

POLICY & RESOURCES COMMITTEE - 13 NOVEMBER 2012

Policy & Resources Committee

Tuesday 13 November 2012 at 3 pm

Present: Provost Moran, Councillors Brooks, Clocherty, MacLeod, McCabe, McCormick, McIlwee, Nelson, Loughran and Rebecchi.

Chair: Councillor McCabe presided.

In attendance: Chief Executive, Corporate Director Education, Communities & Organisational Development, Corporate Director Inverclyde Community Health & Care Partnership, Chief Financial Officer, Head of Legal & Democratic Services, Head of Organisational Development HR & Communications, Head of Property Assets & Facilities Management, Transitional Head of ICT, Business/Democratic Services Manager, Finance Manager, Revenues and Customer Services Manager, Corporate Communications Manager and Ms K McCready (for Corporate Policy & Partnership Manager).

The following paragraphs are submitted for information only, having been dealt with under the powers delegated to the Committee.

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| 652 | Apologies, Substitutions and Declarations of Interest | 652 |
| | <p>An apology for absence was intimated on behalf of Councillor Wilson.</p> <p>Councillors McCabe, MacLeod, McIlwee and Loughran declared interests in agenda item 6 (Governance of External Organisations - Annual Report).</p> | |
| 653 | Policy & Resources Capital Programme - 2012/13 - 14/15 - Progress | 653 |
| | <p>There was submitted a report by the Corporate Director Environment, Regeneration & Resources and the Chief Financial Officer (1) providing an update on the status of the projects forming the Policy & Resources Capital Programme 2012/13 - 14/15 and (2) highlighting the actual spend as at 30 September 2012.</p> <p>Noted</p> | |
| 654 | Capital Programme 2012/15 | 654 |
| | <p>There was submitted a report by the Chief Financial Officer on the latest position of the 2012/15 Capital Programme.</p> <p>Noted</p> | |
| 655 | Policy & Resources Committee 2012/13 Revenue Budget - Period 6 | 655 |
| | <p>There was submitted a report by the Chief Executive, Corporate Director Environment, Regeneration & Resources, Corporate Director Education, Communities & Organisational Development and the Chief Financial Officer on the 2012/13 projected outturn for the Policy & Resources Committee Revenue Budget as at Period 6 (30 September 2012).</p> | |

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Decided:

- (1) that the Committee note the projected underspend of £758,000 for the Policy & Resources Committee Revenue Budget as at Period 6;
- (2) that the virement request of £48,240 set out in appendix 4 to the report be approved; and
- (3) that approval be given to funding the remedial works of £10,300 to 4 John Wood Street, Port Glasgow from the Common Good Fund.

656 General Fund Revenue Budget 2012/13 - Period 6**656**

There was submitted a report by the Chief Financial Officer (1) on the position of the General Fund Revenue Budget as at Period 6 (30 September 2012) and (2) providing an update in respect of earmarked reserves and workstream savings.

Decided:

- (1) that the Committee note the latest position in respect of the 2012/13 Revenue Budget and the General Fund Reserve;
- (2) that the Committee note the good progress being made in the delivery of workstream savings; and
- (3) that it be noted that a report elsewhere on the agenda provides an update in respect of the 2013/16 Budget.

657 Governance of External Organisations - Annual Report**657**

There was submitted a report by the Chief Financial Officer providing an update in respect of the operation of the new approach to monitoring the governance adopted by the Council's main partners and suppliers.

The following Members declared non-financial interests in this item:

Councillor MacLeod as a Director of Inverclyde Council on Disability and Parklea Branching Out.

Councillor McIlwee as a Director of Evergreen.

Councillor McCabe as a Board Member of Kilmacolm Community Centre Co. Ltd.

Councillor Loughran as a Board Member of Inverclyde Leisure.

All of the Members formed the view that the nature of their interest and of the item of business did not preclude their continued presence in the Chamber or their participation in the decision making process.

Decided:

- (1) that the Committee note the performance in the first period of operation of the Council's approach to monitoring the governance of external organisations and the commitment from the Corporate Management Team to improve performance over the next 12 months;
- (2) that the Committee approve the proposed list of organisations to form the 2013 exercise as detailed in the report; and
- (3) that a further report be submitted to the Committee no later than November 2013.

658 Treasury Management - Mid-Year Review Report 2012/13**658**

There was submitted a report by the Chief Financial Officer on the operation of the treasury function and its activities at the mid year of 2012/13 in compliance with the CIPFA Code of Practice on Treasury Management.

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Decided:

- (1) that the Committee note the contents of the mid-year review report on Treasury Management for 2012/13 and homologate the exceeding of Council limits as detailed in paragraph 4.13 of the report; and
- (2) that the mid-year review report be remitted to The Inverclyde Council for approval.

659 Insurance Fund Position as at 30 September 2012 659

There was submitted a report by the Chief Financial Officer (1) advising the Committee of the position of the Council's Insurance Fund as at 30 September 2012 and (2) highlighting a number of relevant issues.

Decided: that the Committee note the contents of the report and the continued financial benefits which the Council is achieving from the current insurance strategy.

660 Former Organisational Improvement & Resources Directorate Performance Report 660

There was submitted a report by the Corporate Director Education, Communities & Organisational Development providing an update on progress towards the achievement of key objectives as set out in the Directorate Plan 2011/12 for the former Organisational Improvement & Resources Directorate and performance in relation to meeting the performance targets as detailed within the Plan.

Decided:

- (1) that the Committee note that the report reflects progress made by Services within the former Organisational Improvement & Resources Directorate in delivering the key objectives and performance targets as detailed in the Directorate Plan; and
- (2) that it be noted that the Directorate Plan for the former Organisational Improvement & Resources Directorate will be carried forward until the new financial year.

661 Environment, Regeneration & Resources Directorate Performance Report 661

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on the progress made by the former Regeneration & Environment Directorate in achieving its key objectives as set out in its Directorate Plan for 2011/12 and performance in relation to key performance indicators.

Decided:

- (1) that the Committee endorse the performance information contained in the report; and
- (2) that it be noted that further reports on performance will be submitted to future meetings of the Committee.

662 Revenue Budget 2013/16 - Update 662

There was submitted a report by the Chief Financial Officer (1) providing an update on the position of the 2013/16 Revenue Budget and (2) seeking decisions in respect of a number of matters.

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Decided:

- (1) that the Committee note the contents of the report and the proposed revised base budget position;
- (2) that the Committee note the letter received from the Cabinet Secretary and the conditions attached to receiving the full Government grant settlement for 2013/14;
- (3) that approval be given to the unavoidable pressures as outlined in appendix 2 to the report;
- (4) that approval be given to the proposal to replace the recurring contingency of £420,000 with a one-off earmarked reserve of £600,000 for the period 2013/16;
- (5) that approval be given to the 1% efficiency/operational savings advanced by the Corporate Management Team for the period 2013/15, contained in appendix 3; and
- (6) that it be noted that a further update in respect of the 2013/16 budget will be submitted to a meeting of The Inverclyde Council on 20 December 2012.

663 Review of Standing Orders Relating to Contracts and Financial Regulations 663

There was submitted a report by the Head of Legal & Democratic Services requesting the Committee to (1) approve (a) the revised Standing Orders relating to Contracts set out in appendix 1 to the report and (b) the revised Financial Regulations forming appendix 2 and (2) recommend their formal adoption by the Council.

Decided: that the item be continued to the next meeting of the Committee to allow consideration of the report by the Strategic Leadership Forum.

664 Customer Service Strategy 2012-14 664

There was submitted a report by the Chief Financial Officer seeking approval for the Council's first Customer Service Strategy and progression of the actions contained within the strategy.

Decided: that approval be given to the Customer Service Strategy 2012-14 appended to the report.

665 Welfare Reform Update and Associated Budget Pressure 665

There was submitted a report by the Chief Financial Officer (1) providing an update on welfare reform changes which will have a significant impact on the Council and (2) seeking approval of an unavoidable budget pressure to commence in 2013.

Decided:

- (1) that the Committee note the issues raised in the report;
- (2) that approval be given to the "direction of travel" in respect of the Scottish Welfare Fund outlined in paragraph 6.6 of the report and delegated authority be granted to officers to progress matters as required;
- (3) that authority be granted to the Chief Financial Officer in consultation with other relevant officers to utilise the DWP Earmarked Reserve Fund to ensure that the Council is in a position to deliver its responsibilities in respect of the changes brought about by welfare reform by 1 April 2013;
- (4) that it be agreed that £1.3m be allocated by 2015/16 to meet the estimated financial impacts on the Council of the welfare reform agenda; and
- (5) that further update reports be submitted to the Committee as required.

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666 Living Wage**666**

There was submitted a replacement report by the Head of Organisational Development, HR & Communications advising the Committee of how the Living Wage could be introduced in Inverclyde Council.

Decided:

- (1) that agreement be given to the introduction of the Living Wage from 13 November 2012 for all Council employees including sessional staff;
- (2) that the living wage of £7.45, increased to £7.50, be paid as a supplement as set out in paragraph 5.2 of the report;
- (3) that where the Council applies a wage increase, then any supplements be amended accordingly and the amount of any top up be adjusted to reflect any pay settlements;
- (4) that if the Living Wage is increased, then a further report be submitted to the Committee;
- (5) that the cost of introducing the Living Wage of £7.50 be included in the budget process for 2013/14 onwards and this year's impact be met from surpluses; and
- (6) that when the Council reviews the current Pay and Grading Model, the Living Wage be incorporated into the design of the Model.

667 Attendance Management**667**

There was submitted a report by the Head of Organisational Development, HR & Communications setting out the Council's approach to attendance management.

Decided: that the Committee note the relative success achieved by the Council to date in managing attendance.

668 Revised Temporary Employee Protocol**668**

There was submitted a report by the Head of Organisational Development, HR & Communications requesting the Committee to approve amendments to the Temporary Employee Protocol.

Decided:

- (1) that agreement be given to the amendments to the Temporary Employee Protocol as outlined in paragraphs 5.2 to 5.7 of the report;
- (2) that the proposal made by the trade unions that the right to request a permanent contract change from 4 years of service to 3 years, as detailed in paragraph 5.8 of the report, be not included and that there be no change to the current arrangement; and
- (3) that the changes, once approved, also be reflected in the Council's redeployment policy.

669 Auto Enrolment - Pensions Funds**669**

There was submitted a report by the Head of Organisational Development, HR & Communications advising the Committee of the potential budget pressure due to the changes in the way in which employees are enrolled in both the Local Government Pension Scheme, administered by the Strathclyde Pension Fund (SPFO) and the Scottish Teachers Superannuation Scheme, administered by the Scottish Public Pensions Agency (SPPA).

Decided:

- (1) that for all new starts, the Council implement auto enrolment from May 2013 and that the estimated cost of £23,000 to the Council, based on a figure of 20% of the Council's turnover of employees remaining in the pension scheme, be built into the current budget process for 2013/15;
- (2) that for all existing employees, the transitional arrangements for auto enrolment commence in October 2017 with discretion to postpone this for a further three months;
- (3) that the estimated budget implications of £460,000 be built into the budget process at the appropriate time;
- (4) that it be noted that the Council is required under new legislation to write to all current employees not in the pension scheme advising them of the Council's position; and
- (5) that the decision to purchase and maintain I-connect be delegated jointly to the Head of Organisational Development, HR & Communications and the Chief Financial Officer once more information becomes available.

670 Draft Policy for the Retention and Disposal of Documents and Records**670**

There was submitted a report by the Corporate Director Inverclyde Community Health & Care Partnership appending a draft Policy for the Retention and Disposal of Documents and Records.

Decided:

- (1) that approval be given to the Policy for the Retention and Disposal of Documents and Records set out in the appendix to the report; and
- (2) that the Corporate Director Inverclyde Community Health & Care Partnership, through the Information Governance and Management Working Group, submit a further report on the implementation of the policy to the Corporate Management Team when appropriate.

671 Community Benefits from Procurement - Remit from Environment & Regeneration Committee**671**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on a remit from the Environment & Regeneration Committee of 25 October 2012 relative to community benefits from procurement.

Decided: that approval be given to the continued use of Community Benefits clauses and to enhance the process with a 5% weighting being incorporated within upcoming construction contracts, to be reviewed after 6 months with a view to increasing the weighting to 10% if appropriate.

672 School Estate Management Plan (SEMP) Review of Funding Model and Possible Opportunities - Remit from Education & Communities Committee**672**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on a remit from the Education & Communities Committee of 30 October 2012 relative to the financial implications arising from its decision to support the proposals contained in the report on opportunities arising from the annual review of the SEMP Funding Model.

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Decided: that the financial implications be considered as part of the 2013/16 Budget, conditional on the Government committing to grant support.

It was agreed in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 as amended, that the public and press be excluded from the meeting during consideration of the following items on the grounds that the business involved the likely disclosure of exempt information as defined in the respective paragraphs of Part I of Schedule 7(A) of the Act as are set opposite each item.

Item	Paragraph(s)
Business Property Renovation Allowance Scheme	6
Expiring ICT Software Contracts - Procurement Summary	6, 8 and 9
Arrangements for Disposal of Stage 3 Grievances - Equal Pay Claims	12

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| 673 | <p>Business Property Renovation Allowance Scheme</p> <p>There was submitted a report by the Corporate Director Environment, Regeneration & Resources seeking approval for officers to progress proposals in respect of an innovative funding model to deliver part of the office accommodation asset management plan and the Committee agreed to the recommendations contained in the report, all as detailed in the appendix.</p> | 673 |
| 674 | <p>Expiring ICT Software Contracts Procurement Summary</p> <p>There was submitted a report by the Corporate Director Environment, Regeneration & Resources (1) advising the Committee of the current contractual situation with regard to 3 ICT suppliers and (2) requesting permission to negotiate new maintenance contracts rather than proceed to tender to replace the systems.</p> <p>Decided: that approval be given to the ongoing use of the current maintenance contracts with the suppliers listed for (a) Chris 21 (HR Payroll System), (b) LAGAN (Enterprise Case Management) and (c) SWIFT (Social Care Management System).</p> | 674 |
| 675 | <p>Arrangements for Disposal of Stage 3 Grievances - Equal Pay Claims</p> <p>There was submitted a report by the Head of Organisational Development, HR & Communications seeking approval to have Stage 3 grievance appeals heard by a panel of Chief Officers to be selected by the Chief Executive in relation only to those grievances specified in the report.</p> <p>Decided: that authority be granted to the Chief Executive to dispose of the Stage 3 grievances as detailed in the report through the establishment of panels consisting of Chief Officers selected by him for that purpose.</p> | 675 |