

A meeting of the Inverclyde Council will be held on Thursday 13 June 2024 at 4pm.

Members may attend the meeting in person at Greenock Municipal Buildings or via remote online access. Webex joining details will be sent to Members and Officers prior to the meeting. Members are requested to notify Committee Services by 12 noon on Wednesday 12 June 2024 how they intend to access the meeting.

In the event of connectivity issues, Members are asked to use the *join by phone* number in the Webex invitation and as noted above.

Please note that this meeting will be live-streamed via YouTube with the exception of any business which is treated as exempt in terms of the Local Government (Scotland) Act 1973 as amended.

Further information relating to the recording and live-streaming of meetings can be found at the end of this notice.

Lynsey Brown
Head of Legal, Democratic, Digital & Customer Services

BUSINESS

1. Apologies and Declarations of Interest	Page
NEW BUSINESS	
<p>2. Minutes of Meetings of The Inverclyde Council, Committees, Sub-Committees, Panels and Boards</p> <p>Inverclyde Council (25 April 2024) (pp 131-136) Planning Board (1 May 2024) (pp 137-140) Audit Committee (7 May 2024) (pp 141-142) General Purposes Board (8 May 2024) (pp 143-144) Social Work & Social Care Scrutiny Panel (14 May 2024) (pp 145-148) Environment & Regeneration Committee (16 May 2024) (pp 149-154) Education & Communities Committee (21 May 2024) (pp 155-159) ** Policy & Resources Committee (4 June 2024) (pp) ** Planning Board (5 June 2024) (pp) ** Local Police & Fire Scrutiny Panel (6 June 2024) (pp) ** General Purposes Board (12 June 2024) to next meeting</p>	
NEW BUSINESS	
<p>3. Scheme of Administration – Political Balance Report by Head of Legal, Democratic, Digital & Customer Services</p>	P
<p>4. Decision of the Standards Commission Hearing Report by Head of Legal, Democratic, Digital & Customer Services</p>	P

5.	Administrative Arrangements: Cycle of Council, Committee, Sub-Committee, Panel and Board Meetings to June 2025 Report by Head of Legal, Democratic, Digital & Customer Services	P
6.	Finance Strategy 2024/34 – 6 monthly update Report by Chief Financial Officer	P
7.	Review of Health and Social Care Integration Scheme Report by Chief Officer, Inverclyde Health & Social Care Partnership	P
8.	Inverclyde Council Byelaws for the Regulation of the Cleaning of Common Property Report by Head of Legal, Democratic, Digital & Customer Services	P
ROUTINE DECISIONS AND ITEMS FOR NOTING		
9.	Use of Powers Delegated to the Chief Executive (Emergency Powers) in respect of (a) livestreaming of committee meetings; (b) postponement of electrical testing contract, Greenock Municipal Buildings, Greenock, and (c) amendment of polling scheme Report by Head of Legal, Democratic, Digital & Customer Services	P
NOTICE OF MOTION		
10.	Further Education Colleges Lecturer's Pay Dispute – Notice of Motion by Councillor Brennan Report by Head of Legal, Democratic, Digital & Customer Services	P
<p>The documentation relative to the following item has been treated as exempt information in terms of the Local Government (Scotland) Act 1973 as amended, the nature of the exempt information being that set out in the paragraphs of Part I of Schedule 7A of the Act as detailed in the minute of the relevant Committee, Sub-Committee or Board.</p>		
NEW BUSINESS		
11.	Business in the Appendix	
<p>The reports are available publicly on the Council's website and the minute of the meeting will be submitted to the next standing meeting of the Inverclyde Council. The agenda for the meeting of the Inverclyde Council will be available publicly on the Council's website.</p> <p>Please note: this meeting may be recorded or live-streamed via YouTube and the Council's internet site, where it will be capable of repeated viewing. At the start of the meeting the Provost/Chair will confirm if all or part of the meeting is being recorded or live-streamed.</p> <p>You should be aware that the Council is a Data Controller under the Data Protection Act 2018. Data collected during any recording or live-streaming will be retained in accordance with the Council's published policy, including, but not limited to, for the purpose of keeping historical records and making those records available via the Council's internet site or YouTube.</p>		

If you are participating in the meeting, you acknowledge that you may be filmed and that any information pertaining to you contained in the recording or live-stream of the meeting will be used for webcasting or training purposes and for the purpose of keeping historical records and making those records available to the public. In making this use of your information the Council is processing data which is necessary for the performance of a task carried out in the public interest. If you are asked to speak at the meeting then your submission to the committee will be captured as part of the recording or live-stream.

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Enquiries to – **Diane Sweeney** – Tel 01475 712147

Report To:	Inverclyde Council	Date:	13 June 2024
Report By:	Head of Legal, Democratic, Digital & Customer Services	Report No:	LS/041/24
Contact Officer:	Lynsey Brown	Contact No:	01475 712710
Subject:	Scheme of Administration – Political Balance		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 The purpose of this report is to advise the Council of the necessary requirements to ensure political balance on Committees, Sub-Committees, Boards and Outside Bodies (where appropriate) following the resignation from the SNP Group of Councillor Innes Nelson, who has entered into an affiliation with the Conservative Group, and the resignation of Councillor Lynne Quinn from the Internal Independent Coalition.

1.3 The report also requests the Council to nominate an Elected Member to be appointed by the Scottish Ministers to Greater Glasgow and Clyde NHS Board (“NHS Board”) following the resignation of Councillor Martin McCluskey.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Council:

- (a) considers the terms of this report;
- (b) approves the re-balancing of Committees as detailed in Appendix 1;
- (c) makes the appropriate adjustments to the membership of its Committees, Sub-Committees, Boards and Outside Bodies;
- (d) notes that a report will be presented to a future meeting of the Council following a review of the appropriateness of Council nominations to the Boards of organisations which tender for Council contracts; and
- (e) nominates a Member to be appointed by the Scottish Ministers to Greater Glasgow and Clyde NHS Board.

Lynsey Brown
Head of Legal, Democratic, Digital and Customer Services

3.0 BACKGROUND AND CONTEXT

3.1 The resignations of Councillor Innes Nelson and Councillor Lynne Quinn from the SNP Group and Internal Independent Coalition respectively means that the political balance on Committees, Sub-Committees, Boards and Outside Bodies (where appropriate) requires to be reviewed in order to comply with the Council's Scheme of Administration.

3.2 Paragraph 59 of the Scheme of Administration requires the Council to ensure that, in so far as is practicable, the appointments to Committees, Sub-Committees, and Outside Bodies (where more than two representatives of the Council are required) reflect the balance of representatives on the Council.

3.3 The previous political balance meant the representation on all of the Council's standing Committees and Boards of 11 Members was as follows:

Labour – 4.5 Members

SNP – 4 Members

Internal Independent Coalition – 1.5 Members

Conservative – 1 Member

3.4 The alteration in political balance means that membership of the Council's Committees, Sub-Committees, Boards and Outside Bodies (with more than two representatives) needs to change where appropriate to reflect the position.

3.5 The Independent is not aligned with any group and this means the present political balance for the Standing Committees and Boards comprising of 11 Members requires to be altered as shown in Appendix 1 and as set out as follows:

Labour – 4.5 Members

SNP – 3.5 Members

Independent Alliance – 1 Member

Conservative and Independent Affiliation – 1.5 Members

Independent – 0.5 Member

3.6 The new political balance means that:

- (a) The Labour balance is unaffected;
- (b) The SNP representation is reduced by 0.5 Member in each of the eight main Committees and Boards;
- (c) The Independent Alliance representation is reduced by 0.5 Member in each of the eight main Committees and Boards; and
- (d) The Conservative and Independent Affiliation is increased by 0.5 Member in each of the eight main Committees and Boards.

3.7 For Members' ease of reference, Appendix 1a) sets out the existing and Appendix 1b) sets out the proposed political balance on the main Committees and Boards and Appendix 2 details the existing party-by-party representation on these.

3.8 To give effect to the new political balance with minimal disruption to the main Committees and the General Purposes Board and the Planning Board, it is possible to:-

- Reduce SNP representation by one Member on each of these; and
- Appoint as a replacement, a Conservative and Independent Affiliation member so that the group is equitably appointed to all 8 Committees/Boards

3.9 However, this is, of course, entirely within the discretion of the Council.

3.10 It should be noted that there are currently two Independent Alliance Members on the Audit Committee and the Planning Board. There is a requirement for one member of the Independent Alliance to step down from both the Audit Committee and the Planning Board and to appoint, as a replacement, either a Labour Member, a Conservative and Independent Affiliation Member or the Independent Member.

3.11 In relation to other Boards and Sub-Committees, it should also be noted that Councillor Lynne Quinn is currently a member of the Human Resources Appeals Board. In terms of the new political balance set out at Appendix 1b) there is a requirement for the Council to amend the membership of this Board to reflect the new arrangements.

3.12 The existing and proposed political balance on all Committees is summarised below:

COMMITTEE	EXISTING	PROPOSED
Policy & Resources	5 LAB 4 SNP 1 IND* 1 CON	4 or 5 LAB 3 or 4 SNP 1 or 2 CON** 1 IND ALL** 0 or 1 IND**
Environment & Regeneration	5 LAB 4 SNP 1 IND* 1 CON	4 or 5 LAB 3 or 4 SNP 1 or 2 CON** 1 IND ALL** 0 or 1 IND**
Social Work & Social Care Scrutiny Panel	4 LAB 4 SNP 2 IND* 1 CON	4 or 5 LAB 3 or 4 SNP 1 or 2 CON** 1 IND ALL** 0 or 1 IND**
Audit	4 LAB 4 SNP 2 IND* 1 CON	4 or 5 LAB 3 or 4 SNP 1 or 2 CON** 1 IND ALL** 0 or 1 IND**
Education & Communities	4 LAB 4 SNP 2 IND* 1 CON	4 or 5 LAB 3 or 4 SNP 1 or 2 CON** 1 IND ALL** 0 or 1 IND**

General Purposes Board	4 LAB 4 SNP 2 IND* 1 CON	4 or 5 LAB 3 or 4 SNP 1 or 2 CON** 1 IND ALL** 0 or 1 IND**
Planning Board	4 LAB 4 SNP 2 IND* 1 CON	4 or 5 LAB 3 or 4 SNP 1 or 2 CON** 1 IND ALL** 0 or 1 IND**
Local Fire & Police Scrutiny Panel	4 LAB 4 SNP 2 IND* 1 CON	4 or 5 LAB 3 or 4 SNP 1 or 2 CON** 1 IND ALL** 0 or 1 IND**
Human Resources Appeals Board	2 LAB 2 SNP 1 IND*	2 LAB 1 or 2 SNP 0 or 1 CON** 0 or 1 IND ALL** 0 IND**
Policy & Resources Executive Sub-Committee	2 LAB 2 SNP 1 IND* 1 CON	2 or 3 LAB 2 SNP 1 CON** 0 or 1 IND ALL** 0 or 1 IND**
Grants Sub-Committee	2 LAB 2 SNP 1 IND* 1 CON	2 or 3 LAB 2 SNP 1 CON** 0 or 1 IND ALL** 0 or 1 IND**
Petitions Committee	2 LAB 2 SNP 1 IND* 1 CON	2 or 3 LAB 2 SNP 1 CON** 0 or 1 IND ALL** 0 or 1 IND**
Local Review Body	3 LAB 2 SNP 1 IND* 1 CON	3 LAB 2 SNP 1 CON** 0 or 1 IND ALL** 0 or 1 IND**

*IND = Internal Independent Coalition

**CON = Conservative & Independent Affiliation

**IND ALL = Independent Alliance

**IND = Independent

- 3.13 When considering adjustments to the membership of Committees to reflect the present political balance, the Council should seek to ensure that the replacement Member on each of the main Committees reflects the political balance as far as possible and in line with what each member may wish as individuals.
- 3.14 Appendix 2 sets out the existing membership of the Committees, Sub-Committees and Boards. Appendix 3 sets out the proposed membership to address the political balance.
- 3.15 The Licensing Board is a separate statutory body and there is no formal requirement to include it in the current re-balancing exercise. Furthermore, there is a requirement that any Member of the Licensing Board must completed mandatory training before sitting on the Board. In the circumstances it is proposed that the Licensing Board is excluded from the re-balancing exercise.

4.0 REPRESENTATIVES TO OUTSIDE BODIES

- 4.1 In terms of Paragraph 59 of the Council's Scheme of Administration, the Council requires to ensure that appointments to Outside Bodies reflect as far as practicable the balance of political representation on the Council where more than two representatives of the Council are required.
- 4.2 It is essential to reflect as far as possible the actual political balance of the Council in Committees, Sub-Committees and Boards. With Outside Bodies, however, it remains important but not essential to apply the political balance and some discretion is possible. This discretion can take into account Member availability for the range of tasks and attendances involved with the respective Outside Bodies. This discretion appears also to have accommodated, at times, a less formal political balance among the individual political parties with a general balance being attained informally between the Administration and the Non-Administration groups overall, rather than a party-by-party split.
- 4.3 As listed in Appendix 4, there are 12 Outside Bodies where more than 2 representatives of the Council are required and the current Political membership of each Outside Body with more than 2 representatives is set out.
- 4.4 The current party-by party balance is set out for information and guidance in Appendix 4. The party-by-party approach can be modified by the Council if it wished to take account of pressures on Members or their individual wishes for representation on the Outside Bodies by a more general arrangement based on the overall proportion of Administration Members to all Non-Administration Members.
- 4.5 Appendix 5 sets out the proposed representation on Outside Bodies (more than 2 representatives) following the resignations detailed at paragraph 1.2. This proposed representation is for Members' decision given the requirement for political balance, on the one hand, yet recognising the discretion allowed for the availability of and pressures on these duties with Outside Bodies.

5.0 COUNCIL NOMINATIONS TO BOARDS

- 5.1 On 21st November 2023, the Policy & Resources Committee agreed that a report be presented to Inverclyde Council by the Chief Executive following a review of the appropriateness of Councillor nominations to the boards of organisations which tender for Council contracts. This matter has been discussed at the Strategic Leadership Forum and officers will bring back a report to a future meeting of Inverclyde Council.

6.0 MEMBERSHIP OF GREATER GLASGOW AND CLYDE NHS BOARD

- 6.1 Councillor Martin McCluskey has recently intimated his formal resignation as Inverclyde Council's Non-Executive Member on the NHS Board.
- 6.2 This is a Ministerial appointment and the NHS Board has, in accordance with NHS requirements, invited the Council to nominate a replacement on the NHS Board.
- 6.3 The Council is asked to nominate a member to be appointed by the Scottish Ministers to the NHS Board.

7.0 IMPLICATIONS

- 7.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		x
Legal/Risk		x
Human Resources		x
Strategic (Partnership Plan/Council Plan)		x
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		x
Environmental & Sustainability		x
Data Protection		x

7.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

7.3 Legal/Risk

There are no legal or risk implications.

7.4 Human Resources

There are no human resource implications.

7.5 Strategic

There are no strategic plan implications.

7.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

7.7 Environmental/Sustainability

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

7.8 Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

8.0 CONSULTATION

8.1 N/A

9.0 BACKGROUND PAPERS

9.1 N/A

APPENDIX 1a)**EXISTING POLITICAL BALANCE (STANDING COMMITTEES,
GENERAL PURPOSES BOARD, PLANNING BOARD and LOCAL POLICE & FIRE SCRUTINY)**

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	REPRESENTATION
Scottish Labour Party	9	40.90	4.5	4.5	4 or 5
Scottish National Party	8	36.36	4	4	4
Internal Independent Coalition	3	13.64	1.5	1.5	1 or 2
Scottish Conservative & Unionist	2	9.09	1	1	1
	22	100	11	-	11

* In order to apply a consistent approach to the suggested representation based upon the Council's political balance, the numerical entitlement has been rounded (whether that be higher or lower) to the nearest 0.5.

EXISTING POLITICAL BALANCE (OTHER COUNCIL COMMITTEES ETC)

5 REPRESENTATIVES (2 - Human Resources Appeals Board and Housing (Landlord Registration) Sub-Committee)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	REPRESENTATION PARTY-BY-PARTY
Labour	9	40.90	2.05	2	2
SNP	8	36.36	1.82	2	2
Conservative	2	9.09	0.45	0.5	0 or 1
Internal Independent Coalition	3	13.64	0.68	0.5	0 or 1

6 REPRESENTATIVES (3, P&R Exec Sub-Committee, Grants Sub-Committee and Petitions Committee)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	REPRESENTATION PARTY-BY-PARTY
Labour	9	40.90	2.45	2.5	2 or 3
SNP	8	36.36	2.18	2	2
Conservative	2	9.09	0.55	0.5	0 or 1
Internal Independent Coalition	3	13.64	0.82	1	1

7 REPRESENTATIVES (1, Local Review Body)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	REPRESENTATION PARTY-BY-PARTY
Labour	9	40.90	2.86	3	3
SNP	8	36.36	2.55	2.5	2 or 3
Conservative	2	9.09	0.64	0.5	0 or 1
Internal Independent Coalition	3	13.64	0.95	1	1

- *In order to apply a consistent approach to the suggested representation based upon the Council's political balance, the numerical entitlement has been rounded (whether that be higher or lower) to the nearest 0.5.

APPENDIX 1b)**PROPOSED POLITICAL BALANCE (STANDING COMMITTEES, GENERAL PURPOSES BOARD, PLANNING BOARD and LOCAL POLICE & FIRE SCRUTINY)**

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	SUGGESTED REPRESENTATION
Scottish Labour Party	9	40.90	4.5	4.5	4 or 5
Scottish National Party	7	31.82	3.5	3.5	3 or 4
Independent Alliance	2	9.09	1	1	1
Scottish Conservative & Unionist & Independent Affiliation	3	13.64	1.5	1.5	1 or 2
Independent	1	4.55	0.5	0.5	0 or 1
	22	100	11	-	11

- * In order to apply a consistent approach to the suggested representation based upon the Council's political balance, the numerical entitlement has been rounded (whether that be higher or lower) to the nearest 0.5.

APPENDIX 1b)**POLITICAL BALANCE (OTHER COUNCIL COMMITTEES ETC)****5 REPRESENTATIVES (2 - Human Resources Appeals Board and Housing (Landlord Registration) Sub-Committee)**

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	SUGGESTED REPRESENTATION PARTY-BY-PARTY**
Labour	9	40.90	2.05	2	2
SNP	7	31.82	1.59	1.5	1 or 2
Conservative & Ind	3	13.64	0.68	0.5	0 or 1
Independent Alliance	2	9.09	0.45	0.5	0 or 1
Independent	1	4.55	0.23	0	0

6 REPRESENTATIVES (3, P&R Exec Sub-Committee, Grants Sub-Committee and Petitions Committee)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	SUGGESTED REPRESENTATION PARTY-BY-PARTY**
Labour	9	40.90	2.45	2.5	2 or 3
SNP	7	31.82	1.91	2	2
Conservative & Ind	3	13.64	0.82	1	1
Independent Alliance	2	9.09	0.55	0.5	0 or 1
Independent	1	4.55	0.28	0.5	0 or 1

7 REPRESENTATIVES (1, Local Review Body)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	SUGGESTED REPRESENTATION PARTY-BY-PARTY**
Labour	9	40.90	2.86	3	3
SNP	7	31.82	2.23	2	2
Conservative & Ind	3	13.64	0.82	1	1
Independent Alliance	2	9.09	0.64	0.5	0 or 1
Independent	1	4.55	0.32	0.5	0 or 1

- *In order to apply a consistent approach to the suggested representation based upon the Council's political balance, the numerical entitlement has been rounded (whether that be higher or lower) to the nearest 0.5.
- ** Where alternatives are given (e.g. "0 or 1" or "2 or 3"), then it would be for the groups in question to seek to agree the specific arrangements to effect the solution for their respective numerical entitlement, with the requirement in the Council's Standing Orders to seek to achieve a balance of political representation being capable of being met by those groups agreeing to alternate representation where the same applies to more than 1 appointment.

APPENDIX 2
EXISTING MEMBERSHIP OF COMMITTEES, SUB-COMMITTEES AND BOARDS

COMMITTEE	NO. MEMBERS ON COMMITTEE	LABOUR	SNP	CONS	INDEPENDENT
Policy & Resources	11	4 or 5	4	1	1 or 2
Environment & Regeneration	11	4 or 5	4	1	1 or 2
Education & Communities	11	4 or 5	4	1	1 or 2
Health & Social Care	11	4 or 5	4	1	1 or 2
Audit	11	4 or 5	4	1	1 or 2
General Purposes Board	11	4 or 5	4	1	1 or 2
Planning Board	11	4 or 5	4	1	1 or 2
Local Review Body	7	3	2 or 3	0 or 1	1
Policy & Resources Executive Sub-Committee	6	2 or 3	2	0 or 1	1
Human Resources Appeals Board	5	2	2	0 or 1	0 or 1
Housing (Landlord Registration) Sub-Committee	5	2	2	0 or 1	0 or 1
Grants Sub-Committee	6	2 or 3	2	0 or 1	1
Local Police & Fire Scrutiny	11	4 or 5	4	1	1 or 2
Inverclyde Licensing Board	8	3 or 4	3	0 or 1	1
Petitions Committee	6	2 or 3	2	0 or 1	1

APPENDIX 3
SUGGESTED MEMBERSHIP OF COMMITTEES, SUB-COMMITTEES AND BOARDS

COMMITTEE	NO. MEMBERS ON COMMITTEE	LABOUR	SNP	CON & IND	INDEPENDENT ALLIANCE	IND
Policy & Resources	11	4 or 5	3 or 4	1 or 2	1	0 or 1
Environment & Regeneration	11	4 or 5	3 or 4	1 or 2	1	0 or 1
Education & Communities	11	4 or 5	3 or 4	1 or 2	1	0 or 1
Social Work & Social Care Scrutiny Panel	11	4 or 5	3 or 4	1 or 2	1	0 or 1
Audit	11	4 or 5	3 or 4	1 or 2	1	0 or 1
General Purposes Board	11	4 or 5	3 or 4	1 or 2	1	0 or 1
Planning Board	11	4 or 5	3 or 4	1 or 2	1	0 or 1
Local Review Body***	7	3	2	1	0 or 1	0 or 1
Policy & Resources Executive Sub-Committee***	6	2 or 3	2	1	0 or 1	0 or 1
Human Resources Appeals Board***	5	2	1 or 2	0 or 1	0 or 1	0
Housing (Landlord Registration) Sub-Committee***	5	2	1 or 2	0 or 1	0 or 1	0
Grants Sub-Committee***	6	2 or 3	2	1	0 or 1	0 or 1
Local Police & Fire Scrutiny	11	4 or 5	3 or 4	1 or 2	1	0 or 1
Inverclyde Licensing Board	8	3 or 4**	2 or 3**	1**	0 or 1**	0 or 1**
Petitions Committee***	6	2 or 3	2	1	0 or 1	0 or 1

- **The proposed appointments to the Inverclyde Licensing Board are based upon the following numerical entitlements, namely 3.27 (rounded to 3.5) (Labour), 2.54 (rounded to 2.5) (SNP), 1.09 (rounded to 1) (Scottish Conservative & Unionist & Ind) 0.73 (rounded to 0.5) (Independent Alliance) and 0.36 (rounded to 0.5) Independent. Again, where alternatives are given (e.g. "0 or 1" or "2 or 3"), then it would be for the groups in question to seek to agree the specific arrangements to effect the solution for their respective numerical entitlement, with the requirement in the Council's Standing Orders to seek to achieve a balance of political representation being capable of being met by those groups agreeing to alternate representation where the same applies to more than 1 appointment.
- *** Suggested on the basis of the representations calculated in Appendix 2. Again, where alternatives are given (e.g. "0 or 1" or "2 or 3"), then it would be for the groups in question to seek to agree the specific arrangements to effect the solution for their respective numerical entitlement, with the requirement in the Council's Standing Orders to seek to achieve a balance of political representation being capable of being met by those groups agreeing to alternate representation where the same applies to more than 1 appointment

APPENDIX 4
EXISTING APPOINTMENTS TO OUTSIDE BODIES WITH MORE THAN 2 REPRESENTATIVES

3 REPRESENTATIVES (5 Bodies – Boglestone Community Association, Inverclyde Community Development Trust, Inverclyde Alcohol & Drug Partnership, Peter Stanton Memorial Trust (3 elected members including the Provost), Riverside Inverclyde)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	REPRESENTATION PARTY-BY-PARTY
Labour	9	40.90	1.23	1	1
SNP	8	36.36	1.09	1	1
Conservative	2	9.09	0.27	0.5	0 or 1
Internal Independent Coalition	3	13.64	0.41	0.5	0 or 1

4 REPRESENTATIVES (5 Bodies –Inverclyde Alliance Board, Inverclyde Integration Joint Board, Inverclyde Leisure, Renfrewshire Valuation Joint Board and Shared Services Joint Committee)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	REPRESENTATION PARTY-BY-PARTY
Labour	9	40.90	1.64	1.5	1 or 2
SNP	8	36.36	1.45	1.5	1 or 2
Conservative	2	9.09	0.36	0.5	0 or 1
Internal Independent Coalition	3	13.64	0.55	0.5	0 or 1

5 REPRESENTATIVES (2 Bodies - James Campbell Buchan Trust and Women's Forum)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEAREST 0.5*	REPRESENTATION PARTY-BY-PARTY
Labour	9	40.90	2.05	2	2
SNP	8	36.36	1.82	2	2
Conservative	2	9.09	0.45	0.5	0 or 1
Internal Independent Coalition	3	13.64	0.68	0.5	0 or 1

- *In order to apply a consistent approach to the suggested representation based upon the Council's political balance, the numerical entitlement has been rounded (whether that be higher or lower) to the nearest 0.5.

APPENDIX 5**SUGGESTED APPOINTMENTS TO OUTSIDE BODIES WITH MORE THAN 2 REPRESENTATIVES**

3 REPRESENTATIVES (5 Bodies – Boglestone Community Association, Inverclyde Community Development Trust, Inverclyde Alcohol & Drug Partnership, Peter Stanton Memorial Trust (3 elected members including the Provost), Riverside Inverclyde)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEARERST 0.5*	SUGGESTED REPRESENTATION PARTY-BY-PARTY**
Labour	9	40.90	1.23	1	1
SNP	7	31.82	0.95	1	1
Conservative & Ind	3	13.64	0.41	0.5	0 or 1
Independent Alliance	2	9.09	0.27	0.5	0 or 1
Independent	1	4.55	0.14	0	0

4 REPRESENTATIVES (5 Bodies –Inverclyde Alliance Board, Inverclyde Integration Joint Board, Inverclyde Leisure, Renfrewshire Valuation Joint Board and Shared Services Joint Committee)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEARERST 0.5*	SUGGESTED REPRESENTATION PARTY-BY-PARTY**
Labour	9	40.90	1.64	1.5	1 or 2
SNP	7	31.82	1.27	1.5	1 or 2
Conservative & Ind	3	13.64	0.41	0.5	0 or 1
Independent Alliance	2	9.09	0.36	0.5	0 or 1
Independent	1	4.55	0.18	0	0

5 REPRESENTATIVES (2 Bodies - James Campbell Buchan Trust and Women’s Forum)

PARTY	NO. OF ELECTED MEMBERS	% OF TOTAL	NUMERICAL ENTITLEMENT	NUMERICAL ENTITLEMENT ROUNDED TO NEARERST 0.5*	SUGGESTED REPRESENTATION PARTY-BY-PARTY**
Labour	9	40.90	2.05	2	2
SNP	7	31.82	1.59	1.5	1 or 2
Conservative & Ind	3	13.64	0.68	0.5	0 or 1
Independent Alliance	2	9.09	0.45	0.5	0 or 1
Independent	1	4.55	0.23	0	0

- *In order to apply a consistent approach to the suggested representation based upon the Council’s political balance, the numerical entitlement has been rounded (whether that be higher or lower) to the nearest 0.5.

- **Where alternatives are given (e.g. “0 or 1” or “2 or 3”), then it would be for the groups in question to seek to agree the specific arrangements to effect the solution for their respective numerical entitlement, with the requirement in the Council’s Standing Orders to seek to achieve a balance of political representation being capable of being met by those groups agreeing to alternate representation where the same applies to more than 1 appointment. It is, however, to be noted that where 4 representatives are sought all four groups need to be involved in that discussion, and not just two.

Report To:	Inverclyde Council	Date:	13 June 2024
Report By:	Head of Legal, Democratic, Digital & Customer Services	Report No:	LS/024/24
Contact Officer:	Lynsey Brown	Contact No:	
Subject:	Decision of Standards Commission Hearing		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 The purpose of this report is to advise the Council of the decision of the Standards Commission for Scotland following the Hearing into a complaint against Councillor Innes Nelson held on 10 April 2024.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Council notes the Standards Commission's Hearing decision relative to Councillor Nelson.

Lynsey Brown
Head of Legal, Democratic, Digital & Customer Services

3.0 BACKGROUND AND CONTEXT

- 3.1 The Standards Commission for Scotland conducted a hearing on 10 April 2024 concerning an alleged contravention of the Councillors' Code of Conduct by Councillor Innes Nelson.
- 3.2 It is a requirement of the Ethical Standards in Public Life etc. (Scotland) Act 2000 that the Council considers the Standards Commission's written decision of the Hearing upon a complaint that had been received by the Ethical Standards Commissioner about Councillor Nelson. The written decision of the Hearing Panel dated 15 April 2024 is attached at Appendix 1 for Members' consideration.
- 3.3 The Standards Commission hearing found that Councillor Nelson should have declared an interest in the planning application which was considered by the Planning Board on 2 March 2022 as required by the Councillors' Code of Conduct.
- 3.4 The hearing was satisfied that there was no evidence before it to suggest that Councillor Nelson's interest had affected his decision and it considered factors in mitigation as referred to within the Appendix.
- 3.5 The Standards Commission hearing panel did emphasise the importance of declaring interests as a fundamental part of the Councillors' Code of Conduct to ensure the public that decisions are being made in the public interest and reiterated that public confidence in decision-making processes can be eroded by any such failures so to do. The hearing panel also emphasised that it is a Councillor's personal responsibility to be aware of and to implement the Councillors' Code.
- 3.6 The decision of the hearing panel was to suspend the right of Councillor Nelson, under Section 19(1)(b)(i) of the Ethical Standards in Public Life etc. (Scotland) Act 2000, to attend full Council meetings of Inverclyde Council, for a period of one month, with effect from 16 April 2024. The suspension ended at midnight on 15 May 2024. The suspension related to meetings of full Council only during this period. Section 22 of the Ethical Standards in Public Life etc. (Scotland) Act 2000 provides a right of appeal in respect of decisions of the hearing panel but it is understood that Councillor Nelson did not so appeal.

4.0 PROPOSALS

- 4.1 The Council is required to note the Standards Commission's Hearing decision.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		x
Legal/Risk	x	
Human Resources		x
Strategic (Partnership Plan/Council Plan)		
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		x
Environmental & Sustainability		x
Data Protection		x

5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.3 Legal/Risk

Section 18 of the Ethical Standards in Public Life etc. (Scotland) Act 2000 requires a Council receiving a copy of the Standards Commission's written decision of a Hearing to consider those findings within three months. Section 18 states that the duty must be discharged only by the Council and not by a committee or sub-committee or an officer.

5.4 Human Resources

None.

5.5 Strategic

None.

5.6 Equalities, Fairer Scotland Duty & Children/Young People

None.

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

5.7 Environmental/Sustainability

Summarise any environmental / climate change impacts which relate to this report.

None.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

5.8 Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

6.0 CONSULTATION

6.1 None.

7.0 BACKGROUND PAPERS

7.1 None.

Decision of the Hearing Panel of the Standards Commission for Scotland following the Hearing held at the Municipal Buildings, Greenock, on Wednesday 10 April 2024.

Panel Members: Ms Ashleigh Dunn, Chair of the Hearing Panel
Ms Helen Donaldson
Mr Paul Walker

The Hearing arose in respect of a Report referred by Mr Ian Bruce, the Ethical Standards Commissioner (the ESC), further to complaint reference LA/I/3764, concerning an alleged contravention of the Councillors' Code of Conduct dated December 2021 (the Code) by Councillor Innes Nelson (the Respondent).

The Respondent was represented by Mr Malcolm Cameron, of Cameron Macaulay Solicitors.

Referral

Following an investigation into a complaint received on 6 June 2022 about the conduct of the Respondent, the ESC referred a report to the Standards Commission on 14 December 2023, in accordance with the Ethical Standards in Public Life etc. (Scotland) Act 2000 (the 2000 Act).

The substance of the referral was that the Respondent had failed to comply with the provisions of the Code and, in particular, that he had contravened paragraphs 3.26, 3.27 and 5.5, which were as follows:

Dealings with my council and Preferential Treatment

3.26 I will not use, or attempt to use, my position or influence as a councillor to:

- a) improperly confer on or secure for myself, or others, an advantage;*
- b) avoid a disadvantage for myself, or create a disadvantage for others; or*
- c) improperly seek preferential treatment or access for myself or others.*

3.27 I will avoid any action which could lead members of the public to believe that preferential treatment or access is being sought.

Declaration of Interests

5.5 I understand my connection is an interest that requires to be declared where the objective test is met – that is where a member of the public with knowledge of the relevant facts would reasonably regard my connection to a particular matter as being so significant that it would be considered as being likely to influence the discussion or decision-making.

The ESC also considered whether any of the provisions in Section 7 of the Code had been breached. The relevant paragraphs considered by the Panel are as follows:

Taking Decisions on Quasi-Judicial or Regulatory Applications

7.1 I need to be especially vigilant when I am making a decision on a quasi-judicial or regulatory application. For these applications, I need to ensure there is a proper and fair hearing of the application and I must avoid any impression of bias in the whole decision-making process.

7.4 In dealing with these applications, I will:

- (a) throughout my involvement with the entire application process act fairly and be seen to act fairly;*
- (b) declare interests where required in terms of Section 5 of [the] Code and leave the meeting until the matter has been determined;*
- (c) deal fairly and impartially with all parties involved in the application*

7.5 In dealing with such applications, I will not:

- (a) pre-judge or demonstrate bias or be seen to pre-judge or demonstrate bias*

Evidence Presented at the Hearing

Joint Statement of Facts

The Panel noted that a joint statement of facts had been agreed between the ESC and the Respondent's representative. This recorded that it was not in dispute that:

- The Respondent submitted an objection letter to the Council about the Local Development Plan on 31 May 2017 and, in particular, to the proposed redevelopment of an industrial site in the Spango Valley, Greenock.
- On 29 June 2018, the Respondent submitted a further letter to the Council in response to a consultation on the Local Development Plan and the proposed redevelopment of the site.
- A planning application for the development of the former industrial site (the application) was submitted on 10 February 2020.
- the Respondent attended a meeting of the Council's Planning Board, on 5 January 2022, at which the application was first considered. The Respondent moved that consideration of the application be continued in order to allow a site visit to take place. The Respondent's motion was carried, and site visits took place on 26 January and 15 February 2022.
- On 2 March 2022, the Respondent attended a further meeting of the Planning Board and moved an amendment to grant the application with conditions set out in the Council's report, which restricted the number of houses to be built on the site. The Respondent's amendment was carried.
- The Respondent did not declare any interests at either the meeting on 5 January or 2 March 2022.
- The shortest distance across the A78, from the development site boundary fence to the boundary of the Respondent's property is 28.14 metres. The distances from the Respondent's farm steading to the edge of the road and bottom of the road bank are 201.64 and 219.61 metres, respectively. The distances from the Respondent's farmhouse to the edge of the road and bottom of the road bank are 208.86 and 227.65 metres, respectively.

Submissions made by the ESC

The ESC advised that the complaint about the Respondent's conduct had been received on 6 June 2022, with subsequent further evidence being supplied by the Complainer's solicitors in November that year.

The ESC noted that, as outlined in the agreed joint statement of fact, the Respondent did not declare an interest in the application for the development of the site at Spango Valley, Greenock, at the Planning Board meeting on 2 March 2022. The ESC noted that the complaint was that the Respondent had failed to do so, despite the site being adjacent to his property and him having previously expressed concern at the development on the Site.

The ESC advised that the Respondent had recorded ownership of his farm on his Register of Interests under both the categories 'Houses, Land and Buildings' and 'Remuneration' as it generated an income for him.

The ESC noted that it was not in dispute that:

- The Respondent sent letters to the Council on 31 May 2017 and 29 June 2018 in which he raised concerns about development of the site as outlined in the proposed Local Development Plan.
- The Respondent attended a Planning Board meeting on 5 January 2022, at which a subsequent planning application for development of the site was considered. The Respondent did not declare any interests at that meeting and moved a motion to continue consideration of the application for a site visit to be undertaken, which was carried by five votes to four.
- At the Planning Board meeting on 2 March 2022, the Respondent moved an amendment to grant the application with conditions as outlined in the planning officers' report, which restricted the number of houses to be built on the site. The amendment was carried by five votes to four, with the Chair casting

a vote in favour of the motion after other members had voted by five to three in favour of the amendment.

The ESC advised, however, that the following matters, of potential relevance, were in dispute:

- that the Respondent assisted a third-party constituent to submit an objection, in 2017, to the development of the site as outlined in the proposed Local Development Plan; and
- that the Respondent was sent or received a copy of a Neighbour Notification (the Council defined this within the notice as one which is issued to the 'owner, occupier or lessee' of a property that was either adjacent to, or within 20 metres of, land affected by an application for planning permission) in respect of the application.

The ESC noted that while the Respondent's position was that he had simply helped the constituent submit his objections, the constituent's letter was sufficiently similar to the one submitted by the Respondent to support the view that the Respondent had assisted with its contents.

The ESC contended that it was evident that a Neighbour Notification to the Respondent had, at the very least, been prepared, as a copy of one addressed to the owner, occupier or lessee of the Respondent's property had been found on the file. The ESC accepted that the associated checklist to confirm the Neighbour Notification had been sent had not been completed but contended that he had reached the view that it had been sent, nonetheless, as there would have been no point preparing it if it was not to be issued. The ESC highlighted that the Neighbour Notification on file contained a page entitled 'Advice to Neighbours', which stated that the notice had been sent because the recipient's property was "either adjacent to or lies within 20 metres" of the site that was subject to a planning application and, therefore, the recipient had the right to make comments on the proposal.

The ESC noted that the Respondent had years of experience as a councillor in considering planning applications. While the ESC accepted that the Respondent's property did not lie within 20 metres of the site that was the subject of the planning application, the Neighbour Notification was clear that his land is, in fact and in the view of the Council, adjacent to the site and could be affected by the proposed development. The ESC argued that, even if the Respondent had not received the Neighbour Notification, he would have been aware that his property was adjacent to the site, particularly as the planning officers' report on handling, which was considered at both the meetings of the Planning Board in January and March 2022, made specific reference to, and named, his farm. The ESC noted that despite this, and despite him having registered the property on his Register of Interests, the Respondent made no mention of the fact that he owned the farm on either occasion, either by way of a transparency statement or a declaration of interest.

The ESC noted that the Respondent, in his letter to the Council dated 29 June 2018 responding to the consultation on the Local Development Plan consultation, highlighted how his interests as a local farmer would be affected if the proposal to develop housing on the site was agreed. This included problems arising from the increased use of the A78 road and the associated impact on access to the farm that increased congestion would cause, the risk of damage to buildings, and risk to livestock from potential nuisance and vandalism. The ESC noted that, while the Respondent mentioned "neighbouring farms" in his letter, he referred to "this farmhouse and steading". The ESC contended it was evident from this that the Respondent was expressing concerns about the potentially direct impact the proposed development of the site could have on his own farm.

The ESC drew the Panel's attention to an email from a Team Leader of the Council's Planning Department to its then Monitoring Officer, in which he confirmed that there was no Neighbour Notification checklist on file for the application in question. The Team Leader noted that Scottish Government Guidance confirmed that a Neighbour Notification could be served even where the premises were more than 20 metres from the application site. The officer noted that while it was a "matter of judgement", it was "better to take a precautionary approach", as there was no requirement for the Council to undertake a Land Registry search

to establish if an area or plot of land was associated with any premises, for the purpose of Neighbour Notification. The ESC suggested that this evidence, when taken with the copy of Neighbour Notification and the Respondent's letter of 29 June 2018, demonstrated that both he, and the Council, considered his farm to be a neighbouring property to the proposed development.

Turning to the application of the facts to the Code, the ESC noted that the Respondent attended the Planning Board meeting on 2 March 2022 in his capacity as a councillor. As such the Code applied to his conduct at that time.

The ESC noted that the conclusion, in his report, that the Respondent should have declared an interest at the meeting on 2 March 2022 was based on the provisions of the Code and, in particular, the objective test that councillors were obliged to consider when determining whether or not they had an interest that required to be declared. The ESC observed that the Code did not make any reference to, or rely on, the Town and Country (Development Management Procedure) (Scotland) Regulations 2013 or the proximity of a property to a proposed development when outlining what constituted a declarable interest.

In this case, the ESC contended that a member of the public, in possession of the relevant facts, would not consider the fact that the Respondent's farm was located, at its boundary, 8.13 metres beyond that which required a Neighbour Notification to be sent, would exonerate him from his responsibilities under the Code.

The ESC noted that the Standards Commission's Guidance on the Code stated that the objective test, outlined in paragraph 5.5 of the Code, assumes that a member of the public has knowledge of the relevant facts. The question councillors were required to consider was whether a member of the public, with this knowledge, would reasonably regard any connection they had to a matter to be considered by the Council as so significant that it would be likely to prejudice their discussion or decision-making in their role as a councillor. The Guidance noted that if the answer was yes, the connection was an interest that required to be declared. The Guidance further noted that the test was an objective one about perception. It was not what a councillor knew about their own motivations and whether the connection would unduly influence them. Instead, it concerned what others would reasonably think, if they were in possession of the relevant facts.

The ESC advised that he considered the Respondent had a connection to the development site. The ESC noted that the Respondent has registered his interest in his farm, both as a financial interest and an interest in respect of houses, land and buildings. The ESC noted that the Respondent's farmland was 28.14 metres away from the development site and, therefore, there was no requirement for a Neighbour Notification to be issued (albeit it appeared one had, at least, been prepared). The ESC contended, however, that this would not lead a member of the public to reasonably conclude that the Respondent had no connection to the application. The ESC argued, instead, that a member of the public would simply be interested in whether the development would have an impact on the amenity of the Respondent's property and / or his income. The ESC argued that the owner or resident of any land immediately adjacent to the site of a planned housing development would normally be affected by it, both in terms of building works and the impact on common amenities and facilities in the vicinity resulting from the number of new families moving into the area. The ESC contended that it was evident, from its contents, that this was the reason why the Respondent had written to the Council, in the terms he had, in June 2018. The ESC highlighted that the Respondent did not state, in this letter, that it was submitted further to concerns raised with him by constituents. Instead, the focus of the letter was on the potential effect of the proposed development of the site on nearby farms and farmers.

The ESC argued that it was clear from the Respondent's 2018 letter that he was against any form of housing development at that time, for reasons related directly to the impact on the amenity of his own property. The ESC noted that such issues could all have had an impact on the income that his farm generated. The ESC contended that none of these potential impacts could have changed in the intervening period and, as such, the objective test was met, meaning that the Respondent had a connection which amounted to a declarable

interest. The ESC argued that the fact the Respondent accepted the planning officers' recommendation to grant the application with conditions, and whether his connection to the matter actually prejudiced his discussion or decision-making, were irrelevant. This was because a member of the public, with knowledge of the impact that the development could have on the Respondent's property and his income, would reasonably regard the connection as so significant that it would be *likely* to prejudice his discussion or decision-making in his role as a councillor when considering the planning application. The ESC contended, therefore, that the Respondent breached paragraph 5.5 by failing to declare an interest at the March 2022 Planning Board meeting and by proceeding to participate in the discussion and decision-making on the application.

The ESC noted that paragraphs 3.26 and 3.27 of the Code provide that councillors should not use, or attempt to use, their position or influence as a councillor to improperly secure an advantage or avoid a disadvantage for themselves, and that they should avoid any action that could lead members of the public to believe that preferential treatment was being sought.

In this case, the ESC argued that the Respondent would clearly be disadvantaged by housing being built on the development site, for the reasons he had outlined in his June 2018 letter to the Council about the Local Development Plan. The ESC contended that the Respondent had used his position as a councillor to propose the site visit at the Planning Board meeting on 5 January 2022 (when the alternative motion had been to grant planning permission subject to the conditions in the Council's Report on handling). The Respondent had also used his position as a councillor to move, at the meeting on 2 March 2022, that the application be approved, subject to the conditions in the planning officers' report that restricted the number of houses to be built on the site.

The ESC noted that the Respondent did not disclose, at any opportunity, the fact that he resided in a property on the other side of the dual carriageway from the site of the proposed development. The ESC contended, therefore, that members of the public with knowledge of the relevant facts, being that:

- the Respondent failed to declare that he lived on the opposite side of the dual carriageway;
- the potential negative impact of the development on the amenity of the Respondent's property; and
- that the Respondent suggested the site visit and subsequently proposed the number of houses to be restricted,

would be concerned by the Respondent's lack of candour. The ESC argued that, as such, the Respondent had breached paragraphs 3.26 and 3.27 of the Code.

The ESC noted that Section 7 of the Code is intended to ensure that councillors make decisions on quasi-judicial or regulatory matters (such as planning applications) in a fair and proper manner. The ESC advised that, having reviewed the Respondent's contribution at the Planning Board meeting on 2 March 2022 when the decision on the application was made, he was satisfied he appeared to have ensured it was given a proper and fair hearing.

The ESC noted that the Respondent's correspondence to the Council in 2017 and 2018 concerned its Local Development Plan, rather than the planning application (which was not submitted until 2020). The ESC acknowledged that the Code permits and, indeed, encourages councillors to participate in discussion and debate on policy and strategic issues. The ESC noted, in any event, that the position the Respondent expressed in 2017 and 2018 (which opposed the erection of housing at the application site), was contrary to that he ultimately voted for at the Planning Board meeting on 2 March 2022 (which was to permit housing on the site, to the extent proposed by planning officers). The ESC advised that he considered the Respondent's view on the development of the site, as expressed in 2017 and 2018, to be sufficiently different to the position and decision he reached on the planning application as to demonstrate there had not been any bias or pre-judging on his part. The ESC advised he had not found any evidence to suggest the Respondent advocated for (or objected to) the application. The ESC concluded, therefore, that the Respondent had not breached any of the provisions under Section 7 of the Code.

In response to a question from the Panel about whether his conclusion that there had been a breach of paragraphs 3.26 and 3.27 was based solely on the alleged lack of candour on the part of the Respondent in not being open about his connection to the application, the ESC advised that he considered it would be reasonable for a member of the public, with knowledge of:

- the Respondent's failure to apply the objective test and withdraw from the discussion and decision-making on the matter at both Planning Board meetings; and
- that the Respondent's property could be affected by the development of the site,

to conclude that he may have sought to use his position as a councillor to secure an advantage or avoid a disadvantage in respect of the decision to be made.

When asked whether it followed that, if the Respondent had breached paragraph 5.5 by failing to declare an interest at the Planning Board meeting on 2 March 2022, he would have also breached the corresponding provision in Section 7 (paragraph 7.4(b)), given the item under consideration (the decision on the planning application) was quasi-judicial in nature, the ESC confirmed he agreed that would be the case.

Witness Evidence

The Respondent, Councillor Nelson, gave evidence. The Respondent explained that he had first been elected at a by-election in June 2009 and, since then, served on various council committees including the Planning Board, the Environment and Regeneration Committee, the Policy and Resources Committee, and the Human Resources Appeals Committee. The Respondent advised that he had become a member of the Planning Board when he was elected in 2009 and that he had remained a member until the May 2022 local government election. The Respondent advised that he had a great deal of planning experience, having previously been the chair of a community council.

The Respondent confirmed that the former IBM site at Spango Valley, Greenock was located in his ward. The Respondent further confirmed that he had provided the Council with feedback on the site when it was consulting on its Local Development Plan in 2017 and 2018. The Respondent advised that, at that time, he had been concerned about the loss of industrial use of the site and the impact this may have on jobs in the local area. He had also been concerned about subsidence and flooding on the site, and the impact on the access road if the site was to be used exclusively for housing.

The Respondent accepted that he had made representations to the council on the proposals for the site as part of the consultation on the Local Development Plan. This had included outlining his concerns about the impact of the potential development of the site on the surrounding farmland. The Respondent advised that his comments had not solely concerned his farm and that his intention had been to ensure that planners were aware of, and considered, all issues that might arise following any development of the site. The Respondent stated that he had made his comments in his capacity as a councillor, which was why he had used his designation as 'councillor' in the sign-off to his correspondence. The Respondent confirmed that his representations had been submitted to the Council before the Local Development Plan was agreed in 2019, and long before the planning application was submitted in 2020.

The Respondent advised that he had not maintained his objections to the development of housing on the site. He had changed his position when it became obvious that in order to develop the site, some houses needed to be developed. The Respondent stated that he had been persuaded in 2018 that the worst possibility would be for the site to remain undeveloped and, as such, he no longer had any objection to the proposal to erect 420 houses on it.

The Respondent confirmed that, as a member of the Environment and Regeneration Committee, he had approved the Local Development Plan in 2018 that provided for the erection of 420 houses on the site. The Local Development Plan was then adopted by the council in 2019. The Respondent advised that he had voted in favour of the Local Development Plan at the Environment and Regeneration Committee meeting in

question, and it had been unanimously agreed. The Respondent confirmed that his position on the development of the site had not changed since then.

The Respondent advised that he had attended the Planning Board meetings on 5 January and 2 March 2022 at which the planning application had been considered. The Respondent confirmed that he had proposed a site visit at the meeting on 5 January 2022 and that he had taken part in the consequent site visit on 26 January 2022. The Respondent contended that no officers or fellow elected members had raised any concerns at any time about his involvement in the planning process, including his attendance during the site visit.

The Respondent stated that councils are required to serve a Neighbour Notification on any premises that are within 20 metres of an application site. It is, however, a matter of judgement as to whether a neighbour notification is served where it is only land (rather than buildings), that is within 20 metres of the red boundary identifying an application site. The Respondent confirmed that he did not consider that he was a neighbour of the proposed development site, within the definition of the Town and Country Planning (Development Management Procedure) (Scotland) Regulations 2013 which define 'neighbouring land' as means an area or plot of land (other than land forming part of a road) which, or part of which, is conterminous with or within 20 metres of the boundary of the land for which the development is proposed.

The Respondent advised that the reasons he did not consider himself a neighbour of the development site were because:

- he had not received a Neighbour Notification;
- he had crossed the dual carriageway (the A78) to the site and estimated it was approximately 30 metres from his farmland;
- he had looked at Google Maps and noted the site appeared to be some 200 metres from his farm house; and
- the A78 trunk road separated his land from the site.

The Respondent accepted that the Council had provided a copy of the neighbour notification from its file. The Respondent reiterated that this had not been received and indicated that he considered it was only a draft that had not been sent. The Respondent advised that he had reached this conclusion as the box where the plan should have been remained blank and no signature appeared on the covering letter. The Respondent explained that standard Neighbour Notifications normally contained an outline of the plan and the surrounding area within 20 metres of the application site. In addition, the mandatory checklist showing that the Council had followed procedures, including sending any relevant Neighbour Notifications had not been completed and retained on the file.

The Respondent advised that he had previously recused himself from considering a planning application in the past where, despite not having received a Neighbour Notification, he had noticed that a field appearing on the bottom of the plan for an application site belonged to him. The Respondent stated that he would have declared an interest and withdrawn from considering the application in this case had he received a Neighbour Notification or encountered a planning checklist indicating his land might be affected by the proposed development.

The Respondent stated that, in determining whether he had a declarable interest in any planning application, he would always consider whether he was a neighbour in terms of the 2013 Regulations. He would also consider the objective test. The Respondent noted that the Code did not define 'neighbour' and for the reasons previously given, he did not consider himself to be one.

The Respondent advised that he had proposed the site visit as he considered it was important for members of the Planning Board to go and see the site for themselves, in order to be able to be fair to the applicant.

The Respondent noted that the site visit offered Planning Board members the opportunity to see the extent of the site, ask questions and understand what was envisaged in terms of the development. The Respondent confirmed that he was not serving any self-interest or trying to influence the decision on the planning application in any way by proposing the site visit. The Respondent further confirmed that he had not said or done anything during the site visit to detract from or undermine the application.

The Respondent confirmed that he had voted in favour of the application, as modified by the conditions recommended by planning officers, at the meeting on 2 March 2022. The Respondent explained that the applicant company only owned 60% of the site, with another company owning the remaining 40%. The Respondent advised that if the application had been accepted without the recommended conditions, the other company may have lost the opportunity to erect any houses of its own on the site, and this may have led to a legal challenge by that developer against the Council. The Respondent contended that he had been acting in good faith and had not been serving any personal interest when considering the application and acting as a member of the Planning Board. The Respondent reiterated that his concerns over the development of the site, as expressed in his correspondence to the Council in 2017 and 2018 had disappeared completely by the time he considered the application in 2022.

In response to cross-examination, the Respondent accepted that a file copy of a letter usually served as evidence it had been sent. The Respondent reiterated, however, that the absence of the outline of the plan in the copy of the Neighbour Notification on the Council's file and the fact that he had not received it, led him to believe that the document on the file was only an incomplete draft.

The Respondent advised it was his custom and practice to read the papers for the Planning Board in advance of its meetings. The Respondent confirmed that he had done so before the meeting on 2 March 2022 and accepted that his farm was mentioned in the paperwork on the application that was before the Planning Board. The Respondent advised, however, that he considered the farm had only been mentioned as part of an attempt to define the surroundings and that this had not caused him to consider he may have to declare an interest.

The Respondent acknowledged that in his 2018 letter to the Council he had referred to surrounding farmland and potential issues with the road that might be caused by the development. The Respondent accepted that his farm was mainly served by the road in question and that it would have been affected by the other issues he had raised, including the potential for vandalism.

When asked whether he would only have declared an interest in an application had he received a neighbour notification, the Respondent stated that he would have also declared an interest if he had any association to an applicant or objector. The Respondent accepted that objections could be received from anyone and not just recipients of neighbour notifications. The Respondent further accepted that developments could have an impact on all properties in the local area and not just those located within 20 metres of the site boundaries. In addition, The Respondent accepted that the income he received from his farm could potentially have been impacted negatively had some of the issues and concerns he had raised in his 2018 letter arisen.

In response to questions from the Panel, the Respondent confirmed that he had considered the objective test. The Respondent noted that a member of the public with knowledge of the relevant facts, would be aware of the fact that his property was more than 20 metres from the boundary of the development site, that he had agreed to the Local Development Plan in 2019 and, as such, that the concerns he had expressed in his earlier correspondence to the Council in 2017 and 2018 had been assuaged by the time the application was submitted.

The Respondent accepted that a file copy of such a neighbour notification would not necessarily be signed but reiterated that he would have expected it to contain an outline of the plan had it been sent.

Submissions made by the Respondent's Representative

The Respondent's representative noted that there was only one issue before the Panel which concerned the question of whether or not the Respondent should have declared an interest at the Planning Board meeting on 2 March 2022. As such, the Respondent's representative contended that it was illogical and unfair for the ESC to have referred to the Respondent's correspondence to the Council about the Local Development Plan in 2017 and 2018. The Respondent's representative submitted that these matters were unconnected to the subsequent consideration of the planning application, particularly given that the Respondent had subsequently voted in favour of the Local Development Plan that included the proposal to develop and erect 420 houses on the site.

The Respondent's representative reminded the Panel that the burden of proof rested with the ESC and that it was for him to establish, on the balance of probabilities, that his version of events was more likely than not to have occurred. The Respondent's representative contended that the ESC was also required to report the legal presumption of regularity. As the Respondent had been a councillor carrying out official duties in that capacity, as a member of the Planning Board, unless the contrary was proved, he would benefit from the presumption that he had complied with any necessary formalities.

The Respondent's representative noted that the charge against the Respondent, as outlined in the issue identified in the ESC's report, did not address or cover any alleged breach of paragraphs 3.26 or 3.27 of the Code, or any elements mentioned within these provisions. The Respondent's representative argued, in any event, that a breach of these provisions was not substantiated in the ESC's report. The Respondent's representative contended that the ESC had failed to identify any alleged advantage, disadvantage or inappropriate access gained, or avoided, by the Respondent in allegedly seeking preferential treatment, as required for a breach of either paragraph 3.26 or 3.27.

The Respondent's representative noted that, in his report, the ESC appeared to have criticised the Respondent's actions in proposing a site visit at the Planning Board meeting on 5 January 2022. The Respondent's representative contended, however, that proposing a site visit did not in itself demonstrate any bias in favour of or against a planning application, or serve to further any personal interest, given the purpose of such a visit was to provide Planning Board members with further information on which to base their decision. The Respondent's representative argued that there was no evidence that the Respondent had proposed the site visit with any intention of advantaging or disadvantaging the application. Instead, he had done so as he considered it would be beneficial for members of the Planning Board to see the site in question, in order to make an informed decision on the application. The Respondent's representative noted that the Respondent had suggested site visits in regard to other applications on a number of occasions, including another one at the 5 January 2022 meeting.

The Respondent's representative contended that it was evident that the Respondent had been persuaded by the planning officers' report at the meeting on 2 March 2022 and that his decision to propose it be accepted, with the associated conditions on the number of houses to be erected, was based on concerns about the adverse implications on the remainder of the development of the site. The Respondent's discussion and decision-making at the meeting had not been based on any element of self-interest whatsoever.

Turning to paragraph 5.5 of the Code and the objective test, the Respondent's representative argued that a member of the public would require to have knowledge of the context in which the decision was being made and all the relevant facts in order to determine whether the Respondent's connection to the planning application was so significant that it would be likely to prejudice his discussion or decision-making at the meeting. The Respondent's representative further argued that the member of the public would require to make such an assessment objectively, without bias or any preconceived notions, and that they would require to be rational, impartial and fair minded in making such an informed judgement.

In this case, the Respondent's representative argued that the relevant facts were:

1. the Respondent's previous flawless record as a councillor;
2. that, in all sincerity, he did not consider himself a neighbour for the purpose of the application;
3. in terms of the 2013 Regulations he was not an owner of neighbouring land;
4. that a Neighbour Notification had not been issued or received;
5. that he had recused himself in the past as appropriate, when dealing with other planning applications;
and
6. that no conflict of interest had been identified clearly and, as such, the Respondent had no personal motivation or interest in respect of the planning application.

The Respondent's representative contended that a member of the public with knowledge of these facts would not consider that any connection the Respondent had to the application was so significant that it would be likely to prejudice his discussion or decision-making. The Respondent's representative further contended that a member of the public, in making this assessment, would be swayed by the fact that the Respondent had accepted the site could only be developed if housing was erected on it and, further, that he was a member of the Economy and Regeneration Committee that had unanimously approved the Local Development Plan that provided for the erection of 420 houses on the site.

The Respondent's representative submitted that, on balance, the evidence and, in particular, the Council's failure to maintain the mandatory record to show it had been issued, demonstrated that the Respondent did not receive any Neighbour Notification. The Respondent's representative noted that the officer responsible for preparing the checklist that demonstrated that such a notification had been sent in respect of the application in question was no longer employed by the council and had not been interviewed by the ESC. The Respondent's representative noted, in any event, that there was no requirement for a Neighbour Notification to be issued in respect of property situated more than 20 metres from the boundary of the application site. The Respondent's representative noted that the adjacency of any land was not relevant in terms of the 2013 Regulations.

The Respondent's representative reiterated that the Respondent had not considered himself a neighbour for the purpose of determining the planning application. Had he done so, he would have applied the objective test and recused himself from the discussion and decision-making. The Respondent's representative noted that the Respondent had disclosed his interest in his farm twice on his Register of Interests, which demonstrated that there had been no attempt to conceal any potential connection. The Respondent's representative further reiterated that the Respondent had supported the application albeit subject to the condition that a reduced number of houses be erected, in accordance with the planning officers' recommendation and in line with the Local Development Plan.

The Respondent's representative noted that there was no evidence that the Respondent would personally benefit from or be disadvantaged by (either financially or otherwise), the development of the site or approval of the planning application; or that he had acted with anything other than good faith when taking part in consideration of the item at the Planning Board meeting on 2 March 2022.

DECISION

The Hearing Panel considered the submissions made both in writing and orally at the Hearing. It concluded that:

1. The Councillors' Code of Conduct applied to the Respondent, Councillor Nelson.
2. The Respondent had breached paragraphs 5.5 and 7.4(b) of the Code.
3. The Respondent had not breached paragraphs 3.26 and 3.27 or any of the remaining provisions in Section 7 of the Code.

Reasons for Decision

The Panel noted that it was not in dispute that, at a Planning Board meeting on 2 March 2022, the Respondent did not declare an interest and, instead, took part in the discussion and decision-making on the Complainer's company's planning application for a development at the former IBM Site in Spango Valley, Greenock.

The Panel noted that it was alleged the Respondent should have declared such an interest because the site that was the subject of the planning application was located in close proximity to his property and because he had previously expressed concerns, in 2017 and 2018, over its development.

The Panel noted that it was not in dispute that, at the Planning Board meeting in question, the Respondent proposed that planning permission be granted subject to the conditions recommended by officers, as outlined in the Council's report (which restricted the number of houses on the site). The Respondent then voted in favour of granting the application, subject to the recommended conditions.

The Panel acknowledged that, while it was the nearest property to the proposed development, the Respondent's farmhouse was still some distance from the site. The Panel further acknowledged that the Respondent had changed his position entirely in respect of the erection of houses on the site, since his letters expressing concern in 2017 and 2018 and that he had, in 2019, supported the Local Development Plan proposing this, while sitting as a member of the Environment and Regeneration Committee. The Panel also acknowledged that the Respondent had supported the recommendation made by officers to grant the application at the Planning Board meeting on 2 March 2022, albeit in an amended form with conditions on the number of properties to be built.

The Panel noted that while there was evidence on the file to suggest that the Council had prepared a Neighbour Notification to advise the Respondent of the planning application and proposed development, and his right to make comments on the proposal (in his capacity as a private individual, rather than a councillor), the Respondent disputed having ever received this correspondence. The Panel accepted the Respondent's evidence in this regard as credible and reliable. Given this, and the fact that the copy of the Neighbour Notification on file was incomplete and no checklist confirming it had been issued had been retained, the Panel was unable to conclude, on the balance of probabilities, that it had been sent.

The Panel was nevertheless of the view that the Respondent had a connection to the planning application. This was because he owned a farm in the vicinity, in which he had registered both a financial and non-financial interest and because he had previously expressed concerns about the development of housing at the site. The Panel noted that the Respondent may have referred to himself as a councillor in the sign-off to his correspondence to the Council, in 2017 and 2018, when commenting on the intended erection of housing on the site, as proposed by the Local Development Plan. The Panel nevertheless considered it was evident, from the content of his letters and the references to the impact on farmers in the local area (of which he was one) that the Respondent was, at least in part, commenting and providing a perspective as a private individual.

The Panel considered that, having applied the objective test under paragraph 5.5 of the Code, the Respondent should have reached the view that his connection to the application would be reasonably regarded as being so significant that it would be considered as being likely to affect his potential discussion and decision-making on the application under consideration. The Panel noted that it did not have sufficient evidence before it to confirm whether the outcome of the decision on the matter would have had an impact, either detrimental or positive, on the value or use of the Respondent's property. It considered, nonetheless, that members of the public, with knowledge of the following relevant facts would reasonably consider that the Respondent's connection to the site of the development proposal would be sufficiently significant as to be likely to affect his discussion or decision-making. The Panel determined that the relevant facts were that:

- The Respondent had registered both a financial and non-financial interest in his property.
- The proximity of the Respondent's property to the development and the fact that it was adjacent to the site (separated only by the A78), meant that it could potentially be impacted by both the development

works (in terms of the use of the road and noise) and the increased number of families living in the area when the development was complete (with the associated effect on local resources).

- The fact that the Respondent's farm was named in the paperwork prepared by planning officers for consideration by the Planning Board at the meetings at which the application was considered.

The Panel agreed, therefore, that the Respondent should have declared an interest, withdrawn from the meeting and taken no part in the discussion and decision-making on the matter. The Panel concluded, therefore, that the Respondent had breached paragraph 5.5 of the Code.

The Panel noted that paragraph 7.4(b) of the Code provides that if a councillor has a declarable an interest, whether financial or non-financial, in a quasi-judicial or regulatory matter (such as a planning application), they must leave the meeting until the matter has been determined. The Panel concluded, therefore, that by failing to withdraw from the decision-making process, despite having a declarable interest, the Respondent had also breached the corresponding paragraph 7.4 of the Code.

The Panel agreed with the ESC, however, that it did not necessarily follow that a failure on the part of the Respondent to declare an interest meant he had also failed to comply with the requirement under Section 7 of the Code for councillors to avoid acting with bias or unfairness or any perception of such, when making quasi-judicial and regulatory decisions. The Panel did not consider that the fact the Respondent suggested a site visit was indicative of this, given:

- elected members on the Planning Board were entitled to suggest and make such visits; and
- the purpose of such a visit was to provide councillors with an opportunity to familiarise themselves with the site and its surroundings in order to understand the issues more clearly when considering the application at a planning board.

The Panel also recognised that the Respondent proposed the amendment to the planning application, but given this was in line with the officers' recommendation, it did not consider doing so was indicative of a failure to avoid any suspicion of unfairness, bias or improper conduct. The Panel was not satisfied that there was any evidence whatsoever to suggest that the Respondent took account of any irrelevant or immaterial considerations, or that he acted in anything other than good faith, when taking part in the discussion and decision-making on the application.

The Panel noted that the Respondent's representative had raised concerns that the charge against the Respondent, as outlined in the issue identified in the ESC's report, did not address or cover any alleged breach of paragraphs 3.26 or 3.27 of the Code. The Panel was satisfied, however, that the ESC's report included consideration and analysis of the question of whether these paragraphs had been breached by the Respondent. The Panel was satisfied, therefore, that the Respondent had received fair notice that an alleged breach of paragraph 3.26 and 3.27 was to be considered.

In any event, the Panel was not satisfied that there was evidence that the Respondent used his position as a councillor to influence others in respect of the decision, to obtain preferential treatment or to avoid a disadvantage, in breach of paragraphs 3.26 and 3.27 of the Code, or that he had taken any action that would lead members of the public to consider this had been the case. While the Panel acknowledged it had found that the Respondent should have declared an interest and taken no part in the consideration of the application, it noted that any member of the Planning Board could have suggested a site visit and, further, that the purpose of such a visit was to provide councillors with greater clarity. As such, it could not be said that a suggestion of a site visit in itself could be taken as a means of influencing others. Further, and in line with its reasoning above, the Panel did not consider that the fact the Respondent proposed the amendment to the planning application to be accepted, and voted for it, to be indicative of his using his position as a councillor in any way improperly, given Members of the Planning Board were entitled to move such motions and given it accorded with the planning officers' recommendations. While the Panel found that the Respondent should have declared an interest in the matter, it did not consider that a failure to do so demonstrated a lack of candour, given he had recorded his interests in his farm in his publicly available

Register of Interests. As such, the Panel found that the Respondent had not breached paragraphs 3.26 and 3.27 of the Code.

Evidence in Mitigation

The Respondent's representative asked the Panel to note, in mitigation, the Respondent's previous unblemished record as a councillor. The Respondent's representative further asked the Panel to note that the Respondent had acted reasonably and appropriately, in good faith, as he had not considered himself to be a neighbour or conflicted.

SANCTION

The decision of the Hearing Panel was to suspend the right of the Respondent, Councillor Nelson, to attend full Council meetings of Inverclyde Council, for a period of one month, with effect from 16 April 2024. The suspension will end at midnight on 15 May 2024.

The decision is made in terms section 19(1)(b)(i) of the Ethical Standards in Public Life etc. (Scotland) Act 2000.

Reasons for Sanction

In making its decision on sanction, the Panel had regard to the Standards Commission's Policy on the Application of Sanctions. A copy of the policy can be found on the Standards Commission's website at <https://www.standardscommissionscotland.org.uk/cases/hearing-rules>.

The Panel began by assessing the nature and seriousness of the breaches of the Code. The Panel noted that it had found the Respondent had breached the provisions in the Code requiring councillors to declare interests and refrain from taking part in any discussion and decision-making (including when making quasi-judicial decisions) where they have a declarable interest in a matter to be considered by the Council. The Panel noted that the requirement for councillors to declare interests is a fundamental requirement of the Code as it gives the public confidence that decisions are being made in the public interest, and not the personal interest of any councillor or their friends or family. A failure to comply with the Code's requirements in this regard can erode confidence in the Council and leave its decisions open to legal challenge. The Panel emphasised that it is a councillor's personal responsibility to identify and declare certain interests and to thereafter withdraw from the decision-making process. The Panel noted that the Respondent had agreed, as part of his acceptance of office as a councillor, that he would abide by the terms of the Code, which includes the requirement to declare certain interests.

In this case, the Panel considered the Respondent's failure to apply the objective test properly and to consider how his participation in the discussion and decision-making on the application could be perceived, could have had an adverse impact on the public's confidence in the Planning Board's decision. The Panel did not consider, therefore, that a censure was an appropriate disposal option.

The Panel accepted, nevertheless, that there was no evidence or suggestion that the Respondent had tried to conceal his interest, or that he had acted in anything other than good faith. The Panel was not satisfied that it had evidence before it that would lead it to conclude that the Respondent's interest had affected his discussion or decision-making as a member of the Planning Board. The Panel further noted that the Respondent had an unblemished record as a councillor, and that he had co-operated fully with the investigation and adjudication processes. As such, the Panel did not consider that a disqualification or lengthy suspension was warranted.

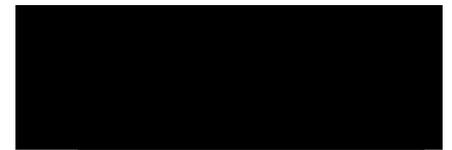
The Panel agreed, however, that it was necessary to impose a short suspension in order to reflect the seriousness of the breach, to promote adherence to the Code and to maintain and improve the public's confidence that councillors will comply with the Codes, and will be held accountable if they fail to do so.

The Panel considered imposing a two-month suspension under Section 19(1)(b)(ii) of the 2000 Act, which would have suspended the Respondent's entitlement to attend any quasi-judicial or regulatory decision-making committees of the Council. The Panel noted, however, that the Respondent was no longer a member of the Planning Board and was not a member of any other quasi-judicial or regulatory committees. In the circumstances, therefore, the Panel determined that it was appropriate and proportionate to suspend the Respondent's entitlement to attend full Council meetings for a one-month period, in accordance with Section 19(1)(b)(i).

RIGHT OF APPEAL

The Respondent has a right of appeal in respect of this decision, as outlined in Section 22 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, as amended.

Date: 15 April 2024



**Ashleigh Dunn
Chair of the Hearing Panel**

Report To:	Inverclyde Council	Date:	13 June 2024
Report By:	Head of Legal, Democratic, Digital & Customer Services	Report No:	LS/037/24
Contact Officer:	Lynsey Brown	Contact No:	
Subject:	Administrative Arrangements: Cycle of Council, Committee, Sub-Committee, Panel and Board Meetings to June 2025		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 The purpose of this report is to set out for approval the schedule of Committee cycles for the period to June 2025.
- 1.3 The timetable is based on a cycle of five meetings of the Thematic Committees, the Audit Committee, the Petitions Committee, the Social Work & Social Care Scrutiny Panel, the Local Police & Fire Scrutiny Panel and the Council. The Planning Board and the General Purposes Board, as regulatory committees, have set dates each month for the determination of applications and associated business, and it is proposed that the August meeting of the General Purposes Board be reinstated having been removed as a standing meeting in 2019. The Inverclyde Licensing Board, as a separate legal entity, will set its own meeting dates for 2024/25 at its June 2024 meeting, but four provisional dates have been included in the timetable.
- 1.4 In line with arrangements in previous years, the timetable has been designed to avoid, as far as practicable, the holding of the Council and Committee meetings during the school holidays, the week before Christmas and the first partial working week after the Christmas holidays.
- 1.5 As in previous years, a number of pre-agenda meetings, the August Planning Board, General Purposes Board, Policy & Resources Committee and the April General Purposes Board and full Council meetings are scheduled to take place during the school holidays. However, it is not proposed to make changes to the dates of these for the reasons set out at paragraph 3.4 of the report.
- 1.6 As established in 2023 and in compliance with the approved improvement plan, the report also proposes a private meeting of the Audit Committee with the Council's Chief Internal Auditor and external auditors, this meeting to be arranged in advance of the Council's consideration of its audited accounts and after the summer recess.

2.0 RECOMMENDATIONS

- 2.1 The Council is asked to approve the proposed cycle of the Council/Committee/Sub-Committee/Scrutiny Panel/Board meetings for the year to June 2025 as set out in the report and appendix.
- 2.2 The Council is asked to note that a private meeting of the Audit Committee will be arranged with the Council's Chief Internal Auditor and external auditors, further to the Audit Committee improvement plan approved by that Committee at its meeting on 25 April 2023. This meeting will be arranged in advance of the Council's consideration of its audited accounts and following the 2024 Summer recess.

Lynsey Brown
Head of Legal, Democratic, Digital & Customer Services

3.0 BACKGROUND AND CONTEXT

- 3.1 Each year the Council at its meeting in June approves the schedule of Committee cycles for the period to June of the following year.
- 3.2 The timetable is based on a cycle of five meetings of the Thematic Committees, the Audit Committee, the Petitions Committee, the Social Work & Social Care Scrutiny Panel, the Local Police & Fire Scrutiny Panel and the Council. The Planning Board and the General Purposes Board, as regulatory committees, have set dates each month for the determination of applications and associated business.
- 3.3 In line with arrangements in previous years, the timetable has been designed to avoid, as far as practicable, the holding of the Council and Committee meetings during the school holidays, the week before Christmas and the first partial working week after the Christmas holidays.
- 3.4 As in previous years, a number of pre-agenda meetings, the August Planning Board, General Purposes Board and Policy & Resources Committee and the April full Council and General Purposes Board meetings are scheduled to take place during the school holidays and it is not proposed to make changes to the suggested dates of these for the following reasons:
 - (a) the pre-agenda meetings are an integral part of the Committee process and changing them in any material way would result in a need to change the dates of the Committee meetings themselves which would have a knock-on effect on the rest of the timetable;
 - (b) the additional Policy & Resources Committee held in August is arranged with the specific purpose of dealing with items arising during the summer recess period which cannot wait until the resumption of the Committee timetable;
 - (c) the Planning and General Purposes Boards have a date set aside each month for the determination of applications and associated business and it is necessary to continue to hold these meetings on the dates set out to allow the business to be disposed of.
- 3.5 For operational reasons the August meeting of the Audit Committee was reinstated in 2023. There will therefore be six Audit Committee meetings in total in the Committee cycle, as a special meeting is proposed to be held at the end of June 2025 to review the Council's unaudited annual accounts.
- 3.6 The timetable again also includes proposed dates for the Petitions Committee established by the Council in 2015, although these meetings will of course only be convened when there is relevant business to consider.

4.0 PROPOSALS

- 4.1 It is proposed that the timetable will run as follows:
 - (a) the Planning Board will meet on the first working Wednesday and the General Purposes Board on the second working Wednesday of each month (an exception being the first partial working week in January). For operational reasons it is proposed that the August meeting of the General Purposes Board be reinstated, having been removed from the timetable in 2019, and accordingly there will be no scheduled meeting in July for the Planning Board and General Purposes Board;
 - (b) all ordinary meetings of the Thematic Committees (excepting the Education & Communities Committee), the Audit Committee, the Petitions Committee, the Social Work & Social Care Scrutiny Panel, the Local Police & Fire Scrutiny Panel, the Planning Board and the General Purposes Board will normally be held at 3pm. The Education & Communities Committee will normally hold Communities business at 2pm and Education business at 4pm; and
 - (c) the ordinary meeting of the Council will take place at 4pm;

4.2 The Inverclyde Integration Joint Board (IJJB) will be asked at their meeting on 24 June 2024 to agree to convene six meetings of the Board and three meetings of the IJJB Audit Committee in the period to June 2025, and the proposed dates are included in this provisional timetable.

5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		X
Legal/Risk		X
Human Resources	X	
Strategic (Partnership Plan/Council Plan)		X
Equalities, Fairer Scotland Duty & Children/Young People's Rights and Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

5.2 Finance

There are no financial implications arising directly from this report.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.3 Legal/Risk

There are no legal or risk implications arising directly from this report

5.4 Human Resources

There are no human resources implications arising directly from this report, other than the need for officers to be able to facilitate and attend the meetings of the dates and times proposed.

5.5 **Strategic**

There are no strategic implications arising directly from this report

6.0 **CONSULTATION**

6.1 The Corporate Management Team has been consulted on this report.

7.0 **BACKGROUND PAPERS**

7.1 N/A

PROVISIONAL TIMETABLE

Committee/Inverclyde Council	August/September 2024					October/November/December 2024				
	Submission Date - 9am	Pre-Agenda Date	Issue Agenda	Date of Meeting	Submission Date - 9am	Pre-Agenda Date	Issue Agenda	Date of Meeting		
Policy & Resources Committee	Friday 19 July	Tuesday 30 July 12 noon	Friday 2 Aug	Tuesday 13 Aug 3pm	-	-	-	-		
Audit Committee	Friday 26 July	Monday 5 Aug 10am	Friday 9 Aug	Tuesday 20 Aug 3pm	Friday 27 Sept	Monday 7 Oct 10am	Friday 11 Oct	Tuesday 22 Oct 3pm		
Social Work & Social Care Scrutiny Panel	Friday 2 Aug	Tuesday 13 Aug 12 noon*	Friday 16 Aug	Tuesday 27 Aug 3pm	Friday 4 Oct	Tuesday 15 Oct 3pm	Friday 18 Oct	Tuesday 29 Oct 3pm		
Environment & Regeneration Committee	Friday 2 Aug	Tuesday 13 Aug 10am*	Friday 16 Aug	Thursday 29 Aug 3pm	Friday 4 Oct	Tuesday 15 Oct 10am*	Friday 18 Oct	Thursday 31 Oct 3pm		
Education & Communities Committee	Friday 9 Aug	Monday 19 Aug 3pm	Friday 23 Aug	Tuesday 3 Sept 2pm & 4pm	Friday 11 Oct	Monday 21 Oct 3pm	Friday 25 Oct	Tuesday 5 Nov 2pm & 4pm		
Petitions Committee	-	-	Friday 30 Aug	Thursday 12 Sept 3pm	-	-	Friday 1 Nov	Thursday 14 Nov 3pm		
Policy & Resources Committee	Friday 23 Aug	Tuesday 3 Sept 10am*	Friday 6 Sept	Tuesday 17 Sept 3pm	Friday 25 Oct	Wednesday 6 Nov 2pm****	Friday 8 Nov	Tuesday 19 Nov 3pm		
Local Police & Fire Scrutiny Panel	Friday 23 Aug	Monday 2 Sept 10am	Friday 6 Sept	Thursday 19 Sept 3pm	Friday 25 Oct	Monday 4 Nov 10am	Friday 8 Nov	Thursday 21 Nov 3pm		
Inverclyde Council (can't be later – SO 2(b) 16 wks)	Monday 9 Sept	Monday 16 Sept 2pm	Thursday 19 Sept	Thursday 26 Sept 4pm	Monday 18 Nov	Monday 25 Nov 2pm	Thursday 28 Nov	Thursday 5 Dec 4pm		
IJB Audit Committee	Friday 16 Aug	Monday 26 Aug 2pm	Friday 30 Aug	Monday 9 Sept 12pm & 1pm	NO MEETING					
Inverclyde Integration Joint Board	Friday 16 Aug	Monday 26 Aug 3pm	Friday 30 Aug	Monday 9 Sept 2pm	Friday 25 Oct	Monday 4 Nov 3pm	Friday 8 Nov	Monday 18 Nov 2pm		

At this time to: *avoid clash with another meeting the same day, ** avoid Public Holiday, *** for operational purposes. Submission and pre-agenda dates for December 2024/January 2025 are set to avoid holding meetings in the last working week of December and the first partial working week of January.

PROVISIONAL TIMETABLE

Committee/Inverclyde Council	January/February 2025					March/April 2025				
	Submission Date - 9am	Pre-Agenda Date	Issue Agenda	Date of Meeting	Submission Date - 9am	Pre-Agenda Date	Issue Agenda	Date of Meeting		
Audit Committee	Friday 6 Dec	Monday 16 Dec 10am	Friday 20 Dec	Tuesday 7 Jan 3pm	Friday 7 Feb	Monday 17 Feb 10am	Friday 21 Feb	Tuesday 4 Mar 3pm		
Social Work & Social Care Scrutiny Panel	Friday 6 Dec	Tuesday 17 Dec 3pm	Friday 20 Dec	Tuesday 14 Jan 3pm	Friday 14 Feb	Tuesday 25 Feb 3pm	Friday 28 Feb	Tuesday 11 Mar 3pm		
Environment & Regeneration Committee	Friday 6 Dec	Tuesday 17 Dec 10am*	Friday 20 Dec	Thursday 16 Jan 3pm	Friday 14 Feb	Tuesday 25 Feb at 10am*	Friday 28 Feb	Thursday 13 Mar 3pm		
Education & Communities Committee	Friday 13 Dec	Monday 6 Jan 10am*	Friday 10 Jan	Tuesday 21 Jan 2pm & 4pm	Friday 21 Feb	Monday 3 Mar 3pm	Friday 7 Mar	Tuesday 18 Mar 2pm & 4pm		
Petitions Committee	-	-	Friday 17 Jan	Thursday 30 Jan 3pm	-	-	Friday 7 Mar	Thursday 20 Mar 3pm		
Policy & Resources Committee	Friday 10 Jan	Tuesday 21 Jan 10am*	Friday 24 Jan	Tuesday 4 Feb 3pm	Friday 28 Feb	Tuesday 11 Mar 12 noon	Friday 14 Mar	Tuesday 25 Mar 3pm		
Local Police & Fire Scrutiny Panel	Friday 10 Jan	Monday 20 Jan 10am	Friday 24 Jan	Thursday 6 Feb 3pm	Friday 28 Feb	Monday 10 Mar 10am	Friday 14 Mar	Thursday 27 Mar 3pm		
Inverclyde Council	Monday 10 Feb	Monday 17 Feb 2pm	Thursday 20 Feb	Thursday 27 Feb 4pm	Monday 24 Mar	Monday 31 Mar 2pm	Thursday 3 Apr	Thursday 10 Apr 4pm		
IJB Audit Committee	No Meeting					Friday 28 Feb	Monday 10 Mar 2pm	Friday 14 Mar	Monday 24 Mar 1pm****	
Inverclyde Integration Joint Board	Friday 13 Dec	Monday 13 Jan 3pm	Friday 17 Jan	Monday 27 Jan 2pm	Friday 28 Feb	Monday 10 Mar 3pm	Friday 14 Mar	Monday 24 Mar 2pm****		

At this time to: *avoid clash with another meeting the same day, ** avoid Public Holiday, *** for operational purposes. Submission and pre-agenda dates for December 2024/January 2025 are set to avoid holding meetings in the last working week of December and the first partial working week of January.

PROVISIONAL TIMETABLE

May/June 2025					
Committee/Inverclyde Council	Submission Date - 9am	Pre-Agenda Date	Issue Agenda	Date of Meeting	
Audit Committee	Friday 11 Apr	Tuesday 22Apr 10am***	Friday 25 Apr	Tuesday 6 May 3pm	
Social Work & Social Care Scrutiny Panel	Thursday 17 Apr**	Tuesday 29 Apr 3pm	Friday 2 May	Tuesday 13 May 3pm	
Environment & Regeneration Committee	Thursday 17 Apr**	Tuesday 29 Apr 10am*	Friday 2 May	Thursday 15 May 3pm	
Education & Communities Committee	Friday 25 Apr	Tuesday 6 May 10am***	Friday 9 May	Tuesday 20 May 2pm & 4pm	
Petitions Committee	-	-	Friday 16 May	Thursday 29 May 3pm	
Policy & Resources Committee	Friday 9 May	Tuesday 20 May 10am*	Friday 23 May	Tuesday 3 June 3pm	
Local Police & Fire Scrutiny Panel	Friday 9 May	Monday 19 May 10am	Friday 23 May	Thursday 5 June 3pm	
Inverclyde Council	Monday 26 May	Monday 2 June 2pm	Thursday 5 June	Thursday 12 June 4pm	
Audit Committee (ACCOUNTS)	-	-	Friday 13 June	Thursday 26 June 3pm	
Inverclyde Integration Joint Board	Thursday 17 Apr	Monday 28 Apr 3pm	Friday 2 May	Monday 12 May 2pm	
JB Audit Committee	Friday 30 May	Monday 9 June 2pm	Friday 13 June	Monday 23 June 1pm	
Inverclyde Integration Joint Board	Friday 30 May	Monday 9 June 3pm	Friday 13 June	Monday 23 June 2pm	

At this time to: *avoid clash with another meeting the same day, ** avoid Public Holiday, *** for operational purposes. Submission and pre-agenda dates for December 2024/January 2025 are set to avoid holding meetings in the last working week of December and the first partial working week of January.

PROVISIONAL TIMETABLE

PLANNING BOARD			
Submission Date - 9am	Pre-Agenda Date	Issue Agenda	Date of Meeting
Thurs 25 Jul	n/a	Tue 30 Jul	Wed 7 Aug 3pm
Thurs 22 Aug	n/a	Tue 27 Aug	Wed 4 Sep 3pm
Thurs 19 Sep	n/a	Tue 24 Sep	Wed 2 Oct 3pm
Thurs 24 Oct	n/a	Tue 29 Oct	Wed 6 Nov 3pm
Thurs 21 Nov	n/a	Tue 26 Nov	Wed 4 Dec 3pm
Thurs 12 Dec	n/a	Tue 17 Dec	Wed 8 Jan 3pm
Thurs 23 Jan	n/a	Tue 28 Jan	Wed 5 Feb 3pm
Thurs 20 Feb	n/a	Tue 25 Feb	Wed 5 Mar 3pm
Thurs 20 Mar	n/a	Tue 25 Mar	Wed 2 Apr 3pm
Thurs 24 Apr	n/a	Tue 29 Apr	Wed 7 May 3pm
Thurs 22 May	n/a	Tue 27 May	Wed 4 Jun 3pm

GENERAL PURPOSES BOARD			
Submission Date - 9am	Pre-Agenda Date	Issue Agenda	Date of Meeting
Fri 26 July	n/a	Thurs 1 Aug	Wed 14 Aug 3pm
Fri 23 Aug	n/a	Thurs 29 Aug	Wed 11 Sep 3pm
Fri 20 Sep	n/a	Thurs 26 Sep	Wed 9 Oct 3pm
Fri 25 Oct	n/a	Thurs 31 Oct	Wed 13 Nov 3pm
Fri 22 Nov	n/a	Thurs 28 Nov	Wed 11 Dec 3pm
Fri 13 Dec	n/a	Thurs 19 Dec	Wed 15 Jan 3pm
Fri 24 Jan	n/a	Thurs 30 Jan	Wed 12 Feb 3pm
Fri 21 Feb	n/a	Thurs 27 Feb	Wed 12 Mar 3pm
Fri 21 Mar	n/a	Thurs 27 Mar	Wed 9 Apr 3pm
Fri 25 Apr	n/a	Thurs 1 May	Wed 14 May 3pm
Fri 23 May	n/a	Thurs 29 May	Wed 11 Jun 3pm

At this time to: *avoid clash with another meeting the same day, ** avoid Public Holiday, *** for operational purposes. Submission and pre-agenda dates for December 2024/January 2025 are set to avoid holding meetings in the last working week of December and the first partial working week of January.

PROVISIONAL TIMETABLE

LICENSING BOARD DATES:

Thursday 5 September 2024 – 10am
Thursday 5 December 2024 – 10am
Thursday 6 March 2025 – 10am
Thursday 5 June 2025 – 10am

ALLIANCE BOARD DATES:

Submission Date	Pre-Agenda Meeting	Issue Agenda	Board Meeting
Fri 6 Sept 2024	Wed 18 Sept 1.30pm	Mon 23 Sept	Mon 7 Oct 1pm
Fri 1 Nov 2024	Wed 13 Nov 1.30pm	Mon 18 Nov	Mon 2 Dec 1pm

(Meeting dates after this will be set at 2 December 2024 meeting)

PUBLIC HOLIDAYS and COUNCIL HOLIDAY#

Autumn Holiday – Monday 30 September 2024
Christmas – Wednesday 25 & Thursday 26 December 2024#
New Year – Wednesday 1 & Thursday 2 January 2025#
Good Friday – Friday 18 April 2025#
Easter Monday – Monday 21 April 2025#
Spring Holiday – Monday 28 April 2025
May Day – Monday 5 May 2025#
Victoria Day – Monday 2 June 2025
Fair Saturday – Saturday 5 July 2025
(# Inverclyde Council Holidays (closed))

At this time to: *avoid clash with another meeting the same day, ** avoid Public Holiday, *** for operational purposes. Submission and pre-agenda dates for December 2024/January 2025 are set to avoid holding meetings in the last working week of December and the first partial working week of January.

Report To:	Inverclyde Council	Date:	13 June 2024
Report By:	Chief Financial Officer	Report No:	FIN/34/24/AP
Contact Officer:	Alan Puckrin	Contact No:	01475 712090
Subject:	Finance Strategy 2024/34 - 6 monthly update		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 The purpose of this report is to present the updated Financial Strategy to the Council for review and approval. The Strategy reflects the OBR economic assumptions included in the Chancellor's Spring Statement and the assumptions included in the Medium Term Financial Strategy (MTFS) from the Scottish Government issued 25 May 2023.

1.3 All funding models and appendices have been updated and reviewed with a short commentary on each included in the body of the report. This includes a new model relating to Internal Resources Interest (IRI). All remain sustainable in the medium/longer term but require to be kept under close review given the recent inflation reduction and anticipated interest rate movements.

1.4 The impact of any changes arising post the UK elections, the revised Scottish Government MTFS and on-going pay negotiations will be reflected in the December Finance Strategy. This will include a detailed review of all funding models and Council Reserves.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Council approve the latest update to the Council's Financial Strategy, including the updated funding models in the appendices and note the continued significant financial challenges for both the UK and Scottish Governments.

2.2 It is recommended that the Council note the remaining mid-range estimated 2025/28 funding gap of £13.8 million set out in table 4a in the Financial Strategy after assuming a 7% increase in Council Tax in 2025/26.

2.3 It is recommended that the Council notes that, whilst the Council approved a 2-year Revenue Budget on 29 February, there will be the need to review all reserves and financial models to take account of prevailing interest and inflation forecasts as part of the December Financial Strategy.

2.4 It is recommended that the Council agree to transfer £800,000 from the Capital Fund to Loans Charges in 2027/28 to largely offset a short-term deficit in the Loans Charges model and to transfer £646,000 from the Budget Development earmarked reserve to the IRI funding model as part of the 2023/24 Year End Accounts, to reflect the full over-recovery of IRI in 2022/23 .

Alan Puckrin
Chief Financial Officer

3.0 BACKGROUND AND CONTEXT

- 3.1 The six monthly review of the Financial Strategy takes into account the latest forecasts from the OBR which formed part of the Chancellor's Spring Statement, latest inflation and interest rate projections, and the decisions taken by the Council in relation to the 2024/26 Budget. The report also reflects the of main messages from the Scottish Government's Medium Term Financial Strategy (MTFS) issued on 25 May 2023.
- 3.2 The Strategy has been prepared during the UK General Election period and prior to the publication of the updated Scottish Government MTFS which has been reported as being due for publication on 20 June but maybe delayed given the General Election.
- 3.3 It can be seen from table 3 in paragraph 7.7 that the 2024/27 estimated net funding gap is £7.2 million, however this is after incorporating the latest planning assumption of a 7% increase in Council Tax in 2025/26 which would raise around £2.3 million extra income.
- 3.4 Table 4a confirms that based on this latest information and the local assessment of certain figures by the Chief Financial Officer, the mid-range scenario shows that the Council faces a net potential funding gap of £13.8 million over the 2025/28 period. This reflects the increase in Council Tax income in 2025/26 on the basis of a 7.0% increase. In line with Best Practice, Tables 4b and 4c illustrate scenarios for the 2025/28 funding gap using different assumptions around Government Grant income, inflation, and budget pressures. These tables show potential funding shortfalls of £6.7 million to £21.1 million.
- 3.5 A material risk within all the above relates to pay awards with the pay offer for 2024/25 already at the limit of what the Council has factored into the 2024/26 Budget. Therefore, whilst the Council approved a 2024/26 Budget on 29 February, there remains to risk that a budget re-alignment/savings exercise may be required to be considered by Council prior to formally agreeing the 2025/26 Budget/Council Tax.
- 3.6 Table 5 in paragraph 7.12 shows that overall, the 2024/28 Capital Programme has a £3.25 million funding shortfall which is within the 5% over commitment limit set by the Council. As the Scottish Government has also confirmed a "flat cash "settlement for capital until 2026 at least, the Council will need to consider any investment in new projects very carefully and also review existing assets to ensure those remaining can be adequately maintained. The Council has agreed an Asset Management Saving Workstream target of £400,000 as part of the 2024/26 Budget with officers due to report on options to achieve this later in 2024.

3.7 Funding Models

All funding models and appendices have been updated to reflect latest information/estimates. A commentary on each is given below.

- 3.8 **Appendix 4- General Fund Reserves** - The estimated level of unallocated reserves at 31 March 2024 is £4.34million which is £0.34 million above the minimum recommended level. The final position will be reported as part of the audit of the 2023/24 annual accounts later this year.
- 3.9 **Appendix 5 – Capital Fund** – The Capital Fund has returned to a surplus during 2023/24 and projects a healthy balance going forward based on anticipated receipts. There is a proposal later in the report to utilise £0.8 million from the Capital Fund to address a temporary deficit in the Loans Charges model and the appendix has been prepared on the basis that this is approved.
- 3.10 **Appendix 6 – Repairs & Renewals Fund** – The 5 separate sub-funds within the Repairs & Renewals Fund are all projecting to remain in surplus for the rest of the strategy period. The Leisure Strategy balance is expected to reduce further from 2026/27 onwards as more 3G pitches are refreshed/replaced.

- 3.11 **Appendix 7 – Insurance Fund** – The Insurance Fund balance shows a significant reduction over the next decade due to the Council contribution to the Scottish Child Abuse Redress Scheme, two internal insurance premium “holidays” ending in 2027/28 and 2029/30 respectively and the recent intimation by Glasgow, as the accounting authority for the former Strathclyde Region, of the approximate level of outstanding claims and the Council’s estimated liability. This latter matter was incorporated within the approved use of reserves for both the Council and IJB as part of the 2024/25 Budget.
- 3.12 **Appendix 8 – City Deal** – With of the two largest projects complete there is greater certainty on the costs the Council will incur. Less certainty exists on the timing of the grant due from the UK and Scottish Governments as this is dependent upon both the overall programme passing the 5 yearly milestone assessments plus the progress of projects in other Councils. Based on the assumptions made, the model is projected to remain in a deficit position in the longer term largely due to recent increases in interest rates. This matter will be reviewed as part of the December 2024 Strategy.
- 3.13 **Appendix 9 – Loans Charges** – Loans charge projections continue to be more fluid than was the case for an extensive period in the past. This is due to increases in interest rates, the repayment of market loans and the Council’s estimated requirement to borrow £70million over the next 3 years as the Council’s cash backed reserves reduce and short-term loans need to be refinanced. As reported in paragraph 3.9 above, there is a proposal to use £0.8million from the Capital Fund to address a time limited deficit in the Loans Charges funding model which, will ensure the model returns to surplus in the longer term.
- 3.14 **Appendix 10 – Internal Resources Interest-** This is a new model which has been included due to the use of a significant amount of surplus internal resources interest (IRI) income as part of the use of reserves approved in the 2024/26 Budget. The level of IRI generated can fluctuate considerably due to both, any movements in UK short-term interest rates plus changes to the Council and IJB cashflow. The latest position reflects a request to transfer the full over-recovery of IRI in 2022/23 to the model. It is proposed that this is funded from the Budget Development earmarked reserve and processed as part of the 2023/24 Annual Accounts.

4.0 PROPOSALS

- 4.1 Despite the many external financial pressures, all funding models and funds are showing a sustainable longer-term outlook. Proposals to address any longer-term deficits position will form part of the review of reserves/funding models which will commence after the summer recess.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendations are agreed:

SUBJECT	YES	NO
Financial	x	
Legal/Risk	x	
Human Resources		x
Strategic (Partnership Plan/Council Plan)	x	
Equalities, Fairer Scotland Duty & Children/Young People’s Rights & Wellbeing		x
Environmental & Sustainability		x
Data Protection		x

5.2 Finance

The financial messages remain the same as they have for several years in terms of the challenges facing both revenue and capital budgets, the need for clear prioritisation of budgets and the need to robustly review the Council’s asset base.

With a UK General Election, continuing pressures on the Scottish Government Budgets and expected drops in inflation and interest rates, a review of all assumptions and reserves will be undertaken prior to the December 2024 update of the Strategy.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Funding Models	Capital Fund	2027/28	£0.8million		Use of Capital Fund to address a time-limited deficit in the Loans Charge funding model.
	Loans Charges	2027/28	(£0.8million)		
	Internal Resources Interest	2023/24	(£0.646million)		Transfer from the Budget Development EMR to the IRI funding model to reflect full transfer of the 2022/23 over-recovery.
Earmarked Reserves	Budget Development	2023/24	£0.646million		

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.3 Legal/Risk

Section 11 of the Financial Strategy contains a list of risks identified and associated mitigations in relation to the overall financial position of the Council and the assumptions used in arriving at the figures presented.

5.4 Human Resources

There are no HR implications arising from the report and Strategy.

5.5 Strategic

The Financial Strategy is a key strategic document and forms part of the Council's Performance Management Framework feeding into the development of Council Plan and Committee Delivery & Improvement Plans

6.0 CONSULTATION

6.1 The Corporate Management have been consulted and support the proposals in this report.

7.0 BACKGROUND PAPERS

7.1 None.



Financial Strategy

2024/25 – 2033/34

June, 2024

Contents

1. Foreword
2. Why have a Financial Strategy?
3. Financial Summary
4. Overall Economic Position
5. Local Context
6. Financial Management
7. Financial Outlook
 - Short to Medium Term – Revenue
 - Other Short to Medium Term Revenue Issues
 - Long-Term Revenue Issues
 - Short to Medium Term Capital Projections
 - Long-Term – Capital Projections
8. Treasury Management
9. Reserves
10. Monitoring and Reporting Arrangements
11. Risk Management

Appendices

Appendix 1 – Short-Term Issues

Appendix 2 – Medium-Term Issues

Appendix 3 – Long-Term Issues

Appendix 4 – General Fund Reserves

Appendix 5 – Capital Fund

Appendix 6 – Repairs & Renewals Fund

Appendix 7 – Insurance Fund

Appendix 8 – City Deal

Appendix 9 – Loan Charges

Appendix 10 – Internal Resources Interest

1.1 Foreword

This latest revision of the Council's Financial Strategy has been prepared at time when the impact of global economics and global conflict are resulting in supply issues and economic pressures.

Given the challenging economic situation, and the significant financial issues we will face over future years, it is essential that the Council updates its Financial Strategy regularly to ensure it provides a practical framework within which policy choices can be identified, debated and approved.

The approval of this revised Financial Strategy demonstrates that we are clear both about the outcomes we want to achieve for our communities and the financial challenges that need to be addressed if we are to successfully deliver on these outcomes.

To provide a clear, consistent strategic direction for the Council the following outcomes were agreed for the Financial Strategy – it will ensure that:

- **the Council has a comprehensive, sustainable, balanced budget;**
- **the Council reviews the level of Council Tax annually in the context of the Financial Strategy, to determine an appropriate level in the best interests of the people of Inverclyde;**
- **resources are allocated and deployed to facilitate delivery of the outcomes in the Council Plan/Partnership Plan and Committee Delivery Improvement Plans;**
- **all key strategic decisions on the allocation and deployment of resources are made within the appropriate financial context;**
- **Members can take full account of the impact of decisions on the overall financial resources of the Council in the short, medium and long term;**
- **there is a high level of confidence in the financial management of the Council;**
- **the Council has flexibility to address new policy requirements, or significant changes to existing policies, within overall available financial resources;**
- **resources are invested effectively, efficiently and on a sustainable basis;**
- **there is continued improvement in the delivery of major projects;**
- **there remains a focus on securing efficiencies across the organisation;**
- **the Council continues to invest in improving service quality, delivering new infrastructure, enhancing service levels and upgrading existing assets;**
- **there is an increased level of understanding on behalf of the wider community with regard to the finances of the Council.**

The primary financial challenge facing the Council over the coming period, given the continued pressure on public sector budgets, will be to stay within the approved revenue budget and deliver a capital programme that continues to maintain the required level of investment in key infrastructure whilst contributing to the Net Carbon Zero targets and support the needs of the local community.

The 2023 Scottish Government Medium Term Financial Strategy (MTFS) confirmed a very challenging core settlement for Local Government over the 2023/28 period and an updated MTFS is due to be published later in June.

Given the difficult position the Council faces on capital expenditure, it is essential that future capital expenditure proposals are largely self-financing through the use of Government grants, the release of other capital assets or by using increased income to sustainably fund prudential borrowing.

The Council has also approved corporate policies to charging and income generation – including maximising external funding to supplement existing resources and support service delivery. The Council increased the level of income generated by charging as part of the 2024/26 Revenue Budget and this will continue to be reviewed in future budget setting decisions.

We also need to ensure that the Financial Strategy continues to support the Council Plan directly, the Partnership Plan and effectively link this Strategy to our Committee Delivery Improvement Plans.

The Financial Strategy is a dynamic document and will be monitored on an ongoing basis by the Corporate Management Team and it will continue to be formally reviewed by the Council twice yearly, in June and in December.

This Financial Strategy is key to the future success of the Council – it is about making sure we have sufficient resources in place when required to deliver the outcomes we realistically can achieve for the communities of Inverclyde.

Councillor Stephen McCabe
Leader of the Council

Louise Long
Chief Executive

2.0 Why have a Financial Strategy?

- 2.1 The purpose of our Financial Strategy is to provide clear direction, supported by a practical framework and explicitly defined parameters, on how the Council will structure and manage financial resources in the medium to long term to ensure they are deployed effectively to achieve corporate objectives.
- 2.2 This is not just another financial process – the Financial Strategy is integral to our Strategic Planning and Performance Management Framework which underpins the achievement of the outcomes identified in the Council Plan, and is an integral part of the Committee Delivery and Improvement Plans.
- 2.3 The requirement to develop a medium to long term financial strategy covering the next three to ten years (and in some areas longer) is a vital component of decision making.
- 2.4 The Council has taken into account guidance from CIPFA when developing the Financial Strategy as well as best practice from other local authorities.
- 2.5 Our ambition is to maintain a single, coherent Financial Strategy that brings together the corporate objectives of the Council along with all the relevant financial information in a clear, accessible document.
- 2.6 The value of such a Strategy is that it enables the Council to develop a better understanding of the wider policy and financial environment within which it operates, identify and respond flexibly to opportunities and threats, manage and mitigate risks and ensure that financial resources are contributing to achieving corporate objectives.
- 2.7 The Strategy will also provide information to a range of stakeholders:

Table 1 – Stakeholder Information

For the Council and Elected Members	to decide how available financial resources will be used
For Chief Officers, managers and employees	To help optimise the available resources and reinforce their roles in financial management arrangements
For residents	to show how the Council's Financial Strategy impacts upon service provision
For Council Tax payers	to demonstrate how the Council looks after public resources
For partners	to share the Council's vision and help identify opportunities for joint working and resource deployment.

- 2.8 Inevitably some of the information of the Financial Strategy will be based on forecasts and these will change over time - the Strategy is reviewed regularly so that the Council can respond proactively to any such changes.
- 2.9 The inclusion of information in the Financial Strategy does not infer approval and all financial projections and issues will have to be subject to approval through the budget process.
- 2.10 The Strategic Planning and Performance Management Framework continues to develop links between the strategic planning and budgeting processes. This allows services to plan ahead, taking into account the resources available and proactively identify opportunities to achieve efficiencies or secure alternative funding sources. This process also encourages the development of joint resourcing opportunities within the Inverclyde Alliance.

3.0 Financial Summary

- 3.1 On 29 February 2024 the Council agreed the 2024/25 Revenue Budget. The Council also took strategic decisions on the use of Reserves and agreed the 2024/28 Capital Programme which took into account the latest Government Grant settlement information.

Table 2 – Short Term Summary – Approved Revenue and Capital Budgets

	2024/25 £million
<u>General Fund Revenue Budget</u>	249.047
<u>Financed by</u>	
Government Grant (Including NDR)	(210.946)
Council Tax	(35.473)
Approved Contribution from General Reserve	(2.628)
	0
<u>Capital Programme (2024/25)</u>	
Approved Spend	19.52
<u>Financed by</u>	
Government Grants	5.84
Capital Receipts	0.32
Other Grants/CFCR	6.41
Prudential Borrowing	6.35
Resources Carried Forward from prior year	13.56
Surplus in Resources in 2024/25	12.96

4.0 Overall Economic Position

UK Context

- 4.1 The Covid pandemic elicited a fiscal response from the UK Government which was without precedent in peace time. The UK Government borrowed large sums of funding to support the economy, households and frontline services battling against the virus and to help protect as many jobs as possible as part of the recovery. The impact of this continues to be felt and will be a factor in the UK economic position for many years.
- 4.2 The Spring Statement in March 2022 reported the emergence of higher and more persistent inflation, some linked to the impact of the war in Ukraine and other major geo-political factors. This necessitated a change of thinking on tax and spend with higher inflation, lower growth and higher interest levels forecast for the 2022-2025 period.
- 4.3 The Spring Statement in March 2024 provided updates on the main indicators and showed no real change in GDP forecasts since the November 2023 statement, inflation rates for 2024 are now lower than predicted in November (reduction of 1.4%) and a reduction in interest rates predicted.
- 4.4 Due to a reduction in both inflation and interest rates, there is a reduction in receipts and expenditure. There has been a reduction in projected debt but any change in this could mean tax rises or spending cuts may be required in the future. The latest forecasts of funding for public services continues to look challenging for the medium term especially for those areas not protected, which includes Local Government.
- 4.5 Inflation forecasts in 2024 have reduced by 1.4% from the previous forecast and minor changes are expected up to 2028 and interest rates, remained at 5.25% will decrease more slowly than previously anticipated.
- 4.6 The Office of Budget Responsibility (OBR) March 2024 forecasts are shown in the table below.

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
GDP (real) annual % change	0.8	1.9	2.0	1.8	1.7
Inflation (CPI) annual % change	2.2	1.5	1.6	1.9	2.0
Unemployment Rate (%)	4.4	4.4	4.2	4.2	4.1
Public Sector Borrowing (Bn)	87	78	69	51	39
Debt as a % of GDP	92	93	93	93	93
Interest Rates %	4.4	3.5	3.2	3.2	3.2

- 4.7 The recent announcement of the UK General Election will lead to an increased focus on economic forecasts and plans. Based on the underlying economic position, adequately funding the public finances will prove a significant challenge whatever the make-up of the new UK Government.

Scottish Context

- 4.8 After another challenging Local Government grant settlement in 2024/25, indications are that there is limited prospect for real term improvements in the overall level of funding to the Councils. In the absence of real term funding increases then a reduction in the ring fenced/mandated funding and greater flexibility in raise income locally would give Councils greater ability to target funding where it is needed at a local level. The Council awaits to see whether the Verity House agreement will deliver improvements in this area.
- 4.9 On 25 May 2023 the Scottish Government published its Medium Term Financial Strategy (MTFS) covering 2023/28. The headlines from the Strategy were:

- Cash and Real Terms increases in funding over 2024/28 however this being outstripped by increases in spending resulting in an estimated funding gap of just over £1 billion in 2024/25.
- Capital resources are expected to decline in cash and real terms with the gap between capital spending plans and resources of almost £1 billion by 2025/26.
- Assumption for pay is 2.0% from 2024/25 but the plan from May 2022 that the pay bill is held at the same level i.e: increased wages paid by reduced employee numbers, has been relaxed.
- Health spend assumed to grow by 4% per year putting more pressure on remaining portfolios including Local Government.

4.10 It should be noted that a revised Scottish Public Pay Policy was due to be issued late May/Early June. In addition, an updated MTFS is due to be issued on 20th June.

4.11 During 2024/25 the Scottish Government identified recurring funding for 2023/24 pay award. However, the 2024/25 negotiations are at an early stage and if the agreement exceeds funding allowed for within the Finance Strategy, then this will result on greater pressure on either the Council budget or the Scottish Government finances to support Local Government in meeting the 2024/25 pay deal.

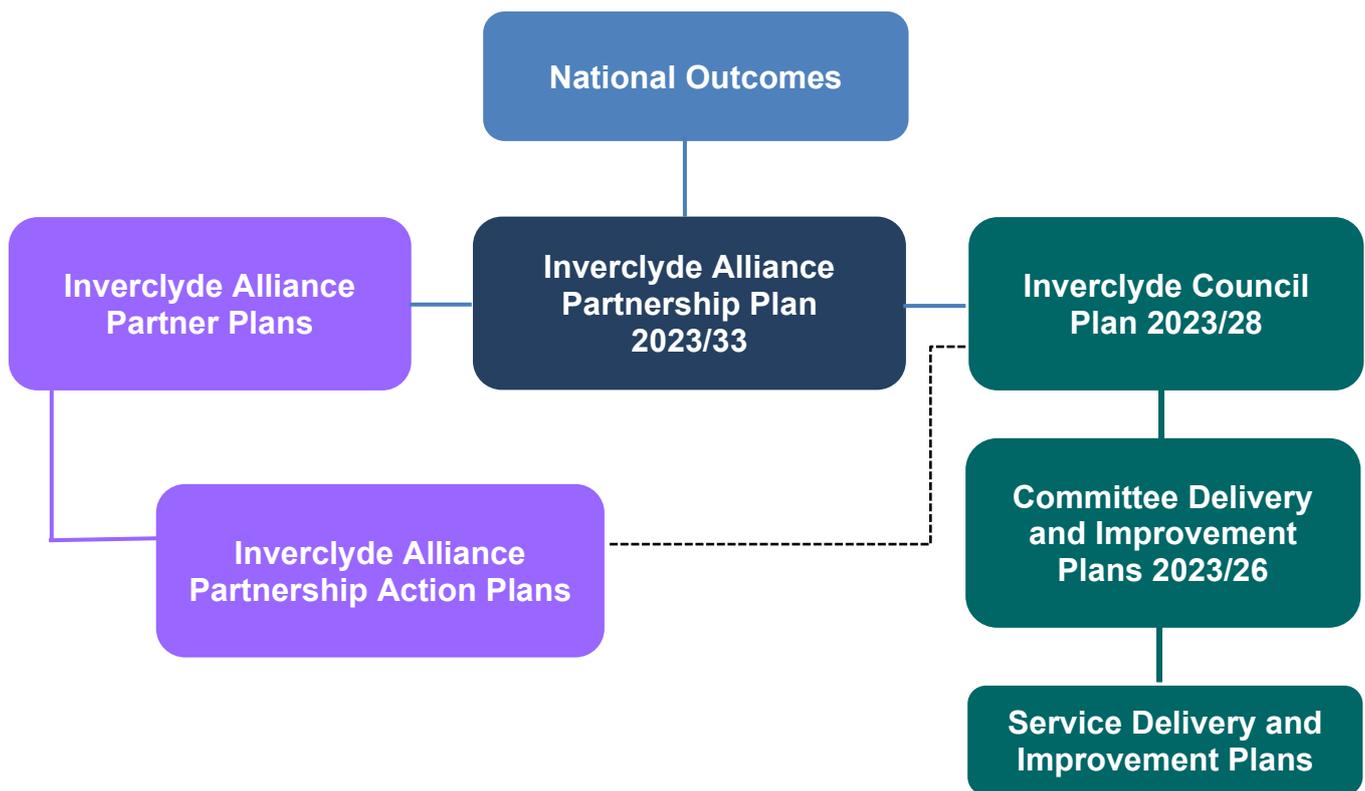
4.12 The UK and Scottish Governments have agreed a new Fiscal Framework which included a mechanism by which the Block Grant is adjusted, increasing the resource borrowing powers for managing forecast errors associated with tax and social security powers from £300 million to £600 million and uprating all limits in line with inflation.

5.0 Local Context

5.1 The local environment within which the Council operates has changed significantly in recent

years and will alter further in future years due to the impact of national legislation and policy, further economic turbulence, societal changes and developing customer expectations.

- 5.2 The overall strategic framework within which the Council operates is outlined in the Strategic Planning and Performance Management Framework (SPPMF). The Framework was refreshed towards the end of 2022 as part of the Council’s development work for the new Inverclyde Alliance and Inverclyde Council strategic plans. The SPPMF consists of a new ten year Partnership Plan 2023/33 and a five year Council Plan 2023/38, underpinned by Committee Delivery and Improvement Plans, Service Delivery and Improvement Plans and the Financial Strategy.
- 5.3 The new Strategic Planning and Performance Management Framework, approved in early 2023, is shown in the diagram below.



- **National Outcomes** are set by the Scottish Government and sit within a National Performance Framework. These 11 outcomes are an overarching guide for the local community planning partnership document, the Inverclyde Outcomes Improvement Plan.
- The **Inverclyde Alliance Partnership Plan 2023/33** is a high level strategic partnership document setting out the vision and direction for the Inverclyde area over a ten year period, as agreed by all the Inverclyde Alliance partner organisations and communities. The outcomes are based on evidence of the key issues and challenges for the Inverclyde area and through community engagement. They set out what we want to achieve for all the communities of Inverclyde.
- The **Partnership Action Plans** are currently being developed and will set out the Partnership actions and projects which will contribute to the achievement of the Partnership Plan outcomes.
- The **Council Plan 2023/28** is a public facing document and sets out the ways in which Inverclyde Council hopes to improve the lives of the people of Inverclyde through the delivery of a range of high level outcomes. The outcomes within the Plan are structured across the themes of People; Place and Performance.
- The **Committee Delivery and Improvement Plans 2023/26** contain strategic service delivery actions for the Council’s Policy and Resources, Education and Communities and Environment and Regeneration Committees, aligned to the delivery of the overarching Council Plan. The Committee Plans are reviewed on an annual basis. In addition, the HSCP has developed a Strategic Plan

2019/24 which supports the Inverclyde Integration Joint Board.

- **Service Delivery and Improvement Plans** sit beneath the Committee Delivery and Improvement Plans in the planning structure and will be developed for each Head of Service. These Plans, will set out the operational tasks and activities for each Council Service and are updated annually.

Outcomes for Inverclyde

The focus of the Strategic Planning and Performance Management Framework is on addressing the main challenges facing the area. The Inverclyde Alliance Partnership Plan 2023/33 builds on the achievements of the Inverclyde Outcomes Improvement Plan 2017/23 to deliver the Vision: **Success For All – Getting It Right for Every Child, Citizen and Community**. The Plan focuses on the themes of Empowered People, Working People, Healthy People and Places, A Supportive Place, and a Thriving Place.

THEME 1: EMPOWERED PEOPLE

- Communities can have their voices heard, and influence the places and services that affect them
- Gaps in outcomes linked to poverty are reduced

THEME 2: WORKING PEOPLE

- More people will be in sustained employment, with fair pay and conditions
- Poverty related gaps are addressed, so young people can have the skills for learning, life and work
- Businesses are supported and encouraged to reduce their carbon footprint and develop green jobs

THEME 3: HEALTHY PEOPLE AND PLACES

- People live longer and healthier lives
- Supportive systems are in place to prevent alcohol and drug misuse
- Our natural capital is looked after, and we are effectively adapting and mitigating the effects of climate change

THEME 4: A SUPPORTIVE PLACE

- Vulnerable adults and children are protected and supported, ensuring they can live safely and independently
- We recognise where people are affected by trauma, and respond in ways that prevent further harm and support recovery
- Public protection and community safety are improved through targeting our resources to reduce the risk of offending and harm

THEME 5: A THRIVING PLACE

- Growth in our working age population by encouraging people to stay here, and attracting new people to settle here
- Development of strong community-based services that respond to local need
- Homes are energy efficient and fuel poverty is reduced
- Increased use of active travel and sustainable transport options
- Easy access to attractive and safe public spaces, and high-quality arts and cultural opportunities

- 5.4 A key challenge for the Inverclyde Alliance, and the public agencies, operating in Inverclyde, over the next ten years will be to ensure better alignment between available resources, across all agencies, and the outcomes and priorities identified in the Partnership Plan 2023/33.

5.5 Demographics and Population

The most significant challenge facing Inverclyde is depopulation and associated demographic change. The fundamental issue for the Council is that at some point, if the decline in population continues, then the area could become no longer sustainable as a unit of administration which would have an associated impact on other services such as health, police and fire. In recent years,

the population decline in Inverclyde has been largely driven by fewer births than deaths in the area. The Inverclyde Alliance will continue to have a focus on Repopulation through the delivery of action plans developed in support of the thematic priority: A Thriving Place.

- 5.6 Census 2022 data, published in September 2023, estimated Inverclyde's population to be 78,400, which is a decrease of 3,100 (3.8%) from the Census 2011 and the second largest population decrease in Scotland. More recently, the NRS mid-2022 population estimate, published in March 2024, estimated Inverclyde's population to be 78,340.
- 5.7 According to the latest mid year population estimate, 15% of Inverclyde's population is aged 0-15 years, which is slightly less than the percentage for Scotland, 16%. 62% of Inverclyde's population is aged 16-64 years compared to 63% in Scotland, whilst 23% of the local population is aged 65 years and older, compared to 20% in Scotland.
- 5.8 Since 1985, Inverclyde's total population has fallen overall whilst Scotland's population has risen over this period, although the rate of population growth in Scotland has slowed.
- 5.9 It is anticipated that re-based population projections for Scottish areas will be published in early 2025. The latest available data therefore remains the 2018-based projections, published in March 2020 which forecast a long term decline in Inverclyde's population. By 2043 the population of Inverclyde is projected to be 65,517, a decrease of -16.2% compared to the population in 2018. The population of Scotland is projected to increase by 2.5% per cent between 2018 and 2043. It should be noted that the 2018 based population projections were produced prior to the pandemic and Census 2022
- 5.10 Over the 25 year period the age group that is projected to increase the most in size in Inverclyde is the pensionable and over age group with a 9.9% increase. In Scotland, it is estimated that there will be a projected 23.2% increase in the pensionable age population by 2043.
- 5.11 The population aged under 16 in Inverclyde is projected to decline by 25.6% over the 25 year period, compared to a 10.5% decrease nationally.
- 5.12 Between SIMD 2016 and SIMD 2020, the number of Inverclyde data zones in the 5% most deprived in Scotland increased from 11 to 21. This equates to 18.4% of all 114 Inverclyde data zones in the 5% most deprived category and is the second highest local share in Scotland. Inverclyde also has the second highest local share of data zones in the 20% most deprived in Scotland, with Glasgow having the highest.
- 5.13 Demographic change will have significant impact on services as funding allocated from the Scottish Government is partly based on the population of an area. Even with additional allocations to take account of deprivation the budget is expected to reduce in real terms over the next five years.
- 5.14 In terms of indicators of deprivation the profile for Inverclyde differs from the national picture, these include:
- 3.6% of the working age population (16-64) were claiming out of work benefits in March 2024, compared to 3.1% nationally. Of this, a higher proportion of 18 – 24 year olds (5.8%) in Inverclyde are claiming than 25 – 49 year olds (4.6%) or 50+year olds (1.9%).
 - Economic inactivity rates in Inverclyde in 2023 were higher than the national rate, 27.5% compared to 22.5% (January 2023 – December 2023).
 - The percentage of workless households in Inverclyde is 18.4% compared to 17.8% in Scotland (January – December 2022)
 - Median earnings for full time workers living in the area (Gross Weekly Pay) increased between 2022 and 2023 from £633.80 to £718.50. The Scottish average was £702.40.
- 5.15 The projected population changes will have an impact on all service areas, particularly Education and Social Care, where there will be a need to actively manage the transition from current

service delivery arrangements to new models that are built around the needs of the future population.

- 5.16 The deprivation profile will have major implications for services as research indicates that those most vulnerable to poverty are more likely to require greater interventions and experience greater levels of health inequalities and a targeted focus to move individuals out of poverty will come at a significant cost to public agencies.
- 5.17 The predicted demographic changes also have other implications. A decline in younger economically active people and a growth in the older, more vulnerable age group can mean there will be fewer informal carers which could result in a higher dependency on the services provided by the Health & Social Care Partnership.

The public sector landscape in Inverclyde

- 5.18 The public sector landscape in Inverclyde has changed significantly over the last 10-15 years. The development of this mixed economy of public service provision presents new challenges for the Council as it seeks to ensure that outcomes are achieved and that resources are being deployed effectively and efficiently. This is particularly relevant in the context of the Partnership Plan where there will need to be a robust appraisal of whether existing service delivery arrangements across all partner agencies can effectively deliver on the agreed outcomes.
- 5.19 Whilst the Council has to tackle the problems associated with poverty, health inequalities and deprivation now, it also has to look to the future, and ensure that effective intervention is put into place now, to prevent further problems from developing, which will ultimately require expensive interventions. Investment in the lives of our children and young people early on in their lives will result in a better outcomes and quality of life for them as they grow up in the Inverclyde area.
- 5.20 The Community Empowerment (Scotland) Bill placed duties on the Council and its partners to provide new rights for community bodies. The Council and its partners are responding to this in a number of ways including the development of locality planning; introduction of participatory budgeting and asset transfer.
- 5.21 *Riverside Inverclyde*

Riverside Inverclyde remains a joint initiative between the Council and Scottish Enterprise to regenerate the Clyde Waterfront. It was originally scheduled to run from 2006/7 until 2017/18.

Following a governance review in 2018 it was agreed by the Council and Scottish Enterprise to change the operational governance model due to the reduction in major regeneration projects being progressed by Riverside Inverclyde. The revised arrangements became operational in the summer of 2019.

5.22 *River Clyde Homes*

River Clyde Homes is a not-for-profit housing organisation, which is run by a Board of Tenants, Council nominees and community members. It is regulated by the Government to ensure that it manages housing in the best interests of the tenants of Inverclyde, and the community as a whole.

The transfer to River Clyde Homes of all the Council housing stock was based on significantly more money being available to invest in homes and neighbourhoods and give tenants a real say in the decisions that are made about their housing, with tenants on the Board influencing policies and investment decisions. The Council and RCH plus other agencies continue to work together to address the challenges brought on by low demand stock, increased investment needs and a declining population.

5.23 *Inverclyde Leisure*

Inverclyde Leisure is a 'company limited by guarantee', not having share capital and recognised by HMRC and OSCR as having charitable status. In October 2001, the Trust was asked to take responsibility for the management and delivery of Inverclyde Council's sport and recreational services.

The Leisure Trust works in close partnership with Inverclyde Council and other internal and external agencies in order to develop the optimum service for residents and visitors to Inverclyde and so to ensure the Trust's Mission Statement is implemented.

The Council's Community Facilities transferred to Inverclyde Leisure in April 2010 and the transfer of the management of Outdoor Leisure Facilities to Inverclyde Leisure took place in April 2015. Whinhill Golf Course transferred to Inverclyde Leisure from 2020/21 Season. Inverclyde Leisure's Business Plan is reviewed annually by the Council. The Council's percentage contribution to the Leisure Trust had reduced considerably.

5.24 *Inverclyde Health and Social Care Partnership (HSCP)*

The Council and Greater Glasgow and Clyde Health Board established an integrated Community Health and Care Partnership (CHCP) in October 2010. This resulted in greater partnership working and efficiencies in line with the Government's stated objective of integrating aspects of Health & Social Care.

The Public Bodies (Joint Working) Act 2014 resulted in the creation of a HSCP Integrated Joint Board (IJB) during 2015/16 and required a revised Governance and Financial framework. The IJB is a separate legal entity and receives resources from and delegate resources to the Council and Health Board.

The financial integration became live in April 2016 at a time of continued increasing demands on Council Budgets as the Partnership focuses on building community resources to support the delivery of health and social care services, including the acute sector. To date this arrangement has proven successful with the finances of the IJB being well managed with reserves increased in order to meet the demographic demands.

The impact of the Feeley review into the provision of Adult Social Care and proposals to create a National Care Service has the potential to have a major impact on the delivery model of the Inverclyde IJB and in particular its governance and financing. This is likely to also impact upon the Council and is being closely monitored by officers.

6.0 Financial Management

Corporate Governance

- 6.1 The Council positively promotes the principles of sound corporate governance within all aspects of its activities. From a financial management perspective the Council adheres to the CIPFA Financial Management Code. Formal adoption of the code by the Council was approved early 2023.
- 6.2 Corporate governance is about the structures and processes for decision-making, accountability, controls and behaviour throughout the Council. It is based around key principles of openness, equality, integrity and accountability.
- 6.3 The fundamental principles of corporate governance should be reflected in the various dimensions of Council business, including;
- Ensuring a community focus underpins the Council's vision and priorities;
 - Ensuring the effective delivery of local services on a sustainable basis;
 - Establishing effective management structures and processes which include clearly defined roles and responsibilities for officers;
 - Developing and maintaining effective risk management systems that form part of the Council's strategic decision making process;
 - Ensuring high standards of propriety and probity in the stewardship of the Council's funds and the management of the Council's affairs;
 - A commitment to openness in the Council's affairs and the provision of full, accurate and clear information to all stakeholders.
- 6.4 The Chief Financial Officer has been designated as "the proper officer" and is responsible for advising the Council on all financial matters.
- 6.5 The Financial Regulations were refreshed and approved in February 2022 and are an essential component of the corporate governance of the Council.
- 6.6 The Financial Regulations are designed to facilitate the smooth running of the Council, protect its interests and the interests of members and officers, and ensure the proper administration of all the Council's financial affairs, including, Partnerships, The Common Good and Sundry Accounts.
- 6.7 Head Teachers must also comply with the Financial Regulations, with the exception of virement which is defined in the Devolved Management of Resources Scheme.

Roles and Responsibilities

- 6.8 It is important to set out clearly the roles and responsibilities of the key parties involved in the Financial Strategy and the management of overall financial resources of the Council.

Elected Members

- 6.9 Elected Members, through full Council and Committees are responsible for considering and approving budgets and the Financial Strategy for the Council. Approved budgets must be financially balanced and demonstrate value for money and sustainability.

- 6.10 Throughout the year Committees receive reports which allow progress against approved budgets to be scrutinised. All members receive appropriate training in the areas of Financial Strategy, Local Government Finance and key specialist areas such as Treasury and Risk Management.

Corporate Management Team

- 6.11 The Chief Executive, Directors, Section 95 Officer, Monitoring Officer and Head of Organisational Development, Policy and Communications form the CMT, chaired by the Chief Executive, who are responsible, individually and collectively, for ensuring effective financial management across the organisation.
- 6.12 As Budget Holders the Directors are responsible for the budgets delegated to deliver the services within their Directorate in line with the priorities of the Council. Whilst they may delegate this responsibility within their Directorate they remain accountable in exercising overall financial control.
- 6.13 The CMT set aside time each reporting cycle to consider corporate financial matters including employee costs, key budget lines, earmarked reserves and savings delivery progress.

Section 95 Officer

- 6.14 The Section 95 Officer has a statutory role to ensure appropriate arrangements are in place for the proper administration of the financial affairs of the Council. He has the authority to comment and advise CMT, Chief Executive and Elected Members on all financial matters.

Heads of Service

- 6.15 Heads of Service are individually responsible for ensuring that the services within their remit are delivered in line with the agreed policy, and support the strategic direction of the Council. As Budget Holders they are responsible for the budgets delegated to them to deliver their service in a manner which demonstrates value for money in line with the priorities in the Committee Delivery and Improvement Plans.

Budget Managers

- 6.16 Responsibility for budgetary control lies with the Directors and as delegated budget holders, their Heads of Service and Service Managers. In recognition of the need to ensure budget holders are appropriately supported and trained, Finance Services delivers training to all Heads of Service and Managers on Financial Governance and budgetary control issues.

Financial Support to Services

- 6.17 Each Directorate has a dedicated Finance Manager and Principal Accountant who prepare and monitor the Directorate budget as well as providing a full range of financial advice to the Directorate.

Internal Audit

- 6.18 Internal Audit provide assurance to Elected Members, the Chief Executive and management that the internal processes of the Council are being managed appropriately in line with the overarching policies and outcomes are being delivered in an efficient and effective manner.

External Audit

- 6.19 The role of External Audit is to provide assurance to the Auditor General and the Accounts Commission that the Council has spent public money properly to deliver outcomes in an efficient and effective manner. They also provide assurance to the Elected Members, the CMT and general public that the Council's performance is reported in accordance with the financial standards and presents a fair account of the Council's activities. The current External Auditors, until 2028, are KPMG.

Managing the Budget

- 6.20 Committees receive five budget monitoring reports throughout the year. These are jointly prepared by the Section 95 Officer and the relevant Director.
- 6.21 The Corporate Management Team receive and discuss a budget overview every budget monitoring cycle covering key budget lines, employee costs, earmarked reserves, progress on the approved savings and key projects with financial implications.
- 6.22 All Services receive detailed budget information five times per year and in addition receive system generated budget reports in intervening months plus having access to real time information held on the Council's Finance Management System.
- 6.23 The Council operates a risk based approach to budget monitoring ensuring that focus is given to larger and more volatile budgets. The identification of key budgets is agreed annually between Directorates and Finance.

7.0 Financial Outlook

- 7.1 Key financial issues are known or anticipated events and activities that have to be addressed within overall financial resources in the short-term (within 2 years), medium-term (within 4 years) or longer (over 4 years).
- 7.2 Events and activities include efficiencies, planned savings, changes to service priorities and delivery, and known potential pressures. The financial impact of an event or activity may be one-off, recurring or time-limited.
- 7.3 The 2024/25 Budget was based on the Council receiving Revenue Grant/Non-Domestic Rates Income of £210.946m.
- 7.4 When the Council's own projection of Council Tax Income based on 96.5% collection rate (£35.473m) and the use of reserves is added then the income for the Council in 2024/25 is projected to be £249.047m.
- 7.5 The Financial Strategy covers the period 2024/34 in terms of identifying potential issues, but the revenue forecasts are limited to the period which can be reasonably forecast. A new requirement from 2019/20 was the production and approval of a Capital Strategy which covers a period of 10 years plus. This examines a number of long term issues including the sustainability and affordability of borrowing and investment decisions.
- 7.6 The Council has agreed a Reserve Strategy which requires a minimum unallocated General Fund Reserve of approximately 2% of turnover. Based on the 2024/25 Budget this equates to £4.0 million. The overall position of the Reserves shown in Appendix 5 and has been updated to reflect the latest projections. The Reserve Strategy was reviewed and approved by the Policy & Resources Committee in March 2023. Earmarked Reserves and the level of unallocated reserves are reviewed annually as part of the budget process.
- 7.7 The projected budget position in the short to medium term, is set out in the following tables and notes for both revenue and capital. Details of the short, medium and long-term issues identified in consultation with Services are contained at Appendices 1, 2 and 3.

Table 3

Finance Strategy - June 2024

	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Base Budget for Prior Year	226.046	246.419	248.191
<u>UPLIFTS FROM PRIOR YEAR</u>			
<u>Inflation (Note1)</u>			
Pay Inflation	3.400	3.500	4.000
Other Inflation	1.000	1.000	1.000
	<u>4.400</u>	<u>4.500</u>	<u>5.000</u>
<u>Budget Increases (Note 2)</u>			
General Pressures	0.417	0.003	0.500
Increased Prudential Borrowing	0.100	0.100	0.100
	<u>0.517</u>	<u>0.103</u>	<u>0.600</u>
<u>Adjustments (Note 3)</u>			
Other Adjustments Applied	7.275	0.040	0.000
New Funding Per SG Settlement	12.138	0.000	0.000
Reduced Use of Reserves	0.372	-0.360	1.000
Net Revenue Budget Before Savings	<u>250.748</u>	<u>250.702</u>	<u>254.791</u>
<u>Funded by: (Note 4)</u>			
Revenue Grant/NDR Income	210.946	210.446	209.846
Council Tax Income (Net of CTR)	35.473	37.745	37.745
	<u>246.419</u>	<u>248.191</u>	<u>247.591</u>
Annual Budget Before Savings (Surplus)/Deficit	<u>4.329</u>	<u>2.511</u>	<u>7.200</u>
Cumulative Budget Gap before Savings	<u>4.329</u>	<u>6.840</u>	<u>14.040</u>
<u>Savings Applied (Cumulative)</u>			
Savings Approved November 2022 P&R	-0.025	-0.025	-0.025
Savings Approved December 2023 Full Council	-0.651	-0.651	-0.651
Savings Approved March 2023 Full Council	-0.341	-0.348	-0.348
Savings Workstreams September 2023 P&R	-1.320	-2.500	-2.500
Savings Approved September 2023 P&R	-0.421	-0.421	-0.421
Savings Approved November 2023 P&R	-0.820	-0.820	-0.820
Savings Workstreams December 2023 Council	-0.040	-0.180	-0.180
Savings Approved December 2023 Council	-0.039	-0.539	-0.539
Savings Workstreams Amended February 2024	0.130	0.000	0.000
Savings Approved February 2024 Council	-0.756	-0.907	-0.907
Savings Approved February 2024 Council	-0.046	-0.449	-0.449
Approved Budget (Surplus)/Deficit	<u>0.000</u>	<u>0.000</u>	<u>7.200</u>

Finance Strategy Notes – June 2024

Note 1 Inflation

- a) Pay – The allowance for pay inflation is an allowance available over the 3 year period to fund all pay related pressures including the annual pay award, impacts of living wage, increases in employers national insurance/pension costs, and movement in service bottom up employee budgets. Figures for 2024/26 reflect proposals identified in the 2024/26 budget set February 2024. 2024/25 pay negotiations are currently ongoing, the strategy includes an allowance of 3% for each financial year excluding HSCP.
- b) Other Inflation – Inflation costs increased significantly during 2023/24 but it is anticipated that inflation rates will start to reduce in 2024/25 and 2025/26. The strategy includes an allowance of £1 million each year of 2024/27.

Note 2 Budget Increases

- a) General Pressures – Reflects allowance identified in the 2024/26 budget set February 2024 and has been fully allocated. An allowance of £0.5 million has been allocated for 2026/27.
- b) Increased Prudential Borrowing – Reflects decisions taken at the 2024/26 budget set February 2024.

Note 3 Adjustments

- a) Other Adjustments – Reflects a change in the funding mechanism for Early Years by the Scottish Government reflected in the Finance Order February 2024.
- b) New Funding – Reflects new funding received as part of the Settlement February 2024. The majority of the funding relates to new funding for SJC and SNCT pay and Health & Social Care Partnership.
- c) Reduced Use of Reserves – As part of the 2023/24 budget process, the Council approved £3 million use of reserves to fund the 2023/24 budget. The 2024/25 budget process approved to reduce the use of reserves by £0.372 million to £2.628 million for 2024/25. In addition to this, the Committee approved an increase in the use of reserves of £0.360 million for 2025/26 resulting in £2.988 million use of reserves to balance the 2025/26 revenue budget.

Note 4 Funded By

- a) Reflects 2024/25 Finance Settlement included in Scottish Government Circular 2/2024 and the Councils share of the Council tax freeze grant £2.844m. The Scottish Government held back £2.119m of funding in relation to teachers pay. Figures do not include share of new funding yet to be distributed. The 2025/26 figures are estimated based on continuing grant loss due to Depopulation of £0.5 million and £0.6 million estimate for 2026/27.
- b) Council Tax Income is shown net of Council Tax Reduction (CTR) Scheme. Grant is included within Council General Revenue Grant for CTR. Figures reflect the agreed 2024/25 Council Tax credit and a 7% increase has been included in 2025/26. No increase has been assumed for 2026/27.

Other Short to Medium Term Revenue Issues

The significant risk associated with the short to medium term budget position will be around inflation allowances, including utilities, contracts and any unresolved pay award plus increasing demand for certain services. Close monitoring and regular reporting to Committee will ensure officers report any significant variances at the earliest opportunity. The Medium Term Financial Strategy by the Scottish Government has provided greater clarity regarding the challenges faced

by the Council over the medium term. In light of this the Council Strategy is to provide clarity on service levels, investment and job security at the earliest possible time.

7.8 *Long Term Revenue Issues*

Looking beyond 2026 becomes increasingly difficult with uncertainty around the level of funding likely to be available.

The incremental impact of current major initiatives have been fully incorporated the overall Budget.

Post 2027/28 the main issues impacting on the revenue budget will be:

- **Funding will be impacted by future population change/demographic shifts and any changes to the way local government in Scotland is funded.**
- **Decisions of the Scottish Government regarding any protection afforded to Local Government or other parts of the Budget plus the use that is made available tax raising powers including the future of non-domestic rates.**
- **The current global UK and Scottish economic situation and the resultant speed with which inflation and interest rates will return to pre-covid/Brexit levels.**
- **The extent to which the current “cost of living crisis” will continue to impact on Council Services from both a demand and funding perspective.**
- **Health and Social Care integration is due to undergo further changes but the fundamental fact is that there is not enough money in current budgets to meet increasing demand.**
- **Pension costs influenced by the impact of auto-enrolment, the changes to LGPS and Teachers Pensions, plus costs associated with the Council resizing its workforce in order to balance its budgets.**
- **Costs associated with sustainability including waste disposal and recycling, energy and fuel costs and general procurement inflation due to increased global demand for raw materials.**

7.9 The fundamental issue for the Council is that at some point if the squeeze on the public sector finances and the decline in population continues then this will have an associated impact on other local services such as health, police and fire.

7.10 Table 4 shows the high level estimate of the 2025/28 budget gap based on the above. In line with good practice tables 4b and 4c provide two further scenarios based on different assumptions. Table 4b represents an “optimistic” scenario and Table 4c representing a “pessimistic” scenario. These figures are heavily caveated due to the major uncertainty caused by the changing position in the short/medium term impact of inflation, the economy and funding for the Public Sector.

Table 4a**2025/28 Budget Gap - Mid-Range Scenario**

	2025/26	2026/27	2027/28	2025/28
	£m	£m	£m	£m
Block Grant Increase	0.0	0.0	0.0	0.0
Continuing Impact of Depopulation	0.5	0.6	0.6	1.7
Inflation - Pay	3.5	4.0	3.4	10.9
- Non-Pay	1.0	1.0	1.0	3.0
Pressures				
- General Pressures	0.5	0.5	0.5	1.5
- Prudential Borrowing	0.1	0.1	0.1	0.3
Savings Approved to Feb 2024	(5.3)	0	0.0	(5.3)
(Increased)/Reduced Use of Reserves	(0.3)	1.0	1.0	1.7
Funding Gap	-	7.2	6.6	13.8

a/ £3.0m from Reserves used in 2025/26 is reduced by £1.0m/year over 2026/29.

b/ Reduced impact of depopulation assumes 0.3% Floor for 2025/28

c/ Pay & Non-Pay inflation and Pressures excludes HSCP

d/ Assumes no new Prudential Borrowing above that already contained in the Loans Charges Model.

e/ Includes no Council Tax increase after 2025/26 (7% assumed for 2025/26)

f/ The movement in Block Grant excludes hypothecated funding increases as these are ring fenced for specific purposes

	2025/26	2026/27	2027/28
Key Assumptions	%	%	%
GRG/NDRI Cash Movement	0.0	0.0	0.0
Pay Inflation	3.0	3.0	2.5

Table 4b**2025/28 Budget Gap - Optimistic Scenario**

	2025/26	2026/27	2027/28	2025/28
	£m	£m	£m	£m
Block Grant Increase	0	(2.0)	(2.0)	(4.0)
Continuing Impact of Depopulation	0.5	0.6	0.6	1.7
Inflation - Pay	3.5	2.6	2.7	8.8
- Non-Pay	1.0	0.5	0.5	2.0
Pressures				
- General Pressures	0.5	0.5	0.5	1.5
- Prudential Borrowing	0.1	0.1	0.1	0.3
Savings Approved to Feb 2024	(5.3)	0	0.0	(5.3)
(Increased)/Reduced Use of Reserves	(0.3)	1.0	1.0	1.7
Funding Gap	-	3.3	3.4	6.7

a/ £3.0m from Reserves used in 2025/26 is reduced by £1.0m/year over 2026/29.

b/ Reduced impact of depopulation assumes 0.3% Floor for 2025/28

c/ Pay & Non-Pay inflation and Pressures excludes HSCP

d/ Assumes no new Prudential Borrowing above that already contained in the Loans Charges Model.

e/ Includes no Council Tax increase after 2025/26 (7% assumed for 2025/26)

f/ The increase in Block Grant excludes hypothecated funding increases as these are ring fenced for specific purposes

Key Assumptions	2025/26	2026/27	2027/28
	%	%	%
GRG/NDRI Cash Movement	0.00	1.00	1.00
Pay Inflation	3.0	2.0	2.0

Table 4c**2025/28 Budget Gap - Pessimistic Scenario**

	2025/26	2026/27	2027/28	2025/28
	£m	£m	£m	£m
Block Grant Decrease	0.5	1.0	1.0	2.5
Continuing Impact of Depopulation	1.2	1.2	1.2	3.6
Inflation - Pay	3.5	4.6	4.1	12.2
- Non-Pay	1.0	1.5	1.5	4.0
Pressures				
- General Pressures	0.5	0.8	0.8	2.1
- Prudential Borrowing	0.1	0.1	0.1	0.3
Savings Approved to March,2023	(5.3)	0.0	0.0	(5.3)
(Increased)/Reduced Use of Reserves	(0.3)	1.0	1.0	1.7
Funding Gap	1.2	10.2	9.7	21.1

a/ £3.0m from Reserves used in 2025/26 is reduced by £1.0m/year over 2026/29.

b/ Assumes 0.6% Floor for 2025/28

c/ Pay & Non-Pay inflation and Pressures excludes HSCP

d/ Assumes no new Prudential Borrowing above that already contained in the Loans Charges Model.

e/ Includes no Council Tax increase after 2025/26 (7% assumed for 2025/26)

f/ The movement in Block Grant excludes hypothecated funding increases as these are ring fenced for specific purposes

Key Assumptions	2025/26	2026/27	2027/28
	%	%	%
GRG/NDRI Cash Movement	(0.25)	(0.50)	(0.50)
Pay Inflation	3.0	3.5	3.0

7.11 Short to Medium Term Capital Projections

The Council agreed a 4 year Capital Programme covering 2024/28 in February 2024 was within the 5% overprovision limit which allows for increased resources/project cost reductions.

7.12 Long-Term Capital Projections

There is greater certainty around capital spend for the post 2024/25 period due to the fact that asset management plans will continue to utilise nearly all available funding i.e. Schools, Operational Properties, Roads, Lighting, Vehicles, Open Spaces and ICT, whilst the 5 year Scottish Government Capital Funding Plan indicates that in the period to 2026, core Local Government Capital Grant will be frozen at 2021/22 levels. This will leave the Council over £3 million/year short against the core investment requirements. No change to Scottish Government grant levels has been assumed up to 2027/28.

Given the difficult position the Council faces on revenue expenditure, it is essential that future capital expenditure proposals are largely self-financing through the release of other capital assets, use of Reserves as well as delivering efficiencies which will secure ongoing revenue savings.

Even were Local Government Capital Grants to increase in the longer term, given the major revenue financial pressures the Council needs to seriously consider using any increase in grant to reduce prudential borrowing/use of reserves. Alternatively, the Council may wish to consider allocating part of any increase in Council Tax to fund prudential borrowing.

Table 5 - Capital Programme 2024/2028 (Medium Term Capital Projections)

Table 5

<u>Expenditure/Projects by Committee</u>	<u>2024/25</u> <u>£m</u>	<u>2025/26</u> <u>£m</u>	<u>2026/27</u> <u>£m</u>	<u>2027/28</u> <u>£m</u>	<u>Totals</u> <u>£m</u>
Policy & Resources	0.88	1.67	0.90	0.53	3.98
Environment & Regeneration	11.61	18.48	7.84	7.84	45.77
School Estate	0.98	6.92	3.00	3.00	13.90
Education & Communities (Exc School Estate)	0.40	0.56	0.25	0.12	1.33
CHCP	5.65	3.41	0.00	0.00	9.06
	19.52	31.04	11.99	11.49	74.04
<u>Financed By</u>					
Government Grant	5.84	5.75	5.75	5.75	23.09
Sales/Contributions	0.32	0.32	0.32	0.32	1.28
Other Income	1.45	0.00	0.00	0.00	1.45
Revenue	4.96	3.34	2.57	2.44	13.31
Prudential Borrowing	6.35	6.84	2.46	2.46	18.11
Resources Carried Forward	13.55	0.00	0.00	0.00	13.55
	32.47	16.25	11.10	10.97	70.79
Shortfall in Resources					3.25

Notes

1 As per June 2024 P&R Committee

8.0 Treasury Management

- 8.1 Inverclyde Council has adopted the CIPFA “Treasury Management in the Public Services – Code of Practice” which sets out good practice for treasury management governance. The Council complies with legal and regulatory requirements in relation to Treasury Management activities and has appointed consultants to provide advice on Treasury Management issues, including technical issues and the formulation of views on interest rates.
- 8.2 In complying with the Code of Practice, the Council produces a Treasury Management Practices document which sets out how the Council will manage and control its Treasury Management activities. This document is submitted to Committee for approval every three years with approval also being sought for any amendments in the intervening period.
- 8.3 The requirements for Treasury Management reporting following the implementation of the revised CIPFA Treasury Management Code of Practice has resulted in the following:
- An annual Treasury Management Strategy submitted at the start of the financial year and which includes the Council’s Prudential Indicators and covers issues such as the economic situation, the prospects for interest rates, and the Council’s borrowing and investment strategy for the coming year.
 - A mid-year review of the Strategy which include details of the Council’s debt and investment position, activity undertaken during the quarter, and performance to date against the Council’s Prudential Indicators and agreed policy limits.
 - An Annual Report for Treasury Management which is submitted to Members before the end of September each year and which advises Members of the Treasury Management activities during the previous financial year.
 - Since 2018/19 there is the requirement to produce a Capital Strategy which is also reviewed annually.

It should be noted that whilst all the above reports will go to the Policy & Resources Committee for initial scrutiny, all now require to go before the Full Council for approval.

- 8.4 Table 6 below shows the Council’s debt and investments position as at 30/04/24.

Table 6 – Council’s Debt and Investment Position – 30/04/24

The Council’s treasury portfolio position at 30/04/24 comprised:

		Principal		Average Rate
		£000	£000	
Fixed rate funding	PWLB	114,378		4.24%
	LOBO	16,000		
	Market	40,000	170,378	
Variable rate funding	PWLB	0		4.92%
	LOBO	13,500		
	Market	396	13,896	
TOTAL DEBT			184,274	4.29%
TOTAL INVESTMENTS			4,880	5.13%

9.0 Reserves

- 9.1 A key aspect of the consideration of the Financial Strategy is the position of the General Fund Reserves. The Reserves Strategy was last reviewed and approved by the Policy & Resources Committee in March 2023.
- 9.2 Reserves can be held for three main purposes:-
- A working balance to help cushion the impact of uneven cash flows - this forms part of General Reserves.
 - A contingency to cushion the impact of unexpected events or emergencies which also forms part of General Reserves.
 - A means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.
- 9.3 The Reserves Strategy is based on the core General Fund Reserve being maintained at a level of 2% of turnover. A turnover of just over £200 million results in a core General Fund Reserve of £4.0 million. In the event that the Reserves are projected to fall below this level then Members must have a clear route for bringing Reserves back up to the level over the subsequent three financial years.
- 9.4 The Reserves Strategy also assumes the continued use of earmarked reserves. In this way, earmarked reserves can be separated from the core General Fund Reserve which should allow Members to more transparently track the underlying reserves position. Earmarked Reserves are reviewed annually as part of the budget process.
- 9.5 Within Inverclyde Council the main Reserves/Funds comprise; General Fund Reserve, Insurance Fund, Capital Fund and Repairs & Renewals Fund. The latest projected position is shown below.
- 9.6 (a) General Fund “Free” Reserves – This Reserve represents the Council’s contingency for unforeseen/unquantifiable events. The level of the Reserve is determined by the Reserve Strategy whilst the projected balance is reported to each Policy and Resources Committee. See Appendix 4.

Balance 31/03/24 = £4.364 million

- (b) Insurance Fund – The Insurance Fund balance is required to meet Insurance Liabilities not covered by external Insurance Policies. The balance on the Fund is reviewed every 3 years by an independent actuary who comments upon not only the balance of the Fund but also the on-going internal contributions to the Fund. See Appendix 7.

Balance 31/03/24 = £3.482 million

- (c) Capital Fund – The Capital Fund is a Fund into which Capital Receipt income can be paid and used to fund either capital investment or repay the Principal element of debt repayments. The balance and planned usage of the Capital Fund is incorporated into the Financial Strategy. See Appendix 5.

Projected Balance 31/03/24 = £0.273 million

- (d) Repairs & Renewals Fund – The Repairs & Renewals Fund consists of sums received from external parties or allocated directly from Council resources which are thereafter released on a phased basis to maintain specific assets. Use of specific allocations to the Fund are agreed by Policy & Resources Committee and the overall position will be reported as part of the Financial Strategy. See Appendix 6.

Projected Balance 31/03/24 = £3.200million

10.0 Monitoring, Reporting and Review Processes

- 10.1 The Financial Strategy should be a dynamic, relevant document and will be monitored on an ongoing basis by Finance - it will also be formally reviewed twice yearly, in May and then in November.
- 10.2 The formal review of the Financial Strategy will be reported to CMT and Full Council on a six monthly basis – there will also be capacity to review the Strategy as and when required, particularly when a new issue arises or the impact of major policy or initiative becomes clearer.
- 10.3 The Financial Strategy will only be revised if there are material changes to estimates, projections or policy which will have a financial impact however issues which may impact will be flagged up in the regular General Fund Budget reports to Policy & Resources Committee.
- 10.4 The deminimus level for a major impact requiring immediate review is 50% of the core General Fund reserves, £2.0 million, subject to the opinion of the Section 95 Officer.
- 10.5 The financial management principles and expectations have been communicated and are understood by all Chief Officers and budget holders.
- 10.6 The Financial Strategy has been drawn up with the full involvement of the CMT and, will be communicated throughout the organisation.

11.0 Risk Management

- 11.1 The Council has developed a Corporate Risk Register, Directorate Risk Registers and individual service risk registers.
- 11.2 Further work has also been undertaken to develop a Risk Register for the Financial Strategy and the required actions to mitigate risks – these are set out in the table below.
- 11.3 The risk assessment below considers the risks to the Council's financial position arising out of matters considered in this Financial Strategy and utilises the same methodology used for the Corporate, Directorate and Service Risk Registers.

Risk	Management of Risk
<p>The Financial Strategy does not reflect in financial terms the objectives set out in other strategic plans of the Council.</p>	<p>The Financial Strategy provides a high level overview of the various strategic plans the Council has signed up to – it acknowledges that there will inevitably be financial implications arising from the Council Plan but it is not possible to quantify all of these at present.</p> <p>The Financial Strategy is updated as further information becomes available regarding these strategic plans and formal approvals are made.</p>
<p>The strategic planning process will identify a range of additional budget pressures over and above those currently considered in this Financial Strategy.</p>	<p>The Strategic Planning Guidance identifies that Committee Delivery and Improvement Plans (CDIP) should reflect the resources allocated – the need for additional resources to achieve a particular priority should be specifically identified via the Financial Strategy prior to the preparation of the CDIP.</p>
<p>Forecasts within the Financial Strategy are not accurately determined or reviewed on a regular basis.</p>	<p>The Budget and Financial Strategy set out the expected levels of expenditure and income for the future. The forecasts are arrived at through careful consideration of historic trends and actual expenditure levels and any factors which may have an impact in the future.</p> <p>Three scenarios are included in the Strategy based on Pessimistic, Mid-Range and Optimistic. This provided a broad range of potential outcomes.</p> <p>Throughout the financial year, the Council regularly monitors its financial performance against its budgets and will revise them where necessary, subject to remaining within the agreed overall budget for the Council.</p>
<p>There is a continuing need to deliver budget reductions and efficiencies over the medium to long term. Robust and detailed plans will be required on an operational level to ensure that this risk is mitigated and savings are duly delivered.</p>	<p>The risks relating to the delivery of savings will be mitigated by robust monitoring and financial control through the budget monitoring process, with action plans being required to find compensating savings for any overspends identified.</p> <p>Individual savings are reviewed by Change Boards and lead officers on a regular basis with material issues reported to the CMT and if required, Committee.</p>

<p>Income budgets not achieved or become unsustainable.</p>	<p>Chief Officers are consulted on proposed increases in income budgets/fees and charges and have the opportunity determine the levels of individual charges to achieve the budgeted income target.</p> <p>Equally, income budgets are monitored throughout the financial year and where a shortfall in income is anticipated, this is highlighted in reports to Committee.</p> <p>Proposals to increase fees and charges are reviewed in line with the Council's Charging Policy prior to reporting to Committee.</p>
<p>The Council has insufficient capital resources to sustain capital commitments.</p>	<p>The Council has already identified through the Financial Strategy a reduced reliance on capital receipts and Government Grants in the medium term.</p> <p>The combination of reduced funding and the economic position mean that the Council has to focus on maintaining key infrastructure whilst utilising prudential borrowing for specific capital projects.</p> <p>The Council has Asset Management Plans for all its assets with all the above issues captured within the Financial Strategy. These plans are due to be refreshed over 2024/26.</p> <p>The Council produces a Capital Strategy and a Corporate Asset Strategy which looks at the longer term need, funding & sustainability of the capital programme.</p>
<p>Bankruptcy of a major supplier or customer which could result in the Council having to pay twice for the same service or see artificially inflated prices if a replacement service needs to be obtained at very short notice.</p>	<p>The Council has reviewed its procurement process and a procurement manual has been developed which includes supplier financial appraisal at PQQ stage. This will ensure that the financial position of new contractors is vetted prior to ITT stage and entering into any large contracts.</p> <p>The Council only pays in advance for Services by exception.</p> <p>Regular reviews of financial position are undertaken for key suppliers/ service delivery partners on an ongoing basis.</p>
<p>Legislative changes are not anticipated and the financial impact is not addressed through the budget process of Financial Strategy.</p>	<p>Chief Officers are required to highlight the impact of legislative changes through the strategic planning and budgeting process and the likely resource requirement.</p> <p>In addition COSLA has a key role in assessing the financial impact of changes in legislation and lobbying for Councils to be funded appropriately.</p>

<p>Interest rates on borrowing may be higher than forecast.</p>	<p>Prudent assumptions on likely interest rates have been incorporated into Financial Strategy. Borrowing is spread to reduce impact of short-term changes and Treasury performance is reported to Committee and Council throughout the year..</p>
<p>Reserves are required to fund unanticipated budget shortfalls and fall below minimum recommended level.</p>	<p>A Reserve Strategy is in place which clearly states that there must be a clear route to bring reserves back up to the minimum level over the subsequent 3 financial years.</p>
<p>Revenue implications of capital programme/projects are not fully anticipated.</p>	<p>All capital projects identify revenue implications and link into Council priorities. All capital projects are subject to a robust approval process which includes a review of revenue implications.</p>
<p>Any significant deterioration in the economic outlook will impact on public finances and may have an unsustainable impact on Council budgets.</p>	<p>There is regular reporting to Members on the budget position and forecasts. Cosla continues to lobby Scottish and UK Governments for funding. Directors of Finance share common information and assumptions.</p>

Short-Term Issues (2024/26)

The tables in Appendices 1, 2 and 3 have been developed through ongoing consultation with the CMT to highlight the issues to inform the Financial Strategy and future budget setting.

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Corporate	Non-Pay Inflation	The level of inflation pressures are not fully clear over the period.	Inflation allowances are regularly reviewed. Regular monitoring and reporting to CMT/Members.	Alan Puckrin	Ongoing
Social Care	Relationship with Service Providers.	Managing provider expectations whilst in a period of uncertainty over the future of the National Care Home Contract along with expectations from those providers out with this contract to fund inflation/impact of pensions/living wage.	Monitor development and report as required.	Kate Rocks	Ongoing
	Children's Services	Significant demand in the system will lead to increased costs.	Strategy put in place. Monitor and report as required.	Kate Rocks	Ongoing
Corporate	Non achievement of turnover targets.	Achievement of turnover target is becoming increasingly more difficult to achieve. Furthermore the target has been increased as part of the 2024/25 budget process adding further pressure to achieving the target.	Regular monitoring and updates to CMT of target achieved to date.	Directors/Alan Puckrin	Ongoing.

Corporate	2024/26 savings exercise	The Council approved a 2 year budget on February 2024. Depending on the settlement for 2025/26 or un-budgeted pressures in 2024/25 then, there may be a requirement to undertake a further savings exercise during the period.	Monitoring of 2024/25 Budget and national developments on 2025/26 Budget and update Elected members /CMT.	Alan Puckrin	Ongoing
Corporate	2024/25 Pay Award	Pay negotiations are on-going for 2024/25. The Finance Strategy allows for a 3% uplift for all employees. If the pay award is settled in excess of this, and no funding is allocated from Scottish Government, then this will result in a budget gap for 2024/25.	Provide regular updates to CMT on the negotiations taking place.	Morna Rae	Ongoing

Medium-Term Issues (2026/28)

Appendix 2

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Corporate	Reductions in other public sector partner's funding streams	As Public Sector funding reductions continue, partners are reducing their contributions to key Council priorities.	Continue dialogue with partners.	Chief Executive/Directors	Ongoing
	Removal of key services from Council control.	Scottish Government could review Public Sector landscape which could result in loss of large parts of the Council remit and resultant impact on corporate viability.	Keep track of developments and report to Committee as required.	Louise Long	Ongoing
	Increased cost for externally provided contracts and services due to inflationary pressure including the Living Wage.	In line with Fair Work First, there is a clear desire to ensure suppliers of Council Services pay the Living Wage. This could add significant costs to the Council if passed on by suppliers.	Monitor developments and report to Committee when required.	Corporate Management Team	Ongoing
	Potential changes to funding of Local Government	Scottish Government to review Council Tax and will potentially review NDR.	Monitor developments and report as required.	Alan Puckrin	Ongoing
	Pay & Grading. Impact of £15/hour implementation	If the "bottom loading" of pay settlements continues then it is likely the Council will require to revisit the Pay & Grading model.	Monitor developments including aspiration to achieve £15/hour.	Morna Rae	Ongoing issue.
	Equal Pay	No provision for outstanding claims.	Provision will continue to be monitored and reviewed taking account of relevant legal judgements and advice from the Council's legal advisors.	Morna Rae	On Going



<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
	Capital Accounting – Potential changes.	If the Scottish Government agreed to move to depreciation accounting rather than loans charge accounting this could significantly increase the costs to the recurring budget.	Monitor developments, respond to consultations and actively engage in lobbying by professional bodies.	Alan Puckrin	Ongoing.
Social Care	Review of future of Adult Social Care Impact of inclusion of elements of the Acute Health Services within the IJB Budget. Childrens Services Funding Pressures.	Potential major impacts on IJB and Council Budgets if not appropriately funded. Potential for the Council to have to meet a proportion of any overspend caused by increasing pressure on Health Budgets. Covid has had a considerable impact on demand for support within Children & Families. Identified one off funding will only address the short term pressure. A fundamental review of service delivery is needed.	Monitor developments, contribute to relevant forums and report as required. Regular monitoring of the IJB Strategic Plan and financial projections added to supporting robust financial scrutiny by the IJB. Develop proposals to change service delivery and report back via CMT to Council and IJB.	Kate Rocks Kate Rocks Kate Rocks	Ongoing Ongoing Initial reports 2024.
	Homelessness – Revised Delivery Model.	Utilisation of the Inverclyde Centre under review. New delivery model will require significant capital investment with revenue implications	Review is part of Delivering Differently with reports back to CMT/Council and IJB.	Kate Rocks	Initial Reports 2024.
Environment & Regeneration	Ability to maintain Council assets.	Capital allocations insufficient to maintain assets (property and roads) in the medium term.	Refresh Asset Management Strategy aligned to prioritising investment.	Stuart Jamieson	Asset Management Strategy – October 2024

	Net zero Carbon Strategy	To achieve the required targets will require significant capital investment not currently included in financial plans beyond 2025/26	Prepare detailed delivery plan and obtain funding approval for delivery.	Stuart Jamieson	Report at least annually.
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Long-Term Issues (Post 2028)

Appendix 3

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Corporate	Depopulation and Change of Demographics	Continued loss of grant income, over provision of infrastructure. Viability of area under threat.	Population/Demographic trends to be monitored and reported to the Council and Alliance on a regular basis.	Morna Rae	Ongoing
Social Care	Impact of National Care Service	Cost, disruption and impact on rest of the Council.	Monitor and report to Council/IJB.	Louise Long/Kate Rocks	Ongoing
Education & Community	School Estate.	Plans will be required for recommencement of a new School Estate Plan by the early 2030's. This will present significant financial and policy challenges.	Commence consideration at the appropriate time and factor into any investment plans.	Ruth Binks/Stuart Jamieson	Ongoing.
Environment & Regeneration	Flood and coastal protection arising from global warming.	The frequency and severity of extreme weather will require significant investment Council assets.	Funding for surveys and thereafter funding for priorities	Stuart Jamieson	Asset Plan by 2025.

Environment & Regeneration	Regeneration of Greenock and Port Glasgow Town Centres.	Reports to Committee have identified significant investment needs within the Greenock and Port Glasgow Town Centre areas. Whilst contributions will be sought from Partners and the Private Sector the Council will require to provide a large amount of the funding.	Utilisation of £20million Town Centre Fund. Develop a funding model with clear outputs and funding sources.	Stuart Jamieson	Ongoing
	Loss of major employer	Closure of major local employer could further increase rate of depopulation and would significantly impact of areas regeneration efforts.	Work with all partners to identify areas of risk and mitigating actions.	Louise Long/Stuart Jamieson	As required.

Finance Strategy
General Fund Reserves
June 2024

	£000
Reserves Balance at 31st March 2023	7,700
Budgeted Contribution to Reserves: Note 1	
2022/23 Outturn Earmarked for 2023/24	5,283
	0
	5,283
Planned Use of Reserves 2023/27 Note 2	(44,008)
Projected Surplus (Deficit) 2023/27 Note 3	35,389
Projected Free Reserves Balance 31st March 2024	4,364

GRG/NDR/Council Tax is approximately £200 million. Recommended minimum level of reserves is 2% / £4 million.

Notes:

- 1/ 2023/24 figures reflect £3m use of reserves to fund the revenue budget as approved at 2023/24 budget setting process. 2024/26 figures reflect a further use of reserves of £5.6m to fund the revenue budget.
- 2/ Represents decisions taken between March 2018 and February 2024 and based on latest phasings.

<u>Approved Use of Reserves</u>	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total £000
March 2018 - £8.858m	(17)	(111)	0	0	0	(128)
February 2022 - £9.175m	(2,791)	(85)	0	0	0	(2,876)
December 2022 - Finance Strategy	(864)	(813)	0	0	0	(1,677)
January 2023 -£0.602m	(254)	(348)	0	0	0	(602)
March 2023 - £18.7m	(2,120)	(8,250)	(6,880)	(1,450)	0	(18,700)
December 2023 - £3m	0	(1,000)	(1,000)	(1,000)	0	(3,000)
February 2024 - £16.150m plus £0.875m	(43)	(2,450)	(1,832)	(5,425)	(7,275)	(17,025)
	(6,089)	(13,057)	(9,712)	(7,875)	(7,275)	(44,008)

- 3/ Figure reflects projected surplus reported to Policy & Resources Committee June 2024 and Budget set full Council February 2024 :

	2023/24 £000	2024/25 £000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total £000
Projected Surplus / (Deficit) (Jun 24)	(601)	0	0	0	0	(601)
Service Concession (Jan 23)	14748	0	0	0	0	14,748
IRI Interest 2023/26 (Jan 23)	1100	1200	1200	0	0	3,500
Use of Reserves 2022/23	452	0	0	0	0	452
Actuarial Review (Nov 23)	0	4500	4500	0	0	9,000
IL Smoothing Reserve (Nov 23)	400	0	0	0	0	400
Surplus IRI (Dec 23)	500	1000	1000	1000	0	3,500
EMR Write Backs (Feb 24)	256	0	0	0	0	256
Loan Charge Review (Feb 24)	3750	0	0	0	0	3,750
Reduced use of Reserves	372	12	0	0	0	384
	20,977	6,712	6,700	1,000	0	35,389

AP/AE
23/05/24

Finance Strategy
Capital Fund

		2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000	2032/33 £'000	2033/34 £'000
Balance B/fwd		315	(273)	(950)	(1,629)	(1,891)	(1,146)	(1,180)	(1,215)	(1,251)	(1,288)	(1,326)
Additions (Estimate)	a	(1,604)	(664)	(649)	(214)	0	0	0	0	0	0	0
Interest (Estimate)		16	(13)	(30)	(48)	(55)	(34)	(35)	(36)	(37)	(38)	(39)
Other Payments	b	1,000	0	0	0	800	0	0	0	0	0	0
Balance at Year End	c	(273)	(950)	(1,629)	(1,891)	(1,146)	(1,180)	(1,215)	(1,251)	(1,288)	(1,326)	(1,365)

- Notes
- a 2023/24 SEMP Receipts, £0.926, Greenock Academy
 Other Receipts, £0.678m, former Tied Houses, Unit 45 PG Industrial Estate, Fancy Farm Tenants Hall & other receipts
- 2024/25 Other Receipts, £0.664m, Wateryetts Drive, Kempock Place, Leven Road, Leperstone Avenue & other receipts
- 2025/26 SEMP Receipts, £0.385, Sacred Heart
 Other Receipts, £0.264m, former Garvel Centre, Crescent St, Leperstone Avenue
- 2026/27 Other Receipts, £0.214m, Leperstone Avenue
- b Other Payments:
 2023/24 £1m payment to fund Capital Programme (approved March 2021)
 2027/28 £0.8m payment to fund Loan Charges (proposed June 2024)

Finance Strategy
Repairs & Renewals Fund

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000	2032/33 £'000	2032/33 £'000
Balance B/fwd	(3,062)	(3,200)	(3,162)	(3,189)	(3,090)	(3,170)	(3,251)	(3,296)	(3,381)	(3,417)	(3,505)
Additions:											
Energy Efficiency Fund	(1)										
Greenock Ocean Terminal	a (19)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	-25
Maintenance Payments:											
Environmental Maintenance	34	36	36	36	36	37	75	37	88	37	37
Leisure Strategy	b 0		11	131							
Affordable Housing Fund	c 50		50	50							
Energy Efficiency Fund	d 121										
Greenock Ocean Terminal											
Interest											
Environmental Maintenance	(26)	(24)	(16)	(14)	(13)	(13)	(12)	(11)	(9)	(7)	(6)
Leisure Strategy	(54)	(54)	(38)	(36)	(33)	(34)	(35)	(37)	(38)	(38)	(39)
Former Housing Repairs & Renewals Fund	(56)	(55)	(39)	(38)	(40)	(40)	(41)	(42)	(44)	(45)	(46)
Affordable Housing Fund	(10)	(10)	(5)	(3)	(2)	(2)	(2)	(2)	(2)	(3)	(4)
Energy Efficiency Fund	(6)										
Greenock Ocean Terminal		(1)	(1)	(2)	(3)	(4)	(5)	(5)	(6)	(7)	(8)
Balance:											
Environmental Maintenance	e (512)	(500)	(480)	(458)	(435)	(411)	(348)	(322)	(243)	(213)	(182)
Leisure Strategy	(1,151)	(1,205)	(1,232)	(1,137)	(1,170)	(1,204)	(1,239)	(1,276)	(1,314)	(1,352)	(1,391)
Former Housing Repairs & Renewals Fund	(1,195)	(1,250)	(1,289)	(1,327)	(1,367)	(1,407)	(1,448)	(1,490)	(1,534)	(1,579)	(1,625)
Affordable Housing Fund	(202)	(162)	(117)	(70)	(72)	(74)	(76)	(78)	(80)	(83)	(87)
Energy Efficiency Fund	(121)	0	0	0	0	0	0	0	0	0	0
Greenock Ocean Terminal	(19)	(45)	(71)	(98)	(126)	(155)	(185)	(215)	(246)	(278)	(311)
Balance at Year End	(3,200)	(3,162)	(3,189)	(3,090)	(3,170)	(3,251)	(3,296)	(3,381)	(3,417)	(3,505)	(3,596)

Notes

- a It is intended that any unused Repairs budget for the Greenock Ocean Terminal will be transferred to the Repairs and Renewals Fund each year to provide for future major repairs to the facility. This will be included in future Repairs and Renewals models.
- b Leisure Strategy commitments:
2023-34 Pitches/MUGA's Lifecycle costs
- c Contribution towards Acquisitions of Affordable Housing, £150k total allocation
- d The Central Energy Efficiency Fund has been fully allocated to the Net Zero Capital budget in 2024/25.
- e Environmental Maintenance is a combined fund used for ongoing maintenance of Greenock Cut, Gallaghers (Port Glasgow) Development and Inverkip Footbridge.

Insurance Fund

	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>	<u>2031/32</u>	<u>2032/33</u>	<u>2033/34</u>
	<u>£m</u>										
Opening Balance	4.816	3.482	3.612	3.677	3.207	2.687	2.232	1.932	1.687	1.399	1.319
Contribution to Fund (a)	0.350	0.350	0.350	0.350	0.350	0.450	0.450	0.550	0.550	0.550	0.550
Payments Made From Fund (b)											
- For Ex-SRC Claims (d)	(0.247)	(0.200)	(0.200)	(0.200)	(0.200)	(0.200)	-	-	-	-	-
- For Other Claims	(0.525)	(0.430)	(0.450)	(0.470)	(0.490)	(0.510)	(0.540)	(0.570)	(0.600)	(0.630)	(0.660)
MMI Clawback (c)	-	-	-	-	-	-	-	-	-	-	-
Child Abuse Re-dress Scheme (e)	-	(0.090)	(0.135)	(0.150)	(0.180)	(0.195)	(0.210)	(0.225)	(0.238)	-	-
One-Off Contributions to Fund (f)											
- From Council Reserves	-	0.250	0.250	-	-	-	-	-	-	-	-
- From IJB	-	0.250	0.250	-	-	-	-	-	-	-	-
	4.394	3.612	3.677	3.207	2.687	2.232	1.932	1.687	1.399	1.319	1.209
Estimated Outstanding Charges at 31 March 2024 (g)	(0.912)										
Balance for Future Claims	3.482	3.612	3.677	3.207	2.687	2.232	1.932	1.687	1.399	1.319	1.209

Notes

(a) Amount paid by Services and not paid to external insurers. Currently a £100,000 annual reduction is being applied which ends in 2029/30.

A further £100,000 annual reduction was applied from 2023/24 for 5 years and ending in 2027/28.

(b) Actuals for 2023/24 and estimates for future years for charges paid from Fund net of interest income.

(c) Movement on allowance for Council contribution to legacy MMI claims (currently being reviewed for 2023/24 year-end). The total allowance at 31 March 2023 was £0.207 million.

(d) Allowance for ex-SRC claims handled by Glasgow City Council based on latest estimates (May 2024).

(e) Estimated Council contribution of £1.5 million to Scottish Child Abuse Redress Scheme (contributions started in 2022/23 and will be made over a 10 year period with 2023/24 deferred due to the reprofiling of contributions by the Scottish Government).

(f) Contributions to ex-SRC claims as agreed in February 2024.

(g) Estimated cost to Fund of outstanding claims as at 31 March 2024.

Finance Services

May 2024.

City Deal - As at 30.04.24

Capital	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
	15/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	Total
Overall Grant	355	15	30	60	60	60	60	60	60	60	60	60	940
Inverclyde's Grant Received/ Estimated	10.866	0.307	1.000	21.173									
Project Spend													
Ocean Terminal	10.261	(0.023)	0.2	0	0	0	0	0	0	0	0	0	10.438
Inverkip	0.023	0.049	2.750	0.978	0	0	0	0	0	0	0	0	3.800
Inchgreen	4.709	5.018	0	0	0	0	0	0	0	0	0	0	9.727
Council Contribution	0	(1.400)	0	0	0	0	0	0	0	0	0	0	(1.400)
Council Contribution - Inverkip	0	0	(0.550)	0	0	0	0	0	0	0	0	0	(0.550)
Grant Eligible Costs	14.993	3.644	2.400	0.978	0.000	22.015							
Annual Grant (Shortfall)/Surplus	(4.127)	(3.337)	(1.400)	0.022	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	(0.842)
Cumulative (Shortfall)/Surplus	(4.127)	(7.464)	(8.864)	(8.842)	(7.842)	(6.842)	(5.842)	(4.842)	(3.842)	(2.842)	(1.842)	(0.842)	Est Debt 31.3.34
Revenue	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	15/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	
Revenue Budget	1,536	220	220	220	220	220	220	220	220	220	220	220	
PMO Central Team Costs	(56)	(59)	(62)	(65)	(68)	(71)	(75)	(79)	(83)	(87)	(91)	(96)	
Interest Charge	(40)	(319)	(429)	(260)	(250)	(220)	(190)	(160)	(130)	(100)	(70)	(40)	
Contribution to Inchgreen	0	(1,400)	0	0	0	0	0	0	0	0	0	0	
Dividend (Inchgreen JV)	310	0	0	0	0	0	0	0	0	0	0	0	
Balance at Year End	1,750	192	(79)	(184)	(282)	(353)	(398)	(417)	(410)	(377)	(318)	(234)	

Notes

0.0574759 0.0293321 0.0282741 0.0280541 0.0277697 0.0273879 0.0268484 0.0260281 0.0246305 0.0217155

- 1/ Project spend profiles reflect the latest reported figures to the Cabinet. Costs to be firmed up as part of detailed Business preparation for Inverkip. Figures exclude partner contributions. Ocean Terminal cost approval increased by £400k in 2022 and £345k in 2023. Inchgreen cost approval increased by £300k in 2023.
Council Contribution represents a £1.4m contribution to Inchgreen in 2023/24 funded via the existing City Deal Revenue Reserve and £0.550m contribution to Inverkip in 2024/25 funded £0.3m from the Medium Term Capital Programme Support budget and £0.25m from Roads capital budgets, either through grant award from partner organisations or from the RAMP.
- 2/ The Council initially set aside up to £400,000 per year but approved saving an £80k saving in Sept 2019. From 2023/24 it reflects a further £100,000 savings. A £1.4million contribution to the Inchgreen Project is to come from the cumulative balance in 2023/24.
- 3/ Assumes that the City Deal will pass the 2nd milestone in 2024 and as such the UK and Scottish Government will honour their grant commitments.
- 4/ Regional projects have first call on the grant hence why from 2025/26 the Council's level of grant falls. Estimates only at this time as Regional projects are under review. Grant phasing for 2024/25 and beyond is therefore indicative at this stage.
- 5/ The Interest Charge is based on the investment return foregone by the Council on the assumption the capital investment will be funded from cash balances and fully repaid by 2035. Interest rates used, 2023/24 (5.03%), 2024/25 (4.59%), 2025/26 (3.06%) 2026/27 & onwards (3.00%)

Finance Strategy
Loan Charges

		2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000	2032/33 £'000	2033/34 £'000
Balance B/fwd		1,645	414	727	1,100	1,128	863	(32)	(423)	(615)	(714)	(455)
Projected Loan Charges	a	18,133	17,277	16,810	17,255	17,448	17,378	16,974	16,875	16,782	16,424	16,346
Available Budget	b	16,902	16,590	16,183	16,283	16,383	16,483	16,583	16,683	16,683	16,683	16,683
Loan Charge Surplus/(Deficit)		(1,231)	(687)	(627)	(972)	(1,065)	(895)	(391)	(192)	(99)	259	337
Other Adjustments:												
Transfer from Reserves	c	0	1,000	1,000	1,000	0	0	0	0	0	0	0
Contribution from Capital Fund	d	0	0	0	0	800	0	0	0	0	0	0
		0	1,000	1,000	1,000	800	0	0	0	0	0	0
Balance at Year End		414	727	1,100	1,128	863	(32)	(423)	(615)	(714)	(455)	(118)
Interest Rate (Assumed):		4.40%	4.28%	3.92%	3.82%	3.71%	3.56%	3.52%	3.58%	3.63%	3.68%	3.77%

Notes

Revised projections as at May 2024 and excludes Loan Charges relating to City Deal and Birkmyre Trust.
General capital grant is applied to core allocations only and not to individually funded models.

- a Includes loan charges for new LD Centre based on spend between 2021/22 to 2025/26.
£100k annual cost increase from 2023/24 to reflect prudential borrowing of £1.5m to 2030/31 (June 2023 Finance Strategy).
Projected principal repayments on new projects are calculated on annuity basis.
- b Adjustments to Available Budget:
For 2023/24
Budget increased by £4,715k due to budget and projected SEMP loan charges now included above and not separately budgeted for.
Budget from 2023/24 onwards increased by £100k annually for annual Prudential Borrowing to 2030/31 (June 2023 Finance Strategy).
Budget adjusted for £5k reduction in loan charges for Food Waste Collection saving.
For 2024/25
Budget reduced by £410k from 2024/25 onwards (February 2024 Council).
Budget reduced by £2k for 2024/25 for school transport saving.
For 2025/26
Budget reduced by £500k from 2025/26 onwards (December 2023 Council).
Budget reduced by £9k for 2025/26 onwards for school transport saving.
- c £3m agreed December 2023, allocated £1m each year 2024/25 to 2026/27
- d Proposed contribution from Capital Fund in 2027/28.

Finance Strategy
Internal Resources Interest

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000	2032/33 £'000	2033/34 £'000
Opening Balance	0	2,190	1,749	94	(525)	(417)	(347)	(277)	(207)	(137)	(67)
Total Internal Resources Interest	3,872	2,560	1,270	830	540	340	340	340	340	340	340
Less											
Amount Paid to Council Funds and Trusts	228	151	75	49	32	20	20	20	20	20	20
Internal Resources Interest Income To Revenue	3,644	2,409	1,195	781	508	320	320	320	320	320	320
Revenue Budget	1.	500	650	650	400	400	250	250	250	250	250
Surplus/(Deficit)		3,144	3,949	2,294	475	(417)	(347)	(277)	(207)	(137)	3
Savings Agreed From Over Recovery											
December 2022 Finance Strategy (Also £1.1m in 2022/23)	2.	1,100	1,200	1,200	0	0	0	0	0	0	0
December 2023 Finance Strategy		500	1,000	1,000	1,000	0	0	0	0	0	0
Return of 22/23 IRI Over Recovery		(646)	0	0	0	0	0	0	0	0	0
Balance C/Fwd		2,190	1,749	94	(525)	(417)	(347)	(277)	(207)	(137)	3

Notes:
1. The Revenue Budget has been reduced to £400k from 2026/27 and then to £250k from 2028/29 onwards due to projected reduction in interest rates. This is expected to be offset by a reduction in inflation contingencies.

2. £4.6 million was approved by the Council in December 2022 Finance Strategy. £1.1 million was allocated in 2022/23 of £1.746 million was achieved with over achievement initially allocated to free reserves. It is proposed that this is "repaid" in 2023/24 from the Budget Development earmarked reserve.

Finance Services
May 2024.

Report To:	Inverclyde Council	Date:	13 June 2024
Report By:	Kate Rocks Corporate Director, (Chief Officer) Inverclyde Health and Social Care Partnership (HSCP)	Report No:	IC/01/24/KR
Contact Officer:	Craig Given Head of Service Finance, Planning and Resources	Contact No:	
Subject:	Review of Health and Social Care Integration Scheme		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 The purpose of this report is to update Inverclyde Council on work to review the Integration Scheme between Inverclyde Council and NHS Greater Glasgow and Clyde, and to present the final revised Integration Scheme for approval and subsequent submission to Scottish Government.

2.0 RECOMMENDATIONS

2.1 Inverclyde Council is asked to:

- a) Note the content of this report;
- b) Approve the revised Integration Scheme for the Inverclyde Health and Social Care Partnership for submission to the Scottish Government, as required by the Public Bodies (Joint Working) (Scotland) Act 2014;
- c) Agree that any minor amendments to the Integration Scheme proposed by the Scottish Government, following their consideration thereof, will be agreed by the Chief Officer of the Inverclyde Health and Social Care Partnership following consultation with the Chair and Vice-Chair of the Inverclyde Integration Joint Board and that the Integration Scheme will only require further approval by the Council if changes are significant; and
- d) Authorises the Head of Legal, Democratic, Digital and Customer Services to make any consequent changes to the Council's Standing Orders, Scheme of Administration, and Scheme of Delegation arising from the Council's decision.

Kate Rocks
Chief Officer
Inverclyde Health and Social Care Partnership

3.0 BACKGROUND

- 3.1 The Public Bodies (Joint Working) (Scotland) Act 2014 (the 'Act') requires Local Authorities and Health Boards to jointly prepare an Integration Scheme. It sets out the key arrangements for how Health and Social Care Integration is to be planned, delivered and monitored within their local area. The Inverclyde Integration Scheme is the joint agreement between Inverclyde Council and NHS Greater Glasgow and Clyde which sets out the arrangements for the integration of health and social care services and forms the basis of the establishment and continued operation of the Inverclyde Integration Joint Board.
- 3.2 Integration Schemes are required by statute to be reviewed within a "relevant period" of five years from initial publication. The Schemes for the six HSCPs across the Greater Glasgow and Clyde Health Board area received parliamentary approval at different times and are therefore subject to different review schedules. To ensure consistency where possible across the six HSCPs and to reduce duplication of effort it has been decided to carry out simultaneous reviews to enable revised Schemes to be agreed at the same time.
- 3.3 To take forward the joint review of the Schemes a pan-Partnership working group was established in the second half of 2019 to progress the review. The group is chaired by the Chief Officer of West Dunbartonshire HSCP (to provide a link back to the Chief Officers Group) and includes representatives from all six HSCPs and the Health Board. The group took responsibility for taking forward the review and revision of the Schemes, feeding back to and taking guidance from the Chief Officers Group with a view to developing revised Schemes for approval by the Cabinet Secretary, if approved by Councils and the Health Board.
- 3.4 Work to review the Schemes was delayed in 2020 shortly before going out to consultation following the intervention of the Chairman of the Health Board. The Chairman raised several queries in relation to the Schemes that required further discussion and editing. The review was subsequently further delayed by the focus on responding to the Covid-19 pandemic.

4.0 REVIEW ACTIVITY

- 4.1 The initial review of the Schemes for respective HSCPs sought to identify where edits were required, for example due to the emphasis in the original Schemes, on transitioning from shadow arrangements to fully implemented IJBs and because they referred to activity which was to be undertaken within the relevant period for the first Schemes, and which is now complete.
- 4.2 Individuals within the group, and the group collectively, also considered content that required reviewing across all Schemes to encourage standardization of content and a higher level of consistency across Schemes. The Glasgow Scheme was used as a base document for all HSCPs, to which local variation was added if required.
- 4.3 The core content and structure of the draft revised Scheme for Inverclyde remains consistent with the existing Scheme, and therefore retains its close alignment with the model Integration Scheme approved by the Scottish Government and the requirements laid out within the [Public Bodies Joint Working Integration Scheme Scotland Regulations 2014](#), which provide guidance on the required content of the Scheme.
- 4.4 Areas of the Scheme where revisions were made on review included the sections on Performance (section 10), Information and Data Handling (section 16), Complaints (section 17) and Risk Management (section 19). These changes were to reflect activity completed since approval of the first Scheme, to update to reflect current arrangements and to ensure consistency across the six Schemes. The section on Participation and Engagement will be

completed following the consultation process to reflect how this was achieved, again in line with the expectations for the content of that section laid out in the guidance.

- 4.5 The previous iteration of the Scheme contained an Annex (3) which listed the services subject to hosting arrangements and which HSCP area was responsible for those services. In the new Scheme Annex 3 has been removed to reflect the fact that the guidance on drafting Integration Schemes does not require this level of detail, which could become inaccurate should hosting arrangements change within the lifetime of the Scheme.
- 4.6 The Scheme instead (S14.22) provides detail on how hosting arrangements are to be implemented, with the content jointly developed by representatives of all six HSCPs and adopted across each of the Schemes.
- 4.7 There has been a re-drafting of Section 14 of the Scheme (Finance). The Chief Finance Officer Group took the opportunity to collectively review the text and update for accuracy and consistency, with revised text again adopted by all HSCPs within the Health Board area.
- 4.8 All six HSCPs updated Integration Schemes were presented to the October 2023 Health Board in which approval for consultation was agreed.
- 4.9 No further material changes have been proposed following consultation exercises carried out early 2024.

5.0 NEXT STEPS

- 5.1 Following the consultation exercise Inverclyde received no feedback. If approved the Scheme will be presented to the Integration Joint Board for noting and subsequently submitted to the Cabinet Secretary for Ministerial approval in July 2024.

6.0 IMPLICATIONS

- 6.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		✓
Legal/Risk	✓	
Human Resources		✓
Strategic (Partnership Plan/Council Plan)		✓
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		✓
Environmental & Sustainability		✓
Data Protection		✓

6.2 Finance

There are no specific Finance implications arising from this report.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

6.3 Legal/Risk

It is a legal requirement to complete a review of the Integration as set out in Section 44 of the Public Bodies (Joint Working) (Scotland) Act 2014. The Scheme must be reviewed each subsequent period of 5 years beginning with the day on which the Scheme was approved, in the case of Inverclyde Council, June 2015, The statutory responsibility to review the Scheme sits with Greater Glasgow & Clyde Health Board and Inverclyde Council.

6.4 Human Resources

There are no specific human resources implications arising from this report.

6.5 Strategic

There are no specific Strategic implications arising from this report

6.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
✓	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function, or strategy. Therefore, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
✓	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

(c) **Children and Young People**

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
✓	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

6.7 Environmental/Sustainability

Summarise any environmental / climate change impacts which relate to this report.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
✓	NO – This report does not propose or seek approval for a plan, policy, programme, strategy, or document which is like to have significant environmental effects, if implemented.

6.8 Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
✓	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

7.0 CONSULTATION

7.1 The report has been prepared by the Corporate Director of Inverclyde Health and Social Care Partnership (HSCP) after due consideration with relevant senior officers in the HSCP.

8.0 BACKGROUND PAPERS

8.1 N/A

SUMMARY OF PROPOSED REVISIONS TO INVERCLYDE HEALTH AND SOCIAL CARE PARTNERSHIP INTEGRATION SCHEME 2024

PAGE:	TITLE	SECTION	PROPOSED CHANGE
3 & 4	Vision and Values	2.1 & 2.2	Added section 2 on vision and values. Was previously included in section 3 Aims and Outcomes -reworded
14-18	Performance	10.1 - 10.7	Reworded section in line with the 6 GGC HSCP's
28-36	Finance	14.1- 14.24	The Chief Finance Officers collectively reviewed the text and updated for accuracy and consistency. Changes have been discussed with both Inverclyde Council and NHS Greater Glasgow and Clyde. All parties happy with the proposed changes.
37	Communication and Engagement	15.4-15.5	Reworded previously Participation and Engagement. Previous wording was relevant at the time the first scheme was formulated. Updated to reflect current position.
37	Information and data Handling	16.1-16.6	Reflect activity since the completion of the first scheme and to reflect current arrangements, to ensure consistency across all 6 HSCPs.
38-40	Complaints	17.1-17.9	Reflect activity since the completion of the first scheme and to reflect current arrangements, to ensure consistency across all 6 HSCPs.
42	Risk Management Annex 3	13.1	Reflect activity since the completion of the first scheme and to reflect current arrangements, to ensure consistency across all 6 HSCPs.
			Removed – to reflect the fact that the guidance does not require this level of detail and could become inaccurate should hosting arrangements change within the lifetime of the scheme



Inverclyde Health and Social Care Partnership

Integration Scheme

Between

INVERCLYDE COUNCIL

And

GREATER GLASGOW AND CLYDE HEALTH BOARD

Final Version May 2024

1. Introduction

- 1.1 The Public Bodies (Joint Working) (Scotland) Act 2014 (“the Act”) requires Health Boards and Local Authorities to integrate planning for, and delivery of, certain adult health and social care services. They can also choose to integrate planning and delivery of other services – additional adult health and social care services beyond the minimum prescribed by the Scottish Ministers, children’s health and social care services and criminal justice social work services. The Act requires the parties to prepare jointly an integration scheme setting out how this joint working is to be achieved. To achieve this, the Health Board and Local Authority can either delegate between each other or can both delegate to a third body called the Integration Joint Board. Delegation between the Health Board and Local Authority is commonly referred to as a “lead agency” arrangement. Delegation to an Integration Joint Board is commonly referred to as a “body corporate” arrangement.
- 1.2 This document sets out the Integration Scheme (“the Scheme”) for Inverclyde, where Inverclyde Council and NHS Greater Glasgow and Clyde have agreed to a body corporate arrangement which is known as the Inverclyde Health and Social Care Partnership. The Scheme sets out the detail as to how the Health Board and Local Authority will integrate services. When the Scheme has been agreed locally, the Act requires the Health Board and Local Authority to submit jointly the Scheme for approval by Scottish Ministers. The Scheme follows the chosen model and includes the matters prescribed in Regulations.
- 1.3 Once the Scheme has been approved by the Scottish Ministers, the Inverclyde Integration Joint Board (which has distinct legal personality) will be established by Order of the Scottish Ministers.

- 1.4 As a separate legal entity, the Integration Joint Board has full autonomy and capacity to act on its own behalf and can, accordingly, make decisions about the exercise of its functions and responsibilities as it sees fit. However, the legislation that underpins the Integration Joint Board requires that its voting members are appointed by the Health Board and the Local Authority, and is made up of elected Councillors, NHS non-executive directors, and other Members of the Health Board where there are insufficient NHS non-executive directors. Whilst serving on the Integration Joint Board its members carry out their functions under the Act on behalf of the Integration Joint Board itself, and not as delegates of their respective Health Board or Local Authority
- 1.5 The Integration Joint Board is responsible for the strategic planning of the functions delegated to it and for ensuring the delivery of its functions through the locally agreed operational arrangements set out within the Scheme.

Further, the Act gives the Health Board and the Council, acting jointly, the ability to require that the Integration Joint Board replaces their strategic plan in certain circumstances. In these ways, the Health Board and the Council together have significant influence over the Integration Joint Board, and they are jointly accountable for its actions.

2. Vision and Values

- 2.1 Inverclyde Council and the Health Board are committed to maintaining the Inverclyde Health and Social Care Partnership, whose key vision is that Inverclyde is a caring and compassionate community working together to address inequalities and assist everyone to live active, healthy and fulfilling lives.

2.2 This vision is underpinned by the core values of the Inverclyde Health and Social Care Partnership - dignity and respect, responsive care and support, compassion, wellbeing, be included and accountability.

3. Aims and Outcomes of the Integration Scheme

3.1 The main purpose of integration is to improve the wellbeing of people who use health and social care services, particularly those whose needs are complex and involve support from health and social care at the same time. The Integration Scheme is intended to achieve the National Health and Wellbeing Outcomes prescribed by the Scottish Ministers in Regulations under section 5(1) of the Act, namely:

- People are able to look after and improve their own health and wellbeing and live in good health for longer.
- People, including those with disabilities or long-term conditions or who are frail are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community.
- People who use health and social care services have positive experiences of those services, and have their dignity respected.
- Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.
- Health and social care services contribute to reducing health inequalities.
- People who provide unpaid care are supported to look after their own health and wellbeing, including to reduce any negative impact of their caring role on their own health and wellbeing.
- People using health and social care services are safe from harm.

- People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.
- Resources are used effectively in the provision of health and social care services.

3.2 NHS Greater Glasgow and Clyde and Inverclyde Council have agreed that Children's and Family Health and Social Work and Criminal Justice Social Work services should be included within functions and services to be delegated to the Integration Joint Board therefore the specific National Outcomes for Children and Criminal Justice are also included.

3.3 The National Outcomes for Children are:

- Our children have the best start in life and are ready to succeed.
- Our young people are successful learners, confident individuals, effective contributors and responsible citizens; and
- We have improved the life chances for children, young people and families at risk.

3.4 The National Outcomes and Standards for Social Work Services in the Criminal Justice System are:

- Community safety and public protection.
- The reduction of re-offending; and
- Social inclusion to support desistance from offending.

4. Integration Scheme

4.1 The Parties

The parties to this Integration Scheme are: -

The Inverclyde Council, established under the Local Government etc. (Scotland) Act 1994 and having its principal offices at Municipal Buildings, Clyde Square, Greenock, PA15 1LY (“the Council”).

And

Greater Glasgow Health Board, established under section 2(1) of the National Health Service (Scotland) Act 1978 (operating as “NHS Greater Glasgow and Clyde “(NHSGG&C)) and having its principal offices at J B Russell House, Gartnavel Royal Hospital Campus, 1055 Great Western Road, Glasgow, G12 0XH (“the Health Board”)

(Together referred to as “the Parties” and each being referred to as “the Party”)

5. Definitions and Interpretation

5.1 The following are definitions of terms used throughout the Integration Scheme:

“The Act” means the Public Bodies (Joint Working) (Scotland) Act 2014;

“Acute Hospital Services” means:

1. Accident and Emergency services provided in a hospital
2. Inpatient hospital services relating to the following branches of medicine:
 - i General Medicine
 - ii Geriatric Medicine
 - iii Rehabilitation Medicine
 - iv Respiratory Medicine
3. Palliative care services provided in a hospital;

“Chair” means the chair of the Integration Joint Board as appointed in accordance with the arrangements made under Article 4 of the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014;

“Chief Finance Officer” means the officer responsible for the administration of the Integration Joint Board’s financial affairs appointed under Section 13 of the Act and Section 95 of the Local Government (Scotland) Act 1973;

“Chief Officer” means the Chief Officer of the Integration Joint Board as referred to in Section 10 of the Act and whose role is more fully defined in Part 9 of the Scheme;

“Chief Social Work Officer” means the individual appointed by the Council under Section 3 of the Social Work (Scotland) Act 1968; “Health and Social Care Partnership” is the name given to the Parties’ service delivery organisation for functions which have been delegated to the Integration Joint Board;

“Health Leads” means individuals who have the professional lead for their respective healthcare profession(s) within the Health and Social Care Partnership;

“Host” means the Integration Joint Board that manages services on behalf of the other Integration Joint Boards in the Health Board area;

“Hosted Services” means those services of the Parties subject to consideration by the Integration Joint Boards, the Parties agree will be managed and delivered by a single Integration Joint Board;

“Integrated Services” means the services of the Parties delivered in a Health and Social Care Partnership for which the Chief Officer has operational management responsibility;

“Integration Joint Board” means the Inverclyde Integration Joint Board established by Order under Section 9 of the Act;

“Integration Scheme Regulations” or “the Regulations” means the Public Bodies (Joint Working) (Integration Scheme) (Scotland) Regulations 2014;

“Scheme” means this Integration Scheme;

“Services” means those Services of the Parties which are delegated to the Integration Joint Board as more specifically detailed in clause 3 hereof;

“Set Aside Budget” means the monies made available by the Health Board to the Integration Joint Board in respect of those functions delegated by the Health Board

which are carried out in a hospital within the Health Board area and provided for the areas of two or more Local Authorities;

“Strategic Plan” means the plan which the Integration Joint Board is required to prepare and implement in relation to the delegated provision of health and social care services to adults and children and criminal justice social work in accordance with Section 29 of the Act.

- 5.2 Whereas in implementation of their obligations under section 2(3) of the Act, the Parties are required to jointly prepare an Integration Scheme for the area of the Local Authority setting out the information required under section 1(3) of the Act and the prescribed information listed in the Integration Scheme Regulations therefore in implementation of these duties the Parties agree as follows:

In accordance with section 2(3) of the Act, the Parties have agreed that the integration model set out in sections 1(4) (a) of the Act will remain in place for the Inverclyde Council area, namely the delegation of functions by the Parties to a body corporate that has been established by Order under Section 9 of the Act. This Scheme came into effect on 27 June 2015 when the Integration Joint Board was established by Parliamentary Order. The Scheme has been reviewed and revised in accordance with Section 44(2) of the Act and these changes will be applied on the date the revised Scheme receives approval through delegation by the Cabinet Secretary.

6. Local Governance Arrangements

6.1 Remit and Constitution of the Integration Joint Board

6.2 The role and remit of the Integration Joint Board is as set out in the Act.

6.3 Voting Members

6.4 The arrangements for appointing the voting membership of the Integration Joint Board are that each Party shall appoint four voting representatives.

6.5 Chair

6.6 The Chair and Vice Chair positions of the Integration Joint Board will rotate every two years between the Health Board and the Council, with the Chair being nominated from the voting representatives of one Party and the Vice Chair nominated from the voting representatives of the other.

6.7 Meetings

6.8 The Integration Joint Board will make, and may subsequently amend, standing orders for the regulation of its procedure and business and all meetings of the Integration Joint Board shall be conducted in accordance with them.

7. Delegation of Functions

7.1 The functions that have been delegated by the Health Board to the Integration Joint Board are set out in Part 1 of Annex 1. The Services to which these functions relate are set out in Part 2 of Annex 1. The functions in Part 1 of Annex 1 have been delegated only to the extent that they relate to the services listed in Part 2 of Annex 1.

7.2 The functions that have been delegated by Inverclyde Council to the Integration Joint Board are set out in Part 1 of Annex 2. The Services to which these functions relate are set out in Part 2 of Annex 2.

8. Local Operational Delivery Arrangements

8.1 Responsibilities of the Integration Joint Board on behalf of the Parties

8.2 The remit of the Integration Joint Board is as set out in the Act and includes the following:-

- To prepare and implement a Strategic Plan in relation to the provision of the Integrated Services to adults and children, and criminal justice in the Inverclyde area in accordance with sections 29 to 48 of the Act.
- To allocate and manage the delegated budget in accordance with the Strategic Plan.
- The Integration Joint Board is responsible for the operational oversight of Integrated Services, and through the Chief Officer, is responsible for the operational management of the Integrated Services. These arrangements for the delivery of the Integrated Services will be conducted within an operational framework established by the Health Board and Council for their respective functions, ensuring both Parties can continue to discharge their governance responsibilities, in line with directions from the Integration Joint Board. The framework applies only to operational delivery.

8.3 The Integration Joint Board will put in place systems, procedures and resources to monitor, manage and deliver the Integrated Services.

8.4 The Integration Joint Board is operationally responsible for directing the delivery by the Parties of the functions and services. The Parties will provide reports to the Integration Joint Board on the delivery of the functions. The Integration Joint Board will respond to such reports, via directions to the Health Board and the Council in line with the Strategic Plan.

- 8.5 In accordance with Section 26 of the Act, the Integration Joint Board will direct the Council and the Health Board to carry out each function delegated to the Integration Joint Board. This will include Adult, Children and Families Health and Social Work Services and Criminal Justice Social Work Services. Payment will be made by the Integration Joint Board to the Parties to enable the delivery of these functions and services in accordance with the Strategic Plan.
- 8.6 Strategic Plan
- 8.7 The Integration Joint Board will maintain a representative Strategic Planning Group to develop and review the Strategic Plan. This will include assessing the potential impact of the Strategic Plan on the Strategic Plans of other integration authorities within the Health Board area.
- 8.8 The Parties will provide any necessary activity and financial data for services, facilities or resources that relate to the planned use of services provided by other Health Boards or within other local authority areas by people who live within Inverclyde.
- 8.9 The Parties commit to advise the Integration Joint Board where they intend to change service provision that will have an impact on the Strategic Plan.
- 8.10 Arrangements for emergency and Acute Services planning in the Health Board area will require joint planning with the other integration authorities within the Health Board area and the Health Board which retains operational responsibility for the delivery of these services.

9. Corporate Support

- 9.1 The Parties are committed to supporting the Integration Joint Board, providing resources for the professional, technical or administrative services required to support the development of the Strategic Plan and delivery of the Integrated Services
- 9.2 The existing planning, performance, quality assurance and development support arrangements and resources of the Parties will continue to be used as a model for the strategic support arrangements of the Integration Joint Board.
- 9.3 The arrangements for providing corporate support services will be subject to ongoing review within the annual budget setting and review processes for the Integration Joint Board.
- 9.4 The arrangements for providing these services will be subject to review aligned to the requirements of each Strategic Planning cycle, to ensure that undertakings within each Strategic Plan can be achieved, as part of the planning processes for the IJB and the Parties.
- 9.5 The Parties will provide the IJB with the corporate support services it requires to fully discharge its duties under the Act. The Parties will ensure that the Chief Officer is effectively supported and empowered to act on behalf of the IJB. This will include the Parties providing staff and resources to provide such support. In all circumstances, the direction of these corporate support services will be aligned to the governance and accountability arrangements of the functions being supported, as set out in this Scheme.
- 9.6 The Health Board will share with the IJB necessary activity and financial data for services, facilities and resources that relate to the planned use of services by service

users within the Health Board area for its service and for those provided by other Health Boards. Regional services are explicitly excluded.

- 9.7 The Council will share with the IJB necessary activity and financial data for services, facilities and resources that relate to the planned use of services by service users within Inverclyde for its services and for those provided by other councils.
- 9.8 The Parties agree to use all reasonable endeavours to ensure that the other Health Board area IJBs and any other relevant Integration Authority will share the necessary activity and financial data for services, facilities and resources that relate to the planned use by service users within the area of their Integration Authority.
- 9.9 The Parties shall ensure that their Officers acting jointly will consider the Strategic Plans of the other Health Board area IJBs to ensure that they do not prevent the Parties and the IJB from carrying out their functions appropriately and in accordance with the Integration Planning and Delivery Principles, and to ensure they contribute to achieving the National Health and Wellbeing Outcomes.
- 9.10 The Parties shall advise the IJB where they intend to change service provision of non-integrated services that will have a resultant impact on the Strategic Plan.

10. Performance Targets, Improvement Measures & Reporting Arrangements

10.1 The IJB will develop and maintain a Performance Management Framework in agreement with the Parties, which consists of a range of indicators and targets relating to those functions and services which have been delegated to the IJB. These will be consistent with national and local objectives and targets in order to support measurement of:

- i) the achievement of the National Health and Wellbeing Outcomes;

- ii) the Core Suite of National Integration Indicators;
- iii) the quality and performance of services delivered by the parties through direction by the IJB;
- iv) the overall vision of the partnership area and local priorities as set out within the Strategic Plan;
- v) the corporate reporting requirements of both parties; and
- vi) any other performance indicators and measures developed by the Scottish Government relating to delegated functions and services.

10.2 The Parties will provide the IJB with performance and statistical support resources, access to relevant data sources and will share all information required on services to permit analysis and reporting in line with the prescribed content as set out in regulations. The Council, Health Board and IJB will work together to establish a system of corporate accountability where the responsibility for performance targets is shared.

10.3 The Parties will provide support to the IJB, including the effective monitoring of targets and measures, in line with these arrangements and in support of the Performance Management Framework.

10.4 The Strategic Plan will be reviewed and monitored by the IJB in relation to these targets and measures. Where either of the Parties has targets, measures or arrangements for functions which are not delegated to the Integration Joint Board, but which are related to any functions that are delegated to the Integration Joint Board, these targets, measures and arrangements will be taken into account in the development, monitoring and review of the Strategic Plan.

10.5 The Performance Management Framework and associated reporting arrangements for the IJB will continue to be developed and reviewed regularly by the IJB and the

Parties, consistent with all national targets and reflective of all relevant statute and guidance.

10.6 The IJB will consider service quality, performance and impact routinely at its meetings and each year through its annual performance report, with associated reports also provided to the Parties.

10.7 The Parties and the Integration Joint Board are jointly responsible for the establishment of arrangements to:

- Create an organisational culture that promotes human rights and social justice; values partnership working through example; affirms the contribution of staff through the application of best practice including learning and development; and is transparent and open to innovation, continuous learning and improvement.
- Ensure that integrated clinical and care governance policies are developed and regularly monitor their effective implementation.
- Ensure that the rights, experience, expertise, interests and concerns of service users, carers and communities are central to the planning, governance and decision-making that informs quality of care.
- Ensure that transparency and candour are demonstrated in policy, procedure and practice.
- Deliver assurance that effective arrangements are in place to enable relevant health and social care professionals to be accountable for standards of care including services provided by the third and independent sector.
- Ensure that there is effective engagement with all communities and partners to ensure that local needs and expectations for health and care services and improved health and wellbeing outcomes are being met.

- Ensure that clear robust, accurate and timely information on the quality of service performance is effectively scrutinised and that this informs improvement priorities. This should include consideration of how partnership with the third and independent sector supports continuous improvement in the quality of health and social care service planning and delivery.
- Provide assurance on effective systems that demonstrate clear learning and improvements in care processes and outcomes.
- Provide assurance that staff are supported when they raise concerns in relation to practice that endangers the safety of service users and other wrongdoing in line with local policies for whistleblowing and regulatory requirements.
- Establish clear lines of communication and professional accountability from point of care to officers accountable for clinical and care governance. It is expected that this will include articulation of the mechanisms for taking account of professional advice, including validation of the quality of training and the training environment for all health and social care professionals' training, in order to be compliant with all professional regulatory requirements.
- Embed a positive, sharing and open organisational culture that creates an environment where partnership working, openness and communication are valued, staff supported, and innovation promoted.
- Provide a clear link between organisational and operational priorities; objectives and personal learning and development plans, ensuring that staff have access to the necessary support and education.
- Implement quality monitoring and governance arrangements that include compliance with professional codes, legislation, standards, guidance and

that these are regularly open to scrutiny. This must include details of how the needs of the most vulnerable people in communities are being met.

- Implement systems and processes to ensure a workforce with the appropriate knowledge and skills to meet the needs of the local population.
- Implement effective internal systems that provide and publish clear, robust, accurate and timely information on the quality of service performance.
- Develop systems to support the structured, systematic monitoring, assessment and management of risk.
- Implement a co-ordinated risk management, complaints, feedback and adverse events/incident system, ensuring that this focuses on learning, assurance and improvement.
- Lead improvement and learning in areas of challenge or risk that are identified through local governance mechanisms and external scrutiny.
- Develop mechanisms that encourage effective and open engagement with staff on the design, delivery, monitoring and improvement of the quality of care and services.
- Promote planned and strategic approaches to learning, improvement, innovation and development, supporting an effective organisational learning culture.

11. Clinical and Care Governance

11.1 Except as detailed in this Scheme, all strategic, planning and operational responsibility for Integrated Services is delegated from the Parties to the Integration Joint Board and its Chief Officer for operational responsibilities through the Service Delivery Framework.

11.2 The Parties and the Integration Joint Board are accountable for ensuring appropriate clinical and care governance arrangements for services provided in pursuance of integration functions in terms of the Act. The Parties and the Integration Joint Board are accountable for ensuring appropriate clinical and care governance arrangements for their duties under the Act. The Parties will have regard to the principles of the Scottish Government’s Clinical and Care Governance Framework including the focus on localities and service user and carer feedback.

The Parties will be responsible through commissioning and procurement arrangements for the quality and safety of services procured from the Third and Independent Sectors and to ensure that such Services are delivered in accordance with the Strategic Plan.

11.3 The quality of service delivery will be measured through performance targets, improvement measures and reporting arrangements designed to address organisational and individual care risks, promote continuous improvement and ensure that all professional and clinical standards, legislation and guidance are met. Performance monitoring arrangements will be included in commissioning or procurement from the Third and Independent Sectors.

11.4 The Parties will ensure that staff working in Integrated Services have the appropriate skills and knowledge to provide the appropriate standard of care. Managers will manage teams of Health Board staff, Council staff or a combination of both and will

promote best practice, cohesive working and provide guidance and development to the team. This will include effective staff supervision and implementation of staff support policies.

- 11.5 Where groups of staff require professional leadership, this will be provided by the relevant Health Lead or Chief Social Work Officer as appropriate.
- 11.6 The members of the Integration Joint Board will actively promote an organisational culture that supports human rights and social justice; values partnership working through example; affirms the contribution of staff through the application of best practice, including learning and development; and is transparent and open to innovation, continuous learning and improvement.
- 11.7 The Integration Joint Board will be responsible for operational oversight of Integrated Services, and through the Chief Officer, will be responsible for management of Integrated Services, except Acute Hospital Services on which the Chief Officer will work closely with the Chief Operating Officer for Acute Hospital Services and the Health Board will be responsible for management of acute services.
- 11.8 As detailed in section 12 of the Scheme, the Chief Officer will be an officer of, and advisor to, the Integration Joint Board. The Chief Officer's role is to provide a single senior point of overall strategic and operational advice to the Integration Joint Board and be a member of the Corporate Management Teams of the Parties. The Chief Officer will manage the Integrated Services.
- 11.9 The Parties will put in place structures and processes to support clinical and care governance, thus providing assurance on the quality of health and social care. A Clinical and Care Governance Group will be established, co-chaired by the Clinical

Director and Chief Social Work Officer and will report to and advise the Chief Officer and the Integration Joint Board, both directly and through the co-chairs also being members of the Strategic Planning Group and being non-voting members of the Integration Joint Board. The Clinical and Care Governance Group will contain representatives from the Parties and others including:

- The Senior Management Team of the Partnership;
- Clinical Director;
- Lead Nurse;
- Lead Allied Health Professional;
- Chief Social Work Officer;
- Service user and carer representatives; and
- Third Sector and Independent Sector representatives.

11.10 The Parties note that the Clinical and Care Governance Group may wish to invite appropriately qualified individuals from other sectors to join its membership as it determines, or as is required given the matter under consideration. This may include Health Board professional committees, managed care networks and Adult and Child Protection Committees.

11.11 The role of the Clinical and Care Governance Group will be to consider matters relating to Strategic Plan development, governance, risk management, service user feedback and complaints, standards, education, learning, continuous improvement and inspection activity.

11.12 The Clinical and Care Governance Group will provide advice to the strategic planning group, and locality groups within the Health and Social Care Partnership area. The strategic planning and locality groups may seek relevant advice directly from the Clinical and Care Governance Group.

- 11.13 The Integration Joint Board may seek advice on clinical and care governance directly from the Clinical and Care Governance Group. In addition, the Integration Joint Board may directly take into consideration the professional views of the registered health professionals and the Chief Social Work Officer.
- 11.14 The Chief Social Work Officer reports to the Council on the delivery of safe, effective and innovative social work services and the promotion of values and standards of practice. The Council confirms that its Chief Social Work Officer will provide appropriate professional advice to the Chief Officer and the Integration Joint Board in relation to statutory social work duties and make certain decisions in terms of the Social Work (Scotland) Act 1968. The Chief Social Work Officer will provide an annual report on care governance to the Integration Joint Board, including responding to scrutiny and improvement reports by external bodies such as the Care Inspectorate. In their operational management role, the Chief Officer will work with and be supported by the Chief Social Work Officer with respect to quality of Integrated Services within the Partnership in order to then provide assurance to the Integration Joint Board.

11.15 Further assurance is provided through:

- a) the responsibility of the Chief Social Work Officer to report directly to the Council, and the responsibility of the Clinical Director and Health Leads to report directly to the Health Board Medical Director and Nurse Director who in turn report to the Health Board on professional matters; and
- (b) the role of the Clinical Governance Committee of the Health Board which is to oversee healthcare governance arrangements and ensure that matters which have implications beyond the Integration Joint Board in relation to health, will be shared across the health care system. The Clinical Governance Committee will also provide professional guidance to the local Clinical and Care Governance Group as required.

11.16 The Chief Officer will take into consideration any decisions of the Council or Health Board which arise from 5.16 (a) or (b) above.

11.17 The Health Board Clinical Governance Committee, the Medical Director and Nurse Director may raise issues directly with the Integration Joint Board in writing and the Integration Joint Board will respond in writing to any issues so raised.

11.18 The relationships between the different components of clinical and care governance are represented in diagram form at Annex 3.

11.19 Professional Leadership

- 11.20 The Health Board will nominate professional leads to be members of the Integration Joint Board. The Integration Joint Board will appoint professional leads to the Strategic Planning Group, in compliance with Section 32 of the Act.
- 11.21 NHS professional leads will relate to the Health Board’s professional leads through formal network arrangements. The Health Board’s professional leads will also be able to offer advice to the Chief Officer and to the Integration Joint Board.
- 11.22 The Health Board’s Medical and Nursing Director roles support the Chief Officer and Integration Joint Board in relation to medical and nurse education and revalidation. The governance responsibilities of the Integration Joint Board and Chief Officer will also be supported by the Health Board’s equalities and child protection functions.

12. **Chief Officer**

- 12.1 The Chief Officer will be appointed by the Integration Joint Board upon consideration of the recommendation of an appointment panel selected by the Integration Joint Board to support the appointment process, which panel will include the Chief Executives of each Party as advisors. The Chief Officer will be employed by one of the Parties and will have an honorary contract with the non-employing party. The Chief Officer will be jointly line managed by the Chief Executives of the Health Board and the Council. This will ensure accountability to both Parties and support a system-wide approach by the Health Board across all of its component integration authorities, and strategic direction in line with the Council’s corporate priorities. The Chief Officer will be the accountable officer to the Integration Joint Board. The Chief Officer will become a non-voting member of the Integration Joint Board upon appointment to his/her role.

- 12.2 The Chief Officer will provide a single senior point of overall strategic and operational advice to the Integration Joint Board and be a member of the senior management teams of the Parties. As a member of both corporate management teams the Chief Officer will be able to influence policy and strategic direction of both Inverclyde Council and the Health Board from an integration perspective.
- 12.3 The Chief Officer will have delegated operational responsibility for delivery of Integrated Services, except Acute Hospital Services, with oversight from the Integration Joint Board. In this way the Integration Joint Board is able to have responsibility for both strategic planning and operational delivery. The operational delivery arrangements will operate within a framework established by the Health Board and the Council for their respective functions, ensuring both bodies can continue to discharge their governance responsibilities.
- 12.4 The Chief Officer will provide a strategic leadership role and be the point of joint accountability for the performance of services to the Integration Joint Board. The Chief Officer will be operationally responsible through an integrated management team for the delivery of Integrated Services within the resources available.
- 12.5 In the event that the Chief Officer is absent or otherwise unable to carry out his or her functions, the Chief Executives of the Health Board and the Council will, at the request of the Integration Joint Board, jointly appoint a suitable interim replacement.
- 12.6 “The Chief Officer will have day to day operational responsibility to monitor delivery of the services set out in Annexes 1 and 2, other than Acute Hospital Services on which the Chief Officer will work closely with the Chief Operating Officer for Acute Services. The IJB will have oversight of these operational management arrangements.

AND

“The IJB along with the other five IJBs in the Greater Glasgow and Clyde Health Board area will contribute to the strategic planning of Acute Hospital Services.”

12.7 The Council agrees that the relevant Council lead responsible for the local housing strategy will be required to routinely liaise with the Chief Officer in respect of the Integration Joint Board’s role in informing strategic planning for local housing as a whole and the delivery of housing support services delegated to the Integration Joint Board.

12.8 The Chief Officer will have accountability to the Integration Joint Board for Workforce Governance. The Integration Joint Board, through its governance arrangements, will establish formal structures to link with the Health Board’s Staff Governance Committee and the Council’s Staff Representative Forum.

13. **Workforce**

13.1 Sustained and successful delivery of Integrated Services is dependent on an engaged workforce whose skill mix adapts over time to respond to the clinical and care needs of the Inverclyde population. The Parties will work together to ensure effective leadership, management, support, learning and development across all staff groups. Staff employed in services whose functions have been delegated to the Integration Joint Board will retain their current employment status with either the Council or the Health Board and continue with the terms and conditions of their current employer. The Partnership will report on HR and wider Workforce governance matters to the Parties through their appropriate governance and Management Structures, including in relation to the Equality Act.

13.2 The Parties agree that Workforce Governance is a system of corporate accountability for the fair and effective management of staff. Staff managing functions within the IJB have a responsibility for managing staff employed by NHS GGC and (Inverclyde) Council and will therefore ensure that partner organisation governance standards are explicitly applied, and staff are:

- Well Informed
- Appropriately trained and developed.
- Involved in decisions.
- Treated fairly and consistently with dignity and respect in an environment where diversity is valued.
- Provided with a continually improving and safe working environment promoting the health and wellbeing of staff, patients/clients and the wider community.

13.3 The Chief Officer, on behalf of the Parties, will maintain a Workforce Plan describing the current shape and size of the workforce, how this will develop as services become more integrated, and what actions will need to be taken to achieve the necessary changes in workforce and skills mix. This is linked to an Organisational Development Plan that builds on the cultural integration that has already taken place, bringing health and social care values closer together through integrated teams and management arrangements, and underpinned by our vision and values as noted at Paragraph 2 of the Scheme.

13.4 The Parties are committed to ensuring their staff involved in health and social care service delivery have the necessary training, skills and knowledge to provide the people of Inverclyde with the highest quality services. The Parties recognise that their staff are well placed to identify how improvements can be made to services and will

continue to work together and with their staff to develop, establish and review plans for:

- (a) Workforce planning and development;
- (b) Organisational development;
- (c) Learning and development of staff; and
- (d) Engagement of staff and development of a healthy organisational culture.

- 13.5 The Chief Officer will receive advice from Human Resources and Organisational Development professionals who will work together to support the implementation of integration and provide the necessary expertise and advice as required. They will work collaboratively with staff, managers, staff side representatives and trade unions to ensure a consistent approach which is fair and equitable.
- 13.6 The Parties will report on workforce governance matters to the Chief Officer and the Integration Joint Board through their appropriate governance and management structures. In addition, the Parties will establish formal structures to link the Health Board's area partnership forum and the Council's joint consultative forum with any joint staff forum established by the Integration Joint Board.
- 13.7 A Joint Staff Forum will act as a formal consultative body for the workforce. The Forum is founded on the principle that staff and staff organisations will be involved at an early stage in decisions affecting them, including in relation to service change and development. These Partnership arrangements will meet the required national standards and link to both the Health Board and Council's staff consultative arrangements.

14. Finance

Introduction

- 14.1 This clause sets out the arrangements in relation to the determination of the amounts to be paid, or set aside, and their variation, to the Integration Joint Board from the Council and the Health Board.
- 14.2 The Chief Finance Officer will be the Accountable Officer for financial management, governance and administration of the Integration Joint Board. This includes accountability to the Integration Joint Board for the planning, development and delivery of the Integration Joint Board's financial strategy and responsibility for the provision of strategic financial advice and support to the Integration Joint Board and Chief Officer.

Budgets

- 14.3 Delegated baseline budgets were subject to due diligence in the shadow year of the Integration Joint Board. These were based on a review of recent past performance and existing and future financial forecasts for the Health Board and the Council for the functions which were delegated. In the case of any additional functions to be delegated to the Integration Joint Board, after the original date of integration, these services will also be the subject of due diligence, based on a review of recent past performance and existing and future financial forecasts for the Board and the Council for the functions which are to be delegated. This is required to gain assurance that the associated delegated budgets will be sufficient for the Integration Joint Board to fund these additional delegated functions. In the event that functions currently delegated are to be removed, this will require prior agreement between the parties and the Integrated Joint Board and will also be subject to due diligence.
- 14.4 The Chief Finance Officer will develop a draft proposal for the Integrated Budget based on the Strategic Plan and forecast pressures and present it to the Council and the Health Board for consideration as part of their respective annual budget setting

process. The draft proposal, including impact assessment, will incorporate assumptions on the following:

- Activity changes
- Cost inflation
- Efficiencies and savings
- Performance against outcomes
- Legal requirements
- Transfer to or from the amounts set aside by the Health Board

This will allow the Council and the Health Board to determine the final approved budget for the Integration Joint Board. This should be formally advised in writing by the respective Directors of Finance to the Integration Joint Board by 1 March each year unless otherwise agreed by the Parties and the Integration Joint Board

14.5 The draft budget should be evidence based with full transparency on its assumptions which should include:

- Pay Awards
- Contractual uplift
- Prescribing
- Resource transfer
- Ring fenced funds.
- Reserve Balances

In the case of demographic shifts and volume, the Chief Finance Officer will evaluate financial impact in respect of the service which each of the Parties has delegated to the Integration Joint Board. In these circumstances the consequential impact will be incorporated into the draft proposals submitted by the Chief Finance Officer and considered by each Party as part of their budget deliberations each year.

14.6 Any material in-year budget changes proposed by either Party must be agreed by the Integration Joint Board. Parties may increase the payment in year to the Integration Joint Board for supplementary allocations in relation to the delegated services agreed for the Integration Joint Board, which could not have been reasonably foreseen at the time the Integration Joint Board budget for the year was agreed.

14.7 The Integration Joint Board will approve a budget and provide direction to the Parties by 31st March each year regarding the functions that are being delivered, how they are to be delivered and the resources to be used in delivery.

Set Aside Budgets

14.8 The Integration Joint Board has strategic planning responsibility along with the Health Board for Set Aside.

14.9 The method for determining the amount set aside for hospital services will follow the initial guidance issued by the Integrated Resources Advisory Group and be based on the notional direct costs for the relevant populations use of in scope hospital services as provided by the Information Services Division (ISD) Scotland. The NHS Board Director of Finance and Integration Joint Board Chief Financial Officer will keep under review developments in national data sets or local systems that might allow more timely or more locally responsive information, and if enhancements can be made, propose this to the Integration Joint Board. A joint strategic commissioning plan will be developed and will be used to determine the flow of funds as activity changes: -

- Planned changes in activity and case mix due to interventions in the Joint Strategic Commissioning Plan;
- Projected activity and case mix changes due to changes in population need;

- Analysis of the impact on the affected hospital budget, taking into account cost-behaviour i.e. the lag between changes in capacity and the impact on resources

14.10 The process for making adjustments to the set aside resource to reflect variances in performance against plan will be agreed by the Integration Joint Board and the Health Board. Changes in relation to set aside will not be made in year and any changes will be made by annual adjustments to the Notional Budget of the Integration Joint Board.

Budget Management

14.11 The Integration Joint Board will direct the resources it receives from the Parties in line with the Strategic Plan, and in doing so will seek to ensure that the planned activity can reasonably be met from the available resources viewed as a whole and achieve a year-end break-even position.

Budget Variance

14.12 The Chief Officer will deliver the outcomes within the total delegated resources and where there is a forecast overspend, the Chief Officer should take immediate and appropriate remedial action to endeavour to prevent the overspend and to instruct an appropriate action. If this does not resolve the overspend position, then the Chief Officer, the Chief Finance Officer of the Integration Joint Board and the appropriate finance officers of the Parties must agree a recovery plan to balance the overspending budget, which recovery plan shall be subject to the approval of the Integration Joint Board. In the event that the recovery plan is unsuccessful and an overspend materialises at the year-end, uncommitted reserves held by the Integration Joint Board, in line with the reserves policy, would firstly be used to address any overspend. If after application of reserves an overspend remains the Parties may consider making additional funds available, on a basis to be agreed, by the parties, taking into account the nature and circumstances of the overspend, with clearly defined repayment in future years on the basis of the revised recovery plan agreed by the Parties and the

Integration Joint Board at the point the additional funds are accepted. If the revised plan cannot be agreed by the Parties, or is not approved by the Integration Joint Board, mediation will require to take place in line with the dispute resolution arrangements set out in this Scheme.

14.13 Where an underspend materialises against the agreed budget, with the exception of ring-fenced budgets, this will be retained by the Integration Joint Board will be used to either fund additional capacity in-year in line with its Strategic Plan or be carried forward to fund capacity in subsequent years of the Strategic Plan subject to the terms of the Integration Joint Board’s Reserves Strategy.

Unplanned Costs

- 14.14 Neither Party may reduce the payment in-year to the Integration Joint Board to meet exceptional unplanned costs within either the Council or the Health Board without the express consent of the Integration Joint Board and the other Party.

Accounting Arrangements and Annual Accounts

- 14.15 Recording of all financial information in respect of the Integration Joint Board will be in the financial ledger of the Council.
- 14.16 Any transaction specific to the Integration Joint Board e.g. expenses, will be processed via the Council ledger, with specific funding being allocated by the Integration Joint Board to the Council for this.
- 14.17 The transactions relating to operational delivery will continue to be reflected in the financial ledgers of the Council and Health Board with the information from both sources being consolidated for the purposes of reporting financial performance to the Integration Joint Board.
- 14.18 The Chief Officer and Chief Finance Officer will be responsible for the preparation of the annual accounts and financial statement in line with proper accounting practice, and financial elements of the Strategic Plan and such other reports that the Integration Joint Board might require. The Integration Joint Board Chief Finance Officer will provide reports to the Chief Officer on the financial resources used for operational delivery and strategic planning. In order to agree the in-year transactions and year-end balances between the Council, Health Board and Integration Joint Board, the Integration Joint Board Chief Finance Officer will engage with the Directors of Finance of the Council and Health Board to agree an appropriate process.

- 14.19 Regular financial monitoring reports will be issued by the Integration Joint Board Chief Finance Officer to the Chief Officer in line with timescales agreed by the Parties. Financial Reports will include subjective and objective analysis of budgets and actual/projected outturn, including in year movement on reserves and such other financial monitoring reports as the Integration Joint Board might require.
- 14.20 The Integration Joint Board will receive a minimum of four financial reports during each financial year. This will include reporting on the Acute Hospital Services activity and estimated cost against Set Aside Budgets.

Payments between the Council and the Health Board

- 14.21 The schedule of payments to be made in settlement of the payment due to the Integration Joint Board will be Resource Transfer, virement between Parties and the net difference between payments made to the Integration Joint Board and resources delegated by the Integration Joint Board will be transferred between agencies initially in line with existing arrangements, with a final adjustment on closure of the Annual Accounts. Future arrangements may be changed by local agreement.

Hosted Services

- 14.22 Some of the functions that are delegated by the Health Board to all six Integration Joint Boards are provided as part of a single Glasgow and Clyde wide service, referred to below as “Hosted Services.” Integration Joint Boards are required to account for the activity and associated costs for all Hosted Services across their population using a methodology agreed by all partner Integration Joint Boards.
- 14.23 Within Greater Glasgow and Clyde, each Integration Joint Board can have operational responsibilities for services, which it hosts on behalf of other Integration Joint Boards. This includes the strategic planning for these services on behalf of other Integration

Joint Boards. Integration Joint Boards planning to make significant changes to Hosted Services which increase or decrease the level of service available in specific localities or service wide will consult with NHS Greater Glasgow and Clyde and the other Integration Joint Boards affected prior to implementing any significant change.

Capital Assets and Capital Planning

14.24 Capital and assets and the associated running costs will continue to sit with the Parties unless otherwise agreed by the Party and the Integrated Joint Board. The Integration Joint Board will require to develop a business case for any planned investment or change in use of assets for consideration by the Parties. The funding model will be agreed and approved with all relevant parties.

15. Communication and Engagement

15.1 Consultation on the Integration Scheme has taken place. The stakeholders consulted in the development of the revised Scheme include:

- a) Stakeholders as prescribed in the Public Bodies (Joint Working) (Prescribed Consultees) (Scotland) Regulations 2014
- b) Local authorities within the Health Board catchment area

15.2 Both Parties will commit to communicating and engaging with local communities in an effective and meaningful way, in line with relevant legislation, statutory guidance and best practice principles, so that our communities, their families and carers are always at the heart of everything we do.

- 15.3 The Inverclyde Communications and Engagement Strategy provides a framework for the Parties to work to, provides governance and accountability, ensures standards are established and all activities are aligned to these, and we build in credible processes that communities not only feel part of but can own in partnership with the Partnership.
- 15.4 As a result of the Review of Progress with Integration of Health and Social Care and Audit Scotland’s progress report on integration, the Ministerial Strategic Group for Health and Community Care has agreed that guidance be developed jointly by the Scottish Government and COSLA based on good practice. This guidance is currently under development and will replace statutory guidance currently in place for all Health Boards. Both Parties will need to take cognisance of said guidance in due course.
- 15.5 The Inverclyde Communications and Engagement Strategy was approved by the Integration Joint Board in January 2022 and is subject to review July 2024.

16. Information-Sharing and Data Handling

- 16.1 The Parties have, along with all local authorities in the Health Board area, agreed to an Information Sharing Protocol. The Protocol is subject to ongoing review and positively encourages staff to share information appropriately about their service users when it benefits their care and when it is necessary to protect vulnerable adults or children.
- 16.2 The Parties are also bound by a joint local Information Sharing Protocol which has been developed from existing information sharing and data handling arrangements between the Parties and will set out the principles under which information sharing will be carried out.

- 16.3 The Parties will also continue to work together to agree the specific procedures for the sharing of information for any purpose connected to the carrying out of integration functions. These procedures will include the detailed arrangements, practical policies, designated responsibilities and any additional requirements.
- 16.4 Information Sharing Protocols have been ratified by the Parties and may be amended or replaced by agreement of the Parties and the Integration Joint Board.
- 16.5 The Parties will continue to develop information technology systems and procedures to enable information to be shared appropriately and effectively between the Parties and the Integration Joint Board.
- 16.6 The Chief Officer will continue to ensure appropriate arrangements are in place in respect of information governance.

17. **Complaints**

The Parties agree the following arrangements in respect of complaints.

- 17.1 The Chief Officer will have overall responsibility for ensuring that an effective and efficient complaints system operates within the Integration Joint Board.
- 17.2 The Health Board and the Council will retain separate complaints policies and procedures reflecting distinct statutory requirements: the Patient Rights (Scotland) Act 2011 makes provisions for complaints about NHS services; and the Social Work (Scotland) Act 1968 makes provisions for the complaints about social care services.
- 17.3 The Parties agree that as far as possible complaints will be dealt with by front

line staff. Thereafter the existing complaints procedures of the Parties provide a formal process for resolving complaints. Complaints can be made by patients, service users and customers or their nominated representatives using a range of methods including an online form, face to face contact, in writing and by telephone. A decision regarding the complaint will be provided as soon as possible and will be no more than 20 working days, unless there is good reason for requiring more time and this reason is communicated to the complainant. If the complainant remains dissatisfied, an internal review might be offered if appropriate. If the complainant still remains dissatisfied, the final stage will be the consideration of complaints by the Scottish Public Services Ombudsman (SPSO).

17.4 Where a complaint is made direct to the Integration Joint Board or the Chief Officer, the Chief Officer shall follow the relevant processes and timescales of the complaint's procedure of the appropriate Party as determined by the nature of the complaint and the associated functions.

17.5 Complaints will be processed depending on the subject matter of the complaint made. Where a complaint relates to multiple services the matters complained about will be processed, so far as possible, as a single complaint with one response from the Integration Joint Board. Where a joint response to a complaint is not possible or appropriate this will be explained to the complainant who will receive separate responses from the services concerned. Where a complainant is dissatisfied with a joint response, then matters will be dealt with under the respective review or appeal mechanisms of either party, and thereafter dealt with entirely separately.

17.6 The Parties agree to work together and to support each other to ensure that all

complaints that require input from both Parties are handled in a timely manner. Details of the complaint's procedures will be provided on line, in complaints literature and on posters. Clear and agreed timescales for responding to complaints will be provided.

17.7 If a service user is unable, or unwilling to make a complaint directly, complaints will be accepted from a representative who can be a friend, relative or an advocate, so long as the representative can demonstrate that the service user has authorised that person to act on behalf of the service user.

17.8 The Parties will produce a joint complaints report on an annual basis for consideration by the Integration Joint Board. This report will include details of the number and nature of complaints, and the proportion of complaints responded to within the agreed timescales.

17.9 The means through which a complaint should formally be made regarding Integrated Services and the appropriate member of staff within the Health & Social Care Partnership to whom a complaint should be made will be detailed on the Parties' websites and made available in paper copies within premises.

18. **Claims Handling, Liability & Indemnity**

18.1 The Council and the Health Board agree that they will manage and settle claims in accordance with common law of Scotland and statute.

18.2 The Parties will establish indemnity cover for integrated arrangements.

19. Risk Management

19.1 The IJB will have in place a risk management policy and strategy that will demonstrate a considered, practical and systemic approach to identifying risks, forecasting the likelihood and impact of these risks to service delivery and taking action to mitigate them. This particularly includes those related to the IJB’s delivery of the Strategic Plan.”

A Risk Management Policy and Strategy was agreed by the Integration Joint Board in August 2016 which is subject to regular review.

19.2 The Parties will support the Chief Officer and the Integration Joint Board with relevant specialist advice, (such as internal audit, clinical and non-clinical risk managers and health and safety advisers).

19.3 The Chief Officer will have overall accountability for risk management ensuring that suitable and effective arrangements are in place to manage the risks relating to the functions within the scope of the Integration Joint Board. The Chief Officer working with the Chief Executives of the Parties will review existing strategic and operational risk registers on a six-monthly basis, identify the appropriate risks to move to the shared risk register and agree mitigations.

20. Dispute Resolution Mechanism

20.1 Where either of the Parties fails to agree with the other on any issue related to this Scheme, then they will follow the undernoted process:

- a) The Chief Executives of the Parties will meet to resolve the issue;
- b) If unresolved, the Parties will each prepare a written note of their position on the issue and exchange it with the others for their consideration within 10 working days of the date of the decision to proceed to written submissions.
- c) In the event that the issue remains unresolved following consideration of written submissions, the Chief Executives of the Parties, the Chair of the Health Board and the Leader of the Council will meet to appoint an independent mediator and the matter will proceed to mediation with a view to resolving the issue.

20.2 Where the issue remains unresolved after following the processes outlined in (a)-(c) above, the Parties agree the following process to notify Scottish Ministers that agreement cannot be reached: the Chief Executives of the Parties, and the Chief Officer will jointly make a written application to Scottish Ministers stating the issues in dispute and requesting that the Scottish Ministers give directions.

Annex 1

Part 1

Functions Delegated by the Health Board to the Integration Joint Board.

<i>Column A</i>	<i>Column B</i>
<p>The National Health Service (Scotland) Act 1978 All functions of Health Boards conferred by, or by virtue of, the National Health Service (Scotland) Act 1978.</p>	<p>Except functions conferred by or by virtue of—</p> <ul style="list-style-type: none"> section 2(7) (Health Boards); section 2CB (functions of Health Boards outside Scotland); section 9 (local consultative committees); section 17A (NHS contracts); section 17C (personal medical or dental services); section 17I (use of accommodation); section 17J (Health Boards' power to enter into general medical services contracts); section 28A (remuneration for Part II services); section 48 (residential and practice accommodation); section 55 (hospital accommodation on part payment); section 57 (accommodation and services for private patients); section 64 (permission for use of facilities in private practice); section 75A (remission and repayment of charges and payment of travelling expenses); section 75B (reimbursement of the cost of services provided in another EEA state); section 75BA (reimbursement of the cost of services provided in another EEA state where expenditure is incurred on or after 25 October 2013); section 79 (purchase of land and moveable property); section 82 use and administration of certain endowments and other property held by Health Boards); section 83 (power of Health Boards and local health councils to hold property on trust); section 84A (power to raise money, etc., by appeals, collections etc.);

*Column A**Column B*

section 86 (accounts of Health Boards and the Agency);

section 88 (payment of allowances and remuneration to members of certain bodies connected with the health services);

section 98 (charges in respect of non-residents);

and paragraphs 4, 5, 11A and 13 of Schedule 1 (Health Boards).

and functions conferred by—

The National Health Service (Clinical Negligence and Other Risks Indemnity Scheme) (Scotland) Regulations 2000;

The Health Boards (Membership and Procedure) (Scotland) Regulations 2001,

The National Health Service (Primary Medical Services Performers Lists) (Scotland) Regulations 2004;

The National Health Service (Primary Medical Services Section 17C Agreements) (Scotland) Regulations 2004)

The National Health Service (General Ophthalmic Services) (Scotland) Regulations 2006;

The National Health Service (Discipline Committees) (Scotland) Regulations 2006;

The National Health Service (Appointment of Consultants) (Scotland) Regulations 2009;

The National Health Service (Pharmaceutical Services) (Scotland) Regulations 2009; and

The National Health Service (General Dental Services) (Scotland) Regulations 2010.

The National Health Service (Free Prescriptions and Charges for Drugs and Appliances) (Scotland) Regulations 2011

Disabled Persons (Services, Consultation and Representation) Act 1986

Section 7

(persons discharged from hospital)

<i>Column A</i>	<i>Column B</i>
<p>Community Care and Health (Scotland) Act 2002</p> <p>All functions of Health Boards conferred by, or by virtue of, the Community Care and Health (Scotland) Act 2002.</p>	
<p>Mental Health (Care and Treatment) (Scotland) Act 2003</p> <p>All functions of Health Boards conferred by, or by virtue of, the Mental Health (Care and Treatment) (Scotland) Act 2003.</p>	<p>Except functions conferred by:</p> <p>section 22 (approved medical practitioners);</p> <p>section 34 (inquiries under section 33: cooperation)</p> <p>section 38 (duties on hospital managers: examination, notification etc.);</p> <p>section 46 (hospital managers' duties: notification);</p> <p>section 124 (transfer to other hospital);</p> <p>section 228 (request for assessment of needs: duty on local authorities and Health Boards);</p> <p>section 230 (appointment of patient's responsible medical officer);</p> <p>section 260 (provision of information to patient);</p> <p>section 264 (detention in conditions of excessive security: state hospitals);</p> <p>section 267 (orders under sections 264 to 266: recall);</p> <p>section 281 (correspondence of certain persons detained in hospital);</p> <p>and functions conferred by—</p> <p>The Mental Health (Safety and Security) (Scotland) Regulations 2005;</p> <p>The Mental Health (Cross border transfer: patients subject to detention requirement or otherwise in hospital) (Scotland) Regulations 2005;</p> <p>The Mental Health (Use of Telephones) (Scotland) Regulations 2005; and</p> <p>The Mental Health (England and Wales Crossborder transfer:</p>

<i>Column A</i>	<i>Column B</i>
<p>Education (Additional Support for Learning) (Scotland) Act 2004</p> <p>Section 23</p> <p>(other agencies etc. to help in exercise of functions under this Act)</p>	<p>patients subject to requirements other than detention) (Scotland) Regulations 2008.</p>
<p>Public Services Reform (Scotland) Act 2010</p> <p>All functions of Health Boards conferred by, or by virtue of, the Public Services Reform (Scotland) Act 2010.</p>	<p>Except functions conferred by—</p> <p>section 31(Public functions: duties to provide information on certain expenditure etc.); and</p> <p>section 32 (Public functions: duty to provide information on exercise</p>
<p>Patient Rights (Scotland) Act 2011</p> <p>All functions of Health Boards conferred by, or by virtue of, the Patient Rights (Scotland) Act 2011.</p>	<p>Except functions conferred by The Patient Rights (complaints Procedure and Consequential Provisions) (Scotland) Regulations 2012/36.</p>
<p>Functions prescribed for the purposes of section 1(8) of the Public Bodies (Joint Working) (Scotland) Act 2014</p>	

<i>Column A</i>	<i>Column B</i>
<p>The National Health Service (Scotland) Act 1978</p> <p>All functions of Health Boards conferred by, or by virtue of, the National Health Service (Scotland) Act 1978</p>	<p>Except functions conferred by or by virtue of—</p> <p>section 2(7) (Health Boards);</p> <p>section 2CB (functions of Health Boards outside Scotland);</p> <p>section 9 (local consultative committees);</p> <p>section 17A (NHS contracts);</p> <p>section 17C (personal medical or dental services);</p> <p>section 17I (use of accommodation);</p>

<i>Column A</i>	<i>Column B</i>
	<p>section 17J (Health Boards' power to enter into general medical services contracts);</p> <p>section 28A (remuneration for Part II services);</p> <p>section 38 (care of mothers and young children);</p> <p>section 38A (breastfeeding);</p> <p>section 39 (medical and dental inspection, supervision and treatment of pupils and young persons);</p> <p>section 48 (residential and practice accommodation);</p> <p>section 55 (hospital accommodation on part payment);</p> <p>section 57 (accommodation and services for private patients);</p> <p>section 64 (permission for use of facilities in private practice);</p> <p>section 75A (remission and repayment of charges and payment of travelling expenses);</p> <p>section 75B (reimbursement of the cost of services provided in another EEA state);</p> <p>section 75BA (reimbursement of the cost of services provided in another EEA state where expenditure is incurred on or after 25 October 2013);</p> <p>section 79 (purchase of land and moveable property);</p> <p>section 82 use and administration of certain endowments and other property held by Health Boards);</p> <p>section 83 (power of Health Boards and local health councils to hold property on trust);</p> <p>section 84A (power to raise money, etc., by appeals, collections etc.);</p> <p>section 86 (accounts of Health Boards and the Agency);</p> <p>section 88 (payment of allowances and remuneration to members of certain bodies connected with the health services);</p> <p>section 98 (charges in respect of non-residents); and</p> <p>paragraphs 4, 5, 11A and 13 of Schedule 1 to the Act (Health Boards);</p> <p>and functions conferred by—</p> <p>The National Health Service (Charges to Overseas Visitors) (Scotland) Regulations 1989</p> <p>The Health Boards (Membership and Procedure) (Scotland)</p>

Column A	Column B
	<p>Regulations 2001/302;</p> <p>The National Health Service (Clinical Negligence and Other Risks Indemnity Scheme) (Scotland) Regulations 2000;</p> <p>The National Health Service (Primary Medical Services Performers Lists) (Scotland) Regulations 2004;</p> <p>The National Health Service (Primary Medical Services Section 17C Agreements) (Scotland) Regulations 2004;</p> <p>The National Health Service (Discipline Committees) (Scotland) Regulations 2006;</p> <p>The National Health Service (General Ophthalmic Services) (Scotland) Regulations 2006;</p> <p>The National Health Service (Pharmaceutical Services) (Scotland) Regulations 2009;</p> <p>The National Health Service (General Dental Services) (Scotland) Regulations 2010; and</p> <p>The National Health Service (Free Prescriptions and Charges for Drugs and Appliances) (Scotland) Regulations 2011.</p>
<p>Disabled Persons (Services, Consultation and Representation) Act 1986 Section 7 (persons discharged from hospital)</p>	
<p>Community Care and Health (Scotland) Act 2002 All functions of Health Boards conferred by, or by virtue of, the Community Care and Health (Scotland) Act 2002.</p>	
<p>Mental Health (Care and Treatment) (Scotland) Act 2003 All functions of Health Boards conferred by, or by virtue of, the Mental Health (Care and Treatment) (Scotland) Act 2003.</p>	<p>Except functions conferred by—</p> <p>section 22 (approved medical practitioners);</p> <p>section 34 (inquiries under section 33: cooperation)</p> <p>section 38 (duties on hospital managers: examination, notification etc.);</p> <p>section 46 (hospital managers' duties: notification);</p> <p>section 124 (transfer to other hospital);</p> <p>section 228 (request for assessment of needs: duty on local authorities and Health Boards);</p>

Column A	Column B
	<p>section 230 (appointment of patient's responsible medical officer);</p> <p>section 260 (provision of information to patient);</p> <p>section 264 (detention in conditions of excessive security: state hospitals);</p> <p>section 267 (orders under sections 264 to 266: recall);</p> <p>section 281 (correspondence of certain persons detained in hospital);</p> <p>and functions conferred by—</p> <p>The Mental Health (Safety and Security) (Scotland) Regulations 2005;</p> <p>The Mental Health (Cross border transfer: patients subject to detention requirement or otherwise in hospital) (Scotland) Regulations 2005;</p> <p>The Mental Health (Use of Telephones) (Scotland) Regulations 2005;</p> <p>and</p> <p>The Mental Health (England and Wales Crossborder transfer: patients subject to requirements other than detention) (Scotland) Regulations 2008.</p>
<p>Education (Additional Support for Learning) (Scotland) Act 2004 Section 23 (other agencies etc. to help in exercise of functions under this Act)</p>	
<p>Public Services Reform (Scotland) Act 2010 All functions of Health Boards conferred by, or by virtue of, the Public Services Reform (Scotland) Act 2010</p>	<p>Except functions conferred by—</p> <p>section 31(public functions: duties to provide information on certain expenditure etc.); and</p> <p>section 32 (public functions: duty to provide information on exercise of functions).</p>
<p>Patient Rights (Scotland) Act 2011 All functions of Health Boards conferred by, or by virtue of, the Patient Rights (Scotland) Act 2011</p>	<p>Except functions conferred by The Patient Rights (complaints Procedure and Consequential Provisions) (Scotland) Regulations 2012/36.</p>
<p>Carers (Scotland) Act 2016 Section 12 (Duty to prepare young carer statement)</p>	

Column A

Column B

Section 31
(Duty to prepare local carer strategy)

Part 2

Services delegated by the Health Board to the Integration Joint Board

- Accident and Emergency services provided in a hospital.
- Inpatient hospital services relating to the following branches of medicine: -
 - Geriatric medicine;
 - Rehabilitation medicine (age 65+);
 - Respiratory medicine (age 65+); and
 - Psychiatry of learning disability (all ages).
 -
- Palliative care services provided in a hospital.
- Services provided in a hospital in relation to an addiction or dependence on any substance.
- Mental health services provided in a hospital, except secure forensic mental health services.
- Services provided by allied health professionals in an outpatient department, clinic, or outwith a hospital.
- Health Visiting
- School Nursing
- Speech and Language Therapy
- Specialist Health Improvement
- Community Children’s Services
- CAMHS
- District Nursing services
- The public dental service.
- Primary care services provided under a general medical services contract,
- General dental services
- Ophthalmic services
- Pharmaceutical services
- Services providing primary medical services to patients during the out-of-hours period.
- Services provided out with a hospital in relation to geriatric medicine.
- Palliative care services provided out with a hospital.
- Community learning disability services.
- Rehabilitative Services provided in the community.
- Mental health services provided out with a hospital.
- Continence services provided out with a hospital.
- Kidney dialysis services provided out with a hospital.
- Services provided by health professionals that aim to promote public health.

- Sexual Health Services
- Prison and Police Custody Healthcare

Annex 2

Part 1

Functions Delegated by the Council to the Integration Joint Board

Column A Enactment conferring function	Column B Limitation
National Assistance Act 1948	
Section 45 (Recovery in cases of misrepresentation or non-disclosure)	
Section 48 (Duty of councils to provide temporary protection for property of persons admitted to hospitals etc.)	
Disabled Persons (Employment) Act 1958	
Section 3 (Provision of sheltered employment by local authorities)	
Matrimonial Proceedings (Children) Act 1958	
Section 11 (Reports as to arrangements for future care and upbringing of children)	
Social Work (Scotland) Act 1968	
Section 1 (Local authorities for the administration of the Act.)	So far as it is exercisable in relation to another integration function.
Section 4 (Provisions relating to performance of functions by local authorities.)	So far as it is exercisable in relation to another integration function.
Section 6B (Local authority inquiries into matters affecting children)	
Section 8 (Research.)	So far as it is exercisable in relation to another integration function.
Section 10 (Financial and other assistance to voluntary organisations etc. for social work.)	So far as it is exercisable in relation to another integration function.
Section 12 (General social welfare services of local authorities.)	Except in so far as it is exercisable in relation to the provision of housing support services.
Section 12A (Duty of local authorities to assess needs.)	So far as it is exercisable in relation to another integration function.

Column A Enactment conferring function	Column B Limitation
Section 12AZA (Assessments under section 12A - assistance)	So far as it is exercisable in relation to another integration function.
Section 13 (Power of local authorities to assist persons in need in disposal of produce of their work.)	
Section 13ZA (Provision of services to incapable adults.)	So far as it is exercisable in relation to another integration function.
Section 13A (Residential accommodation with nursing.)	
Section 13B (Provision of care or aftercare.)	
Section 14 (Home help and laundry facilities.)	
Section 27 (supervision and care of persons put on probation or released from prison etc.)	
Section 27 ZA (advice, guidance and assistance to persons arrested or on whom sentence deferred)	
Section 28 (Burial or cremation of the dead.)	So far as it is exercisable in relation to persons cared for or assisted under another integration function.
Section 29 (Power of local authority to defray expenses of parent, etc., visiting persons or attending funerals.)	
Section 59 (Provision of residential and other establishments by local authorities and maximum period for repayment of sums borrowed for such provision.)	So far as it is exercisable in relation to another integration function.
Section 78A (Recovery of contributions).	
Section 80 (Enforcement of duty to make contributions.)	
Section 81 (Provisions as to decrees for aliment)	
Section 83 (Variation of trusts)	
Section 86 (Recovery of expenditure incurred in the provisions of accommodation, services, facilities or payments for persons ordinarily resident in the area of another local authority from the other local authority)	

Column A Enactment conferring function	Column B Limitation
Children Act 1975	
Section 34 (Access and maintenance)	
Section 39 (Reports by local authorities and probation officers.)	
Section 40 (Notice of application to be given to local authority)	
Section 50 (Payments towards maintenance of children)	
The Local Government and Planning (Scotland) Act 1982	
Section 24(1) (The provision of gardening assistance for the disabled and the elderly.)	
Health and Social Services and Social Security Adjudications Act 1983	
Section 21 (Recovery of sums due to local authority where persons in residential accommodation have disposed of assets)	
Section 22 (Arrears of contributions charged on interest in land in England and Wales)	
Section 23 (Arrears of contributions secured over interest in land in Scotland)	
Foster Children (Scotland) Act 1984	
Section 3 (Local authorities to ensure well-being of and to visit foster children)	
Section 5 (Notification by persons maintaining or proposing to maintain foster children)	
Section 6 (Notification by persons ceasing to maintain foster children)	
Section 8 (Power to inspect premises)	
Section 9 (Power to impose requirements as to the keeping of foster children)	

Column A Enactment conferring function	Column B Limitation
Section 10 (Power to prohibit the keeping of foster children)	
Disabled Persons (Services, Consultation and Representation) Act 1986	
Section 2 (Rights of authorised representatives of disabled persons.)	
Section 3 (Assessment by local authorities of needs of disabled persons.)	
Section 7 (Persons discharged from hospital.)	In respect of the assessment of need for any services provided under functions contained in welfare enactments within the meaning of section 16 and which are integration functions
Section 8 (Duty of local authority to take into account abilities of carer.)	In respect of the assessment of need for any services provided under functions contained in welfare enactments (within the meaning set out in section 16 of that Act) which are integration functions.
Housing (Scotland) Act 1987	
Part II (Homeless Persons)	
Housing (Scotland) Act 2001	
Section 1 (Homelessness strategies)	
Section 2 (Advice on homelessness etc.)	
Section 5 (Duty of registered social landlord to provide accommodation)	
Section 6 (Duty of registered social landlord: further provision)	
Section 8 (Common housing registers)	
Section 92 (Assistance for Housing Purposes)	Only in so far as it relates to an aid or adaptation.

Housing (Scotland) Act 2006

Section 71(1)(b)
(Assistance for housing purposes)

Only in so far as it relates to an aid or adaptation as defined at Section 1(2) of the Public Bodies (Joint Working) (Prescribed Local Authority Functions) (Scotland) Regulations 2014.

Children (Scotland) Act 1995

Section 17
(Duty of local authority to child looked after by them)

Section 20
(Publication of information about services for children)

Section 21
(Co-operation between authorities)

Section 22
(Promotion of welfare of children in need)

Section 23
(Children affected by disability)

Section 24
(Assessment of ability of carers to provide care for disabled children)

Section 24A
(Duty of local authority to provide information to carer of disabled child)

Section 25
(Provision of accommodation for children etc.)

Section 26
(Manner of provision of accommodation to children looked after by local authority)

Section 27
(Day care for pre-school and other children)

Section 29
(After-care)

Section 30
(Financial assistance towards expenses of education or training)

Section 31
(Review of case of child looked after by local authority)

Section 32
(Removal of child from residential establishment)

Section 36
(Welfare of certain children in hospitals and nursing homes etc.)

Section 38
(Short-term refuges for children at risk of harm)

Section 76
(Exclusion orders)

Criminal Procedure (Scotland) Act 1995

Section 51
(Remand and committal of children and young persons).

Section 203
(Reports)

Section 234B
(Drug treatment and testing order).

Section 245A
(Restriction of liberty orders).

Adults with Incapacity (Scotland) Act 2000

Section 10
(Functions of local authorities.)

Section 12
(Investigations.)

Section 37
(Residents whose affairs may be managed.)

Only in relation to residents of establishments which are managed under integration functions.

Section 39
(Matters which may be managed.)

Only in relation to residents of establishments which are managed under integration functions.

Section 40
(Supervisory bodies)

Only in relation to residents of establishments which are managed under integration functions.

Section 41
(Duties and functions of managers of authorised establishment.)

Only in relation to residents of establishments which are managed under integration functions.

Section 42
(Authorisation of named manager to withdraw from resident's account.)

Only in relation to residents of establishments which are managed under integration functions.

Section 43
(Statement of resident's affairs.)

Only in relation to residents of establishments which are managed under integration functions.

Section 44
(Resident ceasing to be resident of authorised establishment.)

Only in relation to residents of establishments which are managed under integration functions.

Section 45
(Appeal, revocation etc.)

Only in relation to residents of establishments which are managed under integration functions.

Community Care and Health (Scotland) Act 2002

Section 4
(The functions conferred by Regulation 2 of the Community Care (Additional Payments) (Scotland) Regulations 2002)

Section 5
(Local authority arrangements for residential accommodation out with Scotland.)

Section 6
(Deferred payment of accommodation costs)

Section 14
(Payments by local authorities towards expenditure by NHS bodies on prescribed functions.)

The Mental Health (Care and Treatment) (Scotland) Act 2003

Section 17
(Duties of Scottish Ministers, local authorities and others as respects Commission.)

Section 25
(Care and support services etc.)

Except in so far as it is exercisable in relation to the provision of housing support services.

Section 26
(Services designed to promote well-being and social development.)

Except in so far as it is exercisable in relation to the provision of housing support services.

Section 27
(Assistance with travel.)

Except in so far as it is exercisable in relation to the provision of housing support services.

Section 33
(Duty to inquire.)

Section 34
(Inquiries under section 33: Co-operation.)

Section 228
(Request for assessment of needs: duty on local authorities and Health Boards.)

Section 259
(Advocacy.)

Management of Offenders etc. (Scotland) Act 2005

Section 10
(Arrangements for assessing and managing risks posed by certain offenders)

Section 11
(Review of arrangements)

Adoption and Children (Scotland) Act 2007

Section 1
(Duty of local authority to provide adoption service)

Section 5
(Guidance)

Section 6
(Assistance in carrying out functions under sections 1)

Section 9
(Assessment of needs for adoption support services)

Section 10
(Provision of services)

Section 11
(Urgent provision)

Section 12
(Power to provide payment to person entitled to adoption support service)

Section 19
(Notice under section 18: local authority's duties)

Section 26
(Looked after children: adoption not proceeding)

Section 45
(Adoption support plans)

Section 47
(Family member's right to require review of plan)

Section 48
(Other cases where authority under duty to review plan)

Section 49
(Reassessment of needs for adoption support services)

Section 51
(Guidance)

Section 71
(Adoption allowance schemes)

Section 80
(Permanence Orders)

Section 90
(Precedence of certain other orders)

Section 99
(Duty of local authority to apply for variation or revocation)

Section 101
(Local authority to give notice of certain matters)

Section 105
(Notification of proposed application for order)

Adult Support and Protection (Scotland) Act 2007

Section 4
(Council's duty to make inquiries.)

Section 5
(Co-operation.)

Section 6
(Duty to consider importance of providing advocacy and other.)

Section 7
(Visits)

Section 8
(Interviews)

Section 9
(Medical examinations)

Section 10
(Examination of records etc)

Section 11
(Assessment Orders.)

Section 14
(Removal orders.)

Section 16
(Right to move adult at risk)

Section 18
(Protection of moved person's property.)

Section 22
(Right to apply for a banning order.)

Section 40
(Urgent cases.)

Section 42
(Adult Protection Committees.)

Section 43
(Membership.)

Children’s Hearings (Scotland) Act 2011

Section 35
(Child assessment orders)

Section 37
(Child protection orders)

Section 42
(Parental responsibilities and rights directions)

Section 44
(Obligations of local authority)

Section 48
(Application for variation or termination)

Section 49
(Notice of application for variation or termination)

Section 60
(Local authority's duty to provide information to
Principal Reporter)

Section 131
(Duty of implementation authority to require review)

Section 144
(Implementation of compulsory supervision order:
general duties of implementation authority)

Section 145
(Duty where order requires child to reside in certain
place)

Section 153
(Secure accommodation)

Section 166
(Review of requirement imposed on local authority)

Section 167
(Appeals to Sheriff Principal: Section 166)

Section 180
(Sharing of information: panel members)

Section 183
(Mutual Assistance)

Section 184
(Enforcement of obligations on health board under
Section 183)

Social Care (Self- Directed Support) (Scotland) Act
2013

Section 5
(Choice of options: adults.)

Section 6
(Choice of options under section 5: assistances.)

Section 7
(Choice of options: adult carers.)

Section 8
(Choice of options: children and family members)

Section 9
(Provision of information about self-directed support.)

Section 11
(Local authority functions.)

Section 12
(Eligibility for direct payment: review.)

Section 13
(Further choice of options on material change of circumstances.)

Only in relation to a choice under section 5 or 7 of the Social Care (Self-directed Support) (Scotland) Act 2013.

Section 16
(Misuse of direct payment: recovery.)

Section 19
(Promotion of options for self-directed support.)

Carers (Scotland) Act 2016

Section 6
(Duty to prepare adult carer support plan.)

Section 21
(Duty to set local eligibility.)

Section 24
(Duty to provide support.)

Section 25
(Provision of support to carers; breaks from caring.)

Section 31
(Duty to prepare local carer strategy.)

Section 34
(Information and advice service for carers.)

Section 35
(Short breaks services statements.)

Annex 2

Part 2

Services currently provided by the Local Authority which are to be integrated.

Scottish Ministers have set out in guidance that the services set out below must be integrated.

- Social work services for adults and older people
- Services and support for adults with physical disabilities and learning disabilities
- Mental health services
- Drug and alcohol services
- Adult protection and domestic abuse
- Carers support services
- Community care assessment teams
- Support services
- Care home services
- Adult placement services
- Health improvement services
- Aspects of housing support, including aids and adaptations
- Day services
- Local area co-ordination
- Respite provision for adults and young people
- Occupational therapy services
- Re-ablement services, equipment and telecare

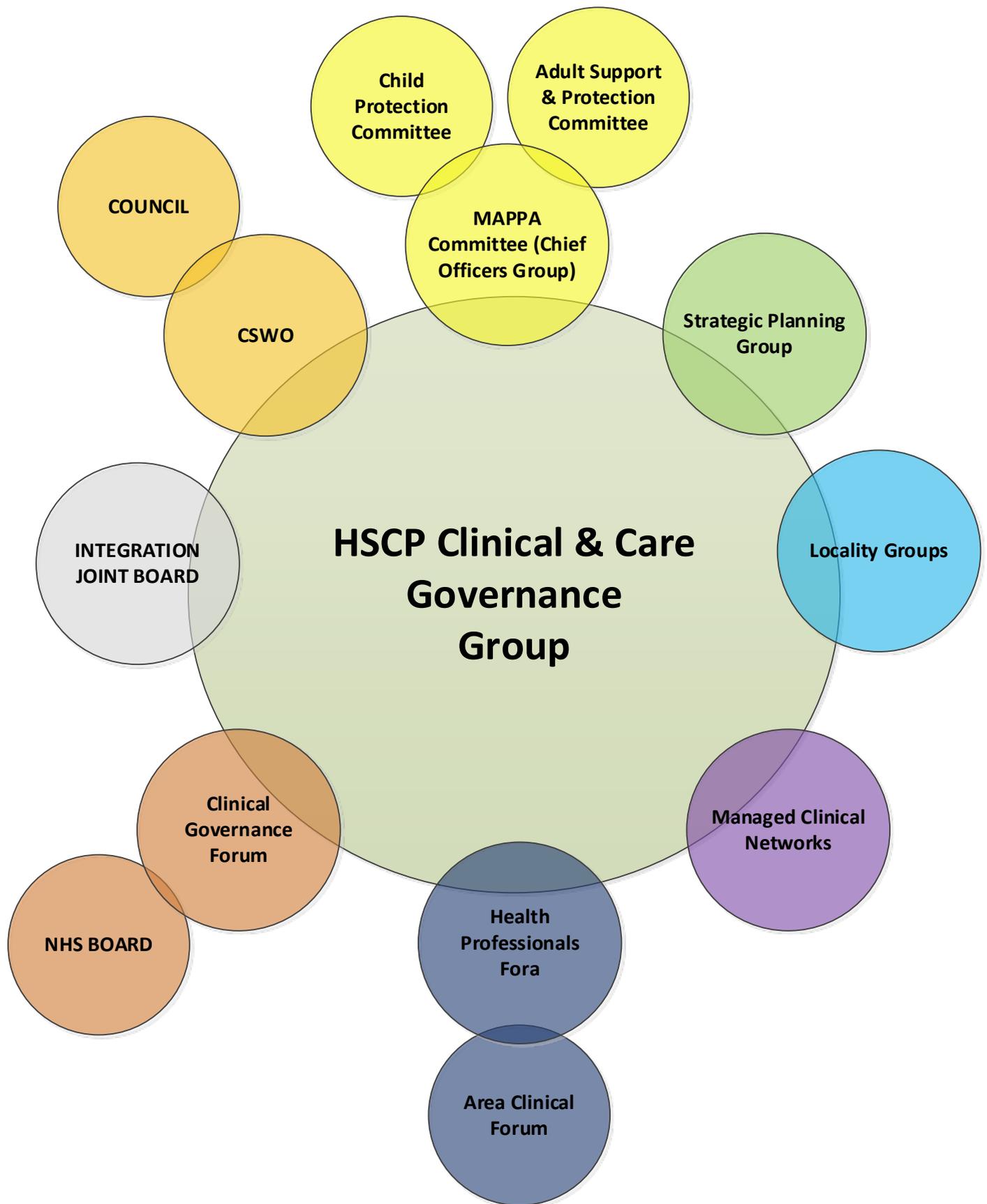
In addition Inverclyde Council will delegate:

- Criminal Justice Services
 - Criminal Justice Social Work
 - Prison Based Social Work
 - Unpaid Work
 - MAPPA
- Children & Families Social Work Services
 - Child Protection
 - Fieldwork Social Work Services for Children and Families
 - Residential Child Care including Children's Homes
 - Looked After & Accommodated Children

- Adoption & Fostering
 - Kinship Care
 - Services for Children with Additional Needs
 - Throughcare
 - Youth Support / Youth Justice
 - Young Carers
-
- Services for People affected by Homelessness
-
- Advice Services
-
- Strategic & Support Services
 - Health Improvement & Inequalities
 - Quality & Development (including training and practise development, contract monitoring and strategic planning)
 - Business Support

Annex 3

Clinical and Care Governance – Key Supports and Relationships



Report To:	Inverclyde Council	Date:	13 June 2024
Report By:	Head of Legal, Democratic, Digital & Customer Services	Report No:	LS/038/24
Contact Officer:	Emma Peacock	Contact No:	01475 712115
Subject:	Inverclyde Council Byelaws for the Regulation of the Cleaning of Common Property		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 The purpose of this report is to request that Council considers the proposal to revoke the Inverclyde Council Byelaws for the Regulation of the Cleaning of Common Property (“the Byelaws”) and to request that the Council agrees a proposed resolution to revoke the Byelaws.

1.3 The Byelaws were made by the Council in terms of S.92 of the Civic Government (Scotland) Act 1982 and are currently in force in Inverclyde. Their purpose was to deal with the regulation of cleaning of common property i.e. stairs, basements, closes, water closets and paths within blocks of flats in Inverclyde. The Byelaws were made by the Council on 15 November 2004, confirmed by the Scottish Ministers on 11 February 2005 and came into force on 11 March 2005. A copy of the Byelaws is attached as Appendix 1 to this report.

1.4 All local authorities have to review their byelaws 10 years from their coming into force, and every 10 years thereafter, to ensure they are still relevant. A byelaw which is no longer relevant may be revoked. No record can be found of the Byelaws having been reviewed in the last 10 years. Having consulted relevant service areas, local registered social landlords and Police Scotland, and receiving no responses that favour a retention of the Byelaws, Legal, Democratic, Digital & Customer Services consider that there appears to no longer be any requirement for the Byelaws in Inverclyde today, and that accordingly the Byelaws should now be revoked. In terms of section 202C of the Local Government (Scotland) Act 1973, byelaws may be revoked by resolution of the local authority. At least one month before the revocation of any byelaws, notice of the proposed resolution to revoke them shall be given in a newspaper circulating in the area to which the byelaws apply. Before passing any resolution to revoke the byelaws, the local authority must consider any objections received during that one month period.

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- (i) Council agrees a proposed resolution to revoke the Byelaws in terms of section 202C of the Local Government (Scotland) Act 1973;

- (ii) Council authorises the Head of Legal, Democratic, Digital and Customer Services to take all action which is required to advertise the proposed resolution to revoke the Byelaws; and
- (iii) Council notes the intention of the Head of Legal, Democratic, Digital & Customer Services to report back to the Council on the outcome of the statutory consultation in connection with the proposed resolution and thereafter authority will subsequently be sought from the Council to pass the resolution to revoke the Byelaws.

Lynsey Brown
Head of Legal, Democratic, Digital & Customer Services

3.0 BACKGROUND AND CONTEXT

- 3.1 The Inverclyde Council Byelaws for the Regulation of the Cleaning of Common Property (“the Byelaws”) were made by the Council on 15 November 2004 and were confirmed by the Scottish Ministers on 11 February 2005 and came into force on 11 March 2005. It is understood that the Byelaws were made following a request in 2003 from an Elected Member that the Council considers making such a byelaw to assist in the regulation of common closes cleaning and maintenance based on a similar byelaw the former Inverclyde District Council had prior to reorganisation. The Council’s Health Improvement Committee decided, in June 2003 to promote Byelaws for the better management and the cleaning of common areas including common closes in both the public and private sectors. The Byelaws were drafted to reflect the Inverclyde District Scheme which covered the arrangement for cleaning common areas. It was reported to the Committee in June 2003, that there were certain areas in Inverclyde where there were specific problems with the condition of the closes and surrounding areas although in other areas tenants and residents were maintaining appropriate standards.
- 3.2 In terms of section 201 of the Local Government (Scotland) Act 1973, a local authority may make byelaws for the good rule and government of the whole or any part of their area and for the prevention and suppression of nuisances therein. Enforcement of byelaws remains the responsibility of Police Scotland.
- 3.3 The Byelaws specifically provide that the occupier of common property can be compelled to keep any common property clean to the satisfaction of the Council. The Byelaws were made by the Council in terms of S92 of the Civic Government (Scotland) Act 1982. Section 92(3) provides that a local authority may make byelaws for the regulation of the cleaning of common property by the occupier in accordance with this section and such byelaws may provide that persons contravening such provisions of the byelaws as may be specified as provisions contravention of which is an offence shall be liable, on summary conviction, to a fine not exceeding level 2 on the standard scale (currently £500) or such lesser sum as the byelaws may specify.
- 3.4 All local authorities must review their byelaws 10 years from their coming into force, and every 10 years thereafter, to ensure they are still relevant. A byelaw which is no longer relevant may be revoked. No record can be found of the Byelaws having been reviewed in the last 10 years. Officers have consulted relevant service areas, local registered social landlords i.e. River Clyde Homes, Oak Tree Housing Association, Larkfield Housing Association and Cloch Housing Association and Police Scotland, and have received no responses that favour a retention of the Byelaws.
- 3.5 It is also to be noted that in the period since the Byelaws were made there have been a number of notable legal developments in this area, to help clarify responsibility for common areas of tenements and help ensure their maintenance to suitable standards, including coming into force of the Tenements (Scotland) Act 2004, the Housing (Scotland) Act 2006 and the Property Factors (Scotland) Act 2011. This legislation regulates the rights and duties of owners and factors within tenements and made further provision around housing standards which were not in force at the time the Byelaws were made. In particular, the Tenements (Scotland) Act 2004, which came into force on 28 November 2004, introduced the Tenement Management Scheme in Scotland which provides for the maintenance and management of common areas of tenement buildings, inclusive of cleaning. Further, in March 2013, the Scottish Government published guidance titled “Common Repair, Common Sense: guide to managing tenements in Scotland” in order to provide guidance to flat owners in terms of their responsibilities with regard to maintaining common areas. It is understood that no other local authority in Scotland has such byelaws. In addition, since the Byelaws were made the Council also transferred its social housing stock to River Clyde Homes.
- 3.6 In terms of section 202C of the 1973 Act, a local authority may revoke any existing byelaw by passing a resolution to that effect. Notice of the proposed resolution to revoke the byelaw must

be circulated in a local newspaper at least one month before any resolution can be passed. The Council must consider any objections received during this one month period before passing a resolution to revoke the byelaws.

- 3.7 Police Scotland have been consulted regarding the potential revocation of the Byelaws and they have confirmed they have no objection to this proposal. Relevant services, including Property Services and Environmental and Public Protection, have also been consulted, and there have been no responses that favour a retention of the Byelaws. Officers are not aware of steps having previously been taken to enforce the Byelaws. Local registered social landlords have been consulted and there have been no responses that favour a retention of the Byelaws.
- 3.8 In light of the above, and given the need for the Council to formally review the Byelaws, Legal, Democratic, Digital & Customer Services consider that there appears to no longer be any requirement for the Byelaws in Inverclyde today,
- 3.9 In the event that the Council is minded to propose a resolution to revoke the Byelaws, a Notice will be published in the Greenock Telegraph, on the Council’s website and notice shall also be forwarded to Police Scotland, the Crown and Procurator Fiscal Service; Community Councils and the Inverclyde Health & Social Care Partnership. The views of the consultees would then be considered, and a further report taken to the Council to seek a decision as to whether or not the Byelaws are revoked.
- 3.10 As well as the abovementioned Byelaws, there are currently byelaws in force in Inverclyde regarding (1) the consumption of alcohol in public places and (2) the employment of children. These are: The Inverclyde Council (Prohibition of Consumption of Alcohol in Designated Public Places) Byelaws 2010, as amended by The Inverclyde Council (Prohibition of Consumption of Alcoholic Liquor in Designated Places) (Amendment) Byelaws 2021 and The Inverclyde Council Byelaws on the Employment of Children 2004. These byelaws have previously been the subject of statutory review, and the Byelaws on the Employment of Children will be the subject of its next review later in 2024.

4.0 PROPOSALS

- 4.1 The Council is asked to agree a proposed resolution to revoke the Byelaws attached as Appendix 1 in terms of section 202C of the Local Government (Scotland) Act 1973; to authorise the Head of Legal, Democratic, Digital and Customer Services to take all action which is required to advertise the proposed resolution to revoke the Byelaws; and to note the intention of the Head of Legal, Democratic, Digital & Customer Services to report back to the Council on the outcome of the statutory consultation in connection with the proposed resolution and thereafter authority will subsequently be sought from the Council to pass the resolution to revoke the Byelaws.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		X
Legal/Risk	X	
Human Resources		X
Strategic (Partnership Plan/Council Plan)		X
Equalities, Fairer Scotland Duty & Children/Young People’s Rights & Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

5.2 Finance

There are no financial implications arising as a result of this report. Any costs associated with the formal process for revoking the Byelaws would be contained within existing budgets,

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.3 Legal/Risk

The legal considerations are contained within this report.

5.4 Human Resources

There are no Human Resources implications directly arising as a result of this report.

5.5 Strategic

N/A

5.6 Data Protection

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA has been drafted, with a copy being annexed to this report. .
X	NO

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty.

6.0 CONSULTATION

6.1 If Council is minded to propose a resolution to revoke the Byelaws there will be consultation with the public by way of public notice published in the Greenock Telegraph and on the Council's website. Police Scotland, the Crown and Procurator Fiscal Service, Community Councils, and the Inverclyde Health & Social Care Partnership will also be consulted.

7.0 BACKGROUND PAPERS

7.1 N/A

THE INVERCLYDE COUNCIL
CIVIC GOVERNMENT (SCOTLAND) ACT 1982

BYELAWS

for the

REGULATION OF THE CLEANING OF COMMON PROPERTY

By virtue and in terms of Section 92 of the Civic Government (Scotland) Act 1982, the Inverclyde Council hereby make the following byelaws:-

1. **STAIRS**

- (a) The occupiers of every dwellinghouse or other premises having entrance by a common stair shall, in weekly rotation, beginning with the occupier first on the left hand side of any relative landing, cause the adjacent landing and the stair immediately below the said dwellinghouse or other premises to be kept clean by being washed at least once in each week and swept at least once on two separate days in each week.
- (b) If one or more dwellinghouse(s) or other premises on one floor or storey is or are unoccupied, the cleaning of the relative landing and stair shall devolve upon the remaining occupier or occupiers responsible for same. If all dwellinghouses or other premises of a floor or storey be unoccupied, the occupiers of the floors or storeys above shall, in weekly rotation, cause the landing and stairs below, leading to such empty floor or storey, to be kept clean and washed downwards to the next dwellinghouse or other premises which shall be occupied; and if the top floor or storey be unoccupied, then the stair and landing leading thereto shall be kept clean by the occupiers of the floor or storey below such top floor or storey.
- (c) All the sweepings arising or resulting from the above actions shall be deposited by the relative occupier in a refuse bin or other suitable container.

2. **BASEMENTS**

- (a) The occupiers of every dwellinghouse or other premises in a sunk or basement floor or storey shall, in weekly rotation, beginning with the occupier first on the left hand side of any relative sunk or basement floor or storey cause the common stair and passage from the floor or storey immediately above them to be kept clean by being washed at least once in each week and swept at least once on two separate days in each week and shall also, in weekly rotation, cleanse any common ground or passage and common ground leading to any area or backgreen.

- (b) If one or more dwellinghouse or other premises in a sunk or basement floor or storey is or are unoccupied, the cleaning of stair and passage shall devolve upon the remaining occupier or occupiers responsible for same. In the event of all the dwellinghouses or other premises in a sunk basement floor or storey being unoccupied, or, otherwise, if no person is bound as above to sweep and wash such stair, passage and area, then each occupier in the property shall, in weekly rotation, keep clean the said stair, passage and area by washing at least once in each week and sweeping at least once on two separate days in each week.
- (c) All sweepings arising or resulting from the above action shall be deposited by the relative occupier in a refuse bin or other suitable container.

3. CLOSES

- (a) The occupiers of every dwellinghouse or other premises having entrance from a close or common passage shall, in weekly rotation, beginning with the occupier first on the left hand side of any relative close or passage, cause such close or passage to be kept clean by being washed at least once in each week and swept at least once on two separate days in each week.
- (b) The occupiers of any dwellinghouse or other premises entering from the front of the property or from the back thereof and who use the said close or passage, or who have the right to use it, shall, in weekly rotation, beginning with the occupier first on the left hand side of such subjects cause such close or passage to be kept clean by being washed at least once in each week and swept at least once on two separate days in each week.
- (c) In the event of no occupier having entrance to a dwellinghouse or other premises from such close or common passage, or, otherwise, if no person is bound as above to sweep and wash such close or passage, then each occupier in the property shall, in weekly rotation, keep clean the said close or common passage by washing at least once in each week and sweeping at least once on two separate days in each week.
- (d) All the sweepings arising or resulting from the above actions shall be deposited by the relative occupier in a refuse bin or other suitable container.

4. WATER CLOSETS

Every water closet which is used in common shall be cleaned daily and the compartment in which the closet is contained washed out at least twice a week by the occupiers who use the said water closet such cleansing and washing to be carried out in weekly rotation.

5. PASSAGES AND PATHS

- (a) All common passages and areas leading to cellars pertaining to dwellinghouse(s) or other premises shall be kept clean in weekly rotation by the occupiers of the dwellinghouse(s) or other premises having a right to use these passages and areas.
- (b) All common paths or other areas leading to dwellinghouses or other premises shall be kept clean in weekly rotation by the occupiers of the dwellinghouse(s) or other premises having the right to use the common paths or areas.
- (c) All sweepings arising or resulting from the above actions shall be deposited by the relative occupier in a refuse bin or other suitable container.

6. OTHER AREAS

- (a) All backgreens, basements, private courts or other similar areas shall be kept clean, in weekly rotation by those occupiers who use or have a right to use the said areas.
- (b) All sweepings or litter or other waste material arising or resulting from these actions shall be deposited by the relative occupier in a refuse bin or other suitable container.

7. GENERAL

Without prejudice to the forgoing provisions where any dwellinghouse or other premises in unoccupied, the cleaning of the appropriate common areas shall devolve upon the remaining occupier or occupiers responsible for the same. Occupiers temporarily absent shall make provision with respect to their turn in the weekly rotation.

8. PENALTY

Any person who, without reasonable excuse, contravenes any of the forgoing byelaws shall be liable, on summary conviction, to a fine not exceeding level 2 on the standard scale.

9. COMMENCEMENT

These byelaws shall come into operation on expiry of one calendar month from the date of the confirmation thereof in terms of Section 202 of the Local Government (Scotland) Act 1973.

10. INTERPRETATION

"Common Property" means common stairs, passages, water closets, backgreens or basements or other similar areas or private courts.

Occupier in relation to common property means the occupier or occupiers of lands (including dwellinghouses) or premises having a right of access by, or a right in common to, the common property.

ITEM 1

"Unoccupied" shall not include periods of temporary absence of the occupier.

"Week" means the period between midnight on Saturday night and midnight on the succeeding Saturday night and "weekly" shall be construed accordingly.

"Kept clean" and "swept" mean respectively kept clean and swept to the satisfaction of the relevant officer specified in writing by The Inverclyde council from time to time or any person duly authorised by him or his successors in office to act on his behalf and the expressions "cleaned" and "swept" shall be construed accordingly.

3.0 BACKGROUND AND CONTEXT

3.1 Meetings of committees and boards in terms of the Council's approved timetable of meetings will take place from now until the date of the UK Parliamentary General Election on 04 July 2024. It was not possible, with due regard to available officer capacity, in the short period of critical election preparation to resource the livestreaming of the meetings specified below:

1. Policy & Resources Committee – Tuesday 04 June 2024.
2. Local Police & Fire Scrutiny Panel – Thursday 06 June 2024.
3. Audit Committee (Accounts) – Thursday 27 June 2024.
4. IJB Audit Committee – Monday 24 June 2024.
5. Inverclyde Integration Joint Board – Monday 24 June 2024.

In addition, any special meetings that are convened to take place during the period between now until and 04 July 2024 will not be livestreamed

3.2 These meetings have been/will be filmed and available the next day for the public to view. Livestreaming will recommence for relevant committees and boards after the date of poll. It is intended that the meeting of the full Council on 13th June will continue to be livestreamed.

3.3 A contract has been placed for necessary electrical survey work to identify and produce a record of the installed electrical service installations, distribution equipment, and circuits within the Greenock Municipal Buildings, Greenock. This work will allow the electrical resilience project for the Greenock Municipal Buildings to be progressed to detail design stage and assist in addressing the risk of unplanned power outages affecting services within the Buildings. The survey work which had been planned to take place, mostly overnight, during the month of June would otherwise have involved tracing circuits and planned shutdowns of power supply over a six-week period. This period of the contract directly overlaps with the pre-election period in the run up to the date of poll itself. The survey works would directly affect the Council's ICT servers in these buildings and in view of the criticality of safeguarding all electoral data in this period, particularly, it is impossible for the contract to take place as planned.

3.4 In the interests of maintaining the integrity of the electoral data within the Council's possession and, also, minimising any risks whatsoever in terms of cyber-security for the election preparation, it has been necessary to inform the external contractors of the immediate need to cease this contract in the pre-election period. The Contractor has advised that due to other commitments over the school summer holiday period it is anticipated that the earliest the survey works could start would be end of August 2024.

3.5 In order to minimise costs, immediate action has been taken to progress a postponement and these steps are unavoidable with regard to election data security and requirements of observing all relevant cyber-security guidelines.

3.6 The Council's approved polling scheme included the Bethesda Building, Faith Avenue, Quarriers Village, Bridge of Weir PA11 3TF as a polling place. However, the owners of this building have de-commissioned it and it is unavailable for use. Suitable alternative premises have been located within this immediate vicinity at the Sommerville and Weir Building, Faith Avenue, Quarriers Village, Bridge of Weir. These first-floor premises are entirely compliant with all electoral access requirements, with lift provision. In view of the need to take immediate action to provide a suitable, local venue for voters, the Returning Officer has used her discretionary powers to include the Sommerville and Weir Building, Faith Avenue, Quarriers Village, Bridge of Weir within the current election's polling scheme.

3.7 The use of these Emergency Powers was authorised by the Chief Executive following consultation with Councillor McCabe, Councillor McGuire, Councillor Robertson, Provost McKenzie and Depute Provost Brooks.

4.0 PROPOSALS

4.1 It is proposed that Council notes that the Chief Executive used their emergency powers under the Scheme of Delegation (Officers) to (a) approve the temporary cessation of relevant committee and board livestreaming in the period leading up to the UK Parliamentary General Election; (b) note the emergency postponement of the contract for electrical survey work in the Greenock Municipal Buildings, Greenock; and, (c) note the use of the discretionary powers granted to the Chief Executive as Returning Officer, to amend the 2024 Polling Scheme to delete premises that have become unavailable for use and to substitute premises nearby at the Sommerville and Weir Building, Faith Avenue, Quarriers Village, Bridge of Weir.

5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial	x	
Legal/Risk	x	
Human Resources		x
Strategic (Partnership Plan/Council Plan)		x
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		x
Environmental & Sustainability		x
Data Protection	x	

5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Electrical Survey	E&R Feasibility	2024/25	TBC	N/A	Will be contained within existing budgets

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.3 Legal/Risk

There is no legal risk for the cessation of livestreaming. There are legal issues affecting the postponement of the electrical survey contract and these will be negotiated with the external contractors.

5.4 Human Resources

There are no human resource implications.

5.5 Strategic

There are no strategic plan implications.

5.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

5.7 Environmental/Sustainability

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

5.8 Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

6.0 CONSULTATION

6.1 N/A

7.0 BACKGROUND PAPERS

7.1 N/A

Report To:	Inverclyde Council	Date:	13 June 2024
Report By:	Head of Legal, Democratic, Digital & Customer Services	Report No:	LS/046/24
Contact Officer:	Diane Sweeney	Contact No:	01475 712147
Subject:	Further Education Colleges Lecturer's Pay Dispute – Notice of Motion by Councillor Brennan		

1.0 PURPOSE AND CONSIDERATIONS

- 1.1 For Decision For Information/Noting
- 1.2 The purpose of this report is to advise the Council of the receipt of a Notice of Motion by Councillor Brennan, countersigned by Councillor McCluskey, regarding the further education colleges lecturer's pay dispute.
- 1.3 The terms of the Notice of Motion are set out in appendix 1 to the report.

2.0 RECOMMENDATION

- 2.1 The Council is asked to consider the Notice of Motion by Councillor Brennan.

Lynsey Brown
Head of Legal, Democratic, Digital & Customer Services

Further Education Colleges Lecturers' Pay Dispute

Council notes with deep concern the ongoing national pay dispute involving college lecturers across Scotland and the resultant industrial action by members of EIS-FELA (Further Education Lecturers' Association) who have now waited almost two years for an increase in pay.

Council further notes the significant detrimental impact that this dispute has had on the learning of Inverclyde students attending West College Scotland and other further education colleges across Scotland over the past two academic years.

Council instructs the Chief Executive to write to the Cabinet Secretary for Education and Skills and the Minister for Higher and Further Education seeking their urgent intervention in this dispute with the aim of securing a resolution as soon as possible in the interests of Inverclyde's further education students.

Proposed by: Councillor Francesca Brennan
Seconded by: Councillor Martin McCluskey