clackmannanshire participating in recreational activity ** new measure	No data	No data	73%		76%

* For Education measures noted, we can divide this for SIMD, gender and Care Experienced, where relevant

Report to Council

Date of Meeting: 29th August 2024

Subject: Polling Districts and Polling Places Review – Final Recommendations

Report by: Chief Executive

1.0 Purpose

- 1.1 To present the recommendations resulting from the review of the Polling Districts and Polling Places for the Clackmannanshire Council area.

2.0 Recommendations

2.1 It is recommended that the Council does:

Council is asked to agree the recommendations contained in Appendix 2.

2.2 It is recommended that Council notes:

It is recommended that Council notes its previous decision to delegate authority to the Chief Executive (following consultation with all Councillors in the affected Ward) to approve any changes to the scheme which become necessary before the next formal review. The next formal review will take place during the period October 2028 and January 2030.

3.0 Considerations

- 3.1 The Representation of the People Act 1983 places a statutory duty on Local Authorities to carry out periodic reviews of UK Parliamentary polling districts and polling places.
- 3.2 The Electoral Registration and Administration Act 2013 introduced a change to the timing of the reviews. The review must be finalised by 31 January 2025.
- 3.3 Council agreed on the 14 September 2023 the timetable and stages for public consultation. Feedback from the first stage of the consultation was presented to Council on 21 March 2024 for their consideration and agreement sought for the final proposals going forward to the second stage.
- 3.4 The full public consultation is complete and the results analysed – see Appendix 1 and a summary of the recommendation is in Appendix 2.

4.0 Sustainability Implications

4.1 There are no direct sustainability implications from this proposal.

5.0 Resource Implications

5.1 *Financial Details*

5.2 The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

5.3 Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4 *Staffing*

6.0 Exempt Reports

6.1 Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all
Our families; children and young people will have the best possible start in life
Women and girls will be confident and aspirational, and achieve their full potential
Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies**

Complies with relevant Council Policies

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes No

9.0 Legality

- 9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

- 10.1 There are two appendices attached to the report: Appendix 1 – Consultation Results and Appendix 2 – Recommendations

11.0 Background Papers

- 11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

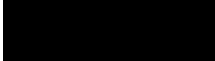
Yes (please list the documents below) No

Responses received from the consultation.

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Evelyn Paterson	Senior Governance Officer	Ext 2112

Approved by

NAME	DESIGNATION	SIGNATURE
Nikki Bridle	Chief Executive	

Appendix 1

Consultation Results

The Consultation

The public consultation was conducted in two parts. The first invited comments on the current arrangements that are in force. The second invited comments on the proposals which were agreed at the Council meeting on 21st March 2024.

It was important that stakeholders were aware of the consultation at each stage. To achieve this, the details of the review were published on Clacks.gov.uk and submissions via our on-line surveys were invited. Details of the review were circulated to relevant stakeholders and interested parties. A press release and the council's social media were also used to raise awareness of the consultation.

Those contacted directly included elected members, community councils, residents and tenants groups, Disability Equality Scotland and third sector groups through CTSI. In addition, contacts for the premises that we currently use were also provided with the information.

Submissions at stage 2

23 submissions were received. All but two of the buildings currently used were deemed suitable as a polling place. Those where concerns were raised are addressed below.

- **St Serf's Church Hall, Tullibody**

One concern was raised around traffic congestion and parking on polling day outside the hall causing issues for local residents.

Recommendation: In the absence of any other buildings that are both suitable and available in the vicinity, it is recommended that we continue to use the St Serf's Church Hall. It is recommended that the Elections Team, liaise with Police Scotland and Clackmannanshire Council Roads Department ahead of the next election, in respect of potential enforcement required on polling day.

- **St John Vianney's Church Hall, Alva**

There was one comment indicating that access was difficult for physically impaired voters and had poor lighting at the entrance. During a visit by DRO this had not been the case.

Recommendation: To continue to use St John Vianney's Church Hall. For two election events held in the building, we have and will survey all in-person voters to ascertain their opinion on the use of the building as a polling place. The first survey was done on 4th July 2024 with only one response which was a positive one.

Polling Districts

No comments were received regarding the polling districts.

A summary of the recommendations is contained in Appendix 2.

Appendix 2

SUMMARY OF RECOMMENDATIONS FOR POLLING DISTRICTS AND POLLING PLACES IN CLACKMANNANSHIRE

Current Polling Place	Recommendation for Polling Place	Current Polling District	Recommendation for Polling District
Dumyat Centre, Main St, Menstrie	Continue to use this building	AC105 (formerly OC105) All of Menstrie and surrounding area	No change
St. Serf's Church Hall, Menstrie Road, Tullibody, FK10 2RG	Continue to use this building.	AC110 (formerly OC110) Tullibody area north of Stirling and Alloa Roads including Glenochil	No change
Tullibody Civic Centre, Abercromby Place, Tullibody	Continue to use this building	AC120 (formerly OC120)	No change
Cochrane Hall, West Stirling Street, Alva	Continue to use this building	AC230 (formerly OC230) Area to north and South of Stirling Street, West Stirling Street, Stirling Road and to the west of Brook Street	No change
St John Vianney's Church Hall, East Stirling Street, Alva	Continue to use this building at this time but hold consultation on polling day over next two elections to determine voters' wishes.	AC235 (formerly OC235) Area north and south of East Stirling Street and to the east of Brook Street	No change
Devonvale Hall, Moss Road, Tillicoultry	Continue to use this building	AC240 (formerly OC240) Tillicoultry and Devonside	No change
Coalsnaughton Village Hall, Main Street, Coalsnaughton	Continue to use this building	AC245 (formerly OC245) Coalsnaughton area eastwards to Lawmuir	No change
Legends Pool Hall, Alloa Road, Fishcross	Continue to use this building.	AC350 (formerly OC350) Fishcross, Devon Village, Howetown, Blackfaulds and Devon Valley Drive area, Sauchie	No change

Current Polling Place	Recommendation for Polling Place	Current Polling District	Recommendation for Polling District
Sauchie & Coalsnaughton Church Hall, Main Street, Sauchie	Continue to use this building	AC355 (formerly OC355) Sauchie - Craigbank, Greygoran, Auchinbaird and Lochbrae areas, streets north of Schaw Court and Gartmorn Road, Deerpark area.	No change
Sauchie Hall, Mar Place, Sauchie	Continue to use this building whilst asset management review progresses. If required, following the review, future polling stations could be transferred to The Whins and/or Sauchie & Coalsnaughton Church Hall	AC360 (formerly OC360) Sauchie - Fairfield, Branshill, Braeside, Holton Crescent, Hallpark, Posthill, Keilarsbrae, south of Schaw Court and Gartmorn Road. Includes Nevis Crescent, Dovehill and Doo'cot Brae parts of Alloa	No change
Whins Resource Centre, The Whins, Alloa	Continue to use this building	AC363 (formerly OC363) The Whins, Hutton Park and Gaberston areas, Hilton Road, Carsebridge area, Greenfield Street and Hillside Terrace	No change
Alloa Old Peoples Welfare Club, Erskine Street, Alloa	No change	AC465 (formerly OC465) Areas north of Tullibody Road and south of Dovehill - Sunnyside, Forebraes, Ashley Terrace and surrounding streets, Inglewood area	No change
Alloa Baptist Church Hall, Ludgate, Alloa	Discontinue using this building – transfer voters to St Mungo's RC Church Hall.	AC470 (formerly OC470) Areas south of Tullibody Road and Stirling Road, Mar Place, all of Claremont, Fairyburn, Braehead	No change

Current Polling Place	Recommend-action for Polling Place	Current Polling District	Recommend-action for Polling District
Ludgate Church Hall, Ludgate, Alloa	Continue to use this building	AC475 (formerly OC475) West Alloa bounded by Ludgate, the Forth and Stirling Road	No change
St Mungo's RC Church Hall, Mar Street, Alloa	Voters will vote in Alloa Old Peoples Welfare Hall	AC477 (formerly OC477) Area east of Ludgate to ring road. Includes most of the town centre	No change
Bowmar Community Centre, Scott Crescent, Alloa	Continue to use this building	AC480 (formerly OC480) Bowhouse, Bowmar and surrounding area. Bounded by Hawkhill in the north	No change
Hawkhill Community Centre, Hillcrest Drive, Alloa	Continue to use this building	AC485 (formerly OC485) Hawkhill, Clackmannan Road and Hillcrest Drive	No change
Bowmar Community Centre, Scott Crescent, Alloa	Continue to use this building	AC587 (formerly OC587) Comely Bank to the rear of Morrisons	No change
Coronation Hall, Muckhart	Continue to use this building	DC590 (formerly OC590) Muckhart and surrounding area	No change For UKPGE only these are transferred to Dunfermline and Dollar Constituency
The Hive, Park Place, Dollar	Continue to use this building	DC593 (formerly OC593) All of Dollar and surrounding area includes Sheardale and Dollarbeg	No change For UKPGE only these are transferred to Dunfermline and Dollar Constituency

Current Polling Place	Recommend-action for Polling Place	Current Polling District	Recommend-action for Polling District
Loganlea Tea Room	Discontinue use of this building – now a private residence. Voters are transferred to Clackmannan Town Hall	DC595 (formerly OC595) Forestmill and landward area towards Clackmannan	No change For UKPGE only, these are transferred to Dunfermline and Dollar Constituency
Clackmannan Town Hall, Main Street, Clackmannan	Continue to use this building – has sufficient disabled access and other properties in the area would be unable to hold all three stations	AC597 (formerly OC597) All of Clackmannan and surrounding area to the north of Alloa Road	Part of OC597 (20 properties) are transferred to DC595 for UKPGE.

Report to Clackmannanshire Council

Date of Meeting: 29th August 2024

Subject: Be the Future Update - Replacement Social Work Management Information System

Report by: Lorraine Sanda, Strategic Director - People

1.0 Purpose

- 1.1. This report provides a progress report on the procurement of a replacement Social Work IT system and seeks approval for the necessary next steps.

2.0 Recommendations

2.1. It is recommended that Council approves:

- 2.2. An additional £324,246 from the Transformation Fund (para 3.11) for the purpose of enabling the Council to move forward and progress to the invitation to tender (ITT) stage which will thereafter inform procurement of a replacement Social Work IT system.

2.3. It is recommended that Council notes:

- 2.3.1 The detailed preparatory analysis work undertaken by officers over previous years (para 3.6 and 3.7),
- 2.3.2 That a business case will be brought back to Council setting out additional financial implications for the procurement, implementation and maintenance of the replacement system. Funding would require to be approved by Council prior to the procurement proceeding (para 3.10).

3.0 Considerations

- 3.1. Digital and Data Transformation is one of the agreed Council themes for the BtF programme.
- 3.2. The procurement of a new Social Work IT system is a key priority area within this workstream.
- 3.3. It has been recognised for some time that a replacement Social Work Management Information System is business critical and required for Clackmannanshire Council. The current system, in use since 1998 by

children, adult and justice services, is outdated and poses significant support and maintenance challenges. Numerous external reports have also highlighted the considerable risk due to a lack of connectivity between different systems.

3.4. Procuring and implementing a new fit for purpose system would lead to improvements for Clackmannanshire residents, suppliers and staff, be more efficient and cost effective, enabling high quality care packages to be put in place more quickly, supporting potential savings and improvements in care packages. This will lead to more efficient invoicing, and a better managed service all round. This will be a spend to save solution. Whilst there are varying levels of complexity involved in integrating existing systems with any new system, including with the Finance system, the key services which will benefit from a new system are:

- Children Services
- Adult Care
- Integrated Mental Health
- Education
- Justice Services
- Finance

3.5. Business Analysis

Over the past few years, officers have conducted extensive work to explore options and gather information to inform a Business Case. The key actions undertaken from this work included:

- 3.5.1. Action to stabilise the existing system, maximising the opportunities from the implementation of MS365.
- 3.5.2. Process improvements to tackle the most difficult challenges within current systems (reporting, access via mobile devices, data integrity, finance).
- 3.5.3. Analysis of needs of each service area.
- 3.5.4. Exploring sharing joint procurement with Stirling and/or Falkirk, or any other authority.
- 3.5.5. Consideration of procurement options, including whether funding could be capitalised.
- 3.5.6. Preparatory work on cleansing of existing system information in preparation for a new system.

3.6. Conclusion from preparatory work:

- 3.6.1. The majority of other local authorities have either progressed, or are in the process of progressing, new Social Work Management Information Systems. Joint procurement was considered but discounted due to the complexity of different legacy systems and requirements to progress to a new system.
 - 3.6.2. There is no one standard, off the shelf system that meets the requirements of all local authorities. Each authority has its own complexities and interrelated issues to address, which require bespoke solutions.
 - 3.6.3. Most local authorities have taken 3 – 4 years to progress from scoping to procurement, and typically a further 3 years or more of implementation.
 - 3.6.4. Advice has been sought from the Digital Office Scotland and Scotland Excel and no solution can be offered which would support the Council to move forward at pace and without incurring significant cost.
 - 3.6.5. Based on feedback and intelligence, the costs of implementing and maintaining a new system are considerable, likely to be in excess of £2.5million. This figure is based upon previous scoping work that was undertaken.
 - 3.6.6. The development of a national system, to support a potential National Care Service, has made little progress.
- 3.7. It is clear from the extensive work undertaken so far that a new system is now urgently required and that risks should be addressed. A move from this preparatory work to fully scoping a Business Case which sets out the requirements of a new system, including costs, potential savings, and identifying a procurement route is needed. The increasing risks can be summarised as follows:
- 3.7.1 The lack of data integration and the increasing inability to meet government legislative requirements and policy changes further exacerbate the issue.- Although some efforts have been made to stabilise the current operating environment, cleanse data, and improve practices within Children's, Adults, and Justice Services, these efforts are severely constrained by the outdated processes and systems.
 - 3.7.2 "single point of failure"—one system expert is responsible for developing, supporting, and maintaining an unsustainable and unfit system. This necessitates multiple manual checking processes, resulting in significant loss of staff time. Consequently, staff morale is negatively affected, and recruitment and retention are challenging due to reluctance to work with such an outdated system.
 - 3.7.3 Service delivery failure. - It has been identified in numerous external reports as creating considerable risk to vulnerable persons as a

result of the different current systems not connecting which could result in essential and life saving services not being delivered.

- 3.8. Internal resources are already extremely stretched and there is little opportunity to allocate existing staff to work on a new system. Most recently funding was identified through the Transformation Fund to recruit a Project Manager. However this approach was unsuccessful, as was an attempt made to procure agency support. It has become clear that a single Project Manager post will not be sufficient to move the project forward. Based on previous work undertaken to progress, and from the Council's Digital Transformation Journey over the past two years, the Council will require a full team of subject matter experts to move the whole project forward to a stage where we could prepare a full Business Case to procure a new system.
- 3.9. Securing this resource would be undertaken in line with Council Governance and following procurement rules.
- 3.10. There is a previously agreed budget of £191,514 approved from the Transformation Fund to progress a replacement SW IT System. To enable the Council to progress through to ITT stage it is estimated £515,760 is required. It is proposed that a further £324,246 is required from the Transformation Fund. This will enable the Council to progress work to undertake a full scoping of requirements for a new system to then take us through to the procurement of a new system. A business case will be brought back to Council prior to full procurement setting out additional financial implications. It is likely that the costs of the system would be Revenue however, there would be a continuing look to review what costs could be capitalised. Either way funding would have to be identified and approved by Council.

4.0 Sustainability Implications

- 4.1. No sustainability implications are identified.

5.0 Resource Implications

5.1. Financial Details

- 5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes X

- 5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes X

5.4. Staffing

6.0 Exempt Reports

6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No **X**

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all
Our families; children and young people will have the best possible start in life
Women and girls will be confident and aspirational, and achieve their full potential
Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies**

Complies with relevant Council Policies

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes **X** No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes **X**

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None


11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
Yes (please list the documents below) No **X**

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Lorraine Sanda	Strategic Director (People)	2425

Approved by

NAME	DESIGNATION	SIGNATURE
Lorraine Sanda	Strategic Director (People)	

CLACKMANNANSHIRE COUNCIL

Report to Clackmannanshire Council

Date of Meeting: 29th August 2024

Subject: Wellbeing Hub & Lochies School Project Update

Report by: Robbie Stewart, Senior Manager, Sport & Leisure

1.0 Purpose

- 1.1. The purpose of this report is to provide Council with an update on the progress of the Wellbeing Hub & Lochies School project.

2.0 Recommendations

It is recommended that the Council notes the following:

- 2.1. Key programme updates including progress of the project to RIBA Stage 4 – Technical Design (**see paragraphs 3.1 to 3.3**).
- 2.2. Community benefits plan. (**see paragraphs 3.4 to 3.9**)

3.0 Considerations

Programme Update

- 3.1. Following submission of the planning application, the design team have now concluded the primary spatial coordination design activities (RIBA Stage 3). This has enabled the team to progress to the technical design stage (RIBA Stage 4) and start preparing the tender design information for each work package (i.e. groundworks, foundations, frame, etc.). Consequently, the Tier 1 Contractor (Robertson Construction), have already commenced their procurement and market testing activities and engagement with the supply chain.
- 3.2. In parallel, there has been ongoing engagement between the design team and the internal Council stakeholders to develop the technical requirements and ensure the facilities operate and function to meet the Council's needs. This includes developing the layouts for each of the rooms and engagement with the supply chain to reduce design risk and inform costs earlier in the design process.
- 3.3. Finally, the Council's Project Team are continuing to work closely with Hubco and Robertson Construction to update the Cost Plan to monitor and control

construction costs. In addition, the Council have requested early sight of the detailed construction programme from Robertson Construction to plan ahead and get more certainty around the planned construction completion dates.

Community Benefits

- 3.4. The Wellbeing Hub and Lochies School project is one of the largest facility development projects the Council has invested in. As such the development must provide benefits to the people of Clackmannanshire beyond just delivery of the facility. Robertson Construction, as main contractor, has been tasked with delivering a range of benefits to the people of Clackmannanshire, both during the construction phase and beyond. These include areas such as; local employment, work placements, education and learning programmes which in turn will benefit individuals and communities. The Social and Local Economic Value (SLEV) has been estimated at £27,621,872.55 or 42% of the contract value. Further detail on the community benefit commitments can be found in Appendix 1.
- 3.5. A collaborative working group, including officers from various departments, Hubco and Robertson, has been established to implement and monitor the community benefits associated with the project. The group meets monthly and aims to maximise the benefits the project can bring to local communities through training, employability and local business input and support. This working group will remain in place throughout the lifespan of the project.
- 3.6. One of the community benefit commitments made by Robertson Construction was to hold a series of Meet the Buyer events. These events provide local businesses the opportunity to be amongst the first to learn about the contract opportunities associated with the project and how to become 'tender ready' for bid writing for the supply chain selection process. The first Meet the Buyer event was held in Alloa Town Hall on 6th June 2024 with 61 attendees from the supply chain. A further Meet the Buyer event is being planned for October 2024 which will focus on local Small and Medium-sized Enterprises (SMEs). There is also a plan for an event to coincide with the Forth Valley Business week towards the end of September 2024.
- 3.7. Robertson Construction have engaged with Alloa Academy and Alva Academy to deliver education workshops about the construction industry with pupils. These workshops are planned to take place in the new academic year. Lornshill Academy will also be contacted to include pupils who are interested in learning more about the project and the wider construction industry.
- 3.8. A partnership is being explored between Robertson Construction and Forth Valley College to deliver the Skills Academy to run during the construction phase. The Skills Academy will provide the opportunity for young people from across Clackmannanshire to explore the processes undertaken in the construction of a project of this size and complexity. The plan is for the Skills Academy to dovetail with existing courses delivered by Forth Valley College, creating opportunities for students and the wider public for further education in the construction industry field. The Skills Academy, which will be run by Robertson, will help develop local workforce talent and enhance skillsets for CVs to support more local young people into a career in construction.

- 3.9. Engagement with the Clackmannanshire Third Sector Interface (CTSI) and Ceteris (Clacks Business Gateway) is also underway, although it should be noted that many of the opportunities will be implemented following Financial Close into 2025. It is expected that the education programme, work placements and business connections will become more established as the construction phase progresses. All opportunities and uptake are being monitored by the collaborative working group and the project team and further detail will be brought back to Council in due course.

4.0 Sustainability Implications

- 4.1 Alignment with the Clackmannanshire Council Interim Climate Change Strategy

5.0 Resource Implications

- 5.1 Financial Details

The projected costs for the Wellbeing Hub and Lochies School developments are outlined in the General Services Capital Programme 2023/24 to 2042/43 and within the Outline Business Case shared with Council on 27 June 2024.

Discussions are ongoing with Scottish Futures Trust to confirm the level of revenue funding that will be provided from the Learning Estate Investment Programme.

6.0 Exempt Reports

- 6.1 Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all	<input checked="" type="checkbox"/>
Our families; children and young people will have the best possible start in life	<input checked="" type="checkbox"/>
Women and girls will be confident and aspirational, and achieve their full potential	<input checked="" type="checkbox"/>
Our communities will be resilient and empowered so that they can thrive and flourish	<input checked="" type="checkbox"/>

- (2) **Council Policies**

Complies with relevant council policies.	<input checked="" type="checkbox"/>
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8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes No

10.0 Appendices

10.1 None.

11.0 Background Papers


11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Robbie Stewart	Senior Manager, People (Sport & Leisure)	2431

Approved by

NAME	DESIGNATION	SIGNATURE
Lorraine Sanda	Strategic Director, People	

Report to: Clackmannanshire Council

Date of Meeting: 29 August 2024

Subject: Place Based Investment Programme 2024/25

Report by: Kevin Wells, Strategic Director, Place

1.0 Purpose

- 1.1. The purpose of this report is to provide an update to Members on activity around the Council's Place Based Investment Programme, to update on the Scottish Government's current position on the fund and to put forward proposals for a 2024/25 bid for funding.

2.0 Recommendations

It is recommended that Council notes:

- 2.1. The approach that Scottish Government is taking for the Place Based Investment Programme for 2024/25

It is recommended that Council approves:

- 2.2. That a bid is submitted to the Scottish Government's Place Based Investment Fund 2024/25 for two key projects; repairs to Sauchie Hall, Sauchie (£43,000) and the Forthbank Renewable Energy and Food Growing Project (£112,000); and
- 2.3. The authorisation of a flexible approach to delivering the projects in this paper so that underspends in one project can be allocated to overspend or added value elements in other projects.

3.0 Place Based Investment Programme

- 3.1. The Scottish Government operates three funds as part of their Place Based Investment Programme.
- 3.2. Two of these funds; the Regeneration Capital Grants Fund (RCGF) and the Vacant and Derelict Land Fund (VDLF), are allocated through a challenge fund mechanism that is open to Clackmannanshire Council to apply to. The third fund is the Place Based Investment Fund (PBIF), which is a set sum allocated to Local Authorities each year.

- 3.3. Due to funding challenges, the Scottish Government has been reviewing these funds for the year 2024/25 and has made the decision not to open the RCGF and VDLF for new applications. In addition, the amounts to be allocated to local authorities for the Place Based Investment Fund will be reduced to up to 50% of the previously notified allocation and must be used for projects that have already started and which require this capital funding to complete. No new projects are being supported. The Scottish Government has provided local authorities with a spreadsheet for completion with proposed projects which fit with the conditions they have outlined for this financial year. Unlike previous years, Councils are required to bid for funds. Once received, each bid will be assessed and Councils will notified of the outcome.
- 3.4. The Scottish Government previously indicated that Clackmannanshire Council's allocation for 2024/25 would be £310,000. This means that up to £155,000 will be awarded for any successful bid.
- 3.5. The main objectives of the Place Based Investment Fund are to:
- Ensure that investments in a place are relevant to that place and for the benefit of all the people in that place.
 - Support the delivery of 20 minute neighbourhoods.
 - Provide a consistent framework for looking at investments in a place and explore with those communities how greater collaboration can improve the circumstances of peoples' lives.
 - Support the ambitions of existing place based plans and strategies, such as the Infrastructure Investment Plan and the emerging National Planning Framework 4, making sure that money spent in places has the greatest collective benefit possible.
 - Accelerate ambitions for Community Wealth Building, community-led Regeneration, and the cities and town centres agendas.
 - Provide a coherent local framework across urban and rural areas for realising ambitions for inclusion, climate change, and wellbeing.
- 3.6. Clackmannanshire Council was allocated £310,000 for the financial year (2023/24) and Council agreed to fund the following projects:
- Carsebridge Cultural Campus – Roof works, rot treatment and internal works £88,000
 - Menstrie Active Travel Orientation Improvements - £10,000
 - Improvements to Paths and Park around Tillicoultry Primary School and Fir Park Ski Centre
 - New Cycle Facilities at Clackmannan - £10,000

In addition to the above amounts, a 10% contingency sum was set aside. With the exception of the new cycle facilities at Clackmannan which is experiencing delays, all projects are complete.

- 3.7. With regard to the current financial year 2024/25, a bid for Place Based Investment Funds (PBIF) needs to be made to Scottish Government quickly and it can be made only for projects already underway.
- 3.8. As part of the General Services Revenue and Capital Budget for 2024/25, Council agreed that the 2024/25 allocation be directed towards alternative models for the management and/or ownership of community assets.
- 3.9. A condition survey of Sauchie Hall was recently completed and identifies a number of repair works which are required to secure the long term viability of the building and to allow a successful Community Asset Transfer. Some small scale repairs including replacement of the suspended ceiling and refurbishment of the floor and new fire doors in the Activate hall have already been completed using Council capital funding.
- 3.10. Whilst the PBIF cannot cover the full cost of the outstanding repairs which amount to over £600,000, a start can be made with a bid for PBIF for four small scale repair projects including external render repairs- £5,000, internal redecoration works £3,000, partial replacement of roof tiles- £15,000, replacement of Rainwater goods- £10,000 and access equipment including cherry picker and scaffold- £10,000 which together totals £43,000. When this £43,000 is added to the repairs already carried out and the cost of the condition survey, it represents an investment of almost £65,000 this financial year 2024/25.
- 3.11. It is considered that this project fits with the Scottish Government's criteria for PBIF this year as it is securing the asset for future Community Asset transfer and is already underway with initial repairs having recently been completed.
- 3.12. Another key project underway is the Forthbank Renewable Energy and Food Growing Project. An amount of £500,000 from the Scottish Government's Vacant and Derelict Land Fund was awarded to the Council and its partners in Spring 2023 and the project has been running since early Summer 2023. The full allocation was spent, as required, by 31 March 2024 on consultant's fees, the food growing containers and a solar PV array which will provide energy for growing food. A third sector community food growing partner is working with the project team with a view to taking on the project once it is established on site at Forthbank, Alloa. Delays to the project and unexpected additional costs have recently been experienced due mainly to technical matters around water and sewer pipe constraints.
- 3.13. Additional funding to cover construction costs are now required which at present are estimated to be in the region of £200,000.
- 3.14. This project at Forthbank fits well with the current restrictions around PBIF in that it is already underway and needs additional funding to complete and it meets with the objectives of the fund. It is therefore recommended that Council agrees to bid for PBIF to enable the completion of the project. This would mean that £112,000 is potentially available from Scottish Government. In addition to PBIF, a £50,000 UK Government Shared Prosperity Funding is available for this project as is a limited amount of Council capital funding for renewable energy projects (up to £50,000). Put together, this funding will ensure that the construction phase of the project is in a position to complete by 31 March 2025.

5.0 Sustainability Implications

- 5.1. The proposed bid to Scottish government would secure the long term viability and community asset transfer of a listed building and will support a community food growing project using renewable energy as a power source. Both projects have positive sustainability implications.

6.0 Resource Implications

- 6.1. The full financial implications of the recommendations are set out in the report.

This includes a reference to full life cycle costs where appropriate. Yes x

- 6.2. Finance have been consulted and have agreed the financial implications as set out in the report. Yes x

7.0 Exempt Reports

- 7.1. Is this report exempt? Yes (please detail the reasons for exemption below) No X

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all X
Our families; children and young people will have the best possible start in life X
Women and girls will be confident and aspirational, and achieve their full potential
Our communities will be resilient and empowered so that they can thrive and flourish X

- (2) **Council Policies**

Complies with relevant Council Policies

8.0 Equalities Impact

- 8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No X

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes X

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None

11.0 Background Papers


11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No X

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Emma Fyvie	Senior Manager Development	

Approved by

NAME	DESIGNATION	SIGNATURE
Kevin Wells	Strategic Director (Place)	

Report to Clackmannanshire Council

Date of Meeting: 29th August 2024

Subject: Learning Estate Primary School Review and Planned Investment

Report by: Alison Morrison Senior Manager Property

1.0 Purpose

- 1.1. The purpose of this report is to provide Council with an update on the current condition of the primary school learning estate, with a particular focus on a small subset of those establishments. The report also suggests the prioritisation of initial investment to ensure that the primary schools within the estate are in good condition.

2.0 Recommendations

- 2.1. Council is asked to:
- 2.1.1. Note the position of our current Learning Estate condition survey and assessments.
 - 2.1.2. Agree to the prioritised works and planned capital expenditure as detailed within appendix 1, on five primary schools, namely Alva, Banchory, Muckhart, St Serfs, and Deerpark, as part of the previously approved capital budget.
 - 2.1.3. Note that a further report will be presented to Council early in 2025, in conjunction with the Council's budget setting arrangements, to give an update on the wider learning estate investment requirements as part of the 2025/2026 capital budget process.

3.0 Considerations

- 3.1. The Learning Estate Strategy, passed by Council in 2019, identified the need to undertake condition, feasibility and options appraisals to establish how our Education Service would deliver their vision and aspirations in the context of curriculum for excellence.
- 3.2. The primary aim of the strategy was to identify what a "Fit for the Future" learning estate would look like; enable the Authority to develop a clear vision of what its aspirations were for its property assets in relation to the Learning

Estate; and identify how it could add value and make a difference by producing a high performing estate to support Education Service delivery.

- 3.3. The 2019 Learning Estate Strategy included a recommendation that the Council:
- “Optimise the Council’s physical estate; this may include rationalisation of our asset base to provide more integrated and efficient services, minimise our carbon footprint, and provide more cost-effective models;”
 - “Ensure projects form part of a sustainable estate which can be maintained in the longer term, make best use of capacity and that the long-term impact of investment is maximised whilst mitigating against any future deterioration.”
- 3.4. Based on this commitment, and the Council’s priority of maintaining all its primary schools in good condition, Council officers commissioned an independent condition survey of the entire Clackmannanshire primary school learning estate in 2021. This independent approach supports the prioritisation of continued investment in the school estate and gives the Council an indication of the potential cost of future works.
- 3.5. The survey assessed each school considering type, age and use, and highlighted various infrastructure items as either nearing or having already outlived their useful life expectancy. It recommended a phased replacement approach over 10 years, estimated to cost in the region of £13.964 million. The survey formed the basis of Officers discussions, recommendations, and decisions in relation to revenue and capital expenditure across the primary school learning estate and for the assessment against the Scottish Government’s learning estate condition report.
- 3.6. As part of the ongoing assessment of our learning estate, Officers have identified 5 primary schools which are in more pressing need for investment and believe that with enhanced life cycle works, the fabric of those schools can be improved with greater impact, ensuring that our estate is maintained in a good state of repair and return to a satisfactory grading.
- 3.7. To achieve this aim, Officers are recommending that these five primary schools, namely Alva, Banchory, Muckhart, St Serfs and Deerpark be prioritised for capital investment over the next three years. This investment will cost in the region of £2.832 million from our previously approved £4.750 million Capital Investment Programme.
- 3.8. This investment will ensure that the schools are maintained in a good state of repair in line with the Scottish Governments assessment criteria and contribute towards the Council’s commitment to achieving net zero. In parallel it will support the Council’s desire for a learning estate that is supportive and conducive to our children and young people’s learning.
- 3.9. Property and Education colleagues will work closely to coordinate with the aim to minimise any disruption that these works may cause. Elected Members will be updated prior to any communication with school communities.

- 3.10. Officers are currently developing a specification, risk assessment and programme for the works. It is anticipated that the works will go out to tender in the 1st quarter 2025.
- 3.11. Further work will be undertaken by Officers in collaboration with Education and Finance colleagues to bring forth in 2025, a comprehensive Learning Estate Strategy which will outline the wider learning estate asset management and investment plan.

4.0 Sustainability Implications

- 4.1. The work that Officers are suggesting within this paper will contribute to the Council's overall Net Zero ambitions.

5.0 Resource Implications

5.1. *Financial Details*

- 5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

- 5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4. *Staffing*

6.0 Exempt Reports

- 6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) Our Priorities

- Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all
- Our families; children and young people will have the best possible start in life
- Women and girls will be confident and aspirational, and achieve their full potential
- Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies**

Complies with relevant Council Policies

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1: Priority Schools' Works

11.0 Background Papers

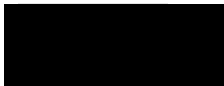
11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Alison Morrison	Senior Manager Property	Ext 2535

Approved by

NAME	DESIGNATION	SIGNATURE
Kevin Wells	Strategic Director Place	

Appendix 1: Priority Schools' Works:

1. Alva

The estimated life left in the building if none of the recommended works within our cost schedules were to be undertaken, would be heavily influenced by the remaining life left in the SCOLA or CLASP construction which forms the original building. Generally, this form of construction has an approximate 60-year life expectancy if maintained. The externals of the property are generally in a fair condition but are lacking in routine maintenance. The estimated life expectancy of the SCOLA /Clasp building is key to the life expectancy and given the school was built in the 1976 we would estimate that this may start to deteriorate over the next 10 years if none of the recommended works are carried out.

If the recommended works were carried out, it is likely that the building fabric would continue to serve its purpose for the next 15-20 years. The mineral felt roof coverings are modern and in good condition which will help in keeping the property wind and watertight for many years to come as this will be protecting key building elements internally. With enhanced life cycle investment, the building life expectancy should be able to be extended to the latter years of the estimated life expectancy, however improvement to insulation of the frame and upgrading of windows are likely to be required in the short term to improve thermal efficiency and in turn improve the internal environment.

Programme of Works:

- 1) Curtain walling system to be replaced with render repairs to effected areas. Long term consideration to be given to cladding with more energy efficient system.
- 2) Windows to be serviced /repaired and replaced where necessary. Blown or defective glazing issues to be addressed.
- 3) Consideration to be given to converting flat roof with insulated pitched roof system in the long term with localised patch repairs in the short term.
- 4) Rainwater goods to be serviced and replaced where necessary.
- 5) Fire compartmentation remedial works scheduled for summer 2024 however allowance has been made for upgrade and replacement of fire systems in line with future legislation changes.

Estimated Expenditure:

Year 1	Years 2	Years 3	TOTAL
£279,950	£280,000	£200,000	£759,950

2. Banchory:

The estimated life left in the building if none of the recommended works within our cost schedules were undertaken, we consider could be in the order of 5-10 years. Neglect to carry out recommended immediate works would have a detrimental effect

to the safe occupation and use of the building and the internal fabric of the property. It is therefore estimated that the deterioration of critical building fabric elements, would be accelerated to an unsuitable condition within a relatively 'short term' (within the next 3-5 years). If the recommended works were carried out, it is likely that the building fabric would continue to serve its purpose in the longer term. The building is 65 years old and has been constructed of relatively robust building materials that are typical of the era which, with enhanced life cycle investment the building could be brought back to a state of good repair externally.

Programme of Works:

- 1) Curtain walling system to be replaced with render repairs to effected areas. Long term consideration to be given to cladding with more energy efficient system to assist with ongoing overheating of the building.
- 2) Windows to be repaired /replaced and glazing issues to be addressed. Ongoing concerns with solar gain.
- 3) Consideration to be given to converting flat roof with insulated pitched roof system in the long term and address detailing of the flat roof as highlighted in this report in the short term. All facias to be replaced.
- 4) Rainwater goods to be serviced and replaced where necessary.
- 5) Consideration should be given to mechanical ventilation/extraction.

Estimated Expenditure:

Year 1	Years 2	Years 3	TOTAL
£257,350	£280,000	£200,000	£737,350

3. Deerpark:

The estimated life left in the building if none of the recommended works within our cost schedules were to be undertaken, would be heavily influenced by the poor condition of roof coverings, rainwater goods, curtain walling system and external decoration, highlighted in the report. Water ingress from the roofs was apparent to several rooms and in particular around redundant roof lights. Neglect to carry out recommended immediate works would have a knock-on effect to the internal fabric of the property.

If the recommended works were carried out, it is likely that the building fabric would continue to serve its purpose with no risk to the building fabric in the next 20+ years. The building is approximately 59 years old and has been constructed of robust building materials typical of its era which, with enhanced life cycle investment the building, can be brought back to a state of good repair externally.

Programme of Works:

- 1) Curtain walling system to be replaced with render repairs to effected areas. Long term consideration to be given to cladding with more energy efficient system.

- 2) Windows to be serviced /repaired and replaced where necessary. Blown or defective glazing issues to be addressed.
- 3) The flat roof coverings to Lochies School (including the sports hall) and roof coverings over part of the dining hall, external boiler room and south WC block of Deerpark Primary School are in most urgent need of replacement. The remainder of the roof coverings appear to require recovering in the long term. Consideration to be given to converting flat roof with insulated pitched roof system in the long term.
- 4) Rainwater goods to be serviced and replaced where necessary.

Estimated Expenditure:

Year 1	Years 2	Years 3	TOTAL
£250,000	£280,000	£200,000	£730,000

4. Muckhart

The life expectancy of the building, if none of the recommended works within our cost schedules were to be undertaken, would be heavily influenced by the poor condition of the rainwater goods and external decoration, highlighted in the report. Gutters and downpipes are already corroded beyond economic repair, as are most of the timber fascia boards. Neglect to carry out recommended immediate works would have a knock-on effect to the internal fabric of the property and the timber roof elements. In addition, water ingress into the roof space is likely to continue via the poor condition of skylight windows and rotten timber frame to the dormer window, which would exasperate the existing insect infestation problem by creating ideal conditions for wood rot and insect damage. It is therefore estimated that the deterioration of critical building fabric elements, would be accelerated to an unsuitable condition within a medium term.

If the immediate term recommended works were carried out, and a continual programme of medium and long term planned maintenance and cyclical redecoration works is implemented and completed, it is likely that the building fabric would continue to serve its purpose long term. The building is over 100 years old and has been constructed of robust building materials typical of its era which means, with capital investment and planned preventative maintenance, the building can be brought back to, and kept in, a state of good repair externally.

Programme of Works:

- 1) The flat roof coverings to the entrance way, corridor, toilets, and canteen kitchen are aged and should be programmed for replacement in the medium term as part of the lifecycle expenditure. Localised patch repairs may be necessary in the short term to prevent water ingress.
- 2) Rainwater goods to be serviced and replaced where necessary - program already started in 2022.
- 3) Boilers were replaced in 2023 and obsolete heat pumps have been replaced.

Estimated Expenditure:

Year 1	Years 2	Years 3	TOTAL
£5,000	£45,000		£50,000

5. St Serfs:

The life expectancy of the building, if none of the recommended works within our cost schedules were to be undertaken, would be heavily influenced by the poor condition of the staff block flat roof, the timber fascia boards, the traditional roof light windows, blocked gutters and the poor condition of the boundary wall highlighted in the report. Gutters were blocked with vegetation and moss build up from the flat roof finishes, which is a common source of subsequent and significant building defects. There has been a continual leak around one of the skylights on the pitched roof, which has allowed for timber decay, wood boarding insect infestation and vermin nesting. Some sections of cast iron gutters are already corroded beyond economic repair, as are some of the timber fascia boards. Neglect to carry out recommended immediate works would have a knock-on effect to the internal fabric of the property and the timber roof elements. It is therefore estimated that the deterioration of critical building fabric elements, would be accelerated to an unsuitable condition within a medium term.

There is immediate and medium-term life expectancy highlighted for most internal finishes, which if they are not carried out would result in the internal environment becoming unfit for purpose. In particular floor and wall finishes are already poor, so failure to replace as part of a lifecycle project will render the internal environment unfit for purpose in a medium-term period.

Programme of Works

- 1) Allowance for audit and repair of roof structural timbers.
- 2) The flat roof covering to the staff block area is aged and should be programmed for replacement in the medium term as part of the lifecycle expenditure. Localised patch repairs may be necessary in the short term to prevent water ingress.
- 3) Remove Skylights as part of roof refurbishment.
- 4) Repair concrete sills and canopies and soffits are displaying concrete spalling and exposed reinforcement bars. It is recommended that a concrete repair specialist is appointed to carry out inspection and localised repairs, as well as protective coatings to avoid further deterioration, and accelerated failure.
- 5) Replace timber fasciae with uPVC. The timber was found to be deteriorated in isolated areas and requires sectional replacement and re-decoration to avoid accelerated deterioration.
- 6) Windows to be serviced /repaired and replaced where necessary. Blown or defective glazing issues to be addressed.

Estimated Expenditure:

Year 1	Years 2	Years 3	TOTAL
£27,700	£326,736	£200,000	£554,436

Report to: Clackmannanshire Council

Date of Meeting: 29th August 2024

Subject: Tenant Participation and Engagement Strategy 2024 - 28

Report by: Strategic Director Place

1.0 Purpose

1.1 The purpose of this report is to present the Tenant Participation and Engagement Strategy for the period 2024 to 2028. A copy of the strategy has been provided to members as a background paper in advance of this meeting (Appendix 1).

2.0 Recommendations

2.1 It is recommended that Council:

2.2 Approve the Tenant Participation and Engagement Strategy 2024-2028.

2.3 Notes the action plan and the Service intention to review this annually.

2.4 Notes the survey results detailed in Appendix 2.

3.0 Considerations

3.1 As required by section 53 of the Housing (Scotland) Act 2001, Scottish Ministers set the standards and outcomes that all social landlords should aim to achieve in relation to tenant participation. The previous strategy was produced for the period 2014-17, and was written in partnership with Paragon Housing Association and Clackmannanshire Tenants and Residents Federation (CTRF). An interim strategy was then agreed at Council on 10th August 2023 which encompassed 2023-24.

3.2 A Tenant Participation Officer (TPO) was appointed in November 2023. Initially, the main focus for the Officer was to develop and produce a new strategy.

3.3 The strategy has been developed in conjunction with the Tenant Information Service (TIS). Several sessions were held with the TIS and the CTRF to allow ideas to be discussed and exchanged. The TIS also delivered a tenant participation session to elected members on 26th April 2024 as part of the monthly Housing Performance Meetings which allowed members the opportunity to refresh their knowledge of tenant participation, while outlining the expectations and responsibilities placed on tenants and social landlords.

- 3.4 The Council is focussed on enabling tenants to express their opinions on current and future Housing Service delivery. Since starting in post the TPO has sought to engage with existing tenant and resident groups throughout Clackmannanshire, and explored the potential to establish new groups where possible. Although the majority are not fully constituted groups there is potential that they may become so in future.
- 3.5 Meetings have taken place across the county in Alva Academy, Alloa Academy, the Ben Cleuch Centre, Tullibody Civic Centre and Lornshill Academy. A broad range of housing related topics have been discussed including repairs, antisocial behaviour and improvements within the local community.
- 3.6 The Housing Service is keen to re-establish a Tenant Led Board. A board existed previously and was tasked primarily with scrutinising the HRA financial business plan. This was dis-established in 2013 following a change in the management of the service at that time. Several other local authorities have won awards for their work with Tenant Led Boards, and the Service is keen to put tenants back at the heart of decision making in Housing Service delivery. The key aims of establishing such a board are set out as part of the Action Plan contained within the Tenant Participation and Engagement strategy. Aims include the scrutiny of council housing processes such as repairs, and creating successful community projects, such as community gardens, events and improving communal spaces.
- 3.7 Further to a Tenant Led Board, creating a Scrutiny panel is a key focus of the Service. The Housing Service will need to define clear lines of responsibility and accountability between each of these groups, CTRF and other tenant organisations.
- 3.8 Engagement with school pupils has been undertaken with presentations delivered in each of the three high schools. Students have been keen to learn about tenant participation and the Scottish housing system more widely, how to apply for a Council house, and other important housing information. One of the actions as part of the strategy is to form a Youth Housing Panel and to consult them on policy updates and tenant participation activities.
- 3.9 The Tenant Participation Officer carried out a survey which was both online and promoted through various groups - outcomes from the survey are detailed in Appendix 2. We received 24 responses despite the advertisement of the survey.
- 3.10 We plan to make the full Tenant Participation Strategy available on the Council website. We will maintain the Strategy's action plan as a live document continually updated to reflect progress in each key area contained within the plan. Reviews will take place regularly with a new action plan being developed each year. This will allow us to focus on what we have achieved and what still needs to be developed throughout the life of the strategy.

- 3.11 Reporting on performance in tenant participation is included as part of our Annual Report of the Charter (ARC). Our percentage of satisfied tenants in relation to opportunities to participate is 98.5% for 2023. This figure is positive when compared to the national average of 83.2%. This is a positive starting point from which we aim to build upon with the introduction of the new strategy.

Purpose of the Strategy

- 3.12 The strategy aims to improve the way in which tenants can express their views on Council Housing Service Delivery and supports the Scottish Government's strategic objective for tenant participation to be part of the services provided. It does so in the following ways:

- By providing tenants and other customers with a clear statement of what tenant participation is, and why the Council has to provide opportunities for such activities.
- Focuses the efforts of social landlords on achieving outcomes that matter to their tenants and other customers.
- Provides the basis for the Scottish Housing Regulator to assess and report on how well landlords are performing. This enables the Regulator, tenants and other customers, and social landlords to identify areas of strong performance and areas where improvement is needed.

- 3.13 The Service has collaborated effectively with the CTRF in the development of this strategy, and the Federation are supportive of our shared ambitions to improve tenant participation within Clackmannanshire.

4.0 Sustainability Implications

- 4.1 The information contained within the Tenant Participation Strategy demonstrates that housing priorities contribute positively to sustainability.

5.0 Resource Implications

- 5.1 Financial Details

- 5.2 Finance has been consulted and have agreed the financial implications as set out in the report.

6.0 Exempt Reports

- 6.1 Is this report exempt?

Yes (please detail the reasons for exemption below)

No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please click on the check box)

Clackmannanshire will be attractive to businesses and people and ensure fair opportunities for all

Our families, children and young people will have the best possible start in life ✓

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies**

Complies with relevant Council Policies

8.0 Equalities Impact

Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes

No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

Appendix 1 - Tenant Engagement and Participation Strategy 2024-28
Appendix 2 - Tenant Survey Results

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered).

No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Murray Sharp	Senior Manager (Housing)	5113

Approved by

NAME	DESIGNATION	SIGNATURE
Kevin Wells	Strategic Director – Place	



**Clackmannanshire
Council**

www.clacks.gov.uk

Comhairle Siorrachd
Chlach Mhanann

Tenant Participation and Engagement Strategy 2024 - 2028



Forewords

As Chair of Clackmannanshire Tenants & Residents Federation, it is my privilege to introduce this critical document that stands as a testament to our commitment to not only maintaining but enriching the dialogue between tenants and Clackmannanshire Council.

This strategy marks a pivotal moment for us. It is built from our shared experiences, challenges, and triumphs in striving for a community where every voice is not just heard but is instrumental in shaping our future. We believe that active and effective tenant participation is fundamental to the success of our local governance and the improvement of our living conditions.

Clackmannanshire's Tenants & Residents Federation (CTRF) are committed to working with Clackmannanshire Council, Scottish Government, Scottish Housing Regulator, Third Sector Organisations and Community Groups to ensure tenant voices are central to decision-making, when developing and implementing housing and related policies, procedures and services.

Our aim is straightforward – through our independent participation, engagement and scrutiny activity, we review service delivery, identify what works well, what could be better, and recommend improvements. We work hard to hold the Council to account on behalf of all tenants across Clackmannanshire to create a thriving, collaborative community where each tenant has the opportunity and the tools necessary to contribute meaningfully.

This strategy outlines clear, actionable steps and goals that are designed to empower every tenant. Whether it's through attending meetings, participating in focus groups, or completing surveys and consultations, your involvement is crucial.

The success of this strategy relies not only on the implementation of its actions but on the active participation of you, our tenants. Your insights, experiences and feedback are invaluable to us. They make the difference between the strategy on paper and the strategy in action.

As we move forward, I invite each one of you to join us in this journey. Participate, engage and let us together build a community we are proud to call home.

Thank you for your commitment to making our community a better place for all.

June Anderson BEM, Chair of Clackmannanshire Tenants and Residents Federation

I'm delighted that this refreshed and renewed Tenant Participation Strategy is finalised and ready to be shared with the tenants and residents of Clackmannanshire. A lot of work has gone into this, and I thank our Housing Team for bringing this to you.

Tenant participation is a subject close to my heart. For many years, I was Chairperson of my local Tenants and Residents Association, so I saw first hand how important it is to have a mechanism for engagement with the Council on a strategic level. It gives our tenants an opportunity to be fully involved in everything that happens with their homes and the area in which they live, work and play. And while the Council is your landlord, and owns the houses, you make those houses into homes, and make housing estates into communities.

It is very important to the Council that you have your say, and we do listen. We value all comments, good or bad, as these will shape the way forward for housing and communities in Clackmannanshire.

Our Tenants Participation Officer, Callum Wynd, is always available to help you to form Tenant and Resident Groups, or to discuss the Strategy more fully with you. I hope you'll take the opportunity to contact Callum, or me, if you have anything you need clarified.

With very best wishes,

**Councillor Jane McTaggart,
Spokesperson for Housing and Property**

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Glossary of Terms

- CTRF – Clackmannanshire Tenant and Resident’s Federation
- RTOs – Registered Tenants Organisation
- RSLs – Registered Social Landlords
- AGM – Annual General Meeting
- PHA – Paragon Housing Association
- TIS – Tenants Information Service
- SHR – Scottish Housing Regulator
- SPSO – Scottish Public Services Ombudsman
- HOHP – Homeowners Housing Panel
- TP – Tenant participation
- OTHER CUSTOMERS - adjoining homeowners, housing applicants and other customers who



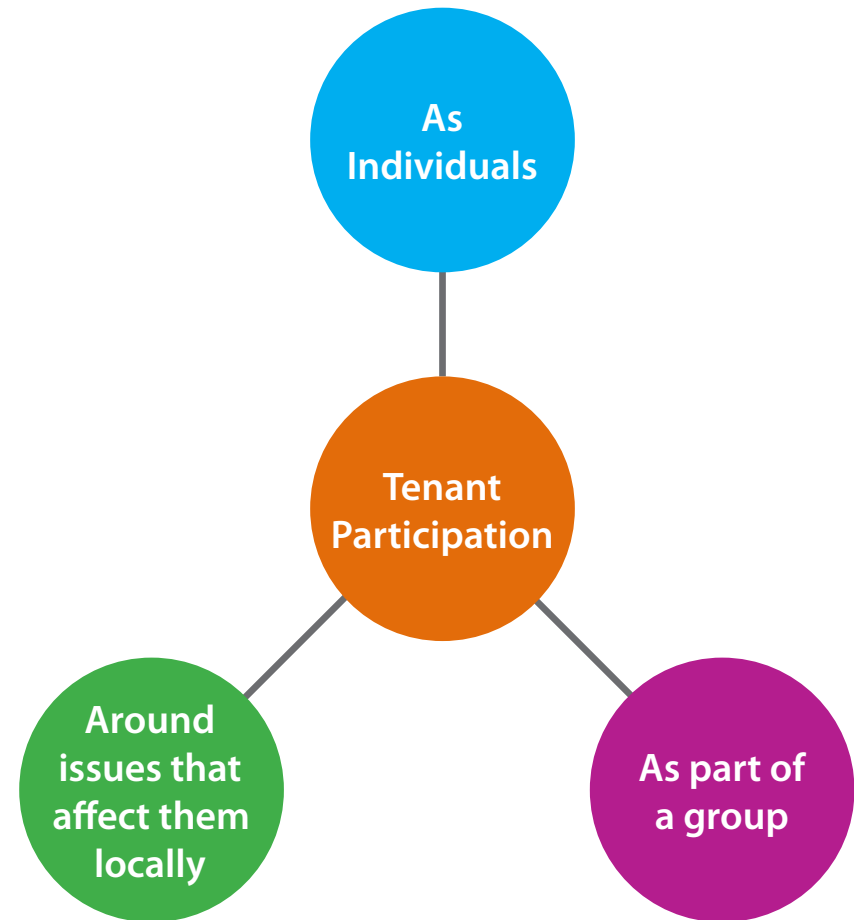
Introduction

Welcome to the tenant participation and engagement strategy 2024 – 2028. This was developed in partnership with tenants, residents, local people and staff.

The strategy outlines how we will build on previous successful participation and expand opportunities for tenants, residents and other customers to influence the decisions the Council makes regarding housing and related services.

We will work with partner groups such as Clackmannanshire Tenants and Residents Federation (CTRF), local tenants and residents and other customers.

Tenant participation is defined as “local people having their say in the decisions made by the housing providers for their local communities.” Tenant participation is supported in legislation, under the Housing (Scotland) Act 2001. It is summarised in the chart opposite.



Like many organisations, Clackmannanshire Council has a set of core values which all staff work to and uphold. These values influence the direction and delivery of Tenant Participation.



1. TP Aims and Objectives

We aim to provide a range of options to give our tenants and other customers a variety of choices and opportunities to be involved with us. We aim to provide flexible options to meet the diverse needs of all tenants and customers.

We aim to work in partnership with other council services, agencies and organisations to support tenants and other customers to work with us to influence housing and other services to improve communities.

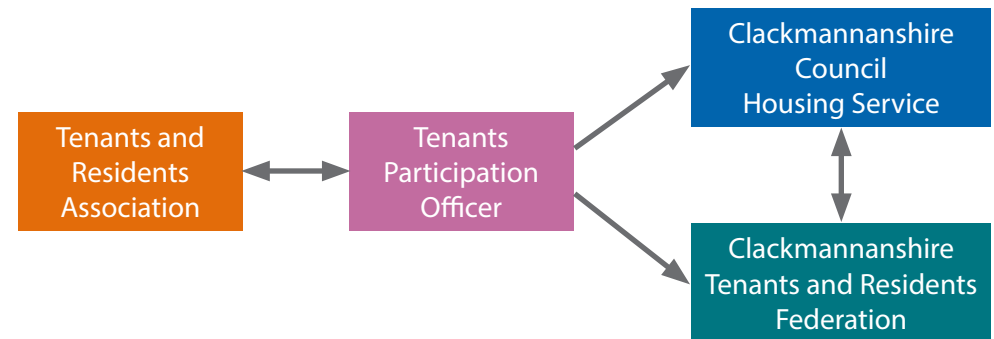
The aims which hope to be achieved through this strategy are set out in the strategic objectives below:

Strategic Objective	Objective Outline
1.	Ensuring tenants are well informed
2.	Seeking and listening to tenants' views before making decisions
3.	Developing new and existing tenants and residents organisations
4.	Developing innovative participation and scrutiny opportunities
5.	Providing resources and support
6.	Monitor, review and report on strategy implementation

The actions attached with each objective are covered as part of the Action Plan in Appendix 1.

The Housing Service supports tenant participation in various ways. The Tenant Participation Officer attends the meetings of all the Tenant and Resident Groups. This is to allow people to raise concerns directly with the officer who can provide feedback to management. The Tenant Participation Officer can help chair and facilitate discussion at these meetings, so the meetings run smoothly.

The role of the Tenant Participation Officer is to facilitate opportunities for tenants to express their opinions of the Housing Service to the Council. The TP process is shown below:



2. How the Strategy was developed

A review group made up of housing staff, tenants and residents was involved in the development of the strategy. We would like to thank all members of the review group for their time and valuable input in developing this strategy which covers the period 2024-2028.

The timetable for the strategy development process is shown below. The key groups involved were initially consulted between November 2023 and January 2024, with the full survey consultation running in March and April 2024. Tenants could complete the consultation either online or as

a postal survey. We are very grateful to all the tenants who completed the survey. CTRF were heavily involved in the process of promoting and consulting on the strategy. This strategy was developed from the previous strategy and expanded to include any new legislation.

Further developments were made through the consultation phase of the strategy. Having completed previous consultations, such as the Rent consultation, similar methods of interacting with tenants were used.

Action	Groups Involved	Completed By
Initial Meetings to discuss strategy and outcomes	Clackmannanshire Council, CTRF, Tenants and Residents Associations, External Stakeholders, Other Tenant and Resident Groups	November 2023 - January 2024
Consultation Period	Clackmannanshire Council, CTRF, Tenants and Residents Associations, Other Tenant and Resident Groups, Remainder of Tenants	April 2024 – May 2024
Analysis Period	Clackmannanshire Council, CTRF	May 2024
Write Up	Clackmannanshire Council, CTRF	May – June 2024

3. Key participation and engagement successes

Tenants were notified through a variety of ways to encourage participation. These mediums included emails, letters, texts and promotion on social media.

Sessions were held in the three high schools in Clackmannanshire, to improve senior student knowledge of the housing sector, managing a tenancy and other related matters. As outlined in the action plan, there are plans to create a Youth Housing Panel, in collaboration with the Clacks Youth Council. Positive feedback was received from all three sessions and further sessions are planned going forward.

4. Opportunities for Involvement

Method of Getting Involved	Member of Staff/ Organisation to Contact
Community Group/ Tenant and Resident Association	Tenant Participation Officer/ Group Secretary
Scrutiny Panel	Tenant Participation Officer
Tenant Conferences	Tenant Participation Officer
Tenant Led Board	Tenant Participation Officer/ CTRF
Interested Tenants Register	Tenant Participation Officer
Tenant Surveys	Tenant Participation Officer

These views were then used to form part of this strategy, showing what opportunities there are to get involved and how these views fit into the long term Housing vision.



“It is very important to the Council that you have your say, and we do listen.”

Councillor Jane McTaggart, Housing and Property Spokesperson

5. Resources & Support

As a landlord, we recognise the importance of resourcing tenant participation adequately. We are committed to providing resources and facilities for tenant participation as follows:

- Venues for meetings
- Transport to and from venues
- Costs to provide lunches, teas and coffees when tenants go to consultation and review meetings
- Crèche facilities
- Travel expenses for tenants to go to meetings
- Staff time and travel expenses
- Administration (taking minutes, mailings and photocopying)
- Training

The Housing Service is able to offer funding for other tenant groups, should they wish to become an official RTO.

6. Tenants Legal Rights and Legislation

The Housing (Scotland) Act 2001 introduced a legal framework for Tenant Participation.

Tenants have the right to:

- Form independent representative associations
- Access information about housing policies
- Be consulted on issues that affect them
- Participate in decisions that affect the services tenants receive and be given adequate time to fully consider proposals

Clackmannanshire Council has duties to:

- Produce a Tenant Participation Strategy
- Make sure that our Tenant Participation Strategy complies with equal opportunities requirements
- Set up a register of tenant organisations, in line with Scottish Government guidance
- Consider feedback made by individual tenants and tenants' groups
- Inform tenants and RTOs of proposals for housing management, standards of service and the Tenant Participation Strategy

The key legislation which covers Tenant Participation is shown in the table below:

Legislation	Key Aims
Social Housing Charter	In 2010, the first Scottish Social Housing Charter (The Charter) was introduced in the Scottish Parliament. The Charter sets out the standards and outcomes that social landlords should achieve. It also supports the Scottish Government's National Outcomes on communities, environment and human rights which describe the kind of Scotland we want to see.
The Scottish Housing Regulator (SHR)	The SHR is the independent regulator of Registered Social Landlords (RSLs), such as Clackmannanshire Housing Association and Local Authority housing services in Scotland. The SHR is responsible for monitoring, assessing, and reporting on how well social landlords achieve the Charter's outcomes. SHR publish an engagement plan for every social landlord in Scotland. The plan sets out why SHR are working with a landlord and what the local authority needs to do: https://www.housingregulator.gov.scot/

Legislation	Key Aims
Annual Return on the Charter (ARC)	The Council is required to provide information each year to report on our performance against the Charter. The SHR then produces an independent report on our performance by the end of August each year. The Charter is made up of 16 outcomes, and all social landlords must aim to achieve all these outcomes for their tenants and service users. https://www.clacks.gov.uk/housing/reportingourcharterperformance/
Annual Performance Report	The Association is required each year to produce an Annual Performance Report to tenants to communicate the outcome of the SHR assessment and performance information.
Annual Assurance Statement	In October each year, we are also required to submit an Annual Assurance Statement to the SHR. The Council needs to confirm to the SHR that it is complying with all regulatory requirements and standards. If it is not meeting these requirements, we must advise the SHR and say what we are doing to address the issues.

7. Monitoring and Evaluation of the Strategy

We will continue to review the progress of the strategy. Tenants will be encouraged to become involved in establishing the monitoring methods, with the potential formation of a joint staff and tenant monitoring group.

We are committed to finding new ways to help tenants get involved. To do this we need to regularly look at and consider new ways of working with tenants and interested individuals. Through the Action Plan, we will form a joint monitoring and implementation group, with tenants, to monitor the implementation and the success of the outcomes outlined.

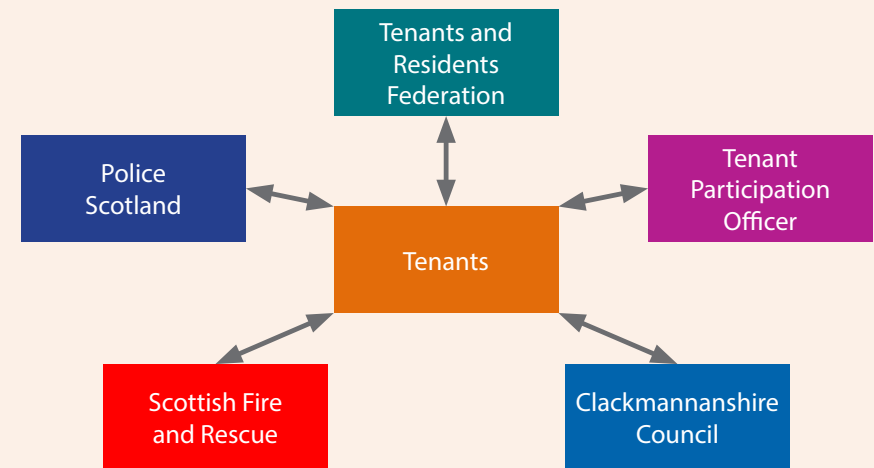
We will:

- Review the Tenant Participation Strategy every year
- Review and update the Action Plans annually
- Ask our tenants and interested individuals for their views on how they think we should or could get more involvement
- Publicise the results

Each year we will provide the Scottish Housing Regulator, through the Annual Return on the Charter (ARC) with key performance information on progressing towards or achieving the Charter outcomes and standards.

8. Partnership working

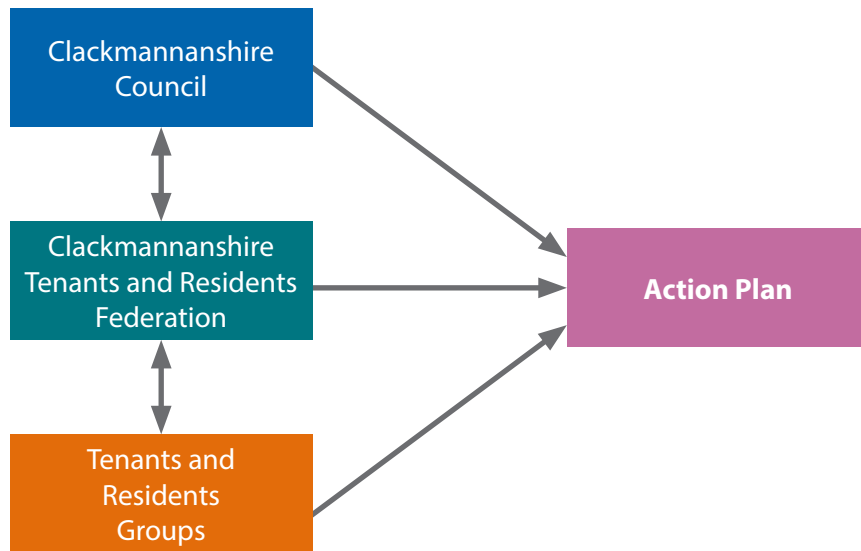
The Housing Service has provided presentations to external stakeholders, such as the Scottish Fire and Rescue Service and Police Scotland. This was done in collaboration with CTRF. They are also customer facing and having many interactions with tenants, both organisations were very keen to support tenant participation activities and raise the profile of tenant participation within local communities when they carry out house visits, patrols and other related activities.



Further developments in partnership working were made through the Forth Valley Tenant Participation Officers Forum. This forum is made up of Tenant Participation Officers and Housing Managers from the three local authorities and several housing associations based within Forth Valley. Several topics are discussed in quarterly meetings, including consultation with tenants and questions that should be asked. These discussion points were then used to develop the questions for this strategy. The meetings also shared best practice with other landlords.

9. Action Plan Background

The action plan was devised in partnership with CTRF and tenant associations to create a collective plan for the future. These actions cover the growth of tenant associations across Clackmannanshire, growth of events where tenants can provide feedback on the service provided by the Tenant Participation Officer and voice any other concerns they have relating to the overall Housing Service.



"We work hard to hold the Council to account on behalf of all tenants across Clackmannanshire."

June Anderson, Chair of Clackmannanshire Tenants and Residents Federation



Appendix 1 – Action Plan

Feedback from Tenants	Action through Tenant Participation Strategy	Action achieved through the Key Objectives	Timescale	Person(s) Responsible	Progress
Better communication required between the tenants and the repairs service. Understanding of how long it takes for repairs to come and when doors, kitchens and windows are replaced	More communication via letters, social media and emails from the Repairs Team to let tenants know when planned works are due to take place	Ensure tenants are well informed	Ongoing	Tenant Participation Officer, Repairs Team Leader	
Better understanding of how houses are allocated and how tenants can participate in this	Through the Scrutiny Panel, the methods of allocation can be further explained to tenants	Ensure tenants are well informed	Ongoing	Tenant Participation Officer, Housing Allocations Team, Policy Officer	
Better managing of expectations from tenants of what service the Council can deliver	Through the Scrutiny Panel, the processes and expectations of the service can be explained to tenants	Ensure tenants are well informed Providing resources and support	Ongoing	Tenant Participation Officer, Housing Management	
Continue to run consultations with the public, to allow for people to voice their opinions	Have consultations in public libraries, cafes and other public places	Seeking and listening to tenants' views before making decisions	Ongoing	Tenant Participation Officer, CTRF	
Continue to run consultations for the travelling persons community, LGBTQ and ethnic minority groups	Have consultations on the travelling persons site, in public libraries, cafes and other public spaces	Developing innovative participation and scrutiny opportunities	Ongoing	Tenant Participation Officer	
More involvement of staff and tenant joint projects and groups	Creation of a joint staff and tenant monitoring group	Monitor, review and report on strategy implementation	August – October 2024	Tenant Participation Officer, CTRF, Housing Spokesperson	
Gain the views of young people and what they would like from the Housing Service	Creation of a Youth Housing Panel	Developing innovative participation and scrutiny opportunities	Beginning of new school term and ongoing	Tenant Participation Officer, CTRF, Education Service	
Taking more feedback from tenants into account for services and showing the changes we have made	Development of a "you said, we did" for the Council's website and social media pages	Monitor, review and report on strategy implementation	Ongoing	Tenant Participation Officer, CTRF, Scrutiny Panel (once established),	
More community and one off events across Clackmannanshire	Promote tenant events, such as the Clackmannanshire Community Carnival to tenants more widely and how they can get involved	Monitor, review and report on the strategy implementation	Ongoing	Tenant participation officer, CTRF, Scrutiny Panel (once established)	
Allow for more short pulse tenant satisfaction and engagement surveys	Promote tenant satisfaction surveys, and the benefits of promoting such surveys, through the Council officers and social media channels	Monitor, review and report on the strategy implementation	Ongoing	Tenant participation officer, CTRF, Scrutiny Panel (once established)	

Appendix 2 – List of Groups Involved in Development of New Strategy

- Alloa Tenants and Residents Group
- Alva Tenants and Residents Group
- Clackmannanshire Tenants and Residents Federation
- Fishcross and Benview Residents Association
- Sauchie Community Group
- Tillicoultry Tenants and Residents Group
- Tullibody Tenants and Residents Group

Appendix 3 - Complaints

At Clackmannanshire Council we aim to provide you with the best service we possibly can. If something goes wrong or you are dissatisfied with our services, please tell us.

Our Guide for Customers describes our complaints procedure and explains how to make a complaint. It also tells you about how we will handle your complaint and what you can expect from us.

It also outlines how to contact the Scottish Public Services Ombudsman if you are dissatisfied with our decision or the way we dealt with your complaint

<https://www.clacks.gov.uk/site/documents/customerfeedback/clackmannanshirecouncilscomplaintshandlingprocedure/>

Appendix 4 - List of Other Contacts/ Useful Sources of Assistance

Homeowner Housing Panel

Europa Building, 450 Argyle Street,
Glasgow, G2 8LH

Telephone: 014- 242-0175

Fax: 0141-242-0141

Email: hohpadmin@scotland.gsi.gov.uk

Website: <http://hohp.scotland.gov.uk/>

Kingdom Housing Association

Saltire Centre, Pentland Ct, Glenrothes, KY6 2DA

Telephone: 01592 631661

Website: <https://www.kingdomhousing.org.uk/>

Email: kingdom@kha.scot

Ochil View Housing Association

Ochil House, Marshell, Alloa, FK10 1AB

Telephone: 01259 722899

Website: <https://www.ochilviewha.co.uk/>

Email: customerservices@ochilviewha.co.uk

Paragon Housing Association Limited

Invergrange House, Station Road,
Grangemouth FK3 8DG

Telephone: 01324 664966

Fax: 01324 664930

Website www.paragonha.org.uk

E-mail: enquiries@paragonha.org.uk

Scottish Federation of Housing Associations

3rd Floor, Sutherland House,
149 St Vincent Street, Glasgow G2 5NW

Telephone: 0141 332 8113

Fax: 0141 332 9684

Website: www.sfha.co.uk

Scottish Housing Regulator

5th Floor, 220 High Street,
Glasgow G4 0QW

Telephone: 0141 242 5575

Website: www.housingregulator.gov.scot

Scottish Public Services Ombudsman

4 Melville St, Edinburgh, EH 3 7NS or SPSO,
Freepost EH541, Edinburgh, EH3 0BR

Telephone: 0800 377 7330

Online contact: www.spsso.org.uk/contact-us

Website: www.spsso.org.uk

Tenants Information Service

Suite 335, Baltic Chambers,
Wellington Street, Glasgow. G2 6HJ

Telephone: 0141 248 1242

Fax: 0141 221 1911

Website: www.tis.org.uk

Tenant Participation Advisory Service

74-78 Saltmarket, Glasgow.G1 5LD

Telephone: 0141 552 3633

Fax: 0141 552 0073

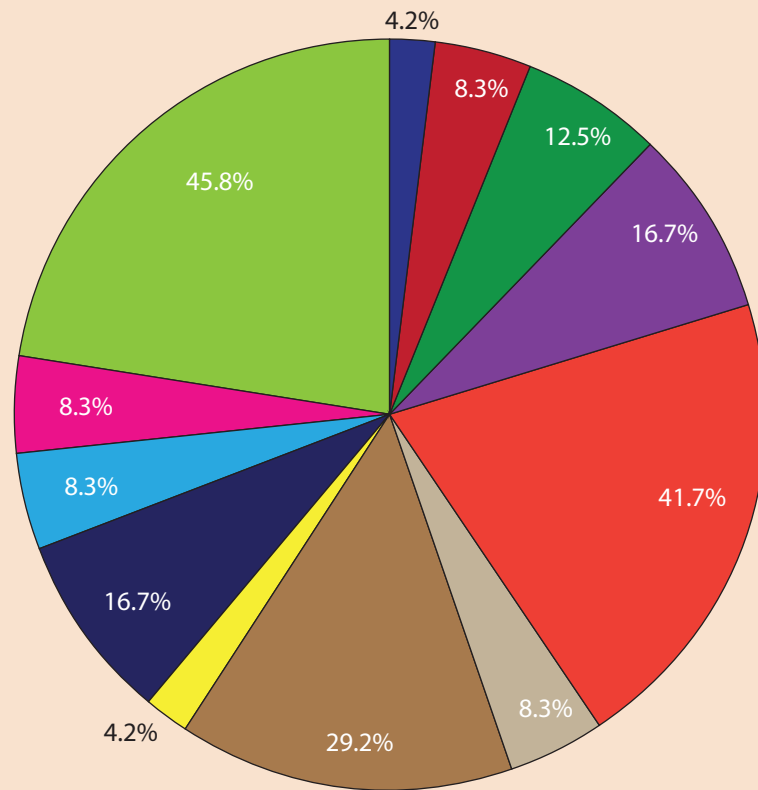
Website: www.tpasscotland.org.uk

Appendix 5 - Results from Tenancy Consultation Survey

Are you aware of any of the following ways in which you can get involved with participating in the Council’s Housing Service to influence decisions taken?

Ways in which to get involved with Housing Service to influence decisions

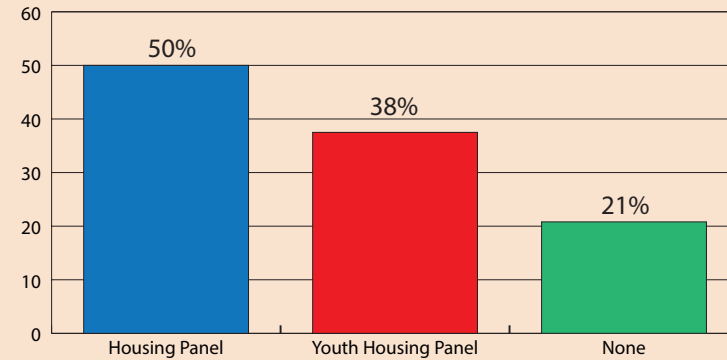
Option	Percent
■ Taking part in the development of Tenants' newsletters	4.2%
■ Taking part in local area walkabouts with housing staff and elected members to identify neighbourhood improvements	8.3%
■ Attending a local Tenants' Forum, previously Tenants' Conferences	12.5%
■ Being a member of a local Registered Tenants' Organisation	16.7%
☐ Attending a tenant engagement meeting	0%
■ Completing tenant satisfaction surveys	41.7%
■ Attending local tenant events in your housing locality	8.3%
☐ Attending a tenant roadshow	0%
■ Completing a tenant consultation questionnaire	29.2%
■ Taking part in consultation through the Council's social media platform such as Facebook, Twitter or Instagram	4.2%
■ Other local events and fun days	16.7%
☐ Support from the Digital Inclusion Service to access online tenant participation opportunities	0%
■ Becoming a member of Clackmannanshire Tenants and Residents' Federation (CTRF) and their Executive Committee	8.3%
■ Register on the Council's Interested Tenants' List to be kept informed and be involved in the Housing Service's activities	8.3%
■ None	45.8%



How would you like Clackmannanshire Council to involve people of all ages in tenant participation?

Would you like a Young People’s Panel set up, or any other similar panels?

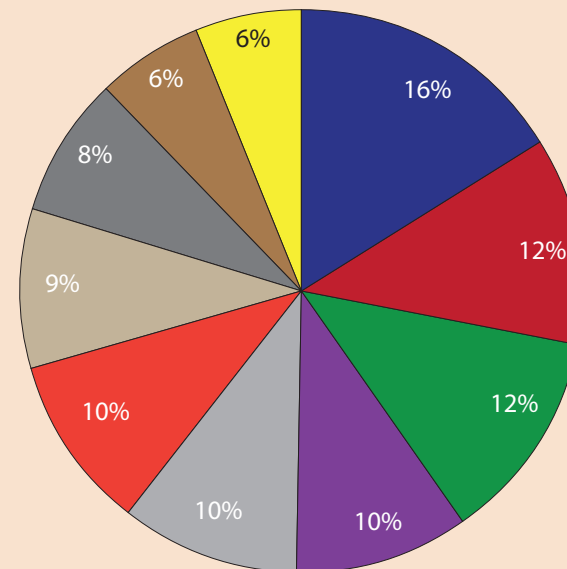
What type of panel would you like to be involved in?



What do you feel are the barriers to you getting involved?

Ranking of ‘Barriers to getting involved’

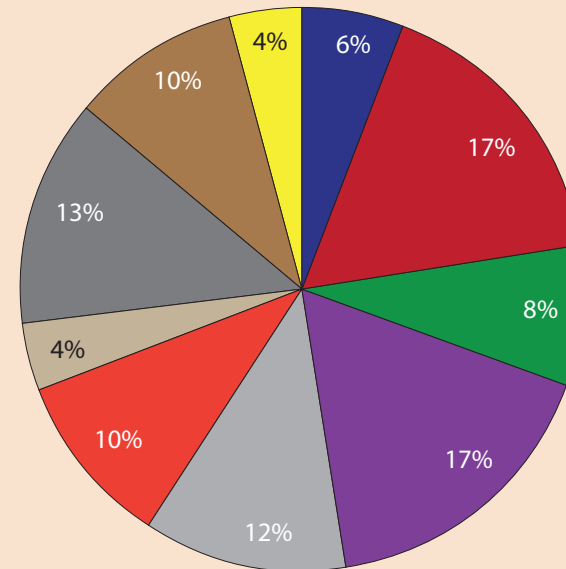
Option	Percent
Health reasons	16%
Need for training/support	12%
Not enough events held out with work times	12%
Too busy to get involved	10%
Not enough online events	10%
In person events not held in the right place	10%
Lack of child care or carer support	9%
Not interested in getting involved	8%
No access to transport	6%
Not enough in person events	6%



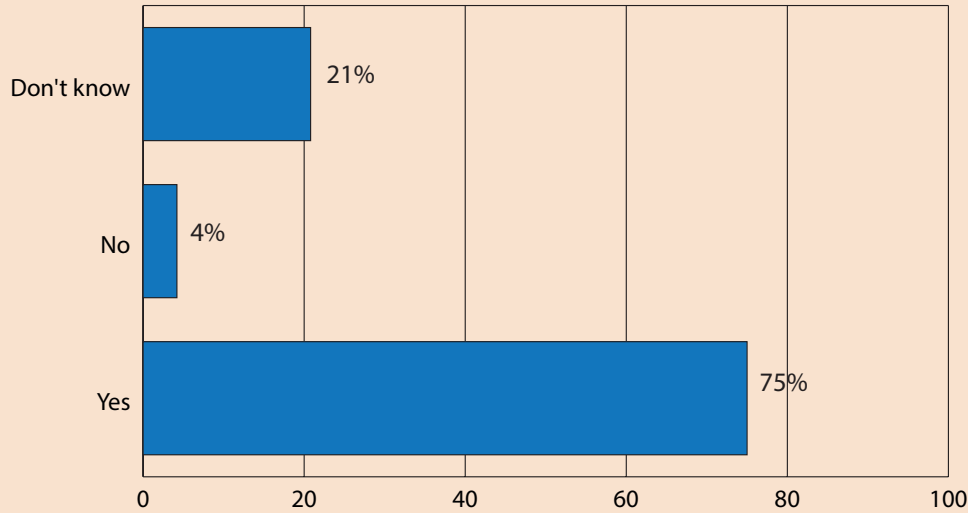
As part of the new Strategy, the Council wants to develop opportunities for tenants to get involved. Which of the following participation opportunities would you get involved in?

Which participation opportunities would you get involved in?

Option	Percent
Attending programmed local tenant and residents' events to take part in engagement activities and to prioritise areas for discussion	6%
Completing consultation questionnaires to influence policy and decision making	17%
Attending focus groups to influence policy and decision making	8%
Taking part in short pulse surveys to gather tenant opinion	17%
Attending pop up events or drop in events in your local community	12%
Taking part in engagement through social media for example Facebook	10%
Being involved in your local estates based initiatives for example walkabouts and meetings	4%
Completing satisfaction surveys on Housing Services delivered by the Council	13%
Attending focus groups to scrutinise the services delivered by the Council's Housing Service	10%
Attending virtual tenants' gatherings and coffee mornings	4%



Would you like a 'you said, we did' method adopted for tenant participation?



The top 5 issues people wanted to be involved in were:

- | |
|---|
| 1. Antisocial behaviour in my area, |
| 2. how Clackmannanshire Council allocates housing, |
| 3. how quickly and effectively repairs are undertaken |
| 4. How my local estate is managed and looked after |
| 5. The length of time empty council houses take to re – let |

What do you feel are the barriers to you getting involved?

- | |
|---|
| 1. Health reasons |
| 2. Need for training / support |
| 3. Not enough events held out with work times |
| 4. Not enough online events |
| 5. In person events not held in the right place |

Top 5 ways tenants want to get engaged:

- | |
|--|
| 1. Completing tenant satisfaction surveys |
| 2. Completing a tenant consultation questionnaire |
| 3. Other local events and fun days |
| 4. Attending a local Tenant's Forum, previously Tenants' Conferences |
| 5. Attending local tenant events in your housing locality |

As part of the new Strategy, the Council wants to develop opportunities for tenants to get involved. Which of the following participation opportunities would you want to get involved in?

- | |
|---|
| 1. Completing consultation questionnaires to influence policy and decision making |
| 2. Taking part in short pulse surveys to gather tenant opinion |
| 3. Attending pop up events or drop in events in your community |
| 4. Attending focus groups to scrutinise the services delivered by the Council's Housing Service |
| 5. Attending programmed local tenant and resident's events to take part in engagement activities and to prioritise areas for discussion |

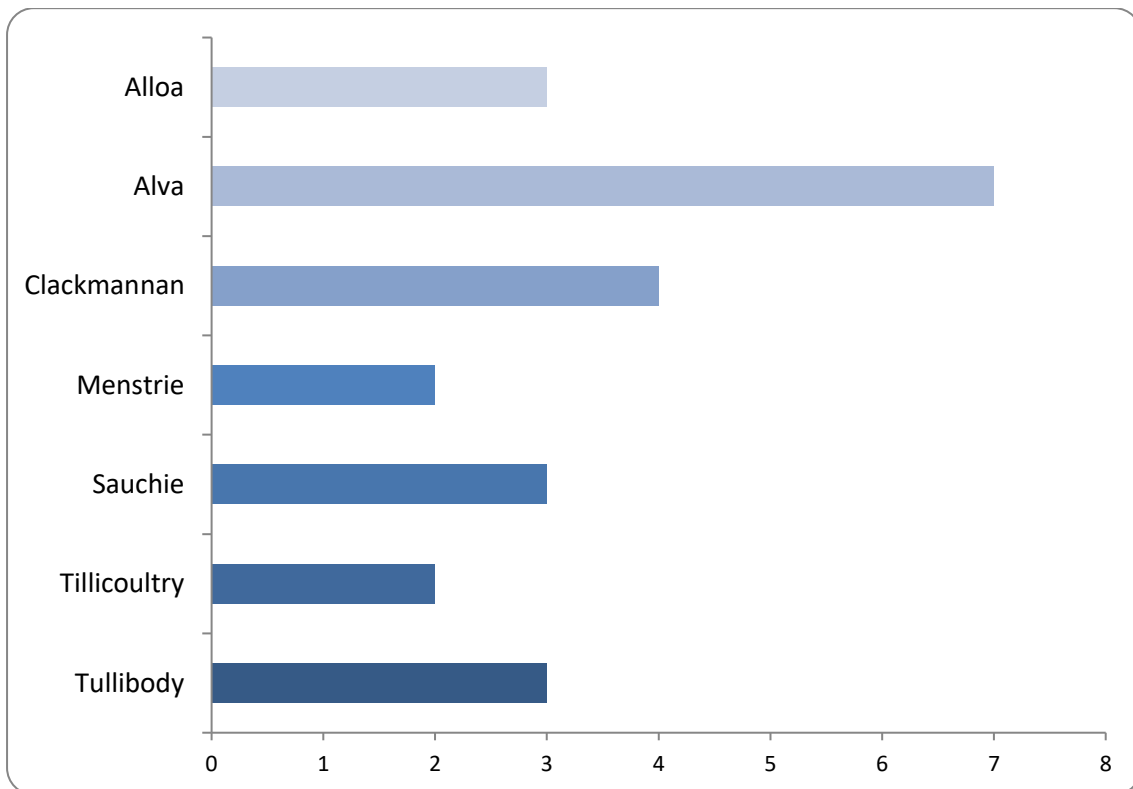
Tenant Participation and Engagement Strategy 2024-28 Consultation

The following details the results of the consultation published on Citizen Space in relation to the Tenant Participation and Engagement Strategy 2024-28, which was open from 12th April to 17th May 2024.

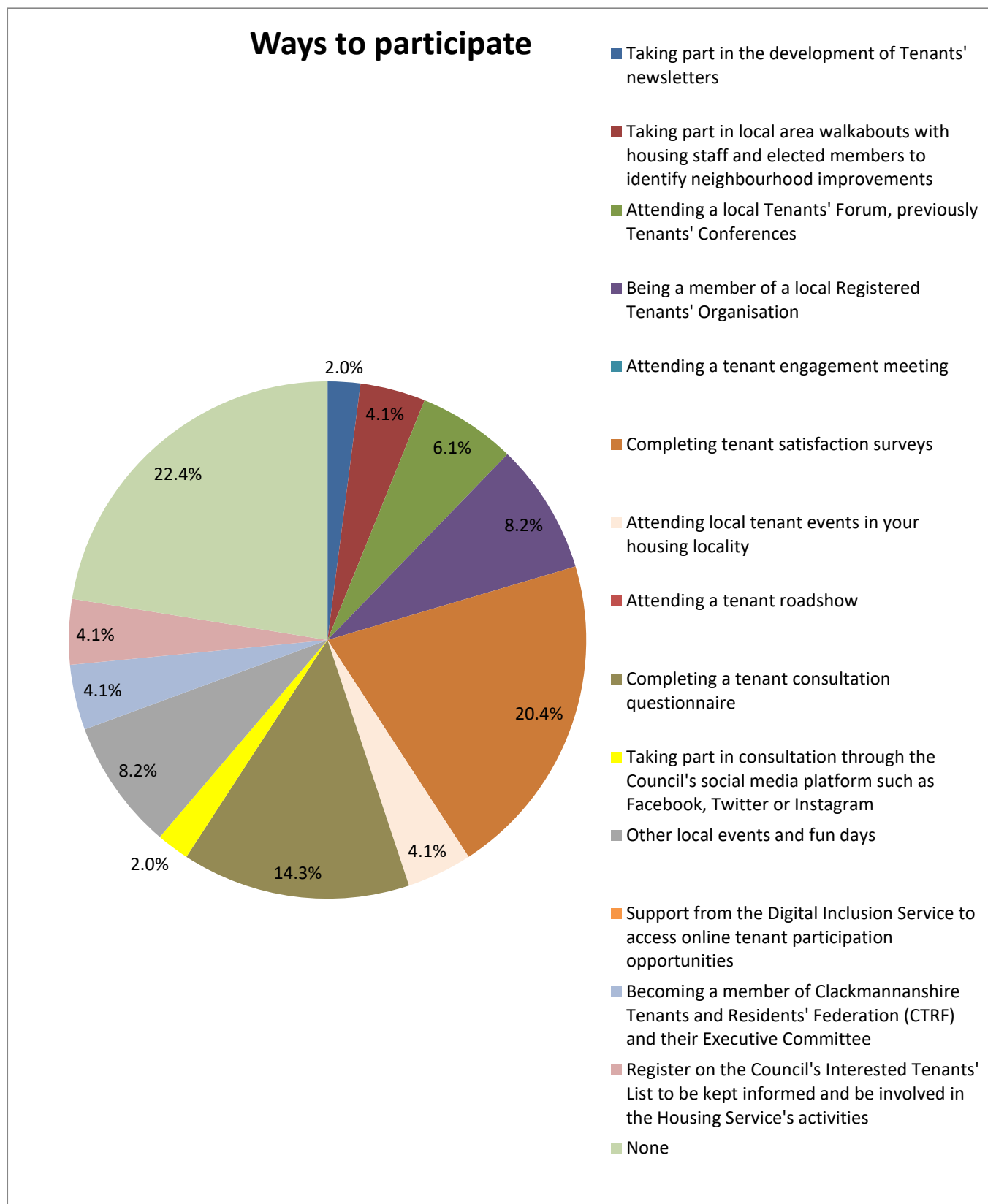
24 responses were received, a summary of the responses are detailed below

Where do you live?

All respondents answered this question.

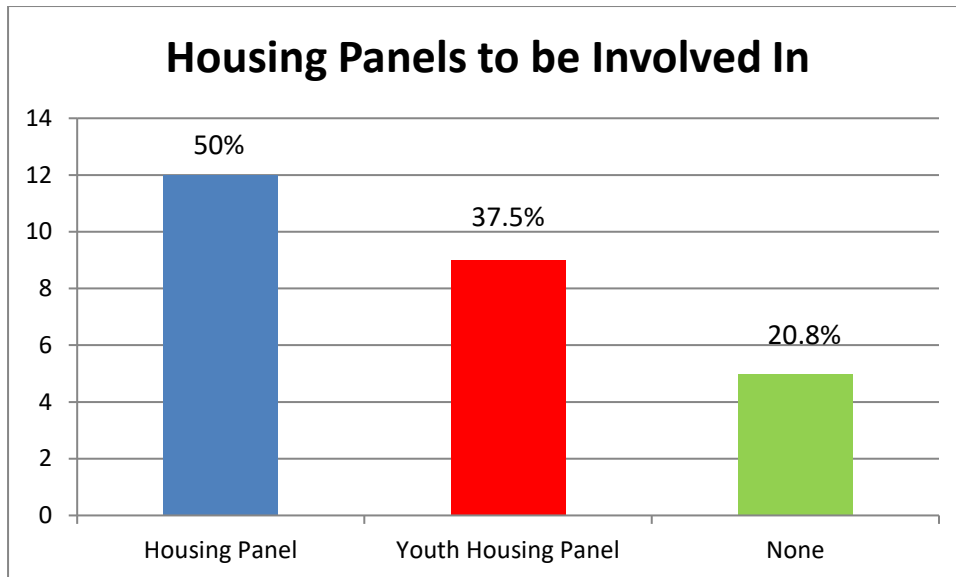


Are you aware of any of the following ways in which you can get involved with participating in the Council's Housing Service to influence decisions?

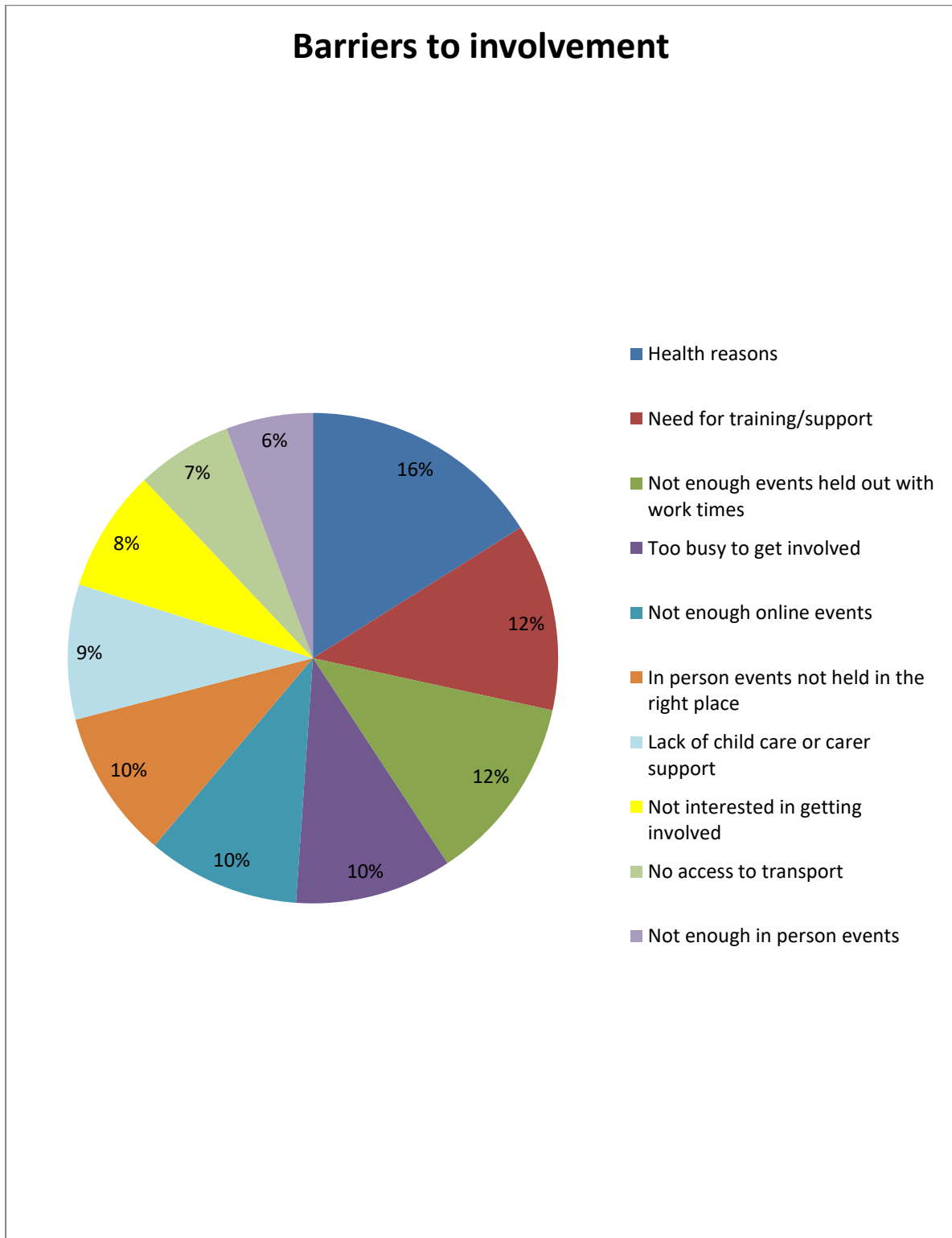


How would you like Clackmannanshire Council to involve people of all ages in tenant participation.

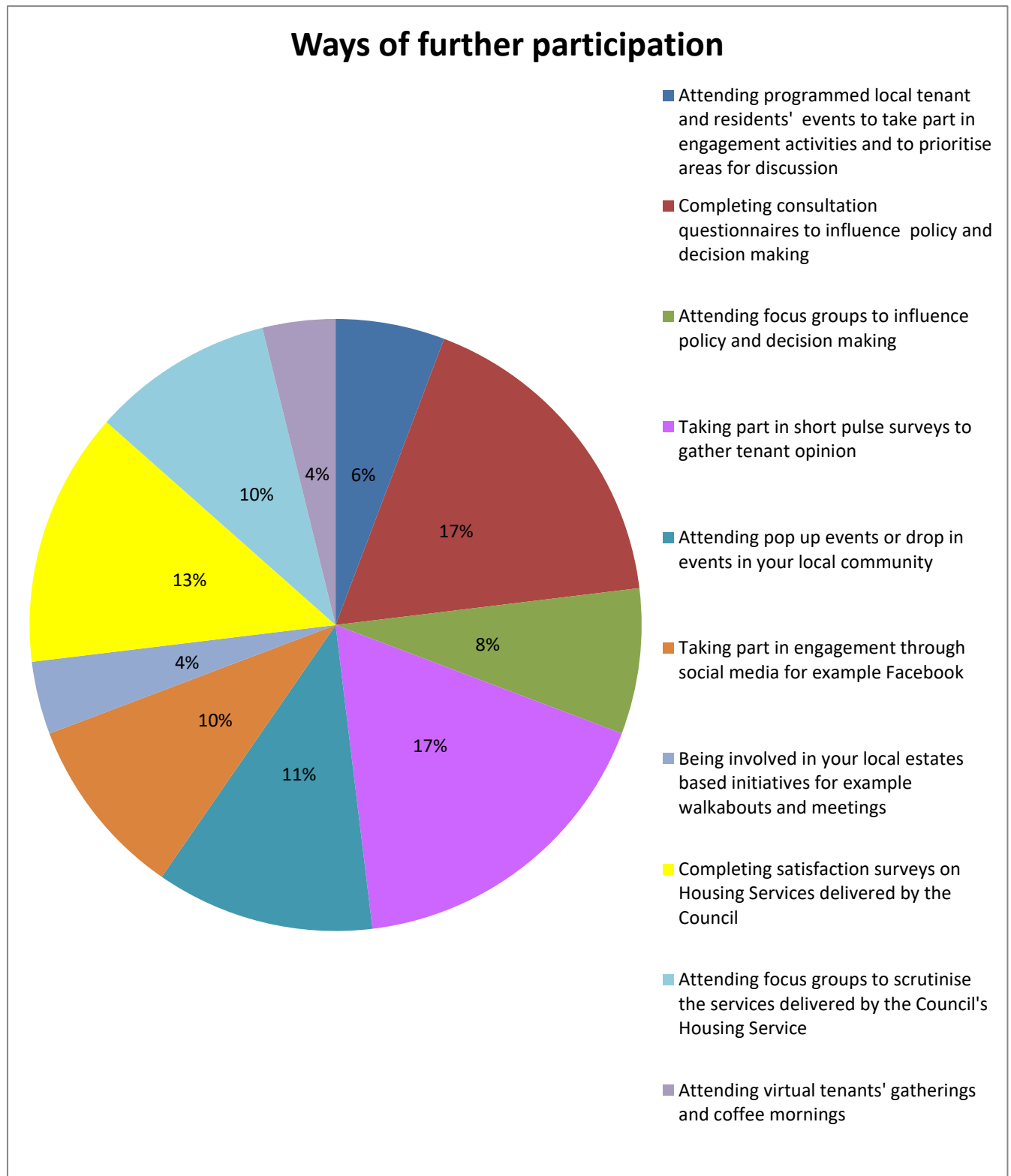
What type of panel would you like to be involved in?



What do you feel are the barriers to you getting involved?



As part of the new Strategy, the Council wants to develop opportunities for tenants to get involved. Which of the following participation opportunities would you get involved in?



Top 5 issues to be involved in

1.	Antisocial behaviour in my area
2.	How Clackmannanshire Council allocates housing
3.	How quickly and effectively repairs are undertaken in Council houses
4.	How my local estate is managed and looked after
5.	The length of time empty council houses take to re-let

What do you feel are the barriers to you getting involved?

1.	Health reasons
2.	Need for training/support
3.	Not enough events held out with work times
4.	<i>Not enough online events</i>
5.	In person events not held in the right place

Top 5 ways tenants want to get engaged

1.	Completing tenant satisfaction surveys
2.	Completing a tenant consultation questionnaire
3.	Other local events and fun days
4.	Attending a local Tenants' Forum, previously Tenants' Conferences
5.	Attending local tenant events in your housing locality

As part of the new Strategy, the Council wants to develop opportunities for tenants to get involved. Which of the following participation opportunities would you get involved in?

	<p>1. Completing consultation questionnaires to influence policy and decision making</p>
	<p>2. Taking part in short pulse surveys to gather tenant opinion</p>
	<p>3. Attending pop up events or drop in events in your local community</p>
	<p>4. Attending focus groups to scrutinise the services delivered by the Council's Housing Service</p>
	<p>5. Attending programmed local tenant and residents' events to take part in engagement activities and to prioritise areas for discussion</p>

Report to: Clackmannanshire Council

Date of Meeting: 29th August 2024

Subject: Abandoned Property Policy

Report by: Strategic Director (Place)

1.0 Purpose

- 1.1. This report provides Council with information on the work undertaken to develop the Abandoned Property policy. Council were informed last year that the Service would work on a priority list of policies to bring these up to date, and this policy has been written ensuring that they comply with legislative requirements. Policies must adhere to statutory guidelines and recommendations, including statutory homelessness duties aimed at preventing homelessness, providing relevant support and ensuring the management of the Council's limited housing stock.

2.0 Recommendations

- 2.1. It is recommended that the Council:
- 2.2. Approve the revised and updated Abandoned Property Policy (Appendix 1).

3.0 Background

- 3.1. The policy development works included a consultation exercise undertaken with the Clackmannanshire Tenants' and Residents' Federation (CTRF). Pupils at Alloa Academy were invited to provide comment on the proposals following the implementation of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024.
- 3.2. The Tenancy Management Team within the Housing Service is responsible for the day-to-day operations and management of the Council's housing stock. Officers within the team operate in small patches, with the aim of forming strong relationships with council tenants.
- 3.3. At the start of the tenancy, the Team aims to ensure that the tenant is informed of their rights and responsibilities associated with maintaining the tenancy. Where any issues, vulnerabilities or additional support needs associated with the tenancy are identified, relevant support will be offered and provided.

- 3.4. The Officers carry out regular visits and inspections to the properties. This includes carrying out new tenancy visits to new Council tenants to assess how they are settling in and assess if any further support is required. The Officers also carry out bi-annual visits to every property within their patch. Officers aim to identify, respond and resolve any issues that may arise in association with the tenancy, and respond to any queries and requests posed by the Council's tenants.
- 3.5. The 2023/24 reporting period saw a reduction in abandoned Council properties compared to the previous reporting period, with 34 properties abandoned in 2023/24. The Tenancy Management Team aims to ensure that this downward trend continues, by identifying the needs of and providing appropriate support to tenants to help them sustain their tenancies.
- 3.6. To support the reduction of any financial losses associated with the abandonment of properties and ensure that properties are re-let as soon as possible, the policy aims to establish a clear framework of how abandonment proceedings will be carried out.
- 3.7. The Abandoned Property Policy must comply with statutory responsibilities set out in the Housing (Scotland) Act 2001 and the Scottish Secure Tenancies (Abandoned Property) Order 2002.
- 3.8. The UNCRC (Incorporation) (Scotland) Act 2024 went live in July 2024. The Act incorporates UNCRC into Scotland's laws. As part of the legislation, public authorities will not be allowed to act in ways that are incompatible with the UNCRC requirements. One of the UNCRC requirements is for all public bodies to present information in an accessible format for all children and young people.
- 3.9. All Council policies must now give due regard to UNCRC requirements.
- 3.10. The policy is intended to be more accessible, comprehensive, and easy-to-read, particularly where legal information is presented by paraphrasing the legislation and the relevant statutory guidance and recommendations.
- 3.11. A 'plain English' summary of the policy is provided to adhere to the relevant UNCRC requirements (Appendix 2).

4.0 Changes to the Abandoned Property Policy

- 4.1. The proposed changes to the working policy are as follows:
 - Information on collections of possessions from an abandoned property,
 - Examples of how Officers carry out investigations.

Collection of Possession

- 4.2. Alongside the notice of abandonment, the Council serves a notice under the Scottish Secure Tenancies (Abandoned Property) Order 2002, informing that the tenant has 4 weeks to collect their possessions. The tenant's possessions are kept inside the property for 4 weeks after the initial notice of abandonment has been served. The possessions can be arranged to be collected from the property if the tenant wishes to do so. However, the policy now leaves out information on the storage of the ex-tenant's possession after the expiration of the 4-week notice, as the notice under the abandoned property order has been served.

Carrying out Investigations

- 4.3. The policy now offers robust examples of what inquiries Officers will make when carrying out investigations to confirm that the property has been abandoned or the tenant is not living in the property and does not intend to live in it. This approach has been routine practice for the Service, but formalised now within this policy.

5.0 Sustainability Implications

- 5.1. There are no sustainability implications.

6.0 Resource Implications

Financial Details

- 6.1. There are no funding implications from this report that will not be met from within existing resources.
- 6.2. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

- 6.3. Staffing

There are no staffing implications from this report.

7.0 Exempt Reports

- 7.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

8.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all.

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational and achieve their full potential.

Our communities will be resilient and empowered so they can thrive and flourish.

(2) **Council Policies**

Complies with relevant Council Policies

9.0 Equalities Impact

9.1. Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

10.0 Legality

10.1. It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

11.0 Appendices

11.1. Please list any appendices attached to this report.

Appendix 1 Abandoned Property Policy

Appendix 2 Child-friendly Summary

Appendix 3 Equality and Fairer Scotland Impact Assessment

12.0 Background Papers

12.1. Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered).


Yes No
 (please list the documents below)

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Andrew Buchanan	Team Leader Housing Business Management Team	5169
Katie Roddie	Senior Housing Officer	2688

Monika Bicev	Policy Officer	5170
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Approved by

NAME	DESIGNATION	SIGNATURE
Kevin Wells	Strategic Director – Place	



Clackmannanshire Council
Housing Service
Abandoned Property Policy



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1. Scope of the Policy

Clackmannanshire Council aims to re-let properties as quickly as possible in order to minimise rent loss resulting from abandonment of properties, while ensuring that full investigations are carried out to establish whether property has been abandoned.

Clackmannanshire Council's Abandoned Property Policy sets out a framework of how abandonment proceedings will be carried out to enable the Council to terminate a tenancy agreement made between a tenant and the Council where the tenant has abandoned the property. The policy will allow the Council to manage its limited housing stock effectively and efficiently, and ensure properties are made available to Council residents when the previous tenants have abandoned their tenancy.

2. Aims of the Policy

This policy aims to:

- Make the best use of the Council's housing stock by determining whether a property is abandoned and ensuring that abandoned properties are re-let quickly;
- Minimise the time a property remains unoccupied and any potential rental loss arising from it;
- Protect the tenants' rights by ensuring that thorough investigations are made into the occupancy of the property before starting the abandonment proceedings;
- Make sure all abandonment proceedings meet the legislative requirements.

3. Legal Framework

Clackmannanshire Council will ensure that this policy adheres to all legislative requirements under relevant legislation.

The main legislative framework for abandonment proceedings is set out in the following legislation:

- Housing (Scotland) Act 2001
- Scottish Secure Tenancies (Abandoned Property) Order 2002

4. Single Tenancy Abandonment Proceedings

4.1. Notice of Abandonment



If the Council reasonably believes that a property is unoccupied and the tenant does not intend to live in it, the Council may serve a notice on the tenant to start the abandonment proceedings. The notice must state that:

- The Council believes that the property is unoccupied and the tenant does not intend to live in it;
- The tenant must inform the Council in writing if they intend to live in the property within 4 weeks of receiving the notice;
- The tenancy will be terminated at the end of the 4-week period if the Council believes that the tenant does not intend to live in the property.

The notice can be served on the tenant by handing it in-person, posting it or leaving it at their last known address.

4.2. Carrying Out Investigations

The Council will investigate to confirm that the property is unoccupied and that the tenant does not intend to live in it within the 4-week period after the notice has been served. Inquiries may include, but are not limited to:

- Checking for signs of occupancy, including any recent rent payments made or any recent repairs carried out;
- Contacting other departments and/or partner services and agencies such as Social Work or Criminal Justice;
- Contacting neighbours, friends, relatives or Police Scotland.

4.3. Contact from the Tenant

If the tenant makes contact within the 4-week period to inform the Council that they intend to live in the property, the abandonment proceedings will be cancelled.

4.4. Ending the Tenancy

At the end of the 4-week period, if the Council has served the required notice, and is satisfied that the tenant has abandoned the property, it may serve a further notice on the tenant which immediately ends the tenancy.

4.5. Securing the Property



Once the Council establishes that the property has been abandoned, the Council may enter the property to secure it and/or any fixtures and fittings within it against vandalism. This may include arranging a forced entry. Lock change will be necessary following any forced entry which may be rechargeable to the tenant.

4.6. Collection of Possessions

Once the first Notice of Abandonment has been served, the Council will also serve a property notice on the tenant stating that their possessions are available for collection from the property within a 4-week period.

The notice can be served on the tenant by posting it or leaving it at their last known address.

On the expiry of the 4-week notice, the Council may dispose of any remaining property.

5. Joint Tenancy Abandonment Proceedings

5.1. Notice of Abandonment

If the Council reasonably believes that a tenant under a joint tenancy agreement (the abandoning tenant) is not living in the property and does not intend to live in it, the Council may serve a notice on the abandoning tenant to start the abandonment proceedings. The notice must state that:

- The Council believes that the abandoning tenant is not living in the property and does not intend to live in it;
- The abandoning tenant must inform the Council in writing if they intend to live in the property within 4 weeks of receiving the notice;
- The Council will serve another notice to the abandoning tenant at the end of the 4-week period, if the Council believes that the abandoning tenant does not intend to live in the property.

Each notice can be served on the abandoning tenant by handing it in-person, posting it or leaving it at their last known address.

A copy of both notices must be served on each of the other joint tenants under the joint tenancy agreement.

5.2. Carrying out Investigations



The Council will investigate to confirm that the abandoning tenant is not living in the property and does not intend to live in it within the 4-week period after the first notice has been served. Inquiries may include, but are not limited to:

- Checking for signs of occupancy;
- Contacting other departments and/or partner services and agencies such as Social Work or Criminal Justice;
- Contacting neighbours, friends, relatives or Police Scotland.

5.3. Contact from the Abandoning Tenant

If the abandoning tenant makes contact within the 4-week period, an interview will be arranged with them to determine the reasons for their absence from the property.

Following the interview, the abandonment proceedings may be cancelled if the Council is satisfied that there were sufficient reasons for the tenant's absence.

If the joint tenant was absent from the property because they no longer wish to live at the property, they may transfer the tenancy to the other tenant. The joint tenant will then end their tenancy, the Council will reallocate the property to the other tenant as a sole tenancy agreement and the abandonment proceedings on the joint tenant will be cancelled.

5.4. Ending the Tenancy

If the Council has served the first notice, and is satisfied that the tenant has abandoned the property, it may serve a further and final notice on the abandoning tenant. The final notice specifies when the abandoning tenant's interest in the tenancy will end. This must be at least 8 weeks after the date when the final notice is served.

6. Equal Opportunities and Diversity

Clackmannanshire Council is committed to the elimination of unlawful discrimination, advancing equality of opportunity and fostering good relations between people.

The Council believes that equality of opportunity should be a guiding principle in all of its activities. The Council aims to ensure that its commitment to equality is embedded in all council services and in the organisations that it funds.

In accordance with the Equality Act 2010, the Council is actively working towards the elimination of policies and practices that discriminate unfairly on grounds including age; disability; gender



reassignment; marriage and civil partnership; pregnancy and maternity; race including colour, nationality, ethnic or national origin; religion or belief; sex; and sexual orientation.

7. Privacy Statement

Clackmannanshire Council must adhere with its legal obligations under Data Protection Legislation as set out in the Data Protection Act 2018 and UK General Protection Regulation (GDPR).

In order to provide the required and/or requested services, the Council will collect, store and process relevant personal information or data.

Personal information may also be shared with other partner agencies and organisations.

Personal information will be kept securely, as long as required by law and/or by specific service requirements. Once the data is no longer required, it will be securely disposed of. The Council has a Record Retention Schedule which sets out the period of time and reasons for keeping particular records. The Retention Schedule is available on request.

Under the Data Protection Act 2018 and the Freedom of Information(Scotland) Act 2002, individuals have the right to access personal information and data held about them by Clackmannanshire Council as well as the right to access information from records held by the Council.

To submit a Subject Access or Freedom of Information request, please follow [the link](#).

To make a complaint in relation to the Council's handling and processing of personal data and information, please contact the [Information Commissioner's Office](#).

For further information on Clackmannanshire Council's data protection practices, please visit the Council's [Data Protection Statement](#). For the Council's Data Protection Policy, please follow the [link](#). For further information on freedom of information laws, please visit the [Scottish Information Commissioner webpage](#).

8. Complaints

If the tenant is dissatisfied with the provided services and/or the standards of service, please follow the Council's Complaints Procedure. Complaints can be made in person, in writing, by email or online. For further information on the Complaints Procedure and how to make a complaint, please visit the [Council's Complaints Procedure webpage](#).

If the tenant remains dissatisfied with the final decision or the way the complaint has been handled following the Council's Complaints Handling Procedure, they can make a complaint to the Scottish Public Services Ombudsman (SPSO) by completing a [complaints form found online](#) or calling on 0800 377 7330.



For further information on how to make a complaint to SPSO, please visit the [SPSO website](#).

9. Appeals

9.1. Single Tenancy

A tenant who has had their tenancy agreement terminated following the abandonment proceedings may apply to the Court within 6 months after the date of the termination to have the decision reassessed, if the Council:

- Failed to follow the procedures correctly;
- Did not have reasonable grounds to believe that the property was unoccupied or that the tenant did not intend to live in it;
- Was in error in finding that the tenant did not intend to live in the property, and the tenant had a reasonable cause for failing to notify the Council of their intention to live in it.

If the Court finds the Council's decision following the abandonment proceedings to be invalid, the Court must:

- Make an order to continue the original tenancy, if it has not been let to someone else;
- If the original property has been re-let, the Council must provide the tenant with other suitable accommodation;
- Make any other relevant order relating to the tenancy.

9.2. Joint Tenancy

A tenant under a joint tenancy agreement may apply to the Court within 8 weeks after the date of the service of the final notice which ends their tenancy to have the decision reassessed, if the Council:

- Failed to follow the procedures correctly;
- Did not have reasonable grounds to believe that the joint tenant was not occupying the property or that they intend to occupy it as the tenant's home;
- Was in error in finding that the joint tenant did not intend to live in their property, and the joint tenant had a reasonable cause for failing to notify the Council of their intention to live in it.

If the Court finds that Council's decision following the abandonment proceedings is invalid, the Court must:



- Make an order to continue the joint tenant's original tenancy;
- If it is not reasonable to continue their original tenancy , the Council must provide the joint tenant with other suitable accommodation;
- Make any other relevant order relating to the tenancy.

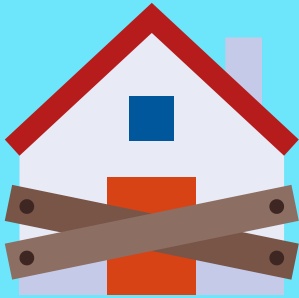
10. Monitoring and Reviewing

The policy will be continuously monitored to ensure that it is performing efficiently against the aims set out in the policy.

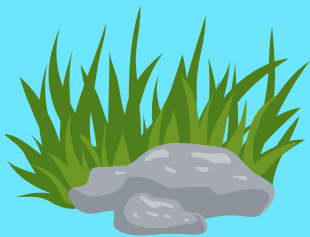
The Council will review and evaluate this policy every 3 years to ensure the adherence to the relevant legislation and statutory guidance as well as changes in organisational practices and policies.

ABANDONED PROPERTY POLICY

CHILD-FRIENDLY VERSION



Clackmannanshire Council has around 5000 homes that people live in. Sometimes those people move out and leave the homes empty, these are called abandoned homes. This document explains how we deal with abandoned homes. We have lots of people on the waiting list to get a home, so we do not want our homes lying empty. We want to make sure that we follow all correct procedures when we deal with abandoned homes.



Housing Officers go out on visits and can sometimes see signs that homes are empty. For example, overgrown gardens, no movement in the house, no use of electric or gas or lots of letters behind the door. We will investigate if we think that a person has abandoned the home. We may contact the person, check gas and electric records or inspect the home to see if anyone is living there.

If we believe that a person has abandoned the home, we will start the process to end the agreement which allows them to live in the home (tenancy agreement). We will send the person a letter which tells them that we plan to end the agreement. If the person contacts us to tell us that they plan to live in the home, we will stop the process to end the agreement.



If the person does not contact us, we will end the agreement. We will change the locks on the doors to make sure the house is secure and to prevent damage to the home. We will get rid of any items left in the home. If a person is not happy that we ended the agreement, they can ask the Court to look at our decision again



Equality and Fairer Scotland Impact Assessment - Screening

Title of Policy:	Abandoned Property Policy
Service:	Place
Team:	Housing Business Management

Will the policy have to go to Council or committee for approval	Yes
Is it a major policy, significantly affecting how functions are delivered?	No
Does it relate to functions that previous involvement activities have identified as being important to particular protected groups?	No
Does it relate to an area where the Council has set equality outcomes?	No
Does it relate to an area where there are known inequalities?	No
Does it relate to a policy where there is significant potential for reducing inequalities or improving outcomes?	No

IF YES TO ANY - Move on to an Equality & Fairer Scotland Assessment

IF NO - Explain why an Equality & Fairer Scotland Assessment is not required

--

APPROVAL

NAME	DESIGNATION	DATE

NB This screening exercise is not to be treated as an assessment of impact and therefore does not need to be published. However, if you decide not to assess the impact of any policy, you will have to be able to explain your decision. To do this, you should keep a full record of how you reached your decision.

Equality and Fairer Scotland Impact Assessment - Scoping

Purpose of the proposed policy or changes to established policy
<p>Clackmannanshire Council's Abandoned Property Policy sets out a framework of how abandonment proceedings will be carried out to enable the Council to terminate a tenancy agreement made between a tenant and the Council where the tenant has been determined to have abandoned the property. The Council aims to re-let properties as quickly as possible in order to minimise rent loss resulting from abandonment of properties, while ensuring that full investigations are carried out to establish whether a property has been abandoned.</p> <p>The Council's Abandoned Property Policy has been reviewed to ensure that it complies with all legislative requirements under Housing (Scotland) Act 2001 and Scottish Secure Tenancies (Abandoned Property) Order 2002.</p> <p>The reviewed policy aims to ensure that it is in line with the updated strategic local priorities, and that it supports the Council's objectives in managing its limited housing stock effectively and efficiently, and ensure that housing is made available to Council residents when previous tenants have abandoned their tenancy. Furthermore, the policy aims to protect the tenants' rights by ensuring that thorough investigations are made into the occupancy of the property before starting the abandonment proceedings.</p> <p>The policy document proposes to make changes to formatting to make it more accessible. The reviewed Abandoned Property Policy aims to give due regard to the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 which will go live in July and requires all public bodies to present information in an accessible formation for all young people.</p> <p>The Abandoned Property Policy is now intended to be structured in a more comprehensive way and be written in more simplistic language, particularly where legal information must be presented by paraphrasing the legislation and the relevant statutory guidance and recommendations.</p>
Which aspects of the policy are particularly relevant to each element of the Council's responsibilities in relation to the General Equality Duty and the Fairer Scotland Duty?
General Equality Duty -
➤ Eliminating unlawful discrimination, harassment and victimisation and other prohibited conduct
<p>Clackmannanshire Council's Abandoned Property Policy has considered potential unlawful discrimination to ensure that services are delivered to all and no one is unequally discriminated. The policy is written in adherence with all legislative requirements and changes in local priorities and outcomes to make sure it does not discriminate disproportionately against any of the protected characteristics where the Council decides to carry out abandonment proceedings.</p>
➤ Advancing equality of opportunity between people who share a relevant protected characteristic and those who do not
<p>Proposals on the changes of formatting, simplifying information and providing an easy-to-read summary of the document may have positive impact on protected groups.</p>
➤ Fostering good relations between people who share a protected characteristic and those who do not.

Impacts are assessed as low in relation to the proposed changes to the policy.

Fairer Scotland Duty -

➤ **Reducing inequalities of outcome caused by socioeconomic disadvantage**

Impacts are assessed as low in relation to the proposed changes to the policy.

To which of the equality groups is the policy relevant?		
Protected Characteristic	Yes/No	Explanation
Age	Yes	The proposed policy document aims to change formatting, simplifying the information and providing an easy-to-read summary of the document, which aims to help children and young people read and understand complicated documents.
Disability	Yes	The proposed policy document aims to change formatting, simplifying the information and providing an easy-to-read summary of the document, which may help people with learning disabilities to read and understand complicated documents.
Gender Reassignment	No	There is no indication at this stage that this protected characteristic would be impacted
Marriage and civil partnership	No	There is no indication at this stage that this protected characteristic would be impacted
Pregnancy and Maternity	No	There is no indication at this stage that this protected characteristic would be impacted
Race	No	There is no indication at this stage that this protected characteristic would be impacted
Religion and Belief	No	There is no indication at this stage that this protected characteristic would be impacted
Sex	No	There is no indication at this stage that this protected characteristic would be impacted
Sexual Orientation	No	There is no indication at this stage that this protected characteristic would be impacted.

What evidence is already available about the needs of relevant groups, and where are the gaps in evidence?

Clackmannanshire Council has a robust process for initiating and carrying out any and all abandonment proceedings which is in line with all legislative requirements and statutory guidance.

This policy does not aim to unlawfully discriminate against or have a negative impact on any of the protected groups.

However, we seek to gather additional information on the needs of the relevant groups, any potential impacts relating to the proposals and any mitigating actions that the Council could take.

Which equality groups and communities might it be helpful to involve in the development of the policy?

We are seeking information on any impacts arising from the proposals and any additional mitigation that we should consider

In particular, we are seeking views from Clackmannanshire Tenants and Residents Federation as well as children and young people.

Next steps

Clackmannanshire Tenants' and Residents' Federation as well as Alloa Academy's Pupil Parliament will be consulted.

We will update and publish this impact assessment following the completion of the Clackmannanshire Council's Eviction Policy consultations and analysis of feedback.

Equality and Fairer Scotland Impact Assessment - Decision

Evidence findings		
Details of engagement undertaken and feedback received		
Following the engagement with Clackmannanshire Tenants' and Residents' Federation and Alloa Academy's Pupil Parliament, appropriate changes were made to alter the layout and the wording of the document following the feedback received from the groups.		
Decision/recommendation		
Having considered the potential or actual impacts of this policy, the following decision/ recommendation is made:		
Tick ✓	Option 1: No major change The assessment demonstrates that the policy is robust. The evidence shows no potential for unlawful discrimination and that all opportunities have been taken to advance equality of opportunity and foster good relations, subject to continuing monitoring and review.	
	Option 2: Adjust the policy – this involves taking steps to remove any barriers, to better advance equality or to foster good relations. It may be possible to remove or change the aspect of the policy that creates any negative or unwanted impact, or to introduce additional measures to reduce or mitigate any potential negative impact.	
	Option 3: Continue the policy – this means adopting or continuing with the policy, despite the potential for adverse impact. The justification should clearly set out how this decision is compatible with the Council's obligations under the duty.	
	Option 4: Stop and remove the policy – if there are adverse effects that are not justified and cannot be mitigated, consideration should be given to stopping the policy altogether. If a policy leads to unlawful discrimination it should be removed or changed.	
Justification for decision		
APPROVAL		
NAME	DESIGNATION	DATE

Report to: Clackmannanshire Council

Date of Meeting: 29 August 2024

Subject: Audited Annual Accounts 2022/23

Report by: Chief Finance Officer

1.0 Purpose

- 1.1. This report provides the council with the Audited Annual Accounts for the Council for the financial year 2022/23 to 31 March 2023. The report highlights the material changes that have been made to the draft annual accounts during the audit period.

2.0 Recommendations

It is recommended that Council:

- 2.1. approve the 2022/23 Audited Annual Accounts;
- 2.2. approve the submission of the Annual Accounts to the Controller of Audit; and
- 2.3. otherwise note the contents of the report.

3.0 Considerations

- 3.1. The accounts have been prepared in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23. The Financial Statements show the actual figures for 2022/23 and the comparable figures for 2021/22.
- 3.2. The preparation and the submission of the draft and final annual accounts for 2022/23 have been finalised later than usual. This is due to additional workload within the finance team supporting the Council in the recovery from the pandemic, increased scrutiny from the new External Auditors and scheduling of final audit work by the External Auditors. This delay has had an impact on the preparation of the 2023/24 accounts but it is hoped that this can be brought back in line with the reporting deadlines for the 2024/25 annual accounts.

4.0 Material Changes to the Financial Statements

- 4.1. There were three changes to the accounts that affected the General Fund Balance- where income or expenditure should have been recognised in 2022/23 financial year:
- Additional Provision for payment to be made in 2023/24 in respect of Street Lighting Equipment £0.251m
 - Additional creditor accrual for expenditure relating to employees who's exit packages were agreed by 31 March 2023 £0.154m
 - Additional debtors accrual for income for Teachers costs from Scottish Government received after 1st April 2023 but relating to 2022/23 financial year (£0.340m).
- 4.2. As a result of the changes noted above there has been a reduction in General Fund Reserves of £0.065m to £20.885m.
- 4.3. There have also been changes to the Balance sheet as detailed below:
- Pension asset – following the triennial valuation of the pension fund the Pension asset has decreased by £34.237m from £63.386m to £29.149m.
 - Property, Plant and Equipment has also reduced by £57.270m from £452.033m to £394.763m as a result of a change in valuation of School Assets as agreed between the external valuers and external auditors.
 - Short term debtors has increased by £0.174m from £13.968m to £14.142m as a result of the additional income accrual for Teachers noted above offset by removal of Childcare prepayments which were not actually paid until 2023/24 (£0.166m).
 - A new provision is recorded on the balance sheet as noted above for street lighting equipment.(£0.251m)
- 4.4. As a result of the adjustments above net assets have decreased by £91.572m to £315.566m.
- 4.5. During the audit process, a number of disclosure adjustments and enhancements were recommended by the external auditors and these have been reflected in the final audited accounts. These additional disclosures help to aid the understanding of the reader of the accounts.

5.0 Conclusion

- 5.1. The Annual Accounts have been audited by Deloitte and the adjustments noted above, where material, have been disclosed and reflected in the audited annual accounts.
- 5.2. As a result of the adjustments noted there has been a decrease in general fund reserves of £0.065m to £20.885m.

5.3. It is recommended that the Audited Annual Accounts are approved for submission to the Controller of Audit.

6.0 Sustainability Implications

6.1. Not applicable

7.0 Resource Implications

7.1. Financial Details

7.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

7.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

7.4. Staffing

8.0 Exempt Reports

8.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) Our Priorities

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

(2) Council Policies

Complies with relevant Council Policies

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

10.2 Audited Financial Statements 2022/23

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)


Yes (please list the documents below) No

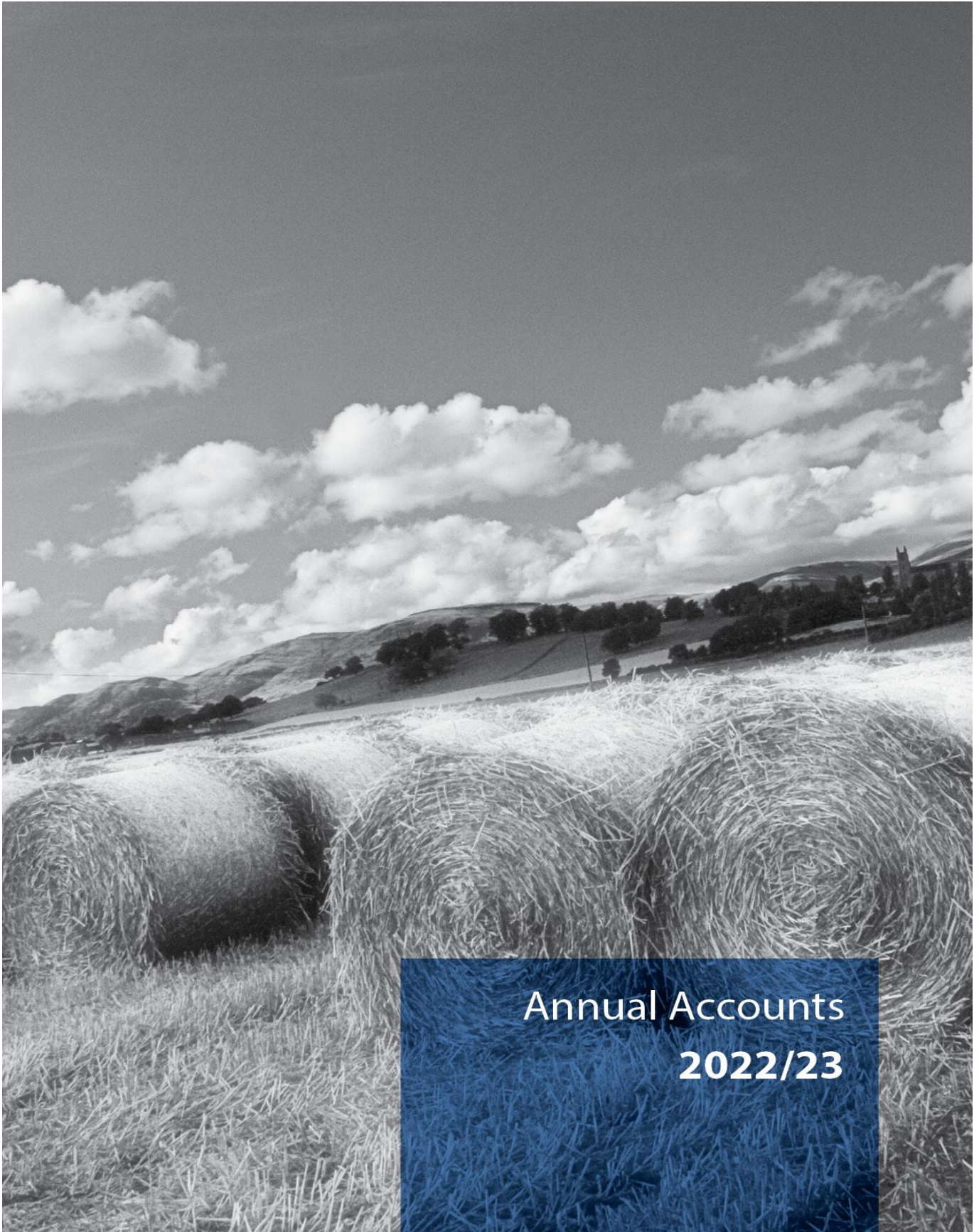
Council Draft and Audited Financial Statements 2021/22

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Lindsay Sim	Chief Finance Officer	2022

Approved by

NAME	DESIGNATION	SIGNATURE
Chris Alliston	Strategic Director – Partnership and Performance	



**Annual Accounts
2022/23**



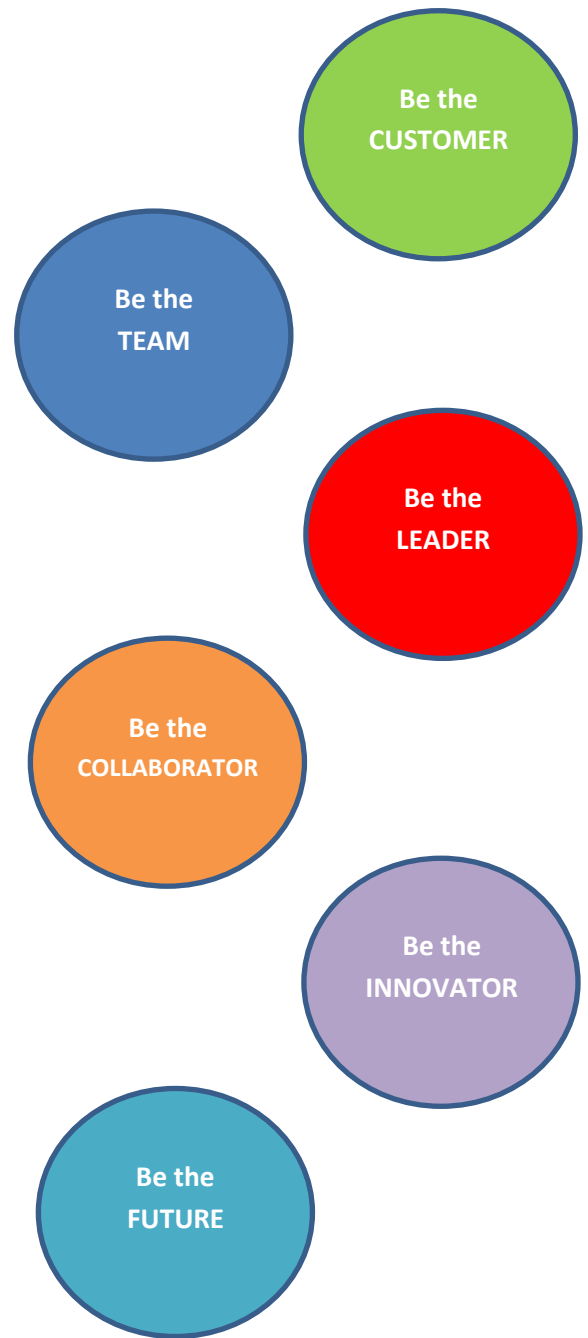
**Clackmannanshire
Council**

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Comhairle Siorrachd
Chlach Mhanann

**CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23**

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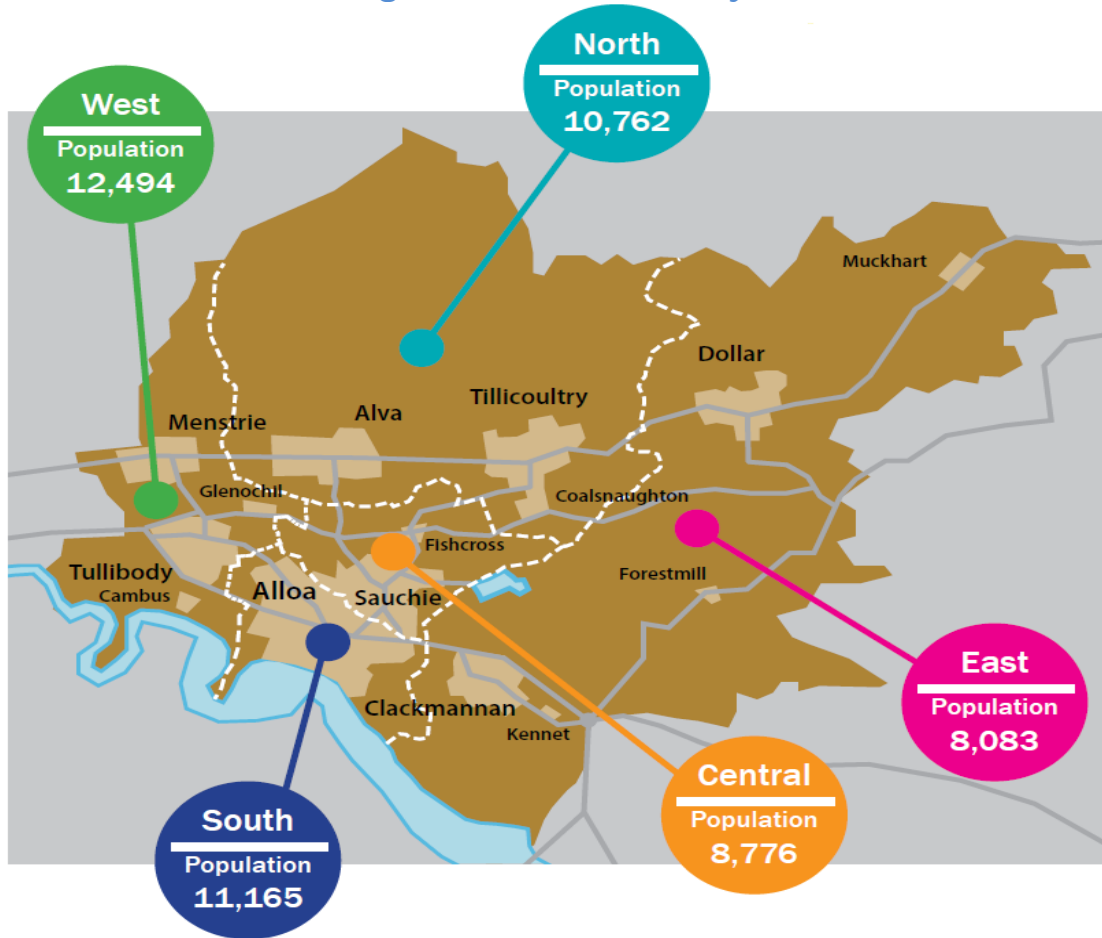
Introduction

This commentary sets the scene and context for the Financial Statements for Clackmannanshire Council, for the year ended 31 March 2023 and provides specific details in relation to the Council's financial position, its priorities and performance and strategies and plans for achieving these objectives. The commentary is compliant with The Local Authority Accounts (Scotland) Regulations 2014. The Management Commentary is required to present the collective view of those charged with governance and apply relevant sections of the Companies Act 2006 in respect of the preparation of a Strategic Report. The Financial Statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 which sets out the format and content contained within them.

2022/23 has again been a challenging year for everyone as work continues on the recovery from the Covid-19 pandemic and the current cost of living crisis. The Council continued to play a key role in supporting the residents and businesses within Clackmannanshire, reviewing and reshaping services and supports that it provides. Further detail of how the Council is supporting its communities through the Cost of Living Crisis and pandemic recovery through its services is provided on page 29.

Clackmannanshire is located in Scotland's central belt, sharing administrative borders with Stirling, Perth and Kinross and Fife, and with natural boundaries provided by the Ochils and the River Forth. Clackmannanshire is the lowest populated mainland Council in Scotland, covering 61.5 square miles and serving a population of 51,800 (Scottish Government Census 2022). The Council employs 2,695 (headcount) staff (2021/22 2,727).

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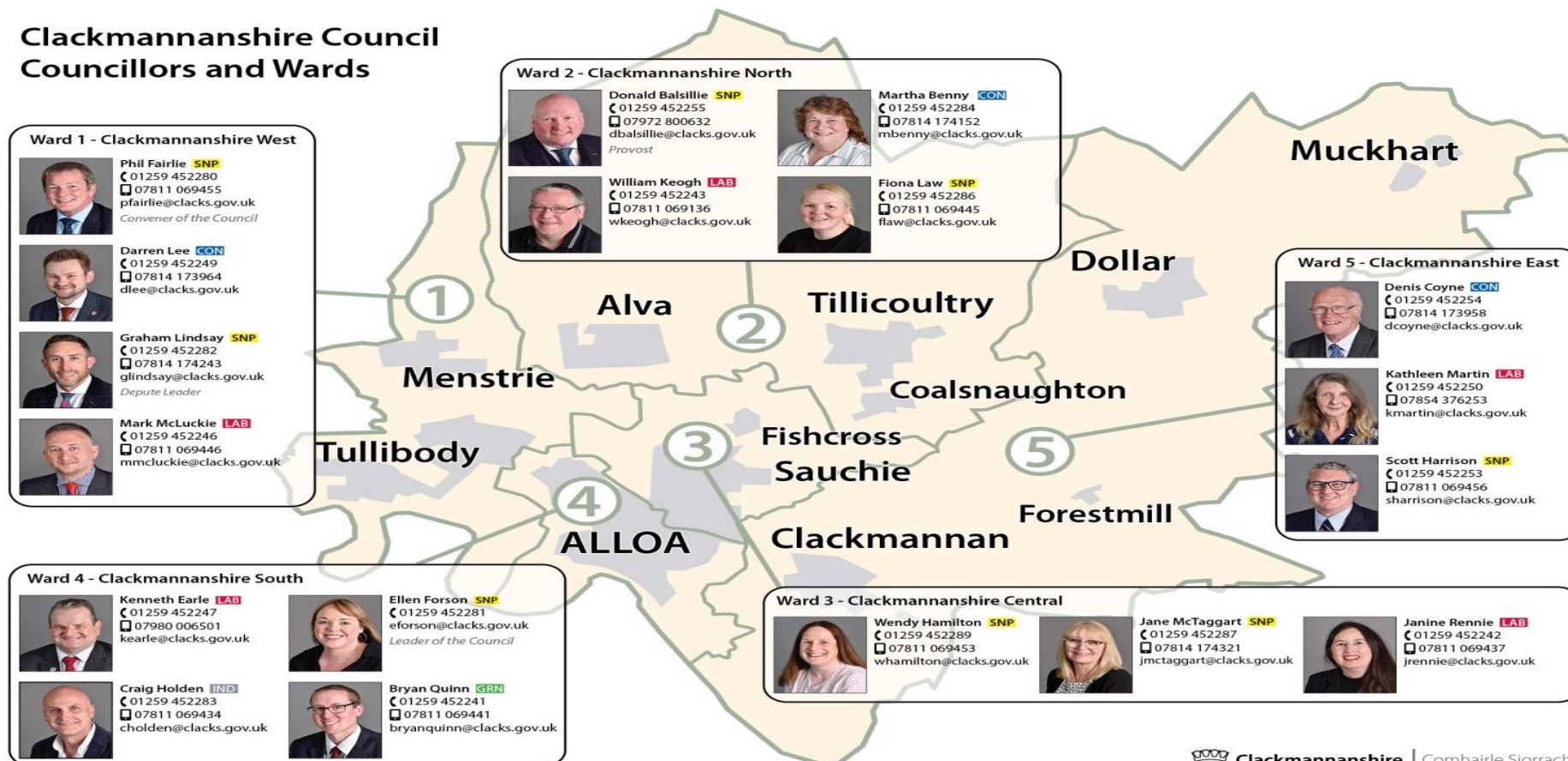


CLACKMANNANSHIRE COUNCIL ANNUAL ACCOUNTS 2022/23 Management Commentary

Local Government

Clackmannanshire Council consists of 5 wards, each represented by 3 or 4 elected members. The Council has 18 Councillors whose current political make-up following the local elections in May 2022 and changes to date are: 8 SNP, 5 Labour, 3 Conservative, 1 Green and 1 Independent. The Councillors for each ward are presented in the diagram below. Further information on Senior Councillors can be found in the Remuneration Report commencing page 52.

Clackmannanshire Council Councillors and Wards



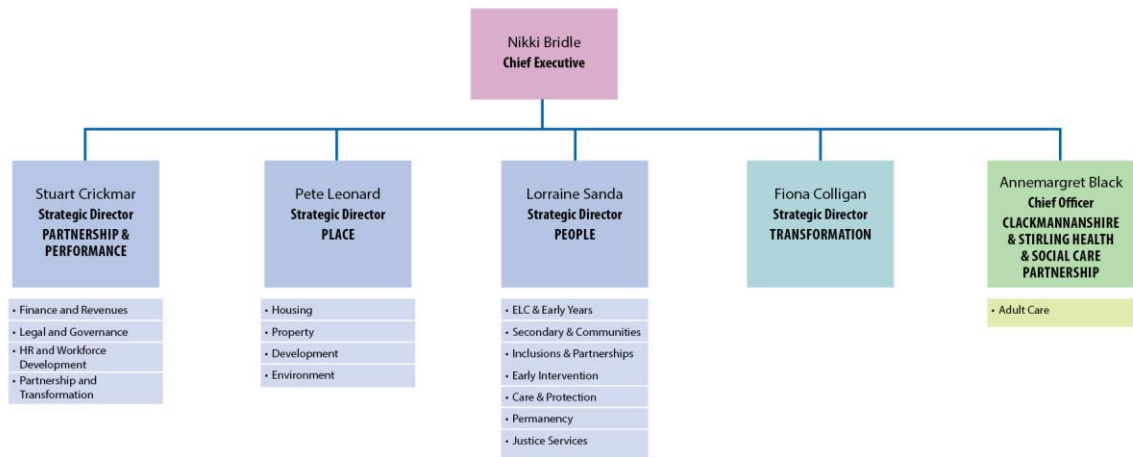
For further information, contact: Members' Services, Clackmannanshire Council, Kilncraigs, Alloa, FK10 1EB
Tel: (01259) 450000 Email: membersservices@clacks.gov.uk

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Management Structure & Service Areas

The Council continued to embed its Organisational Redesign programme during 2022/23. The Council's Management Structure and service areas are set out in the diagram below:

Strategic Management



Throughout 2022/23, Clackmannanshire Council's Chief Executive was Nikki Bridle. The Chief Executive is the Head of Paid Service who leads and takes responsibility for the work of the Council and who runs the local authority on a day to day basis. The Chief Executive provides leadership, vision and strategic direction, and effective management of the Council.

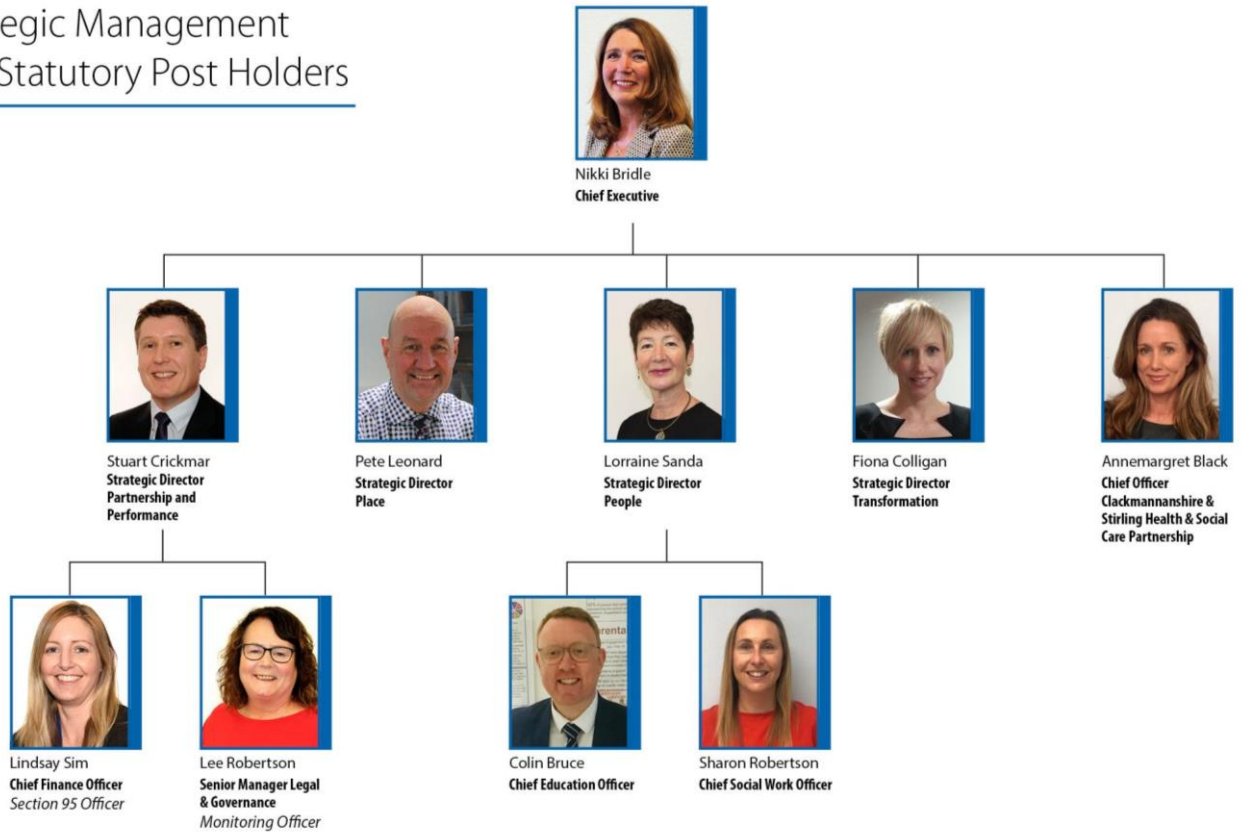
During 2022/23 the Chief Executive was supported by four Strategic Directors and the Chief Officer for the Clackmannanshire and Stirling Health & Social Care Partnership. At the 1 April 2023, this reduced to three Directors as the post of Strategic Director for Transformation was removed as this was only a fixed term post to 31 March 2023. For 2023/24 the work on Transformation is still continuing at pace and is managed directly by the Chief Executive.

The Council also has four Statutory officers: Chief Finance Officer (S95 Officer), Monitoring Officer, Chief Education Officer and Chief Social Work Officer.

The post holders at Strategic Management level as well as statutory post holders in place during 2022/23 upto 31 March 2023 are shown in the diagram below. At the date of signing of these accounts, all post holders remain in post with the exception of the Strategic Director for Transformation who left on 31 March 2023 as noted above and the role of Chief Officer for Clackmannanshire & Stirling Health and Social Care Partnership was taken up by David Williams from Annemargret Black in November 2023 to cover a period of secondment. Further information can be found in the Remuneration Report commencing page 52.

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Strategic Management
and Statutory Post Holders



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The “**Local Outcomes Improvement Plan (LOIP) 2017-2027**” sets out the vision of the Clackmannanshire Alliance for the 10 years to 2027 and builds upon the successes of our previous plan the Single Outcome Agreement for Clackmannanshire 2013-2023. A central theme of this Plan is a joint commitment to tackling the inequalities that exists in Clackmannanshire as a result of poverty and socio-economic disadvantage.



The LOIP was developed by the Clackmannanshire Alliance and sets out the ambitions for change for Clackmannanshire over the period to 2027. This plan sets out the commitment to reducing inequality and renewed focus to work together to secure better outcomes for Clackmannanshire. In developing the LOIP, the Alliance chose to focus collective efforts on a core set of priorities based on discussions with partners and communities so that the plan is based on a sound understanding of local need and circumstances. The LOIP is supported by four long term strategic outcomes which drive the direction of the strategic partnership:

Strategic Outcomes for Clackmannanshire

- 1** Clackmannanshire will be attractive to businesses and people and ensure fair opportunities for all.
- 2** Our families; children and young people will have the best possible start in life
- 3** Women and girls will be confident and aspirational, and achieve their full potential.
- 4** Our communities will be resilient and empowered so that they can thrive and flourish.

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For clarity and consistency the Alliance chose to develop these locality plans based on the three priorities that have been identified for Clackmannanshire. Investing the collective resources and efforts on these three areas aims to enable the partnership to secure the best outcomes for Clackmannanshire over the 10 year plan.

Locality Priorities for Clackmannanshire



Each community planning partner in Clackmannanshire is committed to these priorities and reflects these in their own strategic plans to ensure all efforts drive improved outcomes for Clackmannanshire, particularly in light of the challenges that partners face over the period to 2027.

A review of the LOIP is underway following an agreed plan for refreshing this to reflect the Council and Alliance commitment to developing a wellbeing Economy. A draft of the revised LOIP was presented to Council in June 2024.

More detailed analysis can be found in the full LOIP at:
<https://www.clacks.gov.uk/community/loip/>

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The Corporate Plan

The current Corporate Plan covered the period 2018-2022 and was approved by Council in December 2018, entitled ‘Be the Future’. This plan set out the Council’s vision, priorities and values against which all aspects of the Council’s work will be measured and aligned. The vision is focused on collaboration, inclusive growth and innovation. Following a Council decision on 29 June 2023, the Corporate Plan will be replaced by a streamlined performance management framework with greater emphasis on Be the Future programme priorities, business plans and the LOIP.

Be The Future

Over the last three years there has been considerable investment in creating the conditions which allow us to set out ambitious longer term plans to transform the way in which public services are delivered in Clackmannanshire. These ambitions are integrated with the development of our longer term financial planning approach which took a significant step forward in 2021/22 with the establishment of a 20 year capital budget, organised around the Council’s Be the Future Programme priorities. This plan was reviewed as part of the 2022/23 budget process and will be reviewed going forward on an annual basis as part of a rolling 20 year plan.

‘Be the Future’ sets out a streamlined range of corporate priorities and outcomes fully aligned with the LOIP detailed above. The vision and streamlined priorities aim to provide a much clearer focus for Council investment and delivery.

‘Be the Future’ – Corporate Values

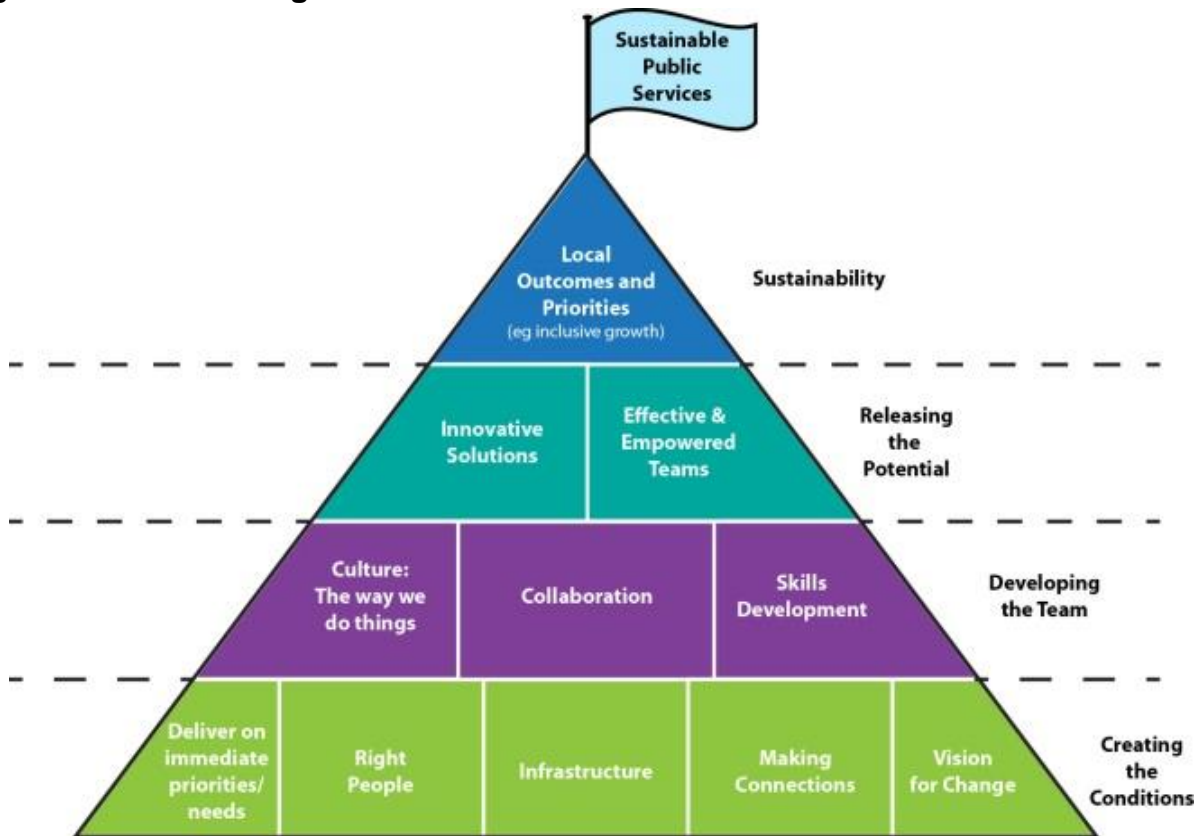
Values	Descriptor
Be the customer	Listen to our customers; communicate honestly and with respect and integrity.
Be the Team	Respect each other and work collectively for the common good.
Be the Leader	Make things happen, focusing always on our vision and outcomes, and deliver high standards of people leadership and corporate governance.
Be the Collaborator	Work collaboratively with our partners and communities to deliver our vision and outcomes.
Be the Innovator	Look outwardly, be proactive about improvement and strive always for innovation and inclusive growth.
Be the Future	Work always towards ensuring that we deliver our vision and live our values, so that we become a valued, responsive Council with a reputation for innovation and creativity.

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Organisational Redesign

In 2019, Council agreed its approach to Organisational Redesign, establishing a framework and a supporting action plan to focus on how we improve and develop our organisation to support sustainable change. The Organisational Redesign Framework provides a clear basis from which Council monitors and evaluates progress and provides the opportunity for the refinement of planned activity based on learning, progress and feedback. The Framework comprises four key phases as can be seen in the diagram below, which need to be progressed to allow the Council to deliver medium to long term service and financial sustainability. The phases are not designed to be sequential but run concurrently.

Organisational Redesign Framework



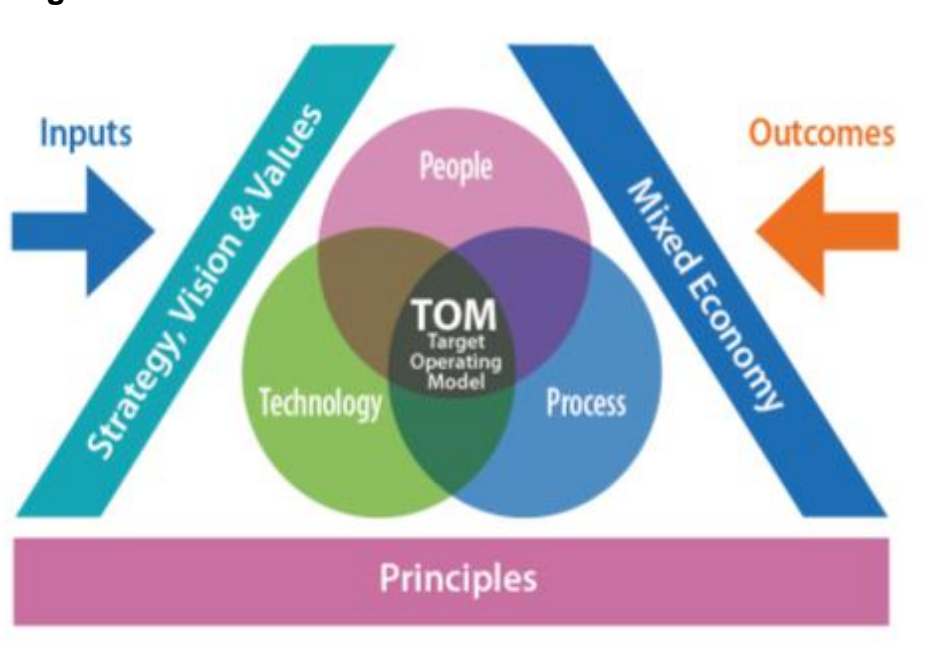
Work has been progressed to integrate and embed the Organisational Redesign Framework actions included within the Workforce Programme of activity. Progress has been disrupted due the Covid-19 pandemic and Cost of Living crises response, however, a renewed focus is increasingly being brought to bear on Be the Future transformation activity.

In August 2022, Council agreed to establish a Target Operating Model (TOM) that will provide a consistent foundation and framework within which future organisational change and redesign can be developed and accelerated. The proposed TOM, set out in the diagram below, prioritises getting the basics right for the users of our services by placing the needs of residents, communities and businesses at the heart of Council decision-making. It also reflects a mixed economy model of service delivery, underpinned by

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objective analytical evaluations of the most effective ways of addressing customer needs, delivering outcomes, ensuring resilience in service delivery and securing financial sustainability. The TOM approach reflects the valuable learning gained through the period of the pandemic and will guide the organisation through the next stage of its Transformation journey.

Target Operating Model



The framework and activity set out above is therefore complementary to, and aligned with the Council's Transformation Programme, Be the Future, which is also aligned and integrated with the Council's other key strategic plans and priorities.

The 10 year Be the Future Programme incorporates the Be the Future Aims and has distilled our planned LOIP outcomes and Corporate Plan priorities into three Be the Future Programmes of activity:

- Sustainable Inclusive Growth;
- Empowering Families and Communities, and
- Health and Wellbeing.

The Be the Future Aims and Programme themes are set out in the diagram on page 13.

Since the production of the Be the Future Plan, which was agreed as part of the 2020/21 Budget Process in February 2020, the case for change remains compelling and has gathered renewed focus. In developing the Be the Future Plan, significant effort was invested in seeking to integrate vision and priorities across these key strategic planning documents. This was a conscious aim of seeking to simplify and streamline the planning framework whilst ensuring strategic alignment of the key strategic planning elements: creating a Golden Thread that ensures that there is a consistent core and focus on priorities

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and outcomes, and which allows resources to be targeted effectively. There is, therefore, an existing agreed set of strategic priorities and outcomes.

A key design feature of our transformation work has been the commitment to be innovative in how we do things and not just what we do. Whilst there is a shared commitment to the principle that how we do things is just as important as what we do, to date this element has not been as well developed or implemented as was originally planned.

The impact of the Covid-19 pandemic is recognised in that planned work to raise awareness, take feedback and communicate ambition has significantly curtailed activity, with only a small number of staff and stakeholder sessions taking place as resources were redeployed to support critical civil contingencies activities. In recognition of this, Council agreed at its meeting in August 2022, to the preparation of a consultation and engagement strategy to take this work forward looking at both short and long term activities.

Further detail on both the TOM and the Consultation and Engagement Strategy can be found in the following document:

<https://www.clacks.gov.uk/document/meeting/1/1150/7366.pdf>

Be the
Future



**Clackmannanshire
Council**

Aims and Programme Themes

Aims	We will transform our organisation and approaches
<p>to:</p> <ul style="list-style-type: none"> ● empower people and places to improve their wellbeing, skills and prosperity; <p>and</p> <ul style="list-style-type: none"> ● ensure that environmental, social and financial needs of our people and places are met and that future generations thrive. 	
Sustainable Inclusive Growth	We will take steps to tackle poverty and inequality. We aim to maximise the opportunities for local people and businesses through our improved economic performance. We will also establish standards, delivery models and strategies which allow Clackmannanshire to play a leading role in meeting the climate challenge and protecting our built and natural environment.
Empowering Families & Communities	We will place people at the heart of service delivery. We aim to prioritise service users, family and community participation and leadership in developing and delivering solutions. We will work in partnership to build individual; family and community skills in support of social and financial independence.
Health & Wellbeing	We aim to improve the environment, quality of life and ease of access to services. Enhanced wellbeing will also provide greater participation opportunities as a consequence of improving economic performance in Clackmannanshire. Delivering increased wellbeing also aims to promote equitable growth.

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Financial Planning

Changes in public sector funding have been a key issue facing all Councils for a number of years and this will continue to impact on what Councils do and how they do it. While the financial context is challenging, such challenging times also provide significant opportunities for real improvement. The Council and its partners are working in a more collaborative way by pooling their collective resources to be more efficient. Similarly, legislative changes are making it easier for communities to become more involved in finding solutions and engage more directly in service delivery.

The Council is continually reviewing its processes and procedures and financial planning continues to adapt to the changing economic climate. Regular medium term financial planning information is reported to Council via Budget Strategy Update reports to ensure that its policy, investment and financial decisions are informed by the wider financial context.

The Council's approved Budget Strategy sets out the planning assumptions and indicative savings figures for a rolling four year period. The Strategy focuses on a framework which aims to:

- reduce expenditure;
- maximise income;
- transform service provision, including more joint working, and
- implement other targeted initiatives to deliver high quality services from a sustainable cost base.

The 2023/24 Budget Report approved by Council in March 2023 presented a financial planning scenario which indicated a potential funding gap of £11.6m for 2024/25 rising to a cumulative gap of £22m by 2026/27. This is clearly a challenging position but one which also provides significant opportunities to look at how services are delivered by the Council and in conjunction with its partners.

Over the last five years the Council has achieved £16.6m of savings with a further £3.8m approved for 2023/24. Continually achieving savings year on year is challenging, however in 2022/23 the Council achieved £1.6m (89%) of the £1.8m planned savings approved in the 2022/23 budget. As noted above, the Council still faces a significant funding gap of £22m over the next three years, with any unachieved savings and use of one off reserves adding pressure and increasing the gap in future years.

During 2022/23, Chief Officers worked closely with the members of each political Administration to develop savings proposals which were included in the 2023/24 budget setting process. The budget preparation process considers both the capital and revenue implications of change proposals for financial planning purposes. The resultant proposals are focused on delivering services that are financially sustainable and manage changing profiles of demand and service user expectations.

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The annual budget process is also supported by the Be the Future Board set up to focus on transformation. The Board is made up of members of the Administration and the two opposition groups along with Senior Officers. The Board supports the development and progress of the transformation programme and reviews transformation and savings proposals.

Although the financial position is difficult, the management team believe that the continuation of the approved Be the Future Transformation Programme and the more recent Target Operating Model (TOM) to underpin Organisational Redesign will ensure the Council remains financially sustainable. The financial position presented in these Annual Accounts provides a platform from which to address the challenging times ahead and support the necessary transition to new, more efficient models of service delivery for the future and achieve the Be the Future aims.

Health & Social Care

The Council is part of the Clackmannanshire and Stirling Health and Social Care Partnership (HSCP) along with Stirling Council and NHS Forth Valley. 2022/23 has been another extremely challenging year for the Partnership as it deals with recovery from the pandemic.

Previous funding provided in 2021/22 by the Scottish Government to support Covid activity was carried forward to be used in 2022/23 which resulted in higher reserve balance for the Partnership at the 2021/22 year end.

Further information on the Clackmannanshire and Stirling Health and Social Care Partnership can be found at the following webpage:

<http://nhsforthvalley.com/about-us/health-and-social-care-integration/clackmannanshire-and-stirling/>

City Region Deal

The Council is actively delivering ambitious plans in a joint City Region Deal with Stirling Council and Stirling University. Both Westminster and Scottish Governments have been working closely with the city region partners to develop proposals to unlock investment and secure transformational growth in the regional economy. Focus is on key priorities such as socially-inclusive growth; enabling infrastructure (such as roads, social housing and schools); business development opportunities; town centre regeneration; tourism; employability support and renewable energy.

In the case of Clackmannanshire initial priorities were informed by a series of Stakeholder Workshops and refined as part of the joint-working with Stirling Council and both Governments to form a coherent regional bid. Following further stakeholder engagement and approval by both Councils, including formal governance arrangements between the Councils, the 'Heads of Terms' was agreed in June 2018 and full deal sign off was achieved in February 2020.

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The Covid-19 pandemic has had an impact on the deliverability of the initial City Region Deal plan and a revised delivery plan was presented to the Scottish and UK governments. The Partnership are now working towards that plan with regular updates provided to the Stirling & Clackmannanshire City Region Deal Joint Committee. Several projects are now underway, notably £0.750m investment in the Japanese Garden as part of the Clackmannanshire Fund which was completed during 2022/23.

Further information about the City Region Deal can be found here:

<https://www.clacks.gov.uk/citydeal/>

Performance

The context in which the Council operates is ever-changing and as contexts change, it is important that the Council is able to change with them, to make sure it is doing everything it can to improve people's quality of life and to make Clackmannanshire a better place to live and work.

The Council monitors and measures its performance in a number of ways, including:

- review of Local Outcome Improvement Plan (LOIP) performance which is scrutinised by both the Alliance and the Audit & Scrutiny Committee;
- review of the Corporate priorities, which is reported to the Council;
- progress of the Council's Be the Future Transformation programme, through update reports to Council and Trade Union Forums;
- annual reporting of the Local Government Benchmarking Framework to the Audit & Scrutiny Committee;
- Quarterly reporting of service performance and risks and the Council's overall financial reports being presented to the Audit & Scrutiny Committee;
- reporting of corporate risks to the Audit & Scrutiny Committee every six months, and
- review of the Statement of Preparedness which covers those Emergency Planning risks set out in the Community Risk register and developed by the Forth Valley Local Resilience Partnership.

A progress report by the Accounts Commission on Best Value Assurance published in June 2019 recognised the positive progress being made by the Council since the previous report in 2018. The report also recognised the ongoing challenges in the ability to deliver financial sustainability and this framework will provide a basis on which the progress acknowledged by Audit Scotland can be evaluated. That report set out a number of recommendations on which the Council has prepared an action plan to take forward and this work has continued during the 2021/22 and 2022/23 financial years. Significantly, the themes and recommendations from the Best Value report have been embedded into the Be The Future Transformation programme and progress has been reported through regular update reports to Council.

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Local Government Benchmarking Framework





The Local Government Benchmarking Framework (LGBF) represents part of Councils' statutory duties for Public Performance Reporting. The framework represents a set of performance indicators developed for Scottish councils to compare performance and encourage shared learning and continuous improvement.

The latest report showing the 2021/22 data was presented to the Audit & Scrutiny Committee in April 2023 and can be accessed here:

<https://www.clacks.gov.uk/document/meeting/295/1186/7591.pdf>

The key highlights from the report are shown in the tables below. These show how the Council performed in 2021/22 across all its indicators (table 1), and how it compares to other authorities in its ranking (table 2).

Table 1






Indicator Type	Overall Summary				
	 Green	 Amber	 Red	 Unknown	Total
Total 2021/22	38	43	19	4	104

The main highlights relating to the Council's performance from this data are:

- 81 (78%) of indicators showed a positive result or may require review, and
- 19 (18%) of indicators were underperforming.

*previous years data not available in the same format

Table 2

Indicator Type	Ranking Quartile					
	 Top	 Second	 Third	 Bottom	 No Rank	Total
Total 2021/22	27	23	19	31	4	104
Total 2020/21	29	18	23	29	1	100









The main highlights relating to the Council's performance from this data are:

- 50 (48%) of indicators were in the top or 2nd quartile, and
- 31 (30%) of indicators were in the bottom quartile.

Compared to the previous year, there was a slight movement in performance with 70% of indicators now in the top, 2nd and 3rd quartiles compared to 66% the previous year.

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Key:

Overall Summary	An 'average' of the red/amber/green results for Trend, Status and Quartile, showing an overall summary of performance in the indicator. This gives equal weighting to all three factors, though some may be of greater importance in certain services/processes, as well as consideration being given to whether efficiency, effectiveness, satisfaction, or a balance of all three is the main priority in any particular function.	 Positive results  May require attention  Underperforming  Data not available
Rank & Quartile	Authorities' results are ranked best (1 st) to worst (32 nd) to support learning from strong performers. Rankings are grouped into four quartiles to provide a higher-level summary. If not all authorities report, quartiles are smaller (e.g. 6 do not report Housing due to differing arrangements).	 Top quartile 1 st to 8 th place  Second quartile 9 th to 16 th  Third quartile 17 th to 24 th  Bottom quartile 25 th to 32 nd

LGBF data for all Scottish local authorities is published by the Improvement Service at the start of each calendar year on the 'My Local Council tool' which can be accessed through the following link: <http://scotland.mylocalcouncil.info/>.

Public Performance Reports

The Council publishes a wide range of Public Performance Report to fulfil its performance reporting duties and these are reported through Council and its Committees which includes Directorate Business Plans, financial performance and a range of strategies and updates. The most recent reports can be found at: <https://www.clacks.gov.uk/council/performance/>

Financial Performance 2022/23

The Financial Statements have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom with the objective of presenting a true and fair view of the financial position of the Council and its income and expenditure for the year ended 31 March 2023. A brief explanation of each statement and its purpose is provided at the beginning of each statement. The main statements appear in the accounts followed by a series of additional statements to give the reader a full analysis of the funding received and how this is spent. The Expenditure and Funding Analysis (Note 6) brings together the net expenditure based on the management reporting structure and compares this against the net expenditure that is reported in the Comprehensive Income and Expenditure Statement in line with the Accounting Framework.

Within the General Fund for 2022/23, against a background of reducing resources, the Council has successfully delivered services within budget reporting an underspend of £5.4m, which included utilisation of £1.0m of capital receipts towards permitted revenue expenditure. This position, along with consideration of the reserves utilised during the year, results in a reduction in General Fund reserves of £3.1m to £20.9m (2021/22 £24.0m). Of this total, £17.6m (2021/22 £17.9m) is earmarked for specific purposes, leaving £3.3m of

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uncommitted reserves.

The Council has a material interest in a number of bodies and prepares group accounts which include its appropriate share of these entities assets and liabilities. The group accounts can be found at the end of these statements, with details of the entities within the group.

Key Financial Ratios

The Chartered Institute of Public Finance and Accountancy (CIPFA) Directors of Finance Section recommends that certain financial ratios are included in the Management Commentary to assist the reader to assess the performance of the Council over the financial year and of the affordability of its ongoing commitments. The following table provides the indicators with an explanation of each, grouped into CIPFA categories for the various areas of financial activity.

Financial Indicator	Notes	2021/22	2022/23
Reserves			
Uncommitted General Fund Reserve proportion of Net Actual Expenditure	1	4.28%	2.21%
Movement in the Uncommitted General Fund Balance	2	(6.26%)	(45.6%)
Council Tax			
In-year collection rate	3	96.00%	96.83%
Ratio of Council Tax Income to Overall Level of Funding	4	17.25%	17.02%
Actual Outturn compared to Budgeted Expenditure	5	92.52%	96.70%
Actual contribution to/(from) Unallocated General Fund Balance compared to Budget		1.9%	0.6%
Capital Financing Requirement (CFR) for the current year	6	£144.8m	£146.0m
External Debt Levels for the current year		£137.9m	£133.7m
Ratio of financing costs to net revenue stream		3.74%	3.03%

- 1 *Reflects the level of funding available to manage financial risk/unplanned expenditure. The Council's Policy for 2022/23 was 2.4% of net expenditure which is considered appropriate in the context of the Council's financial and ongoing risk profile, however this was reduced to 2% for 2023/24 in light of current financial volatility.*
- 2 *Reflects the extent to which the Council is using its Uncommitted General Fund Reserve. The movement is mainly due to the use of uncommitted reserves to support the 2023/24 budget.*
- 3 *Reflects the Council's effectiveness in collecting Council Tax debt and financial management.*
- 4 *Reflects the Council's capacity to vary expenditure by raising Council Tax income, the only principal source of finance within Local Authority control.*
- 5 *Reflects how closely expenditure compares to budget showing the effectiveness of financial management. This indicator is based on the format of budget monitoring as reported throughout the year.*
- 6 *External debt levels are lower than the CFR. These two indicators complement the assurances of borrowing only being for capital purposes. The ratio of financing costs to net revenue stream provides an indication of the Council's ability to afford the borrowing costs.*

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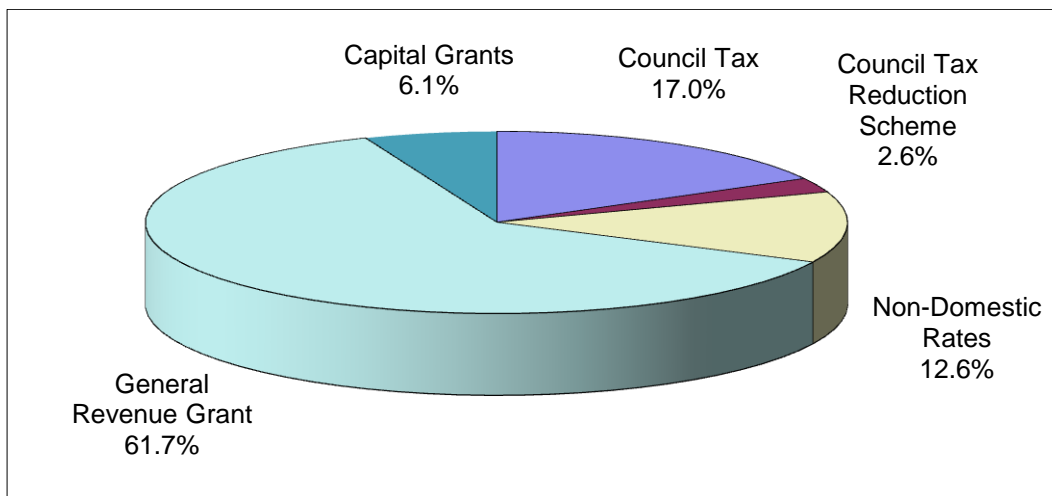
General Fund Results for the year

The General Fund covers all the areas of the Council's service provision with the exception of the management of its own housing stock which is covered within the Housing Revenue Account (HRA). General Fund services are financed by government grant and local taxation (i.e. council tax).

The largest source of funding the Council receives is the General Revenue Grant received from the Scottish Government including Non-Domestic Rates (NDR) which amounted to £106.6m for 2022/23, (2021/22 £104.3m). NDR income is collected by local authorities, and remitted to the Scottish Government, where it is pooled nationally, and re-distributed back to Councils within the General Revenue Grant. (This is described in more detail in the National Non Domestic Rates Income Account on page 145).

Income from Council Tax in 2022/23 was £24.4m (2021/22 £24.0m). Funding was also received from the Scottish Government for the Council Tax Reduction Scheme for which the Council received income of £3.7m (2021/22 £3.7m). In 2022/23 capital grants totalled £8.8m (2021/22 £7.0m). The proportions of funding received by the Council in each of these categories are shown in the following chart and table:

Proportion and source of funding received in 2022/23



Sources of Income	2021/22		2022/23	
	£'000	%	£'000	%
Council Tax	23,974	17.2	24,432	17.0
Council Tax Reduction Scheme	3,714	2.7	3,686	2.6
Non-Domestic Rates (plus BRIS)	13,650	9.8	18,065	12.6
General Revenue Grant	90,682	65.3	88,521	61.7
Capital Grants	6,977	5.0	8,849	6.1
	138,997	100.0	143,553	100.0

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Revenue and Capital Expenditure

The Council's expenditure is split between the categories of capital and revenue. In broad terms expenditure for capital purposes relate to costs incurred on the acquisition or creation of tangible assets needed to provide services, such as houses, schools, vehicles etc. This is in contrast with revenue expenditure, which is spent on the day-to-day operation of services such as employee costs and supplies and services.

The Council invested £19.697m (2021/22 £16.415m) during the year; the table below shows some of the main projects:

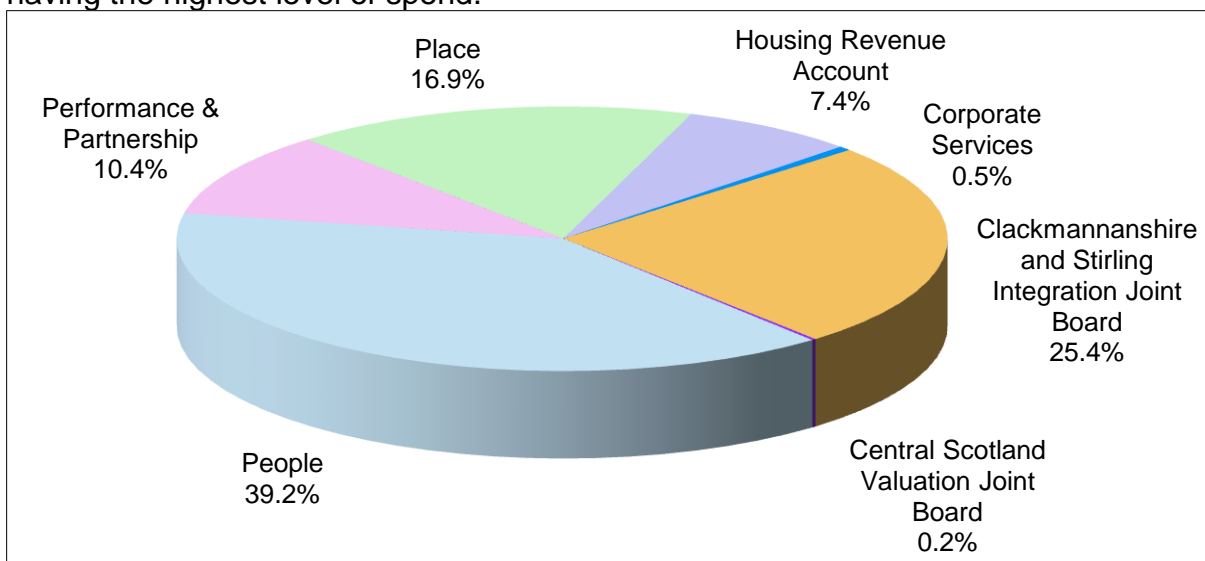
	2021/22	2022/23
	£'m	£'m
IT Investment	1.145	1.936
Village & Small Town Alva	1.039	0.621
Park Primary Development	1.881	-
Roads, foot paths, cycleways etc.	1.917	2.979
Housing New Build and Off the shelf purchases	0.607	3.084
Housing - replacement of kitchen & heating	1.408	1.084
Housing - replacement of roofs/windows	1.928	2.687

Revenue Expenditure

Proportion of 2022/23 Revenue Expenditure by Service

In 2022/23 the total operating expenses for service delivery was £259m (2021/22 £244m) as detailed in Comprehensive Income and Expenditure statement on page 65. This level of expenditure indicates the significant size and complexity of the organisation.

The chart below shows the expenditure apportioned by portfolio, with the People portfolio having the highest level of spend.



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Outturn Position

At the end of the year, the Council reported an underspend against budget of £5.428m on its management accounts. This is a favourable increase of £4.136m on the previously forecasted underspend of £1.292m as at December 2022 reported to Audit & Scrutiny Committee in April 2023. Included within the final underspend is a number of earmarked underspends for areas of ring-fenced spend such as Pupil Equity Funding (PEF), Devolved School Management (DSM) and Housing, that are not recognised until the year end. These underspends are then carried forward to be used in the following year. After removal of earmarked reserves of £4.431m, this results in a net underspend of £0.997m compared to budget that contributes to reserves.

At the end of 2022/23, the Clackmannanshire locality of the HSCP reported an underspend of £0.923m. However, the final outturn reflects a nil variance as the Council's full approved budgeted contribution for 2022/23 is paid over to the Partnership. Of the £0.923m, £0.572m was used to offset the overspend on the Partnership as a whole and the remaining £0.351m was added to reserves to be carried forward to 2023/24.

The outturn position per the Management Accounts per portfolio area is shown below:

Council Summary 2022/23			
	Annual Budget 2022/23	Actual to March 2023	Variance Budget to Actual
	£'000	£'000	£'000
People	79,384	76,488	(2,896)
Place	32,823	30,316	(2,507)
Partnership & Performance	10,811	10,513	(298)
Transformation	500	500	-
Health & Social Care Partnership	25,167	25,167	-
Corporate Centrally held	1,697	1,194	(503)
Corporate Services	3,025	4,145	1,120
Central Scotland Valuation Joint Board	453	453	-
	153,860	148,776	(5,084)
Sources of Funding	(143,293)	(143,637)	(344)
	10,567	5,139	(5,428)

The Council Summary presents the expenditure of general fund services which are funded by government grant and local taxation. The Comprehensive Income and Expenditure Statement on page 65, which also includes the Housing Revenue Account is prepared in accordance with proper accounting practices and, as such, can lead to differences in presentation of certain items of expenditure.

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The table below reconciles the Council Summary to the (Surplus) or Deficit on Provision of Services in the Comprehensive Income and Expenditure Statement and the Expenditure and Funding Analysis in Note 6 on page 88.

	Note	£'000
Council Summary		5,139
Add (Surplus) chargeable to HRA balances		(330)
Add contribution to Insurance Fund		(6)
(Surplus)/Deficit chargeable to GF & HRA Balances	Note 6	4,803
Adjustments between Funding & Accounting basis	Note 6	18,832
(Surplus) or Deficit on Provision of Services	Note 6	23,635

Council Reserves

The overall position on Council's Usable Reserves is shown in the table below:

2022/23 Summary of Council reserves

	General Fund Balance £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Insurance Fund £'000	Capital Grants & Receipts Unapplied £'000	Total £'000
As at 1 April 2022	(23,972)	(9,552)	(801)	(1,250)	(3,302)	(38,877)
Comprehensive Income & Expenditure	26,990	(3,355)	-	-	-	23,635
Adjustments between funding & accounting basis	(21,856)	3,024	(262)	-	(674)	(19,768)
Transfers	(2,047)	1,168	(114)	(6)	1,883	884
As at 31 March 2023	(20,885)	(8,715)	(1,177)	(1,256)	(2,093)	(34,126)

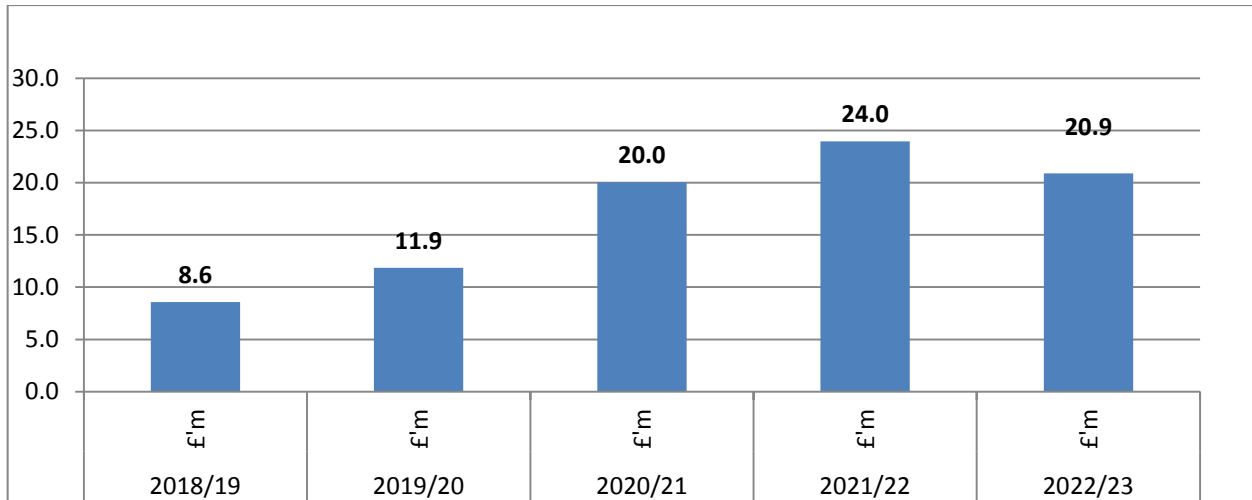
Total usable reserves have decreased to £34.1m (2021/22 £38.9m) at 31 March 2023. A comprehensive analysis of the Council's reserves is provided in the Movements in Reserves Statement on page 66 and supporting notes.

Total Usable Reserves

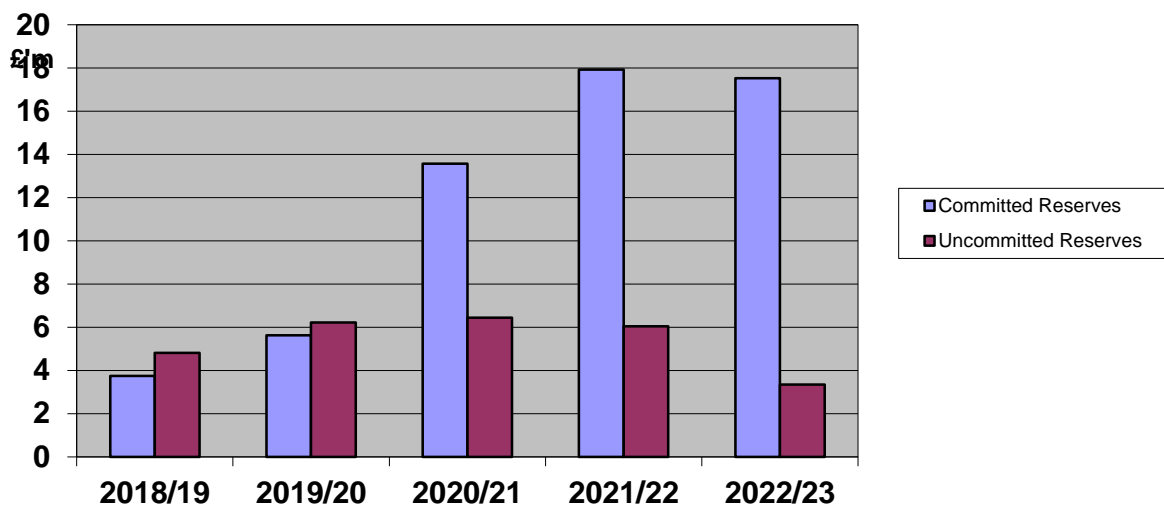
In 2022/23 the General Fund reserve has decreased to £20.9m (2021/22 £24.0m). For the four years from March 2019 to March 2023 total General Fund reserves have increased by £12.3m or 143%. The large increase from 2019/20 is mainly due to additional Covid-19 funding received in 2020/21 and 2021/22 that has been carried forward on a reducing basis to fund Covid-19 support and recovery.

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Total General Fund Reserves 2018/19 to 2022/23



Level of Committed and Uncommitted General Fund Reserves 2018/19 to 2022/23



Committed (Earmarked) General Fund Reserves

Of the £20.9m general fund reserves at 31 March 2023, £17.6m (2021/22 £17.9m) is earmarked for specific purposes, either by individual services or to meet corporate liabilities. Further detail is contained in Note 8.

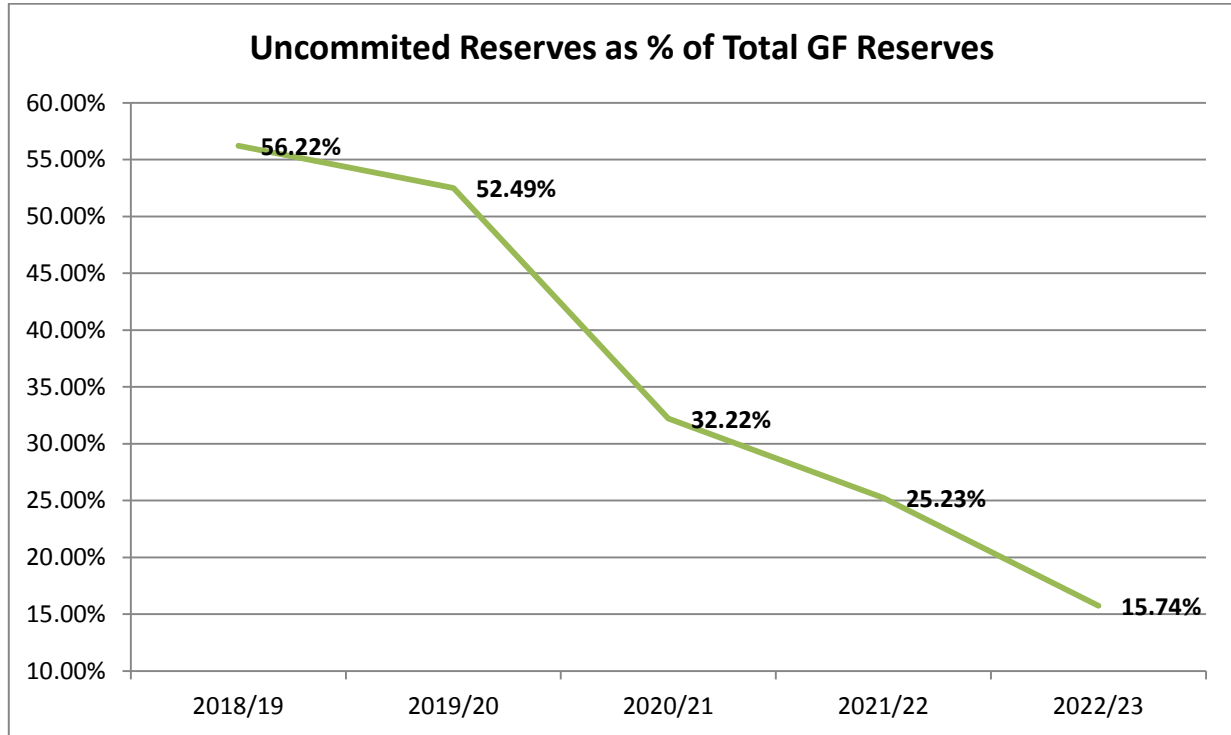
Uncommitted Reserves

The uncommitted element of General Fund Reserves at 31 March 2023, which are generally available to support future expenditure, stood at £3.3m (2021/22 £6.0m). For 2023/24, the Council's Reserves Strategy stipulates that it should retain uncommitted general fund reserves at a minimum level of 2% of net expenditure. The current general fund reserves represent a level of 2.2% (2021/22 4.3%) of the 2023/24 net budgeted expenditure.

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The movement in the Council's uncommitted reserves position compared to total General Fund reserves since March 2017 is shown below:

Trend in General Fund Reserves Position 2018/19 - 2022/23



Capital Expenditure

The Council invested £19.697m (2021/22 £16.415m) in capital projects during the year, the table below shows some of the main projects:

	2021/22	2022/23
	£'m	£'m
IT Investment	1.145	1.936
School Development	0.540	0.184
Tullibody South Campus	0.512	-
Park Primary Development	1.881	-
Street Lighting	0.205	0.450
Clackmannanshire Regeneration	0.718	0.229
Village & Small Town Alva	1.039	0.621
Clackmannan Town Hall	-	0.915
Bowmar Community Hub	0.598	0.021
Roads, Foot paths, Cycleways etc.	1.917	2.979
Park, Play Area & Open Space Improvements	-	0.512
City Region Deal	-	0.879
Wellbeing Hub	-	0.222
Fleet Vehicles	0.577	0.556

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Housing – new build and off the shelf purchases	0.607	3.084
Housing - replacement of kitchen/heating	1.408	1.084
Housing - replacement of roofs/windows	1.928	2.687
Other Projects	3.340	3.338
	16.415	19.697

The Prudential Code for Capital Finance in Local Authorities governs the level of capital expenditure taking into account affordability, sustainability, the management of assets and the achievement of strategic objectives. Capital spending in 2022/23 on General Fund Services (including grants to third parties) was £9.928m (2021/22 £10.659m) and on Housing was £9.769m (2021/22 £5.756m).

Expenditure	£'m	Financed by	£'m
Compliance & Operational Resilience	5.687	Government grant & contributions	10.088
Empowering Individuals, Families & Communities	1.941	Capital Receipts	0.169
Health & Wellbeing	1.166	Capital Finance from Revenue	6.655
Sustainable Growth	1.134	Borrowing	2.785
Housing Business Plan	9.769		
	19.697		19.697
Capital programme underspend	13.471		
Capital Budget	33.168		

During 2022/23 the Council invested £19.697m in Capital projects, £18.588m of this expenditure was on Council assets and £1.109m was granted to third parties including £0.750m to the Japanese Garden at Cowden. Capital expenditure in the year has been financed by: government grants and contributions (£10.088m) direct revenue funding (£6.655m) and capital receipts (£0.169m) leaving a balance of (£2.785m) which was financed from borrowing.

At the end of the year there was an overall underspend of £13.471m on the budgeted programme. £10.657m of this related to the general fund and was mainly due to delays as a consequence of lockdown and the resulting rephasing of spend on large projects spanning multiple financial years such as School Estate £2.015m, IT investment projects £2.366m Clackmannan Regeneration £1.333m and Wellbeing Project £2.700m. The underspend on the HRA capital programme of £2.814m is mainly due to delays on the following projects: new build development in Clackmannan £1.385m, Electrical Refurbishment £0.829m, Roof and Render work £0.674m and Kitchen replacement £0.533m due to lockdown restrictions, contractor availability and supply chain issues. There were also additional costs associated with Off the shelf purchases of £1.217m that were funded through grant from the Scottish Government. Only £0.530m of the unspent budget will be carried forward to 2023/24.

The impact of COVID and economic uncertainty has contributed to the underspend during the last few years. With the defined 20 year capital plan and additional resources approved in the 2023/24 budget, It is hoped that projects will continue at pace in 2023/24.

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Capital Receipts, Grants and Contributions

Receipts of £0.801m were held in Capital Receipts at the start of the year. £0.198m was used to fund permitted spend and £0.312m was transferred from Capital Grants Unapplied. Receipts of £0.262m were also received in the year. The balance held in the capital receipts reserve at 31 March 2023 totals £1.177m.

Receipts of £3.302m were held in the Capital Grants & Receipts Unapplied Reserve at 31 March 2022. £1.010m was utilised in the year to fund Transformation projects with the remaining balance on this fund of £0.312m was released to general capital receipts as the flexibility to use capital receipts ended on 31 March 2023. £0.561m was also utilised against capital projects in the year and £0.674m of additional grants were received but not applied. The remaining balance of £2.093m is held in the reserve to be applied against specific projects in line with the conditions of the grants.

Housing Revenue Account

The Housing Revenue Account, which funds the provision of Council housing, achieved a surplus in the year on the management accounts of £7.0m against a budgeted surplus of £5.6m. From this surplus and the HRA Reserve a revenue contribution to capital of £6.7m was made in accordance with the Housing Business Plan to maintain the Scottish Housing Quality Standard and the Enhanced Clackmannanshire Standard.

This has resulted in a decrease of £0.8m to reserves at the year end, as shown in the Movement in Reserves Statement. Working balances available to the Housing Revenue Account have therefore decreased to £8.7m as at 31 March 2023. This balance will continue to be earmarked to support the delivery of the Housing Business Plan in line with the Council's approved strategy.

A further £9.8m was invested in the housing stock over the year. This builds on previous investment commitments and continues to sustain and consolidate the Council's position in terms of compliance with the Scottish Housing Quality Standard. The government introduced the new Energy Efficiency Standard for Social Housing (ESSH) with compliance required by December 2020. A further milestone has been set for December 2032 which will be formally reviewed in 2025 to assess progress.

Debt

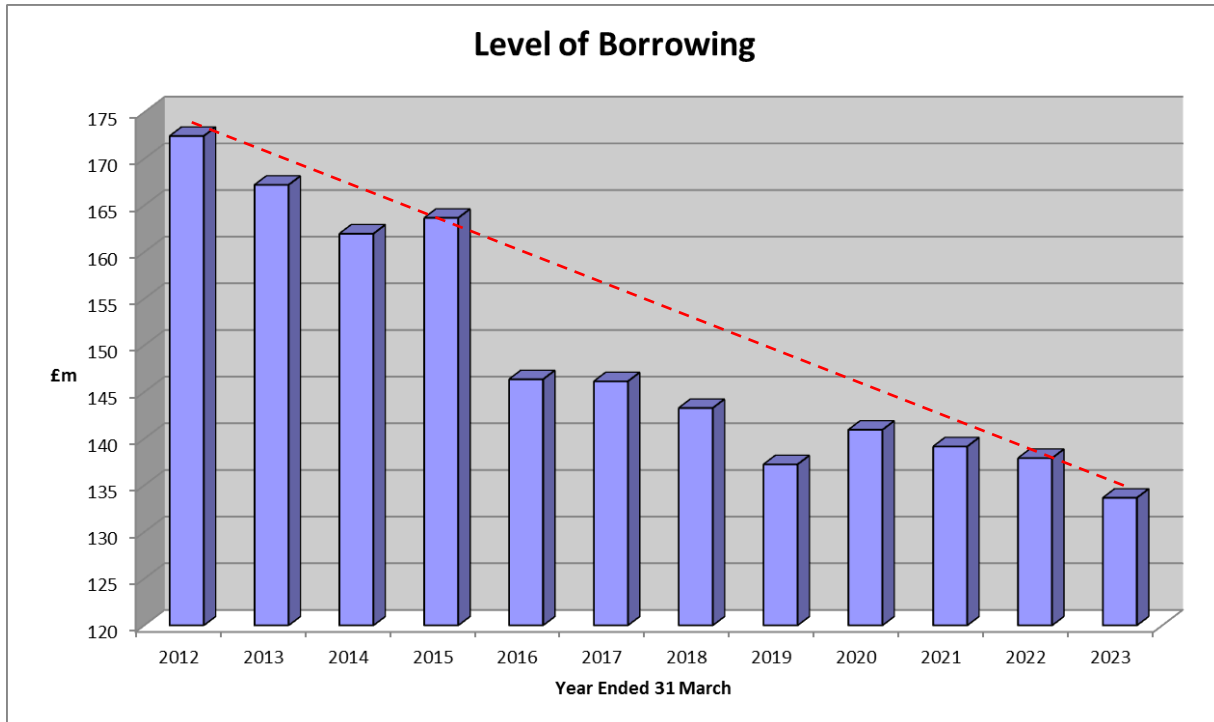
The Council's gross external debt as at 31 March 2023 which supports its investment and development of long-term assets totals £133.7m and consists of:

	2021/22	2022/23
	£'m	£'m
External Borrowing	101.247	98.228
PFI and other finance leases	36.672	35.435
	137.919	133.663

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This is a decrease of £4.3m on the previous year's external debt position of £137.9m. This movement is made up of repayments on borrowing of £3.019m and repayments were made to PFI and other Finance leases of £1.237m. The Council continues to work towards reducing overall external debt in line with its policy set out in the Treasury Management Strategy.

In the year, £9.2m (2021/22 £8.7m) external interest and principal repayments of £3.0m were paid in relation to this borrowing.



Overall there has been a reduction in cumulative external debt of 22.5% between 2012 and 2023, showing that over the longer term the Council is not increasing its level of debt to finance its capital programme. Repayments towards PFI liabilities also continue to reduce the Council's overall level of external debt on an annual basis.

In line with the Prudential Code and Treasury Management Strategy any borrowing undertaken is required to be prudent, affordable and sustainable. As at 31 March 2023 the Council was in an under-borrowed position which meant that its level of borrowing was less than its capital expenditure. Further detailed information including performance indicators can be found in the Council's Annual Treasury Management Strategy Statement (TMSS) 2022/23 set by Council on 4th March 2022.

Secondary Schools PFI Scheme

The Council's three secondary schools are recorded within the long-term assets of the Council, along with a liability for the financing provided by the PFI operator. The outstanding finance liability at March 2023 is £35.435m and this sum is included within the Council's overall borrowing position referred to above.

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The unitary charge paid to the operator in 2022/23 was £9.058m (2021/22 £8.570m) and will increase annually by inflation over the 30 year term of the contract. The Scottish Government provides additional funding towards the project of £3.553m per annum. The total cost of the contracted project is set out in Note 32 – Private Finance Initiative and Similar Contracts on page 126.

Net Pension Liability /Asset

Pension Fund reporting regulations require an annual valuation of the Pension Fund by fund actuaries which is included in the Councils Balance Sheet. The calculation as at 31 March 2023 disclosed a surplus of £29.1m (2021/22 deficit £88.9m). The calculation is prepared for the purposes of International Accounting Standard 19 (IAS 19) reporting requirements and is not relevant for funding purposes i.e. does not have a direct impact on council tax or housing rent payers. This is simply a snapshot of the position at that time.

The triennial valuation at 31 March 2020 set the employers contribution rates for 2021/22 to 2023/24. In line with the valuation and actuarial advice, the employers' contribution rates remained the same for 2021/22 and 2022/23 at 22.5% and were increased by 0.5% to 23% for 2023/24. The triennial valuation as at 31 March 2023 set the employers' contribution rates for 2024/25 to 2026/27 at 19.5%.

Provisions

Provisions are made where an event has taken place which creates a legal or constructive obligation that more likely than not requires some form of transfer of economic benefits or service and a reliable estimate can be made about the amount of the obligation. As at 31 March 2023, three provisions are included in the Financial Statements, see Note 20.

Contingent Liabilities and Assets

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts. They arise where the Council has a possible obligation but this will only be confirmed or otherwise by uncertain future events not entirely within the control of the Council. They can also arise where a provision might otherwise have been made but it is not probable that resources will transfer, or if the obligation cannot be measured reliably. In 2022/23, four contingent liabilities are disclosed, see Note 35. The Council has no material contingent assets at the Balance Sheet date.

Group Accounts

The Council's group accounts consist of: Clackmannanshire and Stirling Integration Joint Board, Central Scotland Valuation Joint Board and Common Good. Further detail on the Councils Group Accounts and accompanying notes can be found on pages 149-157.

Covid-19 and Cost of Living

The Covid-19 pandemic and ensuing Cost of Living crisis has had a significant impact on the Council and its communities over the past 3 years. Since March 2020, the Council has put actions in place and reprioritised services to safeguard its communities. The year 2021/22 saw further waves of the virus and lockdown restrictions being put in place, and the emergence of significant cost pressures on the Council and its communities. Over the past year, focus has been directed to continue to support vulnerable individuals and

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communities and businesses, with wider recovery action increasingly embedded into business as usual as well as Cost of Living supports to those affected by increasing inflationary pressures.

To support recovery from the Pandemic and to ease the cost of living crisis, the Scottish Government introduced a number of grants for individuals which Councils administered on their behalf. In 2022/23, Clackmannanshire Council paid out £1.091m (2021/22 £6.733m) of support funding on an agency basis as detailed below:

Support Grants to Individuals	Total £'000
Scottish Child payment- Bridging payments	894
Self Isolation Support Grants	197
TOTAL	<hr/> 1,091 <hr/>

The Council also supplemented through the use of its own funds with an additional payment to low income households in receipt of Council Tax Reduction (CTR). It is expected that the pandemic and the Cost of Living crisis will continue to impact on performance beyond 2022/23.

Staff wellbeing was a key focus for the Council through the pandemic. As most services have now returned to some pattern of hybrid working, there is a continued emphasis on supporting mental wellbeing. Significant resources have been made available to staff through our Keeping Staff Connected pages as well as a number of guides for managers aimed at ensuring ongoing engagement and promoting positive conversations. The Council also continued to offer and deliver, virtually, maximising attendance sessions to managers throughout 2022/23.

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Business Environment and Risks

There are 2 key economic variables that have affected the Council during 2022/23 and which will continue to impact the Council going forward into 2023/24 and likely beyond. Recovery from the recent Covid-19 pandemic and the related service and financial pressures continues to impact. Instability in the wider economy and inflation is also having a direct impact on Council service provision, priorities, expenditure and funding.

The Bank of England (BoE) has made numerous increases in interest rates in an attempt to reduce the rising level of inflation. The target for inflation had been set at 2% and interest rates, which had previously been held at a low level for some time, have steadily risen during 2022/23 to the highest level in a number of years. At April 2023, inflation stood at 8.7%, with further increases expected during 2023/24.

Increases in inflation have a potential impact on the prices of procured and commissioned goods and services and future wages. After a period of low wage increases for a number of years, particularly in the public sector, pressure is growing for higher wage increases to mitigate the effects of increased inflation. As part of its budget setting process for 2022/23 a staggered pay rise was agreed equating to an average of 5% for Council staff. For 2023/24, no pay increase has been agreed and discussions are ongoing with trade unions and COSLA at a national level. Any agreed pay award over and above the funding provided by the Scottish Government will lead to further pressures for Local Authorities.

As in recent years and even more so as a result of Covid-19 and the rising cost of living, this operating environment presents the key challenge of developing and sustaining medium to longer term financial planning. A key area of uncertainty for the Council remains the future levels of grant from the Scottish Government it will receive on which it relies for a significant proportion of its funding.

There is much uncertainty around funding for future years. It is expected that the next Scottish Budget will be a 3 year settlement which should help to inform medium term financial planning and get a clearer sense of the Scottish Government's spending priorities that will assist the Council in prioritising its own finances.

Given this operating context, the preparation of medium to long term financial plans are subject to a number of key risks and uncertainties which will have an impact on budget assumptions. With funding static at best and potential increased costs of service provision due to the Covid-19 pandemic and rising cost of living and inflationary pressures, managing the effects of these increased costs will be a challenge for the public sector. This also places additional pressure on the Council to transform services and reduce its operating costs further to maintain a balanced budget in future years.

Audit Scotland continues to promote the importance of medium to long term financial planning. In Clackmannanshire, the Council continues to promote medium to longer term financial planning over a number of Budget rounds, the key features of the approach being:

- The use of financial scenario planning to provide a range of potential financial outcomes relative to changes in the key financial assumptions made; and

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- The Budget setting process provides indicative budgets for future years and identifies specific Business cases and / or new areas for review to be developed. This provides a multi-year view of the programme of activity and how it relates to Budget setting and indicative funding gap forecasts in individual financial years.
- The implementation of the Be the Future programme identifying areas for Transformation to increase efficiency and reduce costs over a 10 year period.
- A rolling 20 year Capital Investment Plan as first approved in the 2021/22 budget, setting out investment priorities over the medium to longer term.

Medium to long term planning assists the Council in managing the financial and service delivery risks associated with the impact of real and potential cash term reductions in public sector funding, balanced against increasing demand for services and new responsibilities.




Principal Risks and Uncertainties



















Along with the challenge of financial resilience, the Council also faces a number of non-financial risks. The Council maintains a Corporate Risk Register which is reported to the Audit & Scrutiny Committee (previously the Audit Committee) at every meeting. The Risk Register reported to Audit & Scrutiny Committee on 20 April 2023 can be found here: <https://www.clacks.gov.uk/document/meeting/295/1186/7592.pdf>

The Council's approach to managing each risk is:

















- Treat: we will take action to reduce the risk;
- Tolerate: actions within our control have been completed and plans are in place;
- Transfer: the risk will be passed to another party, such as insurers, and
- Terminate: the activity that is causing the risk will be ceased.

The Council currently has 17 key corporate risks, each assigned to an appropriate officer. Each risk is scored out of 25 based on likelihood and impact. A traffic light system is also used to highlight the risk.

Low: 9 or less  Medium: 10 – 15  High: 16 or more 

Code	Title	Score	Status	Approach	Change
COU CRR 008	Insufficient Financial Resilience	25		Treat	
COU CRR 005	Impact of Poverty, Inequality & Changing Demographics	20		Treat	
COU CRR 034	Insufficient Pace and Scale of Organisational Transformation	20		Treat	
COU CRR 050	Supply Chain & Labour Market Disruption	20		Tolerate	
COU CRR 012	Health & Safety Breach	20		Treat	
COU CRR 022	Public Health Emergency	20		Tolerate	
COU CRR 048	Increasing Attainment Gap	16		Treat	
COU CRR 009	Information Not Managed Effectively	16		Treat	
COU CRR 046	IT System Failure	15		Treat	

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Code	Title	Score	Status	Approach	Change
COU CRR 023	Industrial Unrest	15		Tolerate	
COU CRR 040	Failure of Public Utility Supply	15		Tolerate	
COU CRR 038	Failure to Prevent Extremism and/or Radicalisation	15		Treat	
COU CRR 047	Inadequate Workforce Planning	12		Treat	
COU CRR 011	Harm to Child(ren)	12		Treat	
COU CRR 037	Failure to Address Serious Organised Crime	12		Treat	
COU CRR 031	Failure to Prepare for Severe Weather Events	12		Tolerate	
COU CRR 049	Continued Contribution to Climate Change	10		Treat	

There were 17 risks on the Corporate Register at the end of financial year 2022/23, which currently remain in place.

Insufficient Financial Resilience remains as the risk with the highest score of 25.

- **Risk** - the Council does not have a balanced budget to meet essential service demands, customer needs, or external agendas.
- **Potential impact** - reputational and legal implications and severe, extended loss of service provision. Possibility of Alliance with Health & Social Care and other partners also experiencing budget pressures contributes to potential impact, given the interdependencies.
- **Mitigation** - Use the agreed strategic change framework and organisational design principles to implement a whole organisation redesign. Balance the drive for savings with the need for sufficient officer time and skills to support change and consider how to make more use of external assistance to support improvement.

Five risks have the next highest score of 20 with a high risk status (red) and two further high risks have a score of 16. The remaining nine risks have a medium risk status (yellow) and a score of between 10 and 15. All risks are regularly monitored and reviewed and action taken as required.

Where to find more Information

An explanation of the Financial Statements which follow and their purpose are shown at the top of each page. Further information about Clackmannanshire Council can be obtained from the Council's website (www.clacks.gov.uk) or from Finance Services, Kilncraigs, Greenside Street, Alloa, FK10 1EB.

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Conclusion and Acknowledgements

The continued prudent financial management and medium term financial planning have allowed the Council to successfully manage its financial affairs and the financial objectives prescribed. The Council continued to progress major strategic initiatives such as the new Wellbeing Hub, City Region Deal, Organisational Redesign, Learning Estate Development and partnership working with the Health and Social Care Partnership. Alongside these, the Council also continues to support the Community through redesigning delivery of its services.

The Council would like to acknowledge the significant effort in producing the Annual Accounts and the Annual Governance Statement and to record thanks to colleagues for their continued hard work and support throughout 2022/23. The Council acknowledges that the annual accounts for 2022/23 were completed after the statutory deadline due to competing priorities and challenges however it will aim to meet future deadlines. It greatly appreciates the significant efforts of all who were involved, elected members of the Council and colleagues in every Service, all of whose efforts in managing the resources available have contributed to the financial position disclosed by the 2022/23 Annual Accounts.

Ellen Forson
Leader of the Council
29 August 2024

Lindsay Sim
Chief Finance Officer
29 August 2024

Nikki Bridle
Chief Executive
29 August 2024

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Statement of Responsibilities

The Council's Responsibilities

The Council is required to:

- make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Council has responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this Council, that officer is the Chief Finance Officer;
- manage its affairs to secure economic, efficient and effective use of resources and safeguards its assets;
- ensure the annual accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014) and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003); and
- approve the annual accounts for signature.

I confirm that the Draft Annual Accounts were considered by Council at its meeting on 10 August 2023.

Signed on behalf of Clackmannanshire Council

Ellen Forson
Leader of the Council
29 August 2024

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The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Council's Annual Accounts in accordance with proper practices as required by legislation and set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* ('the Code').

In preparing the Annual Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation; and
- complied with the local authority accounting code (in so far as it is compatible with legislation).

The Chief Finance Officer has also:

- kept proper accounting records which are up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the draft Financial Statements give a true and fair view of the financial position of the Council and its group at the accounting date and the transactions of the Council and its group for the year ended 31 March 2023.

Lindsay Sim
Chief Finance Officer
29 August 2024

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Annual Governance Statement

Introduction

The purpose of the Annual Governance Statement (AGS) is to provide assurance to the people of Clackmannanshire, Elected Members, staff, partner agencies and other stakeholders that the Council:

- is well run;
- operates in a lawful, open, inclusive and honest manner;
- manages resources effectively, and
- provides a high standard of service to our customers.

The AGS explains the extent to which the Council has complied with its Local Code of Governance during the past year, the progress it has made on improvements identified in the previous year's AGS, and actions it plans to take to ensure that it continues to improve.

Governance is important - good governance leads to good management, good performance, good stewardship of public money, good public engagement and ultimately, better outcomes for citizens and service users.

Corporate governance is not directly about strategy, policy, service standards, or performance; it is about the systems that make sure these things are done well and in an open, transparent and accountable way, reinforcing a culture of good governance across the organisation. Good governance enables an authority to pursue its aims effectively, while controlling and managing risk.

Local Code of Governance

Our Local Code of Governance is made up of the key Council policies and strategies that together determine how the Council is directed, controlled, led and held to account, including the culture and values that shape the decision-making and behaviour of councillors and employees. Councils are guided in this by the "Delivering Good Governance in Local Government Framework" (CIPFA, 2016). The framework sets out 7 principles, with supporting sub-principles and illustrations of good practice, that together constitute good governance.

Our Local Code is underpinned by a framework of systems and processes, based on legislative and regulatory requirements, guidance and good practice principles that guide our day to day activities.

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Leadership, Values and Culture

This section of our Local Code covers the arrangements we have for ensuring that the Council's leadership set and communicate a clear direction and are transparent and accountable.

Local Code approaches in this area are:

- Scheme of Delegation, and
- Council Standing Orders.

CIPFA Good Governance Principles Alignment:

- Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Developing the entity's capacity including the capability of its leadership and the individuals within it, and
- Managing risk and performance through robust internal control and strong public financial management.

The Scheme of Delegation sets out the duties and responsibilities of the Council, its committees, sub-committees and officers.

Council Standing Orders set out the framework within which the Council conducts its business, and includes the timing of Council meetings, the order of business, rules of debate and matters of procedure.

Strategy and Performance Management

This covers how we make sure that strategies, policies and supporting processes reflect the Council's responsibilities and ambitions, and that they are communicated and implemented.

Local Code approaches in this area are:

- Council Corporate Plan,
- Performance Management Framework Corporate Risk Management Guidance.

CIPFA Good Governance Principles Alignment:

- Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law;
- Ensuring openness and comprehensive stakeholder engagement;

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- Defining outcomes in terms of sustainable economic, social and environmental benefits;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Developing the entity's capacity including the capability of its leadership and the individuals within it;
- Managing risk and performance through robust internal control and strong public financial management, and
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

The Council's Performance Management Framework covers the strategies, plans and reports that take direction from the LOIP to make sure that resources are focused on Council priorities.

Corporate Risk Management Guidance explains the principles, processes and scrutiny arrangements used by the Council for managing risk, particularly in the context of achieving the Council's vision, outcomes and priorities.

Working in Partnership

This theme covers how we work with partners to achieve mutual benefit, by sharing expertise, resources and knowledge. The Clackmannanshire Alliance, our Community Planning Partnership, brings together the key organisations that can make a difference to people's lives in Clackmannanshire.

Local Code approaches in this area are:

- Alliance Governance Framework & Memorandum of Understanding

Key underpinning policies and guidance in this area are:

- Local Outcomes Improvement Plan (LOIP) 2017-2027, and
- Community Planning processes.

CIPFA Good Governance Principles Alignment:

- Defining outcomes in terms of sustainable economic, social and environmental benefits, and
- Determining the interventions necessary to optimise the achievement of the intended outcomes.

A new Wellbeing Economy LOIP is currently being developed and community and stakeholder engagement on the plan is underway. The Alliance Board has agreed to

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review the Memorandum of Understanding and Community Planning processes following agreement of the Local Outcomes Improvement Plan.

Communication and Engagement

The Corporate Communications & Marketing Strategy aims to ensure that:

- both internal and external communications and marketing approaches are effective and responsive to the needs of all groups, and
- digital communications develop in line with advancing technology and customer needs.

CIPFA Good Governance Principles Alignment:

- Ensuring openness and comprehensive stakeholder engagement, and
- Determining the interventions necessary to optimise the achievement of the intended outcomes.

The Council use the online survey tool Citizen Space to consult on issues such as service satisfaction, policy proposals and strategies. The Corporate Communications Strategy, related policies and Communications channels are in the process of being refreshed in 2023/24.

Sustainability and Climate Change

The Council's Environmental Policy sets out Council commitments to continuously improve its environmental performance.

An Interim Climate Change Strategy approved in August 2022, sets out a framework for Council achieving net zero greenhouse gas emissions by 2040. An Emergency Board provides oversight of delivery of the strategy.

Asset management plans covering, for instance, buildings, vehicles and ICT equipment generally aim to ensure that our assets are fit for purpose, used efficiently and maximise value for money, environmentally and energy efficient and employed flexibly and responsibly.

CIPFA Good Governance Principles Alignment:

- Defining outcomes in terms of sustainable economic, social and environmental benefits;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Developing the entity's capacity including the capability of its leadership and the individuals within it, and

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- Implement good practices in transparency, reporting, and audit to deliver effective accountability.

Financial Management

Financial Regulations set out roles and responsibilities in relation to sound financial management, to ensure the highest standard of probity in dealing with public money and to assist and protect staff in such dealings. Underpinning guidelines and instructions ensure robust and effective financial control.

Key underpinning policies and guidance in this area are:

- Financial Regulations
- Contract Standing Orders
- Procurement Strategy

CIPFA Good Governance Principles Alignment:

- Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law;
- Ensuring openness and comprehensive stakeholder engagement;
- Defining outcomes in terms of sustainable economic, social and environmental benefits;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Managing risk and performance through robust internal control and strong public financial management, and
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

Information Management

Effective Information Management is vital for ensuring that the right information is available to the right people, at the right time, to support and inform decision making, while ensuring appropriate storage, access and protection of information and data. Information and data management forms an important element of the Council's Digital Transformation strategy and roadmap.

Key underpinning policies and guidance in this area are:

- Digital Strategy 2019-25;
- Data Protection Policy, and
- Records Management Plan.

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CIPFA Good Governance Principles Alignment

- Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law, and.
- Developing the entity's capacity including the capability of its leadership and the individuals within it.

Workforce Management

The Strategic Workforce Plan 2019-22 sets out the Council's workforce planning priorities, to: create positive and inclusive organisational cultures; create sustainable and resilience workforce; support, empower, respect and engage our workforce; ensure our workforce has the knowledge, skills and behaviours required for future demands.

CIPFA Good Governance Principles Alignment:

- Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law, and
- Developing the entity's capacity including the capability of its leadership and the individuals within it.

Statutory Roles

Councils are required to make a number of statutory appointments and these are detailed in the Management Commentary on page 6. Further information on the statutory appointments of officers can be found in the Scheme of Delegation.

Audit and Assurance

There is a range of arrangements that seek to provide assurance on the Council's system of internal control.

1. The Audit and Scrutiny Committee has an important role in the Council's governance. The committee remit covers two broad areas:

Audit & Finance:

- Receive, review and consider reports on the Council's finances;
- Receive, review and consider reports on value for money and best value;
- Consideration and monitoring of the Council's Annual Governance Statement;
- Consider internal audit reports and results of internal audit investigations;

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- Consider external audit and resultant action plans;
- Monitor and review actions taken on internal and external audit recommendations;
- Consider the effectiveness of the Council's risk management procedures and the control environment, and
- Receive and consider reports on countering fraud and corruption.

Scrutiny:

- Monitor council services, including the Health and Social Care Partnership (H&SCP) against agreed outcomes, standards and targets;
 - Monitor the achievement of organisation-wide agreed outcomes, standards and targets;
 - Monitor the achievement of agreed outcomes, standards and targets by the community planning partnership;
 - Monitor Police and Fire performance against Plans approved by the Council;
 - Scrutiny of Council decision-making, with the ability to call in decisions;
 - Initiate or undertake scrutiny reviews, and
 - Deal with matters referred by the Council for scrutiny purposes.
2. The role of Council's **Internal Audit** function is to provide a balanced and evidence based opinion to elected members on the adequacy of the Council's arrangements for risk management, governance, and control. To do this, the Internal Audit team must be:
- independent;
 - objective in performing audit work; and
 - adequately resourced, experienced, qualified, and knowledgeable.

The Internal Audit service is delivered via a joint working arrangement with Falkirk Council.

The Public Sector Internal Audit Standards 2017 (PSIAS) require the preparation of a risk based Internal Audit Plan setting out the team's annual work programme. The Internal Audit plan for 2022/23 was agreed by the Audit & Scrutiny Committee in October 2022. It proposed sixteen assignment areas, including two covering other bodies (the Clackmannanshire and Stirling Integration Joint Board, and the Central Scotland Valuation Joint Board).

Internal Audit provides regular progress reports to the Audit and Scrutiny Committee and an annual Assurance report, which gives an overall opinion on the Council's risk management, governance, and control arrangements, based on the assignments agreed within the audit plan and undertaken over the course of the year.

The Annual Assurance Report by Internal Audit was presented to the Audit & Scrutiny Committee in August 2023.

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3. The Council is externally audited by Deloitte LLP, appointed by the Controller of Audit, who conduct an audit in accordance with the Code of Audit Practice approved by the Accounts Commission.
4. Many individual services and functions are subject to review by external agencies and inspectorates.

Review of Effectiveness

We have a responsibility for reviewing, at least annually, the effectiveness of our governance framework, including the system of internal control. The review is informed by a wide range of evidence, including:

- The work of the members of the Extended Strategic Leadership Group, who have responsibility for the development and maintenance of the governance environment;
- The Internal Audit Annual Assurance Report;
- Reports provided by our External Auditor (currently Deloitte LLP);
- Reports from other external review bodies, agencies and inspectorates;
- Output from self-assessment undertaken by service managers evaluating the extent to which services comply with the local code, and identifying areas for improvement;
- The completion of signed Certificates of Assurance by Executive Directors confirming their opinion that the identified areas for improvement and associated action plan will address any current issues or risks, and
- A two-stage internal Governance review process involving senior and service managers. Stage one reviews the local code to make sure that it reflects the approaches that are most significant to the achievement of Council priorities and desired outcomes, and that the approaches are fit for purpose. The second stage of the review is to check that the approaches are implemented in all relevant areas.

The annual Governance review identifies areas for improvement. Resulting actions are tracked using the Council's performance management system.

Significant Governance Issues

The 2021/22 Annual Report, provided by our external auditor (at that time Audit Scotland, now Deloitte LLP) found that the Council had made limited progress in implementing their prior year audit recommendations, owing to capacity issues and to staff being abstracted on to pandemic and cost of living response Actions to address the recommendations were included in last year's AGS, and progress is reported later in this document.

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Progress made on areas for improvement contained in the 2021/22 AGS

Code	Description	Carried forward from	Latest Note
AGS 020 003	An updated Risk Management Framework will be finalised	31-Mar-2023	Advanced draft completed – anticipated final completion by October 2023 following consideration by Council.
AGS 020 004	Covid Recovery plans will be reviewed to ensure alignment with Be the Future	31-Mar-2023	This work is ongoing and is being integrated into the Councils Be the Future planning. It is progressing in the context of a refresh of the Councils Target Operating Model and also through a range of transformational initiatives such as Future Ways of Working and Digital Transformation which aim to optimize service design as part of post pandemic recovery.
AGS 020 006	Action will be taken to ensure that new Hate Crime legislation is reflected in key Council policies.	31-Mar-2021	Hate Crime is a key action in the Councils Mainstreaming Equalities and Diversity Outcomes approved in 2021, and is reflected in appropriate employee and partnership strategies. Information on 3 rd party reporting is provided on the Councils website alongside the range of partners across Forth Valley that we work alongside as part of wider equalities work.
AGS 020 011	The review of the Sustainability and Climate Change Strategy will be completed, followed by engagement with key stakeholders.	31-Mar-2023	An Interim Climate Change Strategy was approved by Council in August 2022. A full Climate Change Strategy will be considered by Council in Autumn 2023. Five Climate Change Forums have been set up to facilitate engagement with communities and promote sustainability across the county.

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Code	Description	Carried forward from	Latest Note
AGS 020 015	A Digital Transformation Delivery Plan and Road Map will be developed, informed by the Audit Scotland report and the outcome of the Digital Maturity Assessment.	31-Mar-2021	This major work is ongoing and remains a key priority for the Council as set out in Be the Future and our Target Operating Model. A digital transformation strategy is in place, and whilst we have plans to refresh the strategy, significant work is being taken forward around digital, data and ICT modernisation which is reflected in the strategy. This work is being progressed in partnership with a range of industry experts, and whilst significant progress is planned in 2023/24, the overall delivery plan is under constant review.
AGS 021 001	The Governance assurance process will be reviewed, to ensure it is effective and proportionate.	31-Mar-2023	The Governance assurance process has been reviewed and changes implemented.
AGS 021 002	The review of the Scheme of Delegation will be completed after the conclusion of the Council restructure.	31-Mar-2023	The review of the scheme is at an advanced stage and is expected to conclude and be considered by Council by October 2023.
AGS 021 003	A detailed review of Standing Orders will be undertaken, with the aim of consolidating incremental changes that have been made in recent years, improving clarity and ensuring Standing Orders remain fit for purpose. Training will be provided for elected members.	31-Mar-2023	An officer/elected member working group was agreed by Council in 2022. Work continues; it is expected that this work will complete in late 2023 on conclusion of the refreshed Scheme of Delegation.
AGS 021 005	Options for enhancing arrangements for Fraud Risk Management will be investigated as part of the restructure of the Legal & Governance service.	31-Mar-2023	This work is ongoing beyond the projected target date, expected to conclude in late 2023.
AGS 021 006	The Local Outcome Improvement Plan will be refreshed and a Wellbeing Local Outcome Improvement Plan will be developed	31-Mar-2023	The present LOIP 2017-27 remains current. Community and stakeholder engagement to develop the wellbeing LOIP is underway. A set of draft outcomes and priorities are being consulted on as part of this work with the final LOIP anticipated to be finalised in Autumn 2023. This approach is being jointly led by Community Planning Partners on behalf of the Clackmannanshire Alliance.

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Code	Description	Carried forward from	Latest Note
AGS 021 007	Clackmannanshire Alliance operating arrangements and structures, including the Memorandum of Understanding, will be refreshed.	31-Mar-2023	This will be reviewed following completion of the LOIP refresh.
AGS 021 008	The Council's Customer Charter will be refreshed.	31-Mar-2023	A review of the Customer Charter has been completed and following a period of stakeholder consultation will be considered by Council in October 2023, along with a refreshed Unacceptable Behaviour policy.
AGS 021 009	The refresh of the Communications Strategy will be finalised.	31-Mar-2022	Ongoing. A high level corporate communications strategy has been drafted. The intention is to finalise this in 2023 following Council's approval of a revised Target Operating Model and a period of consultation.
AGS 021 012	Information on Sustainable Asset Management on the Council website will be improved to make it clearer and more accessible.	31-Mar-2023	Significant work has been done to develop and improve website information on Sustainability, with pages covering the Interim Climate Change Strategy, Climate Change Forums and annual climate reports, as well as links to external organisations.
AGS 021 013	Further guidance and training on Financial Governance and financial system processes will be rolled out, including promoting awareness of the management information produced by the finance system to assist decision making	31-Mar-2023	In progress. Initial training has been rolled out to the Accountancy team who will then roll out to Budget Holders. Further specific training to be identified and delivered throughout the year. A session on Governance including Financial Regulations and Contract Standing Orders is planned to be held with the Senior Leadership Forum during the year.
AGS 021 015	Debt recovery processes will be reviewed to ensure Council is recovering debts due.	31-Mar-2022	A Credit Controller has been employed to complete a focussed review of outstanding debt and recovery options and to update processes. To be completed by September 2023.
AGS 021 016	Additional support will be secured for Procurement and Community Wealth Building work.	31-Mar-2022	Additional supports are in place within economic development to support Community Wealth Building. Ongoing market conditions continue to make securing additional procurement resources challenging.

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Code	Description	Carried forward from	Latest Note
AGS 021 017	The Information and Communication Technology (ICT) Strategy and ICT Asset Management Plans will be finalised.	31-Mar-2022	This work is being taken forward as part of the Council's Digital Transformation Roadmap and Microsoft 365 migration project implementation plan, which is ongoing.
AGS 021 018	Remaining outstanding actions in the Workforce Programme will be completed.	31-Mar-2022	The workforce programme was closed down following report to Strategic Oversight Group. Due to capacity, some communication actions remain outstanding, however, these will be included in both a refreshed interim workforce plan and corporate communications strategy, due to be considered by Council in September 2023.
AGS 021 019	The feasibility of introducing a structured approach to the publication of policies and strategies will be investigated, to ensure they are accessible and up to date.	31-Mar-2022	Ongoing, to be wrapped up in wider M365 deployment work. Sharepoint anticipated to provide the platform. Policies and guidance is being developed for deployment over 23/24.
AGS 022 001	Financial Regulations Review	31-Mar-2023	Revised Financial Regulations have been reviewed and have been considered and approved by Council in June 2023.
AGS 022 002	Contract Standing Orders Review	31-Mar-2023	Ongoing. Planned for 2023.
AGS 022 003	Procurement Strategy Review	31-Mar-2023	Ongoing. Planned for 2023.
AGS 022 004	Corporate Plan refresh will be undertaken	31-Mar-2023	Council agreed in May 2023, that it will no longer prepare a Corporate Plan and that instead service business plans will align and report with strategic priorities. Refreshed guidance will be provided to directorates, with revised business plans due to be considered by Council in October 2023.
AGS 022 005	Information and knowledge management programme of work will be scoped and capacity, resources and roles and responsibilities identified	31-Mar-2023	Ongoing. A cross service team are actively progressing this work as part of M365 deployment, supported by additional M365 and data transformation project resource. Additional posts have also been identified and resourced.

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Code	Description	Carried forward from	Latest Note
AGS 022 006	The Strategic Workforce Plan 2019–2022 will be replaced with an updated and refreshed Strategic Plan covering 2022–2025. This will be jointly developed in line with review of the LOIP and Corporate Plan	31-Mar-2023	An Interim strategic workforce plan will be considered by Council in September 2023.
AGS 022 007	A communication plan will be developed to roll out across the Council in order to raise awareness of the new Strategic Workforce plan and underpinning workforce programme	31-Mar-2023	See AGS 021 009 above.
AGS 022 008	Workforce Planning events will be undertaken within each Directorate and the outputs of these will inform the overall Strategic Plan	31-Mar-2023	Service working planning workshops have taken place over 2022 and 2023. All directorates plan to put these to Council for consideration in autumn 2023.
AGS 022 009	Focused SLF sessions regarding good corporate governance e.g. procurement, financial regulations, Legal, HR processes	31-Mar-2023	SLF forward plan now in place, with governance session being planned and deployed. For example, information security and governance training and health and safety training has been provided for all senior managers.
AGS 022 010	Continue to develop approaches to engaging 'hard to reach groups', both through training and development provision, career progression, and ongoing engagement with the Council	31-Mar-2023	The Workforce Development & Learning team continue to develop 'offline' approaches for learning programmes such as mandatory training in order to address hard to reach groups. Further work to be defined within the Interim Workforce Plan.
AGS 022 011	Implement and track progress with the outputs of the Trueman Change Capacity and Skills Audit, ensuring that recommendations where applicable are included within the Strategic Workforce Plan 2022-25	31-Mar-2023	Recommendations will be incorporated into the Interim Workforce Plan for 2023-25 scheduled to be considered by Council in September 2023.
AGS 022 012	Financial reconciliations will be completed more regularly, with review and evidencing of reconciliations strengthened	31-Mar-2023	In progress throughout 2022/23.
AGS 022 013	A schedule for reviewing access to core systems will be introduced	31-Mar-2023	Planned for 2023/24
GS 022 014	Training in combating fraud and corruption for Directors, Senior Managers and other key officers will be rolled out	31-Mar-2023	Planned for 2023/24 following Council approval of revised Whistleblowing policy.

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Code	Description	Carried forward from	Latest Note
AGS 022 015	A new Whistleblowing Policy will be introduced	31-Mar-2023	Policy has been refreshed following a review of practice elsewhere, due to be considered by Council in October 2023.
AGS 023 001	Complete the review of the social media policy and guidelines.	31-Mar-2024	Following approval of the Corporate Communications Strategy, Customer Charter and Unacceptable Behaviour Policy, a review of the Council's Social Media Policy and Guidelines will be undertaken. This is included in the improvement plan below.

Improvement Plan

The following improvement actions have been agreed for delivery during 2023/24:

Agreed action	Due by	Lead
A full Climate Change Strategy will be presented to Council in Autumn 2023.	Autumn 2023	Senior Manager Development
Development of the interim 2 year workforce plan (2023-25)	August 2023	Organisational Development Adviser
Development of the 3 year Strategic Workforce plan (2025-28)	March 2024	Organisational Development Adviser
Portfolio workforce planning events	August 2023	Organisational Development Adviser
Focused SLF sessions regarding good corporate governance e.g. procurement, financial regulations, Legal, HR processes	March 2024	Organisational Development Adviser
Continue to develop approaches to engaging 'hard to reach groups', both through training and development provision, career progression, and ongoing engagement with the Council	March 2024	Organisational Development Adviser
Implement and track progress with the outputs of the Trueman Change Capacity and Skills Audit, ensuring that recommendations where applicable are included within the Strategic Workforce Plan 2023-25. These will be incorporated in the Interim Plan.	August 2023	Organisational Development Adviser
Complete refresh of the wellbeing economy Local Outcome Improvement Plan 2023-2033.	December 2023	Senior Manager Partnership and Transformation
Complete update of the Clackmannanshire Alliance Memorandum of Understanding and related operating arrangement.	March 2024	Senior Manager Partnership and Transformation
Finalise the Corporate Communications Strategy following consultation on the draft.	December 2023	Senior Manager Partnership and Transformation
Complete the review of the social media policy and guidelines.	March 2024	Senior Manager Partnership and Transformation

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Agreed action	Due by	Lead
Finalise and publish the Customer Charter and Unacceptable Behaviour Policy.	October 2023	Senior Manager Partnership and Transformation

Statement of Assurance

We are satisfied that Clackmannanshire Council's Governance arrangements remain fit for purpose.

Areas for improvement set out above will be addressed to further improve the effectiveness of our Governance arrangements and will include an update on progress in our 2024 AGS.

Nikki Bridle
Chief Executive
29 August 2024

Ellen Forson
Leader of the Council
29 August 2024

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Remuneration Report

General

Elements of the remuneration report are subject to audit, throughout the report the relevant sections have been noted as audited where applicable. The other sections of the Remuneration Report have been reviewed by the External Auditors as detailed in the Independent Auditor's Report. The results presented in the tables comprising Clackmannanshire Council's Remuneration Report for 2022/23 reflect the following contextual factors:

- Pay award of 5% or £1,872 (whichever is larger) from 1 April 2022 is included in the 2022/23 figures for those earning up to £60k. Anyone earning over £60k was awarded 5% pay award.
- As at 31 March 2023 there were 7 Senior Councillors in post. The maximum allowed for Clackmannanshire Council is 8;
- The corporate management structure during the year was: Chief Executive, Strategic Director Place, Strategic Director People, Strategic Director Partnership & Performance and Strategic Director Transformation; and
- The committee structure includes the Audit & Scrutiny Committee aligning with the CIPFA guidance for Audit Committees in Local Authorities.

Remuneration Arrangements

Councillors

The remuneration of Councillors is regulated by the Local Government (Scotland) Act 2004 (Remuneration) and Regulations 2007 (SSI No. 2007/183), amended by SSI 2019/23 and SSI 2021/18. The Regulations provide for the grading of Councillors for the purposes of remuneration arrangements, as either the Leader of the Council, the Provost, Senior Councillors or Councillors. The Leader of the Council and the Provost cannot be the same person for the purposes of payment of remuneration. A Senior Councillor is a Councillor who holds a significant position of responsibility in the Council's political management structure.

When determining the level of remuneration for Councillors the Scottish Ministers consider the recommendations of the Scottish Local Authority Remuneration Committee (SLARC). SLARC is an advisory Non-Departmental Public Body set up in 2005 to advise Scottish Ministers on the remuneration, allowances and expenses incurred by local authority Councillors.

In line with the Regulations the following maximum salaries attributable are:

- Leader of the Council £32,622 (2021/22 £31,010);
- Civic Head (Provost) £24,467 (2021/22 £23,257) maximum remuneration is 75% of the sum payable to the leader, and
- Senior Councillors £22,019 (2021/22 £20,931).

The Regulations also set out that Clackmannanshire Council (Band A) is eligible to appoint a maximum of 8 Senior Councillors. Total remuneration available for Senior Councillors is

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based on a calculation detailed in Councillors' Remuneration Guidance. The total annual amount payable by the Council for remuneration to all its Senior Councillors shall not exceed £176,150 (2021/22 £167,446).

The remuneration paid to Senior Councillors in 2022/23 covering the year 1 April 2022 to 31 March 2023 totalled £157,766 (2021/22 £154,264). This includes £312 paid to Councillor Holden for serving as Vice Convenor on the Central Scotland Valuation Joint Board until 5th May 2022 (2021/22 £3,278). Also included are payments for serving on the Association of Public Service Excellence (APSE) for Councillor Sharp £183 until 4th May 2022 (2021/22 £2,471). Both these amounts are recoverable from the respective organisations. The net cost to Clackmannanshire Council in relation to Senior Councillors is £157,271 (2021/22 £148,515). This complies with current regulations.

The Regulations also permit the Council to pay contributions or other payments as required to the Local Government Pension Scheme in respect of those Councillors who elect to become members of the pension scheme.

The Scheme which encompasses the salaries of all elected members including the Leader, Provost and Senior Councillors was agreed at a meeting of the full Council on 21 June 2007, and details are available on the Council's website at: www.clacksweb.org.uk under 'Elected Members' Remuneration'.

Joint Boards

In addition to the Senior Councillors of the Council the Regulations also set out the remuneration payable to Councillors with the responsibility of a Convenor or a Vice-Convenor of a Joint Board. For Clackmannanshire, two joint boards exist; the Central Scotland Valuation Joint Board (CSVJB), and the Clackmannanshire and Stirling Integration Joint Board.

The regulations require the remuneration to be paid by the Council of which the Convenor or Vice-Convenor (as the case may be) is a member. The Council is also required to pay any related pension contributions arising from this appointment.

As noted above, Clackmannanshire Council made payments of £312 in 2022/23 (2021/22 £3,278) to Councillor Holden for his role as the Vice-Convenor of the CSVJB. This amount is recovered in full from the CSVJB.

No Councillors undertook the roles of Convenor or Vice-Convenor of the Clackmannanshire and Stirling Integration Joint Board in 2022/23 or 2021/22 therefore no additional payments were made.

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Senior Employees

The salary of senior employees is set by reference to national arrangements. The Scottish Joint Negotiating Committee (SJNC) for Local Authority Services sets the salaries for the Chief Executives of Scottish local authorities. Circular CO/152 sets the amount of salary for the Chief Executive of Clackmannanshire Council for the period April 2022 to March 2023. Senior employees do not receive any other benefits.

Disclosure of Remuneration for Relevant Persons

The following tables provide details of the remuneration paid to the Council's Senior Councillors and Senior Employees.

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Table 1 (Audited): Remuneration of Senior Councillors and Convenors and Vice Convenors of Joint Boards

Post holder	Position	Dates	Total Remuneration	
			2021/22 £	2022/23 £
Ellen Forson	Leader of the Council Spokesperson for Partnership, Third Sector and Digital Strategy	from 12/4/18 to 4/5/22 & from 22/5/22 from 2/2/23	31,010	30,976
Tina Murphy	Provost	from 1/6/17 to 4/5/22	23,257	2,374
Donald Balsillie	Spokesperson for Audit and Finance Chair of Planning Committee Provost	from 1/2/19 to 4/5/22 from 1/6/17 to 4/5/22 from 25/5/22	20,931	22,995
Denis Coyne	Chair of Planning Committee	from 25/5/22	-	18,771
Graham Lindsay	Spokesperson for Education	From 28/6/17 to 4/5/22 & from 22/5/22	20,931	20,908
Les Sharp	Spokesperson for Health & Social Services	from 12/4/18 to 4/5/22	23,402	2,137
Craig Holden	Spokesperson for Environment & Housing Valuation Joint Board - Depute Convenor Spokesperson for Partnership, Third Sector and Digital Strategy	from 25/06/20 to 4/5/22 from 26/6/17 to 4/5/22 from 25/5/22 to 9/12/22	24,209	14,051
Helen Lewis	Spokesperson for Partnership and Third Sector	To 4/5/22	20,931	2,137
Martha Benny	Chair of Audit Committee	from 23/08/20 to 30/06/21	5,233	-
Dave Clark	Chair of Audit Committee	from 1/07/21 to 4/5/22	15,698	2,137
Kenny Earle	Chair of Licensing Board Chair of Audit and Scrutiny Committee	from 20/6/17 to 04/5/22 and from 25/5/22 from 25/5/22	20,931	20,908
Phil Fairlie	Convener of Council	from 25/5/22	-	18,771
Scott Harrison	Spokesperson for Sport, Leisure and Active Living	from 25/5/22	-	18,771
Fiona Law	Spokesperson for Environment and Net Zero	from 25/5/22	-	18,771
Jane McTaggart	Spokesperson for Housing and Property	from 25/5/22	-	20,402
Total Remuneration			206,533	214,109

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Notes

1. There were no Taxable Expenses or Benefits other than in cash paid to any of the Senior Councillors in 2022/23 or 2021/22.
2. During 2022/23 there were no changes to the political administration of the Council which has been led by the SNP from 9 March 2017 to present.
3. During 2022/23 there was a Local Election on 4th May 2022 which resulted in changes to the leadership and roles of the Council from 25th May 2022. From this date the new leader of the Council was confirmed as Ellen Forson and six new roles were introduced, including Convener of Council which will support the administrative arrangements for conducting the Council's business. The other new roles were; Spokesperson for Partnership, Third Sector and Digital Strategy, Spokesperson for Sport, Leisure and Active Living, Spokesperson for Environment and Net Zero, Spokesperson for Housing and Property and Chair of Audit and Scrutiny Committee
4. Councillor Sharp received £753 (2021/22: £8,930) remuneration from NHS Forth Valley for serving on the regional Health Board during 2022/23. This is paid directly by the NHS to each individual and are not included above.

Remuneration Paid to Councillors

Clackmannanshire Council currently has 18 Councillors in total who serve under the following structure as at 31 March 2023:

Leader of the Council	1
Provost/Civic Head	1
Senior Councillors	7
Councillors	9
Total Councillors	18

Councillors are no longer paid allowances; where a Councillor is entitled to a special responsibility payment, for example, for serving as a committee convener, this is reflected in the salary band applied. The Council paid the following salaries and expenses to all Councillors during the year:

Type of Remuneration (Audited)	2021/22	2022/23
	£	£
Salaries	375,658	385,017
Employer's NIC and Pension	95,046	111,156
Expenses	3,970	4,350
Total	474,674	500,523

The annual return of Councillors' salaries and expenses for 2022/23 is available for any member of the public to view at all Council libraries and public offices during normal working hours and is also available on the Council's web site: <https://www.clacks.gov.uk> under 'Remuneration to Elected members'.

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Table 2 (Audited): Remuneration of Senior Employees of the Council

Name and Positions held during the year	Total Remuneration 2021/22 £	Total Remuneration 2022/23 £
Nikki Bridle • Chief Executive	111,497	116,862
Stuart Crickmar • Strategic Director - Partnership & Performance	96,872	101,506
Pete Leonard • Strategic Director – Place	96,872	101,506
Fiona Colligan • Strategic Director – Transformation (to 31/03/23)	96,739	101,506
Lorraine Sanda • Strategic Director - People	96,872	101,506
Catherine Quinn • Chief Education Officer (Interim) from 21/12/20 to 31/08/22 (Annual Salary £86,457)	82,540	35,651
Colin Bruce • Chief Education Officer from 1/8/22 (Annual Salary £86,457)	-	57,638
Sharon Robertson • Chief Social Work Officer	78,319	82,235
Lindsay Sim • Chief Finance Officer	78,588	82,236
Lindsay Thomson • Monitoring Officer to 31/08/21 (Annual Salary £67,759)	28,466	-
Lee Robertson • Monitoring Officer (Acting) from 01/09/21 and Monitoring Officer and Senior Manager Legal from 31/01/22 (Annual Salary £71,147)	52,445	71,147
Total	819,210	851,793

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Notes to Remuneration of Senior Employees of the Council

1. The senior employees in the table include all those employees who have responsibility for management of the Council to the extent that the person has power to direct or control the major activities of the Council (including activities involving the expenditure of money) during the year to which the Report relates whether solely or collectively with other persons, or who hold a post that is politically restricted by reason of section 2(1) (a), (b) or (c) of the Local Government and Housing Act 1989.
2. Pay award of 5% or £1,872 (whichever is larger) from 1 April 2022 is included in the 2022/23 figures for those earning up to £60k. Anyone earning over £60k was awarded 5% pay award.
3. The Chief Executive remuneration is in line with national agreement between Scottish Joint Negotiating Committee (SJNC) and Association of Local Authority Chief Executives (ALACE) includes a pay award of 5% or a £1,978 uplift whichever is larger, the annual salary is £116,862.
4. The table includes salaries paid by Scottish Care Inspectorate for the Chief Social Work Officer Sharon Robertson who was on secondment.
5. Total remuneration for senior employees' remuneration includes salary, fees and allowances. There was no bonuses, taxable expense, compensation for loss of office or benefits other than in cash paid to any of the Senior Employees in 2022/23 or 2021/22.

General Disclosure by Pay Band (Audited)

The number of employees, whose remuneration in the year was greater than or equal to £50,000 (grouped in rising bands of £5,000).

Remuneration Band	No of Employees 2021/22	No of Employees 2022/23
£50,000 - £54,999	62	68
£55,000 - £59,999	29	24
£60,000 - £64,999	28	39
£65,000 - £69,999	13	20
£70,000 - £74,999	2	16
£75,000 - £79,999	1	6
£80,000 - £84,999	2	2
£85,000 - £89,999	1	-
£90,000 - £94,999	1	2
£95,000 - £99,999	4	1
£100,000 - £104,999	-	4
£105,000 - £109,999	-	-
£110,000 - £114,999	1	-
£115,000 - £119,000	-	1
	144	183

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Pension Benefits

Pension Benefits for Councillors and Local Government employees are provided through the Local Government Pension Scheme (LGPS).

The LGPS in Scotland changed on 1 April 2015 to a Career Average Revalued Earnings (or CARE) scheme. In a CARE scheme the pensionable pay for each year of membership is used to calculate a pension amount for that particular year. The pension amount is increased (revalued) each year in line with inflation. These individual pension amounts are then added together to arrive at the total pension payable from the scheme. The LGPS is classed as a defined benefit scheme.

From 1 April 2015 Councillors and local government employees have been in the same pension scheme although there are some provisions of the LGPS 2015 that do not apply to Councillors. Councillors' pension benefits built up to 31 March 2015 are protected.

Local Government employee pensions to 31 March 2015 are protected and worked out on final pay when leaving. This means that pension benefits are based on the final year's pay and the number of years that person has been a member of the scheme to 31 March 2015. From 1 April 2015 the normal retirement age will be the same as an individual's state pension age with a minimum of age 65.

From 1 April 2015 contribution rates were:

Whole Time Pay 2022/23 (2021/22) For pay between:		Contribution rate 2022/23 (between %)	Contribution rate 2021/22 (between %)
£0	£23,676 (£22,955)	5.5	5.5
£23,677 (£22,956)	£30,765 (£29,857)	5.6 - 6.0	5.6 - 6.0
£30,766 (£29,858)	£38,635 (£37,474)	6.1 - 6.5	6.1 - 6.5
£38,636 (£37,475)	£54,488 (£52,876)	6.6 - 7.5	6.6 - 7.5
£54,489 (£52,877)	£61,386 (£59,569)	7.6 - 8.0	7.6 - 8.0
£61,387 (£59,570)	£82,194 (£79,762)	8.1 - 9.0	8.1 - 9.0
£82,195 (£79,763)	£124,346 (£120,666)	9.1 – 10.0	9.1 – 10.0
£124,347 (£120,667))	And above	10.1 & over	10.1 & over

*Source: Scottish Public Pensions Agency, Contributions.

If a person works part-time their contribution rate is worked out on their actual pensionable pay and matched to the appropriate band in the contribution table.

There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to a limit set by the Finance Act 2004.

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From 1 April 2015 the accrual rate guarantees an annual credit to members' Pension Accounts based on 1/49 of pensionable pay received in that scheme year. In those cases where members have transferred pension entitlements from previous employments, the pension figures shown relate to the benefits that the person has accrued as a consequence of their total government service, and not just their current appointment.

The pension entitlements for Senior Councillors who have elected to join the pension scheme for the year ended 31 March 2023 are shown in the table below, together with the contribution made by the Council to each Senior Councillors' pension during the year.

Table 3 (Audited): Senior Councillors Pension Benefits

		Pension Contributions		Accrued Pension Benefits			
		2021/22	2022/23	Difference to 2021/22		As at 31 March 23	
Post Holder	Position	£	£	Pension £'000	Lump Sum £'000	Pension	Lump Sum
Ellen Forson	Leader of the Council	6,977	7,199	1	-	6	-
Tina Murphy	Provost	872	-	-	-	-	-
Donald Balsillie	Spokesperson for Audit and Finance Chair of Planning Committee Provost	4,709	5,403	1	-	7	2
Denis Coyne	Chair of Planning Committee	-	2,816	-	-	1	-
Graham Lindsay	Spokesperson for Education	4,709	4,934	1	-	3	-
Les Sharp	Spokesperson for Health & Social Services	4,709	481	-	-	11	-
Helen Lewis	Spokesperson for Partnership & Third Sector	4,709	481	-	-	2	-
Martha Benny	Chair of Audit Committee	4,317	4,404	1	-	3	-
Dave Clark	Chair of Audit Committee	4,579	481	-	-	3	-
Kenny Earle	Chair of Licensing Board Chair of Audit and Scrutiny Committee	4,709	4,934	1	-	6	-
Phil Fairlie	Convener of Council	-	4,453	-	-	-	-
Scott Harrison	Spokesperson for Sport, Leisure and Active Living	-	4,453	-	-	-	-
Fiona Law	Spokesperson for Environment and Net Zero	-	4,453	-	-	-	-
Jane McTaggart	Spokesperson for Housing and Property	-	4,880	1	-	2	-
Total		40,290	49,372	6	-	44	2

- 1) The pension benefits shown relate to the benefits that the individual has accrued as a consequence of their total government service, and not just their current appointment.

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Senior Employees

The pension entitlements of Senior Employees for the year to 31 March 2023 are shown in the table below, together with the contribution made by the Council to each Senior Employees' pension during the year.

Table 4 (Audited): Senior Employees Pension Benefits

Name and Post Title	Pension Contributions		Accrued Pension Benefits			
	2021/22	2022/23	Increase/(decrease) from 31 March 2022		As at 31 March 2023	
	£	£	£'000	£'000	£'000	£'000
			Pension	Lump Sum	Pension	Lump Sum
Nikki Bridle Chief Executive	25,087	26,294	6	4	56	72
Stuart Crickmar Strategic Director - Partnerships & Performance	21,796	22,839	5	3	48	63
Pete Leonard Strategic Director - Place	21,796	22,839	3	-	8	-
Fiona Colligan Strategic Director – Transformation	21,766	22,839	2	-	4	-
Lorraine Sanda Strategic Director - People	21,796	22,839	3	-	12	-
Catherine Quinn Chief Education Officer (Interim) from 21/12/20 to 31/08/22	18,572	7,719	1	-	6	-
Colin Bruce Chief Education Officer from 1/8/22	-	12,969	1	-	1	-
Sharon Robertson Chief Social Work Officer	13,314	13,980	3	3	37	54
Lindsay Sim Chief Finance Officer	17,682	18,503	4	2	30	27
Lindsay Thomson Monitoring Officer to 31/08/21	6,390	-	-	-	-	-
Lee Robertson Monitoring Officer (Acting) from 01/09/21 and Monitoring Officer and Senior Manager Legal from 31/01/22	11,800	16,008	2	-	6	-
Total	179,999	186,829	30	12	208	216

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Notes

1. All Senior Employees employed by Clackmannanshire Council shown in the tables above are members of the Local Government Pension Scheme (LGPS).
2. Where employees have joined the Council and transferred previous employment pension benefits into the Falkirk Pension Fund, the pension figures shown relate to the benefits that the person has accrued as consequence of their total local government service and not just their current employment.

Termination Benefits (Audited)

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision committing to the termination of employment of the offer to an officer or to a group of officers to encourage voluntary redundancy.

A number of employees left the Council through voluntary redundancy and voluntary severance during 2021/22 and 2022/23. The number of employees and costs of exit packages per pay band is shown in the table below.

Disclosed costs include, where applicable: redundancy and pension costs in relation to lump sum, strain payments and capitalised added years. Any early terminations which might arise on the grounds of health or dismissal fall outside the regulatory disclosure requirement and would not be disclosed.

Cost Bands	Total Number of exit packages by Cost band		Total Cost of exit packages by Cost band	
	2021/22	2022/23	2021/22	2022/23
			£	£
£0 £20,000	2	1	2,253	1,713
£20,001 £40,000	-	1	-	27,374
£40,001 £60,000	-	1	-	48,147
£60,001 £200,000	2	1	255,986	76,505
Total	4	4	258,239	153,739

Paid Time-off provided to Trade Union Representatives

The undernoted information is provided in line with the requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017 (SI 2017/328) introduced by the Trade Union Act 2016.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Remuneration Report

Relevant Union Officials

During the year 14 employees took part in union activities, as relevant union officials, some of whom were part time:

	2022/23	
	Central Function	Education Function
Number of employees	13	2
Full-time Equivalent	12.29	1.6

Facility time

The employees spent the following percentages of their time on facility time:

% of time	Employees 2022/23	
	Central Function	Education Function
0%	4	-
1-50%	9	1
51-99%	-	1
100%	-	-

Of the total pay bill, £100k (0.10%) related to facility time under taken during the year.

	2022/23	
	Central Function £'000	Education Function £'000
Facility time cost	55	45
Total pay bill	99,863	99,863
% of pay bill	0.06%	0.05%

Paid trade union activities

The percentage of the total paid facility time that relates to relevant union officials was 6.24%.

Nikki Bridle
Chief Executive
29 August 2024

Ellen Forson
Leader of the Council
29 August 2024

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Independent Auditor's Report

The Draft Financial Statements are subject to audit in accordance with the requirements of Part VII of the Local Government (Scotland) Act 1973.

The Auditor appointed for this purpose by the Accounts Commission for Scotland is

Deloitte LLP

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Comprehensive Income & Expenditure Statement
For the year ended 31 March 2023

This statement shows the accounting cost in the year of providing services in accordance with proper accounting practices rather than the amount to be funded from taxation. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act. Councils raise taxation to cover expenditure in accordance with regulations, this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

			Note			
				2022/23		
Gross Expenditure	2021/22 Gross Income	Net Expenditure/(Income)		Gross Expenditure	Gross Income	Net Expenditure/(Income)
£'000	£'000	£'000		£'000	£'000	£'000
102,799	(6,515)	96,284	People	101,365	(7,194)	94,171
29,307	(22,597)	6,710	Partnership and Performance	26,901	(23,282)	3,619
34,142	(12,674)	21,468	Place	43,721	(12,923)	30,798
17,884	(20,392)	(2,508)	Housing Revenue Account	19,119	(20,516)	(1,397)
1,232	-	1,232	Corporate Services	1,372	(1)	1,371
58,116	(36,391)	21,725	Clackmannanshire and Stirling Integration Joint Board	65,739	(38,754)	26,985
445	-	445	Central Scotland Valuation Joint Board	453	0	453
243,925	(98,569)	145,356	Cost of Services	258,670	(102,670)	156,000
11	-	11	(Gain)/ loss on sale of Non current assets	(201)	-	(201)
12,157	(383)	11,774	Financing and Investment Income and Expenditure	12,878	(1,489)	11,389
-	(138,997)	(138,997)	Taxation and Non-Specific Grant Income	10	(143,553)	(143,553)
256,093	(237,949)	18,144	(Surplus) or Deficit on Provision of Services	271,347	(247,712)	23,635
		(24,659)	(Surplus) or Deficit on revaluation of non-current assets	24		(16,926)
		2,494	(Gain)/Loss on non-current asset to the revaluation reserve	24		12,061
		(78,341)	Remeasurement of the net defined benefit liability / (asset)	24		(131,048)
		(100,506)	Other Comprehensive Income			(135,913)
		(82,362)	Total Comprehensive Income			(112,278)

The Council acted as an agent on behalf of the Scottish Government in the administration of grants to business and individuals during the Covid-19 pandemic and the Cost of Living Crisis. This amounted to £1.091m (2021/22 £6.733m) of expenditure and income which is not shown within the Comprehensive Income and Expenditure Statement above.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and unusable reserves. The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement.

This is different from the statutory amounts required to be charged to the General Fund Reserve and the Housing Revenue Account for council tax setting and dwellings rent setting purposes. The Net Increase/Decrease, before Transfers to Earmarked Reserves line, shows the statutory General Fund Balance and Housing Revenue Account Balance, before any discretionary transfers to/ from earmarked reserves, undertaken by the Council.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Movement in Reserves Statement
For the year ended 31 March 2023

2022/23	Notes	General Fund Balance £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Insurance Fund £'000	Capital Grants Unapplied Account £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total Reserves £'000
Balance Brought Forward		(23,972)	(9,552)	(801)	(1,250)	(3,302)	(38,877)	(164,411)	(203,288)
Movement in Reserves during 2022/23									
Total (Income) and Expenditure		26,990	(3,355)	-	-	-	23,635	(135,913)	(112,278)
Adjustments between accounting basis & funding basis	7	(21,856)	3,024	(262)	-	(674)	(19,768)	19,768	-
Net increase/decrease before transfers to Earmarked Reserves		5,134	(331)	(262)	-	(674)	3,867	(116,145)	(112,278)
Transfers (from)/to Earmarked Reserves	8	(2,047)	1,168	(114)	(6)	1,883	884	(884)	-
(Increase)/Decrease in 2022/23		3,087	837	(376)	(6)	1,209	4,751	(117,029)	(112,278)
Balance carried forward		(20,885)	(8,715)	(1,177)	(1,256)	(2,093)	(34,126)	(281,440)	(315,566)

2021/22	Notes	General Fund Balance £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Insurance Fund £'000	Capital Grants Unapplied Account £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total Reserves £'000
Balance Brought Forward		(20,025)	(7,610)	(1,333)	(1,276)	(2,850)	(33,094)	(87,832)	(120,926)
Movement in Reserves during 2021/22									
Total (Income) and Expenditure		19,674	(1,530)	-	-	-	18,144	(100,506)	(82,362)
Adjustments between accounting basis & funding basis		(22,268)	(719)	(943)	-	(198)	(24,128)	24,128	-
Net increase/decrease before transfers to Earmarked Reserves		(2,594)	(2,249)	(943)	-	(198)	(5,984)	(76,378)	(82,362)
Transfers (from) /to Earmarked Reserves		(1,353)	307	1,475	26	(254)	201	(201)	-
(Increase)/Decrease in 2021/22		(3,947)	(1,942)	532	26	(452)	(5,783)	(76,579)	(82,362)
Balance carried forward		(23,972)	(9,552)	(801)	(1,250)	(3,302)	(38,877)	(164,411)	(203,288)

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Balance Sheet as at 31 March 2023

The Balance sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category of reserves are usable reserves i.e. those reserves that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves is those that the Council is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement of Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2022 £'000		Note	31 March 2023 £'000
394,489	Property, Plant & Equipment	11	394,763
805	Heritage Assets	12	805
7,711	Investment Properties	13	7,532
310	Intangible Assets	14	206
1	Long-Term Debtors		1
-	Pension Assets	34	29,149
403,316	Non-Current Assets		432,456
204	Investment Properties held for Sale	13	242
-	Assets held for Sale	15	-
535	Inventories	16	598
17,779	Short-Term Debtors	17	14,142
32,001	Short-Term Investments	18	34,001
9,234	Cash and Cash Equivalents	18	5,889
59,753	Current Assets		54,872
(31,653)	Short-Term Creditors	19	(35,916)
-	Short-Term Provisions	20	(376)
(4,919)	Short-Term Borrowings	21	(3,032)
(36,572)	Current Liabilities		(39,324)
(60)	Provisions	20	(65)
(98,238)	Long-Term Borrowing	21	(97,754)
(36,052)	Other Long-Term Liabilities	22	(34,619)
(88,859)	Pension Liabilities	34	-
(223,209)	Long-Term Liabilities		(132,438)
203,288	Net Assets		315,566
(38,877)	Usable Reserves		(34,126)
(164,411)	Unusable Reserves	24	(281,440)
(203,288)	Total Reserves		(315,566)

The unaudited financial statements were issued on 10 August 2023 and the audited financial statements were authorised for issue on 29 August 2024.

Lindsay Sim
Chief Finance Officer

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Council and Group
Cash Flow Statement
For the year ended 31 March 2023

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent of which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council. As the impact of the consolidation on the Councils' Cash Flow Statement is immaterial, this statement covers both Council only and Group disclosure requirements.

2021/22		Notes	2022/23
£'000			£'000
(18,144)	Net (deficit) on the provision of services	CIES	(23,635)
42,770	Adjustments to net deficit on the provision of services for non-cash movements	25b	43,447
(17,535)	Adjustments for items included in the net deficit of the provision of services that are investing & financing activities	25c	(32,610)
7,091	Net cash flows from Operating Activities		(12,798)
(12,908)	Investing Activities	26	13,007
(1,896)	Financing Activities	27	(3,554)
(7,713)	Net decrease in cash and cash equivalents	18	(3,345)
16,947	Cash and Cash equivalents at the beginning of the reporting year	18	9,234
9,234	Cash and Cash equivalents at the end of the reporting year	18	5,889

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

The Notes present information about the basis of preparation of the Financial Statements and the specific accounting policies used, along with the disclosure of information required by the Code that is not presented elsewhere in the Financial Statements.

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CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

Note 1 - Accounting Policies

a) General Principles

The Annual Accounts summarises the Council's transactions for the 2022/23 financial year and its position at the year-end of 31 March 2023. The Council is required to prepare an annual Statement of Accounts by the Local Authority Accounts (Scotland) Regulations 2014, which Section 12 of the Local Government in Scotland Act 2003 require to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act. In line with the code of practice the accounts have been prepared on a going concern basis of accounting.

The accounting convention adopted in the Annual Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets. The accounting policies have been applied consistently in the current and prior years.

b) Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for the provision of services or the sale of goods, is recognised when the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract;
- Revenue from Council Tax and Non Domestic Rates is recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the Council and the amount of revenue can be measured reliably. Revenue is measured at the full amount receivable (net of any impairment losses) as they are non-contractual, non-exchange transactions and there can be no difference between the delivery and payment dates;
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet;
- Expenses in relation to services received (including those rendered by employees) are recorded as expenditure when the services are received rather than when payments are made;
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract, and
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

c) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

d) Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior year.

e) Charges to Revenue for Non-Current Assets

Services are debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service;
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off; and
- amortisation of intangible fixed assets attributable to the service.

The Council is not required to raise council tax to cover depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to loans fund principal charges. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by loans fund principal charges in the General Fund Balance by way of adjusting transactions with the Revaluation Reserve and Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

f) Employee Benefits Payable During Employment

Short-term employee benefits such as salaries, wages, overtime and paid annual leave for current employees are recognised as an expense in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements or any form of leave earned by employees but not taken before the year-end and which employees can carry forward into the next financial year.

g) Termination and Post Employment Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy or severance. These benefits are charged on an accruals basis to the appropriate service in the Comprehensive Income and Expenditure Statement when the Council is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy or severance.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pensions enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Council are members of two separate pension schemes:

- The Teachers' Pension Scheme administered by the Scottish Public Pension Agency; and
- The Local Government Pensions Scheme administered by Falkirk Council.

Both schemes provided defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

However, the arrangements for the Teachers' Scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council. The scheme is therefore accounted for as a defined contributions scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The Education Service line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.

The Local Government Pension Scheme

The Local Government Scheme is accounted for as a defined benefits scheme:

The liabilities of the Falkirk Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc. and projections of projected earnings for current employees. Liabilities are discounted to their value at current prices, using a discount rate utilised by the actuaries to place a value on the liability.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

The assets of the Falkirk Pension Fund attributable to the Council are included in the Balance Sheet at their fair value at current bid prices for securities, estimated fair value for unquoted securities and market price for property.

The change in the net pension's liability is analysed into seven components:

- current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked;
- past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs;
- interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement;
- expected return on assets – the annual investment return on the fund assets attributable to the Council, based on an average of the expected long-term return – credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement;
- gains or losses on settlements and curtailments – the result of actions to relieve the Council of liabilities or events that reduce the expected future service or accrual of benefits of employees – debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs;
- actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited/credited to Other Comprehensive Income and Expenditure; and
- contributions paid to the Falkirk Pension Fund – cash paid as employers' contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, Scottish Government Regulations require the General Fund balance to be charged with the amount payable by the Council to the Pension Fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the Pension Fund and pensioners and any such amounts payable but unpaid at the year-end.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early voluntary severance. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

h) Events after the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period - the Annual accounts are adjusted to reflect such events; and
- those that are indicative of conditions that arose after the reporting period – the Annual Accounts are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity.

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, Scottish Government regulations permit the costs of restructuring to be released to revenue over the period of the replacement loan. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics. There are three main classes of financial asset measured at:

- Amortised cost
- Fair value through profit or loss (FVPL), and
- Fair value through other comprehensive income (FVOCI)

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

The Council does not hold financial assets measured at fair value through profit or loss (FVPL) or financial assets measured fair value through other comprehensive income (FVOCI).

Financial Assets Measured at Amortised Cost

Financial assets are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Council has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost, either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for Short-Term Debtors held by the Council.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

j) Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

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Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Account until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants & Receipts Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants & Receipts Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Business Improvement Districts

Two Business Improvement District (BID) schemes apply in Alloa Town Centre and Business Parks respectively within the Council. The schemes are funded by a BID levy paid by non-domestic ratepayers. The Council operates as an agent on behalf of the BID bodies and as a consequence the income and expenditure is not shown in the Comprehensive Income and Expenditure Statement.

k) Heritage Assets

Heritage Assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are maintained principally for their contribution to knowledge and culture.

Wherever possible heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. Heritage assets are complex and difficult to value and obtain in a cost effect manner. In circumstances where values cannot be obtained, either due to the nature of the assets or the prohibitive cost of obtaining a valuation, the regulations under which these accounts are prepared permit the Council not to recognise the assets on the face of the Balance Sheet. The Council is required however to disclose full details of any assets treated in this manner in a note to the Financial Statements. The Council's collections of heritage assets are accounted for as follows:

Recognised in Balance Sheet at Valuation

- Art Collections
- Public Art statues
- Civic Regalia
- Museum Collections (including equipment & ephemera)
- Commemorative Room

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Not recognised in Balance Sheet

- War Memorials
- Glassworks & Mosaics
- Listed Building

An impairment review of heritage assets is carried out whenever there is evidence of physical deterioration with the carrying value of the asset and any associated reserve being adjusted as necessary. Heritage assets are not subject to depreciation.

l) Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Council will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Council's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. In practice, no intangible asset held by the Council meets this criterion, and they are therefore carried at cost less amortisation and any provision for impairment. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and any sale proceeds posted to the Capital Receipts Reserve.

m) Interests in Companies and Other Entities

The Council has material interests in companies and other entities that have the nature of associates and jointly controlled entities. In the Council's own single-entity accounts, the interests in companies and other entities are recorded as financial assets at cost, less any provision for impairment.

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n) Inventories

Inventories are included in the Balance Sheet at the lower of cost and net realisable value.

o) Investment Properties

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods.

Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's-length. Properties are not depreciated but are reviewed annually according to market conditions at the year-end. The review is not a full revaluation but a Desk Valuation Impairment Review of a sample investment properties for the 2022/23 financial statements. The assets were selected as a typical representative of a group of similar properties and the revaluation gains and losses flowing from these revaluations were extrapolated to the group of properties and accounted for in 2022/23. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account with any sale proceeds posted to the Capital Receipts Reserve.

p) Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement

The Council adopted IFRS13 - Fair Value Measurement, which provides a common definition of fair values, taking into account the characteristics of the assets or liabilities which would be considered by market participants in determining the price of the asset or liability. This standard would apply to all property, plant and equipment assets, however, as the purpose of a local authority acquiring and holding an asset is to deliver services it is the service potential which is the primary concern. On this basis the Code has adapted IAS16 - Property Plant and Equipment and requires that the definition of current value of operational local authority property, plant and equipment assets is measured for their service potential and not fair value.

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Non operational property, plant and equipment (i.e. surplus assets) require to be measured at the lower of cost and net realisable value.

Assets are initially measured at cost, comprising:

- the purchase price; and
- costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Council does not capitalise borrowing costs incurred whilst assets are under construction. The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not lead to a variation in the cash flows of the Council. In the latter case, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Assets are carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historical cost;
- dwellings – fair value, determined using the basis of existing use value for social housing (EUV-SH);
- surplus assets – lower of cost and net realisable value; and
- all other assets – fair value, determined by the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

The Council undertakes a full revaluation review of all non current assets every five years. The last review was at 1 April 2019. A sample of non-HRA assets are reviewed annually to ensure that their carrying amount is not materially different from their fair value at the year-end. The exercise was not a full revaluation but a Desk Valuation Impairment Review of a sample of education and non-operational properties for the 2022/23 financial statements. The assets were selected as a typical representative of a group of similar assets and the revaluation gains and losses flowing from these revaluations were extrapolated to the group of assets and accounted for in 2022/23. HRA assets are not reviewed between the five yearly valuations. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains, or credited to the Comprehensive Income and Expenditure Statement where they arise as a reversal of a revaluation loss previously charged to a service.

Where decreases in value are identified, the revaluation loss is accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains); and
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the

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date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains); and
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer (up to 70 years);
- vehicles, plant, furniture and equipment – a percentage of the value of each class of assets in the Balance Sheet, as advised by a suitably qualified officer (i.e. up to 15 years);
- infrastructure – straight-line allocation over 60 years; and
- depreciation is not charged in year of purchase, but a full year charge is made in year of sale.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the General Fund.

Componentisation

Components of Property, Plant & Equipment (PPE) assets do not always have the same useful lives and may depreciate or wear out at different rates throughout their life. It is therefore appropriate to depreciate each significant component separately over its useful life, in order that the Comprehensive Income and Expenditure Statement is fairly charged with the consumption of economic benefits of those assets.

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Significant components are deemed to be those whose cost is 25% or more of the total cost of the individual asset. In accordance with the Council's approved policy, an individual asset is considered to be material if its carrying value is 5% or more of the cumulative carrying value (net book value) of the non-land element of PPE and Investment Properties. Any individual asset below this de-minimis will be disregarded for component accounting on the basis that any adjustment to depreciation charges would not be material.

Disposals

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to long-term assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal are categorised as capital receipts and required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

q) Private Finance Initiative (PFI) and Similar Contracts

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Council is deemed to control the services that are provided under its PFI schemes and as ownership of the property, plant and equipment will pass to the Council at the end of the contracts for no additional charge, the Council carries the assets used under the

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contracts on its Balance Sheet as part of Property, Plant and Equipment.

The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment. For the Secondary Schools scheme the liability was written down by an initial capital contribution of £16.35m.

Non current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed into five elements:

- fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement;
- finance cost – an interest charge of 7.59% on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement;
- contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement;
- payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease); and
- lifecycle replacement costs – proportion of the amounts payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

r) Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation where it is probable that settlement by a transfer of economic benefits or service potential will be required, and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation, and measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

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Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the Financial Statements.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

s) Reserves

Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement & employee benefits and do not represent usable resources for the Council – these reserves are explained in the relevant notes below.

t) Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory but does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

u) VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

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Note 2 - Changes to Accounting Standards

Accounting Standards Issued not yet Adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted.

The standards introduced by the 2023/24 Code where disclosures are required in the 2022/23 financial statements, in accordance with the requirements of paragraph 3.3.4.3 of the Code, are:

- IFRS 16 Leases (but only for those local authorities that have decided to voluntarily implement IFRS 16 in the 2023/24 year).
- Where an authority adopted IFRS 16 in 2022/23 but chose to defer implementation of IFRS 16 to PFI/PPP arrangements until 2023/24 information on that more specific accounting change will be required in its 2022/23 statements of accounts.
- Definition of Accounting Estimates (Amendments to IAS 8) issued in February 2021,
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) issued in February 2021.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) issued in May 2021.

As the Code requires implementation of these from 1 April 2023 (with the exception of IFRS16), there is no impact on the 2022/23 financial statements. Overall, these new or amended standards are not expected to have a material impact on the 2023/24 financial statements.

IFRS16 - Leases was originally due for implementation on 1 April 2020 but has been deferred until 1 April 2024. Whilst the Code allows for adoption at an earlier date, Clackmannanshire Council has opted to wait for the implementation date.

Note 3 - Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Financial Statements are:

- There is a high degree of uncertainty about future levels of funding for local government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision:
- The Council is deemed to control the services provided under the PFI agreement for the provision of Secondary School establishments. The accounting policies for PFI schemes have been applied and the assets under the PFI contract are included within Property, Plant and Equipment on the Council's Balance Sheet: and
- The Council has considered relevant guidance and determined the accounting treatment, as either principal or agent, to be applied to Covid-19 related income, expenditure and balances.

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Note 4 - Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Financial Statements contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if actual Results Differ from Assumptions
Property, Plant and Equipment	<p>Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance bringing into doubt the useful lives assigned to assets.</p> <p>Assets included in the balance sheet at fair value are reviewed on a five yearly cycle. An annual review of significant non-HRA assets is also carried out to ensure there is no material difference between the carrying amount from their fair value at year end.</p>	<p>If the useful life of assets is reduced depreciation increases and the carrying amount of the assets falls.</p> <p>It is estimated that the annual depreciation charge for buildings and Council houses would increase by £1.092m and £0.339m respectively for every year that useful lives had to be reduced.</p>
Arrears – Council Tax	<p>At 31 March 2023 the Council had Council Tax debt outstanding of £12.488m. A review of outstanding balances suggested that an allowance for doubtful debts of £9.576m was appropriate resulting in coverage of 77% for doubtful debts. However, in the current economic climate such an allowance might not be sufficient.</p>	<p>If collection rates were to deteriorate and the provision had to be increased, for every 5% increase in the provision then a further contribution of £0.664m would be required.</p>

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Pensions Asset/Liability	<p>Estimates of the net asset or liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.</p>	<p>The effects on the employer liability of changes in individual assumptions can be measured. For instance a 0.1% decrease in the real discount rate would result in an increase of 2% equating to £6.640m.</p>
Housing Rent Arrears	<p>At 31 March 2023 the Council had Housing Rent Arrears of £2.495m. A review of outstanding balances suggested that an impairment for irrecoverable rents of £2.361m was appropriate resulting in a coverage of 95% for doubtful debts.</p>	<p>If collection rates were to deteriorate and the provision had to be increased, for every 5% increase in the provision then a further contribution of £0.134m would be required.</p>

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Note 5 – Events after the Reporting Period

The Audited Annual Accounts were authorised for issue by the Chief Finance Officer (Section 95 Officer) on 29 August 2024. Where events taking place before this date provided information about conditions existing at 31 March 2023, the figures in the Financial Statements and Notes have been adjusted in all material respects to reflect the impact of this information. Events taking place after this date are not reflected in the Financial Statements or Notes.

Note 6 – Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how the funding available to the Council for the year, from government grants, council tax and business rates, has been used in providing services in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement on page 65. The Adjustments between Funding and Accounting basis is shown more fully in Note 7 on page 95.

The table below shows the analysis for the management structure of the Council:

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Note 6 - Expenditure & Funding Analysis

2021/22			2022/23			
Net Expenditure chargeable to GF & HRA	Adjustments between Funding & Accounting basis	Net Expenditure In the CI&ES		Net Expenditure chargeable to GF & HRA	Adjustments between Funding & Accounting basis	Net Expenditure in the CI&ES
£'000	£'000	£'000		£'000	£'000	£'000
76,883	19,401	96,284	People	76,131	18,040	94,171
4,786	1,924	6,710	Partnership & Performance	3,806	(187)	3,619
17,243	4,225	21,468	Place	26,030	4,768	30,798
(3,382)	874	(2,508)	HRA - Place	(1,245)	(152)	(1,397)
1,232	-	1,232	Corporate Services	1,371	-	1,371
21,583	142	21,725	Clackmannanshire and Stirling Integration Joint Board	25,167	1,818	26,985
445	-	445	Central Scotland Valuation Joint Board	453	-	453
118,790	26,566	145,356	Cost of Services	131,713	24,287	156,000
(123,633)	(3,579)	(127,212)	Other Income and Expenditure	(126,910)	(5,455)	(132,365)
(4,843)	22,987	18,144	(Surplus)/Deficit	4,803	18,832	23,635
		£'000				
		27,635	Opening GF & HRA Balance			33,524
		4,843	Surplus/ (Deficit) in the year			(4,803)
		1,046	Transfer from other statutory reserves			879
		33,524	Closing GF and HRA Balance			29,600

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Note 6 - Expenditure & Funding Analysis

The table below shows the adjustments between the net expenditure based on the management reporting structure and the net expenditure that is reported in the Comprehensive Income and Expenditure Statement.

2022/23	Adjustments for Capital Purposes	Net Change for Pension Adjustments	Other Adjustments	Total Adjustments
	£'000	£'000	£'000	£'000
People	13,337	4,728	(25)	18,040
Partnership & Performance	(418)	502	(271)	(187)
Place	2,383	2,389	(4)	4,768
HRA – Place	(1,484)	1,272	60	(152)
Corporate Services	-	-	-	-
Clackmannanshire and Stirling Integration Joint Board	148	1,611	59	1,818
Central Scotland Valuation Joint Board	-	-	-	-
Cost of Services	13,966	10,502	(181)	24,287
Other Income and Expenditure	(7,993)	2,538	-	(5,455)
(Surplus)/Deficit	5,973	13,040	(181)	18,832

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Note 6 - Expenditure & Funding Analysis

2021/22	Adjustments for Capital Purposes	Net Change for Pension Adjustments	Other Adjustments	Total Adjustments
	£'000	£'000	£'000	£'000
People	13,680	5,131	590	19,401
Partnership & Performance	(1,418)	3,613	(271)	1,924
Place	2,159	2,207	(141)	4,225
HRA – Place	(392)	1,419	(153)	874
Corporate Services	-	-	-	-
Clackmannanshire and Stirling Integration Joint Board	142	-	-	142
Central Scotland Valuation Joint Board	-	-	-	-
Cost of Services	14,171	12,370	25	26,566
Other Income and Expenditure	(6,733)	3,154	-	(3,579)
(Surplus)/Deficit	7,438	15,524	25	22,987

Adjustments for capital purposes include the replacement of depreciation and revaluation losses with repayment of borrowing to the Loans Fund and direct revenue funding of capital expenditure.

Net changes for pensions adjustments relate to the adjustment made for the removal of IAS19 Employee Benefits pension related expenditure and income with the pension contributions.

Other adjustments include the reversal of the value of entitlement to accrued leave and the timing differences for premiums and discounts associated with borrowing within the Loans Fund.

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Note 6 - Expenditure & Funding Analysis

The table below shows the analysis by the type of expenditure:

2021/22				2022/23		
Net Expenditure chargeable to GF & HRA balances £'000	Adjustments between Funding & Accounting basis £'000	Net Expenditure in the CI&E statement £'000		Net Expenditure chargeable to GF & HRA balances £'000	Adjustments between Funding & Accounting basis £'000	Net Expenditure in the CI&E statement £'000
96,054	12,608	108,662	Employee costs	103,215	10,532	113,747
27,025	-	27,025	Other Operating Costs	31,018	-	31,018
67,102	-	67,102	Third Party & Transfer Payments	69,128	-	69,128
-	21,868	21,868	Depreciation	-	22,306	22,306
7,910	(7,910)	-	Capital Financing Costs	8,551	(8,551)	-
(79,301)	-	(79,301)	Income	(80,199)	-	(80,199)
118,790	26,566	145,356	Cost of Services	131,713	24,287	156,000
(123,633)	(3,579)	(127,212)	Other Income and Expenditure	(126,910)	(5,455)	(132,365)
(4,843)	22,987	18,144	(Surplus)/Deficit	4,803	18,832	23,635

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Note 6 - Expenditure & Funding Analysis

The table below shows the analysis by the management structure of the Council and the type of expenditure:

2022/23

	People £'000	Partnership & Performance £'000	Place £'000	HRA - Place £'000	Corporate Services £'000	Clackmannanshire and Stirling Integration Joint Board £'000	Central Scotland Valuation Joint Board £'000	Net Expenditure chargeable to GF & HRA balances £'000
Employee costs	62,829	8,374	13,843	7,665	1,301	9,203	-	103,215
Other Operating Costs	9,117	2,007	13,707	5,374	179	634	-	31,018
Third Party & Transfer Payments	11,379	15,049	11,404	2,034	(108)	28,917	453	69,128
Capital Financing Costs	-	1,512	-	7,039	-	-	-	8,551
Income								
Government Grants and Other Contributions	(5,133)	(22,363)	(3,244)	-	(1)	(13,613)	-	(44,354)
Fees, charges and other service income	(1,428)	(429)	(5,349)	(20,551)	-	26	-	(27,731)
Income from recharges for services	(633)	(344)	(4,331)	(2,806)	-	-	-	(8,114)
Cost of Services	76,131	3,806	26,030	(1,245)	1,371	25,167	453	131,713

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Note 6 - Expenditure & Funding Analysis
2021/22

	People £'000	Partnership & Performance £'000	Place £'000	HRA - Place £'000	Corporate Services £'000	Clackmannanshire and Stirling Integration Joint Board £'000	Central Scotland Valuation Joint Board £'000	Net Expenditure chargeable to GF & HRA balances £'000
Employee costs	59,108	8,111	11,863	7,546	1,264	8,162	-	96,054
Other Operating Costs	9,125	1,150	11,227	4,781	76	666	-	27,025
Third Party & Transfer Payments	15,165	15,808	6,799	1,429	(108)	27,564	445	67,102
Capital Financing Costs	-	2,314	27	5,569	-	-	-	7,910
Income								
Government Grants and Other Contributions	(5,171)	(21,596)	(2,134)	(315)	-	(14,784)	-	(44,000)
Fees, charges and other service income	(999)	(633)	(5,808)	(20,129)	-	(25)	-	(27,594)
Income from recharges for services	(345)	(368)	(4,731)	(2,263)	-	-	-	(7,707)
Cost of Services	76,883	4,786	17,243	(3,382)	1,232	21,583	445	118,790

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Note 7 – Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the Total Comprehensive Income and Expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

The following sets out a description of the reserves that the adjustments are made against:

General Fund Balance

The General Fund is the statutory fund into which all the receipts of the Council are required to be paid and out of which all liabilities of the Council are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year. The balance is not available to be applied to funding HRA services.

Housing Revenue Account Balance

The Housing Revenue Account Balance reflects the statutory obligation to maintain a revenue account for local authority Council housing provision. It contains the balance of income and expenditure that is available to fund future expenditure in connection with the Council's landlord function or (where in deficit) that is required to be recovered from tenants in future years.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or certain types of revenue expenditure including: to finance historical capital expenditure, or fund severance costs. The balance on the reserve shows the resources that have not been applied for these purposes at the year-end.

Capital Grants & Receipts Unapplied Account

The Capital Grants & Receipts Unapplied Account holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place. It also holds Capital Receipts which have been earmarked to fund Council transformation projects in line with the statutory provision of Local Government Finance Circular 4/2019 that covers the period 2018/19 to 2021/22. This was further extended for financial year 2022/23 by Local Government Finance Circular 8/2022.

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Insurance Fund

The purpose of the Insurance Fund is to provide an element of self-insurance and protect the Council against future claims. Council services contribute to the fund, which meets the cost of fire damage, public liability, employee liability, vehicle fleet and various other claims. The Council holds insurance cover to meet any large claims, the premium for which is charged to the Insurance Fund.

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Note 7 – Adjustments between Accounting Basis and Funding Basis under Regulations 2022/23

	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Usable Reserves Capital Grants & Receipts Unapplied	Insurance Fund	Movement in Unusable Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments primarily involving the Capital Adjustment account:						
Reversal of items debited or credited to the CIES						
Charges for depreciation and impairment of non-current assets	(7,738)	(5,550)	-	-	-	13,288
Revaluation losses on property, plant and equipment	(2,974)	-	-	-	-	2,974
Movements in the fair value of investment assets	(1,057)	-	-	-	-	1,057
Amortisation of intangible assets	(100)	(6)	-	-	-	106
Difference between fair value and historic cost depreciation	(5,938)	-	-	-	-	5,938
Capital grants and contributions applied	5,229	2,945	-	-	-	(8,174)
Non-current assets written off on disposal/ sale as part of gain/ (loss) on disposal to the Comprehensive Income and Expenditure Statement	(17)	(44)	-	-	-	61
Insertion of items not debited or credited to the CIES						
Statutory provision for the financing of capital investment	1,300	384	-	-	-	(1,684)
Capital expenditure charged against the General Fund and HRA Balances	-	6,655	-	-	-	(6,655)
Adjustments primarily involving the Capital Grants & Receipts Unapplied account						
Capital Grants and contribution unapplied credited to the CIES	589	85	-	(674)	-	-
Adjustments primarily involving the Capital Receipts Reserve						
Transfer of cash sale proceeds as part of the Gain/ (loss) on disposal to the CIES	93	169	(262)	-	-	-
Adjustments primarily involving the Financial Instruments Adjustments Account						
difference between finance costs charged to the CIES & statutory requirements	213	-	-	-	-	(213)
Adjustments involving Pension Reserve						
Reversal of items relating to post employment benefits debited or credited to the Provision of Services in the CIES (see Note 24)	(21,672)	(2,692)	-	-	-	24,364
Employer's pensions contributions and direct payments to pensioner in year	10,186	1,138	-	-	-	(11,324)
Adjustment involving the Accumulating Compensated Absences Adjustment Account						
Difference between officer remuneration charges to the CIES & statutory requirements	30	(60)	-	-	-	30
Total Adjustments	(21,856)	3,024	(262)	(674)	-	19,768

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Note 7 – Adjustments between Accounting Basis and Funding Basis under Regulations 2021/22

	Usable Reserves					
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Capital Grants & Receipts Unapplied	Insurance Fund	Movement in Unusable Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments primarily involving the Capital Adjustment account:						
Reversal of items debited or credited to the CIES						
Charges for depreciation and impairment of non-current assets	(7,418)	(5,171)	-	-	-	12,589
Revaluation losses on property, plant and equipment	(4,451)	-	-	-	-	4,451
Movements in the fair value of investment assets	(232)	-	-	-	-	232
Amortisation of intangible assets	(107)	(6)	-	-	-	113
Difference between fair value and historic cost depreciation	(4,715)	-	-	-	-	4,715
Capital grants and contributions applied	6,288	490	-	-	-	(6,778)
Non-current assets written off on disposal/ sale as part of gain/ (loss) on disposal to the Comprehensive Income and Expenditure Statement	(954)	-	-	-	-	954
Insertion of items not debited or credited to the CIES						
Statutory provision for the financing of capital investment	1,965	305	-	-	-	(2,270)
Capital expenditure charged against the General Fund and HRA Balances	164	5,265	-	-	-	(5,429)
Adjustments primarily involving the Capital Grants & Receipts Unapplied account						
Capital Grants and contribution unapplied credited to the CIES	198	-	-	(198)	-	-
Adjustments primarily involving the Capital Receipts Reserve						
Transfer of cash sale proceeds as part of the Gain/ (loss) on disposal to the CIES	943	-	(943)	-	-	-
Adjustments primarily involving the Financial Instruments Adjustments Account						
difference between finance costs charged to the CIES & statutory requirements	212	-	-	-	-	(212)
Adjustments involving Pension Reserve						
Reversal of items relating to post employment benefits debited or credited to the Provision of Services in the CIES (see Note 24)	(23,610)	(2,785)	-	-	-	26,395
Employer's pensions contributions and direct payments to pensioner in year	9,841	1,030	-	-	-	(10,871)
Adjustment involving the Accumulating Compensated Absences Adjustment Account						
Difference between officer remuneration charges to the CIES & statutory requirements	(392)	153	-	-	-	239
Total Adjustments	(22,268)	(719)	(943)	(198)	-	24,128

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Note 8 – Transfers to/from Earmarked Reserves

This note sets out the amounts set aside in the Council's usable reserves and the amounts posted back from these reserves to meet expenditure during the year.

	Balance as at 1 April 2021 £'000	Transfers in 2021/22 £'000	Transfers out 2021/22 £'000	Balance as at 31 March 2022 £'000	Transfers in 2022/23 £'000	Transfers out 2022/23 £'000	Balance as at 31 March 2023 £'000
General Fund Balance							
Devolved School Management	(374)	(631)	374	(631)	(573)	631	(573)
Organisational Change Fund	(306)	-	108	(198)	-	-	(198)
Employment Fund	(1,000)	-	147	(853)	-	14	(839)
Pupil Equity Funding (PEF)	(636)	(680)	636	(680)	(788)	680	(788)
Early Learning & Childcare (ELCC)	(335)	-	109	(226)	-	226	-
Education Covid-19 recovery	(1,477)	-	977	(500)	-	299	(201)
Ring-fenced Housing Grants	(818)	(368)	178	(1,008)	(143)	12	(1,139)
Transformation Fund	(1,841)	-	-	(1,841)	-	-	(1,841)
Other Miscellaneous Commitments	(833)	(1,482)	221	(2,094)	(1,218)	1,179	(2,133)
Covid-19 General Funding	(1,304)	(2,399)	1,123	(2,580)	-	1,125	(1,455)
Covid-19 Specific Funding	(2,346)	(1,056)	2,076	(1,326)	-	898	(428)
Amount to support Revenue Budget	(885)	(3,942)	885	(3,942)	(4,643)	3,942	(4,643)
Earmarked for general purpose 21/22 budget	(1,200)	-	1,200	-	-	-	-
Developers Contributions	(118)	(772)	-	(890)	(38)	92	(836)
Specific Employability Funding	-	(840)	-	(840)	(43)	302	(581)
Contractual Repairs & Maintenance	(100)	(585)	370	(315)	-	-	(315)
Ukrainian Refugee Support	-	-	-	-	(519)	-	(519)
Homeless Accommodation	-	-	-	-	(1,109)	-	(1,109)
Uncommitted Reserve	(6,452)	(4,123)	4,527	(6,048)	(6,313)	9,074	(3,287)
Total General Fund Balance	(20,025)	(16,878)	12,931	(23,972)	(15,387)	18,474	(20,885)

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	Balance as at 1 April 2021 £'000	Transfers in 2021/22 £'000	Transfers out 2021/22 £'000	Balance as at 31 March 2022 £'000	Transfers in 2022/23 £'000	Transfers out 2022/23 £'000	Balance as at 31 March 2023 £'000
Housing Revenue Account	(7,610)	(2,249)	307	(9,552)	(6,986)	7,823	(8,715)
Capital Receipts Reserve	(1,333)	(1,158)	1,690	(801)	(573)	197	(1,177)
Insurance Fund	(1,276)	(1)	27	(1,250)	(16)	10	(1,256)
Capital Grants Unapplied Account	(2,850)	(1,141)	689	(3,302)	(674)	1,883	(2,093)
Total Usable Reserves	(33,094)	(21,427)	15,644	(38,877)	(23,636)	28,387	(34,126)

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Note 9 – Financing and Investment Income and Expenditure

This note provides detail regarding the Financing and Investment Income and Expenditure line within the Comprehensive Income and Expenditure Statement.

	Notes	2021/22	2022/23
		£'000	£'000
Interest payable and similar charges		8,665	9,210
Net Interest on the Net Defined Benefit Liability		3,154	2,538
Interest receivable and similar income		(115)	(1,287)
Changes in the carrying value Market loans		(8)	(8)
Revaluation of Investment Property	7	232	1,057
Rental Income from Investments		(154)	(121)
Total		11,774	11,389

Note 10 – Taxation and Non-Specific Grant Income

This note provides detail regarding the Taxation and Non-Specific Grant Income line within the Comprehensive Income and Expenditure Statement.

	2021/22	2022/23
	£'000	£'000
Credited to Taxation and Non Specific Grant Income:		
Council Tax	23,974	24,432
Grant allocation for Council Tax Reduction Scheme	3,714	3,686
Non-Domestic Rate Income distributed by pool	13,650	18,065
Non-ring fenced government grants*	90,682	88,521
Capital grants and contributions	6,977	8,849
Total	138,997	143,553

* No Covid-19 grants were included within Non-ring fenced government grants in 2022/23 (2021/22 £5.036m).

Net Cost of Services within the Comprehensive Income and expenditure Account

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement.

	2021/22	2022/23
	£'000	£'000
Credited to Services		
DWP grant for Benefits	12,383	12,367
Criminal Justice	1,368	1,396
Other revenue grants (including Early Learning and Childcare and Scottish Attainment Challenge)	6,732	7,195
Total	20,483	20,958

The table below reconciles the Non-ring fenced government grants to the Local Government Funding Settlement for 2022/23 from Scottish Government as shown in the Local Government Finance (Scotland) Order 2023 (as amended).

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	£'000
Non-ring fenced government grants	88,521
Add Grant allocation for Council Tax Reduction Scheme	3,686
Add Grants not included in CIES (Council acted as Agent)	894
Total General Revenue Funding	<u>93,101</u>
Non-Domestic Rate Income distributed by pool	18,065
Ring fenced Grants shown with in Cost of Services	8,045
Total Settlement	<u><u>119,211</u></u>

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Note 11 – Property, Plant & Equipment (PPE)

Valuations

Assets at valuation are included in the Balance Sheet at their current asset value as at 1 April 2019 as amended by annual revaluation at the year end (where applicable) and subsequent additions and disposals. The Council appointed J&E Shepherd Chartered Surveyors to conduct its five-yearly valuation of assets during 2019/20 and also to carry out a Desk Valuation Impairment Review of a sample of Education and non-operational properties for the 2022/23 financial statements. The determination of fair value is carried out by Ian Hannon, MRICS, Managing Partner. The basis for valuation is set out in the Statement of Accounting Policies.

Movements in 2022/23	Council Dwellings £'000	Other Land and Buildings £'000	Vehicles, Plant & Equipment £'000	Infrastructure Assets £'000	Assets under Construction £'000	Surplus Assets £'000	Total Property, Plant & Equip £'000	Concession Assets Included in PPE £'000
Cost or Valuation								
At 1 April 2022	139,261	204,736	25,080	*	1,843	538	*	99,962
Additions	9,280	703	2,554	4,586	546	-	17,669	-
Revaluation increases/(decreases) recognised in the Revaluation Reserve	-	(11,877)	-	-	-	(823)	12,700	11,467
Revaluation increases/(decreases) recognised in the CIES	-	5,251	-	-	-	(163)	5,088	-
Assets reclassified (to)/from Assets Held for Sale	(49)	-	(306)	-	-	-	(355)	-
Reclassifications & Other Movements in Cost or Valuation	-	(1,411)	-	-	-	1,406	(5)	-
At 31 March 2023	148,492	197,402	27,328	*	2,389	958	*	111,429

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Note 11 – Property, Plant & Equipment (PPE)

Movements in 2022/23	Council Dwellings £'000	Other Land and Buildings £'000	Vehicles, Plant & Equipment £'000	Infrastructure Assets £'000	Assets under Construction £'000	Surplus Assets £'000	Total Property, Plant & Equip £'000	Concession Assets included in PPE £'000
Depreciation charge								
At 1 April 2022	14,444	4,648	17,276	*	2	3	*	-
Depreciation charge	5,344	10,710	1,935	1,227	3	1	19,281	4,012
Depreciation written out on revaluations recognised in the Revaluation Reserve	-	(8,955)	-	-	-	(547)	(9,502)	(4,012)
De-recognition – Disposals	(6)	0	(289)	-	-	0	(295)	-
Other movements in depreciation and impairment	-	(547)	-	-	-	547	-	-
At 31 March 2023	19,782	5,856	18,922	*	5	4	*	-
Net Book Value:								
At 31 March 2023	128,710	191,546	8,406	62,763	2,384	954	394,763	111,429

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Note 11 – Property, Plant & Equipment (PPE)

Movements in 2021/22	Council Dwellings £'000	Other Land and Buildings £'000	Vehicles, Plant & Equipment £'000	Infrastructure Assets £'000	Assets under Construction £'000	Surplus Assets £'000	Total Property, Plant & Equip £'000	Concession Assets Included in PPE £'000
Cost or Valuation								
At 1 April 2021	133,546	191,367	23,788	*	1,719	128	*	84,354
Additions	5,715	4,056	2,037	4,229	124	-	16,161	-
Revaluation increases/(decreases) recognised in the Revaluation Reserve	-	14,174	-	-	-	-	14,174	15,608
Revaluation increases/(decreases) recognised in the CIES	-	(4,451)	-	-	-	-	(4,451)	-
Assets reclassified (to)/from Assets held for Sale			(745)	-	-	-	(745)	
Other Reclassifications	-	(410)	-	*	-	410	*	-
At 31 March 2022	139,261	204,736	25,080	*	1,843	538	*	99,962

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Note 11 – Property, Plant & Equipment (PPE)

Movements in 2021/22	Council Dwellings £'000	Other Land and Buildings £'000	Vehicles, Plant & Equipment £'000	Infrastructure Assets £'000	Assets under Construction £'000	Surplus Assets £'000	Total Property, Plant & Equip £'000	Concession Assets included in PPE £'000
Depreciation charge								
At 1 April 2021	9,480	3,136	16,343	*	-	2	*	-
Depreciation charge	4,964	9,503	1,674	1,153	2	1	17,297	3,222
Depreciation written out on revaluations recognised in the Revaluation Reserve	-	(7,991)	-	-	-	-	(7,991)	(3,222)
De-recognition – Disposals	-	-	(741)	-	-	-	(741)	-
Other movements in depreciation and impairment	-	-	-	-	-	-	-	-
At 31 March 2022	14,444	4,648	17,276	*	2	3	*	-
Net Book Value:								
At 31 March 2022	124,817	200,088	7,804	59,404	1,841	535	394,489	99,962

***Infrastructure Assets**

The CIPFA/LASAAC Code of Practice for Local Authority Accounting in the United Kingdom requires infrastructure assets to be measured using the historical cost measurement basis and carried at depreciated historical cost. Due to information deficits surrounding the derecognition of infrastructure assets components, it is unclear as to whether when an assets component is replaced the old component has been derecognised so as to avoid double counting, the Council has adopted the Statutory Overrides contained within the Local government finance circular 09/2022: statutory override - accounting for infrastructure assets as follows:

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- Statutory Override 1: For accounting period commencing from 1st April 2021 to March 2024 a local authority is not required to report gross cost and accumulated depreciation on infrastructure assets
- Statutory Override 2: For accounting periods commencing 1 April 2010 to 31st March 2024 the carrying amount to be derecognised in respect of a replaced part of an infrastructure asset is to be taken and accounted for as a nil amount. No subsequent adjustment shall be made to the carrying amount of the asset with respect to that part.

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Capital Commitments

At 31 March 2023 the Council has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2023/24 and future years budgeted to cost £23.6m. These commitments are not included in the financial statements. Similar commitments at 31 March 2022 were £16.6m.

The major commitments are as follows:

	£'000
HRA Window Replacement	6,378
HRA Westhaugh Travellers Site	4,105
HRA Central Heating Design & Installation	1,386
HRA Council Fences and Gates	350
Clackmannan Regeneration	1,221
Learning Estate - Tullibody South Campus	688
Roads & Transportation	614
Analogue to Digital	447
Vehicle Replacement	327
	15,516

Note 12 Heritage Assets

Reconciliation of the Carrying Value of Heritage Assets Held by the Council

	Art Collection £'000	Public Art, Statues, Glasswork & Mosaics £'000	Industrial Equipment & Other Items £'000	Total Assets £'000
Cost or Valuation				
At 1 April 2022	115	510	180	805
Revaluation	-	-	-	-
31 March 2023	115	510	180	805
Cost or Valuation				
At 1 April 2021	115	510	180	805
Revaluation	-	-	-	-
31 March 2022	115	510	180	805

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Art Collection

The Council has obtained valuations for the collection of paintings by means of their insurance valuations. These insurance valuations are based on a current estimation of market value and are reviewed annually to ensure the adequacy of insurance provision and current valuation. The collection of paintings is reported in the Balance Sheet at insured value.

The collection is relatively static and acquisitions and donations are rare. When they do occur acquisitions are initially recognised at cost and donations are recognised at valuation ascertained by the Museum & Heritage Officer.

Public Art – Statues

The Council owns several statues most of which were commissioned as part of ‘Imagine Alloa’ a programme targeting the regeneration of town and village centres across the county. Collectively these statues constitute the ‘Public Art Trail’. The Council has obtained valuations for the collection of statues by means of their insurance valuations. These insurance valuations are reviewed annually to ensure adequacy of insurance provision. The collection of statues is reported in the Balance Sheet at Insured value

Public Art - Glassworks and Mosaics

The Council commissioned several glass and mosaic pieces for installation at several key buildings in the county and has obtained valuations for these by means of their insurance valuations. These insurance valuations are reviewed annually to ensure adequacy of insurance provision. The commissions of glassworks/mosaics are reported in the Balance Sheet at Insured Value.

Industrial Equipment and Ephemera

The Council owns several collections of artefacts relating to the mining, brewing, distilling, pottery, glassmaking and textile industries, all of which have been historically significant within the County. The larger pieces for which the Council has obtained an insurance valuation are reported on the Balance Sheet at valuation.

Items/collections within this category for which a valuation has previously been obtained are:

- Harviestoun Silver Soup Tureen
- Robert Millar Long Case Clock
- Paton & Baldwins Model
- Alloa Pottery Collection
- Arnsbrae Candelabra
- Collection of Civil Regalia

Revaluation of Heritage Assets

As part of the five yearly valuation of assets in 2019, as mentioned in Note 11, the Commemoration Room within the residential development at Menstrie Castle has been written on the Balance Sheet and is included within the carrying value of Heritage Assets held by the Council.

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Assets excluded from Heritage Assets

The Council has a number of assets that may be regarded as Heritage Assets, but which have not been included in the Balance Sheet since the Council considered that obtaining valuations would involve disproportionate cost or reliable cost or valuation information cannot be obtained for these items. This is because of the diverse nature of assets held, the number of assets held, and the lack of comparable market values. The Code therefore permits such assets to be excluded from the Balance Sheet. Within this category the Council owns and maintains 12 War Memorials throughout the County, Glassworks and mosaic pieces installed at buildings in the County. The Council also owns the Tolbooth in Clackmannan which is a listed building and classed as a heritage asset but is not within the carrying value of Heritage Assets held on the Balance Sheet.

Note 13 – Investment Properties

The following table summarises the movement in the fair value of investment properties in the year:

Investment Properties (Non Current Assets)

	2021/22	2022/23
	£'000	£'000
Balance 1 April	8,542	7,711
Additions	185	918
Net gains/(losses)from fair value adjustments	(232)	(1,094)
Assets reclassified (to)/from Assets Held for Sale	(778)	
Transfers to/from:		
PPE	-	-
Assets held for sale	-	-
Depreciation	(6)	(3)
Balance 31 March	7,711	7,532

Investment Properties Held for Sale (Current Assets)

	2021/22	2022/23
	£'000	£'000
Balance 1 April	376	204
Additions	-	-
Revaluation increases/(decreases) recognised in the CIES	-	38
De-recognition – Disposals	(172)	-
Transfers from Investment Properties	-	-
Balance 31 March	204	242
De-recognition – Disposals		
Total Investment Properties	7,915	7,774

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or undertake repairs, maintenance or enhancement. The only direct operating expenses for the period relates to professional fees incurred in marketing Greenfield House.

The items of income and expense, in respect of Investment Property leased out as operating leases, have been accounted for in the Comprehensive Income and Expenditure Statement.

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	2021/22	2022/23
	£'000	£'000
Rental income from investment property	(268)	(202)
Direct operating expenses arising from investment property	114	81
	(154)	(121)

Note 14 – Intangible Assets

The Council accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The useful lives assigned to the major software suites used by the Council are all five years.

The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £113k charged to revenue in 2021/22 was charged to the IT cost centre and then absorbed as an overhead across all the service headings in the Net Cost of Services within the Comprehensive Income and Expenditure Statement. It is not possible to quantify exactly how much of the amortisation is attributable to each service heading.

The movement in Intangible Asset balances during the year is as follows:

	2021/22	2022/23
	£'000	£'000
Cost		
1 April	1,117	1,129
Additions	12	2
Disposals Gross Cost	-	-
	1,129	1,131
Amortisation		
1 April	(706)	(819)
Disposal accumulated amortisation	-	-
Amortisation for the year	(113)	(106)
	(819)	(925)
Carrying Value 31 March	310	206

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Note 15 – Assets Held for Sale

This note provides detail of the Assets Held for Sale on the Balance Sheet. An asset is required to fulfil certain criteria in order to be classified in this category. These criteria are detailed in the Accounting Policies.

	Notes	2021/22 £'000	2022/23 £'000
Balance outstanding at start of year		-	-
Assets reclassified from Council Dwellings	11	-	49
Assets reclassified from Vehicles, Plant & Equipment	11	745	306
Assets reclassified from Surplus Assets	11	-	-
Assets reclassified from Investment Properties	13	950	-
Assets sold		(1,695)	(355)
Depreciation De-recognition - Disposals		(741)	(295)
Other movements in depreciation and impairment		741	295
Balance outstanding at year-end		<u>-</u>	<u>-</u>

Note 16 – Inventories

This note provides detail of the major inventories that are held by the Council Departments in order for them to carry out their responsibilities.

	Building Works		Roads		Vehicle Maintenance		Other*		Total	
	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000
1 April	173	213	109	127	59	34	467	161	808	535
Purchased	862	1,046	174	134	482	270	1,137	1,121	2,655	2,571
Expenses in the year	(822)	(987)	(156)	(116)	(507)	(270)	(1,443)	(1,135)	(2,928)	(2,508)
31 March	213	272	127	145	34	34	161	147	535	598

* Included in the 2021/22 opening balance for Other is £219k in relation to personal protective equipment and test kits which was supplied free of charge to the Council by National Services Scotland (NSS) during 2020/21. All these items were used in 2021/22 and an amount of £219k is included in the Expenses for the year. The balance as at 31st March 2022 for these items is nil and no further items of this nature were received during 2022/23. A corresponding Donated Inventory Account is included in Current Liabilities within the Balance Sheet for 2021/22.

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Note 17 – Short-Term Debtors

This note provides detail of the Short-Term Debtors line in the Balance Sheet. A Short-Term Debtor represents money that is owed to the Council which is expected to be received in less than a year.

The Debtors balance at the year end is made up as follows:	2021/22	2022/23
	£'000	£'000
Central Government Bodies	7,770	5,381
Other Local Authorities	993	1,126
NHS Bodies	979	1,121
Other Corporations & Trading funds	-	11
Other entities and individuals	8,037	6,503
Total	17,779	14,142

Note 18 – Short-Term Investments and Cash and Cash Equivalents

This note provides detail of the Short Term Investments and Cash and Cash Equivalents in the Balance Sheet on page 68.

	2021/22	2022/23
	£'000	£'000
Short-Term Investments		
CSBP Clackmannanshire Investments Ltd (at cost)	1	1
Cash deposit with banks	32,000	34,000
	32,001	34,001
Cash and Cash Equivalents		
Cash held by the Council	32	32
Bank current accounts	9,202	5,857
Total Cash and Cash Equivalents	9,234	5,889
TOTAL	41,235	39,890

The investment in CSBP Clackmannanshire Investments Ltd is anticipated to be repaid during 2023/24.

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Note 19 – Short-Term Creditors

This note provides detail of the Short-Term Creditors line in the Balance Sheet. A Short-Term Creditor represents money that is owed by the Council and which is expected to be paid in less than a year.

The Creditors balance at the year end is made up as follows:

	2021/22	2022/23
	£'000	£'000
Central government bodies	2,761	3,335
Other local authorities	3,272	3,571
NHS bodies	501	771
Public corporations and trading funds	310	47
Other entities and individuals	24,809	28,192
Total	31,653	35,916

Note 20 – Provisions

2022/23	Opening Balance At 1 April 2022	Additional provision made in 2022/23	Reduction In Provision	Amounts used in 2022/23	Balance At 31 March 2023
	£'000	£'000	£'000	£'000	£'000
Short Term Provisions					
Municipal Mutual	-	(5)	-	5	-
Street Lighting Equipment	-	(251)	-	-	(251)
Voluntary Severance	-	(125)	-	-	(125)
Total Short Term Provisions	-	(381)	-	5	(376)
Municipal Mutual	(60)	(5)	-	-	(65)
Total Long Term Provisions	(60)	(5)	-	-	(65)
Total Provisions	(60)	(386)	-	5	(441)

Municipal Mutual Insurance

Prior to Local Government reorganisation in 1996, Central Regional Council and Clackmannan District Council entered into a solvent run-off arrangement with their insurer, MMI, with the aim of having sufficient assets to meet outstanding insurance claims. However, the outcome of previous litigation has triggered the Scheme of Arrangement and created a financial liability for Clackmannanshire Council as successor Council. The Council had originally made provision to cover a levy of up to 30% amounting to £160k and payments of £157k had been made against this provision. During the year an additional provision of £5k was made to the short term provision and a further £5k was paid out. The long term provision has been increased by £5k based on estimates of the outstanding liability as at 31 March 2023 resulting in a total provision balance of £65k to meet future claims.

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Voluntary Severance

A new provision has been created in 2022/23 to reflect the costs of employees who were accepted for Voluntary Severance prior to 31 March 2023 but their agreed date for leaving employment falls within 2023/24.

Street Lighting Equipment

A new provision has been created in 2022/23 to reflect the cost of full and final settlement for the transfer of the Street Lighting Equipment which was previously held by the Council on a Finance Lease. The twenty year lease ended in 2020/21. On termination of the initial lease period the Council continued to pay rental to the Lessor while negotiations were ongoing to transfer ownership of the equipment to the Council.

Note 21 - Borrowings

This note provides details of the short and long term borrowings undertaken by the Council and shown on the Balance Sheet. These values are reflected at amortised cost:

	2021/22	2022/23
	£'000	£'000
Source of Loan		
Repayable within 12 months		
Public Works Loan Board	2,946	412
Market Loans	63	63
Revenue Advances:		
Common Good & Trust Funds	358	361
Central Scotland Valuation Joint Board	323	1,010
Accrued Interest on borrowing	1,229	1,186
	4,919	3,032
Repayable after 12 months		
Public Works Loan Board	74,150	73,736
Lender Option, Borrowing Option (LOBO) Loans	5,000	5,000
Market Loans	19,088	19,018
	98,238	97,754

Note 22 – Other Long Term Liabilities

	2021/22	2022/23
	£'000	£'000
PFI & Finance Liabilities (see note (a) below)	35,435	33,995
Other Long-term Liabilities (see note (b) below)	617	624
	36,052	34,619

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(a) PFI & Finance Lease

This sum relates to the finance lease creditor associated with the financing of the three new secondary schools under the PFI scheme. Note 32 Private Finance Initiative and Similar Contracts page 126 in the Accounts provides more details in respect of the future payments that are due under the terms of the contract. The movements in the balance sheet values are detailed below:

	PFI Scheme 2021/22 £'000	PFI Scheme 2022/23 £'000
Balance at 1 April	37,845	36,672
Finance Lease Creditor Repaid in year	(1,173)	(1,237)
Balance 31 March	36,672	35,435
Ageing:		
Liabilities due over more than one year	35,435	33,995
Liabilities due within one year	1,237	1,440
	36,672	35,435

(b) Other Long-term Liabilities

These sums relate to contributions received from developers to be utilised at future dates for infrastructure etc. within both private housing schemes and town centre re-development. The reinstatement bond will additionally contribute to the planned restoration of the former open cast coal site.

	2021/22 £'000	2022/23 £'000
Developer Contributions	2	-
Reinstatement Bond	615	624
	617	624

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Note 23 – Financial Instruments

Financial instruments are defined as any contract that gives rise to a financial asset of one entity and a financial liability of another entity. The term ‘financial instrument’ covers both financial assets and financial liabilities and includes the most straightforward financial assets and liabilities, such as trade receivables (debtors) and trade payables (creditors) and the most complex ones such as derivatives and embedded derivatives.

Financial Instrument Balances

Categories of Financial Instruments

The following categories of financial instruments are carried in the Balance Sheet:

Financial Assets

	Non-Current				Current				Total
	Investments		Debtors		Investments		Debtors		
	31	31	31	31	31	31	31	31	
	March	March	March	March	March	March	March	March	
	2022	2023	2022	2023	2022	2023	2022	2023	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Amortised Cost Principal	-	-	1	1	1	1	3,544	4,165	4,167
Cash & Cash Equivalents	-	-	-	-	41,234	39,889	-	-	39,889
Total Financial Assets	-	-	1	1	41,235	39,890	3,544	4,165	44,056

Financial Liabilities

	Non-Current				Current				Total
	Borrowings		Creditors		Borrowings		Creditors		
	31	31	31	31	31	31	31	31	
	March	March	March	March	March	March	March	March	
	2022	2023	2022	2023	2022	2023	2022	2023	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Amortised Cost Principal	98,238	97,754	-	-	1,399	1,855	6,108	8,170	107,779
Accrued Interest	-	-	-	-	1,229	1,187	-	-	1,187
PFI and Finance Lease facilities	35,435	33,995	-	-	1,237	1,440	-	-	35,435
Total Financial Liabilities	133,673	131,749	-	-	3,865	4,482	6,108	8,170	144,401

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Items of income, expense, gains or losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

	2021/22		2022/23	
	Surplus or Deficit on the Provision of Services £'000	Other Comprehensive Income and Expenditure £'000	Surplus or Deficit on the Provision of Services £'000	Other Comprehensive Income and Expenditure £'000
Interest Income				
financial assets				
measured at amortised	78	-	-	-
cost				
Total interest revenue	78	-	-	-
Interest expense	8,567	-	-	-

Fair Value of Assets and Liabilities Carried at Amortised Costs

The fair value of each class of financial assets and liabilities which are carried in the balance sheet at amortised cost is described below.

Methods and Assumptions in valuation technique

Financial assets and financial liabilities represented by loans and receivables are carried on the balance sheet at amortised cost. Their fair value can be assessed by calculating the net present value of the cash flows that take place over the remaining life of the instruments (Level 2: inputs rather than quoted prices that are observable for the financial asset/liability), using the following assumptions:

- For PWLB loans, fair values have been calculated using both redemption and new borrowing (certainty rate) discount rates;
- Interpolation techniques have been used between available rates where the exact maturity period was not available;
- For non-PWLB loans, fair values have been calculated using both PWLB redemption and new PWLB Certainty Rate loan discount rates;
- No early repayment or impairment is recognised;
- Fair values have been calculated for all instruments in the portfolio, but only those which are materially different from the carrying value are disclosed;
- Where an instrument has a maturity less than 12 months or is a trade or other receivable the fair value is taken to be the invoiced or billed amount; and
- The fair value PFI and Finance Lease Liabilities are calculated based on the interest rates applicable to the contracts.

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Fair Values of Assets and Liabilities

The Fair values are calculated as follows:-

	2021/22		2022/23	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
PWLB – Maturity	78,256	120,801	75,267	86,283
PWLB – Annuity	29	40	27	34
LOBOs	5,041	7,527	5,041	4,747
Market Loans	19,151	26,482	19,080	18,424
Total Debt/Financial Liabilities	102,477	154,850	99,415	109,488

Fair value is more than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans at the Balance Sheet date. The commitment to pay interest at above the current market rates increases the amount the Council would have to pay if the lender agreed to the early repayment of the loans.

The fair value of Public Works Loan Board (PWLB) loans of £86.317m (2021/22 £120.841m) measures the economic effect of the terms agreed with the PWLB compared with estimates of the terms that would be offered for market transactions undertaken at the Balance Sheet date, which has been assumed as the PWLB borrowing interest rates, termed the PWLB certainty rates. The difference between the carrying amount and the fair value measures the additional interest that the authority will pay over the remaining terms of the loans under the agreements with the PWLB, against what would be paid if the loans were at prevailing market rates.

However, the authority has a continuing ability to repay at redemption rates published by the PWLB rather than from the markets. A supplementary measure of the fair value as a result of its PWLB commitments for fixed rate loans is to compare the terms of these loans with the redemption rates available from the PWLB. If a value is calculated on this basis, the carrying amount of £75.3m would be valued at £86.3m. But if the Council were to seek to avoid the projected loss by repaying the loans to the PWLB, the PWLB would raise a penalty charge, based on the redemption interest rates, for early redemption. The exit price for the PWLB loans including the penalty charge would be £86.3m, comprising the principal of £75.3m, accrued interest of £1.2m and a premium of £9.8m.

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Note 24 – Unusable Reserves

	2021/22	2022/23
Note	£'000	£'000
Revaluation Reserve	(121,368)	(120,264)
Capital Adjustment Account	(137,350)	(137,293)
Financial Instruments Investment Account	1,689	1,476
Pensions Reserve	88,859	(29,149)
Accumulating Compensated Absences Adjustment Account	3,759	3,790
Total Unusable Reserves	(164,411)	(281,440)

a) Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment or Heritage Assets. The balance is reduced when assets with accumulated gains are:

- re-valued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	2021/22	2022/23
	£'000	£'000
Balance at 1 April	(104,498)	(121,368)
Upward revaluation of non-current assets	(24,659)	(16,926)
Downward revaluation of non-current assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	2,494	12,061
Surplus/deficit on revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services	(22,165)	(4,865)
Difference between fair value depreciation and historical cost depreciation	4,715	5,938
Accumulated (losses) on assets sold or scrapped	580	31
	5,295	5,969
Balance at 31 March	(121,368)	(120,264)

b) Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charges to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

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The Account contains accumulated gains and losses on Investment Properties and revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 7 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

	2021/22	2022/23
	£'000	£'000
Balance at 1 April	(140,432)	(137,350)
<u>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:</u>		
Charges for depreciation and impairment of non-current assets	12,589	13,288
Revaluation losses on property, plant and equipment	4,451	2,974
Amortisation of intangible assets	113	106
Amounts of non current assets written off on disposal / sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	954	61
Amounts written out of the Revaluation Reserve on assets sold or scrapped	(580)	(31)
	17,527	16,398
<u>Capital financing applied in the year:</u>		
Use of the Capital Receipts Reserve to finance new capital expenditure	-	(169)
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(6,778)	(8,174)
Application of grants to capital financing from the Capital Grants & Receipts Unapplied Account	(201)	(562)
Statutory provision for the financing of capital investment charged against the General Fund and HRA balance	(2,269)	(1,684)
Capital expenditure charged against the General Fund and HRA balances	(5,429)	(6,809)
Movement in the market value of Investment Properties Debited or credited to CIES	232	1,057
	(14,445)	(16,341)
Balance at 31 March	(137,350)	(137,293)

c) Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions.

The Council uses the Account to manage premiums paid on the early redemption of loans. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred, but reversed out of the General Fund Balance to the Account in the Movement of Reserves Statement.

Over time, the expense is posted back to the General Fund Balance in accordance with statutory arrangements for spreading the burden on council tax. In the Council's case, this period is the unexpired term that was outstanding on the loans when they were redeemed.

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As a result, the balance on the Account at 31 March 2022 will be charged to the General Fund over the next 33 years.

	2021/22	2022/23
	£'000	£'000
Balance at 1 April	1,901	1,689
Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	(204)	(204)
Amount by which finance costs charges to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	(8)	(9)
Balance at 31 March	1,689	1,476

d) Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the cost. However, statutory arrangements require benefits earned, to be financed, as the Council makes employer's contributions to pension funds, or, eventually pays any pensions for which it is directly responsible. The credit balance on the Pensions Reserve therefore shows the benefits earned by past and current employees and the resources the Council has set aside to meet them. .

	2021/22	2022/23
	£'000	£'000
Balance at 1 April	151,676	88,859
Return on Pension Assets	(41,061)	7,674
Actuarial Gains or Losses on Pension Assets and Liabilities	(37,280)	(138,722)
Reversal of items debited or credited to CIES	26,395	24,364
Employer's Pension contributions and direct payments to pensioners in the year	(10,871)	(11,324)
Balance at 31 March	88,859	(29,149)

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e) Accumulating Compensated Absences Adjustment Account

The Accumulating Compensated Absences Adjustment Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year.

Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	2021/22	2022/23
	£'000	£'000
Balance at 1 April	3,521	3,759
Settlement or cancellation of accrual made at the end of the preceding year	(3,521)	(3,759)
Amounts accrued at the end of the current year	3,759	3,790
Movement in the year	238	31
Balance at 31 March	3,759	3,790

Note 25 – Cash Flow Statement – Operating Activities

a) The cash flows for operating activities include the following items:

	2021/22	2022/23
	£'000	£'000
Interest Received	(187)	1,217
Interest Paid	8,680	(9,257)
(Surplus) or deficit on the provision of services (CIES)	18,144	23,635

b) The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

	Notes	2021/22	2022/23
		£'000	£'000
Depreciation	11 & 13	17,304	19,226
Downward valuations	7	4,683	4031
Amortisation	14	113	106
Increase in Creditors	19	3,087	3,105
Decrease in Debtors	17	827	3,568
(Increase)/Decrease in Inventories	16	273	(63)
Pension Liability	35	15,524	13,040
Contributions to Provisions	20	13	381
Carrying amount of non-current assets sold	7	954	61
Adjustments for effective interest rates		(8)	(8)
Other non-cash items		42,770	43,447

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c) Adjustments for items included in the net deficit of provision of services that are investing & financing activities:

	2021/22	2022/23
	£'000	£'000
Capital grants credited to surplus or deficit on the provision of services	(6,976)	(8,848)
Proceeds from the sale of short and long term investments	(9,500)	(23,500)
Proceeds from the sale of property plant and equipment, investment property and intangible assets	(1,059)	(262)
	(17,535)	(32,610)

Note 26 – Cash Flow Statement – Investing Activities

	2021/22	2022/23
	£'000	£'000
Purchase of property, plant and equipment, investment property and intangible assets	(16,311)	(17,672)
Purchase of short-term and long-term investments	(12,997)	(2,001)
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	1,059	262
Proceeds from short-term and long-term investments	9,500	23,500
Other receipts from investing activities	5,841	8,918
Net cash flows from investing activities	(12,908)	13,007

Note 27 – Cash Flow Statement – Financing Activities

	2021/22	2022/23
	£'000	£'000
Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts	292	(1,237)
Repayments of short and long-term borrowing	(1,173)	(3,004)
Other Receipts from Financing Activities	(1,015)	687
Net cash from financing activities	(1,896)	(3,554)

Note 28 - Agency Income and Expenditure

The Council has an agency agreement with Scottish Water for the billing and collection of water and sewerage charges on its behalf. The income received from the Water Authority towards the Council's local tax collection costs was £0.177m (2021/22 £0.177m). This charge has been fixed by the Scottish Government for a 3 year period to 31 March 2023. This income is included in the Comprehensive Income and Expenditure Statement.

The Council acted as an agent on behalf of the Scottish Government in the administration of grants to individuals to support recovery from the Covid-19 pandemic. This amounted to £1.091m (2021/22 £6.733m) of expenditure and income which is not shown within the Comprehensive Income and Expenditure Statement.

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Two Business Improvement District (BID) schemes operate in Clackmannanshire: Alloa First and Clacks First. The schemes are funded by a BID levy paid by non-domestic ratepayers. The Council operates as an agent on behalf of the BID bodies and as a consequence the income and expenditure is not shown in the Comprehensive Income and Expenditure Statement.

Note 29 – External Audit Costs

Fees payable to Audit Scotland within the year for external audit services carried out by the appointed auditor amounted to £0.239m (2021/22 £0.215m). These costs are shown within the Partnership and Performance line in the Comprehensive Income and Expenditure Statement.

Note 30 – Related Parties

The Council is required to disclose material transactions with related parties – bodies or individuals that have potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council. In this context related parties include:

- Central Government;
- Other Local Authorities and Joint Boards;
- NHS Bodies;
- Subsidiary and Associated Companies;
- Joint Ventures and Joint Venture Partners; and
- Elected Members and Chief Officers.

The following related party transactions are disclosed elsewhere within the Financial Statements:

- a) Receipts from Central Government (Revenue Support Grant, NNDR Contribution from Pool, Government Grants etc.) are shown in Note 10 (Grant Income);
- b) Payments to the Falkirk Council Pension Fund and Scottish Government (Teachers' Pensions) are shown in Notes 33 and 34 Pension Schemes;
- c) Requisitions paid to Joint Boards are shown on the Comprehensive Income and Expenditure Statement;
- d) Payments to Elected Members and Chief Officers are shown in the Remuneration Report;
- e) The following table shows significant payments and receipts between Clackmannanshire Council and its associated entities

		2021/22	2022/23
		£'000	£'000
Expenditure	NHS Forth Valley	383	1,673
Income	NHS Forth Valley	(12,116)	(8,684)
	Contribution payment made to Clackmannanshire and Stirling Integration Joint Board*	21,583	25,167
	Commissioning income received from Clackmannanshire and Stirling Integration Joint Board*	(21,583)	(25,167)

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**Commissioning income received from Clackmannanshire and Stirling Integration Joint Board underspent by £0.351m in 2022/23 (£2021/22 £1.493m). This funding has been accrued by the Council and added to reserves within the IJB, taking the total reserves to £2.747m.*

Note 31 – Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI/PPP contracts) together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR) a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

	2021/22	2022/23
	£'000	£'000
Opening Capital Financing Requirement	143,117	144,797
Capital Investment		
Property Plant & Equipment	16,358	18,588
Revenue Expenditure Funded from Capital Under Statute	57	1,109
Sources of finance		
Capital receipts	-	(169)
Government grants and other contributions	(7,037)	(10,088)
Sums set aside from revenue:		
Direct revenue contributions	(5,429)	(6,655)
Repayment of Finance Lease Capital Debt	(1,173)	(1,237)
Loans Fund Principal	(1,096)	(447)
Other movements affecting the CFR	-	90
Closing Capital Financing Requirement	144,797	145,988
Increase in CFR (unsupported by government financial assistance)	1,680	1,191

Note 32 – Private Finance Initiative and Similar Contracts

Secondary Schools PFI Scheme

2022/23 was the 15th year of a 30 year PFI contract for the construction, operation and maintenance of our three secondary schools in Clackmannanshire, namely Alloa, Alva and Lornshill Academies. The contract specifies the number of days and times that the schools are open. This includes an element of leisure provision in the evenings and weekends.

The contract specifies minimum standards for the provision of the serviced accommodation to be provided by the contractor, with reductions from the fee payable being made if the schools, or rooms, are unavailable or performance is below the minimum standards. The contractor took on the obligation to construct the schools and maintain them in a minimum acceptable condition and to procure and maintain the plant needed to operate the schools.

At the end of the contract the schools will be transferred to the Council for nil consideration.

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Property, Plant and Equipment

The schools are recognised on the Council's Balance Sheet.

Movements in their value over the year are detailed in the analysis of the movement on the Property, Plant and Equipment balance in Note 11.

Payments

The Council makes an agreed payment each year which is increased annually by inflation and can be reduced if the contractor fails to meet availability and performance standards in any year but which is otherwise fixed. Payments remaining to be made under the PFI contract at 31 March 2023, excluding any estimate of availability/performance deductions are as follows:

	Payment For Services £'000	Reimbursement of Capital Expenditure £'000	Interest £'000	Total £'000
Payable within 1 year	4,121	1,440	3,204	8,765
Payable within 2 to 5 years	18,295	6,404	12,069	36,768
Payable within 6 to 10 years	25,877	10,383	13,882	50,142
Payable within 11 to 15 years	30,195	14,526	10,637	55,358
Payable within 16 to 20 years	7,062	2,682	1,075	10,819
Total	85,550	35,435	40,867	161,852

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for:

- the fair value of services they provide, and
- the capital expenditure incurred and interest payable, until the capital cost is reimbursed.

The liability outstanding to pay the liability to the contractor for capital expenditure incurred is shown in Note 22

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Note 33 - Pensions Schemes Accounted for as Defined Contribution Scheme

Teachers employed by the Council are members of the Teachers' Pension Scheme, administered by the Scottish Government. The Scheme provides teachers with specified benefits upon their retirement, and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries. The Scheme is technically a defined benefit scheme. However, the Scheme is unfunded and the Scottish Government uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The Council is not able to identify its share of underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of these Financial Statements, it is therefore accounted for on the same basis as a defined contribution scheme.

The employer contribution rate from 1 April 2022 was 23% of pensionable pay. In total for the year 2022/23 the Council paid £6.194m to Teacher's Pensions in respect of teachers' retirement benefits which equates to 22.60% of pensionable pay. The comparative amount paid in 2021/22 was £5.647m which equates to 22.44% of pensionable pay.

As a proportion of the total contributions into the Teacher's Pension Scheme during the year ended 31 March 2023, the Council's own contribution equated to approximately 0.80% (0.84% in 2021/22).

Note 34 Defined Benefit Pension Schemes

Pension Costs

The Council participates in two formal pension schemes: the Local Government Pension Scheme (LGPS) administered by Falkirk Council and the Teachers' Scheme administered by the Scottish Government. Both schemes provide defined benefits to members. However, the liabilities for the Teachers' Scheme cannot be identified specifically to the Council; therefore the scheme is accounted for as if it were a defined contributions scheme. The Council does not recognise assets or liabilities related to the Teachers' Scheme as the liability for payment of pensions rests ultimately with the Scottish Government.

Local Government Pension Scheme (LGPS)

In accordance with International Accounting Standard 19 (IAS19) the Council is required to account for retirement benefits when it is committed to giving them, even if the giving will be many years into the future. This involves the recognition in the Balance Sheet of Clackmannanshire Council's share of the net pension asset or liability in the LGPS together with a pension reserve. The Comprehensive Income and Expenditure Statement (CIES) also recognises changes during the year in the pension asset or liability. Service expenditure includes pension costs based on employers' pension contributions payable to the LGPS and payments to pensioners in the year.

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of voluntary severance. Any liabilities estimated to arise as a result of an award to any member of staff (including Teachers) are accrued in the year of the decision to make the award, and accounted for using the same policies as applied to the LGPS.

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The following elements of pension costs are charged to the CIES:

- Current Service Cost - the increase in the present value of liabilities expected to arise from employee service in the current period;
- Past Service Costs - the increase in liabilities arising from decisions to improve retirement benefits in the current period but which are related to employee service in prior periods;
- Settlements - events that change the pension liabilities but are not covered by the actuarial assumptions;
- Interest Expense - the expected increase during the year in the present value of liabilities because the benefits are one year closer to settlement, and
- Expected Return on Assets (including interest income) - a measure of the expected average rate of return on the investment assets held by the scheme in the year.

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The following transactions have been made in the Financial Statements in accordance with IAS19:

	Local Government Pension Scheme	
	2021/22	2022/23
	£'000	£'000
Comprehensive Income and Expenditure Statement (CIES)		
Cost of Services:		
· Current service cost	23,047	21,676
· Past service costs	194	150
Financing and Investment Income and Expenditure:		
· Interest expense – defined benefit obligation	10,569	13,890
· Interest income on scheme assets	(7,415)	(11,352)
Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	26,395	24,364
Other Post Employment Benefit Charged to the CIES		
Re-measurement of the net defined benefit liability comprising:		
· Return on pension fund assets (excluding interest income above)	(41,061)	7,674
· Actuarial (gains)/losses arising on changes in demographic assumptions	(2,864)	(10,598)
· Actuarial gains arising on changes in financial assumptions	(34,968)	(190,508)
· Other experience losses	552	62,384
(Gain)/ loss recognised in the CIES	(78,341)	(131,048)
Total Post Employment Benefit Charged to the CIES	(51,946)	(106,684)
Movement in Reserves Statement (MIRS)		
Reversal of net charge made to the surplus or deficit on the provision of Services	(26,395)	24,364
Employer’s Contributions Payable to Falkirk Pension Fund	10,871	11,324
Pensions Assets and Liabilities Recognised in the Balance Sheet	(15,524)	35,688

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Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the balance sheet arising from the local authority's obligation in respect of its defined benefit plan is as follows:

Movement in Reserves Statement (MIRS)	2021/22	2022/23
	£'000	£'000
Present value of the Pension Fund Liabilities (1)	(508,979)	(379,631)
Fair value of pension fund assets	420,120	408,780
Net Asset /(Liability) arising from Defined Benefit Obligation	(88,859)	29,149

(1) Unfunded liabilities included in the figure for Present value of liabilities is:	15,629	13,691
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A reconciliation of Clackmannanshire Council's share of the present value of Falkirk Pension Fund's defined benefit obligation (liabilities) is as follows:

	2021/22	2022/23
	£'000	£'000
Opening Balance at 1 April	(522,011)	(508,979)
Current service cost	(23,047)	(21,676)
Interest cost	(10,569)	(13,890)
Contributions by Pension Fund participants	(2,583)	(2,730)
Re-measurement gains/(losses)		
Actuarial gains/(losses) from change in demographic assumptions	2,864	10,598
Actuarial gains from change in financial assumptions	34,968	190,508
Actuarial (losses) from other experiences	(552)	(46,136)
Past service costs	(194)	(150)
Benefits paid	12,145	12,824
Closing value at 31 March	(508,979)	(379,631)

A reconciliation of Clackmannanshire Council's share of the fair value of Falkirk Pension Fund's Assets is as follows:

	2021/22	2022/23
	£'000	£'000
Opening fair value of pension fund assets	370,335	420,120
Interest income	7,415	11,352
Return on pension assets (excluding amounts included in net interest)	41,061	(7,674)
Contributions from employers	10,871	11,324
Contributions by employees in the scheme	2,583	2,730
Benefits paid	(12,145)	(12,824)
Re-measurement – other experience	0	(16,248)
Closing fair value of pension fund assets	420,120	408,780

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A reconciliation of the movements in Clackmannanshire Council's share of the fair value of Falkirk Pension Fund's assets is as follows:

	2021/22	2022/23
	£'000	£'000
Equity instruments (by industry type)		
- Consumer	25,654	28,179
- Manufacturing	22,502	33,084
- Energy & Utilities	14,632	16,335
- Financial institutions	30,556	30,093
- Health & Care	13,748	15,056
- Information & Technology	34,043	30,606
- Other	4,105	3,541
Sub Total Equity	145,240	156,894
Debt Securities		
- Corporate Bond (investment grade)/Other	17,198	41,626
- Other	7,839	5,717
	25,037	47,343
Property (by type)		
- UK	26,022	23,315
- Overseas	35	7
Sub Total Property	26,057	23,322
Private Equity		
- UK	5,061	2,634
Sub Total Private Equity	5,061	2,634
- Equities	108,465	73,217
- Bonds	22,327	19,340
- Infrastructure	45,686	62,713
- Other	24,933	10,070
Sub Total Other Investment Funds	201,411	165,340
Cash and cash equivalents	17,314	13,247
Total Assets	420,120	408,780

Basis for Estimating Assets and Liabilities

The Council's share of the net obligations of the Falkirk Pension Fund is an estimated figure based on actuarial assumptions about the future and is a snapshot at the end of the financial year. The net obligation has been assessed using the "projected unit method", that estimates that the pensions will be payable in future years dependant upon assumptions about mortality rates, salary levels and employee turnover rates.

The fund's obligation has been assessed by Hymans Robertson, an independent firm of actuaries, and the estimates are based on the latest full valuation of the fund at 31 March 2021. The significant assumptions used by the actuary are shown in the table below. The note includes a sensitivity analysis for the pension obligation based on reasonably possible changes in these assumptions occurring at the reporting date.

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	2021/22	2022/23
Long-term expected rate of return on assets in the fund		
Equity investments	2.7%	4.75%
Bonds	2.7%	4.75%
Property	2.7%	4.75%
Cash	2.7%	4.75%

	2021/22	2022/23
Mortality assumptions	Years	Years
Longevity at 65 for current pensioners (years):		
Men	20.4	20.3
Women	23.0	23.3
Longevity at 65 for future pensioners (years):		
Men	21.6	20.8
Women	25.0	24.8

	2021/22	2022/23
Inflation assumptions		
Rate of inflation	3.2%	2.95%
Rate of increase in salaries	3.8%	3.55%
Rate of increase in pensions	3.2%	2.95%
Rate for discounting Fund liabilities	2.7%	4.75%

LGPS liabilities are sensitive to the actuarial assumptions set out in the table below. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The method and types of assumption used in preparing the sensitivity analysis below did not change from this used in the previous period.

Changes in assumptions

	Increase to	Monetary
	Employer	Amount
	%	£'000's
0.1% Decrease in Real Discount Rate	2%	6,640
1 year increase in member life expectancy	4%	15,185
0.1% increase in the Salary Increase Rate	0%	1,413
0.1% increase in the Pension Increase Rate	1%	5,316

McCloud Ruling

When the LGPS benefit structure was reformed in 2015, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2015 by these members are subject to an 'underpin' which means that they cannot be lower than what they would have received under the previous benefit structure. The underpin ensures that these

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members do not lose out from the introduction of the new scheme, by effectively giving them the better of the benefits from the old and new schemes.

In December 2018 the Court of Appeal upheld a ruling (“McCloud/Sargeant”) that similar transitional protections in the Judges’ and Firefighters’ Pension Schemes were unlawful on the grounds of age discrimination. The implications of the ruling are expected to apply to the LGPS (and other public service schemes) as well. The UK Government requested leave to appeal to the Supreme Court, but in June 2019 the Supreme Court ruled that the Government has no grounds for appeal and the earlier ruling by the Court of Appeal was upheld.

The clear expectation from this ruling is that many more members would see an enhanced benefit rather than just those currently subject to these protections. In this outcome, there would likely be a retrospective increase to members’ benefits, which in turn would give rise to a past service cost for the Fund employers when the outcome is known.

Quantifying the impact at this stage is very difficult because it will depend on the compensation awarded, members’ future salary increases, length of service and retirement age, and whether (and when) members withdraw from active service. Salary increases in particular can vary significantly from year to year and from member to member depending on factors such as budget restraint, job performance and career progression. The Government Actuary’s Department (GAD) has estimated that the impact for the LGPS as a whole could be to increase active member liabilities by 3.2%, based on a given set of actuarial assumptions. A full description of the data, methodology and assumptions underlying these estimates is given in GAD’s paper, dated 10 June 2019.

The Fund’s actuary has adjusted GAD’s estimate to better reflect the Falkirk Council Pension Fund’s local assumptions, particularly salary increases and withdrawal rates with a high level estimate of the impact on the pension fund liability having been built into the pension disclosures. These numbers are high level estimates based on scheme level calculations and depend on several key assumptions. The impact on employers’ funding arrangements will likely be dampened by the funding arrangements they have in place. There has been no change to the assumptions for this in 2021/22 or 2022/23.

Guaranteed Minimum Pension (GMP)

Guaranteed minimum pension (GMP) was accrued by members of the Local Government Pension Scheme (LGPS) between 6 April 1978 and 5 April 1997. The value of GMP is inherently unequal between males and females for a number of reasons, including a higher retirement age for men and GMP accruing at a faster rate for women. However, overall equality of benefits was achieved for public service schemes through the interaction between scheme pensions and the Second State Pension. The introduction of the new Single State Pension in April 2016 disrupted this arrangement and brought uncertainty over the ongoing indexation of GMPs, which could lead to inequalities between men and women’s benefits.

As an interim solution to avoid this problem, GMP rules were changed so that the responsibility for ensuring GMPs kept pace with inflation passed in full to pension schemes themselves for members reaching state pension age between 6 April 2016 and 5 April 2021. This new responsibility leads to increased costs for schemes (including the LGPS) and hence scheme employers.

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The Fund's actuary has carried out calculations in order to estimate the impact that the GMP indexation changes will have on the liabilities of Clackmannanshire Council for financial reporting purposes. The estimate assumes that the permanent solution eventually agreed will be equivalent in cost to extending the interim solution to all members reaching state pension age from 6 April 2016 onwards. There has been no change to these assumptions in 2022/23.

Goodwin

The remedy for the Goodwin ruling in relation to the past underpayment of spouses' benefits is still uncertain. The pension fund actuary has estimated that the impact is expected to be small at 0.1-0.2% for a typical fund. For Clackmannanshire this would equate to £0.361m to £0.722m. When weighing the fact that the remedy is still uncertain and the estimate is of small value, against the level of additional work that would be required, the actuary has not deemed it necessary or appropriate to make an adjustment for 2022/23 and no adjustment has been made to the figures noted above.

Impact on the Authority's Cash Flow

The objectives of the LGPS are to keep employers' contributions at a constant rate where possible. The employers' contribution rates per the triennial valuation on the fund at 31 March 2020 are shown in the table below:

	2021/22	2022/23	2023/24
Employer Contribution rates	22.5%	22.5%	23%

The total contributions expected to be made by Clackmannanshire Council to Falkirk Pension Fund in the year to 31 March 2024 is £10.377m.

The employers' contribution rates for 2024/25 to 2026/27 have been set at 19.5% following conclusion of the triennial valuation on the fund at 31 March 2023.

Note 35 – Contingent Liabilities

Equal Pay

The Council has previously received claims of historic pay inequality from specific groups of staff. At this time there are no known claims however, this contingent liability represents the potential liability for any future claims.

Insurance

Prior to local government reorganisation in 1996, Central Regional Council and Clackmannan District Council, entered into a solvent run-off arrangements with their insurer, MMI, with the aim of having sufficient assets to meet outstanding insurance claims. The outcome of recent litigation has triggered the Scheme of Arrangement and created a financial liability for Clackmannanshire Council as successor Council. The Council has made a provision, as detailed in Note 20, which is deemed sufficient based on the latest estimate of any future claims. However, should additional claims arise over and above the remaining provision, there remains potential for an increase in provision. At the time of preparing these accounts the timing and amount of any further liability in relation to MMI claims is unknown.

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Historic Sexual Abuse Cases

The Council has received claims in relation to historic sexual abuse cases which have been passed to its insurers. It is anticipated that there may be more claims received in the future, particularly in light of the important work of the National Scottish Child Abuse Inquiry and media coverage of other claims. These claims cannot be predicted or quantified at this time, but remain a potential risk as a future liability. The Council is part of the Forth Valley working group coordinated by SOLACE which is assessing the National Redress Scheme for the impact and consequences for the Council.

Social Services Judicial Reviews (Scottish Prison Service)

At this time there are a number of Social Services cases under judicial review relating to the Scottish Prison Service. The Council has a Service Level Agreement with the Scottish Prison Service under which statutory requirements of the Scottish Prison Service sit with the Council. At this time, no quantification or timing of any potential liability is known for these cases.

Note 36 – Nature and Extent of Risks Arising from Financial Instruments

The Council's management of treasury risks actively works to minimise the Council's exposure to the unpredictability of financial markets and to protect the financial resources available to fund services. The Council has fully adopted CIPFA's Code of Treasury Management Practices and has written principles for overall risk management as well as written policies and procedures covering specific areas such as credit risk, liquidity risk and market risk.

1. Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers.

This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard & Poor Credit Ratings Services. The Annual Investment Strategy also considers maximum amounts and time limits in respect of each financial institution. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined above. Additional selection criteria are also applied. Details of the Investment Strategy can be found on the Council's website. The Treasury Management Strategy Statement for 2022/23 and Prudential Indicators for 2022/23 to 2024/25 were approved by Full Council on 4 March 2022 and are available on the Council's website.

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council.

The Authority's maximum exposure to credit risk, in relation to its investments in banks and financial institutions of £39.9m, cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution.

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Debtors

The Council generally allows credit of 14 days for customers, such that £3.973m, (2021/22 £3.389m) is past its due date for payment. The past due amount can be analysed by age as follows:

	2021/22	2022/23
	£'000	£'000
Less than three months	953	1,227
Three to six months	160	114
Six months to one year	234	497
More than one year	2,042	2,235
Total	3,389	3,973

During the year £0.179m was charged to the Comprehensive Income and Expenditure statement, increasing the provision against current debts to £1.586m.

2. Liquidity Risk

The Council manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through a comprehensive cash flow management system, as required by the CIPFA Code of Practice. This seeks to ensure that cash is available when needed.

The Council has access to a facility to borrow from the Public Works Loans Board. As a result there is no significant risk that the Council will be unable to raise finance to meet its commitments under financial instruments. The Council has safeguards in place to ensure that a significant proportion of its borrowing does not mature for repayment at any one time to reduce the financial impact of re-borrowing at a time of unfavourable interest rates. The Council's policy is to ensure that not more than 25% of loans are due to mature within any financial year through a combination of prudent planning of new loans taken out and, where it is economic to do so, making early repayments.

The maturity structure of financial liabilities is as follows (at nominal value):

Loans Outstanding	2021/22	2022/23
	£'000	£'000
Public Works Loans Board	77,096	74,148
LOBO Loan	5,000	5,000
Market Debt	19,151	19,080
Total	101,247	98,228

Maturity Structure

	2021/22	2022/23
	£'000	£'000
Less than 1 year	3,008	475
Between 1 and 2 years	-	475
Between 2 and 5 years	3,670	4,820
Between 5 and 10 years	5,601	3,526
More than 10 years	88,968	88,932
Total	101,247	98,228

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

In the more than 10 years category there are £18.5m of market loans which have a fixed rate of interest and £5m of LOBO loans which the lender has the option to alter the rate of interest at predetermined dates. If this occurs the Council has the option to repay the principal and accrued interest.

3. Market Risk

Interest rate risk

The Council is exposed to interest rate risk in two different ways; the first being the uncertainty of interest paid/ received on variable rate instruments, and the second being the affect of fluctuations in interest rates on the fair value of an instrument.

The current interest rate risk for the Council is summarised below:

- Decreases in interest rates will affect interest earned on variable rate investments, potentially reducing income credited to the Comprehensive Income and Expenditure Statement;
- Increases in interest rates will affect interest paid on variable rate borrowings, potentially increasing interest expense charged to the Comprehensive Income and Expenditure Statement;
- The fair value of fixed rate financial assets will fall if interest rates rise. This will not impact the Balance Sheet as assets are held at amortised cost, but will impact the disclosure note for fair value; and
- The fair value of fixed rate financial liabilities will rise if interest rates fall. This will not impact on the Balance Sheet for the majority of liabilities are held at amortised cost, but will impact on the disclosure note for fair value.

The Council has a number of strategies for managing interest rate risk. Policy is to aim to keep a maximum of 25% of its borrowings in variable rate loans. During periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans will be repaid early to limit exposure to losses. The risk of loss is reduced by the fact that a proportion of government grant payable on financing costs will normally move with prevailing interest rates or the Council's cost of borrowing and provide compensation for a proportion of any higher costs. However this is difficult to quantify as loan charge support is calculated on weighted average interest rates for all local authorities in Scotland.

The treasury management team has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to update the budget during the year. This allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

As the Council now only have fixed rate borrowing, there will be no impact on the Comprehensive Income and Expenditure Statement due to fluctuations in interest rates.

Price Risk

The Council has no investments held as available for sale and thus has no exposure to loss arising from price movements.

Foreign Exchange Risk

The Council has no financial assets or liabilities denominated in foreign currencies and therefore no exposure to loss arising from movements in exchange rates.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Notes to the Financial Statements

Note 37 – Trust Funds

The Council administers a number of Trust Funds listed below, some of which have charitable status and are registered with the Office of the Scottish Charity Regulator (OSCR). The Sundry Trusts Funds are accounted for separately from the Council's funds and are reported in a separate set of accounts, a copy of which can be obtained on request from Clackmannanshire Council.

	2021/22	2022/23
	£'000	£'000
The Council administers the funds for 61 (2021/22 61) Trusts:		
Value of other Charitable Trusts and Endowments	364	367
Total value of all Trusts and Endowments	364	367

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
HOUSING REVENUE ACCOUNT (HRA)

Income and Expenditure Statement for the year ended 31 March 2023

The HRA Income and Expenditure Statement shows the economic cost in the year providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants. Councils charge rents to cover expenditure in accordance with regulations; this may be different from the accounting costs.

The increase or decrease in the year, on the basis of which rents are raised, is shown in the Movement on the HRA Statement.

2021/22		2022/23
£'000		£'000
	Expenditure	
7,366	Repairs and maintenance	7,981
4,664	Supervision and management	4,893
5,176	Depreciation and impairment of non-current assets	5,555
174	Impairment of debtors	85
504	Other Expenditure	605
17,884	Total Expenditure	19,119
	Income	
(19,943)	Dwelling Rents	(20,413)
(134)	Non-dwelling rents	(103)
(315)	Government Grant	-
(20,392)	Total income	(20,516)
(2,508)	Net Cost of HRA Services	(1,397)
-	(Gain)/Loss on sale or disposal of HRA fixed assets	(125)
1,144	Interest payable and similar charges	1,098
(11)	Interest and Investment Income	(184)
335	Pensions Interest Costs and expected return on pension assets	282
(490)	Capital Grants and Contributions Receivable	(3,030)
978		(1,959)
978	Surplus for the year on HRA Services	(3,356)

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
HOUSING REVENUE ACCOUNT (HRA)
Movement in Housing Revenue Account Statement

2021/22		2022/23
£'000		£'000
(7,610)	Balance on the HRA at the end of the previous year	(9,552)
(1,530)	Deficit/(Surplus) for the year on the HRA Income and Expenditure Statement	(3,356)
(719)	Adjustments between accounting basis and funding basis under regulations (Note HRA 1)	3,025
<u>(2,249)</u>	Net Decrease before transfers to/from Reserves	<u>(331)</u>
307	Transfer to the General Fund Reserve	1,168
307	Transfers to/from Reserves	1,168
<u>(1,942)</u>	(Increase)/Decrease in year on the HRA	<u>837</u>
<u>(9,552)</u>	Balance on the HRA at the end of the current year	<u>(8,715)</u>

HRA 1. Adjustment between Accounting Basis and Funding Basis under Statute

2021/22		2022/23
£'000		£'000
-	Gain on sale and disposal of HRA Non Current Assets	125
5,265	Capital expenditure funded by the HRA (CFCR)	6,655
490	Capital Grants contributions that have been applied to capital financing	2,945
-	Capital Grants and Contributions unapplied credited to the CIES	85
	Transfer to/from the Capital Adjustment Account:	
(5,177)	- Depreciation and Impairment	(5,555)
304	- Repayment of Debt	384
(1,754)	HRA share of contributions to/from the Pension Reserve	(1,554)
	Amount by which officer remuneration charged to the HRA Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(60)
153		
<u>(719)</u>		<u>3,025</u>

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
HOUSING REVENUE ACCOUNT (HRA)

HRA 2. Housing Stock

The Council's housing stock at 31 March 2023 was 5,007 (31 March 2022 4,974) in the following categories:

2021/22		2022/23
Number		Number
29	One apartment	29
1,361	Two apartment	1,367
2,211	Three apartment	2,231
1,227	Four apartment	1,232
142	Five apartment	144
4	Six apartment	4
<u>4,974</u>		<u>5,007</u>

HRA 3. Rent Arrears

Rent Arrears increased during the year by £0.259m to a total of £2.495m (2021/22 £2.236m). As a percentage of gross rental income, the arrears represent 12.2% (2021/22 11.2%) which is equivalent to £500 (2021/22 £450) per house.

HRA 4. Impairment of Debtors

In 2022/23 an impairment of £2.361m (2021/22 £2.236m) has been provided in the Balance Sheet for irrecoverable rents, an increase of £0.125m on the provision in 2021/22

HRA 5. Rent Lost Due To Empty Properties

Rent lost due to empty properties during the year was £0.539m (2021/22 £0.457m) this is included within the other expenditure figures in the Income and Expenditure Statement.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Council Tax Income Account for the year ended 31 March 2023

The Council Tax Income Account shows the gross income raised from Council taxes levied and deductions made under Statute. The resultant net income is transferred to the Comprehensive Income and Expenditure Statement of the Council.

2021/22		2022/23
£'000		£'000
(31,837)	Gross Council Tax levied and contributions in lieu	(33,098)
	Deduct	
3,839	Other discounts and reductions	4,115
234	Write-off of uncollectable debts and allowance for impairment	592
46	Adjustments to previous years Council Tax	56
3,744	Council Tax Reduction Scheme	3,903
<u>(23,974)</u>	Net Council Tax Income transferred to General Fund	<u>(24,432)</u>

CTI 1. Council Tax Properties and Council Tax Changes

Occupiers of domestic properties are liable to pay Council Tax. This is a tax levied by local authorities on domestic properties within their area.

Dwellings fall within a valuation band which is determined by the Assessor employed by the Central Scotland Valuation Board. In setting its budget the Council determines the Council Tax level each year. Charges for other bands are proportionate to the Band 'D' figure, which for 2022/23 was £1,343.77 (2021/22 £1,304.63). This was a 3.0% increase from the previous year.

Valuation Band	Council Tax Charge
	£
A	895.85
B	1,045.15
C	1,194.46
D	1,343.77
E	1,765.56
F	2,183.62
G	2,631.55
H	3,292.23

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Council Tax Income Account for the year ended 31 March 2023

CTI.2 Calculation of the Council Tax Charge Base 2022/23

number of dwellings (properties)

	A	A	B	C	D	E	F	G	H	Total
	(Disabled)									
	Relief)									
Total number of dwellings	-	6,314	7,334	2,163	2,782	3,455	2,085	922	54	25,109
Less exempt dwellings	-	(342)	(249)	(81)	(47)	(54)	(25)	(17)	(7)	(822)
Dwellings subject to disabled reduction	-	(25)	(29)	(21)	(22)	(58)	(18)	(5)	(2)	(180)
Dwellings subject to tax at this band due to disabled relief	25	29	21	22	58	18	5	2	-	180
Less adjustments for single discounts	(3)	(931)	(844)	(243)	(234)	(202)	(76)	(34)	(1)	(2,568)
Less adjustments for double discounts	-	(36)	(40)	(35)	(29)	(16)	(10)	(3)	-	(169)
Less adjustments for disregarded adults	-	(1)	(1)	-	-	(1)	-	-	-	(3)
	22	5,008	6,192	1,805	2,508	3,142	1,961	865	44	21,547
Effective number of dwellings after discounts, exemptions and reliefs										
Band D equivalent factor (ratio)	5/9	6/9	7/9	8/9	9/9	(473/360)	(585/360)	(705/360)	(882/360)	
Band D equivalent properties Number of Dwellings	12	3,339	4,816	1,604	2,508	4,128	3,187	1,694	108	21,396
Less provision for non-collection @ 2.5%										(535)
Council Tax Base 2022/23										20,861

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23

Non Domestic Rates Income Account for the year ended 31 March 2023

The Non-Domestic Rate Account is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate Non-Domestic Rate Account. The Statement shows the gross income from the rates and deductions made under statute. The net income is paid to the Scottish Government as a contribution to the national non-domestic rate pool.

2021/22		2022/23
£'000		£'000
(21,281)	Gross rates levied and contributions in lieu	(21,564)
6,610	Reliefs and other deductions	4,338
(384)	Allowance for impairment of debts and appeals	(446)
(15,055)	Net Non-Domestic Rate Income	(17,672)
1,216	Adjustment to previous years' national non-domestic rates	525
66	Non-Domestic Rates Income Retained by Authority (BRIS)	-
(34)	Discretionary Reliefs charged to the General Fund	(36)
(13,807)	Total Non-Domestic Rates Income/Income for Contribution to Non-Domestic Rate Pool	(17,183)
2021/22		2022/23
£'000		£'000
13,807	Contribution to National Non-Domestic Rate Pool	17,183
(13,650)	Distribution from National Non-Domestic Rate Pool	(18,065)
157	(Gain)/Loss from National Pool	(882)
(13,650)	Net NNDR Income per the Comprehensive Income and Expenditure Statement (Note 10)	(18,065)

The Council retained Nil (2021/22 - £65,678) in respect of the Rates Incentivisation scheme.

NDR 1. Net Rateable Value Calculation

The amount paid for NNDR is determined by the rateable value placed on the property by the Assessor multiplied by the rate per pound of £0.498 which is determined each year by the Scottish Government.

NDR 2. Rate Poundages Levied

	2021/22	2022/23
National Non-Domestic Rate	49.0p	49.8p
Intermediate Property Supplement – properties valued > £51,000	1.3p	1.3p
Large Property Supplement – properties valued > £95,000	2.6p	2.6p

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23

Non Domestic Rates Income Account for the year ended 31 March 2023

NDR 3. Analysis of Rateable Values as at 1 April 2022

	Number of Premises	Rateable Value £'000
Type of Subject		
Commercial	950	15,176
Industrial	296	16,388
Miscellaneous	466	10,523
Total	1,712	42,087

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Common Good

Summary

Common Good Funds are the assets and income of the former burghs of Scotland and stand separate from other accounts and funds of the Council. The Common Good is corporate property and must be applied for the benefit of the community as the Council thinks fit. The assets incorporated within the Common Good Account comprise the Speirs Centre, Alloa Town Hall and West End Park all within the former burgh of Alloa. There are also currently £9k principal funds held within the Common Good Accounts.

Common Good Comprehensive Income and Expenditure Statement
For the year ended 31 March 2023

2021/22 £'000		2022/23 £'000	2022/23 £'000
	Income		
(267)	Charges for use of premises	(322)	
(267)			(322)
	Expenditure		
58	Property Maintenance	55	
57	Utilities	103	
99	Rates	100	
41	Cleaning, land services and refuse collection	45	
12	Insurance	19	
187	Depreciation, Impairment and Revaluations	187	
454			509
187	Cost of Services		187
-	Taxation and Non-Specific Grant Income		-
187	(Surplus)/Deficit on Provision of Services		187
-	Surplus on revaluation of non-current assets charged to the revaluation reserve		-
187	Total Comprehensive Income and Expenditure		187

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Common Good Balance Sheet
As at 31 March 2023

2021/22 £'000		2022/23 £'000
	Long-Term Assets	
5,165	Property, Plant and Equipment	4,978
	Current Assets	
9	Short-Term Investments	9
5,174	Net Assets	4,987
	Reserves	
(9)	Usable Reserves	(9)
(1,701)	Revaluation Reserve	(1,701)
(3,464)	Funds tied up in Fixed Assets	(3,277)
(5,174)	Total Reserves	(4,987)

Common Good Movement on Reserves Statement
As at 31 March 2023

	Notes	Usable Reserves £'000	Unusable reserves £'000	Total reserves £'000
2022/23				
Balance at 1 April 2022		(3,473)	(1,701)	(5,174)
Movement in reserves during 2022/23				
Total comprehensive income and expenditure		187	-	187
Increase or (decrease) in 2022/23				
Balance at 31 March 2023		(3,286)	(1,701)	(4,987)
2021/22				
Balance at 1 April 2021		(3,660)	(1,701)	(5,361)
Movement in reserves during 2021/22				
Total comprehensive income and expenditure		187	-	187
Increase or (decrease) in 2021/22		187	-	187
Balance at 31 March 2022		(3,473)	(1,701)	(5,174)

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Group Financial Statements

The Council has interests in its subsidiary, associates and joint ventures. It participates in these companies by means of Board membership and the provision of funding and management support. In accordance with the Code of Practice on Local Authority Accounting in the United Kingdom, Group Accounts have been prepared in addition to single entity financial statements.

The following entities have been consolidated into the Group Financial Statements:

Subsidiary:

- Common Good

Joint Ventures:

- Clackmannanshire and Stirling Integration Joint Board

Associates:

- Central Scotland Valuation Joint Board

Information on how the Council participates in these companies is given in Note 6 to the Group's Financial Statements.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Group Financial Statements

Group Comprehensive Income & Expenditure Statement for the year ended 31 March 2023

This statement combines the Comprehensive Income and Expenditure of the Council with the share of its subsidiary, associates and joint ventures income and expenditure to show the group position.

2021/22			2022/23			
Restated Gross Expenditure	Restated Gross Income	Restated Net Expenditure /(Income)		Gross Expenditure	Gross Income	Net Expenditure /(Income)
£'000	£'000	£'000		£'000	£'000	£'000
102,799	(6,515)	96,284	People	101,365	(7,194)	94,171
29,307	(22,597)	6,710	Partnership & Performance	26,901	(23,282)	3,619
33,875	(12,575)	21,300	Place	43,399	(12,878)	30,521
17,884	(20,392)	(2,508)	Housing Revenue Account	19,119	(20,516)	(1,397)
1,232	-	1,232	Corporate Services	1,372	(1)	1,371
58,116	(36,391)	21,725	Clackmannanshire & Stirling IJB	65,739	(38,754)	26,985
445	-	445	Central Scotland Valuation Joint Board	453	-	453
355	-	355	Common Good	464	-	464
244,013	(98,470)	145,543	Group Cost of Services	258,812	(102,625)	156,187
11	-	11	Other Operating Expenditure	(201)	-	(201)
12,157	(383)	11,774	Financing & Investment Income & Tax Expenditure	12,878	(1,489)	11,389
-	(138,997)	(138,997)	Taxation & Non-Specific Grant Income	-	(143,553)	(143,553)
256,181	(237,850)	18,331	Deficit or (surplus) on Provision of Services	271,489	(247,667)	23,822
		(3,431)	Share of (surplus) or deficit on provision of services by associates & joint ventures			1,459
		14,900	Group Deficit/(Surplus)			25,281
		(24,659)	Surplus on revaluation of non-current assets including share of subsidiary			(16,926)
		2,494	Impairment (gain)/ loss on non-current asset to the revaluation reserve			12,061
		(78,341)	Actuarial gains on pensions assets/liabilities			(131,048)
		(607)	Share of other comprehensive income of associates & joint ventures			(1,287)
		(101,113)	Other Comprehensive Income			(137,200)
		86,213	Total Comprehensive Income			(111,919)

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Group Financial Statements
Group Movement in Reserves Statement
For the Year Ended 31 March 2023

This statement shows the movement in the year on the different reserves held by the Council alongside the reserves of the subsidiary, associates and joint ventures that the Council has an interest in giving a total reserves position for the Group.

	Usable Reserves			Unusable Reserves			Total Group Reserves
	Council	Council's share of subsidiary, associates & joint ventures	Group Total	Council	Council's share of subsidiary, associates & joint ventures	Group Total	
2022/23	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2022	(38,877)	(10,631)	(49,508)	(164,411)	(878)	(165,289)	(214,797)
Opening balance adjustment	-	(2)	(2)	-	16	16	14
Balance at 1 April 2022 Revised	(38,877)	(10,633)	(49,510)	(164,411)	(862)	(165,273)	(214,783)
Movement in Reserves during 2022/23							
Total comprehensive income & expenditure	23,635	1,646	25,281	(135,913)	(1,287)	(137,200)	(214,783)
Adjustments between accounting basis & funding basis under statutory provisions	(19,768)	(82)	(19,850)	19,768	82	19,850	-
Net (increase)/decrease before transfers	3,886	1,564	5,431	(116,145)	(1,205)	(117,350)	(111,919)
Transfers to/from Earmarked Reserves	884	-	884	(884)	-	(884)	-
(Increase)/decrease in 2022/23	4,685	1,564	6,315	(117,029)	(1,205)	(118,234)	(111,919)
Balance at 31 March 2023	(34,126)	(9,069)	(43,195)	(281,440)	(2,067)	(283,507)	(326,702)

The opening balance at 1 April 2022 has been adjusted to reflect the change in share of the Valuation Joint Board from 15.4% in 2021/22 to 15.7% in 2022/23. This increase reflects the inclusion of additional Barclay funding within the requisitions made to the Board from the constituent authorities.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23

	Usable Reserves			Unusable Reserves			Total Group Reserves
	Council	Council's share of subsidiary, associates & joint ventures	Group Total	Council	Council's share of subsidiary, associates & joint ventures	Group Total	
2021/22	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2021	(33,094)	(7,293)	(40,387)	(87,832)	(365)	(88,197)	(128,584)
Movement in Reserves during 2021/22							
Total comprehensive income & expenditure	18,144	(3,244)	14,900	(100,506)	(607)	(101,113)	(86,213)
Adjustments between accounting basis & funding basis under statutory provisions	(24,128)	(94)	(24,222)	24,128	94	24,222	-
Net (increase)/decrease before transfers	(5,984)	(3,338)	(9,322)	(76,378)	(513)	(76,891)	(86,213)
Transfers to/from Earmarked Reserves	201	-	201	(201)	-	(201)	-
Increase in 2021/22	(5,783)	(3,338)	(9,121)	(76,579)	(513)	(77,092)	(86,213)
Balance at 31 March 2022	(38,877)	(10,631)	(49,508)	(164,411)	(878)	(165,289)	(214,797)

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Group Financial Statements
Group Balance Sheet as at 31 March 2023

The Group Balance sheet shows the value of the Group combining Clackmannanshire Council's assets and liabilities with its share of the assets and liabilities of those entities in which it has a financial interest.

31 March 2022 £'000		31 March 2023 £'000
399,654	Property, Plant & Equipment	399,741
805	Heritage Assets	805
7,690	Investment Properties	7,532
310	Intangible Assets	206
7,062	Investments in Associates and Joint Ventures	5,682
-	Pensions Asset	29,149
-	VJB Assets	467
1	Long-Term Debtors	1
415,522	Non-Current Assets	443,583
225	Investment Properties held for Sale	242
535	Inventories	598
18,727	Short-Term Debtors	14,311
32,010	Short-Term Investments	34,010
9,234	Cash and Cash Equivalents	5,889
60,731	Current Assets	55,050
(31,653)	Short-Term Creditors	(36,085)
-	Provisions	(376)
(5,867)	Short-Term Borrowings	(3,032)
(37,520)	Current Liabilities	(39,493)
(60)	Provisions	(65)
(98,238)	Long-Term Borrowing	(97,754)
(124,911)	Other Long-Term Liabilities	(34,619)
(727)	VJB Liabilities	-
(223,936)	Long-Term Liabilities	(132,438)
214,797	Net Assets	326,702
(49,508)	Usable Reserves	(43,195)
(165,289)	Unusable Reserves	(283,507)
(214,797)	Total Reserves	(326,702)

The unaudited financial statements were issued on 10 August 2023 and the audited financial statements were authorised for issue on 29 August 2024.

Lindsay Sim
Chief Finance Officer

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Group Financial Statements

Notes to the Group Financial Statements

Note 1 Group Accounting Policies

In accordance with the Code of Practice on Local Authority Accounting in the United Kingdom, Group Accounts have been prepared in addition to single entity financial statements. The Financial Statements for the Group have been prepared in accordance with the Accounting Policies specified for the Council's Financial Statements and are set out in Note 1 of this document.

Note 2 Disclosure of Interest in Other Entities

The Council has adopted the recommendations of the Code, which requires local authorities to consider their interests in all types of entity to incorporate into Group Financial Statements. Group accounts have been prepared using the following basis:

- subsidiaries – consolidated on a line by line basis; and
- associates and joint ventures – using the equity method of accounting.

A full set of Group Financial Statements with the exception of a Cash Flow Statement, has been prepared and presented in the pages above, incorporating material balances from identified associates. The Group Cash Flow Statement is provided alongside the single entity statements as it is not materially different to the cash flow statement for the Council as a single entity.

Note 3 Group Entities

The accounting period end for the entities below is for the year end 31 March. Financial information up to 31 March was obtained and accounted for in the Group accounts. The dates of these accounts are included below.

The Group Accounts consolidate the results of other entities:

- The Common Good Fund has been consolidated in full as a subsidiary (31/03/23).
- Central Scotland Valuation Joint Board has been incorporated as an associate with a 15.7% share of total requisitions (31/03/23); and
- Clackmannanshire & Stirling Integration Joint Board has been incorporated as a joint venture with a 25% shareholding (31/03/23).

The Council also has an interest in Coalsnaughton NHT 2012 LLP as an associate and in CSBP Clackmannanshire Investments Limited as a joint venture. On assessment of the financial information of both entities, the total net assets of each are below materiality level and the financial information is not consolidated into the Group Financial Statements.

The individual accounts relating to these entities are published separately, and are available from Companies House or the Chief Finance Officer and Section 95 Officer, Kilncraigs, Alloa, FK10 1EB.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Group Financial Statements

Notes to the Group Financial Statements (continued)

With regard to the Joint Boards, the Council's interest reflects the requisition share paid by the Council. As no consideration was paid for such interests, there is no requirement to account for goodwill.

The Council holds no shares in the bodies governed by these Boards.

The Joint Boards have a wide range of functions to discharge, and members of each Board are elected Councillors and are appointed by the Council in proportions specified in the legislation.

Under accounting standards guidance, the Council can be seen to have significant influence over these statutory bodies, through nominated Council Member involvement in the bodies' governing Boards. The Boards are included within the Group Accounts even when our interest in these bodies is less than the 20% that is normally presumed to represent significant influence.

The Council has accounted for its interest in its joint venture using the equity method of accounting. The consideration paid by the Council equalled the fair value of assets and liabilities acquired, and therefore no goodwill arose on acquisition.

Note 4 Non-Material Interest in Other Entities

The Council recognises Coalsnaughton NHT 2012 LLP as an associate. The Council is one of four members of the LLP (25%). The Council made no contribution to the associate in the 2022/23 or 2021/22 financial years and the financial information from this associate has not been consolidated into the Group Financial Statements as it is considered immaterial to the understanding of the accounts.

The Council recognises CSBP Clackmannanshire Investments Limited as a joint venture. The council has two elected members of the Council who sit on the board of directors (50%). The Council received £0.043m in 2021/22 which was the repayment of rent guarantee funds previously provided by the Council. No funds were received in 2022/23. The Council made no contribution to the joint venture in the 2022/23 or 2021/22 financial years and the financial information from this joint venture has not been consolidated into the Group Financial Statements as it is considered immaterial to the understanding of the accounts.

The Council also has an interest in SEEMIS Group LLP and Scotland Excel. The financial results of the organisations have not been consolidated into the Council's Group Accounts as they are considered immaterial to the understanding of the accounts.

Note 5 Financial Impact of Group Consolidation

The effect of inclusion of the Subsidiary (Common Good), Associate, Joint Ventures and entities on the Group Balance Sheet is to increase both the Reserves and Net Assets by £11.136m (2021/22 £11.509m) representing the Council's net asset in the consolidating entities.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Group Financial Statements

Notes to the Group Financial Statements (continued)

Note 6 Financial Results of Associates and Joint Ventures

The Council has interests in its subsidiary, associates and joint ventures. It participates in these companies by means of Board membership and the provision of funding and management support.

Subsidiary:

- **Common Good – the Common Good is administered and fully controlled by Clackmannanshire Council.**

Common Good is treated as a subsidiary within the Council's Group accounts with assets, liabilities, reserves, income and expenditure being consolidated line by line.

The income and charges made in the year by the Council for services provided can be seen in the previous section of these accounts.

Joint Ventures:

- **Clackmannanshire and Stirling Integration Joint Board**

The Clackmannanshire and Stirling Integration Joint Board (IJB) is a statutory body established to integrate health and social care services between Clackmannanshire Council, Stirling Council and NHS Forth Valley. The contribution provided by Clackmannanshire Council to the IJB in 2022/23 was £25.167m (2021/22 £21.583m). The IJB Board comprises twelve voting members with three elected members of Clackmannanshire Council (25% voting share).

Associates:

- **Central Scotland Valuation Joint Board**

The Central Scotland Valuation Joint Board (VJB) is the statutory body responsible for maintaining the electoral, council tax and non-domestic rate register for Clackmannanshire, Stirling and Falkirk Councils. The contribution made by Clackmannanshire Council to the board for 2022/23 was £0.453m (2021/22 £0.445m). The VJB board comprises fifteen voting members with three elected members of Clackmannanshire Council (20% voting share) the accounts are consolidated based on the payment share of 15.7%.

- **Coalsnaughton NHT 2012 LLP**

Under the NHT initiative, the Scottish Futures Trust, Hadden Construction and Clackmannanshire Council (25%) entered into a Limited Liability Partnership (LLP) to purchase newly-built homes so they could be made available for rent at 'mid market' rates, for a period of up to 10 years. All housing units were sold to Kingdom Housing Association on 7th March 2021 and the investment was fully repaid to the Council on that date. This associate is not included within the Group Financial Statements for 2022/23 or 2021/22 as it is considered immaterial to the understanding of the accounts.

CLACKMANNANSHIRE COUNCIL
ANNUAL ACCOUNTS 2022/23
Group Financial Statements

The following table represents the Group's share of key financial information included within the Group statements, extracted from the accounts of the above entities for 2022/23.

	Central Scotland VJB		Clackmannanshire and Stirling IJB		Common Good	
	2021/22 £'000	2022/23 £'000	2021/222 020/21 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000
Gross Income	(477)	(489)	(2,116)	(2,158)	(267)	(322)
Gross Expenditure	557	544	58,176	65,388	454	509
Financing & Investment Income & Expenditure	27	23	(60,568)	(61,848)	-	-
(Surplus)/ Deficit on Provision of Services	107	78	(4,508)	1,382	187	187
Other Comprehensive Income/ Expenditure	(607)	(1,287)	-	-	-	-
Non-current assets	8	372	-	-	5,165	4,978
Current assets	172	168	7,062	5,682	9	9
Current liabilities	(80)	(73)	-	-	-	-
Long Term liabilities	(827)	-	-	-	-	-

Report to: Clackmannanshire Council

Date of Meeting: 29 August 2024

**Subject: Annual report to those charged with Governance and the
Controller of Audit for Financial Year Ended 2022/23**

Report by: Chief Finance Officer

1.0 Purpose

- 1.1. This report and appendices set out the findings arising from the work carried out by the External Auditors on the Audit of the 2022/23 Financial Statements.

2.0 Recommendations

It is recommended that Council:

- 2.1. note the content of the Independent Auditor's Report (Audit Opinion) (Appendix 1);
- 2.2. approve the content of the Letter of Representation (ISA 580), (Appendix 2);
- 2.3. note the content of the Annual Audit Report, the recommendations for improvement and the follow up on prior year recommendations (ISA260) (Appendix 3), and
- 2.4. note the content of the report by the external auditors - Best Value thematic work 2022/23 (Appendix 4).

3.0 Considerations

- 3.1. International Standard on Auditing (UK and Ireland) 260 (ISA 260) requires auditors to report specific matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action.
- 3.2. Appendix 1 of this report contains the Independent Auditors Report. This sets out the basis of the audit work and the Audit opinion.
- 3.3. Appendix 2 is the draft Letter of Representation (ISA 580) to the Auditor which the Council is required to prepare confirming the representations that have been made in connection with the audit of the Councils annual accounts for the year ended 31 March 2023. On approval, this letter will be signed by the Council's Chief Finance Officer.

- 3.4. The 2022/23 Annual Audit Report is included at Appendix 3 and sets out the significant findings from the 2022/23 audit of the Councils Annual Accounts. The report covers the scope of the audit as set out in the Annual Audit Plan presented to Audit & Scrutiny Committee on 15 June 2023, considering the four audit dimensions that frame the wider scope of public audit set out in the Code of Audit Practice covering:
- Financial Sustainability;
 - Financial Management;
 - Vision, Leadership and Governance, and
 - Use of Resources to Improve Outcomes.
- 3.5. The report also sets out recommendations and provides an action plan which has been agreed with Senior Officers, set out at Appendix 1 of the report. Contained within the action plan is an update on progress on recommendations brought forward from 2021/22.
- 3.6. The external auditors have also prepared an additional report alongside the report on the accounts: Best Value – thematic work 2022/23 (Appendix 4). This report will be provided to the Controller of Audit who will then report to the Accounts Commission alongside reports for 7 other councils in the first tranche of Best Value reports for Councils.

4.0 Conclusion

- 4.1. Council is asked to approve the Letter of Representation and note the content of the Independent Auditor’s Report, the 2022/23 Annual Audit Report and the Best Value – thematic work 2022/23.

5.0 Sustainability Implications

- 5.1. Not applicable.

6.0 Resource Implications

6.1. Financial Details

- 6.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

- 6.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

6.4. Staffing

7.0 Exempt Reports

- 7.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) Our Priorities

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

(2) Council Policies

Complies with relevant Council Policies

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

10.2 Appendix 1 – Independent Auditor’s Report

10.3 Appendix 2 – Letter of Representation (ISA 580)

10.4 Appendix 3 – Clackmannanshire Council 2022/23 Annual Audit Report

10.5 Appendix 4 – Best Value Thematic Work 2022/23

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Council Draft and Audited Financial Statements 2022/23

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Lindsay Sim	Chief Finance Officer	2022

Approved by

NAME	DESIGNATION	SIGNATURE
Chris Alliston	Strategic Director – Partnership and Performance	

Independent auditor's report to the members of Clackmannanshire Council and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

We certify that We have audited the financial statements in the annual accounts of Clackmannanshire Council and its group for the year ended 31 March 2023 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the group and council-only Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet, and Cash Flow Statement, the council-only Housing Revenue Account Income and Expenditure Statement, the Movement on the Housing Revenue Account Statement, the Council Tax Income Account, the Non-domestic Rate Account, the Common Good Funds and Trusts, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the 2022/23 Code).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the council and its group as at 31 March 2023 and of the income and expenditure of the council and its group for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2022/23 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Accounts Commission on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the council and its group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the council. We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ability of the council and its group to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of the council and its group. However, we report on the council's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

We report in our Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Chief Finance Officer and Clackmannanshire Council for the financial statements

As explained more fully in the Statement of Responsibilities, the Chief Finance Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the ability of the council and its group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the operations of the council and its group.

The Clackmannanshire Council Audit & Scrutiny Committee is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the council and its group;
- considering the nature of the council's control environment and reviewing the council's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired with management, internal audit and those charged with governance about their own identification and assessment of the risks of irregularities;
- inquiring of the Chief Finance Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the council and its group;
- inquiring of the Chief Finance Officer concerning the policies and procedures of the councils and its group regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the body operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included the Local Government (Scotland) Act 1973, the Local Authority Accounts (Scotland) Regulations 2014, the Local Government in Scotland Act 2003 and the Public Bodes (Joint Working) Scotland Act 2014.
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the body's ability to operate or to

avoid a material penalty. These included the Data Protection Act 2018 and relevant employment legislation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud was in relation to the capital expenditure. Where the Council develops properties as part of its capital programme, determining whether or not expenditure should be capitalised can involve judgement as to whether the costs should be capitalised under IFRS. The increasing pressures on the revenue budgets increases the risk of amounts being incorrectly capitalised. In response to this work, we have evaluated significant judgements made by management in regards to capital projects, including the capitalisation of staff costs and other project development costs. In addition, we have tested a sample of capital expenditure to confirm that they have been correctly capitalised.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and internal legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the council's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional

omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

Reporting on other requirements

Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report

We have audited the parts of the Remuneration Report described as audited. In our opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

Other information

The Chief Finance Officer is responsible for the other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited parts of the Remuneration Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been

prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which we are required to report by exception

We are required by the Accounts Commission to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Pat Kenny, CPFA (for and on behalf of Deloitte LLP)
110 Queen Street
Glasgow
G1 3BX
United Kingdom

29 August 2024

Our Ref: PK/SC/2023

Date: 29 August 2024

Dear Pat Kenny,

This representation letter is provided in connection with your audit of the financial statements of Clackmannanshire Council ('the entity') for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the entity as of 31 March 2023 and of the results of its operations, other comprehensive net expenditure and its cash flows for the year then ended in accordance with the applicable accounting framework as interpreted by the Code of Practice on Local Authority Accounting in the United Kingdom.

In addition to the above, this representation letter is provided in connection with your audit of the other information in the Annual Report and Accounts, for the purposes set out in the Code of Audit Practice 2021.

We are aware that it is an offence to mislead an auditor of a public body.

On behalf of the entity, I confirm as Chief Finance Officer, to the best of my knowledge and belief, the following representations.

Financial statements

1. We understand and have fulfilled our responsibilities for the preparation of the financial statements in accordance with the applicable financial reporting framework, as set out in the the Code of Practice on Local Authority Accounting in the United Kingdom, which give a true and fair view, as set out in the terms of the audit engagement letter.
2. The methods, the data, and the significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IAS24 "Related party disclosures".
4. All events subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment of or disclosure have been adjusted or disclosed.
5. The effects of uncorrected misstatements and disclosure deficiencies are immaterial, both individually and in aggregate, to the financial statements as a whole. We confirm that there were no uncorrected misstatements and disclosures identified as acknowledged in your ISA 260 report to those charged with governance.
6. We confirm that the financial statements have been prepared on the going concern basis and disclose in accordance with IAS 1 all matters of which we are aware that are relevant to the entity's ability to continue as a going concern, including principal conditions or events and our plans. We do not intend to cease operations as we consider we have realistic alternatives to doing so. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. We confirm the completeness of the information provided

regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.

7. We confirm going concern assessment is in line with the Local Authority Code Practice, as we confirm continued provision of the services.
8. We have reconsidered the remaining useful lives of the property, plant and equipment and confirm that the present rates of depreciation are appropriate to amortise the cost less residual value over the remaining useful lives.
9. We are not aware of events or changes in circumstances occurring during the period which indicate that the carrying amount of property, plant and equipment may not be recoverable.
10. With respect to accounting estimates, we confirm:
 - the measurement processes, including related assumptions and models used to determine accounting estimates in the context of the applicable financial reporting framework are appropriate and have been applied consistently;
 - the assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity where relevant to the accounting estimates and disclosures;
 - the disclosures related to accounting estimates under the entity's applicable financial reporting framework are complete and appropriate; and
 - there have been no subsequent events that require adjustment to the accounting estimates and disclosures included in the financial statements.
11. We confirm that we consider the depreciated historic cost is an appropriate proxy for the fair value of non-property assets and are not aware of any circumstances that would indicate that these assets require revaluation.
12. We confirm that the provisions included within the financial statements are our best estimate of the liability due by the entity.
13. We confirm that we have disclosed to you the details of all vesting certificates that we are aware of with suppliers used during the year, and that were in place at the year-end, and confirm that the accounting treatment adopted for each reflects our assessment of the facts and circumstances for each arrangement.
14. We confirm that all of the disclosures relating to sections of the Annual Report and Accounts which are considered 'other information' as set out in the Code of Audit Practice 2021 have been prepared in accordance with relevant legislation and guidance.
15. We confirm that:
 - all retirement benefits and schemes, including UK, foreign, funded or unfunded, approved or unapproved, contractual or implicit have been identified and properly accounted for;
 - all settlements and curtailments have been identified and properly accounted for;

- all events which relate to the determination of pension liabilities have been brought to the actuary's attention;
- the actuarial assumptions underlying the valuation of the scheme liabilities (including the discount rate used) accord with the officers' best estimates of the future events that will affect the cost of retirement benefits and are consistent with our knowledge of the business;
- the actuary's calculations have been based on complete and up to date member data as far as appropriate regarding the adopted methodology; and
- the amounts included in the financial statements derived from the work of the actuary are appropriate.

Information provided

16. We have provided you with all relevant information and access as agreed in the terms of the audit engagement letter with Audit Scotland.
17. All transactions have been recorded and are reflected in the financial statements and the underlying accounting records.
18. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error. We are not aware of any deficiencies in internal control of which you should be aware.
17. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
18. We have disclosed to you all information in relation to fraud, or suspected fraud that we are aware of, that affect the entity's and involve:
 - (i) Management;
 - (ii) Employees who have significant roles in internal control; or
 - (iii) Others where the fraud could have a material effect on the financial statements.
19. We have disclosed to you all known instances of non-compliance, or suspected non-compliance, with laws, regulations, and contractual agreements whose effects should be considered when preparing financial statements.
20. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
21. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework. No other claims in connection with litigation have been or are expected to be received.

22. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
23. We confirm that:
 - (i) we consider that the entity has appropriate processes to prevent and identify any cyber breaches other than those that are clearly inconsequential; and
 - (ii) we have disclosed to you all cyber breaches of which we are aware that have resulted in more than inconsequential unauthorised access of data, applications, services, networks and/or devices.
24. All minutes of Council and Committee meetings during and since the financial year have been made available to you.
25. We have drawn to your attention all correspondence and notes of meetings with regulators.

We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

Signed as Chief Finance Officer, for and on behalf of Clackmannanshire Council



Clackmannanshire Council

Final report to the Council and the Controller of Audit on the on the 2022/23 audit
Issued on 16 August 2024 for the meeting on the 29th August 2024

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1.1 Partner introduction

The key messages in this report

Audit quality is our number one priority. We plan our audit to focus on audit quality and have set the following audit quality objectives for this audit:

- A robust challenge of the key judgements taken in the preparation of the financial statements.
- A strong understanding of your internal control environment.
- A well planned and delivered audit that raises findings early with those charged with governance.

I have pleasure in presenting our final report to Clackmannanshire Council (“the Council”) for the 2022/23 audit. The report summarises our findings and conclusions in relation to the audit of the Annual Accounts and the wider scope requirements, the scope of which was set out within our planning report presented to the Audit and Scrutiny Committee (“the Committee”) in June 2023.

I would like to draw your attention to the key messages of this paper:

Conclusions from our testing

Based on our audit work completed to date, we expect to issue an unmodified audit report.

The Management Commentary and Annual Governance Statement comply with the statutory guidance and proper practice and are consistent with the Annual Accounts and our knowledge of the Council. We provided management with comments and suggested changes based on review of the first draft and an update has been received confirming compliance.

The auditable parts of the Remuneration report have been prepared in accordance with the relevant regulation.

A summary of our work on the significant risks is provided in the dashboard on page [9](#).

No material errors have been identified to date and there are no uncorrected misstatements. 1 corrected misstatement in excess of our reporting threshold of £107,000 has been identified up to the date of this report which is included within the Appendix to this report. These have no impact on the General Fund of the Council.

1.2 Partner introduction (continued)

The key messages in this report (continued)

Status of the Annual Accounts audit

Outstanding matters to conclude the audit include:

- Completion of internal quality procedures;
- Final pension clearance from Deloitte Pension Specialists;
- Receipt of signed management representation letter; and
- Our review of events since 31 March 2023.

Conclusions from wider scope audit work

Financial management – effective budget setting and monitoring arrangements are in place. The capital budget setting and monitoring arrangements should be reviewed to ensure that realistic budgets are set with clear timelines and a clear linkage to Council priorities. The finance team continues to be significantly stretched, and in particular has been unable to recruit a permanent capital accountant. We are pleased to note that the Council are undertaking a service review of the finance team to reconsider the size and structure of the team. We will continue to monitor progress with this during our appointment.

Financial sustainability – Financial balance was achieved in 2022/23 and budgeted in 2023/24 by using one-off solutions including use of reserves, which is unsustainable in the medium to longer-term. The level of uncommitted reserves as of 31 March 2023 was at the lower end agreed in the Council’s reserves strategy, and there is an ongoing risk associated with the HSCP overspends in 2023/24.

A funding gap of £11.6m is projected for 2024/25, increasing to £21.9m in 2026/27. The Council is therefore not financially sustainable in the medium-term and urgent action is required. While regular budget updates are provided to members, the Council should develop a comprehensive Medium-Term Financial Strategy setting out how financial sustainability is to be achieved.

The Council’s approach to transformation has evolved over the year, and is able to demonstrate a number of positive developments. Clear governance arrangements are in place and a new model of resourcing has been agreed in March 2023. However, more work is required to build the detail behind each project within the transformation programme and fully align this to the development of a medium-term financial strategy including adding greater detail about individual projects and developing a benefits realisation tracker to assess whether the Council has achieved its aims.

Vision, leadership and governance – Our view of the vision and leadership of the Council has been considered as part of the separate management report “Best Value thematic work 2022/23”.

The Council’s revised decision-making framework is being embedded. The Audit and Scrutiny Committee plays a key role in the governance arrangements and in line with best practice has recently carried out a self-assessment and skills audit, with areas of development identified. We will continue to monitor the progress with this during our audit appointment. The Council continues to be open and transparent.

1.3 Partner introduction (continued)

The key messages in this report (continued)

Conclusions from wider scope audit work (Continued)

Use of resources to improve outcomes – Our view on the Council’s performance management framework has been considered as part of the separate management report “Best Value thematic work 2022/23”.

There are appropriate arrangements in place to comply with the SPI Direction, including its public performance reporting requirements.

Best value - The Council has an appropriate and effective best value framework in place and has continued to make positive progress in addressing the recommendations contained in the 2018 BVAR and subsequent progress report published in June 2019. The Council has a clear understanding of areas which require development.

Climate change – The Council has a comprehensive Climate Change Strategy with ambitious targets in place and reporting annually in accordance with the regulation and legislation. Clear governance arrangements are in place with the Climate Emergency Board, and good links in place to involve communities in the decision-making process. It is essential that as detailed actions plans are developed, the Council is transparent about the gaps and challenges that exist in achieving its targets.

Cyber risk - We have obtained an understanding of the Council’s cyber risk management programme and internal controls in relating to cyber risk. No issues have been noted. It is important that the internal audit review is progressed as planned to assess the appropriateness of the cyber security arrangements in place.

Next steps

An agreed Action Plan is included on pages [69 to 73](#) of this report, including a follow-up of progress against prior year actions.

We have also prepared a separate management report as part of the Best Value thematic work in 2022/23 assessing the leadership of the development of the Council’s priorities.

Added value

Our aim is to add value to the Council by providing insight into, and offering foresight on, financial sustainability, risk and performance by identifying areas for improvement and recommending and encouraging good practice. In so doing, we aim to help the Council promote improved standards of governance, better management and decision-making, and more effective use of resources. This is provided throughout the report.

We have also included our “sector developments” on pages [58 to 67](#) where we have shared our research and informed perspective and best practice from our work across the wider public sector that are specifically relevant to the local government.

Pat Kenny
Lead audit partner




Annual Accounts Audit



2.1 Quality indicators

Impact on the execution of our audit





Management and those charged with governance are in a position to influence the effectiveness of our audit, through timely formulation of judgements, provision of accurate information, and responsiveness to issues identified in the course of the audit. This slide summarises some key metrics related to your control environment which can significantly impact the execution of the audit. We consider these metrics important in assessing the reliability of your financial reporting and provide context for other messages in this report.

Area	Grading	Reason	Further detail
Timing of key accounting judgements		Documentation supporting management’s assessment of key estimates – including pensions, provisions and property valuations – was provided on time.	
Adherence to deliverables timetable		The draft annual accounts were provided on 1 st September 2023 which was two weeks after the agreed timetable.	As noted below, the finance team has been under significant staffing pressure which has meant a delay to the responses to audit requests. Due to this, and the adjustments identified (page 69) it was agreed to revise the audit reporting deadline.
Access to finance team [and other key personnel]		Deloitte and Council staff worked together to facilitate remote communication during the audit. We are aware that the finance team is experiencing significant staffing challenges which has meant a delay in responses to audit requests as the team managed their competing priorities.	

2.1 Quality indicators (continued)

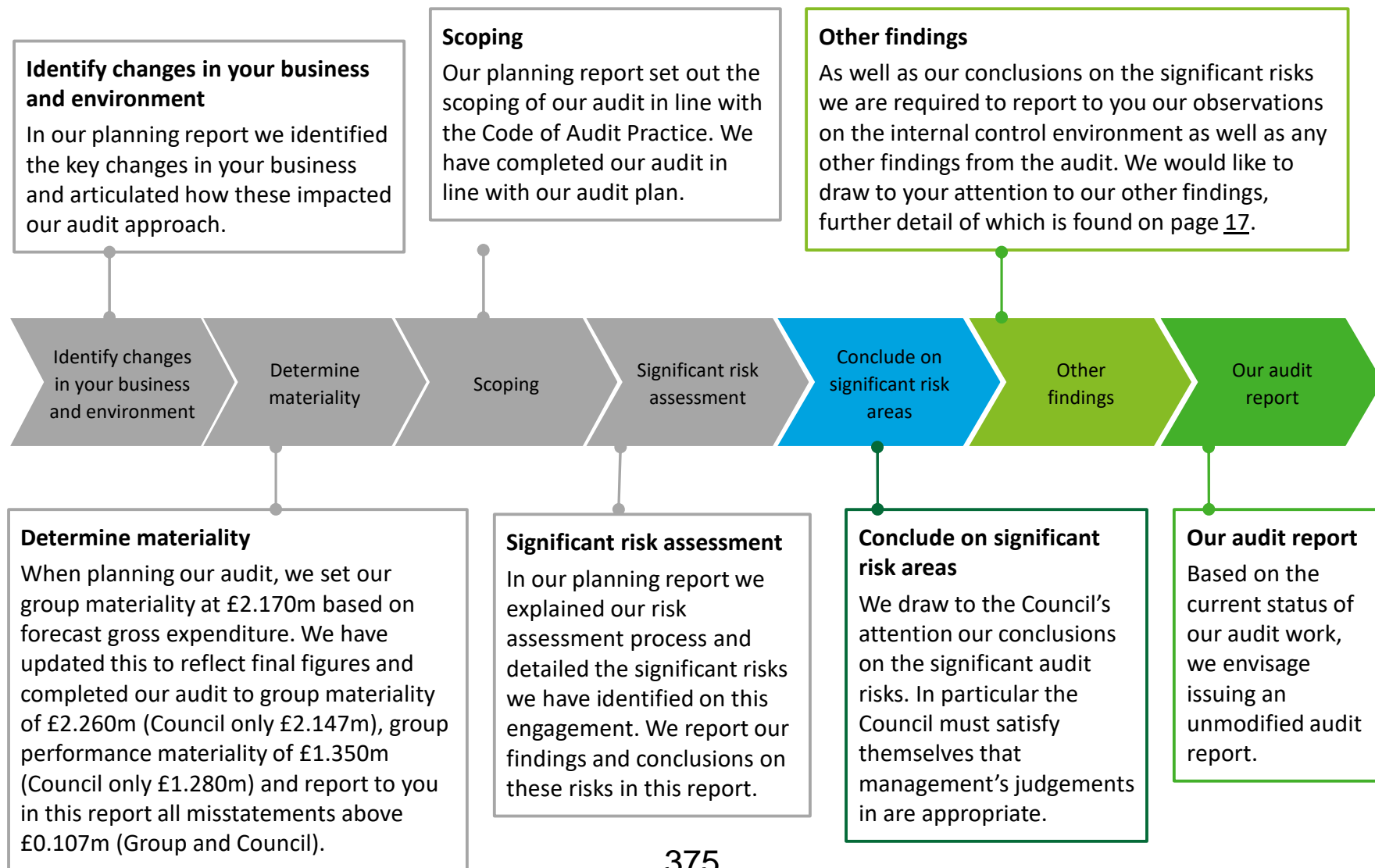
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Area	Grading	Reason	Further detail
Quality and accuracy of management accounting papers		There were instances where the quality and accuracy of the supporting evidence did not meet the standard required, with significant sub sampling being required for PPE additions work and listings of revalued properties taking time to compile. We plan to hold a detailed de-brief with all members of the audit team and Council finance team to identify lessons learned and improve this for future years.	
Quality of draft Annual Accounts		The initial draft of the Annual Accounts received for audit was generally of a good standard.	
Response to control deficiencies identified		Deloitte have not identified any significant control deficiencies over the course of the 2022/23 audit.	
Volume and magnitude of identified errors		A material adjustment relating to property valuations (page 69) was identified.	






2.2 Our audit explained


We tailor our audit to your business and your strategy






2.3.1 Significant risks

Significant risk dashboard

Risk	Fraud risk	Planned approach to controls	Controls conclusion	Consistency of judgements with Deloitte's expectations
Management override of controls			Satisfactory	
Property valuations			Satisfactory	
Capital Expenditure			Satisfactory	

 **Controls approach adopted**
Assess design & implementation

Consistency of judgements with Deloitte's expectations

-  Consistent
-  Improvement required
-  Inconsistent

2.3.2 Significant risks (continued)

Management override of controls

Risk identified

Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Although management is responsible for safeguarding the assets of the entity, we planned our audit so that we had a reasonable expectation of detecting material misstatements to the Annual Accounts and accounting records.

Deloitte response and challenge

In considering the risk of management override, we have performed the following audit procedures that directly address this risk:

Journals

- We have tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the Annual Accounts. In designing and performing audit procedures for such tests, we have:
- Tested the design and implementation of controls over journal entry processing;
- Made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments;
- Selected journal entries and other adjustments made at the end of a reporting period; and
- Considered the need to test journal entries and other adjustments throughout the period.

Accounting estimates and judgements.

We have reviewed accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud. In performing this review, we have:

- Evaluated whether the judgments and decisions made by management in making the accounting estimates included in the Annual Accounts, even if they are individually reasonable, indicate a possible bias on the part of the entity's management that may represent a risk of material misstatement due to fraud. From our testing we did not identify any indications of bias. A summary of the key estimates and judgements considered is provided on the next page; and.
- Performed a retrospective review of management judgements and assumptions related to significant accounting estimates reflected in the Annual Accounts of the prior year.

Significant and unusual transactions

We did not identify any significant transactions outside the normal course of business or any transactions where the business rationale was not clear.

Deloitte view

We have not identified any instances of management override of controls from our testing to date.

2.3.3 Significant risks (continued)

Management override of controls (continued)

Key estimates and judgements The key estimates and judgments in the Annual Accounts includes those which we have selected to be significant audit risks around capital expenditure (see [page 14](#)) and property valuations (see [page 13](#)). This is inherently the area in which management has the potential to use their judgement to influence the Annual Accounts. While not considered to be significant audit risks, we have considered the assumptions used to calculate the pension liability (see [page 15](#)) and the recognition of expenditure (see [page 16](#)). In the table below, we set out our challenge of the assumptions used in the determination of the Public Finance Initiatives and Public Private Partnership projects.

Estimate / judgement	Details of management's position	Deloitte Challenge and conclusions
Private Finance initiatives ('PFI')	<p>The Council currently has one PFI project for the provision of education buildings, their maintenance and related facilities: Alloa, Alva, and Lornshill Acadamies.</p> <p>Each PFI liability is valued based on the value of the remaining lease payments under IAS 16 and IAS 17. The minimum lease rental is split between interest and principal using the actuarial method.</p>	<p>We obtained and assessed the initial PFI agreements in place and reconciled to the payment schedules for each model. We have checked the integrity of the models and have performed a reconciliation to the Annual Accounts. We have conducted a retrospective review of the prior year liability to assess accuracy, and have challenged any changes made to the model. We have assessed the value of the underlying buildings through our Valuations work.</p> <p>We are satisfied that the PFI liability recognised in the accounts is in line with the models and there is no indication of management bias.</p> <p>We have challenged management's accounting treatment and concluded that the net book value has been appropriately disclosed.</p>

2.3.4 Significant risks (continued)

Property valuations



Risk identified and key judgements

The Council held £394.489m of property assets (Council dwellings, land & buildings) at 31 March 2022 which increased to £394.763m as at 31 March 2023 due to a combination of upwards revaluations and impairments as a result of the Council carrying out a combination of asset valuations as part of the 5-year rolling programme and a desktop valuation of schools and non operational assets.

The Council is required to hold property assets within Property, Plant and Equipment at existing use value provided that an active market for the asset exists. Where there is no active market, because of the specialist nature of the asset, a depreciated replacement cost approach may be needed which provides the current cost of replacing an asset with its modern equivalent asset. The valuations are by nature significant estimates which are based on specialist and management assumptions, and which can be subject to material changes in value.

- tested the design and implementation of key controls in place around the property valuation;
- tested the inputs to the valuation and the key asset information provided by the Council to the valuer back to supporting documentation; and
- Challenged management's assessment for material changes in value for those property assets not subject to full valuation in the year.

In response to the UK government notice regarding Reinforced Autoclaved Aerated Concrete (RAAC), we have followed up the action taken to date with the Council. Management has confirmed that it is undertaking an assessment of RAAC in Council homes and public buildings, with some isolated occurrences being identified. These occurrences are not material to the overall financial statements and the Council is continuing to review its portfolio as of June 2024.



Deloitte response and challenge

We have performed the following procedures:

- used our valuation specialists, Deloitte Real Asset Advisory, to review and challenge the appropriateness of the assumptions used in the year-end valuation of the Council's Land and Buildings;

Deloitte view

We have identified an overstatement of £10.5m in relation to Alva Academy, and a £1.6m overstatement in relation to Alva Primary. This also impacted the desktop valuation performed by the Council, with the total impact being a £57m reduction in PPE net book value. These misstatements were corrected, and no further adjustments noted.

2.3.5 Significant risks (continued)

Capital Expenditure



Risk identified and key judgements

The Council has a significant capital programme, and had budgeted £19.697m for capital works during 2022/23 (2021/22: £16.415m). Key projects include investment in the education estate, roads infrastructure improvements and expenditure associated with the Wellbeing Complex.

Where the Council develops properties as part of its capital programme, determining whether or not expenditure should be capitalised can involve judgement as to whether costs should be capitalised under International Financial Reporting Standards. The increasing pressures on the revenue budgets increases the risk of amounts being incorrectly capitalised.

The Council has a significant assets under construction balance for current ongoing capital projects (£2.385m as at 31 March 2023). The timing in which projects are completed and assets are brought into use directly impacts the level of depreciation incurred by the Council and as such is an area that we judge could be open to management override.



Deloitte response and challenge

We have performed the following procedures:

- Reviewed the Council's capital plans as part of the planning process and discussed with management potential risks or issues identified.
- Tested the design and implementation of controls around the capitalisation of costs and test spending on a sample basis to confirm that it complies with relevant accounting requirements;
- Tested the design and implementation of controls around the transfer of assets out of assets under construction and into use and test completed projects on a sample basis to ensure depreciation is charged from the correct date;
- Evaluated the completeness of disposals or impairments of existing assets on completion of the above key projects; and
- Challenged any significant judgements made by management in regards to these projects, for example the capitalisation of staff costs and other project development costs, to ensure they comply with relevant accounting requirements.

Deloitte view

We have not identified any issues with regards to capitalisation of capital expenditure.

2.4.1 Other Areas of Audit Focus

Defined benefits pension scheme

Background

The Council participates in two defined benefits schemes:

- Scottish Teachers' Superannuation Scheme, administered by the Scottish Government; and
- The Falkirk Pension Fund, administered by Falkirk Council.

The net pension liability has changed from a net liability of £88.859m in 2021/22 to a net asset of £29.249m. This significant movement is largely as a result of an increase in the corporate bond yield, upon which the discount rate is derived, and is reflective of the pension fund triennial valuation which took place in May 2024 and was effective from March 2023.



Deloitte response

- We assessed the independence and expertise of the actuary supporting the basis of reliance upon their work;
- We reviewed and challenged the assumptions made by Hymans Robertson;
- We have obtained assurance from the auditor of the pension fund over the controls for providing accurate data to the actuary;
- We assessed the reasonableness of the Council's share of the total assets of the scheme with the Pension Fund Annual Accounts;
- We have reviewed and challenged the calculation of the impact of the McCloud and Goodwin cases on pension liabilities;
- We have assessed whether the recognition of the asset is in line with standards; and
- We reviewed the disclosures within the accounts against the Code.

	Council	Comments
Pension increase (CPI)(% p.a.)	2.95	Appropriate
Salary increase (% p.a.)	3.55	Appropriate
Discount rate (% p.a.)	4.75	Appropriate
Mortality - Life expectancy of a male/female pensioner from age 65 (currently aged 65)	20.3/23.3	Appropriate
Mortality - Life expectancy of a male/female pensioner from age 65 (currently aged 45)	20.8/24.8	Appropriate

Deloitte view

We have not identified any issues with regards to the defined benefits pension scheme from our procedures performed to date, subject to final clearance from Deloitte pension specialists. The Council have updated the disclosure to reflect the most recent pensions fund triennial valuation report as of May 2024, effective from March 2023.

2.4.2 Other Areas of Audit Focus (continued)

Expenditure recognition

Risk identified

In accordance with Practice Note 10 (*Audit of financial statements of public sector bodies in the United Kingdom*), in addition to the presumed risk of fraud in revenue recognition set out in ISA (UK) 240, auditors of public sector bodies should also consider the risk of fraud and error on expenditure. This is on the basis that most public bodies are net spending bodies, therefore the risk of material misstatement due to fraud related to expenditure may be greater than the risk of material misstatement due to fraud related to revenue recognition.

We have considered this risk for the Council and concluded that we are satisfied that the control environment is strong and there is no history of errors or audit adjustments. This was therefore not been assessed as a significant risk area, but continued to be an area of audit focus.



Deloitte response

We performed the following procedures to address the above risk:

- A review of the number and median value of invoices processed in the year. As illustrated in table opposite, based on the medium amount, the Council would need to omit over 13,655 invoices at year-end to result in a material error. We noted that in the month following the year-end, a total of 1,054 invoices were processed. We therefore concluded that a risk of material misstatement was remote.
- Analytical review to test the completeness and accuracy of year-end creditor balances was carried out. We are satisfied that the amount recorded is reasonable.
- Detailed testing of a sample of accruals was completed with no issues arising.

Invoice Analysis	
Median invoice amount	£157
Average number of invoices processed per month	4,283
Number of invoices that would need to be unrecorded to cause a material misstatement	13,655
Total invoices processed in April 2023 (one month after year-end)	1,054 (total value £2,176m)

Deloitte view

We have concluded that expenditure has been correctly recognised in accordance with the requirements of the Code of Practice on Local Authority Accounting.

2.5 Your control environment and findings

Control deficiencies and areas for management focus

No control deficiencies have been identified as a result of our audit procedures.

2.6 Other significant findings

Financial reporting findings

Below are the findings from our audit surrounding your financial reporting process.

Qualitative aspects of your accounting practices:

The Council's Annual Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting (the "Code"). Following our audit work, we are satisfied that the accounting policies are appropriate.

Significant matters discussed with management:

We have discussed the Council's response to the national issue arising relating to RAAC, which is discussed further on page [13](#).

Regulatory change

IFRS 16, Leases, was due to come into effect on 1 April 2022, however, has been deferred to be effective from 1 April 2024 and will be included in the 2024/25 Code. Local authorities may adopt it in preceding financial periods if deemed appropriate.

Clackmannanshire Council has opted to wait until the implementation date of 1 April 2024. In accordance with the Code, there is therefore no requirement in the 2022/23 accounts to disclose the impact of this upcoming change. This is something that will need to be considered for the 2023/24 accounts as the Council will then need to disclose the expected impact from 1 April 2024.

Liaison with internal audit

The audit team, has completed an assessment of the independence and competence of the internal audit department and reviewed their work and findings. In response to the significant risks identified, no reliance was placed on the work of internal audit and we performed all work ourselves.

We will obtain written representations from the Council on matters material to the Annual Accounts when other sufficient appropriate audit evidence cannot reasonably be expected to exist. A copy of the draft representations letter has been circulated separately.

2.7 Our audit report

Other matters relating to the form and content of our report

Here we discuss how the results of the audit impact on other significant sections of our audit report.



Our opinion on the Annual Accounts

Our opinion on the financial statements is expected to be unmodified.



Going concern

We have not identified a material uncertainty related to going concern and will report that we concur with management's use of the going concern basis of accounting.

Practice Note 10 provides guidance on applying ISA (UK) 570 Going Concern to the audit of public sector bodies. The anticipated continued provision of the service is more relevant to the assessment that the continued existence of a particular body.



Emphasis of matter and other matter paragraphs

There are no matters we judge to be of fundamental importance in the financial statements that we consider it necessary to draw attention to in an emphasis of matter paragraph.

There are no matters relevant to users' understanding of the audit that we consider necessary to communicate in any other matter paragraph.



Other reporting responsibilities

The Annual Accounts is reviewed in its entirety for material consistency with the Annual Accounts and the audit work performance and to ensure that they are fair, balanced and reasonable.

Our opinion on matters prescribed by the Controller of Audit are discussed further on page [20](#).

2.8.1 Your Annual Accounts

We are required to provide an opinion on the auditable parts of the Remuneration report, the Annual Governance Statement and whether the Management Commentary is consistent with the disclosures in the accounts.

	Requirement	Deloitte response
Management Commentary	The report outlines the Council's performance, both financial and non-financial. It also sets out the key risks and uncertainties faced by the Council.	<p>We have assessed whether the Management Commentary has been prepared in accordance with the statutory guidance.</p> <p>We have also read the Management Commentary and confirmed that the information contained within is materially correct and consistent with our knowledge acquired during the course of performing the audit, and is not otherwise misleading.</p> <p>Following updates made as agreed during the audit, we are satisfied that the Management Commentary has been prepared in accordance with guidance, is consistent with our knowledge and is not otherwise misleading.</p>
The Remuneration Report	The remuneration report has been prepared in accordance with the 2014 Regulations, disclosing the remuneration and pension benefits of Senior councillors and Senior Employees of the Council.	We have audited the disclosures of remuneration and pension benefits, pay bands, and exit packages, and we can confirm that they have been properly prepared in accordance with the regulations.
The Annual Governance Statement	The Annual Governance Statement reports that the Council's governance arrangements provide assurance, are adequate and are operating effectively.	We have assessed whether the information given in the Annual Governance Statement is consistent with the Annual Accounts and has been prepared in accordance with the Delivering Good Governance in Local Government Framework. Following updates made as agreed during the audit for minor improvements we can conclude that the Annual Governance Statement is consistent with the Annual Accounts, our knowledge and the accounts regulations.

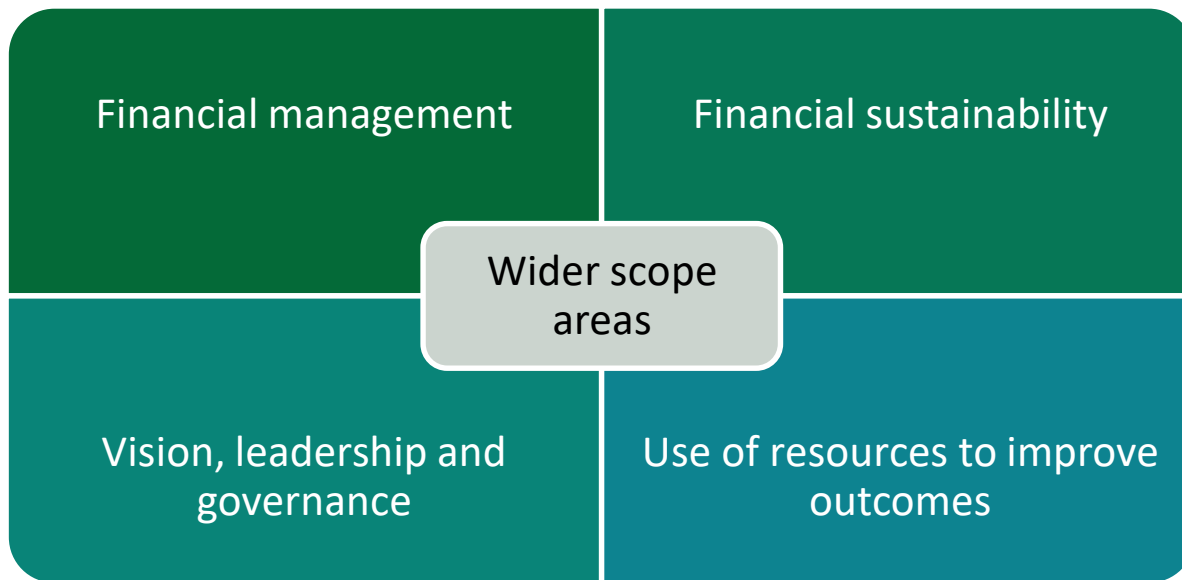
Wider scope audit



3.1 Wider scope requirements

Overview

As set out in our audit plan, Reflecting the fact that public money is involved, public audit is planned and undertaken from a wider perspective than in the private sector. The wider scope audit specified by the Code of Audit Practice broadens the audit of the accounts to include consideration of additional aspects or risks in the following areas.



In its planning guidance, Audit Scotland has also highlighted the following national or sectoral risks that the Auditor General and Accounts Commission wish auditors to consider at all bodies during the 2022/23 audits:

- Climate change.
- Cyber security.

Our audit work has considered how the Council is addressing these and our conclusions are set out within this report, with the report structured in accordance with the four dimensions. Our responsibilities in relation to Best Value ('BV') have all been incorporated into this audit work.

3.2 Wider scope requirements (continued)

Financial management



Significant risks identified in Audit Plan

We highlighted in our Audit Plan that there was a significant risk in relation to the financial management arrangements of the Council. This was largely due to a number of areas being highlighted by the previous auditors including the need to strengthen internal controls, delays in completing a fully reconciled bank reconciliation and a lack of finance team resources. We have considered these on the following pages, including follow-up on the recommendations made by the previous auditors.

Current year financial performance

The **2022/23 General Fund budget** was approved by the Council on 4 March 2022. In approving a balanced budget, the Council agreed the following:

- Policy savings of £50,000;
- Management efficiencies of £1.788m;
- Use of uncommitted reserves of £3.942m; and
- Loans Fund principal repayment holiday to reduce expenditure by £0.966m.

In setting its budget, the Council recognised the challenging context within which the budget is presented.

The budget has been updated throughout the year to include in year movements with the final outturn reporting an underspend of £5.428m (4%) against the revised budget. This has significantly moved in the year, from a projected overspend of £2.226m reported in June 2022. £4.431m of the underspend has been carried forward as earmarked reserves for ring-fenced areas such as Pupil Equity Funding (PEF), Devolved School Management (DSM) and Housing, resulting in a net underspend and contribution to reserves of £997,000, i.e. less use of uncommitted reserves were required than initially budgeted. £1.618m (88%) of the approved savings were achieved. The Strategic Management Team and Councillors regularly review progress against budget throughout the year including progress against savings, with quarterly reporting to the Audit and Scrutiny Committee. From review of the reporting throughout the year, variances are clearly reported and explained.

3.3 Wider scope requirements (continued)

Financial management (continued)

Current year financial performance (continued)

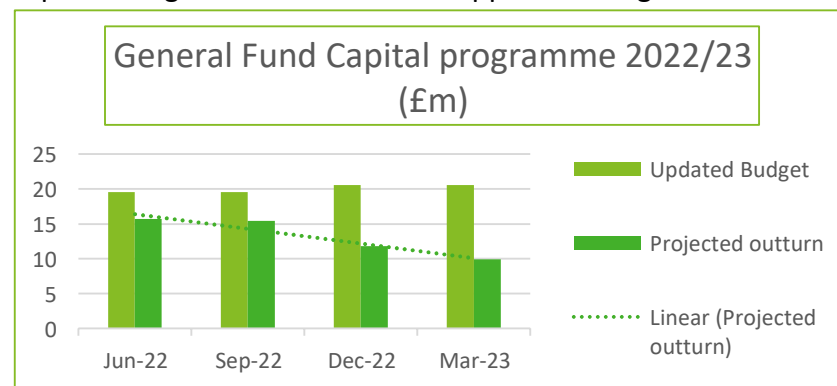
The key reasons for the underspend are:

- A £2.897m underspend in the People Directorate. This includes £614,000 in DSM and £571,000 in early years largely as a result of staff turnover and vacancies. In addition, a £788,000 underspend reported in PEF which is allocated on an Academic Year and therefore carried forward to be spent by July 2023.
- A £2.507m underspend in the Place Directorate. This includes an underspend of £701,000 largely as a result of funding carried forward for housing Ukrainian refugees. A £1.305m underspend was also reported in property services, largely in building operations due to work no longer being required.

The **2022/23 Housing Revenue Account (HRA)** budget was agreed by the Council on 10 February 2022, being a budgeted surplus of £5.62m which was agreed to be added to existing reserves to fund the HRA capital programme. Updates have been reported to members throughout the year as part of the normal reporting cycle. The final outturn position was a surplus of £6.986m, being £1.361m above the budgeted surplus. The main reason for this was an underspend in employee costs of £820,000 and an underspend in supplies and services of £441,000 as a result of delays in progressing the service restructure and difficulties in recruiting during the year, mainly tradespersons.

The **2022/23 HRA Investment Programme** was agreed at the same time as the HRA budget and has been monitored throughout the year as part of the normal reporting cycle. The final outturn reported an underspend of £4.759m against a revised budget of £12.582m (original budget of £15.903m). The underspend is as a result of a combination of new build development being delayed, issues with procurement and contractors and inability to resource and progress contracts internally.

The **2022/23 General Services Capital Programme** was approved by the Council on 4 March 2022. This was updated during the year to incorporate carry forward projects and additional funding received, resulting in a revised budget of £20.585m approved for the year. The projected outturn reported during the year is illustrated below, showing a decrease on the outturn position and the final outturn representing less than 50% of the approved budget.



3.4 Wider scope requirements (continued)

Financial management (continued)

Current year financial performance (continued)

The significant underspend is as a result of delays due to internal and external factors, the main being:

- £3.430m underspend against Community Investment Strategy, including £1.333m underspend relating to Clackmannan Regeneration;
- £2.321m underspend on IT projects, the most significant being digital transformation (£751,000) which has been rephased to 2023/24 following engagement with contractors; and
- £4.381m underspend on Property, the most significant being £2.154m associated with Wellbeing Complex due to cession of project for interim pool and budget being repurposed in line with overall Wellbeing Complex.

While the reasons for the underspends are clearly understood and reported to members during the year, Improvements are required to the capital budget setting and monitoring process to ensure that realistic budgets are set, with clear timelines and links with the capital investment requirements of the Council. This should include a clear link to the impact on service delivery or transformation where there is slippage in projects. The Council has recognised that improvements are required and the recently recruited Senior Manager for Transformation and Capital is expected to move this forward. We have considered the capital planning and asset management further in our separate report “Best Value thematic work 2022/23”.

Finance capacity

The previous auditors highlighted workload pressures within the finance team as a risk, with ongoing vacancies adding to the pressure.

At a Strategic Level, the finance leadership has remained consistent, with the Chief Finance Officer being in post for a number of years. However, at an operational level, the finance team continues to be stretched, as demonstrated by the quality dashboard on page [7](#) where there were delays in information being provided for audit. The Council has found it particularly challenging to recruit a permanent capital accountant, which is a key role within the team, with the post currently being filled on a temporary basis.

We are pleased to note that the Council are undertaking a service review of the finance team to reconsider the size and structure of the team. As part of this, consideration is being given to introducing apprenticeships and/or trainee positions which should support increased resilience and future succession planning. We will continue to monitor progress with this during our appointment.

3.5 Wider scope requirements (continued)

Financial management (continued)

Internal controls

The previous auditors concluded in their 2021/22 Annual Audit Report that “financial systems of internal control need to be strengthened and supported by updated financial management and governance documents”. We have considered and followed up on the recommendations made by the previous auditors, which is detailed within the Action Plan on page [74](#), however, in summary:

- Bank reconciliations are being completed regularly and the March 2023 reconciliation was fully reconciled at the time of the 2022/23 audit;
- The Financial Regulations were updated in June 2023 to reflect current practices. However, the Scheme of Delegation and Standing Orders have still to be updated.

Internal audit

We have assessed the internal audit function, including its nature, organisational status and activities performed. We have reviewed all internal audit reports published throughout 2022/23. The conclusions have helped inform our audit work, although no specific reliance has been placed on this work.

The Internal Audit service is provided by Falkirk Council as part of a Joint Working Agreement between the two Council’s. The 2022/23 Internal Audit Plan was approved by the Audit and Scrutiny Committee in October 2022. Ordinarily the Plan would have been presented to the Committee for approval in March or April, however, as a result of the local government elections in May 2022, the plan was presented later.

The plan included 381 audit days assigned across 16 assignments. Summary reports are provided to the Committee for each assignments.

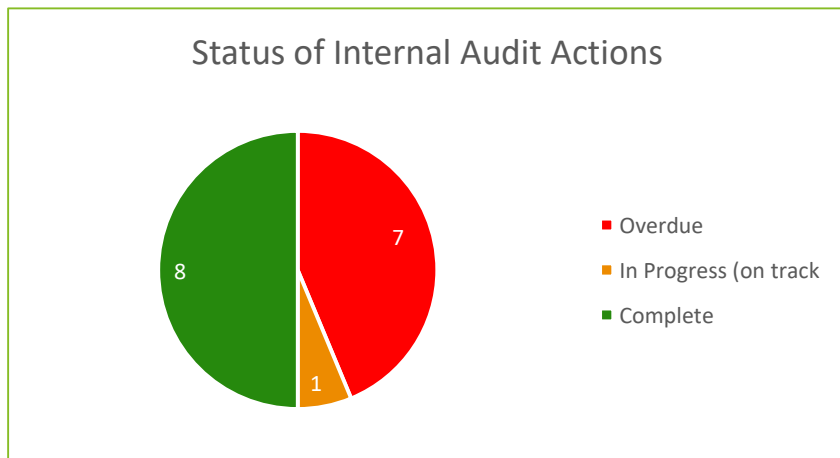
In the update to the Committee in August 2023, it was noted that systematic updates on progress with outstanding actions had not been provided to the Committee since the pandemic response began. Given reprioritisation of service provision and associate staff over the 3-year period, it was inevitable that a backlog of outstanding actions would occur.

3.6 Wider scope requirements (continued)

Financial management (continued)

Internal audit (continued)

The status of report actions is summarised in the chart below, showing that 7 reports (43%) have overdue actions, with a total of 18 actions overdue. It is positive to note that Internal Audit now plan to provide regular reports to the Committee. It is important that management ensure that the agreed actions are addressed on a timely basis.



The Internal Audit Annual Assurance Report for 2022/23 was considered by the Committee in August 2023. This concluded that sufficient work was undertaken to support a balanced assurance and that the Internal Audit Manager could provide “substantial assurance” on the Council’s arrangements for risk management, governance and control for the year to 31 March 2023.

Three, out of the agreed 16 assignments, have been carried forward into the 2023/24 plan. These have not impacted on the ability of the Internal Audit Manager to provide overall assurance.

Standards of conduct for prevention and detection of fraud and error

We have assessed the Council’s arrangements for the prevention and detection of fraud and irregularities. This has included specific considerations in response to the Audit Scotland’s publication “Fraud and irregularities 2021/22 – sharing risks and case studies to support the Scottish public sector in the prevention of fraud”.

The prior year auditors highlighted weaknesses in the Council’s anti-fraud arrangements and recommended that it review and update its anti-fraud arrangements and policies and ensure these are clearly communicated to staff.

Overall, we found the Council’s arrangements to be designed and implemented appropriately.

3.7 Wider scope requirements (continued)

Financial management (continued)

National Fraud Initiative (NFI)

All Councils are participating in the most recent NFI exercise. We have monitored Clackmannanshire Council's participation and progress in the NFI exercise.

Although the Council have made efforts to investigate a large amount of matches, as at February 2024 there remains little to no follow up activity on certain reports – creditors, HMRC, companies house, along with many of the matches within the NFI system. It is clear that financially, the Council benefits from this exercise so it would be beneficial for them to increase the priority of NFI to service managers.

Additionally, documentation on the comments within the matches could be improved.

Our overall RAG rating for the Council is therefore Amber.

Deloitte view – financial management

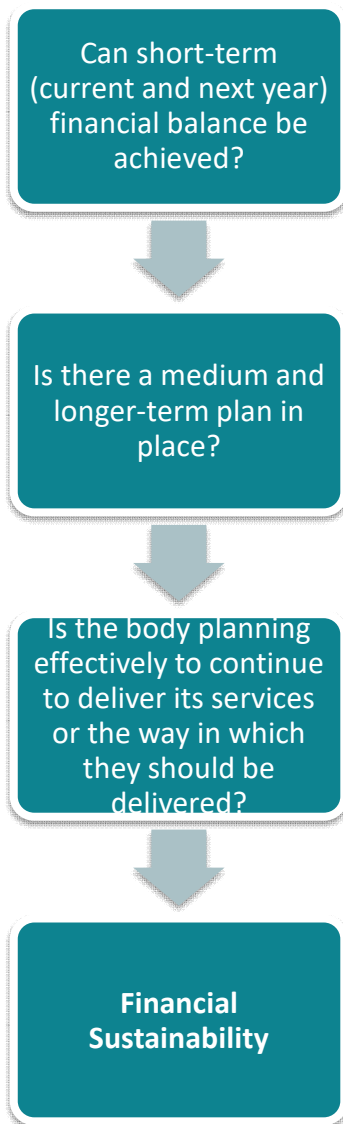
The Council continues to have effective budget setting and monitoring arrangements in place. The capital budget setting and monitoring arrangements should also be reviewed to ensure that realistic budgets are set with clear timelines and a clear linkage to Council priorities.

The finance team continues to be significantly stretched, and in particular has been unable to recruit a permanent capital accountant. We are pleased to note that the Council are undertaking a service review of the finance team to reconsider the size and structure of the team. We will continue to monitor progress with this during our appointment.

A robust independent internal audit function is in place, however, there has been a delay in implementing internal audit recommendations as a result of the Covid-19 pandemic. There are appropriate arrangements for the prevention and detection of fraud and error.

3.8 Wider scope requirements (continued)

Financial sustainability



Significant risks identified in Audit Plan

In our audit plan we highlighted that while the Council had historically achieved financial balance, there remains a potential risk that robust medium-to-long term planning arrangements are not in place to ensure that the Council can manage its finances sustainably and deliver services effectively. This was based on the following factors:

- In line with the whole public sector, pressures on expenditure including public sector pay costs and inflationary pressures not being met by increased income, resulted in an initial budget gap in 2023/24 of £11.311m which was closed by utilising one-off actions including use of uncommitted reserves, capital receipts and the in year benefit of the Service Concessions. Savings were also approved to reduce the gap.
- Indicative gaps of £11.561m and £5.723m identified for 2024/25 and 2025/26 respectively for the General Services budget.

We have considered these aspects on the following pages.

2023/24 budget setting

The Council approved a balanced budget of £152.184m for 2023/24 on 9 March 2023. The paper presented to members included an initial budget gap of £9.608m (6% of the Council's expenditure), with the following actions agreed to achieve a budget position.

Agreed action	£m
Management efficiencies (£1.358m cash releasing and £1.674m permanent)	3.032
Policy and redesign savings	0.782
Use of uncommitted reserves	3.441
Use of capital receipts to offset loans fund principal repayments	1.203
Service concession – in year benefit	1.150
Total	9.608

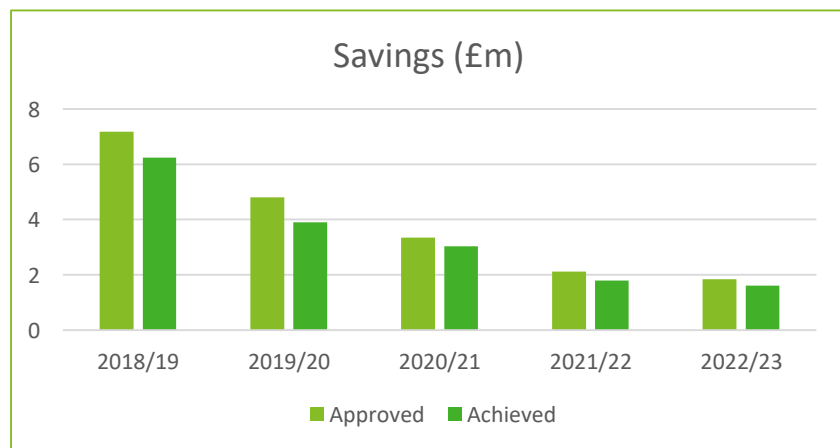
3.9 Wider scope requirements (continued)

Financial sustainability

2023/24 budget setting (continued)

As illustrated in the table on the previous page, a large proportion of the agreed actions are based on one-off solutions and therefore not sustainable in the medium-term.

The Council has a track record of achieving savings, with £35m achieved over the last 10 years. Performance against planned savings is illustrated below, showing a high percentage of planned savings achieved. The level of savings identified is, however, reducing as the options available become more limited and demonstrate the need for service redesign which is considered on page [36](#).



The Scottish Government published Finance Circular 5/2022 in May 2022 and 10/2022 in September 2022, which provided Councils with options to apply financial flexibility to address funding pressures in the short-term. These were as follows:

1. Use of Capital receipts to fund statutory elements of voluntary severance, transformation and offset costs of Covid-19 in 2021/22 and 2022/23;
2. Loans Fund principal repayment holiday in 2021/22 and 2022/23; and
3. Reprofile principal repayments relating to PFI/PPP contracts/ service concession arrangements over the life of the asset as opposed to the service contract in 2022/23 and 2023/24.

Clackmannanshire Council has used the capital receipts flexibility in previous years to create the capital element of the Transformation Fund and the Employment Fund which have contributed to supporting the revenue budget. As these flexibilities end at 31 March 2023, any unused capital receipts have been returned to the general capital receipts reserve.

At the time of approving the 2023/24 budget, the Council agreed to apply the service concession flexibility, which in practice means extending the current repayment terms from 30 years to 50 years. This results in an increase in General Fund balances of £12.5m. As noted on the previous page, the Council has agreed to use the in year benefit of £1.150m to support the budget.

3.10 Wider scope requirements (continued)

Financial sustainability

2023/24 budget setting (continued)

In line with the process for setting the 2022/23 budget discussed on page [32](#), the Council recognised the challenging context within which the budget is presented, including the unprecedented inflationary pressures. While this is clearly one of the biggest risks that are faced by all Councils, the Council should also set out within its budget papers any other specific risks that impact on the achievement of a balanced financial position and what mitigating action the Council has planned to manage these risks.

The consultation and engagement process for the 2023/24 budget consisted of a four-stage approach. The first two being carried out prior to setting the budget with the third phase focussing on communicating the approved budget decision. The fourth phase then focused on the following year plans. The paper presented to the Council as part of the formal budget approval process set out the key outcomes from that engagement. We have considered how the Council engaged with communities as part of the separate management report “Best Value thematic work 2022/23”.

In addition to the four-stage consultation process, various briefings are provided to all elected members throughout the year setting out officer’s proposals and giving all members the opportunity to ask questions in advance of the formal budget setting meeting.

For 2023/24, the briefings started in November 2022 and included:

- Briefing to the Admin group, followed by all Member briefing and briefing with Trade Unions;
- Additional briefings for the Admin group; and
- Briefing to the HSCP and IJB, jointly with Stirling Council.

There are also opportunities for the Leader, the Chief Finance Officer and other officers to meet with other party Leaders in the run up to the budget meeting to discuss any potential amendments.

In approving the 2023/24 budget on 9 March 2023, no budget amendments were put forward and while there were some questions raised during the meeting, there was no debate. This could be as a result of the extensive briefings held in advance of the meeting resulting in members being satisfied that all questions had been resolved before the formal meeting. However, it is important that the Council is conducting its business in public so care needs to be taken to ensure there is sufficient balance between private briefings and public meetings.

3.11 Wider scope requirements (continued)

Financial sustainability

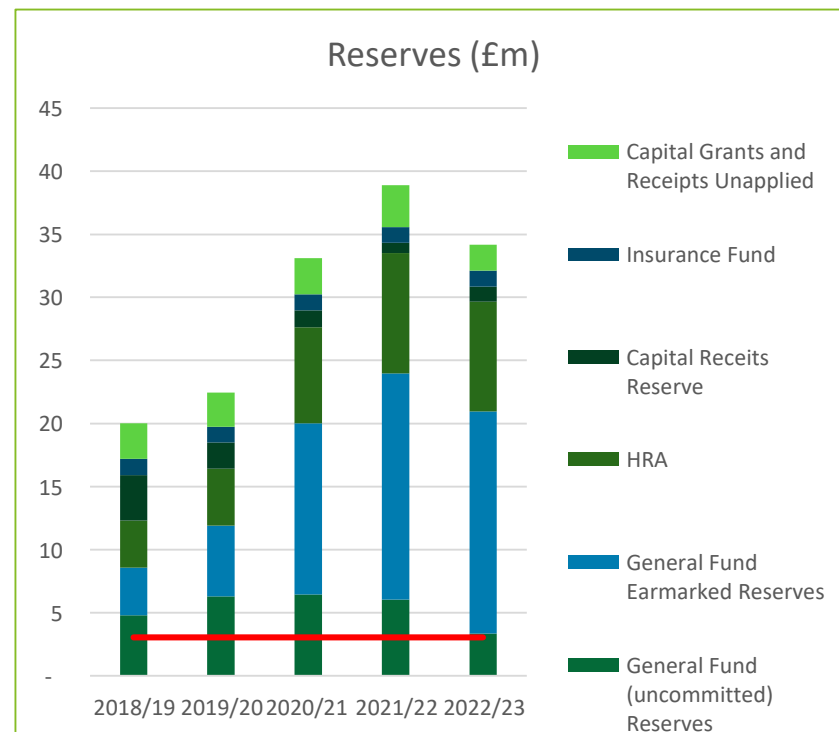
Reserves

At the time of approval of the 2023/24 budget on 9 March 2023, the Council carried out its annual review of its Reserves Strategy. The Council's previous strategy was to maintain a minimum level of uncommitted reserves of 3% of net expenditure. In setting the 2022/23 budget, this was reduced to 2.4% on a temporary basis with plans to be brought back to Council to bring this back up to 3%. In setting the 2023/24 budget, the Council agreed to reduce this to 2% on a permanent basis. This was in recognition of the continued significant increases in inflation and rising costs and demand along with no increase in core Revenue Grant.

As discussed on page 23, the Council ended 2022/23 in an underspend position and as a result was able to contribute £997,000 to the un earmarked reserves.

The reserves position as at 31 March 2023, and the previous four years is illustrated on the chart opposite. The uncommitted general fund reserve is now just above the minimum target level, therefore any overspends and unplanned costs in 2023/24 could impact on the short-term financial sustainability of the Council. The monitoring report to Audit and Scrutiny Committee in October projected a small underspend of £602,000 for 2023/24 against the General Fund. However, the Health and Social Care Partnership (HSCP) is currently forecasting an overspend of £3.417m in the Clackmannanshire element of the partnership.

As part of the HSCP recovery plan, this is being managed through use of HSCP reserves. However, any further overspends at the year-end will potentially be covered by the three partner bodies. Given the Council's uncommitted reserves is just above the minimum level, any requirement to provide additional funding to the HSCP would present a significant risk to the financial position of the Council.



3.12 Wider scope requirements (continued)

Financial sustainability

Reserves (continued)

The overall reserves position is showing a reduction from previous years, with 2020/21 and 2021/22 significantly impacted by the additional funding as a result of the Covid-19 pandemic.

A detailed review of all earmarked reserves was carried out as part of the 2023/24 budget setting process. The £17.598m general fund earmarked reserves comprise a series of specific reserves, the most significant being:

- Transformation Fund - £1.841m;
- Covid-19 general funding - £1.455m and Covid-19 specific funding - £428,000;
- Amounts to support revenue budget (as discussed on page [30](#)) - £4.643m;
- Ring-fenced housing grants - £1.139m; and
- Homeless accommodation - £1.109m.

There is currently no reporting on progress with the use of the earmarked reserves as part of the regular monitoring reports to Committee. Given the significant value of earmarked reserves, we recommend that the monitoring reports are expanded to give members an update on progress with the use of these reserves to ensure that they are being actively monitored and being applied for the purposes intended.

HRA and Capital Investment 2023/24

The HRA revenue budget and Capital Investment Programme for 2023/24 was approved by the Council on 16 February 2023. This included approval to increase Council house rent by 3%. Similar to 2022/23, the Council agreed a surplus budget of £4.777m to support the Housing Capital Programme. This specific strategy was considered as part of the tenant consultation where 69.35% of respondents agreed that it would be appropriate to increase 3% to continue capital investment at the current level.

The total capital investment approved was £15.261m, which is to be funded by reserves and new borrowing of £6.203m.

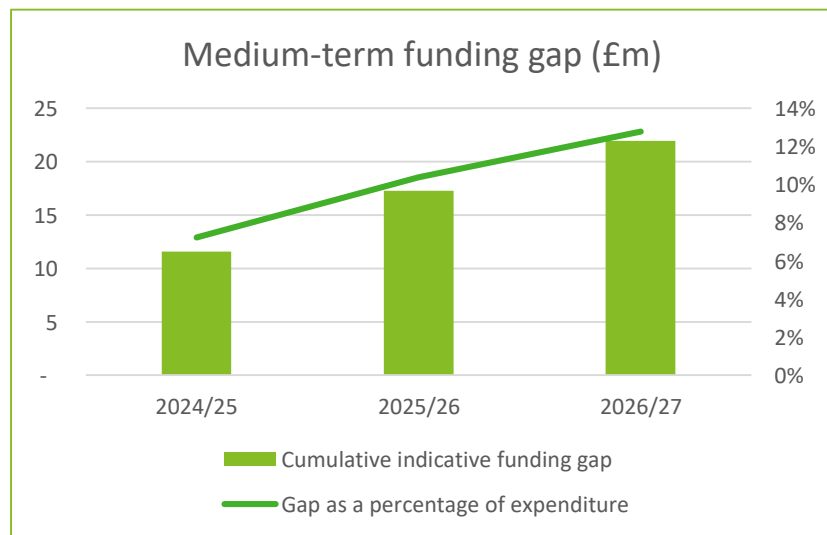
We have considered the Council's capital and asset management arrangements further as part of the separate management report "Best Value thematic work 2022/23".

3.13 Wider scope requirements (continued)

Financial sustainability

Medium-to-long term financial planning

At the same time as setting the 2023/24 budget, the Council set out indicative financial plans for the following three financial years. The indicative gap over the years is illustrated below.



As explained on page 30, a number of one-off solutions were agreed to address the gap in 2023/24, however, there are currently no plans in place to address the expected gaps in future years. The Council is therefore not financially sustainable in the medium-term.

Regular “Budget Strategy updates” are provided to Council. The update provided in May 2023 set out the main assumptions within the indicative funding gap and highlighted that there is much uncertainty around funding for future years and fluctuations in the main assumptions which could have a significant impact on the budget gap. It is positive to note that further modelling scenarios and updates on planning assumptions will be provided in future updates. This is a key element of any Finance Strategy to ensure that members have full information to be able to make decisions.

The Council has recognised “insufficient financial resilience” as the highest risk on the Corporate Risk. While the Budget Strategy updates provide helpful information to elected members, we would recommend that a Medium-Term Financial Strategy be developed, with clear actions on how financial sustainability is to be achieved.

Audit Scotland’s report in June 2014 [Scotland's public finances – A follow-up audit: Progress in meeting the challenges \(audit-scotland.gov.uk\)](https://www.audit-scotland.gov.uk/publications/scotland-s-public-finance-a-follow-up-audit-progress-in-meeting-the-challenges) includes a helpful summary of important features of a financial strategy, as summarised on the following page. We would recommend that management use this as a reference for developing its medium-to-long term strategy.

While there is no comprehensive Medium-Term Financial Plan in relation to the revenue budget, the Council does have a 20-year capital programme, which we have considered further in our separate management report “Best Value thematic work 2022/23”.

3.14 Wider scope requirements (continued)

Financial sustainability

Medium-to-long term financial planning

Area	Important features of a financial strategy
Period	A financial strategy should cover 5-10 years.
Cost	A clear understanding of the business model and the cost of individual activities within it
Savings options	Evidence based options for achieving savings
Savings details	Details of one-off and recurring savings
Scenario planning	Scenario planning to outline best, worst and most likely scenarios of the financial position and the assumptions used
Assets/Liabilities and Reserves	Details of assets, liabilities and reserves and how these will change over time
Capital Investment Activity	Details of investment needs and plans and how these will be paid for
Demand	An analysis of levels of service demand and project income
Funding shortfalls	Any income or funding shortfalls and how to deal with these
Strategy links	Clear links to the corporate strategy and other relevant strategies such as workforce and asset management
Risks and timescales	The risks and timescales involved in achieving financial sustainability

The Council has recognised that it is facing an extremely challenging time and as a consequence needs to prioritise reducing its expenditure further on an ongoing basis. The 2024/25 budget process has been revised with the aim to ensure that a balanced budget position is met, addressing the existing deficit and financial sustainability in the longer term.

A Budget Working Group has been established, replacing the Budget Challenge Board which operated in preparation for the 2023/24 budget. This group is chaired by the Chief Finance Officer and attended by the Chief Executive and the Directors of each Portfolio area. The process will include three Budget Challenge Sessions to provide a mechanism for the strategic review and challenge of departmental spending requirements and demand pressures. Each session will focus on individual portfolio areas as well as cross portfolio to identify opportunities to look at broader options for improvement within and between services.

The above approach is a positive step and acknowledges that management recognise the challenges faced by the Council. It is critical that the early engagement and buy-in of elected members and the public is progressed to ensure that there is sufficient lead in time to make the necessary changes in advance of the start of 2024/25 to deliver the full year impact of the savings agreed. Consultation is planned in line with the process for 2023/24, across 4 stages, which we have considered further in our separate management report “Best Value thematic work 2022/23”.

3.15 Wider scope requirements (continued)

Financial sustainability

Transformational change

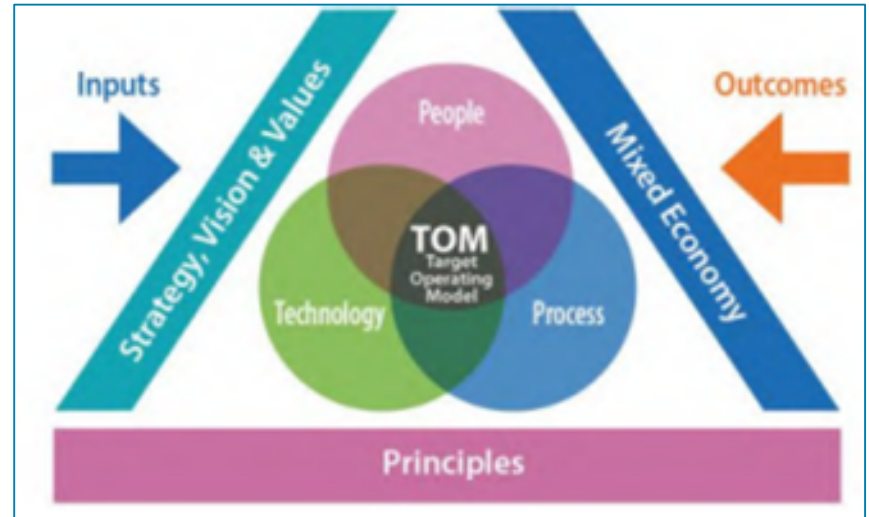
The current Corporate Plan covering 2018-2022 entitled “Be the Future” (BtF) recognises that the Council need to make significant organisational transformation. As discussed on page 29, while the Council has been successful in making year on year savings, service redesign is needed to make the long-term changes required. The response to the Covid-19 pandemic has also recognised that the way the Council operates and delivers services has and needs to change.

In February 2020, the Council agreed the “**Be the Future Transformation Plan**” which consolidated the vision, outcomes and priorities set out in the Local Outcome Improvement Plan (LOIP) and Corporate Plan. This work was underpinned by work that had been undertaken in 2019 to start the process of internal organisational redesign to ensure that the Council is able to take forward its ambitious transformation plans over the next ten years.

During 2022/23, the Council’s approach to transformation has evolved, with the following key steps:

- A **Target Operating Model (TOM)** was approved in August 2022 along with revised organisational redesign principles. This was designed to provide a consistent framework from which wider organisational change and redesign can be accelerated and individual activities better coordinated.

The key elements of the TOM are below.



- Regular updates are provided to Council on progress. In December 2022, the increasing convergence between the TOM, the finance and budget strategy and the BtF transformation programme was noted.
- A review and refresh of the programme was carried out with an updated **BtF TOM Plan** (by programme themes) was approved in September 2023. The BtF TOM priorities for 2023/24, by strategic theme, are summarised on the following page.

3.16 Wider scope requirements (continued)

Financial sustainability

Transformational change (continued)

Transformation Activity/Theme – 2023/24
Digital and Data Transformation
Asset Strategy
Sustainable Transport
Communication and Engagement Model
Tackling Poverty
Investment Strategy
Workforce Strategy
Value based leadership/cultural change
Collaborative Community Models
Place Redesign

The governance of the BtF programme is provided as follows:

- at an Officer level through the Strategic Oversight Group which meets on a 6-weekly basis.
- At an elected member level, the BtF Board has cross-party representation and chaired by the BtF Sponsor, who is the Council Leader. The Board meets on a quarterly basis.
- Any decisions relating to the allocation of Transformation Funds or significant changes in the programme are taken by the Council.

The resourcing model for the BtF TOM Plan has also evolved during 2022/23. Initially, it was based on a tradition Project Management Officer (PMO), however, in January 2022 a new Transformation Management Office was established to better support capacity and resilience in respect of innovation, investment and collaboration. The Council is committed to investing in a Transformation team, however, following several rounds of recruitment, the approved project management and business analysts posts remained vacant due to competitive recruitment market. 5 Transformation Officers were instead appointed in May 2022 on fixed term contracts, which ended in April 2023.

As part of agreement of the 2023/24 budget, the Council agreed a new model of support as follows:

- A permanent Senior Manager (Transformation and Capital) post funded 50% from revenue and 50% from capital. This post has recently been filled;
- Two permanent Project Managers (Capital). One post has recently been filled, with the other remaining vacant;
- £1.8m of capital investment in posts designed to support the delivery of priority capital projects which support transformation such as Digital, the Wellbeing Complex and the City Region Deal;
- Additional capacity in legal, finance and procurement.

3.17 Wider scope requirements (continued)

Financial sustainability

Transformational change (continued)

- £1.1m Transformation Fund delegated to the Chief Executive; and.
- Council's commitment to maximise the deployment of the benefit of adopting the Service Concession flexibility (discussed further on page 30) to support the implementation of the TOM and associated transformation projects to deliver service and financial sustainability.

In addition to the above, the Council has agreed a broader strategy to maximise the quantum, quality and impact of the resources deployed to develop and implement transformation, including:

- A **Flexible Resourcing Fund** was provided to increase capacity and capability in critical projects and activities. This resource has supported the Wellbeing Hub, Digital and data transformation, Climate emergency response, Transformation Zones, Learning Estate and STRIVE;
- A **Discovery Fund** was established to provide funding to access any short-term expertise to undertake discovery work to help move ideas through feasibility and options appraisal to a position where the proposal could confidently either be discounted or developed on further;
- Partnership Alignment has also focused on **sharing resources** and targeted on priority cross-cutting themes, including Community Wealth Building and Wellbeing Economy and City Region Deal;

- The Council is also **leveraging significant external resourcing**, for example the Wellbeing Hub with SportScotland, the Family Wellbeing Partnership with the Hunter Foundation, The Promise with the Vardy Foundation, and the BtF Programme with the Improvement Service.

Key requirements to achieving successful transformational change are ensuring that there is sufficient capacity and resources to deliver the change required and appropriate governance structure in place. The above approach is therefore positive and demonstrates the Council's commitment to the need for making transformational change. This is also a positive step in response to the recommendation in the 2018 BVAR report that the Council should balance the drive for savings with the need for sufficient officer time and skills to support change. The BVAR report also recommended the Council consider how it makes more use of external assistance to support improvement, which is now in place.

The agreement of the transformational activity as priority for 2023/24 is also a positive step. However, more work is required to build the detail behind each project and fully align this to the development of a medium-term financial strategy by:

- Adding greater detail about individual projects;
- Setting clear timelines for each project;
- Assess the resources and support required to deliver these projects (taking into account the resources that are already identified); and
- Developing a benefits realisation tracker to assess whether the Council has achieved its aims.

3.18 Wider scope requirements (continued)

Financial sustainability

Transformational change (continued)

The Council has recognised this and noted that once the new Senior Manager is in place, work will be undertaken to review governance arrangements and to streamline the reporting and monitoring of progress, including benefit realisation of the BtF Programme priorities.

As part of the regular BtF updates to the Council, the following areas have been highlighted as key areas where progress has been delivered:

- 1. Place-based Wealth Building** – we have considered the work on Community Wealth Building in our separate management report “Best Value thematic work 2022/23”. Another example is the development of a new Wellbeing Hub, with swimming and sport and leisure facilities, which aligns to the Council’s priorities to help communities be active, live well and leveraging benefits for community wealth building.
- 2. Social Innovation** – key achievements include work in respect of the Family Wellbeing Partnership and STRIVE which we have considered in our separate management report “Best Value thematic work 2022/23”.
- 3. Digital and Data Transformation** – significant investment (£7.179m specifically allocated for this in the 2023/24 capital budget) has been committed to the programme which has enabled the Council to bring in a scaled up multi-disciplinary delivery team. A range of Business Use cases are in development.

We have considered the digital strategy further in our separate management report “Best Value thematic work 2022/23”.

- 4. New Models of Delivery** – Since 2020, the Council has adopted new models of providing its services. Specific examples include Kilncraigs Co-location and STRIVE, Upstream approaches tackling poverty and inequality (Family Wellbeing Partnership, Values-based Leadership with Columba 1400), The Promise and Scottish Approach to Service Design, Engagement (Sponsor’s Voice, Community capacity and SIEC Young Pathfinders).
- 5. Grant Capture and Investment Strategy** – more innovative and strategic approach to how the Council pursues external investment into opportunities within Clackmannanshire. Specific progress includes the approval of the Council’s Investment Strategy and supporting a total of c£6.9m of funding into Clackmannanshire between summer 2020 and spring 2023.

The above examples provide useful qualitative information and a clear ambition by the Council to implement transformational change. However, linked with the need for a clear benefits realisation tracker, there is a need for more data driven reporting to demonstrate how projects are progressing, any blockers, resource implications and assessing whether they are achieving the expected outcome. This is a key step that is currently missing from the Council’s reporting to allow it to demonstrate the impact of the work that is being undertaken.

3.19 Wider scope requirements (continued)

Financial sustainability

Deloitte view – Financial sustainability

The Council has set a balanced budget for 2023/24, however, this was only achieved by using one-off solutions including use of reserves and service concession flexibility which is unsustainable. The level of uncommitted reserves as of 31 March 2023 was at the lower end agreed in the Council's reserves strategy and whilst the latest monitoring reports for 2023/24 indicate an underspend is projected, there continues to be risks associated with the HSCP and whether the Council may need to fund any further overspending in the year which would reduce the uncommitted reserves to below the minimum level.

A funding gap of £11.6m is projected for 2024/25, increasing to £21.9m in 2026/27. The Council is therefore not financially sustainable in the medium-term and urgent action is required. While regular budget updates are provided to member, the Council should develop a comprehensive Medium-Term Financial Strategy setting out how financial sustainability is to be achieved.

The Council's approach to transformation has evolved over the year, and is able to demonstrate a number of positive developments. Clear governance arrangements are in place and a new model of resourcing has been agreed in March 2023. However, more work is required to build the detail behind each project within the transformation programme and fully align this to the development of a medium-term financial strategy including adding greater detail about individual projects and developing a benefits realisation tracker to assess whether the Council has achieved its aims.

3.20 Wider scope requirements (continued)

Vision, leadership and governance



Significant risks identified in Audit Plan

In our audit plan, we highlighted that following the local government elections in May 2022, a new Audit and Scrutiny Committee was established, replacing the previous Audit Committee, but with an expanded remit. There is a risk that there is insufficient capacity to provide effective scrutiny and challenge as a result of the expanded remit of the Audit and Scrutiny Committee.

We also noted that the Strategic Director for Transformation was on a fixed term contract which ended on 31 March 2023. While proposals had been put forward to establish a permanent Senior Manager for Transformation, there was a significant risk that the Council does not have sufficient capacity, at a leadership level, to drive forward the transformational change required. We have considered these risk on the following pages.

Vision and strategy

We have considered the Council's vision and strategy, and associated community engagement as part of the separate management report "Best Value thematic work 2022/23".

Leadership

We have considered the Council's leadership as part of the separate management report "Best Value thematic work 2022/23". We have considered the leadership capacity in relation to the transformation programme on page [40](#), where we have noted that a revised resourcing model has been agreed and a Senior Manager for Transformation and Capital has recently been appointed.

Governance and scrutiny arrangements

The Council's Local Code of Corporate Governance is made up of the key Council policies and strategies that together determine how the Council is directed, controlled, led and held to account. As discussed on page [26](#), while the Financial Regulations have been recently updated, the Standing Orders and Scheme of Delegation are outdated and need to be reviewed.

3.21 Wider scope requirements (continued)

Vision, leadership and governance (continued)

Governance and scrutiny arrangements (continued)

Following the local government elections in May 2022, the Council agreed a number of changes to its decision-making framework. This recognised the size of the Council, being the smallest mainland Council in Scotland, with 18 elected members. The aim of the changes were to maximise participation of all elected members in decision-making, sustain maximum transparency over the Council's decision-making, streamline the administration of Council business and to enhance the effective scrutiny of Council activity and decisions.

The key changes were to disestablish the Partnership and Performance, People and Place Committees, as well as the Audit Committee, and create an Audit and Scrutiny Committee. Full Council meetings were also agreed to take place on an eight-weekly cycle.

In August 2022, the Council agreed further changes to the decision-making framework to establish four Boards which enhance the profile of specific strategic priorities and supplement the information provided to the Audit and Scrutiny Committee to facilitate routine scrutiny of operational performance and delivery against Portfolio Business Plans. The agreed Boards are as follows:

- **Be the Future Transformation Board** (incorporating Digital);
- **Climate Emergency Board**;
- **Children and Young People Board** (combining the former Towards Excellence and Equity Group with the Promise Group); and
- **Adult Social Care Board** (incorporating National Care Service).

In addition to these Boards, a more routine, planned approach to briefings on key strategic themes was also agreed to assist with the efficient management of the Council agenda.

The Audit and Scrutiny Committee plays a key role in the governance arrangements of the Council and in line with best practice is chaired by a member of the main Opposition, with the Vice-Chair also being outwith the political Administration. The agenda for each meeting is clearly structured to distinguish between "Audit and Finance" and "Scrutiny". The "Scrutiny" part of the agenda is, as far as possible, themed at each meeting to reflect the operational portfolios and related political portfolios.

Due to the increased scope of the Committee, the agenda's cover a number of significant areas. The previous auditors recommended that given the increased remit of the Committee, Officers should keep the revised Audit and Scrutiny committee arrangements under review to ensure there is sufficient time for members to review papers and provide effective scrutiny and challenge. This is being closely monitored by Officers and the Committee, with the following key actions taking place during the year.

- The Committee has recently agreed a forward plan for 2023/24 which endeavours to reflect the remit of the Committee agreed by the Council. This provides a structure to the meetings and helps ensure that there is sufficient time across the cycle of meetings to fulfil the Committee's remit;
- In line with best practice, the forward plan introduces the need for an Annual Report based on the CIPFA Committee Position Statement and an associated self-evaluation.

3.22 Wider scope requirements (continued)

Vision, leadership and governance (continued)

Governance and scrutiny arrangements (continued)

- The Annual Report for 2023 was considered by the Committee in October and will be presented to the next available Council meeting.
- A self-assessment has been carried out, including a Committee skills audit. As a result, a number of areas have been identified for improvement which are being taken forward as a Committee.

These developments are welcome, and we will continue to monitor progress with these during our audit.

The Audit and Scrutiny Committee also plays a key role on monitoring the Corporate Risks of the Council. An updated Corporate Risk Register was considered by the Committee in October 2023.

We have reviewed meetings attendance from the past year and confirm that there has been generally good attendance. In addition, from attendance at meetings we can confirm that there is sufficient scrutiny and challenge exercised by members during the meetings. Given the remit of the Committee, the agendas are relatively long, however, we have not observed any curtailment in discussions with members given sufficient time to discuss and scrutinise. The agendas could be further enhanced by allocating provisional times for each item on the agenda to help manage the meetings within the set timeline.

While not formally agreed in the membership and remit of the Committee, substitute members regularly attend in place of Committee members where a particular topic is being discussed where they have a particular interest or expertise.

While we understand the reasoning for this, and agree that this should allow more informed scrutiny of particular areas, consideration should be given to formalising this arrangement within the Committee's Terms of Reference.

We would also recommend that the ASC receives regular updates from management on progress with the implementation of internal and external audit recommendations. At present, this is not a regular item on the ASC agenda.

Transparency of reporting

The Council publishes all minutes and papers of all Committees on its website. All Council and Committees meetings are also recorded and published on the Council's website. We are therefore satisfied that the Council continues to be open and transparent.

Deloitte view – Vision, leadership and governance

Our view of the vision and leadership of the Council has been considered as part of the separate management report "Best Value thematic work 2022/23".

The Council's revised decision-making framework is being embedded. The Audit and Scrutiny Committee plays a key role in the governance arrangements and in line with best practice has recently carried out a self-assessment and skills audit, with areas of development identified. We will continue to monitor the progress with this during our audit appointment. The Council continues to be open and transparent, with all Committee and Council meetings recorded and available on the website.

3.23 Wider scope requirements (continued)

Use of resources to improve outcomes



Significant risks identified in Audit Plan

In our audit plan we highlighted that given the financial challenges faced by the Council, there is a risk that the Council is unable to demonstrate that resources are being used effectively with a focus on continuous improvement.

Performance management framework

We have considered the Council's performance management framework, and how it aligns to the Council's vision and priorities, as part of the separate management report "Best Value thematic work 2022/23".

Statutory performance indicators

The Accounts Commission has a statutory responsibility to define the performance information that councils must publish. This responsibility links with the Commission's Best Value (BV) audit responsibilities. In turn, councils have their own responsibilities, under their BV duty, to report performance to the public. The Accounts Commission Statutory Performance Information Direction requires a council to report a range of information in the areas listed below

SPI 1: Improving local services and outcomes

- Performance in improving local public services, both provided by the Council and in conjunction with its partners and communities.
- Progress against desired outcomes agreed with its partner and communities.

SPI 2: Demonstrating Best Value

- The Council's assessment of how it is performing against its duty of BV, including self-assessments and service review activity, and how it plans to improve against this assessment;
- Audit assessments (including those in the annual audit) of how its performance against its Best Value duty, and how it has responded to these assessments; and
- Assessments from other scrutiny and inspection bodies, and how it has responded to these assessments.

3.24 Wider scope requirements (continued)

Use of resources to improve outcomes

Statutory performance indicators (continued)

We have evaluated the effectiveness and appropriateness of the arrangements that the Council has in place, including the appropriateness of the information provided to members in responding to the Direction and concluded as follows:

- The Council produces an annual performance report demonstrating its performance across its corporate priorities set out within its Corporate Plan. These priorities are closely aligned to the Clackmannanshire Alliance strategic outcomes set out within the LOIP;
- Performance information is considered by the Audit and Scrutiny Committee on a cyclical basis during the year to allow each Director to report at six-monthly intervals;
- The Council participates in the Local Government Benchmarking Framework (LGBF) which brings together a wide range of information about how all Scottish Councils perform in delivering better services to local communities, including the cost of services and how satisfied citizens are with them; and
- A section of the Council's website is dedicated to Council and service performance, with clear links to where further detail is available..

Based on the above, we are satisfied that the arrangements are appropriate. As discussed in more detail in our separate management report "Best Value thematic work 2022/23", the Council has recently approved a revised approach to business planning and associated performance tracking.

Self-evaluation arrangements

We have considered the Council's self-evaluation arrangements, as part of the separate management report "Best Value thematic work 2022/23".

Performance data

We have also provided a summary of the latest performance reported by the Council. This incorporates a summary of the Performance Indicators (PIs), aligned to the corporate priorities, with reporting covering:

- The status of each indicator to monitor performance against targets;
- Trends in indicators, by comparison with previous years data; and
- How the Council benchmarks against other local authorities through the LGBF.

This data demonstrates that:

- a high proportion of the PIs are in line with targets. 21% are, however, reported as being 15% worse than target;
- There has been a swing in performance in comparison with previous years, with 47% improving and 46% declining in performance;
- 47% of LGBF indicators are in the upper two quartiles, which is largely in line with 2020/21;

3.25 Wider scope requirements (continued)

Use of resources to improve outcomes

Performance data (continued)

- Raising attainment continues to be a challenge, with 7 out of the 25 indicators 15% below than target and 16 out of the 25 in the bottom two quartiles in 2021/22. There are clear actions and targets within the 2022/23 People Business Plan to focus and the data reported for 2022/23 to date attainment has seen improvement in a number of areas as a result of specific investment. This has been reported through the National Improvement Framework Report for 2022/23; and
- Progress with improvement actions in 2022/23 across the 3 Directorates is showing that progress is being made, particularly in the People Directorate. However, almost 50% of the actions under Place are expected to be completed outwith the target date. Some of these are due to resourcing and capacity constraints. The Council need to ensure that it has sufficient capacity to deliver on its ambitious plans and where there are pressures, workload is prioritised to be in line with the Council's core priorities.

Deloitte view – Use of resources to improve outcomes

Our view on the Council's performance management framework has been considered as part of the separate management report "Best Value thematic work 2022/23".

There are appropriate arrangements in place to comply with the SPI Direction, including its public performance reporting requirements.

3.26 Wider scope requirements (continued)

Best value

Requirements

It is the duty of the Council to secure Best Value as prescribed in Part 1 of the Local Government in Scotland Act 2003. We have a statutory duty to be satisfied that the Council have made proper arrangements for securing BV.

Conclusions from Audit Work

Under the new Code of Audit Practice, the audit of Best Value is fully integrated within the annual audit work. We have evaluated and reported on the performance of the Council in meeting its Best Value duties as follows:

- 1. Follow-up and risk based work.** We have followed up on Accounts Commission findings, Controller of Audit recommendations and any outstanding improvement actions reported in Best Value Assurance Reports (BVAR) on page [38](#) and the Annual Audit Reports on page [26](#).
- 2. Service Improvement and reporting.** We have assessed how effectively the Council demonstrates service improvement on page [50](#). We have provided a summary of the information the Council reports publicly on its service performance on pages [50 to 51](#).

3. Thematic reviews. We have reported our conclusions on the thematic work for 2022/23 on “the effectiveness of council leadership (officers and elected members) in developing new local strategic priorities following the election in May 2022” in our separate management report, issued at the same time as this report.

4. Contributing to Controller of Audit reports. Clackmannanshire Council is due to be reported to the Accounts Commission in year one of our appointment (this cycle).

Deloitte view – Best Value

The Council has appropriate and effective best value framework in place and has continued to make positive progress in addressing the recommendations contained in the 2018 BVAR and subsequent progress report published in June 2019. The Council has a clear understanding of areas which require development.



Financial sustainability is the biggest risk that the Council face and it is critical that detailed plans are developed at pace, with robust benefits realisation tools to demonstrate that the Council is achieving its intended outcomes.

3.27 Wider scope requirements (continued)

Follow-up on Accounts Commission findings



Best Value Assurance Report

We have assessed the Council's progress against each of the recommendations made, as summarised in the table below. Of the four recommendations, all are being actively taken forward as part of the Council's future plans, with clear evidence of progress.

Recommendation – January 2018	Progress Report – June 2019	Status	2022/23 Update
<p>1. Councillors and officers should build on their constructive working relationships to provide the coherent, combined leadership necessary to secure the council's financial position.</p>	<p>There is evidence of improved working relationships between councillors and officers and a stronger commitment to work collectively in the best interests of the council.</p> <p>There are signs that councillors and officers support a more collaborative approach and have a shared understanding of the need to do things differently.</p>		<p>There continues to be evidence of improved working relationships between councillors and officers.</p> <p>Considered as part of the separate management report "Best Value thematic work 2022/23".</p>
<p>2. The council should consider savings options and decide how best to direct resources to priorities. It should work with communities to develop options and prepare for the difficult decisions it has to make.</p>	<p>The council acknowledges that it needs to demonstrate better the link between decisions on how it uses its resources and its priorities. Actions include earlier consideration of savings proposals through the change programme board and more targeted engagement with individuals and communities which will be affected, as part of the council's wider commitment to community engagement.</p>		<p>The Council now have a detailed 4-phased programme of engagement with communities as part of the budget process.</p> <p>Considered as part of the separate management report "Best Value thematic work 2022/23".</p>

3.28 Wider scope requirements (continued)

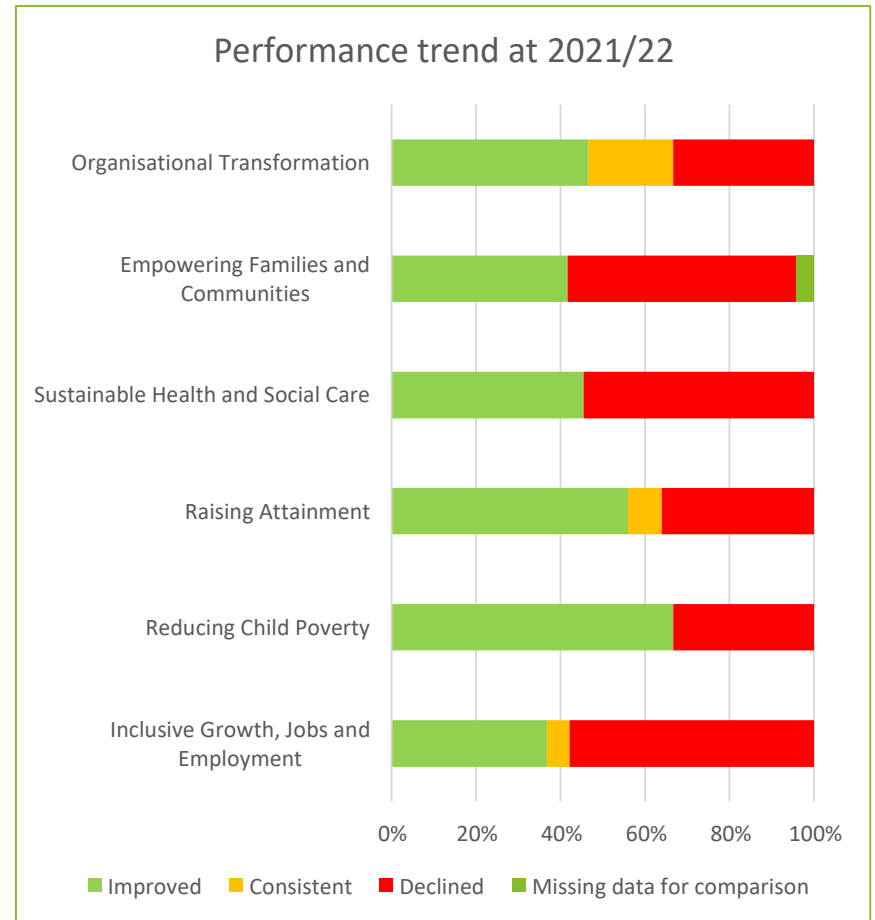
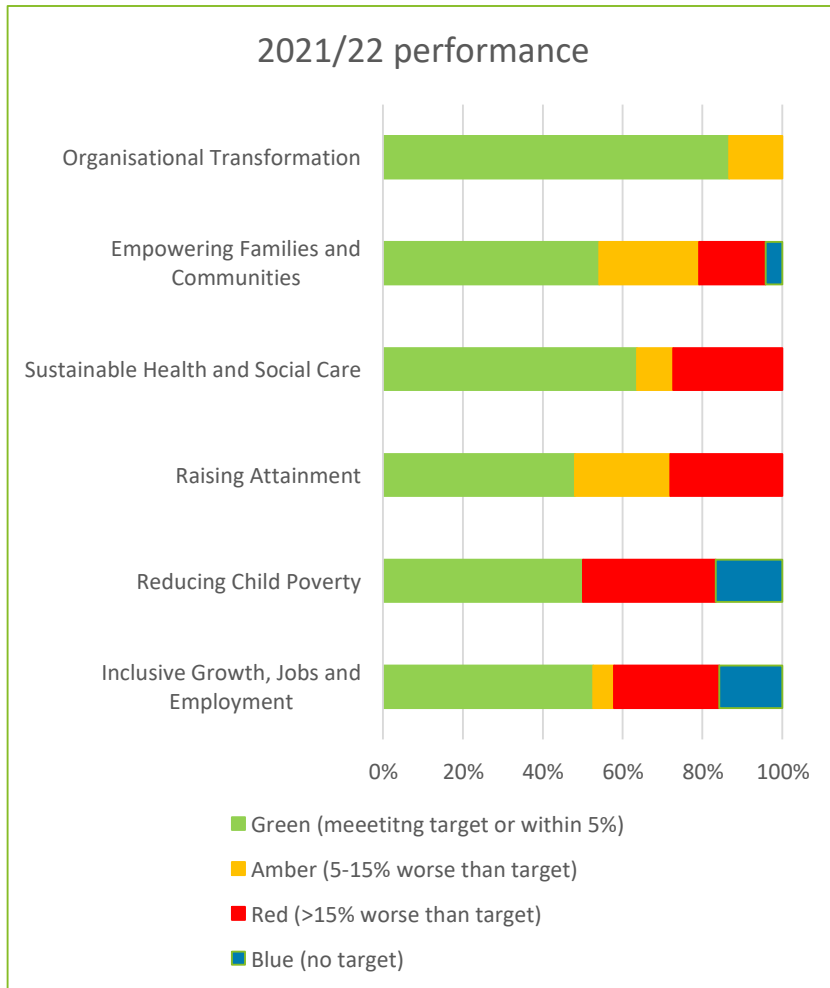
Follow-up on Accounts Commission findings

Recommendation – January 2018	Progress Report – June 2019	Status	2022/23 Update
<p>3. The council should further develop its working relationships with community planning partners to ensure their combined resource is directed towards the strategic local outcomes</p>	<p>The council recognises that to transform services it also needs to increase collaboration with community planning partners, third sector organisations and its communities.</p>		<p>There are a number of examples of good working relations with community planning partners, including STRIVE, Family Wellbeing Partnership and Community Wealth Building.</p> <p>Considered as part of the separate management report “Best Value thematic work 2022/23”.</p>
<p>4. The council should balance the drive for savings with the need for sufficient officer time and skills to support change. It should also consider how it could make more use of external assistance to support improvement</p>	<p>The council has taken steps to build the capacity needed to support organisational change and service redesign. Further work is required to secure the skills and capacity needed to maintain momentum and to embed change throughout the council.</p> <p>The council has secured a range of external assistance to support improvement.</p>		<p>As part of agreement of the 2023/24 budget, the Council agreed a new model of support.</p> <p>Considered as part of transformation programme on page 36.</p>

3.29 Wider scope requirements (continued)

Service performance

The below data summarises the how the Council has performed against targets in 2021/22 (the latest data available), analysed by strategy priority.

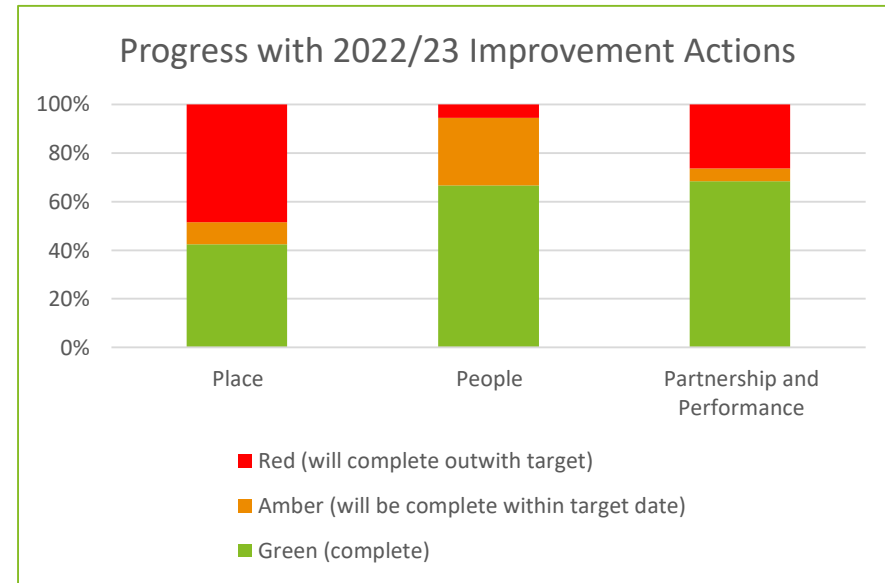
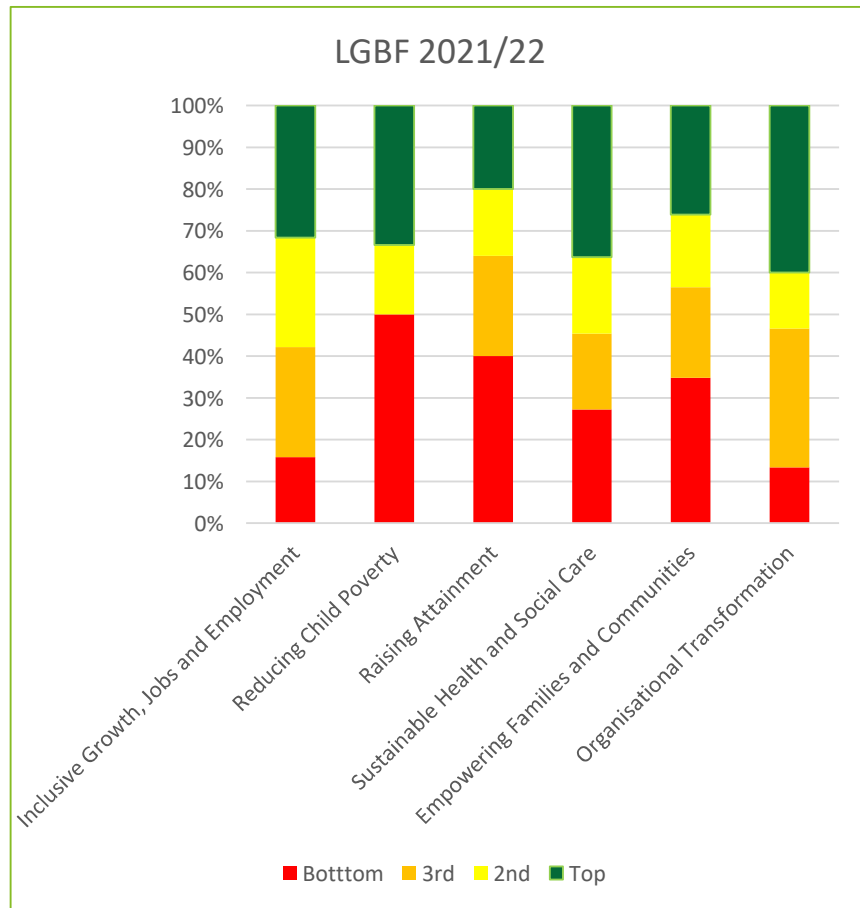


The above data summarises the performance trend in comparison with previous years.

3.30 Wider scope requirements (continued)

Service performance (continued)

The below data summarises Clackmannanshire Council’s ranking relative to the whole of Scotland, as reported in the LGBF report for 2021/22, by priority area.



The above data summarises the status of Improvement Actions from 2022/23 Business Plans, based on latest reporting to the Audit and Scrutiny Committee.

3.31 Wider scope requirements (continued)

Climate change

Risks identified in Audit Plan

Tackling climate change is one of the greatest global challenges. The Scottish Parliament has set a legally binding target of becoming net zero by 2045 and has interim targets including a 75% reduction in greenhouse gas emissions by 2030. The public sector in Scotland has a key role to play in ensuring these targets are met and in adapting to the impact of climate change.

The Auditor General and Accounts Commission are developing a programme of work on climate change. This involves a blend of climate change-specific outputs that focus on key issues and challenges as well as moving towards integrating climate change considerations into all aspects of audit work. For the 2022/23 audit, we have provided responses to a series of questions supplied by Audit Scotland to gather basic information on the arrangements for responding to climate change in each body. These are summarised below.

Question	Clackmannanshire Council's position
1. What targets has the body set for reducing emission in its own organisation or in its local area?	The Council, within its Interim Climate Change Strategy, sets out its overall targets for the Council to reach net zero greenhouse gas emissions by 2040 at the latest and has set interim targets for each year leading up to that. For the Clackmannanshire area, the Council agreed to a target of net zero greenhouse gas emissions by 2045 in line with the Scottish Parliament target.
2. Does the body have a climate change strategy or action plan which sets out how the body intends to achieve its targets?	The Council unanimously passed a motion in August 2021 declaring a climate emergency and agreed to develop a comprehensive Climate Change Strategy. An Interim Climate Change Strategy was approved in August 2022, at which time it agreed its approach to further development of that strategy including the creation of a Climate Emergency Action Plan. A consultation process on the Strategy and Action Plan has recently ended, with a view to being formally approved by the Council in early 2024.

3.32 Wider scope requirements (continued)

Climate change (continued)

Question	Clackmannanshire Council's position
<p>2. Does the body have a climate change strategy or action plan which sets out how the body intends to achieve its targets? (continued)</p>	<p>The Strategy has been developed based on the following strategic themes, with Action Plans in place against each theme:</p> <ul style="list-style-type: none">• Energy, Heat and Buildings;• Low carbon transport;• Waste, Recycling and the Circular Economy;• Biodiversity, carbon storage and agriculture;• Adaption, planning and organisational capacity; and• Economic Development and Sustainable Procurement. <p>The Council has recognised that the plans are ambitious but are needed if Scotland is to meet its climate change goals. It is essential that a clear monitoring system is in place to track progress with the agreed accounts and ensure the Council is transparent about the gaps and challenges that exist in achieving its targets.</p> <p>Audit Scotland's publication Scotland's councils' approach to addressing climate change Audit Scotland (audit-scotland.gov.uk), recommends that plans should include detailed route maps that set out:</p> <ul style="list-style-type: none">• Interim targets to track progress towards longer-term targets;• How and to what extent individual actions will contribute to emissions reductions;• Costs and budgets for the intended actions, gaps in financing and intended actions to secure funding;• How actions to reduce emissions might have co-benefits for, or impact on, adaption actions; and• A clear timetable for reviewing actions and publishing update reports on progress. <p>The Council plan to follow this guidance once it has completed its action plan.</p>

3.33 Wider scope requirements (continued)

Climate change (continued)

Question	Clackmannanshire Council's position
3. How does the body monitor and report progress towards meeting its emissions targets internally and publicly	<p>In approving the Interim Strategy in August 2022, the Council establishment of a Climate Emergency Board and community-focused Climate Change Forums.</p> <ul style="list-style-type: none">• The Climate Emergency Board has members from each political party and senior officers from across the Council and is accountable for the operational delivery of the Action Plan, the updated Strategy and emission reduction targets. The Board is chaired by an elected member from the Administration who is the Council spokesperson for environment and net zero.• Five Climate Change Forums have been set up to facilitate engagement with communities and promote sustainability across the county. <p>In accordance with the Climate Change (Scotland) Act 2009, the Scottish Government Statutory Order from 2015 and the 2020 Climate Change Duties Amendment Order, the Council submits data annually which is published on the Sustainable Scotland Network website.</p>
4. Has the body considered the impact of climate change on its financial statements?	<p>Given the early stages of development the Climate Change Strategy and Action Plan, no specific consideration has been given to the impact of climate change on the financial statements. Climate change is, however, considered as part of the budget setting process and in particular the capital programme, with £519,000 specifically identified within the 2023/24 capital programme as being “investment in net zero”.</p> <p>Areas that may need to be considered in the future could include the useful economic lives of assets, new provisions or new sources of uncertainty.</p>

3.34 Wider scope requirements (continued)

Climate change (continued)

Question	Clackmannanshire Council's position
5. What are the areas of the financial statements where climate change has, or is expected to have, a material impact?	Potential impact could be around Property, Plant and Equipment balances, provisions, contingencies and new estimation uncertainties as well as the budgetary implications of the Plan.
6. Does the body include climate change in its narrative reporting which accompanies the financial statements and is consistent with those financial statements?	<p>The Council has included reference to climate change in the Management Commentary under "Sustainability and Climate Change" and sets out the work that has taken place with the Strategy development and governance arrangements with hyperlinks provided to further details.</p> <p>As the Council's Action Plan and monitoring arrangements are further developed, we would expect this disclosure to increase in future years to provide more detail on progress, risks and mitigating action.</p>

Deloitte view – Climate change

Clackmannanshire Council has a comprehensive Climate Change Strategy with ambitious targets in place and reporting annually in accordance with the regulation and legislation. Clear governance arrangements are in place with the Climate Emergency Board, and good links in place to involve communities in the decision-making process. It is essential that as detailed actions plans are developed, the Council is transparent about the gaps and challenges that exist in achieving its targets.

3.35 Wider scope requirements (continued)

Cyber risk

Area	Management actions	Impact on Clackmannanshire Council's Annual Accounts	Impact on our audit
Cyber risk	<p>Clackmannanshire Council recognises cyber risk as part of its Corporate Risk Register across a number of risk areas, including the following:</p> <ul style="list-style-type: none"> • Information not managed effectively; and • IT system failure. <p>As part of the Internal Audit programme for 2022/23, a review was due to be carried out of IT and Information Security Governance. This has been subsequently carried forward to the 2023/24 internal audit programme. While this delay has not impacted on the internal auditor's overall opinion for 2022/23, given the Strategic Risk for the Council and the wider risk of cyber-attacks across the public sector, it is important that this review is progressed as planned in 2023/24 to assess the appropriateness of the cyber security arrangements in place.</p> <p>The Council is investing in ICT infrastructure as part of its Digital Transformation Strategy. A report on cyber security compliance is scheduled, however, recent global issues increased the risk reported on the Corporate Risk Register and work is ongoing around security and improving staff and public awareness.</p>	<p>The Annual Governance Statement includes an update on areas for improvement contained within the 2021/22 AGS, which included an update on the Digital Transformation Delivery Plan.</p>	<p>We have obtained an understanding of the business and its internal controls in relation to cyber including assessing the maturity and coverage of the entity's cyber risk management programme.</p> <p>We obtained an understanding of the relevant laws and regulations in relation to the entity.</p>

4.1 Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to help the Council discharge their governance duties. It also represents one way in which we fulfil our obligations under ISA (UK) 260 to communicate with you regarding your oversight of the financial reporting process and your governance requirements. Our report includes:

- Results of our work on key audit judgements and our observations on the quality of your Annual Accounts.
- Our internal control observations
- Other insights we have identified from our audit.

The scope of our work

Our observations are developed in the context of our audit of the Annual Accounts.

We described the scope of our work in our audit plan.

Use of this report

This report has been prepared for the Council, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose.


What we don't report

As you will be aware, our audit was not designed to identify all matters that may be relevant to the Council.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

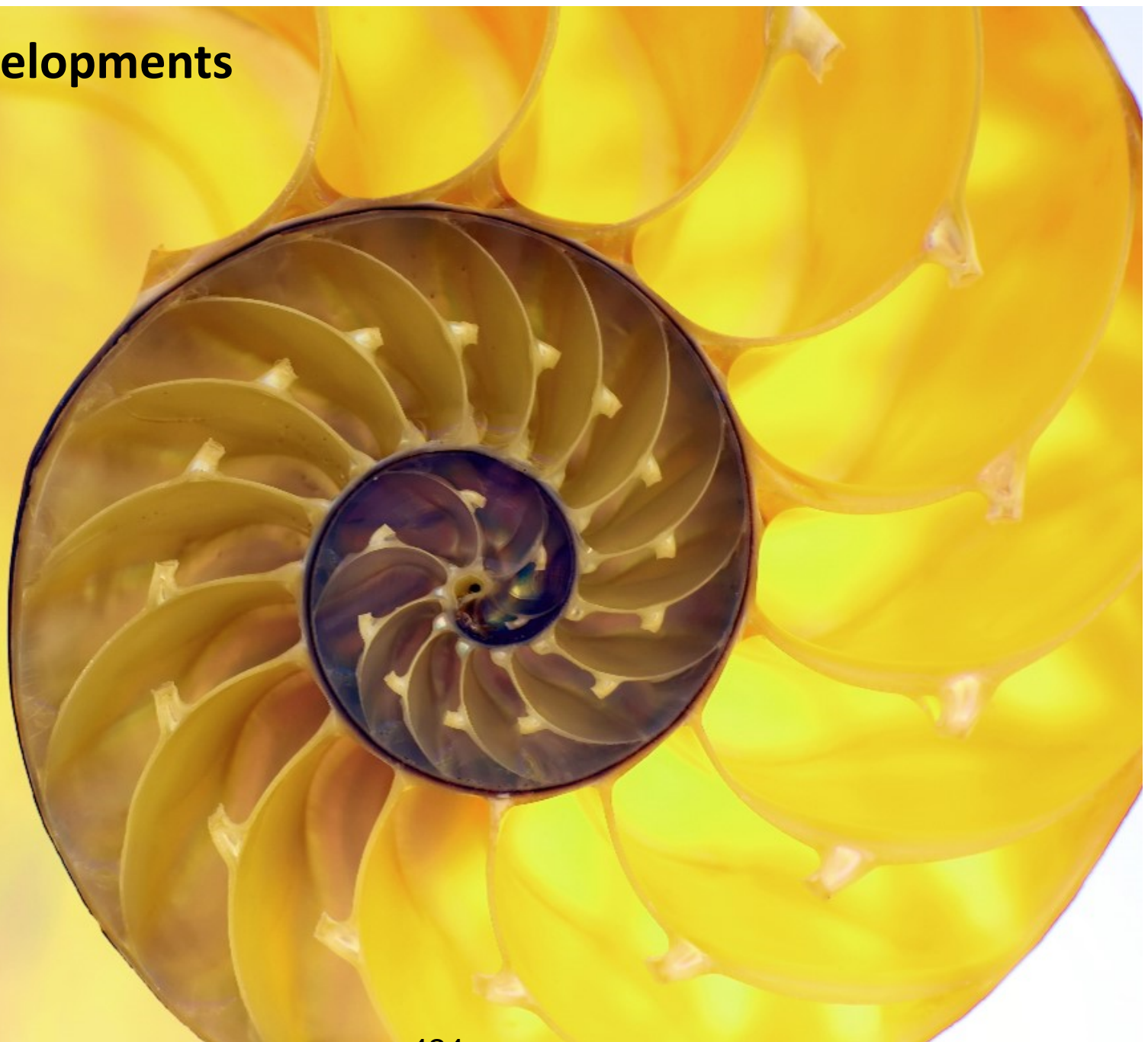
Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

We welcome the opportunity to discuss our report with you and receive your feedback.



Deloitte LLP
Glasgow | 16 August 2024

Sector developments



5.1 Sector developments

Local Government Overview 2023

Background and overview

In August 2020, the Accounts Commission agreed a strategic medium-term approach to reporting on the impact of the Covid-19 pandemic. This approach committed to producing a series of annual overview reports over a three-year period. This report:

- is the third and final overview report in the series
- builds on the previous reports in the series and examines:
 - how has the pandemic affected councils and their performance?
 - what are the current and future challenges facing local government?
 - how well placed are councils to deal with the current and future challenges?
- draws on findings from the financial bulletin, considering these in the context of the wider overview.

The findings of this report are drawn from 2021/22 annual audits, performance and best value audit work carried out during 2022 and from specific research and analysis of available data and intelligence.

Local government in Scotland

Overview 2023



ACCOUNTS COMMISSION 

Prepared by Audit Scotland
May 2023

Next steps

The Council should consider each of the recommendations on the next page and incorporate into plans where not already considered. The full report is available through the following link: [Local Government in Scotland 2023](#)

5.2 Sector developments

Local Government Overview 2023

Key messages

- Finances and resources - Budget constraints and increasing cost pressures are putting councils' finances under severe strain.
- Community needs and inequalities - The pandemic has affected performance across all service areas. There are signs of growing backlogs and declining performance in some service areas.
- Collaboration - The scale of the challenges ahead means that radical change is needed. It is only by working more collaboratively that councils and their local partners, communities and the third sector will be able to provide sustainable local services and deliver a significant programme of national reform to tackle issues such as climate change, child poverty and inequalities.
- Leadership - Leaders must think radically and make fundamental changes to how councils operate in future, building on the collaborative and innovative ways of working many demonstrated during the pandemic.
- Workforce - Increasing workforce challenges, including a competitive labour market and high sickness absence levels, are putting councils under continued pressure.

Recommendations (relevant to Councils)

- Councils need to set out medium- to long-term financial plans that detail: (1) how they will make recurring savings and reduce reliance on reserves to fill budget gaps (2) how council resources are targeted to achieve their long-term policy and performance priorities.
- Councils should be more transparent with the public about scale of service demand, the extent of backlogs and changes to eligibility criteria necessary to ration access to services and any impact this has on unmet need. Councils should have a clear plan for strengthening their use of data to understand needs, make decisions and direct resources. This includes equalities data, and learning from those with lived experience.
- Councils need to maximise the potential of collaboration by demonstrating they are: (1) working with other councils, the wider public sector and the third sector to redesign and provide services (2) involving service users and local communities in the redesign of services.
- Councils' leaders need to invest time and capacity in thinking radically about their future operating model, and: (1) be open and clear with communities and staff about the need for change, what that means for future service delivery and involve communities in making difficult decisions (2) set out a clear vision for their long-term policy and performance priorities, and how it will be delivered and monitored (3) work with the Scottish Government to rebuild an effective Relationship.
- Councils need to improve workforce planning to effectively develop and deploy their existing workforce. This includes: (1) building the capacity, skills, strategic thinking and comprehensive workforce data needed for effective workforce planning (2) updating workforce plans to reflect new models of service delivery and ways of working.

5.3 Sector developments

The State of the State report 2022/23 – From the pandemic to a cost of living crisis

Background and overview

The 11th edition of Deloitte and Reform's report on the UK public sector was launched in November 2022. Since 2012, we have aimed to create an annual snapshot of what's happening across government and public services to serve as an evidence base for informed discussion.

This year's State of the State finds public attitudes deeply affected by the cost of living crisis, pessimistic for the future and passionate about climate change.

After years of reacting to crises, the latest State of the State report finds officials across the public sector eager for reform and calling for bold decisions about the future of government and public services.

Some key messages:

- The public are split on the right balance between taxes, borrowing and public spending;
- The public's message to government: deal with the crises, but don't neglect net zero;
- Our survey data found that the Scottish and Welsh Governments, as well as the NHS, are among the most trusted parts of the public sector but trust has slipped overall;
- Public sector leaders are eager for reform and calling for bold decisions about the future of government and public services.



Next steps

The full report is available at [The State of the State 2022/23 \(deloitte.com\)](https://www.deloitte.com/uk/en/issues/public-sector/state-of-the-state-2022-23.html)

5.4 Sector developments

Audit Scotland: Local Government Budgets 2024/25

Background and overview

Scotland’s councils are facing a significant gap in the money needed to deliver local services and the money they have available. This means councils will have to make increasingly difficult decisions about how councils are run, how they can deliver services and what services can continue.

Key Messages:

- In real terms, the 2024/25 Scottish Budget allocation of total revenue funding to local government has increased by 5.7 percent, however funding remains constrained as most of the increase is directed funding to deliver Scottish Government priorities and agreed pay deals.
- At the time of setting budgets, councils identified a difference of at least £585 million between their anticipated expenditure and the funding and income they expect to receive (the ‘budget gap’) for 2024/25, representing an estimated 3.5 per cent of councils’ total revenue budget.
- Councils have had to make difficult budget setting decisions for 2024/25, and most worked with their communities to inform or consult on the challenges faced.
- Budget setting processes vary across councils, partly reflecting differences in organisational structures and local priorities.

Next steps

The full report is available at [Local Government Budgets 2024/25 \(Audit Scotland\)](#)

Briefing

Local government budgets 2024/25



5.5 Sector developments

Audit Scotland: Delivering for the future – why leadership matters

Background and overview

Each year the Commission selects a particular thematic area of Best Value to focus on, recognising the risks and challenges councils face. The theme this year is the 'Leadership of the development of new strategic priorities'.

The Commission reported that councils are operating in a complex and increasingly volatile environment, which requires strong leadership from councils to make difficult decisions about where and how to spend highly pressured resources.

Next steps

The full report is available at [Delivering for the Future \(Audit Scotland\)](#)



5.6 Sector developments

Audit Scotland: The important role of a CFO

Background and overview

As the challenges across the public sector intensify, the role of CFOs is increasingly in the spotlight. As CIPFA highlight, with existing frameworks on governance and decision-making being pushed to their limits, with public services becoming more complex, the CFO is expected to take an active leadership role, not just within the finance function, but across their organisation, sector and public services as a whole.

When budgets tighten, Audit Scotland highlight that often corporate, or 'back office' functions face the hit, to avoid immediately impacting front line services. Against this background, it is important that in the pursuit of back-office efficiencies, the effectiveness of the financial function is not put at risk.

This is an area of interest for Audit Scotland, and in this report it is outlined that they will be taking an interest in auditor conclusions on the resourcing of the finance function as part of their consideration of the 2023/24 annual accounts.



Next steps

The full report is available at [The Important Role of a CFO \(Audit Scotland\)](#)

5.7 Sector developments

Audit Scotland: Integration Joint Boards' Finance and performance 2024

Background and overview

Audit Scotland highlight that community health and social care faces unprecedented pressures and financial uncertainty. The report outlines that community health and social care faces rising unmet need and managing the crisis is taking priority over prevention due to the multiple pressures facing the bodies providing these services.

Key messages:

- Audit Scotland have not seen significant evidence of the shift in the balance of care from hospitals to the community intended by the creation of IJBs.
- IJBs operate within complex governance systems that can make planning and decision making difficult, and cannot address the issues across the sector alone.
- The workforce is under immense pressure reflecting the wider pressures in the health and social care system.
- Data quality and availability is insufficient to fully assess the performance of IJBs and inform how to improve outcomes for people who use services with a lack also of joined up data sharing.
- Current commissioning and procurement practices are driven largely by budgets, competition, and cost rather than outcomes for people.

Next steps

The full report is available at [Integration Joint Boards \(Audit Scotland\)](#)



5.8 Sector developments

How collaborative leadership can create solutions to big global issues on government's future frontiers

Background and overview

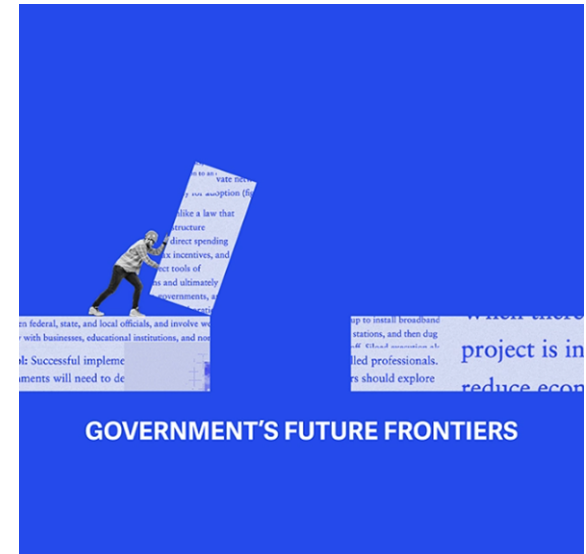
Infrastructure. Security. Health. Technology. The on-the-ground realities of homelessness. The infinite possibilities of space.

These are all big issues, bigger than any one organization can handle alone. Truly tackling the problems and opportunities inherent in these pressing societal concerns could take a concerted effort from all walks of society: Public agencies and private companies, nonprofits and academics, multinational foundations and community activists. But no matter what teams are assembled, government is expected to play a key role in constructing the scaffolding on which solutions are built.

In this publication, Deloitte speak to Bill Eggers and Don Kettl, authors of *Bridgebuilders: How Government Can Transcend Boundaries to Solve Big Problems*. They have more than 75 years of combined experience in the world of public management between them, and they have studies countless efforts to redesign government to make it more agile and responsive.

Next steps

The full publication is available at [Government's Future Frontiers \(deloitte.com\)](https://www.deloitte.com/government/publications/government-s-future-frontiers)



5.9 Sector developments

Government Trends 2023

Background and overview

In the age of discontinuity, governments are moving from hierarchies to networks to enable intragovernment collaboration and nurturing collaborative public-private ecosystems to achieve shared outcomes.

This report outlines nine transformational trends that illustrate governments “bringing down walls” to deliver solutions. The trends outlined are:

- Fluid government workforce models
- Bridging the data-sharing chasm
- Tackling funding silos
- Tailored public services
- Back-office innovations improving mission performance
- Regulation that enables innovation
- Teaming up to deliver whole health
- End-to-end justice
- Security by network

Next steps

The full publication is available at [Government Trends 2023 \(deloitte.com\)](https://www.deloitte.com/gt2023)



Appendices



6.1.1 Action Plan

The following recommendations have arisen from our 2022/23 audit work:

Recommendation	Management Response	Priority	Responsible Person	Target Date
<p>1. Financial sustainability – budget setting</p> <p>The Council should set out within its budget papers any other specific risks that impact on the achievement of a balanced financial position and what mitigating action the Council has planned to manage these risks.</p>	<p>Accepted. Budget papers will continue to include comment around the ability to meet a balanced budget. Budget strategy report includes in year risks such as Pay Award and mitigating actions being taken - essential spend, recruitment to critical posts. Regular out turn reporting is presented to Audit and Scrutiny which includes comment in relation to under/over spends. Any significant forecasted overspend must have a management action plan developed to mitigate the overspend which is then brought back to committee. Other specific financial risks and impacts will be included as they arise.</p>	Medium	Chief Finance Officer/ SM - F&R	Ongoing reporting

6.1.1 Action Plan

The following recommendations have arisen from our 2022/23 audit work:

Recommendation	Management Response	Priority	Responsible Person	Target Date
2. Financial sustainability – reserves The finance monitoring reports should be expanded to give members an update on progress with the use of the earmarked reserves to ensure that they are being actively monitored and being applied for the purposes intended.	Accepted. We will look to include a specific section that provides a detailed breakdown of earmarked reserves opening balance, used in year to date and the closing balance. This will ensure that members are fully informed about the status of these reserves and can scrutinise the use of the reserves during the year.	Medium	Chief Finance Officer/ SM - F&R	October 2024 (June outturn report 2024/25 and Ongoing reporting)

6.1.1 Action Plan

The following recommendations have arisen from our 2022/23 audit work:

Recommendation	Management Response	Priority	Responsible Person	Target Date
3. Financial sustainability A Medium-Term Financial Strategy be developed, with clear actions on how financial sustainability is to be achieved. This should follow Audit Scotland's report in June 2014 Scotland's public finances – A follow-up audit: Progress in meeting the challenges (audit-scotland.gov.uk) as a reference.	The Budget strategy is set annually outlining the budget approach for the year to close the gap. This is in line with the current 1 year settlement of Local Government funding which makes up the majority of the Councils income. The gap for the next 3 years is also included in the strategy with assumptions on variable elements. Savings and pressures are prepared over a multi year period to reduce the gap in future years as well as the forthcoming year. We will consider incorporating the recommendations of Audit Scotland's report into future budget strategy reports.	Medium	Chief Finance Officer / SM – F&R	March 2025

6.1.2 Action Plan (continued)

Recommendation	Management Response	Priority	Responsible Person	Target Date
<p>4. Financial sustainability - transformation</p> <p>More work is required to build the detail behind each project and fully align this to the development of a medium-term financial strategy by:</p> <ul style="list-style-type: none"> a) Adding greater detail about individual projects; b) Setting clear timelines for each project; c) Assess the resources and support required to deliver these projects (taking into account the resources that are already identified); and d) Developing a benefits realisation tracker to assess whether the Council has achieved its aims. 	<p>Accepted. Project details are now captured on a standard template which includes; timelines, project budgets, key risks/issues and interdependencies and transformation. Resource requirements are also reviewed by the project lead sponsor. These updates link back to the 10 agreed corporate priorities and are reported to the Strategic Oversight Group and the Be the Future Board at each meeting. A benefits realisation tracker is also being developed which will be applied to each project. New Business cases will also be reviewed to ensure they capture relevant information going forward.</p>	Medium	SM - Transformation and Capital	December 2024

6.1.3 Action Plan (continued)

Recommendation	Management Response	Priority	Responsible Person	Target Date
<p>5. Governance – Audit and Scrutiny Committee</p> <p>The ASC could be enhanced by:</p> <p>a) allocating provisional times for each item on the agenda to help manage the meetings within the set timeline.</p> <p>b) formalising the arrangement for substitute members with specific expertise within the Committee’s Terms of Reference.</p> <p>c) receiving regular updates from management on progress with the implementation of internal and external audit recommendations.</p>	<p>a) Accepted. This will be discussed with the chair, with implementation.</p> <p>b) Accepted. This will be discussed with the chair.</p> <p>c) Accepted but it is already intended within the current forward plan. An internal audit update went to committee in August 2023, with an undertaking to provide 6 monthly updates thereafter. The external audit reports were intended to be contained in the six monthly AGS progress report. I accept this need to be clearer. i will retitle to AGS and External Audit actions progress report.</p>	Low	<p>a) Strategic Director – Partnership and Performance</p> <p>b) Strategic Director – Partnership and Performance</p> <p>c) Strategic Director – Partnership and Performance</p>	<p>a) 31 March 2024</p> <p>b) 31 August 2024</p> <p>c) 31 March 2024</p>

6.2.1 Follow-Action Plan

We have followed up the recommendations made in by the previous auditors. We are pleased to note that four recommendations have been fully implemented as documented below and the remaining four are ongoing into 2023/24.

Recommendation	Management Response	Management update 2022/23
<p>1. Finance team capacity</p> <p>The council should ensure that the finance team is adequately resourced to prepare a comprehensive set of unaudited accounts and provide the necessary working papers in a timely manner to support the audit process.</p>	<p>Finance management continue to review team capacity and undertake recruitment of permanent staff. Due to a tight labour market, recruiting to vacancies continues to be challenging and a redesign of the Service is underway including the opportunity to offer apprenticeships and/or trainee positions to support future succession planning.</p> <p>Responsible officer: Chief Finance Officer Agreed date: Ongoing</p>	<p><i>Partially implemented</i></p> <p>The recruitment to the Chief Accountant post has been completed and start September 2024. Recruitment for permanent capital accountant is on going.</p> <p>Following the finalisation of the restructure if Revenues, a review of the Finance structure is in progress</p>
<p>2. Bank reconciliations</p> <p>The council must comply with its own financial regulations and prepare bank reconciliations at least once a month.</p>	<p>Bank reconciliations were completed in a timely manner through the year, however, work to resolve reconciling items led to delays in finalising the reconciliations and passing the information over to External Audit. Regular reviews have been scheduled to ensure progress through the year.</p> <p>Responsible officer: Chief Finance Officer Agreed date: 31 March 2023</p>	<p><i>Fully implemented</i></p> <p>Bank reconciliation are undertaken on a monthly basis. Reconciliations are reviewed regularly by the Corporate Accountant and progress is reviewed in weekly Treasury Team meetings.</p>

6.2.2 Follow-up Action Plan (continued)

Recommendation	Management Response	Management update 2022/23
<p>3. Non-current asset accounting</p> <p>The process for identifying surplus assets, impairment and accounting for revaluations should be strengthened to ensure they can be accurately captured in the financial statements</p>	<p>Finance staff will continue to liaise with internal officers and external valuers to ensure financial statements accurately reflect the non-current asset position.</p> <p>Responsible officer: Chief Finance Officer Agreed date: 30 September 2023</p>	<p><i>Partially implemented</i></p>
<p>4. Management commentary and annual governance statement</p> <p>The council should review the project plan for the preparation of the unaudited annual governance statement to ensure it is prepared to the appropriate standard and fully supported by audit evidence.</p>	<p>A number of enhancements were made to the Management Commentary and Annual Governance Statement during the audit period. Officers will review both these areas for the 2022/23 accounts.</p> <p>Responsible officer: Chief Finance Officer and Monitoring Officer Agreed date: 30 September 2023</p>	<p><i>Fully implemented</i></p> <p>The officer will continue to monitor this into 2023/24.</p>

6.2.3 Follow-up Action Plan (continued)

Recommendation	Management Response	Management update 2022/23
<p>5. Financial systems of internal control and key supporting documents</p> <p>The council must review the control environment and reinstate critical key controls such as timely reconciliations. This should be supported by revised financial management and governance documents that clearly define expectations and responsibilities.</p>	<p>As reported to Council on 6th October 2022, a working group consisting of Officers and Elected Members has been set up to consider and review both the Scheme of Delegation & Standing Orders. These will be presented to Council for approval following completion.</p> <p>Responsible officer: Chief Finance Officer and Monitoring Officer Agreed date: 2023/24</p>	<p><i>Partially implemented</i></p>
<p>6. Prevention and detection of fraud and error</p> <p>The council should review and update its anti-fraud arrangements and policies and ensure these are clearly communicated to staff.</p>	<p>An annual fraud and corruption training plan will be developed for all staff and the profile of the whistleblowing policy raised through a programme of internal communication.</p> <p>Responsible officer: Senior Manager, Legal & Governance Agreed date: September 2023</p>	<p><i>Partially implemented</i></p> <p>A new whistle blowing policy was approved by Council in October 2023, slightly later than planned. A staff training and awareness campaign is now in development, with rollout due to commence in Q4 of 2023/24.</p> <p><i>Revised target date:</i> 31 March 2024</p>

6.2.4 Follow-up Action Plan (continued)

Recommendation	Management Response	Management update 2022/23
<p>7. Audit and scrutiny committee</p> <p>Officers should keep the revised Audit and Scrutiny committee arrangements under review to ensure there is sufficient time for members to review papers and provide effective scrutiny and challenge.</p>	<p>Officers will monitor this during the year.</p> <p>Responsible officer: Extended Strategic Leadership Group</p> <p>Agreed date: Ongoing</p>	<p>Fully implemented</p> <p>The committee undertook a review of its plan between August and October, with the final plan being agreed on 26 October. This will be kept under ongoing review.</p>
<p>8. Long-term planning (from 2020/21 Action Plan)</p> <p>Long-term planning arrangements, including a range of scenarios, should continue to be developed to support the council in recovering from the Covid-19 pandemic and in transforming services.</p> <p>2021/22 update: Progressing – the council has a clear focus on continuing to develop its longer-term planning.</p>	<p>The council is reviewing its long-term plan through its Be the Future (BtF) programme including plans for transforming services and adapting to the changed environment Regular updates continue to be provided to Council on the BtF programme.</p> <p>Responsible officer: Chief Executive & Director of Transformation</p> <p>Agreed date: Ongoing</p>	<p>Fully implemented</p> <p>Covid recovery is now built into business as usual.</p> <p>Chief Executive continues to provide regular updates to Council on the progress of the BtF programme and the general transformation of service to adapt to the current and future anticipated environment.</p>

7.1 Audit adjustments

Unadjusted misstatements

No unadjusted misstatements have been identified as a result of our audit procedures.

7.2 Audit adjustments

Corrected misstatements

The following misstatements have been identified up to the date of this report which have been corrected by management. We nonetheless communicate them to you to assist you in fulfilling your governance responsibilities, including reviewing the effectiveness of the system of internal control.

		Debit/(credit) CIES £m	Debit/(credit) in net assets £m	Debit/(credit) reserves £m	Debit/(credit) Equity £m	If applicable, control deficiency identified
Property Valuation Adjustments	[1]	12	(57.3)	45.3		

[1] An adjustment was identified in relation to the valuation of Alva Primary and Alva Secondary Schools where the values were subsequently revised downwards in an updated valuation report. This had an impact on the desktop valuation performed on assets not formally revalued in the year, with the total impact being a £57.3m reduction in net assets. This summary shows the impact of both school valuation adjustments and the wider desktop valuation impact. Note that the impact on reserves is to the unusable revaluation reserve.

7.3 Audit adjustments

Disclosures

Disclosure misstatements

No disclosure misstatements have been noted.

8.1 Our other responsibilities explained

Fraud responsibilities and representations



Responsibilities:

The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.

Required representations:

We have asked the Council to confirm in writing that you have disclosed to us the results of your own assessment of the risk that the financial statements may be materially misstated as a result of fraud and that you have disclosed to us all information in relation to fraud or suspected fraud that you are aware of and that affects the Council.

We have also asked the Council to confirm in writing their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error and their belief that they have appropriately fulfilled those responsibilities.



Audit work performed:

In our planning we identified the risk of fraud in capital expenditure recognition and management override of controls as a key audit risk.

During course of our audit, we have had discussions with management and those charged with governance.

In addition, we have reviewed management's own documented procedures regarding fraud and error in the financial statements.

We have reviewed the paper prepared by management for the audit committee on the process for identifying, evaluating and managing the system of internal financial control.

We will explain in our audit report how we considered the audit capable of detecting irregularities, including fraud. In doing so, we will describe the procedures we performed in understanding the legal and regulatory framework and assessing compliance with relevant laws and regulations.

Concerns:

No issues or concerns have been identified in relation to fraud.

9.1 Independence and fees

As part of our obligations under International Standards on Auditing (UK), we are required to report to you on the matters listed below:

Independence confirmation We confirm the audit engagement team, and others in the firm as appropriate, Deloitte LLP and, where applicable, all Deloitte network firms are independent of the Council and our objectivity is not compromised.

Fees The expected fee for 2022/23, as communicated by Audit Scotland in December 2022 is analysed below:

	£
Auditor remuneration	209,500
Audit Scotland fixed charges:	
• Contribution to PABV costs	47,420
• Audit support costs	7,940
• Sectoral cap adjustment	(26,050)
Total expected fee	238,810

Due to additional work being required by Deloitte we will be seeking additional fees. This is currently under negotiation.

Non-audit services In our opinion there are no inconsistencies between the FRC's Ethical Standard and the Council's policy for the supply of non-audit services or any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary.

Relationships We have no other relationships with the Council, its directors, senior managers and affiliates, and have not supplied any services to other known connected parties.

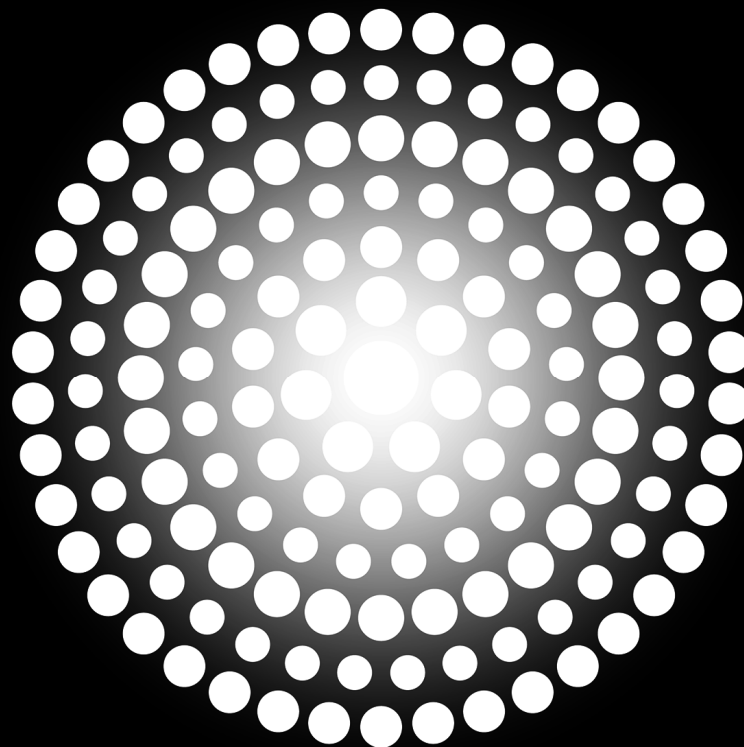


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Clackmannanshire Council – Best Value thematic work 2022/23

Management Report – Leadership of the development of new local strategic priorities
Issued on 16 August for the meeting on the 29 August 2024

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01 Management Report

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Key messages

1. The Council has a clear vision supported by revised priorities, and recently approved a revised and streamlined approach to monitoring performance.
2. The Council has engaged with citizens and communities when developing the priorities.
3. The Council's priorities have a focus on the need to reduce inequalities and its climate change commitments.
4. An ambitious capital plans is in place, aligned to the Council priorities. Business plans, workforce plans and digital transformation are being refreshed and updated. We have recommended that a medium term financial plan is developed and aligned to the Council priorities.
5. The leadership (both political and officer) has been effective in setting clear priorities but now needs to demonstrate sustainable plans for delivering them.
6. The Council's improvement actions from this review are included at Appendix 1 of this report. It sets out the Council's response to audit recommendations made.

1.1 Scope of the audit

When discussing the Local government in Scotland Overview 2022, William Moyes, Chair of the Accounts Commission said: “Councils are operating in a complex and increasingly volatile, unprecedented and unpredictable environment. Strong leadership from councils is needed now more than ever, with new and returning councillors being able and willing to make difficult decisions about where and how to spend highly pressurised resources.”

This report concludes on the effectiveness of the Council’s leadership of the development of the Council’s strategic priorities, following the recent local government elections.

[The Accounts Commission’s Strategy \(2021-26\)](#) sets out its priorities to focus on inequalities, funding, communities and recovery. The Code of Audit practice sets out the Best Value work required to report on these priorities.

Code of Audit Practice 2020 Best Value reporting requirements

Best Value reporting – extract from the Code

The Accounts Commission’s approach to Best Value involves reporting on individual local government bodies and thematically across the local government sector through performance reports:

- As part of their integrated wider-scope annual audit work appointed auditors use a risk-based approach to assess and report whether the audited body has made proper arrangements for securing Best Value and is complying with its community planning duties, including reporting progress against previous Best Value findings and recommendations.
- The Accounts Commission also requires the Controller of Audit to report to the Accounts Commission on each council or Integration Joint Board (IJB) at least once over the five-year audit appointment on the body’s performance on its Best Value duty. This enables the Accounts Commission to make findings for improvement where appropriate. ¹
- The Accounts Commission reports nationally on thematic aspects of local government bodies’ approaches to, and performance in, meeting their Best Value and community planning duties. Local government appointed auditors report locally on any such Best Value thematic work prescribed by the Accounts Commission.

¹The Controller of Audit will report the first tranche of council BV reports to the Commission between October 2023 and August 2024 on Moray, Falkirk, Dundee City, Orkney Islands, South Ayrshire, Dumfries and Galloway, Clackmannanshire and West Dunbartonshire.

1.2 Scope of the audit (continued)

This report covers the thematic aspect of the Best Value audit requirements. The Commission has directed auditors to report on the effectiveness of the leadership of the development of the Council's strategic priorities.



In carrying out the work auditors have considered the following questions:

- How clear is the new Council vision and its priorities?
- How effectively have the views of citizens and communities been reflected in the priorities and decisions taken by the Council?
- How effectively do the priorities of the Council reflect the need to reduce inequalities and climate change?
- How good are the delivery plans and is there alignment of financial, workforce, asset and digital plans with the Council's priorities?
- Overall, how effective has the leadership been (political and officer) in setting clear priorities and a sustainable approach to delivering them?

An improvement action plan is included at Appendix 1 of this report. This sets out audit recommendations in key areas, and the Council's planned response including responsible officers and dates for implementation.

2.1 Council vision and priorities

The Council has a clear vision supported by revised priorities, and recently approved a revised and streamlined approach to monitoring performance.

A council focused on achieving Best Value in how it operates will be able to demonstrate that elected members and officers have a clear vision and priorities for their area.

The Local government in Scotland Overview 2022 says that Scotland's councils have had a pivotal role in supporting and working with communities as they respond to the impacts of Covid-19. Following the council elections in May 2022, council's will have reviewed their priorities.

Vision and strategy

The **Local Outcome Improvement Plan (LOIP)** covers the period 2017-2027 and sets out the vision of the Clackmannanshire Alliance (the Community Planning Partnership) for the next 10 years:

“working together for a better quality of life and equal opportunities for all”.

This Plan was developed in collaboration with the community planning partners and communities to ensure that it was based on a sound understanding of local need and circumstances. The Plan sets out four strategic outcomes for Clackmannanshire and three Locality Priorities.

The current Council **Corporate Plan** covers the period 2018-2022, entitled “Be the Future”, which sets out the Council's vision, priorities and values. The vision and priorities are consistent with those set out in the LOIP.

A review of the LOIP is underway and the Alliance is currently engaging with communities to help shape the LOIP for the next 10 years. Following conclusion of the engagement, this has been considered by the Council in December 2023.

The Alliance has been working with the Scottish Government, as part of a pilot, to develop a wellbeing economy and through this work initial priorities and key area of action have been identified to be taken forward in a Wellbeing Economy LOIP.

In June 2023, the Council agreed that it would no longer prepare a Corporate Plan separate from the Wellbeing Economy LOIP and agreed a more streamlined framework. This reflected the alignment of strategic priorities across partner bodies and also aligned with principles established by the Council's Target Operating Model (TOM) agreed in August 2022 (discussed further in Annual Audit Report). The more streamlined framework agreed will put an enhanced focus on Business Plan monitoring and scrutiny. Work is ongoing to update Business Planning processes and guidance to ensure a smooth transition when the Wellbeing LOIP is agreed. This approach should improve clarity and efficiency, and also reduce overlaps that currently exist between the LOIP and the Corporate Plan.

2.2 Council vision and priorities (continued)

Vision and strategy (continued)

The revised approach to Business Planning is illustrated below:



The 4-year Corporate Plan is being replaced by an annual “Be the Future Statement of Corporate Priorities” approved by the Council. Business Plans and Operational Plans will then show how the services will align to these priorities and the LOIP strategic outcomes.

Performance tracking will also be streamline to:

- An annual overarching Wellbeing LOIP performance report;
- Annual portfolio Business Plans for which performance will be reported twice per year; and
- An annual Local Government Benchmarking Framework report.

Taken together, this should provide a comprehensive and seamless platform for effective scrutiny of performance which ensuring the Council meet its Public Performance Reporting responsibilities.

The Council agreed its priorities for 2023/24 in October 2023, consolidated around three themes. As illustrated below these themes are consistent with the Strategic Objectives set out within the LOIP. As a result, the Performance Indicators that are currently measured and reported by the Council have not changed significantly and continue to be relevant to the refreshed priorities of the Council and its partners. The Council has subsequently revised its timeline, and the 2024/25 indicators were agreed as part of the February 2024 budget.

LOIP Strategic Outcomes	Council 2023/24 priority themes
<ul style="list-style-type: none"> • Clackmannanshire will be attractive to business and people and ensure fair opportunity for all • Our communities will be resilient and empowered so that they can thrive and flourish • Our families; children and young people will have the best possible start in life • Women and girls will be confident and aspirational, and achieve their full potential 	<p>Sustainable Growth</p> <p>Empowering families and communities</p> <p>Health and wellbeing</p>

3.1 Citizen and community engagement

The Council has engaged with citizens and communities when developing the priorities

Recovery from the pandemic will require councils to work alongside their local communities. There must be a focus on getting the services people need in place as pressures and stresses escalate and impact the day to day lives of individuals and communities.

Councils, with their community planning partners, have a responsibility to ensure that people and communities are able to be fully involved in the decisions that affect their everyday lives.

Early and meaningful engagement and effective collaboration with communities to identify and understand local needs, and in decisions that affect the planning and delivery of services should be a core part of determining a council's vision and priorities.

Community empowerment

Community empowerment is reflected as a Strategic Outcome within the LOIP for 2017-2027, and as discussed on page [7](#), is one of the key themes in the Council's priorities for 2023/24.

LOIP Strategic Outcome "our communities will be resilient and empowered so that they can thrive and flourish".

The LOIP then sets out a number of outcomes and improvement measures to achieve this outcomes.

The Council, and its partners, have a number of good examples of where it is engaging with communities to develop how services will be designed in the future. This includes the Family Wellbeing Partnership, which is discussed further on page [10](#).

The Council has also engaged with communities as part of the budget setting process, which is discussed further on page [14](#).

The Council's website has a dedicated page to community empowerment with links to the following:

- Participation requests;
- Community Asset Transfer;
- Local Allotment and Food Growing Strategy;

- Community Empowerment Fund; and
- Participatory budgeting.

In setting its budget, and in particular the capital programme, the Council has given consideration to fulfilling the COSLA commitment where at least 1% of the local authority budget would be subject to Participatory Budgeting which equates to approximately £1.4m. Key projects in 2022/23 include the Well-being Hub, the learning estate and active travel.

Annual reports are published setting out Asset Transfer Requests and Participation Requests made in the year. These illustrate progress with formal community asset transfers, with only two assets transferred in the last 3 years. However, the Council has facilitated approximately 16 long leases to community bodies over the last 10 years. The uptake over the last 3 years has been impacted by the pandemic, however the Council is now currently having preliminary discussions with a number of communities bodies in relation to a further three facilities.

3.2 Citizen and community engagement (continued)

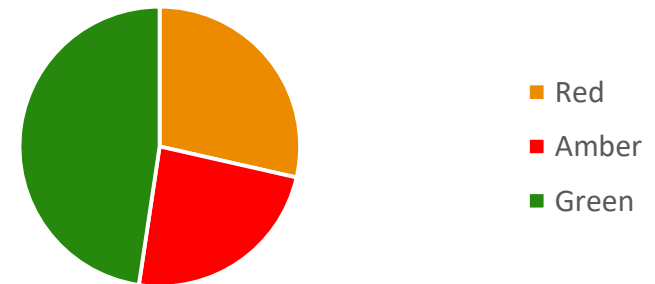
Community wealth building

As noted on page 6, the Council and its partners, through the Community Alliance, has prioritised the delivery of a wellbeing economy for Clackmannanshire. Community Wealth Building (CWB) is a key economic approach to enable that to be achieved.

A CWB Action Plan was developed by the Centre for Local Economic Strategies and approved by the Council in December 2020 as part of the wider project work to develop a wellbeing economy for Clackmannanshire. The first annual CWB Annual Progress report was considered by Council in March 2023 reporting on progress to date and proposed activities to be undertaken in 2023 to further embed CWB.

The status of the agreed actions is illustrated in the chart opposite, demonstrating good progress. Actions are in place to progress the actions flagged as “Red” and “Amber” during 2023. The Council and its partners recognise that there is still work to do to create both the capacity and culture to achieve the objectives of CWB and make the work more accessible to citizens, communities, business and other local organisations. The Council has made commitments in its Transformation Programme to significant projects, such as the Family Wellbeing Partnership and significant investment in its capital programme, including Alloa Transformation Zone and Stirling and Clackmannanshire City Region Deal.

CWB - Status of Actions



Examples of Actions take to date:

- CWB built into the design of City Region Deal projects;
- Developed a Strategic Asset Register;
- Agreement to refresh and deliver the LOIP with the Wellbeing Economy at its heart;
- 4% increase in Council procurement conducted with Clackmannanshire suppliers in 2020/21, 10% since 2017/18;
- Working alongside Clackmannanshire Credit Union to build capacity as a local anchor; and
- Linking with pension fund to consider investment potential.

4.1 Reducing inequalities and tackling climate change

The Council's priorities have a focus on the need to reduce inequalities and its climate change commitments

Council priorities are expected to reflect the Best Value expectations that all activity should contribute to tackling poverty, reducing inequality and promoting fairness, respect and dignity for all citizens, alongside a focus on sustainable development, including climate change.

The Local government in Scotland Overview 2022 report says that the impact of the pandemic and service disruption have been felt most strongly by those already experiencing inequality. Councils have worked hard and adapted to maintain service delivery but those most in need of support are still being affected. Councils must evaluate these impacts so that recovery and renewal supports those most affected and addresses inequalities.

Around two-thirds of councils have formally declared a climate emergency, and COSLA's Blueprint for Local Government states that climate change is a 'greater threat than COVID'. The Scottish Government has recently published guidance on public sector leadership on the global climate emergency to help public bodies in leading climate action. Addressing the climate emergency and setting actions to achieve net zero will need to be a key element of councils' recovery and renewal from the pandemic.

Reducing inequalities

A central theme of the LOIP is a joint commitment to tackling the inequalities that exist in Clackmannanshire as a result of poverty and socio-economic disadvantage. The seven wellbeing priorities being consulted on as part of the Wellbeing LOIP are as follows, which demonstrate that central theme of tackling inequalities:

- Economic opportunity;
- Fair work, particularly for females;
- Sustainable place;
- Outcomes for young people;
- Climate and environmental sustainability;
- Health and wellbeing; and
- Poverty.

Tackling poverty and inequality it is one of the key themes in the Council's priorities for 2023/24, under "*sustainable inclusive growth*".

The Covid-19 pandemic fundamentally changed the way the Council had to operate to deliver services to some of the most vulnerable people and families within its communities. The Council, along with its partners and communities, demonstrated flexibility and creativity in managing these challenges and whilst this position has continued to evolve, the Council recognises that it must continue to operate in a very different way to that in place pre-pandemic.

4.2 Reducing inequalities and tackling climate change (continued)

Reducing inequalities (continued)

The following are examples from the Transformation Programme of where the Council is working with its partners and the community to reduce inequalities and redesign services in consultation with communities:

1. **Community Wealth Building** (discussed on page [9](#))
2. **Family Wellbeing Partnership** (FWP) is a partnership between Clackmannanshire Council, the Hunter Foundation and Scottish Government, tackling poverty and supporting wellbeing. The work of the FWP has informed the next steps of the BtF transformation programme and Target Operating Model.
3. **STRIVE** (Safeguarding through rapid intervention) was introduced in February 2020 and is a model that takes a person-centred, whole system approach to meeting the needs of individuals in need, particularly those on the edge of statutory intervention. Applying this model across a multi-agency, public and third sector team has improved outcomes and was the driver behind the police co-location at Kilncraigs.

In 2021, the Council agreed the following mainstreaming equalities outcomes, and reported in its Mainstreaming, Equality and Diversity Progress Report 2021-23, published in August 2023 the progress achieved to date.

Mainstreaming Equalities Outcomes

1. We will work alongside our partners to reduce socio-economic disadvantage faced by families and communities in Clackmannanshire;
2. We will have strong, vibrant and inclusive communities where citizens have a sense of belonging and identity;
3. We will reduce the attainment and achievement gap for pupils and young people with protected characteristics and those living in poverty;
4. Clackmannanshire Council has increased knowledge and capacity about equality, diversity and poverty and meets its responsibilities and duties under the Equality Act 2010;
5. In Clackmannanshire people will feel equally safe from harm; and
6. Clackmannanshire Council is inclusive and values and respects all employees equally.

Source: Mainstreaming Equality and Diversity Progress Report 2021-2023

4.3 Reducing inequalities and tackling climate change (continued)

Equality impact assessments

The Council uses Equality Impact Assessments (EQIA) and following an update to the Fairer Scotland Duty in 2022, the Council revised its equality impact assessment process to include socio-economic considerations.

The Council continues to use a two-stage process comprising:

- 1. EQIA screening:** to determine whether the policies concerned require an impact assessment.
- 2. EQIA assessment:** where significant potential impact has been identified via screening, the impact of the proposal should be assessed as an integral part of its development.

Screening decisions on whether or not an EqSIA is required, and a summary of the findings of an EqSIA if one was conducted, are included in the report to the Committee or Council responsible for approving the proposal.

In relation to the need to implement human rights-based approaches in its design and delivery of services, the Council, as part of the National Improvement Framework, has a clear focus on placing the human rights and needs of every child and young person at the centre of education. In addition, the recently approved Strategic Commissioning Plan for the Clackmannanshire and Stirling Health and Social Care Partnership is driven by the principles such as human rights and equalities.

Sustainability of the environment

Clackmannanshire Council unanimously passed a motion in August 2021 declaring a climate emergency, recognising that climate change is one of the most serious challenges facing communities in Clackmannanshire and agreed to develop a comprehensive Climate Change Strategy that would deliver a framework to ensure that all strategic decisions, budgets and approaches to planning decisions are in line with a shift to net zero greenhouse gas emissions by 2045.

As discussed on page [7](#), one of the priority themes agreed by the Council as part of its “Be the Future” programme is “*sustainable inclusive growth*” which encompasses environmental sustainability. “*Climate and environmental sustainability*” is also one of the seven wellbeing priorities with the draft Wellbeing LOIP.

An Interim Climate Change Strategy was approved in August 2022, at which time the Council agreed its approach to further development of that strategy including the creation of a Climate Emergency Action Plan. A consultation process on the Strategy and Action Plan has recently ended, with a view to being formally approved by the Council in early 2024.

We have considered the Council’s arrangements for responding on climate change further as part of our Annual Audit Report.

5.1 Alignment of delivery plans

An ambitious capital plan is in place, aligned to the Council priorities. Business plans, workforce plans and digital transformation are being refreshed and updated.

Making the best use of public resources is at the heart of delivering Best Value. With clear plans and strategies in place, and with sound governance and strong leadership, a council will be well placed to ensure that all of its resources are deployed to achieve its strategic priorities, meet the needs of its communities and deliver continuous improvement.

Business plans

As noted on page [7](#), the Council has recently agreed a revised approach to its Business Planning which is being taken forward in 2023/24. Business Plans continued to be in place during 2022/23 reporting against a range of indicators that were aligned to the Corporate Plan. The indicators include Key Organisational Performance (KOPs); financial, customer and people indicators and improvement actions demonstrating how the Council plan to improve service priority areas.

The revised approach and agreement of priorities has been reflected in the Place and Partnership and Performance Directorates and needs to be filtered through into other Business Plans to ensure fully aligned. However, the indicators that are monitored are unlikely to significantly change given the priority themes are consistent with those set out in the LOIP and previous Corporate Plan.

The Council is progressing with its Transformation Programme, which is discussed in more detail within our Annual Audit Report. The Council has recognised that in responding to the Covid-19 pandemic and the challenging financial position means that the way the Council operates and delivers services has and needs to change.

As discussed in more detail within our Annual Audit Report, more work is required to build the detail behind each project and fully align to the development of a medium-term financial strategy. This should include setting clear timelines for each project, assessing the resources and support required to deliver and developing a benefits realisation tracker to assess whether the Council has achieved its aims.

Financial resources

The 2023/24 budget was approved on 9 March 2023, and has been considered in more detail in the Annual Audit Report. Regular updates are provided to members setting out the projected revenue budget gap over the next three years, which we have also considered further in our Annual Audit Report. While the updates provide helpful information to elected members, we have recommended that a Medium-Term Financial Strategy be developed, with clear actions on how financial sustainability is to be achieved.

A long-term capital plan is in place, which is discussed further on page [15](#), and closely aligns to the priorities of the Council.

5.2 Alignment of delivery plans (continued)

Community engagement

In the 2018 BVAR report, the Controller of Audit recommended that the Council should further develop its working relationships with community planning partners to ensure their combined resource is directed towards the strategic local outcomes. The 2019 follow-up noted that the Council recognised that to transform services, it also needs to increase collaboration with community planning partners, third sector organisations and its communities.

The Council undertook a 4-phase programme of engagement as part of setting the 2023/24 budget to shape its budget decisions for the next 5 years. A similar approach has been agreed for 2024/25 and is already underway. The phases are as follows:

- **Phase 1** (Dec 2022-Jan 2023) – checking that priorities remain the right ones for the next 5 years or whether they need to be refined. Approximately 75% of respondents said that the Council’s current priorities and outcomes were the right ones to focus on. (284 responses)
- **Phase 2** (Jan-Feb 2023) – in line with the priorities, engage on the changes to services for 2023/24. This specifically focussed on officer policy savings proposals and included direct engagement with a number of stakeholders seeking to understand potential impacts and mitigations in the context of the Equality and Fairer Scotland Impact Assessment (433 responses)
- **Phase 3** (Spring 2023) – budget setting.
- **Phase 4** (Sept-Dec 2023) – annual engagement on the impact of budget proposals – this includes focus on 2024/25.

The budget papers presented to elected members in March 2023 set out a summary of the engagement that had taken place and the broad themes identified.

Within the detail of the budget, the evidence gathered influenced the proposals in the paper, including highlighting areas for further potential dialogue where proposals have not been included in the 2023/24 budget setting process.

Further information is also published on the Consultation Management System (Citizen Space) in the format “We Asked, You Said, We Did” which sets out which savings proposals were agreed, and which were not.

Citizen Space is the central portal for all consultations carried out by the Council to give communities the opportunity to influence policy and decision making. Recent consultations include the climate change strategy and the LOIP.

Another example of where the Council work with communities to give the opportunity to influence decision making is in the **Family Wellbeing Partnership/Lens Investment**. The Partnership launched an investment fund of £50,000 and a further fund of £75,000 in 2023 to help citizens turn ideas into action. The Council partnered with The Lens to provide the support the public needs to develop their ideas.

5.3 Alignment of delivery plans (continued)

Workforce planning

The Council approved its Interim Workforce Strategy 2023-25 in September 2023 which follows on from the Strategic Workforce Plan 2018-22. It is designed to ensure that the Council has the right people, with the right skills, at the right time and in the right place and is aligned to the BtF Transformation Programme.

The Strategy sets out how it plans to set a foundation for workforce development and learning to support the development of the Be the Future Target Operating Model (TOM) (which is discussed in more detail in our Annual Audit Report).

The Strategy provides context to the key workforce challenges faced by the Council including:

- the ongoing impact of the Covid-19 pandemic;
- The need to transform and evolve services; and
- The challenging financial context in which services are delivered.

The Strategy identifies three key workforce development themes – Creating the Conditions, Developing the Team and Releasing the Potential. All actions are aligned to these themes to allow progress to be monitored and focus activity ahead of the creation of a full Strategic Workforce Plan 2025. This work will also support the development of the TOM.

The Council commissioned Trueman Change to carry out a Capacity and Skills Audit in 2022 and one of the areas highlighted was the small teams and significant points of failure given size of the Council. There was therefore a need to invest effort into Service based workforce planning across all areas in order to identify skills and career pathways. This is currently being progressed. One particular area that is being re-assessed to help with this risk is the use of apprenticeships and graduate schemes, and as an example is being pursued to address the finance team capacity constraints discussed further in our Annual Audit Report.

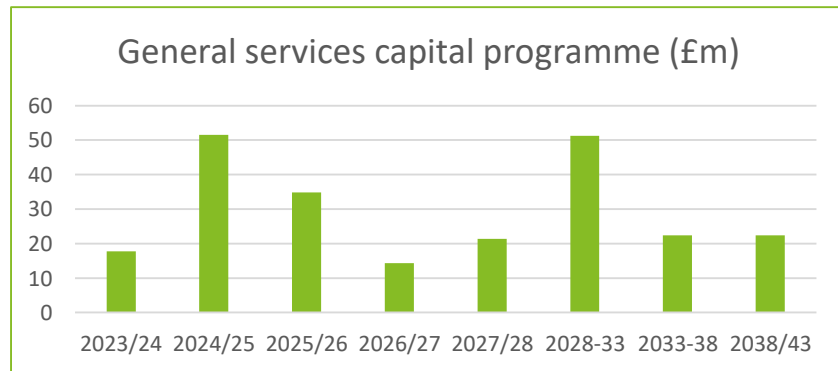
Asset management

In 2021, the Council made a significant change in its approach to its approach to capital investment and moved from a rolling 5-year capital plan to a rolling 20-year capital plan. The process also embedded the BtF themes and priorities and was designed to allow the Council to expedite planned investment to support wellbeing and economic performance and recovery.

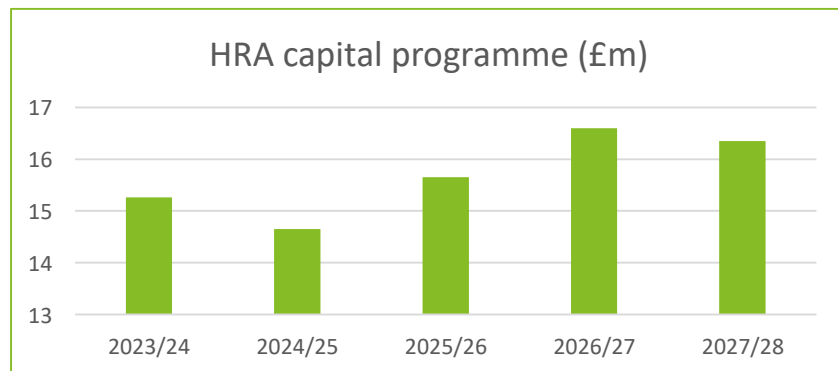
The general services capital programme for 2023/24 to 2042/43 was approved at the same time as the revenue budget in March 2023, along with the Treasury Management Strategy for 2023/24. This set out planned investment of £236m over the 20-year period, as illustrated on the following page. The programme is closely aligned to the priorities of the Council, with an increased programme in the initial years due to significant investment in the Learning Estate and Wellbeing Hub, which align with the priorities associated with children and young people and health and wellbeing.

5.4 Alignment of delivery plans (continued)

Asset management (continued)



The HRA Capital Programme for 2023/24 to 2027/28 was approved at the same time as the HRA budget in February 2023, as illustrated below. In setting the revenue budget, and in line with 2022/23, the Council approved a surplus position to support the Housing capital programme. This specific strategy was considered as part of the tenant consultation where 69.35% of respondents agreed that it would be appropriate to increase 3% to continue capital investment at the current level.



As discussed further within the Annual Audit Report, the Council has reported significant underspends in its capital programme in recent years. The Council has recognised that improvements are required and in particular given the ambitious 20-year plan, it is important that this is closely monitored to ensure delivery remains on track. The Council has recently recruited a Senior Manager for Transformation and Capital who is expected to move this forward. In addition, £1.8m of resources were approved as part of the 2023/24 budget to improve deliverability of the capital programme. This was in recognition that many of the transformation projects sit within the capital programme and will benefit from addition, more sustainable resource model.

In March 2023, the Council agreed proposals to develop an investment strategy for Clackmannanshire. This will provide a strategic approach to how the Council pursues external capital and revenue investment into opportunities within Clackmannanshire. The Council's ambition is to maximise the social and economic impact of the investment from its 20-year capital programme, however, with the current inflationary impact, it recognises that the investment allocated to deliver key projects in the next 3-5 years will deliver less. The Council therefore need to leverage additional investment from other sources to counter-balance inflation impacts and to address the long-term challenges of cost-of-living related to energy costs.

5.5 Alignment of delivery plans (continued)

Digital strategy

The Council approved its Digital Strategy for 2019-2025 in April 2019. This was recognised as a key enabler of the Council's "Be The Future" plan. The Digital Transformation work is focussing on three key areas:

- **Digital Leadership:** equipping all employees with the skills to provide leadership in Digital Transformation;
- **Digital Foundations:** building strong technology platforms which enable the Council to transform how it works; and
- **Digital Services:** redesign services around customers taking advantage of digital technologies.

Digital and Data Transformation is one of the corporate priorities agreed for 2023/24 and part of the BtF Transformation Programme. As part of the approved budget, there is also clear evidence of the Council's commitment to investment in digital transformation including investment in the Alloa Digital Hub as part of the City Region Deal and £7.179m investment in local assets such as personal digital devices for every learner so that young people from P1 to S6 have the skills for the digital world.

Digital transformation is also aligned with the Interim Workforce Strategy and the recently approved Target Operating Model. The digital transformation programme will be key to developing business cases supported by a new multi-disciplinary team, to ensure the Council take full advantage of the rapidly developing digital technologies.

6.1 Leadership

The leadership has been effective in setting clear priorities, and there is a positive working relationship between the Administration and opposition parties.

Effective leadership from councillors, chief executives and senior officers, is key to councils achieving their objectives and providing clear strategic direction. The complex local government environment means collaborative leadership, working with partners, communities and citizens to improve outcomes is more important than ever.

Leaders need to be skilled in effective strategic thinking, decision making and collaborative working and able to learn lessons from new ways of working. Councillors and officers must be clear on their roles in setting the vision and planning for its delivery.

Leaders should demonstrate behaviours and working relationships that foster a culture of cooperation, and a commitment to continuous improvement and innovation. Good conduct and behaviours when working together are crucial. Working relationships between members and between members and officers should be constructive and productive. Councillors should show a commitment to agreed council priorities and work together to achieve them.

Collaboration and decision making

The 2018 BVAR report recommended that Councillors and officers should build on their constructive working relationships to provide the coherent, combined leadership necessary to secure the Council's financial position. The 2019 follow noted evidence of improved working relationships between Councillors and officers and a strong commitment to work collectively in the best interests of the Council. It also highlighted signs that Councillors and officers support a more collaborative approach and have a shared understanding of the need to do things differently.

There is evidence that Councillors and officers are working together to achieve the Council's priorities. This is evident from the approach taken to setting the budget and revised approach to decision making which was agreed following the local government elections, discussed further in our Annual Audit Report.

In general, members and officers demonstrate mutual respect, trust, honesty and openness and appropriate behaviour. There is a positive working relationship between the Administration and opposition parties. Cross-party working is evident across a number of the Council's key priorities, including tackling inequalities and climate change.

6.2 Leadership (continued)

Self-evaluation

The Council have a number of arrangements in place for assessing how well it is working and to identify how it can improve. The Clackmannanshire Improvement Model (CIM) is used to help drive improvement across the Council and provides a structured framework for evaluating:

- What is working well;
- How the Council's performance compares to others;
- What its customers have to say;
- Where it needs to improve;

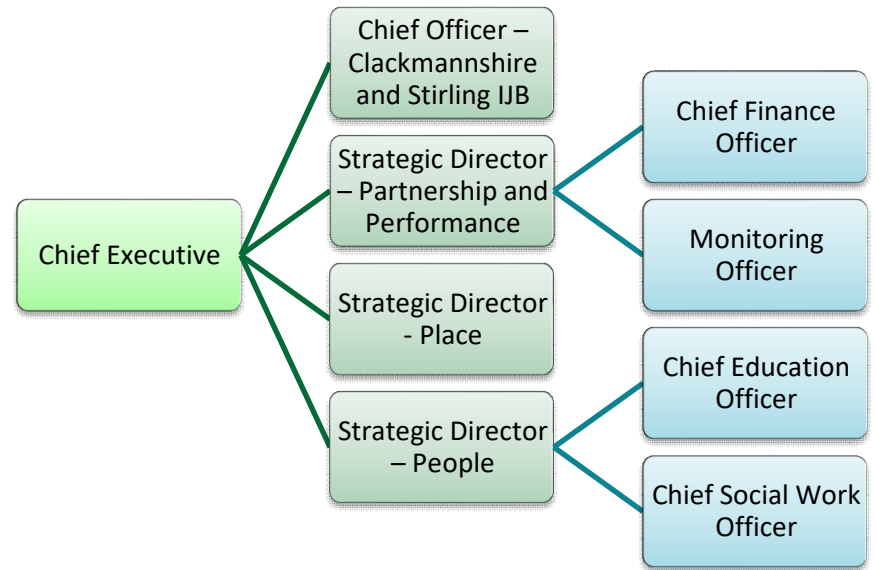
A whole Council assessment is completed annually, although this was put on hold due to the pandemic. There are plans to re-introduce this in summer 2024/25.

Services also complete a governance review each year to ensure that appropriate and adequate internal controls are in place within their respective areas to improve the effectiveness of the Council's governance framework.

There are additional service-specific self-assessment arrangements, such as in Education and Social Services, some of which have the option of independent validation.

Leadership capacity

The Strategic Management and statutory post structure is illustrated to the right. With the exception of a change in the Chief Education Officer, all other post holders have remained consistent during 2022/23.



As discussed in more detail in the Annual Audit Report, the Council is progressing with its Transformation Programme. The Strategic Director for Transformation was a fixed term post that ended on 31 March 2023. The Council has, however agreed a number of different strands of additional capacity to drive forward the changes needed, including the appointment of a Senior Manager for Transformation and Capital which is welcome.

As highlighted within our Annual Audit Report we have concerns in relation to financial capacity within the Council. This is evident through the significantly late production of accounts and response times to audit requests. Leadership have acknowledged this, however, continue to face recruitment challenges.

6.3 Leadership (continued)

Leadership capacity (continued)

One of the key challenges identified by the Council in the Interim Workforce Strategy approved in September 2023 is “developing our leaders”.

Over the past two years, the Council has invested significantly in the work of the Family Wellbeing Partnership and the Values Based Leadership programme facilitated by Columba 1400. Through a blend of residential and community-based work with senior leaders, Elected Members, frontline workers, partners, communities and young people, the programme has engaged participants in a relational approach to transformation which is designed to identify opportunities for new ways of working and meaningful collaboration across service areas.

The Council now plans to build on this through the creation of leadership development opportunities for all managers which embed a similar theory of innovation and collaboration. This is designed to ensure that the Council has a blend of skills in its workforce where operational priorities can be delivered concurrently with the need to innovate and change the way it delivers services.

In addition to this programme approach, the Council also offers a range of ongoing leadership support such as the Senior Leadership Forum.

Following the local government elections in May 2022, a series of induction and training sessions were held. This has been done in two phases, with phase 1 covering legislative and essential training which took place between June and September 2022. Phase 2 comprises further development depending on individual member’s needs.

A record is maintained of member attendance at these sessions. While not mandatory, and also recognising that all sessions are not relevant to all members, the attendance rate varies. The average number of sessions attended by each Councillor during 2022/23 was 10, with the maximum being 16 and minimum 3. The Council should closely monitor those elected members who have relatively low attendance to ensure that they are suitably trained to carry out their role.

A skills analysis and self-evaluation process has not been completed for all members and personal development plans are not in place. A skills audit and self-evaluation has recently been carried out for the Audit and Scrutiny Committee. We would recommend the Council consider rolling this out to all members. Having personal development plans in place is considered best practice in ensuring that elected members have the skills and tools to carry out their role.

Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to help the Members of the Council discharge their governance duties. It also represents one way in which we fulfil our obligations under ISA (UK) 260 to communicate with you regarding your oversight of the financial reporting process and your governance requirements. Our report includes:

- Results of our work on key audit judgements and our observations on the quality of your Annual Accounts.
- Our internal control observations.
- Other insights we have identified from our audit.

The scope of our work

Our observations are developed in the context of our audit of the Annual Accounts.

We described the scope of our work in our audit plan.

Use of this report

This report has been prepared for the Council, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose.


What we don't report

As you will be aware, our audit was not designed to identify all matters that may be relevant to the Council.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

We welcome the opportunity to discuss our report with you and receive your feedback.



Deloitte LLP
Glasgow | 16 August 2024

Appendices



Appendix 1 – Improvement Action Plan

Issue/risk	Recommendation	Agreed management action/timing
<p>1. Agreement of priorities The Council's priorities for 2023/24 were not agreed until October 2023, more than half way through the year.</p> <p>Risk – Insufficient time to implement any changes into Business Plans for the year.</p>	<p>The Council should ensure that the priorities are agreed in advance of the start of the year to ensure any changes can be built into Business Plans.</p>	<p>This has been updated in the revised timeline, with the 24/25 performance indicators being agreed as part of the February 2024 budget.</p> <p>Responsible officer: Strategic Director, Partnership & Performance</p> <p>Target date: Completed in February 2024</p>
<p>2. Elected members Skills analysis and self-evaluation process has not been completed (with the exception of the ASC members) and personal development plans are not in place.</p> <p>Risk – elected members do not have the skills and knowledge to perform their role effectively.</p>	<p>A skills analysis and self-evaluation process should be carried out to assess the skills for each elected member. Personal development plans should then be developed and tailored to individual members needs.</p>	<p>A programme of training was developed for members as part of their induction programme, however individual training needs analysis will now be offered to elected members to identify any relevant training needs.</p> <p>Responsible officer: Council Senior Manager Legal and Governance / Monitoring Officer.</p> <p>Target date: 31 December 2024</p>



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