

FINANCE COMMITTEE CALL FOR EVIDENCE
COMMUNITY EMPOWERMENT (SCOTLAND) BILL;
FINANCIAL MEMORANDUM SUBMISSION FROM
INVERCLYDE COUNCIL

Consultation

Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

1. Yes. Whilst the financial implications were raised it was difficult to quantify the financial pressure.

If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

2. The financial assumptions for Local Authorities have not been addressed as they are difficult to quantify but will become a financial burden to Local Authorities which the bill states, in many areas, as minimal. However there is no evidence to support this as the bill will be demand lead and the cost will follow.

Did you have sufficient time to contribute to the consultation exercise?

3. Yes

Costs

If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

4. No the financial implications have not been quantified as it is difficult to do so without knowing the extent of the engagement. There are insufficient budgets to support the level of community engagement contained within the bill. We would anticipate employee costs of approximately £60,000 to support community engagement but no other costs have been considered without knowing the extent of the engagement.

Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

5. It is difficult to assess as, highlighted in the bill, much of it will be demand driven. However there is no additional fund within the Council to absorb any demand.

If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

6. No. Inverclyde Council has no budget to meet these additional demands and therefore funding would need to be allocated from the Centre.

Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescale over which they would be expected to arise?

7. The bill does highlight the uncertainty of the additional costs, however it states that the cost will be minimal and can be contained within existing budgets. This is not the case.

Wider Issues

Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

8. It does not capture sufficient costs within Local Authorities and this needs to be addressed. One issue that is not covered is the concern over the community groups to take full financial responsibility for the assets passed to them and the sustainability of the projects. When costs arise for repairs and maintenance of buildings or where key stakeholders/participants no longer want to contribute to the project, the Council will be expected to provide the financial or professional support. Inverclyde along with every other Local Authorities in Scotland is facing severe budget pressures in the next few years and will not be in a position to absorb any additional costs.