

Erratum Notice



West Dunbartonshire Council

Date: Wednesday, 9 February 2022

Time: 10:00

Format: Hybrid meeting

Contact: Christine McCaffary, Senior Democratic Services Officer
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Dear Member

I refer to the supplementary papers for the above meeting which were issued on 4 February and now enclose an updated copy of the report relating to **Item 10 – ‘General Services Budget 2022/23 Update’** (pages 185 to 210). The attached version of the report shows an amended Paragraph 2.1(a). Please substitute this version for the one previously issued.

Please accept my apologies for any inconvenience caused.

Yours faithfully

JOYCE WHITE

Chief Executive

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Chief Executive
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Date of issue: 8 February 2022

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer - Resources****Council: 9 February 2022**

Subject: General Services Budget 2022/23 Update**1. Purpose**

1.1 To provide Members with an update on the 2022/23 budget process.

2. Recommendations

2.1 Members are asked to:

- (a) Note the updated projected budget gap for 2022/23 as £5.509m.
- (b) Note the appended list of savings options and additional potential measures to help deliver a balanced 2022/23 budget when Council convenes to agree the budget on 9 March 2022.

3. Background

3.1 At Council in October 2021 the Long Term Finance Strategy (LTFS) was approved which identified a 2022/23 revenue gap of £5.612m. This projection included a range of assumptions on key aspects of the Council's costs and funding, including assumptions on the finance settlement, Council Tax increases, etc.

3.2 The Scottish Government (SG) published their draft 2022/23 budget on 9 December 2021 with a subsequent publication of the financial settlement via a Finance Circular on 20 December 2021.

3.3 Following the issuing of the settlement the SG has progressed/will progress its budget through the parliamentary process, on the following dates:

- Stage 1 27 January 2022
- Stage 2 1 February 2022
- Stage 3 10 February 2022

3.4 The Local Government Finance Order will then be published on 24 February 2022.

4. Main Issues

4.1 Settlement and Scottish Government Budget Progress

4.1.1 The settlement is advised by the SG to be a cash increase of £791.4m, however included within this is funding for SG commitments of £802.4m, and underlying unfunded pressures of £89m. Therefore the underlying position for Scotland is a £100m decrease.

The settlement includes £553.9m for Health and Social Care which has associated conditions which Councils must comply with its use. These were advised in a letter from the Cabinet Secretary for Finance to the COSLA Leader (copied to all Council Leaders) on 9 December 2021. This letter is appended to this report for information as Appendix 1.

4.1.2 The new commitments and funding included in the £802.4m are as follows:

Funding Commitment	Value (£m)
Children and Young People	180.5
Health and Social Care (social care living wage £174.5m; Free Personal and Nursing Care £15m; Carers Act implementation 20.4m; Care at Home investment £124m; and Interim Care provision £20m)	353.9
Investment in Health & Social Care (to support pay and sustainability of social care services)	200
Scottish Child Bridging payments	68
Total	802.4

4.1.3 The two unfunded policy pressures are as follows:

Funding Commitment	Value (£m)
Council Tax Reduction Regulation Changes	19
Employer's National Insurance Contribution Levy for Health and Social Care	70
Total	89

The Scottish Government have also announced an additional £22m of funding specifically to assist efforts in the adult social care sector, in particular £4.8m for Care Home and Care at Home Oversight Funding and £17.2m for additional workforce capacity within Adult Social Work. This will be fully distributed to the HSCP.

4.1.4 The Cabinet Secretary for Finance's 9 December letter also confirms that there will be no cap imposed on Council Tax increases in 2022/23 and that the Scottish Government is committed to reviewing all ring-fenced funding as part of the forthcoming Resource Spending Review.

4.1.5 An Elected Members Briefing was issued on 22 December 2021 which confirmed that, based on a preliminary review, the settlement would increase the Council's budget gap by £1.423m as set out in the table below:

	£000
2022/23 Estimated Budget Gap as per LTFS (Oct 2021)	5,612
No funding impact of NI Contributions Uplift	1,227
No funding impact of changes to Council Tax Reduction rules	340
Settlement position compared to LTFS	(144)
Revised Estimated 2022/23 Budget Gap	7,035

Further Changes to the Estimated 2022/23 Budget Gap

- 4.1.6** After the December 2021 Elected Members Briefing was issued there has been a need to further adjust the estimated 2022/23 budget gap. These changes are summarised below.

Assumed HSCP Allocation

- 4.1.7** There is an assumption built into the LTFS that any funding gap would be shared across all Council services including the HSCP. As such it was assumed within the LTFS that there would be a reduction in HSCP funding of £0.530m. The letter from the Cabinet Secretary for Finance on 9 December 2021 advises that *'The funding allocated to Integration Authorities should be additional and not substitutonal to each Council's 2021-22 recurring budgets for adult social care services that are delegated.'* This is consistent with the narrative in the equivalent letter from the Cabinet Secretary for Finance which was issued in relation to the 2021/22 settlement and, at that point, the Council interpreted that to mean that no share of any funding gap could be passed to the HSCP. Applying this same interpretation would mean the allocation to the HSCP would be, at least, flat cash plus the appropriate share of the £553.9m of Health & Social Care funding commitments detailed in the table at paragraph 4.1.2 and the additional £22m referenced at paragraph 4.1.3.

Impact of the National Insurance Contribution Uplift

- 4.1.8** The £1.227m NI Uplift impact detailed in the table at paragraph 4.1.5 incorporated both the cost to the Council and the HSCP. Therefore this figure needs to be revised to remove £0.443m which is the HSCP element of the cost pressure previously included in the budget gap.

Review of Gas and Electricity Inflation

- 4.1.9** The LTFS included an assumption of 2022/23 inflation in gas and electricity prices of 5% and 11% respectively. It has become apparent that gas and electricity prices are likely to increase at a level far in excess of that with predictions ranging widely from 15% to 40% with gas prices, in particular, predicted to increase materially. As such I have deemed it prudent to increase our inflationary assumptions to 21% for electricity and 30% for gas. This creates a cost pressure of £0.375m in addition to the assumption already built into the LTFS.

PPI Unitary Payment

4.1.10 There is an unavoidable £0.259m increase in the Council's PPI Unitary Payment as it is contractually linked to the retail price index which has increased materially over the past 12 months. This adjustment is the additional cost beyond what the increase was previously expected to be

Clydebank Town Hall

4.1.11 In December 2021 the Cultural Committee agreed to a six month pilot to close Clydebank Town Hall to members of the public on Mondays and Tuesdays but have it opened on Sundays, inclusive of the museum and coffee shop. The Committee also decided to limit the number of weddings to be hosted in the Town Hall during 2022/23 to ensure the Hall was largely open for public use over the course of the year. The reduction in weddings has created a cost burden due predominantly to an estimated loss of income of £0.080m and the six month pilot has been estimated to cost £0.035m, therefore a total increased cost of £0.115m. If the six month pilot is extended, or a decision is taken to make weekend opening hours a permanent arrangement, there would be further revenue costs that would need funded.

2022 Community Council Elections

4.1.12 There is a paper going to a special meeting of the Council on 23 February 2022 outlining a proposed revised scheme of establishment for West Dunbartonshire Community Councils. The statutory basis for reviewing community council schemes is set out in the Local Government (Scotland) Act 1973 s.53 and supplemented the Local Government etc. (Scotland) Act 1994 s22. In the event that the proposed scheme is accepted this would require elections to be held for all West Dunbartonshire Community Council elections with these estimated to take place late in 2022. These would be 100% postal votes. In recent years there have been very few, if any, contested elections and it is anticipated that this year will be no different. However it may be prudent to assume that a maximum 3 of the 12 active community councils (25%) would require an election. If it transpires there are more than 3 then these would need to be funded from Council reserves. It has been estimated that each election will cost £0.015m thus creating a total cost pressure of £0.045m.

Service Efficiencies

4.1.13 Services have identified budget efficiencies which can be implemented through the normal course of business. In total these reduce the pressure on the 2022/23 revenue budget by £0.247m.

Additional Scottish Government Funding

4.1.14 On 27 January 2022 the Cabinet Secretary for Finance announced an intention to amend the Budget Bill at Stage 2 to allocate £120m of one-off funding to Local Government with these monies available to councils as general revenue funding with no restrictions on their use. At the time of writing this paper the distribution of the £120m has not been confirmed however an

assumption has been made that it will be distributed on the basis of GAE (1.8% for WDC) which would mean the Council should receive around £2.160m

4.1.15 The table below sets out the revised estimated 2022/23 budget gap which will require to be bridged as part of the budget to be agreed on 9 March 2021.

Para Ref		£000
4.1.5	2022/23 Estimated Budget Gap (December 2021)	7,035
4.1.7	Remove reduction in HSCP assumption	530
4.1.8	Adjust for HSCP Element of NI Contribution Impact	(443)
4.1.9	Adjust for Gas and Electricity Inflation	375
4.1.10	PPI Unitary Payment	259
4.1.11	Clydebank Town Hall	115
4.1.12	Community Council Elections	45
4.1.13	Service Efficiencies	(247)
4.1.14	Estimate of £120m additional funding	(2,160)
	Revised Estimated 2022/23 Budget Gap	5,509

4.2 Financial Flexibilities

In addition to the 2022/23 finance settlement, the 9 December 2021 letter from the Cabinet Secretary for Finance also made announcements in relation to the financial flexibilities made available by the UK and Scottish Governments to provide for funding to help Councils respond to, and recover from, COVID. In particular she announced:

- An agreement to extend the flexibility to allow capital receipts to be used to fund the financial impact of COVID and to fund transformational projects in 2022/23. This had previously been limited to 2020/21 and 2021/22 although it should be noted that this extension is dependant on confirmation from the UK Government.
- An agreement to extend the period of the loans fund principal repayment holiday into 2022/23. This had previously been limited to being activated in 2020/21 or 2021/22.

4.3 Measures to Balance the Budget

Officers have developed a range of options to assist Members to balance the 2022/23 budget. These options are set out in the following paragraphs with further details provided in appendices 2 and 3 but can be categorised as either:

- Application of COVID Funding
- Application of Financial Flexibilities
- Setting of Council Tax
- Saving Options
- Use of Reserves
- Setting of Fees and Charges

4.4 Application of COVID Funding

Officers have completed a review to identify costs within the 2022/23 revenue budget estimates which are directly attributable to COVID. These estimates are subject to change prior to the end of the 2021/22 year and, further during 2022/23 as the impact of COVID changes over time. However current estimates have confirmed that £1.802m of 2022/23 costs can be attributed to COVID. This can be funded from the £2.999m of general COVID funding that it is projected will be carried forward into 2022/23. The £1.802m is summarised in the table below

Cost	Justification for Using COVID Funds	£000
2022/23 Impact of NI Uplift	<p>When announcing the 1.25% uplift the UK Government stated in the policy objective that <i>it would be irresponsible to meet the increase in spending on Health and Social Care through higher borrowing, particularly in the context of record borrowing and debt to fund the economic response to COVID.</i></p> <p>Therefore it is deemed a reasonable assumption that the 2022/23 uplift is attributable to COVID. However it should be noted that the uplift will become a permanent levy beyond 2022/23 so use of any carried forward COVID funding may not be appropriate in future years.</p>	784
Taxi costs for Education service	<p>COVID is continuing to create a pressure on taxi costs due to:</p> <ul style="list-style-type: none"> • additional taxi hire being required due to social distancing • increased cost of taxi hire due to a reduction in availability of taxis. <p>It has been assumed these burdens will continue into 2022/23.</p>	247
Vehicles	<p>Additional vehicle hire continues to be required due to social distancing. It has been assumed these burdens will continue into 2022/23.</p>	77
Additional Support Needs	<p>During COVID the number of placements for children requiring specialist support has increased with limited alternatives available. Increased demand with limited spaces available has caused an increased in costs. It has been assumed these burdens will continue into 2022/23.</p>	552
Reduction in Waste Income	<p>Due to a number of businesses and premises closing throughout COVID, commercial waste income has reduced. It will take time for the service to build income back up to pre-COVID levels.</p>	102

Cleaning	Additional 2022/23 building cleaning costs as a consequence of COVID	40
Total		1,802

4.5 Application of Financial Flexibilities

As per paragraph 4.2 the Scottish Government has agreed to extend the flexibility to allow capital receipts to fund transformational projects in 2022/23 (pending confirmation from the UK Government). Officers have reviewed the 2022/23 revenue estimates to identify revenue expenditure that can be appropriately classified as targeted at delivering transformation. This has identified £0.500m which can be funded through capital receipts in 2022/23 and provide a one-off saving option. It is anticipated this would be achievable based upon the estimated capital receipts due in 2022/23, taking account of other commitments within loan charges which have been set against these receipts.

4.6 Setting of Council Tax

There is an assumption built into the Council's LTFS of a 3% increase in Council Tax. When the Scottish Government announced the additional one-off funding of £120m (refer to paragraph 4.1.14) the accompanying letter issued by the Cabinet Secretary for Finance to the COSLA Resources Spokesperson advised that *'This additional funding is equivalent to the revenues that could be raised from an average four per cent rise across Scotland. So whilst councils have full flexibility in setting local council tax rates, I do not believe that there is a requirement for any inflation-busting increases next year.'*

Therefore there is still scope for Council to agree a Council Tax increase at a different level. Consideration of this matter should reflect on the fact the £120m is one-off in nature and has therefore not been baselined into future Council funding and that inflation is currently running at a rate much higher than the current assumption of 3% or the 4% referenced in the Cabinet Secretary's letter. Each 1% increase in Council Tax above the 3% assumption already built into the LTFS would generate approximately £0.370m in income.

Appendix 2 provides an analysis of the impact any increase in Council Tax above the 3% assumption would have on the revenue budget and the Council tax payer. This, of course, is a matter for Members to agree and I have made no assumption about Council Tax increase over and above the 3% already built into the LTFS.

4.7 Saving Options

Officers have also identified a range of saving options for member consideration. These options will require Council consideration and approval as part of setting the 2022/23 budget at the Council meeting on 9 March 2022. The majority of the options can be taken or rejected in isolation of other options however there are a small number which are 'either/or' options which means there is a higher or lower value associated with them. The total value of the

'higher value' options is a recurring saving of £3.113m. These options are set out in Appendix 3 for member consideration.

4.8 Use of Reserves

The Council has a number of reserves and it is possible for Council to use these funds where no committed spend has yet been set. The table below sets out that as much as £1.161m of reserves could be released to help balance the 2022/23 budget. It should be noted that this option is one-off in nature and once these reserves are exhausted they would not be available for the purpose for which they were originally set aside.

Reserve	Consideration	£000
HR/Legal Commitments	This provides for any arising costs in association with equal pay or holiday pay claims.	211
Shared Services	This was established as a £240k reserve in 2019/20. Only £14,000 has been used since then.	226
Resources – Spend to Save	There has been no spend against this reserve since it was established in 2019/20.	150
Brexit	Residual balance in the reserve. It isn't anticipated it will be required.	41
Food Share	This was a contingency balance which was to be kept in place until September 2022 however if Food Share was to require it in 2022/23 this could be made available from general COVID Funds.	49
Community Empowerment Steering Group	Residual balance. 2022/23 anticipated spend on this area can be contained within existing budget.	30
Unearmarked Balance in the Change Fund	Funds which have not been earmarked for any specific purpose. Use of them would mean there are no remaining monies in the change fund for any new initiatives.	138
Free Reserves over and above Prudential Target	This is the amount that Council free reserves would exceed the prudential target if the 2022/23 position is a break even.	237
Projected outturn	Current projected favourable 2021/22 revenue outturn as at Period 9	79
Total		1,161

4.9 Setting of Fees and Charges

The LTFS currently assumes an increase in fees and charges of 4%. As at December 2021 the Retail Price Index is 7.5% and the Consumer Price Index is 5.4% which would indicate there is an option to increase fees and charges by a higher percentage. Each 1% increase in the Council's fees and charges would generate approximately £0.075m in income.

4.10 **Budget Gap After Measures to Balance the Budget**

The budget gap after applying all the measures to balance the budget is summarised within the table below

Para Ref		One Off (£,000)	Recurring (£,000)	
4.1.15	Budget Gap/(Surplus) Prior to Measures to Balance Budget			5,509
4.4	Application of COVID Funding	(1,802)		
4.5	Application of Financial Flexibilities	(500)		
4.6	Council Tax Increase (Based on 3% Assumption)		0	
4.7	Saving Options		(3,113)	
4.8	Use of Earmarked Reserves	(1,161)		
4.9	1% Increase in Fees & Charges		(75)	
	Totals	(3,463)	(3,188)	(6,651)
	Updated Gap/(Surplus)			(1,142)

The table above demonstrates that if Members agreed to all the proposals already noted within this report there will be a balanced 2022/23 budget with a surplus of £1.142m. Whilst there are a number of savings options built into these figures that could be reversed accepting them now will assist with the continued challenging position in future years, especially as a number of the saving options are one-off in nature and, therefore, only delay the need to identify longer term recurring savings.

4.11 Growth Bids

In addition to the revenue figures provided above there are three growth bids which have been submitted by Chief Officers for member consideration when considering the 2022/23 revenue budget. There would be a recurring revenue impact of all three bids as summarised in the table below.

Service	Description	Recurring Annual Cost (£,000)
Democratic and Registration Services	Additional part time grade 6 officer to help with additional resource requirement for hybrid meetings, audio-casting and additional Council and working groups. There would be scope to use COVID Funds for this in 2022/23.	30
Environmental Health	Additional resource to help the Council meet the expanded Food Law intervention requirements brought about by the introduction of the 'Interventions Food Law Code of	101

	Practice (Scotland) 2019.' Request is for two additional grade 8 officers.	
Modern Apprentices	Funding to extend Modern Apprenticeship Scheme beyond current funding agreement. Proposal is to extend for four years at £250,000 per annum.	250
	Total	381

5. People Implications

- 5.1** The potential staffing implications are shown within the savings options appended to this report and will be subject to consultation processes where appropriate and managed in accordance with the Council's Switch Policy (Organisational Change).

6. Financial and Procurement Implications

- 6.1** The report outlines the estimated budget position in 2022/23 based on current assumptions and potential options to deliver a balanced budget.
- 6.2** There are no direct procurement implications arising from this report.

7. Risk Analysis

- 7.1** There are a number of assumptions built into the 2022/23 budget projections. The gap could vary if the Council identifies further burdens, mitigates some, or if the assumptions prove to be materially incorrect including the availability of capital receipts to fund transformational activity.

8. Equalities Impact Assessment (EIA)

- 8.1** Equality impact screening or assessment of each savings option are carried out within the relevant services and will be made available to Members as part of the background papers for the Council decision on setting the budget in March 2022.

9. Consultation

- 9.1** The development of the savings options were considered and agreed by the Senior Leadership Group. The views of Legal Services have been requested on this report and feedback incorporated herein. Officers will engage with the Trade Unions prior to the 9 March 2022 budget setting meeting in relation to the specific savings options.

10. Strategic Assessment

- 10.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the Council's strategic priorities.

10.2 The General Services revenue budget contributes to all categories by providing funding in specific areas to help the Council achieve and develop these priorities.

Laurence Slavin
Chief Officer - Resources
Date: 9 February 2022

Person to Contact: Laurence Slavin, Chief Officer - Resources, Church Street Offices, Dumbarton

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Appendices:

- 1: Letter from Cabinet Secretary for Finance - 9 December 2021
- 2: Analysis of Council Tax Increases
- 3: List of Savings Options

Background Papers:

1. Long Term Finance Strategy Report – 27 October 2021
2. Elected Members' Bulletin - 22 December 2021

Wards Affected: All

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Copy to: The Leaders of all Scottish local authorities

09 December 2021

Dear Councillor Evison,

Today I formally set out the Scottish Government's proposed Budget for 2022-23 to the Scottish Parliament. Alongside the Budget I also published the Scottish Public Sector Pay Policy, the Medium Term Financial Strategy and the Resource Spending Review Framework. Further to the budget statement I write now to confirm the details of the local government finance settlement for 2022-23.

The intention is that the indicative allocations to individual local authorities for 2022-23 will be published in a Local Government Finance Circular on Monday 20 December. These can only be calculated following the publication next week of education statistics that are key to the distribution formula. That circular will begin the statutory consultation period on the settlement.

This Budget comes at a crucial juncture for Scotland. Over the past year, thanks to the hard work and sacrifices of everyone across Scotland, including the critical role Local Authorities have played in continuing to support our communities and administer financial support to our businesses, we have started to look beyond the immediate impact of the pandemic.

As the emergence of new variants demonstrates, we must remain vigilant and ensure the necessary resources are available for the continued protection of people and public services, but we must also look to the future. This Budget seeks to balance immediate pressures with long term imperatives – shifting the dial on inequalities, carbon emissions and economic prosperity. It also delivers on the Programme for Government and our Shared Policy Programme with the Scottish Green Party.

The total revenue funding to be provided through the settlement for 2022-23 will increase to £11,794.8 million, which includes distributable non-domestic rates income of £2,766 million.

The capital settlement has been set at £679.5 million. In parallel I am mindful of the challenges in delivering capital investment in the current economic climate so I will also explore the potential to offer flexibility to councils on carry forward of unspent capital from 2021-22 in light of the operation of the Fiscal Framework. This is subject to consideration about the impact on the Scottish Government reserve and I would hope to be in a position to provide confirmation in the early part of 2022 following the UK Government's Supplementary Estimates.

The total funding which the Scottish Government will provide to local government in 2021-22 through the settlement is therefore £12,474.3 million, an increase of £853.9 million and includes;

- £145 million for additional teachers and support staff in addition to the £88 million to maintain the pupil:teacher ratio nationally and secure places for all probationers who require one under the teacher induction scheme;
- funding to maintain 100 day commitments including the removal of curriculum and music tuition charges and expanded School Clothing Grant;
- £68.2 million for Child Bridging Payments;
- maintaining the £292.6 million provided in 2021-22 and providing a further £353.9 million transfer from Health for investment in health and social care and mental health services – including £174.5 million to support ongoing adult social care pay, £20.4 million to continue implementing improved rights and support for carers, £15 million to uplift free personal nursing care rates, £124 million of recurring care at home investment, and £20 million for interim care;
- In addition, a further £200 million will be transferred to support pay and sustainability of social care services bringing (with further detail set out below);
- £5.3 million for Assessors for Barclay implementation costs;
- an extra £62.5 million of Capital including:
 - £30 million for Free School Meals;
 - £20 million for the Local Bridge Maintenance Fund;
 - £11 million for Flood Prevention; and
 - £1.6 million for Coastal Protection

In terms of the broader Local Government Finance package, I have listened to the Live Well Locally campaign and intend to offer a number of flexibilities in direct response to that campaign.

I can confirm that councils will have full flexibility to set the Council Tax rate that is appropriate for their local authority area. In setting Council Tax rates, we expect councils to take full account of the local needs and impacts on household budgets of the decisions they make.

I acknowledge the argument in Live Well Locally that reserves are one off in nature and do not represent a substitute for recurring funding. However, I would also highlight that across Scotland some councils have accrued additional reserves during the pandemic,. Since we are likely to continue to face economic and fiscal challenges during 2022-23, I would encourage all councils to consider whether current levels of General Fund Reserve balances are an efficient use of public funds at this time.

In addition to flexibility on Council Tax rate setting, I recognise that local government have repeatedly called for removal of ring-fencing in the settlement and a greater focus on trust and partnership working. On that basis I commit to reviewing all ring-fenced funding as part of the forthcoming Resource Spending Review and would welcome your constructive engagement in that process so that removal of ring-fencing goes hand in hand with agreement about shared priorities and outcomes whilst ensuring maximum value for money.

More immediately, as recognised in correspondence from Councillors Parry and MacGregor on 06 December 2021, Scottish Government and COSLA officials are currently working together to develop a combined employability grant offer letter for 2022-23 which removes ring-fencing for the various employability programmes and instead focusses on the characteristics and needs of service users with the view of continuing to work together to develop options for a refreshed and collective approach to employability funding for 2023-24 onwards.

I and my ministerial colleagues fully recognise and value the work of Local Employability Partnerships and the important role that they play in shaping the crucial services that individuals need across their journey towards and into employment and that Scottish Government officials will continue to work in partnership with Local Authority employability leads and COSLA to achieve our shared ambitions.

Alongside reducing ring-fenced funding, the Scottish Government remains committed to working with COSLA to develop a rules based fiscal framework to support future funding settlements for local government. The development of a fiscal framework will have direct relevance to the Scottish Government's Resource Spending Review and I am keen to see some substantive work being taken forward during the first part of 2022.

It will be important for local government to bring forward proposals that can then be explored in partnership. The development of a fiscal framework is also an important part of the ongoing work on the Local Governance Review, which considers how powers, responsibilities and resources are shared across national and local spheres of government, and with communities.

The correspondence of 06 December 2021 referenced above also included a request from Leaders to provide flexibility to enable all 2021-22 employability funding to Local Government to be spent across 2021-22 and 2022-23. This request has unfortunately come too late to be factored into the Budget position I outlined today but I will prioritise the request in the coming days to try and agree a position which ensures that services to those requiring support is provided as swiftly as possible whilst reducing the administrative burden on those delivering the services.

I am also content to agree your request of 08 October 2021 for an extension of the flexibilities to allow capital receipts to be used to fund the financial impact of COVID and to fund transformational projects in 2022-23. I had previously stated that the COVID capital receipts flexibility was limited to two financial years, in the light of ongoing COVID impacts I will agree this extension for one further financial year. The extension of these flexibilities is dependent on confirmation from the UK Government that this will not result in an adjustment to Scotland's block grant. I am currently seeking that confirmation.

Similarly, I also agree to extend the period for the loans fund principal repayment holiday for one further year. I will deliver this through an administrative arrangement rather than a further statutory instrument. Any council looking to use this flexibility in 2022-23 should take the loans fund holiday in 2021-22 and carry that saving to their General Fund reserve. To keep with the original intent of this flexibility the increase in General Fund reserves from taking this holiday are to be earmarked as being to fund the financial impact of COVID, and that earmarked reserve must be used in the course of 2022-23.

In terms of your request for a change in policy on capital accounting for service concessions, I remain committed to continuing to work with Directors of Finance and CIPFA/LASAAC on the capital accounting review.

Finally, in acknowledgment of the calls for greater fiscal empowerment across local government, the Transport (Scotland) Act 2019 introduced a discretionary power for local authorities to implement workplace parking licensing (WPL) schemes. I can confirm that regulations to implement those powers will be laid early next year to enable this to progress.

Prior to the COVID-19 pandemic, the Scottish Government was developing legislation to introduce the power for local authorities to create a visitor levy, or tourism tax but this was paused due to the pandemic. Given the overall impact of the pandemic on the tourism sector in Scotland it would be prudent to carefully review that work and undertake further stakeholder engagement before making a firm decision on the next steps, however I am committed to taking this forward in 2022.

Building on previous years' settlements, Local Authorities will again be expected to deliver further certain specific commitments and outcomes.

This year, we will again work with local government to help ensure Integration Authorities use total resources to focus on delivery of key areas for improvement, including: reducing delayed discharges; improving availability of, and access to, community-based health and social care services; and ensuring more people are supported to stay at home.

We will also wish to ensure that the social care workforce is supported and sustained during and following the challenges of the Covid pandemic. To support retention, and begin to embed improved pay and conditions for care workers, the additional £200 million funding transfer requires local government to deliver a £10.50 minimum pay settlement for adult social care workers in commissioned services, in line with the equivalent commitment being made in the public sector pay policy.

The funding allocated to Integration Authorities should be additional and not substitutional to each Council's 2021-22 recurring budgets for adult social care services that are delegated. We will provide support and challenge by working with local government to agree a shared national and local approach to accountability for delivery, building upon existing shared mechanisms for routine reporting of expenditure, activity and outcomes across Scotland.

This Budget cannot deliver the resources all our partners will want. It addresses key priorities, targets resources on low income households, and paves the way for future investment in this Parliament. Where possible, it seeks to cushion all sectors against the headwinds that COVID-19, Brexit and UK Government's settlement have created and it treats Local Authorities fairly and consistently with other portfolios.

The 2022-23 Local Government Settlement of almost £12.5 billion offers a like with like increase of 7.5 per cent in real terms and continues to provide local government with a funding settlement that is both fair and affordable, under the most challenging of circumstances. I look forward to working with COSLA in the year ahead to deliver the broader commitments set out in this letter.

Yours sincerely,



KATE FORBES

Council Tax Charge (Band D)			2021/22											
			£1,293.55											
			2021/22 Council Tax	2022/23 Council Tax										
Band	Valuation Band	% of Band D	£	3.0%	Weekly Increase	3.5%	Weekly Increase	4.0%	Weekly Increase	4.50%	Weekly Increase	5.0%	Weekly Increase	Weekly Increase Difference Between 5% and 3%
A	Under £27,000	67%	862.37	888.24	0.50	892.55	0.58	896.86	0.66	901.17	0.75	905.49	0.83	0.33
B	£27,000 to £35,000	78%	1,006.09	1,036.28	0.58	1,041.31	0.68	1,046.34	0.77	1,051.37	0.87	1,056.40	0.97	0.39
C	£35,000 to £45,000	89%	1,149.82	1,184.32	0.66	1,190.07	0.77	1,195.82	0.88	1,201.56	0.99	1,207.31	1.11	0.44
D	£45,000 to £58,000	100%	1,293.55	1,332.36	0.75	1,338.82	0.87	1,345.29	1.00	1,351.76	1.12	1,358.23	1.24	0.50
E	£58,000 to £80,000	131%	1,699.58	1,750.57	0.98	1,759.07	1.14	1,767.56	1.31	1,776.06	1.47	1,784.56	1.63	0.65
F	£80,000 to £106,000	163%	2,102.02	2,165.08	1.21	2,175.59	1.41	2,186.10	1.62	2,196.61	1.82	2,207.12	2.02	0.81
G	£106,000 to £212,000	196%	2,533.20	2,609.20	1.46	2,621.86	1.70	2,634.53	1.95	2,647.20	2.19	2,659.86	2.44	0.97
H	Over £212,000	245%	3,169.20	3,264.27	1.83	3,280.12	2.13	3,295.97	2.44	3,311.81	2.74	3,327.66	3.05	1.22
Additional Income - over and above what is in long term financial strategy				£0.00		£185,000		£370,000		£555,000		£740,000		

Option	About the service	Savings 22/23	Savings 23/24	FTE Staffing Effect	What this will mean:	Lead Officer	Lower Value Option	Higher Value Option
1	Reduce funding	£7,860	£7,860	0.00	The Council would still provide Christmas light displays in both towns, but switch-on events would cease.	A. Graham	£7,860	
2	Reduce funding	£11,500	£0	0.00	This option would replace the existing two Fireworks events with one single display which would alternate location between Clydebank and Dumbarton annually.	A. Graham	£11,500	
3	Reduce funding (Alternative to Options 1 and 2)	£36,000	£36,000	0.00	This option would see the Council continue to run the Scottish Pipe Band Championships and support the Loch Lomond Highland Games given the significant economic benefit generated for the local area from both events. All other events would cease and opportunities would be explored for local communities/businesses to run the fireworks displays and light switch on events.	A. Graham		£36,000
4	Sharing services	£28,000	£28,000	1.00	Following a successful six month trial, Council agreed in August to move the management of community planning services in West Dunbartonshire under Argyll and Bute Council and a saving can now be offered as a result.	A. Graham		
5	Reduce school crossing patrollers	£45,000	£45,000	2.60	This proposal would bring the service in-line with current national guidance by withdrawing patrols from locations where there are controlled pedestrian crossings in place. Best practice guidance states that school crossing patrollers should not be deployed at junctions where pedestrian crossings already exist because this duplication can be confusing for motorists. The Council has experienced difficulties recruiting for school crossing vacancies and the saving would be achieved through not filling vacant posts. We would continue to work with pupils and parents to promote road safety.	G. MacFarlane	£45,000	
6	Remove school crossing patrols (Alternative to Option 5)	£190,000	£190,000	9.43	West Dunbartonshire Council has provided crossing patrollers, though there is no statutory obligation to do so. There has been an increase in controlled pedestrian crossings in the area, and this proposal would remove provision of crossing patrollers achieving a saving of £190,000.	G. MacFarlane		£190,000
7	Rationalise service provision	£20,000	£20,000	1.00	The Council has seen a steady decline in membership numbers and use of its bowling green facilities over the past 10 years. Under this proposal, the single bowling green at Goldenhill would close and merge with Whitecrook Bowling Club which has two greens. A proposal to turn Goldenhill into a food growing site will be taken forward.	G. MacFarlane	£20,000	
8	Cease service provision (Alternative to Option 7)	£40,000	£40,000	1.50	As an alternative to Option 6, under this proposal, both Goldenhill and Whitecrook Bowling Clubs would close.	G. MacFarlane		£40,000

9	Reduce service provision	The Council operates two civic amenity sites at Dalmoak, Renton, and Ferry Road, Old Kilpatrick which are operational seven days a week for 11 hours each day during the summer season (April to September) and for nine hours each day during the winter season (October to March).	£23,000	£46,000	0.00	Civic amenity sites throughout West Dunbartonshire are currently open to the public seven days every week. Under this option, residents would be able to access the sites six days per week.	G. MacFarlane	£23,000	
10	Reduce service provision	The Council operates two civic amenity sites at Dalmoak, Renton, and Ferry Road, Old Kilpatrick which are operational seven days a week for 11 hours each day during the summer season (April to September) and for nine hours each day during the winter season (October to March).	£78,000	£78,000	2.00	Sites would continue to be available seven days with year round opening times amended to 10am, giving residents 7 hours of access each day.	G. MacFarlane	£78,000	
11	Reduce service provision (Alternative to Options 9 and 10)	The Council operates two civic amenity sites at Dalmoak, Renton, and Ferry Road, Old Kilpatrick which are operational seven days a week for 11 hours each day during the summer season (April to September) and for nine hours each day during the winter season (October to March).	£113,000	£113,000	2.00	Civic amenity sites throughout West Dunbartonshire are currently open to the public seven days every week. Under this option, residents would be able to access the sites six days per week, with opening times amended to 10am.	G. MacFarlane		£113,000
12	Reduce service provision	The Council currently offers a two-weekly bin collection service to residents.	£300,000	£500,000	3.00	Under this proposal, the service would move to a three-weekly cycle for collections. This is an approach already successfully undertaken by a number of other Scottish councils to increase recycling rates. This option is being considered as part of the Council's wider Waste Strategy.	G. MacFarlane		
13	Increase charges	The Council currently provides free garden maintenance to residents over the age of 65 or those under 65 if they are registered as disabled.	£80,000	£80,000	0.00	Under this proposal, all residents would pay the same fee for the service, which is currently £70 per year. This includes two hedge cuts and seven grass cuts throughout the year.	G. MacFarlane	£80,000	
14	Cease service provision (Alternative to Option 13)	The Care of Garden programme provides residents with two hedge cuts and seven grass cuts for the cost of £70 per year.	£429,000	£429,000	16.00	There is no statutory obligation to offer this service to residents and under this option, provision of this service would cease.	G. MacFarlane		£429,000
15	Introduce parking enforcement	In West Dunbartonshire, on-street parking enforcement is carried out by Police Scotland, who is the sole enforcement authority. The Council owns 30 off-street car parks throughout the area, all of which are currently free to use.	£100,000	£325,000	0.00	Under this option, parking enforcement would be decriminalised and the Council would apply to Transport Scotland for the right to enforce its own parking policies using parking attendants. Good parking management encourages turnover in on-street spaces and car parks and improves access to town centre amenities and businesses. Car parks are currently free to use with no enforced time restrictions. This option would align with the introduction of pavement parking enforcement which is being introduced in Autumn 2022 and is the responsibility of local authorities to enforce.	G. MacFarlane		

16	Reduce service provision	The Council currently operates 8 public toilet facilities including automated cubicles.	£30,000	£50,000	0.00	Following a review of these facilities, this option proposes reducing the number of public toilets by two. Toilets with adequate alternative facilities nearby would be selected to minimise impact. This would achieve a saving of £50,000.	G. MacFarlane		
17	Reduce service provision	In addition to the general street cleaning provision, the Council currently operates a daily street sweeping service in town centres throughout West Dunbartonshire.	£50,000	£50,000	2.00	This option would see a 10% reduction in the service, with sweeping being undertaken every second day. This provision fulfils the Council's statutory obligations.	G. MacFarlane	£50,000	
18		The street cleaning service is responsible for keeping roads clean and litter-free within the requirements of the Environmental Protection Act. The service also extends to public spaces such as parks, play areas, and beaches. This includes emptying litter bins, and routine and ad hoc sweeping. This service currently operates on a fortnightly basis.	£100,000	£100,000	4.00	Under this option, the service would move to monthly with a continued focus on high-use pedestrian areas. Residents would continue to be encouraged to Do the Right Thing and dispose of their litter in bins, with additional bins installed at key locations throughout the authority to minimise littering.	G. MacFarlane		£100,000
19	Reduce service provision	In addition to the street cleaning services outlined, the Council currently provides a litter collection and dog fouling removal service seven days per week.	£140,000	£140,000	6.00	This option would see the service operate Monday to Friday, with the spend on weekend working would be reduced. The Do the Right Thing campaign activity with the public will continue in order to change behaviours and reduce littering.	G. MacFarlane		
20	Remove service provision	The Council currently provides festive lighting in a number of communities across the area over the festive period.	£10,000	£10,000	0.00	Under this option, the Council would encourage and support local business and community organisations to establish fundraising for self-managed festive lighting displays for their area.	G. MacFarlane		
21	Reduce service provision	Currently ground maintenance including grass cutting in open spaces in undertaken on a three-weekly basis.	£182,000	£700,000	16.00	Under this proposal, ground maintenance will be reviewed to identify duplication and ensure the service is working efficiently. The number of biodiversity areas would be increased, helping the Council to reduce its carbon footprint as well as encourage a more diverse range of birds and insects. Grass cutting would be undertaken every four weeks in open spaces.	G. MacFarlane		
22	Increase charges	The Council currently charges £23.42 for a special waste uplift, which includes up to 10 items including bulky items.	£67,000	£67,000	0.00	This option would see charges for special uplifts increased to £35 from 1 April 2022, which is reflective of fees charged by other Councils. Householders will still be able to dispose of any bulky household waste free of charge by taking the item to the Council's household waste recycling centres.	G. MacFarlane		
23	Increase charges	Currently the Council provides commercial waste uplift at charities and places of worship free of charge.	£25,000	£25,000	0.00	Under this proposal, the current offer would be amended and the organisations would instead be eligible for a 50% discount on commercial waste uplifts	G. MacFarlane		
24	Increase charges	The Council currently uplifts food waste and garden waste together from resident's brown bin.	£127,000	£127,000	0.00	Under this proposal, residents would be provided with an additional bin for disposing of food waste and a small fee would be introduced for the collection of garden waste. This has been introduced successfully in a number of neighbouring local authorities	G. MacFarlane		

25	Increase charges	Currently, all new build developments are provided with recycling containers for each home free of charge.	£10,000	£10,000	0.00	Under this proposal, developers would pay a fee of £25 per recycling bin.	G. MacFarlane		
26	Rationalise service provision	Currently the Council runs from two depots, at Elm Road, Dumbarton and Richmond Street, Clydebank.	£70,000	TBC	3.00	Under this option, the Council will review depot provision with a view to rationalising and upgrading on a phased basis. The review will also look at whether there is duplication in order to optimise work processes and efficiency.	G. MacFarlane		
27	Increase charges	The Council operates 25 public Electric Vehicle Chargers across West Dunbartonshire. Currently the Council absorbs the cost of public usage.	£5,000	£12,000	0.00	Under this proposal, drivers would pay for electricity used. This is in line with the approach in a number of other local authorities. National guidance also states that costs should be passed to users to ensure fairness, and support funding of additional charge point rollout.	G. MacFarlane		
28	Pavement Parking Enforcement	Currently Police Scotland undertake all parking enforcement in West Dunbartonshire.	£15,000	£50,000	0.00	In 2022 new legislation around pavement parking is being introduced. Police Scotland will not enforce these regulations and local authorities will take responsibility for ensuring regulations are adhered to, including leading on parking enforcement.	G. MacFarlane		
29	Reduce teacher costs	Currently, schools in West Dunbartonshire receive additional funding to ensure staff numbers reflect the need for those in promoted posts to take time outside the classroom for leadership and management duties.	£100,000	£100,000	2.00	Under this option, core teaching staff required to deliver the curriculum would be maintained. Funding for additional staff would be reduced on a phased basis.	L. Mason		
30	Reduce school budgets	Each school in West Dunbartonshire receives an annual budget which they use to pay for services, supplies, resources and ancillary items.	£100,000	£100,000	0.00	Under this option, the area's 40 schools would continue to utilise about £900,000, with work continuing with head teachers to ensure their priorities are met.	L. Mason	£100,000	
31	Reduce schools budgets (Alternative to Option 30)	Each school in West Dunbartonshire receives an annual budget which they use to pay for services, supplies, resources and ancillary items.	£200,000	£200,000	0.00	Under this option, the area's 40 schools would continue to utilise about £800,000, with work continuing with head teachers to ensure their priorities are met.	L. Mason		£200,000
32	Reduce school budgets	Currently in West Dunbartonshire, £200,000 funding is allocated to activities and events which enhance and develop the curriculum.	£100,000	£100,000	0.00	Under this option, a budget of £100,000 would be maintained for curriculum development. An event showcasing pupil achievements would be held every two years instead of annually.	L. Mason		
33	Reduce service provision	Currently the Council provides free mainstream school transport to primary pupils who live more than one mile from school and secondary pupils who live more than two miles from school.	£30,000	£300,000	0.00	This option would see the school transport criteria amended to statutory level, bringing it into line with almost every other Scottish Council. Free mainstream school transport would be provided to primary pupils who live more than two miles from school and secondary pupils who live more than three miles from school, with remaining pupils encouraged to walk or cycle to school in line with the drive to improve health and wellbeing in the area.	L. Mason		

34	Reduce staffing costs	The Council currently provides an outreach support programme for vulnerable children and their families	£18,100	£18,100	0.50	Under this option, individual support to vulnerable families would be provided through work of Early Learning and Childcare Centres. Our outreach service will continue to support families at risk through parenting programmes, and by providing vital information regarding benefits; linking with health and social work when necessary.	L. Mason		
35	Reduce staffing costs	Learning Assistants are available to provide support to all Early Learning Centres in West Dunbartonshire.	£22,900	£22,900	0.78	Under this proposal, children at ELCCs will continue to be supported by a learning assistant. Learning assistants will continue to be allocated equitably across all of our 29 settings.	L. Mason		
36	Reduce Council Tax discounts	A Council Tax discount of up to 50% is currently available to all owners of second homes in the area.	£52,000	£52,000	0.00	Under this option, the reduction in Council Tax offered to second home owners in West Dunbartonshire would be withdrawn saving £52,000 per annum.	L. Slavin		
37	Reduce discretionary rates relief	All Councils can offer rates relief to charities with premises in their area, and can claim up to 75% of the cost back from the Scottish Government. At present the Council provides 25% discretionary rates relief for all charities operating premises in the area.	£0	£9,650	0.00	Under this proposal, the Council would no longer offer rates relief to national charities operating premises in the area saving the Council £9,650. This would allow the Council to focus resources in support of local charities. Council needs to provide 12 months notice to discontinue discretionary relief to allow rate payers to make provision for it. Therefore saving will not take effect until 2023/24.	L. Slavin		
38	Reduce discretionary rates relief	All Councils can offer rates relief to charities with premises in their area, and can claim up to 75% of the cost back from the Scottish Government. At present the Council provides 20% discretionary rates relief for all charities operating premises in the area.	£0	£7,900	0.00	This option would apply to local and/or national charities who occupy shops as opposed to an office unit. Council needs to provide 12 months notice to discontinue discretionary relief to allow rate payers to make provision for it. Therefore saving will not take effect until 2023/24.	L. Slavin		
39	Reduce discretionary rates relief (Alternative to Options 37 and 38)	All Councils can offer rates relief to charities with premises in their area, and can claim up to 75% of the cost back from the Scottish Government. At present the Council provides 20% discretionary rates relief for all charities operating premises in the area.	£0	£47,000	0.00	This option would withdraw discretionary rates relief provided to all local and national charities which have premises in the Council area with the exception of West Dunbartonshire Leisure Trust, saving the Council £47,000. Council needs to provide 12 months notice to discontinue discretionary relief to allow rate payers to make provision for it. Therefore saving will not take effect until 2023/24.	L. Slavin		
40	Reduce grants	Currently, the Council offers an annual Elderly Welfare Grant which all residents aged 66 and over can apply for.	£110,000	£110,000	0.00	Under this proposal, residents would still have access to a range of financial supports locally and nationally. Due to the significant resource challenges this payment presents, this grant would be removed at a saving of £110,000.	L. Slavin		

41	Dumbarton Common Good	The Council charges a management fee of £25k per annum to the Dumbarton Common Good for services provide by Council officers for administration and estates department services.	£10,000	£10,000	0.00	Under this proposal the fee to the Dumbarton Common Good would increase by £10,000 per annum. This would be the first material increase to the management fee since 2006 despite increasing staff costs and inflation.	L. Slavin		
42	Clydebank Property Company	The Council charges an administration fee of £35k per annum to the Clydebank Property Company for services provide by Council officers for administration services.	£25,000	£25,000	0.00	Under this proposal the administration fee to the Clydebank Property Company would increase by £25,000 per annum. This would be the first material increase to the management fee since 2006 despite increasing staff costs and inflation.	L. Slavin		
43	Reduce funding	The Community Budgeting scheme seeks to empower local communities to make lasting improvements in their area and to support the development of individual and collective resilience. Currently £60,000 of revenue funding is available which community groups and projects can apply for.	£6,000	£6,000	0.00	Under this proposal, a fund of £54,000 would be maintained to support community groups and projects in the next phase of community budgeting.	P. Barry		
44	Reduce service provision	The Council has supported 316 young people between the ages of 17 and 24 with free driving lessons through our Support to Drive scheme, which launched in 2014.	£48,000	£48,000	0.00	The Council's Working4U service provides a range of assistance to residents of all ages to support them into employment. Under this proposal, the provision of the driving scheme would end, however, residents would continue to access support and practical help through the Working4U service and Job Centre Plus.	P. Barry		
45	Reduce funding	Currently the Council provides £1.063m funding to a range of partners and bodies providing services in West Dunbartonshire.	£336,136	£336,136	0.00	Like all Councils, West Dunbartonshire is facing financial challenges and historically partner organisations have been protected from the savings Council services have faced. Under this proposal, the Council would continue to fund strategic partners and other bodies however would apply a saving of 31.63% to the monies provided to reflect the current financial position.	P. Barry and L.Slavin		
46	Reduce grants	The Council distributed local grants totalling £110,000 to businesses in 2021/22. This included start up and growth funding. (excludes SG COVID grants)	£10,000	£10,000	0.00	Under this proposal, annual grant funding of £100,000 would be maintained to support local businesses and start ups and assist business growth in the area.	P. Hessett		
47	Reduce service provision	Currently the council operates two registration offices, one based within the Clydebank Town Centre Office and one based within Dumbarton's Municipal Buildings.	£27,786	£28,341	1.00	The Clydebank registration office has been closed due to Covid-19 since March 2020. During this time, residents have been using the Registration Office in Dumbarton and this arrangement has been operating successfully. Under this option, the Clydebank Registration Office would close permanently.	P. Hessett		
			£3,528,282	£4,809,887	73.81			£415,360	£1,108,000

Total Taking Higher Value Options **£3,112,922** **£4,394,527**
Total Taking Lower Value Options **£2,420,282** **£3,701,887**