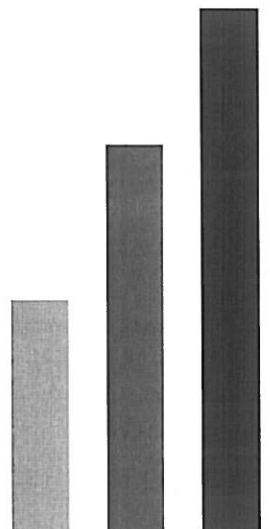


# Agenda 2013

# Policy & Resources Committee

For meeting on:

19	November	2013
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**A meeting of the Policy & Resources Committee will be held on Tuesday 19 November 2013 at 3 pm within the Municipal Buildings, Greenock.**

ELAINE PATERSON  
Head of Legal & Democratic Services

## **BUSINESS**

**\*\* Copy to Follow**

- 1. Apologies, Substitutions and Declarations of Interest**

## **PERFORMANCE MANAGEMENT**

- 2. Policy & Resources Capital Programme - 2013/14 - 15/16 - Progress**  
Report by Acting Corporate Director Environment, Regeneration & Resources and Head of Finance
- 3. Capital Programme 2013/16**  
Report by Acting Corporate Director Environment, Regeneration & Resources
- 4. Policy & Resources Committee 2013/14 Revenue Budget - Period 6 to 30 September 2013**  
Report by Chief Executive, Acting Corporate Director Environment, Regeneration & Resources, Corporate Director Education, Communities & Organisational Development and Head of Finance
- 5. General Fund Revenue Budget 2013/14 as at 30 September 2013**  
Report by Acting Corporate Director Environment, Regeneration & Resources
- 6. Corporate Services Performance Report**  
Report by Corporate Director Education, Communities & Organisational Development and Acting Corporate Director Environment, Regeneration & Resources
- 7. 2013 Procurement Capability Assessment Score**  
Report by Acting Corporate Director Environment, Regeneration & Resources
- 8. Treasury Management - Mid-Year Review Report 2013/14**  
Report by Acting Corporate Director Environment, Regeneration & Resources
- 9. Insurance Fund Position as at 30 September 2013**  
Report by Acting Corporate Director Environment, Regeneration & Resources
- 10. Modernisation Programme Update November 2013**  
Report by Acting Corporate Director Environment, Regeneration & Resources

11. **Welfare Reforms Budget Position**  
Report by Acting Corporate Director Environment, Regeneration & Resources
12. **Annual Update in respect of Governance of External Organisations**  
Report by Acting Corporate Director Environment, Regeneration & Resources
13. **SOLACE Indicators**  
Report by Corporate Director Education, Communities & Organisational Development and Acting Corporate Director Environment, Regeneration & Resources

#### **NEW BUSINESS**

14. **Non Domestic Rates - Relief Policy**  
Report by Acting Corporate Director Environment, Regeneration & Resources
15. **Inverclyde Alliance Repopulation Outcome Delivery Plan Progress Report**  
Report by Acting Corporate Director Environment, Regeneration & Resources
16. **Gypsy Traveller Consultation**  
Report by Corporate Director Inverclyde Community Health & Care Partnership
17. **Public Information Notices (PINs) Portal: 'Tell Me Scotland'**  
Report by Head of Organisational Development, HR & Communications
18. **Noise at Work Policy**  
Report by Head of Organisational Development, HR & Communications
19. **Media and Social Media Protocol**  
Report by Head of Organisational Development, HR & Communications
20. **Watt Complex Refurbishment - Project Development**  
\*\* Report by Head of Education, Communities & Organisational Development

**The documentation relative to the following items 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 7(A) of the Act whose numbers are set out opposite the heading to each item.**

21. **Request for a Temporary Extension of Wide Area Network Contract** 6 & 9  
Report by Acting Corporate Director Environment, Regeneration & Resources seeking approval for a temporary extension of the existing Wide Area Network contract
22. **Hydro Electric Schemes: Inverclyde Council and Scottish Water Horizons - Potential Development Site** 6, 8 & 9  
Report by Chief Executive outlining the progress made by the Council in developing Hydro Electric Schemes and recommending action in this regard

## REMITTS FROM COMMITTEES

23. **Lease of Land - Gibshill Road, Greenock: Remit from Environment & Regeneration Committee** 2, 6 & 9

Report by Acting Corporate Director Environment, Regeneration & Resources requesting the Committee to consider a remit from the Environment & Regeneration Committee relative to the lease of land at Gibshill Road, Greenock

Enquiries to - **Rona McGhee** - Tel 01475 712113



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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Acting Corporate Director Environment, Regeneration &amp; Resources Head of Finance</b>	<b>Report No:</b>	<b>FIN/91/13/MT/AP</b>
<b>Contact Officer:</b>	<b>Matt Thomson</b>	<b>Contact No:</b>	<b>01475 712256</b>
<b>Subject:</b>	<b>Policy &amp; Resources Capital Programme – (2013/14-15/16) - Progress Report</b>		

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to update members on the status of the projects forming the Policy & Resources Capital Programme and to highlight the overall financial position.

## **2.0 SUMMARY**

- 2.1 This report advises members of progress and the financial status of projects within the Policy & Resources Capital Programme.
- 2.2 It can be seen from the table in paragraph 6.2 that the projected expenditure is £6.371m, indicating total projected spend is on budget.
- 2.3 The approved budget for 2013/14 is £1.207m with a projected spend of £0.931m and projected slippage of £0.276m (22.9%). The main areas of slippage are within 2013/14 allocation (£0.089m), Storage Back-up Devices (£0.077m), Whiteboard/Projector Refresh (£0.036m) and the Modernisation Fund (£0.032m).
- 2.4 Expenditure at 14<sup>th</sup> October 2013 is £0.464m, 49.8% of 2013/14 projected spend.
- 2.5 Appendix 1 contains details of the projects and the projected spend.

## **3.0 RECOMMENDATION**

- 3.1 That the Committee note the current position of the 2013/16 Capital Programme and the progress of the specific projects detailed in Appendix 1.

Alan Puckrin  
Acting Corporate Director  
Environment, Regeneration & Resources

Jan Buchanan  
Head of Finance

## 4.0 BACKGROUND

- 4.1 In February 2013 the Council agreed the 2013/16 Capital Programme.
- 4.2 The introduction of the unified Police Service of Scotland on 1<sup>st</sup> April 2013 means the Capital Grant is now paid directly to the Police Service, as a result the Police Grant budgets have been removed. The Council's General Capital Grant has been reduced by the same amount resulting in a nil impact to the Council.

## 5.0 PROGRESS

- 5.1 Modernisation – Two flexible working initiatives in CHCP have been approved by the Modernisation CIG. 22 staff in Children & Families Service and 20 staff in Welfare Rights will be equipped with secure, remote access to relevant information systems. This work is in preparation for the major CHCP moves in 2014.

The Channel Shift Group is currently identifying requirements for a number of self-service and on-line access projects that will improve access to Council services by citizens and reduce internal transaction costs.

Funding for two temporary posts (24 months) has also been agreed – 1 for Customer Service Centre and 1 for ICT Application Team to help progress these developments these posts to be funded from the Modernisation Earmarked Reserve.

- 5.2 EDRMS - Civica W2 now live in CSC and Revenues and Benefits. Work commencing with Educational Psychology (migration to Civica), Planning (migration to Civica) and CHCP (Back scanning and EDRM implementation).
- 5.3 PC Refresh 2013/14

This phase of PC Refresh to be complete by early November. The following is the total number of PCs and Laptops to be deployed.

	PC	Laptops
Education	737	160
Corporate	41	43
<b>Total</b>	<b>778</b>	<b>203</b>

Additional Phase 2 Refresh Q4 2013 for Corporate users. Currently at planning stage to support move from XP to Windows 7 and Office 2010 for corporate users. (MS support for Windows XP ends in 2014).

This will consist of a combination of replacement equipment and reimaged, existing kit, dependent upon age.

	PC	Laptops
Refresh	374	107
Reimage	502	149
<b>Total</b>	<b>876</b>	<b>256</b>

- 5.4 Phase 1 of the data centre virtualisation project is complete. Phase 2 – server virtualisation – now underway – to be complete by end of 2013/14. Currently upgrading storage and design of Physical to Virtual environment.

## 6.0 FINANCIAL IMPLICATIONS

- 6.1 The figures below detail the position at 14<sup>th</sup> October 2013. Expenditure to date is £0.464m (49.8% of the 2013/14 projected spend).

- 6.2 The approved budget for 2013/16 is £6.371m made up of £4.409m Supported Borrowing and £1.962m Prudential Borrowing. The current projected spend for 2013/16 is on budget.

Service	Approved Budget £000	Current Position £000	Overspend/ (Underspend) £000
ICT	5,143	5,143	-
Finance	1,228	1,228	-
<b>Total</b>	<b>6,371</b>	<b>6,371</b>	-

- 6.3 The approved budget for 2013/14 is £1.207m. The Committee is projecting to spend £0.931m with slippage into future years of £0.276m. The slippage relates mainly to £0.089m within the 2013/14 Allocation, £0.077m within Storage/Back-up Devices, £0.036m within the Whiteboard/Projector Refresh and £0.032m within the Modernisation Fund.

## 7.0 CONSULTATION

- 7.1 The report has been jointly prepared between ICT and Finance.
- 7.2 There are no direct staffing implications in respect of this report and as such the Head of Organisational Development, HR & Communications has not been consulted.
- 7.3 There are no legal issues arising from the content of this report and as such the Head of Legal & Democratic Services has not been consulted.
- 7.4 The report has no impact on the Council's Equalities policy.

**COMMITTEE: Policy & Resources**

Project Name	1	2	3	4	5	6	7	8
	Est Total Cost	Actual to 31/3/13	Approved Budget 2013/14	Revised Est 2013/14	Actual to 30/09/13	Est 2014/15	Est 2015/16	Future Years
	£000	£000	£000	£000	£000	£000	£000	£000
<b><u>Environment, Regeneration &amp; Resources</u></b>								
<b><u>ICT</u></b>								
<b><u>Supported Borrowing</u></b>								
Storage/Backup Devices	151	19	132	55	48	77	0	
Minor Works & Projects	189	108	81	50	14	31	0	
Mobile Technology	47	29	18	7	1	11	0	
Rolling Replacement of PC's	2,260	1,758	502	502	266	0	0	
Server & Switch Replacement Programme	449	445	4	4	1	0	0	
Upgrade to Existing Data Centre	330	140	190	190	56	0	0	
2013/16 Indicative Allocation	983	0	89	0	4	536	447	0
<b><u>Prudentially Funded</u></b>								
Additional PC Refresh	294	180	38	38	38	38	38	0
Whiteboard/Projector Refresh	440	344	36	0	0	66	30	0
<b><u>Finance</u></b>								
<b><u>Prudentially Funded</u></b>								
Modernisation Fund	1,228	761	117	85	36	32	350	0
<b>TOTAL</b>	<b>6,371</b>	<b>3,784</b>	<b>1,207</b>	<b>931</b>	<b>464</b>	<b>791</b>	<b>865</b>	<b>0</b>

**Report To:** Policy & Resources Committee      **Date:** 19 November 2013  
**Report By:** Acting Corporate Director,  
Environment, Regeneration &  
Resources      **Report No:** FIN/90/13/JB/MT  
**Contact Officer:** Jan Buchanan      **Contact No:** 01475 712223  
**Subject:** 2013/16 Capital Programme

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## 1.0 PURPOSE

- 1.1 The purpose of the report is to provide Committee with the latest position of the 2013/16 Capital Programme.

## 2.0 SUMMARY

- 2.1 In February 2013 the Council agreed a 3 year Capital Programme covering the period 2013/16. It should be noted that the 2015/16 Capital Grant Allocation is an estimate at this stage until figures are confirmed by the Scottish Government. The estimated shortfall in resources at the time of agreeing the budget was £1.695m being 1.5% of projected spend over 2013/16.
- 2.2 Based on the latest figures it can be seen from Appendix 1 that the estimated shortfall in resources has reduced to £1.639 million over the 2013/16 period which represents 1.5% of the total programme, in line with the recommended level. In the longer term annual capital allocations continue to exceed the General Capital Grant and opportunities to reduce this funding gap should be taken.
- 2.3 It can be seen from Appendix 2 that as at 30<sup>th</sup> September 2013 expenditure was 49% of projected spend. Phasing and project spend has been reviewed by the Senior Officer (CAMS) Group against planned spend.
- 2.4 The position in respect of each individual Committee is reported in Appendix 2 and Section 5 of the report. It could be seen that overall Committees are projecting to outturn on budget, the previously reported underspend on Kylemore Children's Home having been returned to the overall programme resulting in the reduced deficit highlighted in 2.2. Budgetary slippage of 2.1% is being reported, an increase of 0.2% from that reported to the previous Committee, this compares with slippage of 0.3% reported at the same stage last year.

## 3.0 RECOMMENDATION

- 3.1 It is recommended that Committee note the current position of the 2013/16 Capital Programme.

Jan Buchanan  
Head of Finance

## 4.0 BACKGROUND

- 4.1 On 14<sup>th</sup> February 2013 the Council agreed a 2013/16 Capital Programme which included significant additional funding to increase the Roads Asset Management Plan with further amounts set aside from available Revenue Reserves to fund a number of further Capital Projects and to reduce the overall funding shortfall.
- 4.2 The Business Property Renovation Scheme (BPRA) was approved by Policy & Resources Committee in February 2013. The refurbishment of Wallace Place and the creation of the Port Glasgow Hub are funded from this scheme and will deliver a capital saving of around £1.0m which was factored into the 2013/16 Budget. These projects have been removed from the Capital Programme.

## 5.0 CURRENT POSITION

- 5.1 Appendix 1 shows that over the 3 year period there is a projected shortfall in resources of £1.639 million which represents 1.5% of the projected spend and is in line with the recommended level of 1.5%.
- 5.2 The position in respect of individual Committees is as follows:

### Social Care

The previously reported underspend within the Kylemore Children's home has been returned to the overall programme, as a result Social Care is now projected to outturn on budget. No additional slippage is being reported, with spend being 6.6% of projected spend for the year.

### Environment & Regeneration

Net slippage of £0.470m (3.33%) is being reported with spend being 22.9% of projected spend for the year. Slippage relates mainly to the Gourock Pier & Railhead Development (£0.622m) and is partly offset by the acceleration of other budgets, in particular the Vehicle Replacement Programme (£0.178m).

It should be noted that the slippage for the Gourock Development as reported to the Environmental & Regeneration Committee on 31<sup>st</sup> October is £0.222m, this report has been updated to reflect the latest slippage projection of £0.622m.

### Education & Communities

Slippage of £0.071m (0.30%) is being reported with spend being 64.7% of projected spend for the year. The slippage relates to the Watt Complex (£0.071m).

Within SEMP no net slippage is being shown at this stage, slippage/underspends on Ardgowan Primary (£0.808m) and Port Glasgow Community Campus (£0.800m) is offset by increases in other projects, mainly St Columba's (£0.808m) and Lomond View (£0.160), all movements are fully funded from within the SEMP.

Finally, no slippage is being shown within Scheme of Assistance at present, officers are reviewing the allocation of this budget and any slippage will be reported to the next cycle.

### Policy & Resources

Slippage of £0.276m (22.87%) is being reported with spend being 49.8% of projected spend for the year. The main areas of slippage are within the PC Refresh (£0.089m)

and Storage/Back-up Devices (£0.077m).

- 5.3 Overall in 2013/14 it can be seen that expenditure is 49.08% of the projected spend for the year and that slippage from the programme agreed in February 2013 is currently £0.817 million (2.11%).

## **6.0 SCHOOL ESTATE MANAGEMENT PLAN**

- 6.1 The position of the School Estate finances is shown separately in Appendix 2. A report to the Education & Lifelong Learning Committee on 5<sup>th</sup> November 2013 advised of the latest position of the SEMP with the overall model remaining affordable and deliverable.

## **7.0 CONCLUSION**

- 7.1 Officers robustly reviewed phasings on all projects prior to the setting of the 2013/16 Capital Programme in order to set a 3 year Capital Programme that was both prudent and realistic in reflecting the anticipated capital expenditure and this resulted in improved slippage levels.
- 7.2 As can be seen in paragraph 5.3 projected slippage is currently 2.11%, compared with 0.33% reported at the same stage last year. While it is early in the financial year the signs are that this review continues to produce a more realistically phased Capital Programme.
- 7.3 The Council's Capital Programme for 2013/16 is showing a shortfall in resources of £1.639 million, approximately 1.5% of the projected spend.
- 7.4 Overall Service Committees have spent 49.08% of the 2013/14 projected spend as at 30<sup>th</sup> September 2013.

## **8.0 CONSULTATION**

- 8.1 This report has been approved by the Corporate Management Team.



Appendix 1

Capital Programme - 2013/14 - 2015/16

Available Resources

	2013/14	2014/15	2015/16	Future	Total
	£000	£000	£000	£000	£000
Government Capital Support	5,857	7,838	6,000	-	19,695
Less: Allocation to School Estate	(4,500)	(4,800)	(4,300)	-	(13,600)
Capital Receipts (Note 1)	816	560	937	50	2,363
Capital Grants (Note 2)	408	125	-	-	533
Prudential Funded Projects (Note 3)	5,508	25,606	6,451	90	37,655
Balance B/F From 11/12 (Exc School Estate)	1,455	-	-	-	1,455
Capital Funded from Current Revenue (Note 4)	9,061	8,896	2,833	-	20,790
Transfer to Capital Fund	(50)	(340)	(165)	(50)	(605)
	18,555	37,885	11,756	90	68,286

Overall Position 2013/16

	£000
Available Resources (Appendix 1, Column E)	68,286
Projection (Appendix 2, Column B-E)	69,925
(Shortfall)/Under Utilisation of Resources	(1,639)

Available Resources (Appendix 1, Column E)  
Projection (Appendix 2, Column B-E)  
(Shortfall)/Under Utilisation of Resources

Notes to Appendix 1

All notes exclude School Estates  
Note 1 (Capital Receipts)

	2013/14	2014/15	2015/16	Future	Total
	£000	£000	£000	£000	£000
Sales	804	560	937	50	2,351
Contributions/Recoveries	12	-	-	-	12
	816	560	937	50	2,363

Note 2 (Capital Grants)

	2013/14	2014/15	2015/16	Future	Total
	£000	£000	£000	£000	£000
Cycling, Walking & Safer Streets	85	125	-	-	210
SPT	285	-	-	-	285
Sustrans	20	-	-	-	20
Sports Scotland/SFA	18	-	-	-	18
	408	125	-	-	533

Note 2 (Capital Grants)

Cycling, Walking & Safer Streets  
SPT  
Sustrans  
Sports Scotland/SFA

Notes to Appendix 1

	2013/14	2014/15	2015/16	Future	Total
	£000	£000	£000	£000	£000
Additional ICT - Education Whiteboard & PC Refresh	38	104	68	-	210
Vehicle Replacement Programme	354	800	2,198	-	3,352
Greenock Parking Strategy	(34)	150	-	-	116
Asset Management Plan - Offices	2,133	6,396	492	90	9,111
Asset Management Plan - Borrowing in Lieu of Receipts	-	920	-	-	920
Asset Management Plan - Depots	1,870	8,279	1,183	-	11,332
Leisure & Pitches Strategy	1,588	822	-	-	2,410
Kylemore Childrens Home	(21)	-	-	-	(21)
Modernisation Fund	60	32	350	-	442
Watt Complex Refurbishment	100	2,821	-	-	2,921
Gourcock One Way System	(626)	3,122	-	-	2,496
Roads Asset Management Plan	-	2,100	2,100	-	4,200
Surplus Prudential Borrowing due to project savings	60	60	-	-	180
Element of Prudentially Funded projects already funded through existing Supported Borrowing	(14)	-	-	-	(14)
	5,508	25,606	6,451	90	37,655

	2013/14	2014/15	2015/16	Future	Total
	£000	£000	£000	£000	£000
Regeneration of Port Glasgow Town Centre	167	467	-	-	634
Play Areas	351	300	-	-	651
SWIFT Finance Module	60	-	-	-	60
Lunderston Bay	120	41	-	-	161
Scheme of Assistance	433	433	433	-	1,299
Aids & Adaptations (Earmarked Reserve)	360	-	-	-	360
Flooding Strategy	82	1,222	-	-	1,304
Greenock Parking Strategy	104	100	-	-	204
Roads Asset Management Plan	2,722	2,365	2,400	-	7,487
Broomhill Community Facility (Community Facility Fund)	50	150	-	-	200
Inverkip Community Facility	264	900	-	-	1,164
Modernisation Fund	25	-	-	-	25
Port Glasgow Town Centre, Town Hall Refresh	164	63	-	-	227
Watt Complex Refurbishment	-	1,000	-	-	1,000
Community Facilities Investment	-	750	-	-	750
Blaes Football Parks	-	830	-	-	830
Broomhill Regeneration	-	250	-	-	250
Completion of SV Comet Canopy	109	25	-	-	134
Use of General Fund Reserves	4,050	-	-	-	4,050
	9,061	8,896	2,833	-	20,790

Note 3 (Prudentially Funded Projects)

Additional ICT - Education Whiteboard & PC Refresh  
 Vehicle Replacement Programme  
 Greenock Parking Strategy  
 Asset Management Plan - Offices  
 Asset Management Plan - Borrowing in Lieu of Receipts  
 Asset Management Plan - Depots  
 Leisure & Pitches Strategy  
 Kylemore Childrens Home  
 Modernisation Fund  
 Watt Complex Refurbishment  
 Gourcock One Way System  
 Roads Asset Management Plan  
 Surplus Prudential Borrowing due to project savings  
 Element of Prudentially Funded projects already funded through existing Supported Borrowing

Note 4 (Capital Funded from Current Revenue)

Regeneration of Port Glasgow Town Centre  
 Play Areas  
 SWIFT Finance Module  
 Lunderston Bay  
 Scheme of Assistance  
 Aids & Adaptations (Earmarked Reserve)  
 Flooding Strategy  
 Greenock Parking Strategy  
 Roads Asset Management Plan  
 Broomhill Community Facility (Community Facility Fund)  
 Inverkip Community Facility  
 Modernisation Fund  
 Port Glasgow Town Centre, Town Hall Refresh  
 Watt Complex Refurbishment  
 Community Facilities Investment  
 Blaes Football Parks  
 Broomhill Regeneration  
 Completion of SV Comet Canopy  
 Use of General Fund Reserves

## Capital Programme - 2013/14 - 2015/16

Agreed Projects Committee	A	B	C	D	E	G	H	I	J
	Prior Years £000	2013/14 £000	2014/15 £000	2015/16 £000	Future £000	Total £000	Approved Budget £000	(Under)/ Over £000	2013/14 Spend To 30/9/13 £000
Policy & Resources	3,784	931	791	865	-	6,371	6,371	-	464
Environment & Regeneration	34,513	13,630	30,595	11,625	90	90,453	90,453	-	3,117
Education & Communities (Exc School Estate)	455	2,197	8,085	933	-	11,670	11,670	-	236
CHCP	1,131	183	-	-	-	1,314	1,314	-	12
Sub -Total	39,883	16,941	39,471	13,423	90	109,808	109,808	-	3,829
School Estate (Note 1)	37,984	21,117	10,949	6,432	11,622	88,104	88,104	-	14,851
Total	77,867	38,058	50,420	19,855	11,712	197,912	197,912	-	18,680

## Note 1

## Summarised SEMP Capital Position - 2013/17

	2013/14	2014/15	2015/16	2016/17
Capital Allocation	4,500	4,800	4,300	4,300
Scottish Government School Grant (estimate)	1,366	801	803	803
Surplus b/fwd	2,182	4,409	1,811	480
Prudential Borrowing	9,153	3,551	-	-
Prudential Borrowing - In Lieu of Receipts	3,325	-	-	-
Prudential Borrowing - Accelerated Investment	5,000	-	-	-
Available Funding	<u>25,526</u>	<u>12,760</u>	<u>6,912</u>	<u>5,583</u>
Projects	11,964	7,398	6,432	5,436
Ex-Prudential Borrowing	9,153	3,551	-	-
Prudential Borrowing	<u>21,117</u>	<u>10,949</u>	<u>6,432</u>	<u>5,436</u>
Surplus c/fwd	4,409	1,811	480	147

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Chief Executive, Acting Corporate Director Environment, Regeneration &amp; Resources, Corporate Director Education Communities &amp; Organisational Development and Head of Finance</b>	<b>Report No:</b>	<b>FIN 84/13/JB/AE</b>
<b>Contact Officer:</b>	<b>Angela Edmiston</b>	<b>Contact No:</b>	<b>01475 712143</b>
<b>Subject:</b>	<b>Policy &amp; Resources Committee 2013/14 Revenue Budget – Period 6 to 30 September 2013</b>		

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## 1.0 PURPOSE

- 1.1 To advise Committee of the 2013/14 projected out-turn for the Policy & Resources Committee as at Period 6 (30 September 2013).

## 2.0 SUMMARY

- 2.1 The total revised Committee budget for 2013/14 is £21,726,000. This excludes Earmarked Reserves of £6,855,000.
- 2.2 The latest projection, excluding Earmarked Reserves, is an underspend of £249,000 which is an increase in underspend of £209,000 since last reported to Committee.

The main reasons for this underspend are:

- a) A projected increase of £74,000 within Internal Resource Interest which is in line with the 2012/13 out-turn.
  - b) £108,000 underspend within Finance Employee costs due to turnover savings.
  - c) £50,000 over-recovery within Benefit Subsidy based on the mid year return produced in September 2013.
- 2.3 The Earmarked Reserves for 2013/14 totals £6,855,000 of which £2,509,000 is projected to be spent in the current financial year. To date expenditure of £143,000 (5.7%) has been incurred, however a further £1,636,000 has been legally committed mostly relating to early release of employees increasing the overall percentage spend at 30 September to 70.9%. The spend to date per profiling was expected to be £190,000 therefore slippage equates to £47,000 (24.7%). Given the number and nature of the projects this slippage is manageable.
- 2.4 The Common Good Fund is projecting an available fund balance at 31 March 2014 of £137,260.

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### 3.0 RECOMMENDATIONS

- 3.1 The Committee note the 2013/14 projected underspend of £249,000 for the Policy & Resources Committee as at Period 6 (30 September 2013).
- 3.2 The Committee note the projected fund balance of £137,260 for the Common Good Fund.

John Mundell  
Chief Executive

Jan Buchanan  
Head of Finance

Albert Henderson  
Corporate Director  
Education, Communities &  
Organisational Development

Alan Puckrin  
Acting Corporate Director  
Environment, Regeneration &  
Resources

## 4.0 BACKGROUND

- 4.1 The purpose of this report is to advise Committee of the current position of the 2013/14 budget and to highlight the main issues contributing to the projected underspend of £249,000.

## 5.0 2013/14 CURRENT POSITION

- 5.1 The current projection is an underspend of £249,000. The following are the material variances:
- 5.2 The following material variances relate to the Environment, Regeneration & Resources Directorate:

### **Finance - £168,000 Underspend**

Employee Costs: Projected underspend of £108,000, which is an increase in underspend of £72,000 since last reported to Committee in period 4, mainly due to additional turnover savings following a number of recent resignations and the temporary promotion of the Chief Financial Officer and Finance Manager.

Supplies & Services: An underspend of £9,000 is being projected which is a decrease in projected spend of £20,000 since last reported to Committee. This is mainly due to minor underspends within various budget lines such as computer software maintenance and books and publications.

Payments to Other Bodies: A £30,000 overspend in NDR Discretionary Relief was projected in period 4 based on level of reliefs awarded. Virement has been identified from income resulting in projected overspend being removed.

Other Expenditure: In period 4 an overspend of £11,000 was projected within Sheriff Officer Commission. Virement has been identified from Administration costs resulting in projected overspend being removed.

Income: Since period 4 £50,000 over-recovery within Benefit Subsidy is being projected based on the mid year return produced in September 2013.

### 5.3 **Legal & Democratic Service – £1,000 Overspend**

Employee Costs: An overspend of £12,000 is projected mainly due to turnover savings target not being achieved. This represents a decrease in overspend of £1,000 since last reported to Committee.

Administration Costs: An underspend of £24,000 is projected within Administration costs. This is mainly due to a projected underspend in Franking Machine postage costs of £18,000 which is offset by a reduction in Franking Machine income.

Income: An under-recovery of £13,000 is projected within income mainly due to a reduction in Franking Machine income offset by a reduction in costs above.

- 5.4 The following material variance relate to the Miscellaneous budget:

### 5.5 **Miscellaneous – £74,000 Underspend**

Capital & Loan Charges: A £74,000 projected increase in Internal Resources Interest received in line with 2012/13 was reported to Committee in period 4. There have been no changes to projections.

## 6.0 VIREMENT

- 6.1 Committee is asked to approve the virements as detailed in Appendix 4. Where appropriate, the virements are reflected throughout the report. The virements requested are to align an increase in Housing Benefit Overpayment recoveries with an increase in NDR Discretionary relief and offset overspend within Sheriff Officer Commission with underspend within Postages.
- 6.2 There are several pressures on the Environment & Regeneration aspects of the Directorate budget and Committee is asked to note that a request to vire some of the Finance underspend to Environment & Regeneration on a one off basis will be presented to the next meeting of the Committee.

## 7.0 EARMARKED RESERVES

- 7.1 Appendix 2 gives a detailed breakdown of the current earmarked reserves position. Total funding is £6,855,000 of which £2,509,000 is projected to be spent in 2013/14 and the remaining balance of £4,346,000 to be carried forward to 2014/15 and beyond. It can be seen that expenditure of £143,000 represents 5.7% of the annual projected spend. A further £1,636,000 has been legally committed in respect of early release costs which will be incurred at year end thus increasing the overall percentage spend at 30 September to 70.9%. Further costs have been committed against the Procurement Development Fund due to extension of the temporary Project Officer post to March 2015. The spend to date per profiling was expected to be £190,000 therefore slippage equates to £47,000 (24.7%). Given the number and nature of the projects this slippage is manageable.

## 8.0 FINANCIAL IMPLICATIONS

- 8.1 The current projected outturn per service:

Service	Approved Budget 2013/14 £000	Revised Budget 2013/14 £000	Projected Out-turn 2013/14 £000	Projected Over/(Under) Spend £000
Finance	10,859	10,851	10,683	(168)
ICT	2,172	2,160	2,160	0
Legal & Democratic Services	1,726	1,727	1,728	1
<b>Total Net Expenditure Environment, Regeneration &amp; Resources</b>	<b>14,757</b>	<b>14,738</b>	<b>14,571</b>	<b>(167)</b>
Organisational Development, Human Resources & Communications	1,897	1,899	1888	(11)
Corporate Policy	178	178	180	2
<b>Total Net Expenditure Education, Communities &amp; Organisational Development</b>	<b>2075</b>	<b>2077</b>	<b>2068</b>	<b>(9)</b>
Chief Executive	366	366	367	1
Miscellaneous	5,389	4,545	4,471	(74)
<b>Total Net Expenditure</b>	<b>22,587</b>	<b>21,726</b>	<b>21,477</b>	<b>(249)</b>



## **9.0 COMMON GOOD FUND**

9.1 Appendix 3 shows a projected overspend of £13,300 in the Common Good Fund as at 30 September 2013. This results in a projected available fund balance at 31 March 2014 of £137,260.

## **10.0 EQUALITIES**

10.1 There are no equality issues arising from this report.

## **11.0 REPOPULATION IMPLICATIONS**

11.1 There are no repopulation implication issues arising from this report.

## **12.0 CONSULTATIONS**

12.1 The Acting Corporate Director Environment, Regeneration & Resources, Corporate Director Education, Communities & Organisational Development and the Head of Finance have been consulted in the preparation of this report.

POLICY & RESOURCESREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCES (EXCLUDING EARMARKED RESERVES)PERIOD 6: 1st April 2013- 30th Sept 2013

Outturn 2012/13 £000	Budget Heading	Budget 2013/14 £000	Proportion of Budget £000	Actual to 30/09/13 £000	Projection 2012/2013 £000	Over/(Under) Budget £000
	<b><u>Finance</u></b>					
3,982	Employee Costs	3,867	1,874	1,911	3,759	(108)
(35,684)	Benefits Subsidy	(37,840)	(18,913)	(17,805)	(37,890)	(50)
30	Other Expenditure - Commission	25	12	15	36	11
	<b><u>Miscellaneous &amp; Joint Boards</u></b>					
(371)	Internal Resource Interest	(226)	0	0	(300)	(74)
	<b><u>Legal &amp; Democratic Services</u></b>					
1,199	Employee Costs	1,333	650	655	1,345	12
31	Admin - Postages (Franking Machine)	49	25	17	31	(18)
(12)	Income - Recharges (Franking Machine)	(28)	(14)	(3)	(10)	18
<b>-30,825</b>	<b>TOTAL MATERIAL VARIANCES</b>	<b>(32,820)</b>	<b>(16,366)</b>	<b>(15,210)</b>	<b>(33,029)</b>	<b>(209)</b>

EARMARKED RESERVES POSITION STATEMENT

Appendix 2

COMMITTEE: Policy & Resources

Project	Lead Officer/ Responsible Manager	Total Funding 2013/14 £000	Phased Budget To Period 6 2013/14 £000	Actual To Period 6 2013/14 £000	Projected Spend 2013/14 £000	Amount to be Earmarked for 2014/15 & Beyond £000	Lead Officer Update
Early Retirement/Voluntary Severance Reserve	Alan Puckrin	4,260	0	0	1,850	2,410	To meet costs of early release of employees arising from the 2013/16 budget. Commitments to date for 2013/14 are £1,636k. Budget implementation is ongoing. Estimated spend for 2013/14 is £1.85m which is expected to be incurred at year end.
Modernisation Fund	Alan Puckrin	502	11	6	56	446	Various modernisation projects, proposals on utilisation to be developed during 2013/14 for £50k CHCP backscanning. Options for Channel Shift projects being discussed, 2 x Temp posts funding agreed.
Procurement Development Fund	Alan Puckrin	134	30	22	45	89	To be spent on Procurement Development. Temporary Project officer funded to 31/03/15.
RVJB Capital Contribution	Alan Puckrin	27	0	0	10	17	Annual recharge at year end.
Workforce Development Fund	Alasdair Moore	27	10	0	27	0	Sum set aside for Finance Development Capacity Plan courses and setting up the new Port Glasgow Training suite. £5k for Finance Development Capacity Plan expected to be spent in November and December 2013. £12k will be utilised to set up the new Port Glasgow Training Suite and another £10k for various other training needs. No spend has been incurred to date due to delay in completion of the Training suite. There is a possibility that some spend will be incurred in 2014.
Revenue Expenditure Transferred from Capital	Alan Puckrin	76	0	0	40	36	Sum set aside and utilised as part of the accounts closure process to allow expenditure incorrectly charged to Capital to be funded from Revenue. Spend to be incurred at year end.
Welfare Reforms	Alan Puckrin	303	47	72	138	165	Funding from DWP & Government used for upgrading systems & extra temporary staff to address Welfare Reforms.
Implementation of Saving Workstreams	Alan Puckrin	79	10	0	30	49	New workstream programme approved. Envisaged that delivery of the workstreams will result in some one-off costs. Spend expected to be incurred from period 6 onwards.
ICT Shared Services	Aubrey Fawcett	100	13	0	33	67	The £33k spend expected in period 6 covers the initial spend for year 1 of the Collaboration Project. This is a £20k increase in spend for 2013/14 since last reported to CMT and is based on the spend information provided by East Renfrewshire Council.
Protection of Vulnerable Groups	Alasdair Moore	208	31	26	67	141	PVG expenditure is phased over 3 years starting from November 2012. An 18.5hr Grade C Admin post starting beginning of November 2012 is being funded from this budget. Spend expected to be incurred throughout the year.

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Total Funding 2013/14</u>	<u>Phased Budget To Period 6 2013/14</u>	<u>Actual To Period 6 2013/14</u>	<u>Projected Spend 2013/14</u>	<u>Amount to be Earmarked for 2014/15 &amp; Beyond</u>	<u>Lead Officer Update</u>
Feasibility Study - Hydro Electric Scheme	John Mundell	11	0	0	8	3	To fund Hydro Electric Project Feasibility and assist current project implementation. Costs relate to potential partnership with Scottish Water Horizons for Hydro Project. Spend projected to be incurred November onwards with £3k expected to be incurred in 2014/15. Note that the phasing of spend is subject to change after discussion with Scottish Water.
Microsoft Licensing	Robert Stoakes	138	0	0	15	123	To fund 3 year contract for Microsoft licenses. Spend expected to start from October 2013 onwards.
2013/16 Revenue Contingency	Alan Puckrin	600	20	0	150	450	Sum set aside for unforeseen items over the 3 year budget 2013/14. Spend expected to be incurred from period 6 onwards. Decisions to date are for £45k WEL, £28k Newark Castle Lighting & £50k Temporary Travellers site pending the outcome of the Public Consultation.
Increased Officer Capacity - Equalities Officer	Wilma Bain	85	8	7	19	66	1 fte Equalities Officer (Grade 1) started on 15/7/13. Hours were reduced to 0.6fte from 16/09/13 with no backfill anticipated. Post will return to 1 fte during University summer holidays. Cost for 2 year contract now projected to be £56k saving £29k on original funding level. Post in place until 15/07/15.
Increased Officer Capacity - Communications Assistant	Alasdair Moore	55	10	10	21	34	New Grade F post for 2 year period to support Communications Officer (Media). Post started 28 May 2013.
Discretionary Housing Payments / Welfare Reform	Alan Puckrin	250	0	0	0	250	This new reserve was approved at Policy & Resources Committee on 24 September 2013 and is additional funding to support those affected by the 'bedroom tax' and other aspects of welfare reform.
<b>Total</b>		<b>6,855</b>	<b>190</b>	<b>143</b>	<b>2,509</b>	<b>4,346</b>	

## REVENUE BUDGET MONITORING REPORT 2013/14

PERIOD 6 : 1st April 2013 to 30th September 2013

	Final Outturn 2012/13	Approved Budget 2013/14	Budget to Date 2013/14	Actual to Date 2013/14	Projected Outturn 2013/14
<b><u>PROPERTY COSTS</u></b>	<b>18,520</b>	<b>5,000</b>	<b>2,500</b>	<b>11,640</b>	<b>7,000</b>
Repairs & Maintenance	9,680	4,000	2,000	1,280	4,000
Rates <b>1</b>	8,700			10,360	0
Property Insurance	140	1,000	500		1,000
Marketing Costs					2,000
<b><u>ADMINISTRATION COSTS</u></b>	<b>11,620</b>	<b>8,500</b>	<b>200</b>	<b>670</b>	<b>10,700</b>
Sundries	3,420	300	200	670	2,500
Commercial Rent Management Recharge	2,200	2,200	0		2,200
Recharge for Accountancy	6,000	6,000	0		6,000
<b><u>OTHER EXPENDITURE</u></b>	<b>147,180</b>	<b>132,800</b>	<b>44,300</b>	<b>2,950</b>	<b>132,800</b>
Christmas Lights Switch On	9,530	10,500	0		10,500
Christmas Dinners/Parcels	16,570	18,000	0		18,000
Christmas Decorations	35,400	35,400	0		35,400
Gourock Highland Games	29,400	29,400	29,400		29,400
Armistice Service	5,470	8,300	0	1,450	8,300
Comet Festival	13,300	13,300	13,300		13,300
Fireworks	12,600	12,600	0		12,600
Contingency for future Community Events		2,200	0		2,200
Society of the Innocents Rent Rebate	3,750	3,100	1,600	1,500	3,100
Bad Debt Provision	21,160	0	0		0
<b><u>INCOME</u></b>	<b>(212,590)</b>	<b>(146,300)</b>	<b>(72,100)</b>	<b>(57,030)</b>	<b>(137,200)</b>
Property Rental	(144,550)	(188,800)	(94,400)	(56,990)	(188,800)
Void Rents <b>2</b>		44,500	22,300		53,600
Internal Resources Interest	(1,540)	(2,000)	0	(40)	(2,000)
Donations	(1,500)				0
Lease Premium	(65,000)				0
<b><u>NET ANNUAL EXPENDITURE</u></b>	<b>(35,270)</b>	<b>0</b>	<b>(25,100)</b>	<b>(41,770)</b>	<b>13,300</b>
<b><u>EARMARKED FUNDS</u></b>	<b>6,270</b>	<b>99,000</b>	<b>0</b>	<b>1,760</b>	<b>99,000</b>
Replacement of SV Comet	6,270	0			0
John Wood St/Bay St Shop Improvemnts		95,000			95,000
Contribution to Parade - Royal Regiment of Scotland		4,000		1,760	4,000
<b><u>TOTAL NET EXPENDITURE</u></b>	<b>(29,000)</b>	<b>99,000</b>	<b>(25,100)</b>	<b>(40,010)</b>	<b>112,300</b>

Fund Balance as at 31st March 2013 249,560

Projected Fund Balance as at 31st March 2013

137,260

## Notes:

**1 Rates (Empty Properties)**

Rates are currently being paid on empty properties, the Assessor has been contacted with a view to obtaining empty Property relief on these properties, it is hoped that 100% relief will be obtained but this is yet to be confirmed and there may be some cost to the Common Good.

**2 Current Empty Properties are:**Current Position

4 John Wood Street	In final stages of negotiating a lease
15 John Wood Street	In final stages of negotiating a lease
10 Bay Street	Short term lease awarded
74 Port Glasgow Road Site	In final stages of agreeing sale of site

It should also be noted that 10 John Wood Street, which had been vacant since November 2009, has recently been let out under "Business Start Up" conditions. While there is an initial rent free period for part of this year full year rent should be achieved in future years.

**3 Disposal of Land**

Following a marketing exercise of the site at Port Glasgow Road, Greenock, offers have been received and it is proposed to dispose of the site for a receipt of £155,000.

**REVENUE BUDGET MONITORING REPORT****VIREMENT REQUEST****Period 6: 1st April 2013 - 30th September 2013**

<b>Budget Heading</b>		<b>Increase Budget</b>	<b>(Decrease) Budget</b>
		£	£
Finance - NDR Discretionary Relief	1		30,000
Finance - Overpayment Recoveries	1	(30,000)	
<b>Total</b>		<b>(30,000)</b>	<b>30,000</b>

1) Additional Budget allocation to reflect increase in Housing Benefit Overpayments recoveries offset by an increase in NDR Discretionary Relief.

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b> 19 November 2013
<b>Report By:</b>	<b>Acting Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b> FIN/92/13/JB/LA
<b>Contact Officer:</b>	<b>Jan Buchanan</b>	<b>Contact No:</b> 01475 712223
<b>Subject:</b>	<b>2013/14 General Revenue Budget as at 30th September 2013</b>	

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the position of the General Fund Revenue Budget as at 30 September 2013 and to update Committee in respect of the position of the Reserves and Workstream Savings.

## 2.0 SUMMARY

- 2.1 The Council approved a three year Revenue Budget in February 2013 and within that a 2013/14 Revenue Budget with a budgeted contribution to the General Fund Reserve of £4.677 million.
- 2.2 It can be seen from Appendix 1 that as at the 30<sup>th</sup> September 2013 the General Fund is projecting a £1.061million underspend which represents 0.54% of the net Revenue Budget. This is an increase in the underspend reported to the last Committee of £1.013 million and is mainly due to:
- One off projected underspend in loans charges of £350,000
  - One off refunds for the Corporate NDR Appeals process £327,000
  - Additional underspends in Service budget of £402,000 mainly due to additional turnover savings, projected over recovery of benefit subsidy income, projected underspend in vehicle fuel partly offset by projected under recovery of planning income.
- 2.3 From Appendix 1 it can be seen that 3 of the 4 Service Committees are currently projecting underspends with a significant reduction in the Education & Communities Committee projected overspend since the last report.
- 2.4 Appendix 2 shows the latest position in respect of Earmarked Reserves from where it can be seen that as at 30<sup>th</sup> September 2013 expenditure totalled £7.287 million which equates to 27.49% of the projected spend in 2013/14. It can also be seen from appendix 2 that as at the 30<sup>th</sup> September 2013 actual expenditure is 15.84% behind phased spend.
- 2.5 Appendix 3 shows the latest position in respect of the General Fund Reserves and shows that the projected balance at the 31<sup>st</sup> March 2014 is £4.983 million which is £0.983 million greater than the minimum recommended balance of £4 million and is following the £1.5 million allocation to new projects agreed at the last meeting. It is proposed that any decisions on using further excess reserves are taken at the February budget meeting.
- 2.6 Appendix 4 and Appendix 5 give an update in respect of the Savings Workstreams. From this it can be seen that as at the 30<sup>th</sup> September 2013 75.8% of the projected savings in 2013/14 have already been delivered once details and amounts are confirmed.



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- 2.7 Scottish Government announced the 2014/15 Local Government settlement on the 11<sup>th</sup> September 2013. The impact of this has yet to be confirmed in detail and will be subject of a further report to the Policy & Resources Committee and ultimately the full Council prior to the end of February 2014.
- 2.8 Extra funding has been announced for Welfare Reforms and Children & Families and will be reflected in future reports to Committee.

### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Committee note the latest position of the 2013/14 Revenue Budget and General Fund Reserves.
- 3.2 It is recommended that the Committee notes the 2013/16 Workstream Savings position.
- 3.3 It is recommended that Committee approve the virement detailed at appendix 6.

Jan Buchanan  
Head of Finance

## 4.0 BACKGROUND

4.1 The Council confirmed the 2013/16 General Fund Revenue Budget in February 2013. In the process the Council agreed a 2013/14 Revenue Budget on the basis of a contribution to the General Fund Reserve of £4.677 million.

## 5.0 POSITION AS AT 30<sup>th</sup> SEPTEMBER 2013

5.1 It can be seen from Appendix 1 that as at the 30<sup>th</sup> September 2013 the General Fund is projecting an underspend of £1.061million which equates to 0.54% of the net General Revenue Fund Budget. This is an increase in the underspend reported to the last Committee of £1.013 million and is mainly due to:

- One off projected underspend in loans charges of £350,000
- One off refunds for the Corporate NDR Appeals process £327,000
- Additional underspends in Service budget of £402,000 mainly due to additional turnover savings, projected over recovery of benefit subsidy income, projected underspend in vehicle fuel partly offset by projected under recovery of planning income.

5.2 It can also be seen from Appendix 1 that 3 of the 4 Service Committees are currently projecting underspends whilst Education & Communities Committee is projecting a slight overspend of £47,000, a considerable improvement since period 4.

5.3 In summary the main issues relating to the four Service Committees are as follows:-

Policy & Resources Committee – Projected underspend of £249,000 mainly due to employee cost turnover savings and Over-Recovery within Benefit Subsidy income.

Environment & Regeneration – Projected underspend of £37,000 mainly due to excess turnover savings and a projected underspend in vehicle fuel offset by an underrecovery in planning income.

Education & Communities - £47,000 overspend – This is an improvement since last report and mainly due to achieving teachers turnover savings since the new academic year and delay in recruiting posts within the ASN and music services.

Health & Social Care – Underspend £211,000 – Mainly due to excess turnover savings partially offset by increase in client commitment costs.

5.4 Appendix 2 shows the latest position in respect of the Earmarked Reserves and also provides information on performance against phased budget. This includes £1.12 million of newly approved reserves from September Committee the balance of £380,000 being reported through Capital reports. Committee are asked to note that the phasing will not be amended during the year and should provide a useful benchmark for Officers and Members to monitor performance against originally envisaged targets.

5.5 It can be seen that as at 30<sup>th</sup> September 2013 the Council has spent £7.287million against a phased budget target of £8.659million. This represents a shortfall of 15.84% against target and 27.49% of the projected spend of £26.506million for the year. Performance in respect of Earmarked Reserves is reviewed on a monthly basis by the Corporate Management Team and reported in detail to each Service Committee.

5.6 Appendix 3 shows the projected General Fund Reserves position as at 31<sup>st</sup> March 2014. The projected balance at this date is shown as £4.983 million which is £0.983 million greater than the minimum reserve balance of £4 million recommended and approved via the reserves strategy. This is after the allocation of £1.5 million for the specific initiatives approved at the September Committee. It is proposed that any decisions on using further excess reserves are taken at the February budget meeting.

## **6.0 VIREMENT**

- 6.1 A report, approved at the Education and Communities Committee on the 5 November reported that, following discussion between Education and Communities Directorate and Environment, Regeneration and Resources Directorate regarding the regeneration elements of services from 7 ½ St John Wood Street is removed from Communities Service to Regeneration and Planning Service. Due to the timing of the Service Committees the revenue reports did not ask for approval for the virements. This Committee is asked to approve this virement to allow Directorate budgets to be aligned.

## **7.0 WORKSTREAM SAVINGS**

- 7.1 Appendix 4 gives an update from the Corporate Management Team on each of the approved Savings Workstreams.
- 7.2 Appendix 5 gives an update in respect of the achievement of Workstream Savings for 2013/14 from which it can be seen that 76% of the target of £430,000 has been achieved to date.

## **8.0 OTHER FINANCIAL MATTERS**

- 8.1 Cabinet Secretary Mr John Swinney presented the 2014/15 Scottish Government Budget on the 11<sup>th</sup> September 2013. At the same time he announced indicative figures for 2015/16. Whilst the detailed breakdown of the figures have yet to be released the announcement is in line with the assumptions made when setting the 13/16 budget. Once these figures have been broken down into greater detail for individual Councils then a report will be brought back to Members highlighting any issues and providing advice and guidance on any action required.
- 8.2 On the 25<sup>th</sup> October Cosla confirmed that a 2 year, 1% pay award was being implemented for all employee groups with the exception of teachers with whom negotiations are continuing.
- 8.3 Several new funding awards have been announced by the Government for 2013/15 and confirmation is awaited on some of the detail. These will included in future reports.

## **9.0 CONSULTATION**

- 9.1 This report has been produced in consultation with the Corporate Management Team.

## Policy &amp; Resources Committee

## Revenue Budget Monitoring Report

Position as at 30th September 2013

Committee	Approved Budget 2013/2014	Revised Budget 2013/2014	Projected Out-turn 2013/2014	Projected Over/(Under) Spend	Percentage Variance
	£,000's	£,000's	£,000's	£,000's	
Policy & Resources	22,587	21,726	21,477	(249)	(1.15%)
Environment & Regeneration	22,733	20,789	20,752	(37)	(0.18%)
Education & Communities (Note 1)	86,405	80,294	80,341	47	0.06%
Health & Social Care	48,491	48,801	48,590	(211)	(0.43%)
<b>Committee Sub-Total</b>	<b>180,216</b>	<b>171,610</b>	<b>171,160</b>	<b>(450)</b>	<b>(0.26%)</b>
Loan Charges (Including SEMP)	13,160	16,749	16,399	(350)	(2.09%)
Unallocated Savings (Note 2)	(311)	(137)	(79)	58	(42.34%)
Contribution to General Fund Reserve	4,677	4,677	4,677	0	0.00%
One off contribution to Reserves (Note 3)	0	0	(327)	(327)	0.00%
Workstream Savings Slippage (Note 4)	0	(8)	0	8	0.00%
Earmarked Reserves	0	5,301	5,301	0	0.00%
<b>Total Expenditure</b>	<b>197,742</b>	<b>198,192</b>	<b>197,131</b>	<b>(1,061)</b>	<b>(0.54%)</b>
<b>Financed By:</b>					
General Revenue Grant/Non Domestic Rates	(164,728)	(165,178)	(165,178)	0	0.00%
Council Tax	(33,014)	(33,014)	(33,014)	0	0.00%
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>(1,061)</b>	<b>(1,061)</b>	

Note 1 - Reduction in budget reflects SEMP earmarked reserve allocated to loans charges and earmarked reserve.

Note 2 - Procurement/Utilities Workstream Saving to be allocated plus slippage in roll-reduction saving.

Note 3 - Relates to Corporate NDR appeals process

Note 4 - Relates to slippage of utilities workstream savings offset by an advancement of procurement workstream savings.

Appendix 2

Earmarked Reserves Position Statement

Summary

<u>Committee</u>	<u>Total Funding 2013/14</u>	<u>Phased Budget to 30 Sept 13</u>	<u>Actual Spend To 30 Sept 13</u>	<u>Variance Actual to Phased Budget</u>	<u>Projected Spend 2013/14</u>	<u>Earmarked 2014/15 &amp; Beyond</u>	<u>2013/14 %age Spend Against Projected</u>	<u>2013/14 %age Spend Against Phased Budget</u>
	£000	£000	£000	£000	£000	£000		
Education & Communities	21,593	5,852	5,295	(557)	16,548	5,045	32.00%	90.48%
Health & Social Care	3,672	1,223	859	(364)	2,160	1,512	39.77%	70.22%
Regeneration & Environment	12,073	1,393	990	(403)	5,291	6,782	18.71%	71.07%
Policy & Resources	6,855	190	143	(47)	2,509	4,346	5.70%	75.18%
	44,193	8,659	7,287	(1,372)	26,508	17,685	27.49%	84.16%

Actual Spend v Phased Budget

(£1,372k) (15.84%)

**Appendix 3**

**GENERAL FUND RESERVE POSITION**  
**Position as at 30/09/13**

	<u>£000</u>	<u>£000</u>
Balance 31/03/13		14355
Projected Surplus/(Deficit) 2013/14	1061	
2014/16 Increased DHP allocation - Approved August 2013	(118)	
Contribution to General Fund Reserve 2013/14	4677	
Use of Reserves approved November 2012 (See Undernote)	(3500)	
Use of Reserves approved February 2013 (See Undernote)	(9992)	
Use of Reserves approved September 2013 (See Undernote)	<u>(1500)</u>	(9372)
Projected Unallocated Balance 31/03/14		<u><u>4983</u></u>

**Minimum Reserve required is £4million**

**Use of Reserves approved November 2012**

Adoption Earmarked Reserve	(300)	
2013/16 Revenue Contingency	(600)	
Contribution to 2013/16 Capital Programme	(2000)	
Increased costs Inverkip Community Facility	(250)	
Increased Officer Capacity - Corporate Projects	<u>(350)</u>	(3500)

**Approved Usage February 2013:**

Roads Asset Management Plan (2013/16)	(5900)	
Repopulating/Promoting Inverclyde	(1000)	
Community Facilities - Capital Investment	(750)	
Community Grants	(52)	
Play Areas/MUGA's	(300)	
Blaes Football Park Replacement	(830)	
Employment Support	(330)	
Broomhill Area	(250)	
PG Town Centre	(250)	
Creative Scotland - Match Funding	(250)	
Greenock Town Centre - Extra Police	<u>(80)</u>	(9992)

**Approved Usage September 2013:**

Joint Equipment Store	(50)	
Support for Young Carers	(65)	
Extend Hillend Respite Provision	(80)	
Employability Initiatives	(150)	
Grnk Municipal Bldgs Tourism Initiative	(150)	
Play Areas	(200)	
Improvement in Parks & cemeteries	(100)	
Shopfront Improvement Grants	(50)	
Aids and Adaptations	(100)	
Contribution to Match Funding for Second I Youth Zone	(75)	
Expansion of Summer Playschemes	(30)	
Regeneration of Clune Park Area	(200)	
Discretionary Housing Payments / Welfare Reform	<u>(250)</u>	(1500)

Workstream Updates as at: 22/10/13

<u>Lead Officer</u>	<u>Workstream Saving</u>	<u>Update</u>	<u>Target (2013/16) £000</u>
A Gerrard	1 Utility Cost Reductions/Energy Management	Energy Group continues to meet monthly to monitor. Various proposals being taken forward to reduce consumption by (1) applied measures such as replacing light fittings with LED equivalents, introducing water saving measures and fitting water meters and (2) education of users to switch off lights and appliances when not needed and to turn heating down rather than opening windows. Approach to applying savings and timescales agreed with Finance. Further detailed CMT report required. Phasing reviewed and £40k slipped to 2014/15. GMB boilers are at end of life and will be replaced by new high efficiency boilers which will save approx £6,000 per annum.	150k To be achieved: 2013/14 60k 2014/15 90k
A Puckrin	2 SEMP Model	SEMP Model has been adjusted to reflect the £190k saving and is showing a net surplus throughout the SEMP timescale.	190k
A Puckrin	3 AMP	<b>SAVING COMPLETE</b> 2013/14 saving to be achieved by taking £1.0million from the accumulated balance. This will be done as part of the 2012/13 year end accounts. £100k 2014/15 saving applied to the revised AMP model in	160k



		<p>the June Finance Strategy Update. Model still in surplus overall. <b>SAVING COMPLETE</b></p>	
A Puckrin	4	<p>Procurement</p> <p>£11k saving achieved in disposal of ICT equipment, £138k in respect of waste disposal (further £100k achieved since last period), £7k (over 3 years) in respect of Northgate Maintenance and £19k for mobile phone tariffs. New savings anticipated are; £10k school transport, £16k PPE.</p>	<p>313k</p> <p>To be achieved: 2013/14 19k 2014/15 41k 2015/16 78k</p>
B Moore	5	<p>Homecare</p> <p>£64k internal staff savings – impact of CM2000 with 5 posts deleted. £36k external from review of cases not achievable based on reviews to date, alternative identified and two posts deleted. £25k external from part year implementation of CM2000 external equivalent (further £75k in 2014/15). Pilot (Evergreen) commenced August 2013, Carewatch scheduled for November and Confident Care January. All providers expected to be live April 2014.</p> <p>New project team established to improve and develop management information, which will also inform re-ablement reporting. Templates designed to capture month on month changes. Work is progressing well with initial data being reviewed and further reporting being finalised.</p> <p>Monthly overview of all Homecare savings will take place and a project plan / timeline for tracking progress has been developed. Work has commenced on developing a framework agreement for providers to start April 2014,</p>	<p>200k</p> <p>To be achieved: 2013/14 25k 2014/15 75k</p>

			associated financial modelling is being developed.	
A Puckrin	6	2015/16 Operational Saving	No action required until 2014/15	750k  To be achieved: 2015/16 750k
		<u>Workstreams – Target to be allocated to the following</u>	Target to be split and allocated to savings below will be considered by Committee in February 2014.	800k  To be achieved: 2015/16 800k
J Mundell	7	Shared Services	Discussions ongoing with Renfrewshire and East Renfrewshire regarding Roads & ICT opportunities. Chief Executives to progress projects. Additional service areas have been identified for consideration as possibilities for shared provision between the three Councils. Options will be developed in due course.	Provisional Target tbc
A Puckrin	8	Charging	Group finalising initial batch of information looking at increased/new charges, reviewing waiver/relief policies and improving debt collection. Work on going in reviewing processes, benchmarking, identifying new charging opportunities and waiver/reliefs practices. Meetings scheduled with DMT's by the end of November. Next meeting due 13.12.13	Provisional Target tbc
A Puckrin	9	Modernisation	Opportunities to be channelled initially via the Modernisation CIG. CIG approved investment in ATLAS benefits software.	Provisional Target £tbc

			<p>Saving £15k identified from 15/16. Channel Shift group set up to identify opportunities where service could be improved and/or costs saved. Initial prioritised list of opportunities being drawn up. Demonstration from Lagan on potential developments arranged by ICT.</p>	
I Moffat	10	Social Transport	<p>A briefing report was submitted to the CMT on the 26<sup>th</sup> September providing details and rationale for the proposed savings.  Discussions and information gathering are ongoing between E&amp;CS, Education, CHCP and Procurement to identify additional areas of efficiency.  Arranging to meet Trade Unions early November.</p>	Provisional Target tbc.
A Moore	11	Terms & Conditions		Provisional Target tbc
A Moore	12	Sessional Budgets	<p>Meeting team within 2-3 weeks to continue. Will work on systems and control benefits for all.</p>	Provisional Target tbc



Savings Workstreams - 22/10/13

Lead Officer	Savings Achieved	Target	2013/14	2014/15	2015/16	Total 2013/16	Over/(Under) Recovery
		£000	£000	£000	£000	£000	£000
A Gerrard	1/ Utility Cost Reductions/Energy Management	150	0	0	0	0	0
A Puckrin	2/ SEMP Model	190	0	190	0	190	0
A Puckrin	3/ AMP	160	60	100	0	160	0
A Puckrin	4/ Procurement	313	166	7	2	175	0
	Disposal of ICT Equipment	0	11	0	0	11	
	Waste Disposal	0	138	0	0	138	
	Northgate Systems	0	2	3	2	7	
	Vodafone	0	15	4	0	19	
B Moore	5/ Homecare	200	100	0	0	100	0
A Puckrin	6/ 2015/16 Operational Savings	750	0	0	0	0	0
	<u>Workstreams - Targets to be allocated</u>	800	0	0	0	0	0
J Mundell	7/ Shared Services	0	0	0	0	0	
A Puckrin	8/ Charging	0	0	0	0	0	
A Puckrin	9/ Modernisation	0	0	0	0	0	
I Moffat	10/ Social Transport	0	0	0	0	0	
A Moore	11/ Terms & Conditions	0	0	0	0	0	
A Moore	12/ Sessional Budgets	0	0	0	0	0	
Sub-Total		2563	326	297	2	625	0

Savings Workstreams - 22/10/13

Lead Officer	Savings Planned	2013/14		2014/15		2015/16		Total 2013/16	
		£000	£000	£000	£000	£000	£000	£000	£000
A Gerrard	1/ Utility Cost Reductions/Energy Management	60	90	0	0	0	150		
A Puckrin	2/ SEMP Model	0	0	0	0	0	0		
A Puckrin	3/ AMP	0	0	0	0	0	0		
A Puckrin	4/ Procurement	19	41	4	78	0	138		
	PPE	12	4	0	0	0			
	SPT School Transport	7	3	0	0	0			
	Unidentified	0	34	78	0	0	100		
B Moore	5/ Homecare	25	75	0	0	0	750		
A Puckrin	6/ 2015/16 Operational Savings	0	0	0	785	0	785		
	<u>Workstreams - Targets to be allocated</u>	0	0	0	0	0	0		
J Mundell	7/ Shared Services	0	0	0	0	0	0		
A Puckrin	8/ Charging	0	0	0	0	0	0		
A Puckrin	9/ Modernisation	0	0	0	15	0	15		
I Moffat	10/ Social Transport	0	0	0	0	0	0		
A Moore	11/ Terms & Conditions	0	0	0	0	0	0		
A Moore	12/ Sessional Budgets	0	0	0	0	0	0		
<b>Sub-Total</b>		104	206	1628	1938				
<b>Total</b>		430	503	1630	2563				

**POLICY AND RESOURCES COMMITTEE****VIREMENT REQUESTS**

<b>Budget Heading</b>	<b>Increase Budget</b>	<b>(Decrease) Budget</b>
	£	£
Communities - Regeneration Funded Projects		(120,000)
Regeneration & Planning	120,000	
<b>Total</b>	<b>120,000</b>	<b>(120,000)</b>

**Note**

**Reason for virement:** Budget relating to regeneration element of 7 1/2 John Wood Street being transferred from Halls to Economic Development.

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**Report To:** Policy & Resources Committee **Date:** 19 November 2013

**Report By:** Corporate Director, Education, Communities & Organisational Development **Report No:** PR/100/13/AH/KM

**Acting Corporate Director**  
**Environment, Regeneration & Resources**

**Contact Officer:** Karen McCready,  
Corporate Policy Officer **Contact No:** 712146

**Subject:** Corporate Services Performance Report

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to provide Committee with an update on the progress made by the Council's corporate services towards achieving their key objectives and meeting performance targets, as detailed in the Education, Communities and Organisational Development and the Environment, Regeneration and Resources Corporate Directorate Improvement Plans (CDIPs) for 2013/16.
- 1.2 The report also provides an update on performance in relation to meeting the performance targets as detailed within the respective Plans.

## 2.0 SUMMARY

- 2.1 Directorate Plans are a key component of the Council's Strategic Planning and Performance Management Framework. They are the principal vehicle for managing and delivering the strategic outcomes identified in Inverclyde's Single Outcome Agreement and Corporate Statement.
- 2.2 The Council's new Corporate Directorate Improvement Plans (CDIPs) were approved in May 2013 and cover the period 2013-2016. It was recognised that both the Education, Communities and Organisational Development and the Environment, Regeneration & Resources CDIPs contain a number of improvement actions that are of a corporate nature and therefore a separate Corporate Services progress report should be presented for consideration to every second meeting of this Committee. The remaining service improvement actions within the CDIPs will also be reported to every second meeting of the appropriate Committee.
- 2.3 This is the first report detailing the progress that has been made in delivering the respective CDIP corporate improvement actions that sit within:
- Finance
  - ICT
  - Legal & Democratic Services
  - Corporate Policy
  - Organisational Development, HR & Communications

Appendix 1 provides details of the progress that has been made to date, some examples include:

- Workshops have been held over the summer / autumn with senior managers on a variety of topics including Inverclyde Council's Improvement Model, the Strategic Planning and Performance Management Framework and Inverclyde Performs.
- A Risk Management Action Plan has been developed.
- A new Freedom of Information Publication Scheme has been developed and is in place.
- The highest ever Procurement Compliance Assessment score has been achieved.
- The CTR reduction scheme, the Scottish Welfare Fund along with the other changes to legislation implemented as part of the Welfare Reform Agenda including the introduction of the Social Size Criteria and the subsequent impact of Discretionary Housing Payments have all been successfully implemented on time.

2.4 Each improvement action has been designated with a 'BRAG' status, i.e. Blue means that the action is complete; Red means that the action has significant slippage; Amber means that the action has slight slippage; Green means that the action is on track. A commentary of performance is also provided where appropriate.

2.5 Appendix 2 contains an update on the key performance indicators contained within the respective CDIPs where new performance information is available.

2.6 KPI performance has improved in a number of areas, for example:

- The number of invoices paid within 30 days has improved by 0.04% on performance last year
- ICT Network availability performance is 99.97%
- Benefits processing targets for New Claims and Changes of Circumstances are on target and demonstrate improved performance compared to the same time last year

### **3.0 RECOMMENDATIONS**

3.1 It is recommended:

- a. That the Committee note that this report reflects the progress made by the Council's Corporate Services in delivering their improvement actions as detailed within their respective Corporate Directorate Improvement Plans 2013-16.
- b. That progress in delivering the remaining improvement actions that sit within the Education, Communities and Organisational Development and the Environment Regeneration and Resources CDIPs will be reported to the appropriate Committee.
- c. That further Corporate Service progress reports will be submitted to every second meeting of this Committee.

**Albert Henderson**      **Alan**  
**Corporate Director**  
**Education, Communities &**  
**Organisational Development**

**Puckrin**  
**Acting Corporate Director**  
**Environment, Regeneration &**  
**Resources**



## **4.0 BACKGROUND**

- 4.1 The Corporate Directorate Improvement Plan is a Directorate's key improvement planning document which sets out the projects and improvement actions that will be implemented to help the Council deliver the strategic wellbeing outcomes identified within the Single Outcome Agreement and Corporate Statement. These wellbeing outcomes are Safe, Healthy, Achieving, Nurturing, Active, Respected & Responsible and Included (SHANARRI).
- 4.2 The Council's Corporate Directorate Improvement Plans were approved in May 2013 and cover the period 2013-2016. Each CDIP contains a number of improvement actions to be delivered over the next three years.
- 4.3 It was recognised that both the Education, Communities and Organisational Development and the Environment, Regeneration & Resources CDIPs contain a number of improvement actions that are of a corporate nature and therefore a separate Corporate Services progress report should be presented for consideration to every second meeting of this Committee. The remaining service improvement actions within the CDIPs will also be reported to every second meeting of the appropriate Committee. Appendix 1 contains details of the progress that has been made as at the end of September 2013.
- 4.4 Each improvement action has been designated with a 'BRAG' status, i.e Blue – complete; Red – significant slippage; Amber – slight slippage; Green – on track. Performance information has been recorded and can be viewed on the Council's electronic performance management system, Inverclyde Performs.
- 4.5 The CDIP also contains a number of key performance indicators, consisting of a mixture of statutory performance indicators (SPIs) and local service or operations indicators. These indicators provide an important measure of how each service's individual performance contributes to the Council's overall strategic aims. A number of key performance indicators (KPIs) within the CDIP are gathered on an annual basis, whilst others are compiled on a more frequent basis. Appendix 2 contains an update on performance for the following KPIs:
- Creditor Payments
  - Council Tax Payments
  - Benefits Processing
  - Incident Resolution Time (ICT)
  - Service Request Resolution Times (ICT)
  - Network Availability (ICT)
  - Key Applications Availability (ICT)
  - Corporate Absence Rate (ICT)

## **5.0 PROGRESS**

- 5.1 Since May 2013 progress has been made in implementing the CDIP projects and improvement actions that are of a corporate nature. Some examples of where progress has been made include:
- Workshops have been held over the summer / autumn with senior managers on a variety of topics including Inverclyde Council's Improvement Model, the Strategic Planning and Performance Management Framework and Inverclyde Performs.
  - A Risk Management Action Plan has been developed.
  - A new Freedom of Information Publication Scheme has been developed and is in place.
  - The highest ever Procurement Compliance Assessment score has been achieved.

- The CTR reduction scheme, the Scottish Welfare Fund along with the other changes to legislation implemented as part of the Welfare Reform Agenda including the introduction of the Social Size Criteria and the subsequent impact of Discretionary Housing Payments have all been successfully implemented on time.

5.2 KPI performance has improved in a number of areas, for example:

- The number of invoices paid within 30 days has improved by 0.04% on performance last year
- ICT Network availability performance is 99.97%
- Benefits processing targets for New Claims and Changes of Circumstances are on target and demonstrate improved performance compared to the same time last year

5.3 Full details of the progress that has been achieved in the delivery of the improvement actions is provided in Appendix 1 whilst key performance indicator information is provided in Appendix 2. Performance can also be viewed on the Council's electronic performance management system, Inverclyde Performs.

## **6.0 IMPLICATIONS**

6.1 Finance  
None

Legal  
None

Human Resources  
None

Equality & Diversity  
None

Repopulation  
None

## **7.0 CONSULTATION**

7.1 Information on the progress that has been made in delivering the ECOD CDIP has been provided by the lead officers of each improvement action.

## **8.0 BACKGROUND PAPERS**

8.1 Education, Communities and Organisational Development Corporate Directorate Improvement Plan 2013/16.

Environment, Regeneration & Resources Corporate Directorate Improvement Plan 2013/16

## Appendix 1

### Safe

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
ER&R	<u>Data Protection</u> The Council's approach to data protection is fully developed	Develop training, policies and procedures	● On Track	
ER&R	<u>Regulation of Investigatory Powers (Scotland) Act</u> Implement recommendations regarding improvements to be made at last inspection by Surveillance Commissioner	Carry out actions required to meet recommendations and report to Council on progress	● Slight Slippage	Report to be submitted to November 2013 meeting of Policy & Resources Committee.
ER&R	<u>Risk Management</u> Implement and embed risk management in key business / management processes	Develop a Risk Management Action Plan by 31 August.  Action Plan fully implemented by 31 March 2015	● Complete  ● On Track	
ER&R	<u>Software Asset Management</u> Be confident that all software deployed on the network is fully licensed and all asset records are accurate	Working with services and suppliers to ensure compliance	● Complete	Action 1 - Servicedesk staff will now only install software where clear evidence exists of licences being available. Evidence available from Service desk of instances where users have claimed that software should be installed but couldn't provide evidence and the application wasn't installed.  Action 2 - Domain Security settings prevent installation of system files in local or networked drives, however staff

● Blue – Complete    
 ● Green – On Track    
 ● Amber – Slight Slippage    
 ● Red – Significant Slippage

## Appendix 1

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
				can still run executable files that may allow copying of non-application files to folders that they have read/write access. There is no satisfactory method to prevent this without impacting on day to day use.

● Blue – Complete

● Green – On Track

● Amber – Slight Slippage

● Red – Significant Slippage

Achieving

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
ER&R	<p><u>Service Accountancy</u></p> <p>Improve the budget management by budget holders whilst managing a reduction in accountancy staff by 4 FTE</p>	<p>Improve systems and associated management information.</p> <p>Improve budget holder knowledge and increase self reliance</p>	<p>● On Track</p> <p>● On Track</p>	<p>Implemented a bi-monthly monitoring reporting system, maintaining monthly information to CMT.</p> <p>On target, BH training has been delivered to non teaching budget holders and planned for teaching staff. Move towards full monitoring for Committee reporting progressing</p>
ER&R	<p><u>Finance Related Systems</u></p> <ul style="list-style-type: none"> <li>- Implementation of SWIFT finance module</li> <li>- Full on-line payment capability 24 hour access</li> <li>- Reduction in face to face payments</li> </ul>	<p>Pilot implemented by March 2013, full roll out programme during 2013/14</p> <p>Upgrade systems and implement new procedures</p>	<p>● On Track</p> <p>● Complete</p>	<p>Progressing well, 2 service areas on live system with reporting being developed. Work progressing on other areas as planned. Project Team fully established.</p> <p>Upgrade completed October 13. Will start to monitor in line with the upgrade of the payment above.</p>
ER&R	<p><u>Customer Service Centre</u></p> <p>Greater online and telephone contacts speeding up service delivery and making efficiencies</p>	<p>Work with ICT and Corporate Communications to ensure that effective systems and processes are in place to facilitate channel shift. Progress will be tracked through the Customer Service Action Plan. Rolling programme over 3 years.</p>	<p>● On Track</p>	<p>Web based payments for Council Tax and Sundry Debt can now be made on line. A Channel Shift group has been established and a new Development Officer post has been created to help facilitate this action. ICT are also in the process of recruiting for an Application Delivery Technician which will help facilitate channel shift.</p>

● Blue – Complete      ● Green – On Track      ● Amber – Slight Slippage      ● Red – Significant Slippage

## Appendix 1

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
ER&R	<u>Customer Service Centre</u>	In line with the CS Strategy, have Service Level Agreements in place between the CSC and all relevant services.	● Slight Slippage	The appointment of the Development Officer in Customer Services will help progress the task of completing Service Level Agreements.
ER&R	<u>Customer Service Centre</u>  Expand the range of customer service enquiries at first point of contact	Migration of appropriate services into the Customer Service Centre for front facing and telephony contact with customers. Progress will be tracked through the Customer Service Action Plan and the Corporate Improvement Group	● On Track	The Renfrewshire Joint Evaluation Board and Registrar Services are now delivered from the Customer Service Centre.
ER&R	<u>Welfare Reform Agenda</u> Introduce and deliver the council tax reduction scheme, the Scottish Welfare Fund and the changes to Housing Benefit legislation from April 2013 and manage the impact of the move to universal credit	Oversight from the Project Board with regular reports to Committee on key milestones	● On Track	The CTR reduction scheme, the Scottish Welfare Fund along with the other changes to legislation including the introduction of the Social Size Criteria and the subsequent impact of Discretionary Housing Payments have all been successfully implemented on time.
ER&R	<u>Procurement</u>  Deliver Strategic Procurement Framework and achieve improved PCA performance	Monitored via the Procurement Board and regular committee updates	● Complete	PCA score assessed at 'Improved' Performance in October.
EC&OD	<u>Competitiveness</u>  Effective processes are in place to ensure challenge and improvement.	Enhancement of self evaluation guidelines and processes regarding competitiveness and	● On Track	Competitiveness and Challenge Workshops held with Senior Officers in September / October 2013.

● Blue – Complete     
 ● Green – On Track     
 ● Amber – Slight Slippage     
 ● Red – Significant Slippage

## Appendix 1

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
	These are used consistently across services.	challenge		
EC&OD	<u>Self Evaluation</u>  Self Evaluation is embedded into everyday performance and management and planning processes	Training rolled out across services and guidance distributed across the Councils by December 2014	● On Track	Workshops on the Council's Improvement Model were held for senior managers in July & August 2013
EC&OD	<u>Strategic Planning &amp; Performance Management Framework</u>  All employees are aware of the Council's vision, outcomes and values and these are embedded in service planning Integration of the wellbeing outcomes across all planning and performance management across the Council and Inverclyde Alliance Partners	Information readily accessible on ICON  Develop Information Packs  Provide further training sessions  Provision of drop in sessions to support services in the development of plans and strategies June – December 2013	● Complete  ● Complete  ● Complete  ● Complete	Information for employees was updated on ICON in June 2013.  Revised information and new links placed on ICON in June. Workshops held over July - September where further information on the SPPMF was circulated to senior managers.  As above  A series of fortnightly drop in sessions has been established.
EC&OD	<u>Public Performance Reporting</u>  PPR is easily accessible to members of the public	Improve information on web from all services	● On Track	The Corporate Policy Team is currently carrying out a review of our PPR arrangements for SPIs/KPIs. Also working with ICT to design performance

● Blue – Complete     
 ● Green – On Track     
 ● Amber – Slight Slippage     
 ● Red – Significant Slippage

## Appendix 1

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
	Alls services play a role in making performance information accessible	Provide information in varying formats	● On Track	pages for SPIs/KPIs which all services can feed in to. A report on PPR has been considered by the CMT and meetings have taken place with managers to discuss the review of PPR that is underway. The Improvement Workshops that have taken place also covered PPR.
		Provide information in different formats to ensure that it is meaningful at all levels of the organisation	● On Track	
		Work with libraries to assess demand and to facilitate access via the web to members of the public	Not yet started	
		Utilise INVIEW as a means of providing performance information to all households	Not yet started	
EC&OD	<u>Inverclyde Performs</u>  Inverclyde Performs is used to record and report all performance across the Council  Inverclyde Performs is used for both performance management and ongoing self evaluation by managers, officers and Councillors	Further training for Inverclyde Performs Users  Work with DMTs and EMTs to establish training needs and develop a training plan  Work with services to identify which plans, strategies and projects should be developed on	● On Track  ● On Track  ● On Track	Inverclyde Performs demos held in July / August for senior officers. Training also carried out with small groups / individuals. Electronic user guidance available on ICON. As above  A number of plans / strategies from across all Directorates have been uploaded to the system and others identified. Discussions have also taken

● Blue – Complete     
 ● Green – On Track     
 ● Amber – Slight Slippage     
 ● Red – Significant Slippage



## Appendix 1

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
		Inverclyde Performs		place with ICT regarding schools being able to access the system to monitor Standards and Quality Reports etc.
EC&OD	<u>HR 21</u> The maximum number of employees are able to use HR21 to manage their personal information requests for leave, employee development etc  Sickness Absence recording and statistics drawn from Chris 21 <ul style="list-style-type: none"> <li>- Pensions auto enrolment</li> <li>- Real time information from HMRC</li> </ul>	HR21 to be rolled out to Education, CHCP in 2013 and Environmental Services & PA&FM March 2014  Pilot for compiling statistics from Chris 21 in OD, HR & Comms in September 2013 Extend pilot to other services in parallel with self service April 2014  Software installation and process review to ensure compliance; liaison with the Pensions Regulator, SPFO and SPPA by May 2013  Software installation and process review to ensure compliance; liaison with the HMRC and BACS software provider by August 2013	● On Track  ● On Track  ● Slight Slippage  ● Complete	Education complete and rolling out to CHCP  Pilot for OD, HR and Comms is complete. Now rolling out to other Services.  Appropriate software has not yet been installed due to supplier failure. Manual workarounds are in place to ensure compliance.
EC&OD	<u>Recruitment Portal</u>  Recruitment portal to be upgraded. On / Grasp software	Training / e-learning / development of new Recruitment Handbook for Managers  Move to Talent Link	● On Track  ● On Track	Awaiting software from Cosla.  As above
EC&OD	<u>Workforce Development Plan</u>	Implement the actions as	● On Track	Plan in full progress



● Blue – Complete     
 ● Green – On Track     
 ● Amber – Slight Slippage     
 ● Red – Significant Slippage

## Appendix 1

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
	To deliver the four themes as outlined in the Workforce Development Plan	identified within the 4 workstreams within the Plan		
EC&OD	<u>Corporate Communications Strategy</u>  To have an agreed Corporate Communications Strategy	Development of Communications Strategy working with services and the CMT		
EC&OD	<u>Social Media</u>  Use of Social Media as a co-ordinated means of communication and customer contact across the organisation	Creation of social media guidelines for use across the Council and schools	● On Track	At CMT
EC&OD	<u>Website</u>  Review and design a new Council website including online services	Review content of the website via a cross departmental content review team  Draft a new design and agree with CMT	● On Track  ● On Track	Cross directorate web forum in place.  Design being reviewed by the Web Forum.
EC&OD	<u>Events</u>  Carry out reviews of certain events - Fireworks, Gourrock Highland Games and Christmas Lights Switch On  Improved events listing on website	Cross service events group to be set up and to report to the CMT	● On Track	Highland Games has been reviewed.
EC&OD	<u>Press &amp; Media</u>	Prepare draft media	● Slight	This is being combined with Social

● Blue – Complete     
 ● Green – On Track     
 ● Amber – Slight Slippage     
 ● Red – Significant Slippage

## Appendix 1

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
	Conduct a review of the Media Relations Protocol	relations protocol and issue to CMT and Senior Councillors by end June 2013  Carry out media training events for key Council staff by end December 2013	Slippage   On Track	Media Guidelines and submitted to CMT.  Media training has taken place for Head Teachers
EC&OD	<u>Inview</u>  Review the design, layout and frequency of publication of Inview	Create Reader Survey to assess readership views of InView by November 2013	 On Track	Survey will be in the November edition of Inview

● Blue – Complete     
 ● Green – On Track     
 ● Amber – Slight Slippage     
 ● Red – Significant Slippage

Nurtured

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
EC&OD	<p><u>SOA</u></p> <p>New revised SOA available with new approaches developed to meet Scottish Government expectations, including preventative and early intervention work and policy and resources across partnership</p>	<p>Hold workshops with all partners</p> <p>Subgroups set up to deal with resource development and measurement</p> <p>- August 2013</p>	<p>● Complete</p> <p>● Slight Slippage</p>	<p>Workshops were held earlier this year.</p> <p>Improvement workshop held on 30 September to begin to scope out how Alliance might gather information about joint resourcing of partnership action.</p>
EC&OD	<p><u>Absence Management</u></p> <p>Reduce the absence rate across the Council to below 4.75%</p> <p>Consider standardised reporting to align with the SOLACE indicators</p>	<p>Continuation of the automation of processes(links to HR21 development)</p> <p>New HR interventions / pilots to assist management and reduce absence level</p> <p>Report to CMT and P&amp;R Committee on standardisation of KPIs</p> <p>- August 2014</p>	<p>● On Track</p> <p>● On Track</p> <p>● On Track</p>	<p>Last two quarters have met target.</p> <p>Training ongoing.</p> <p>Preparing systems with report to go to the CMT.</p>

● Blue – Complete      ● Green – On Track      ● Amber – Slight Slippage      ● Red – Significant Slippage

**Respected & Responsible**

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
ERR	<u>FOI Publication Scheme</u> FOI Publication Scheme. New scheme in place for implementation 31 May 2013	Develop and populate new Scheme liaising with services as required	● Complete	Complete. New Scheme has been available to view on the Council's website since 31 May 2013.
ERR	<u>Community Councils Liaison</u> Updated and established processes and procedures in place to reflect best practice	Develop a suite of guidance materials for use by the service and Community Councils by 31 July 2013	● Slight Slippage	Guidance in Form of Handbook nearing completion. Consultation internally and with Community Councils on contents will follow prior to publication on the Council website.
EC&OD	<u>Public Information Notices Portal</u> Council public notices published online	Redevelopment of the Council website and public notices published on Public Information Notices (PINS) portal by December 2014.	● On Track	Report going to November P&R Committee
EC&OD	<u>Policy Development</u> Remaining corporate policies to be updated and brought into line with current legislation, case law and guidance / good practice	Identify priority policies based on legislative need, risk to the council and information gaps	● On Track	Severance and discipline policies completed.

● Blue – Complete      ● Green – On Track      ● Amber – Slight Slippage      ● Red – Significant Slippage

Included

Directorate	Where Do We Want To Be?	How Will We Get There? (Improvement Action)	BRAG Status (Blue, Red, Amber Green)	Comment
EC&OD	<p><u>Gender Equality</u></p> <p>The percentage of female employees in the top 2% of earners is increased (currently 42%)</p>	<p>Monitor application of Council's Equal Opportunity policies by services</p> <p>Link with Corporate Equalities Officer to include as part of overall Equality Strategy for the Council</p>	<p>● On Track</p> <p>● On Track</p>	<p>Ongoing</p> <p>Collaborative work ongoing</p>

● Blue – Complete      ● Green – On Track      ● Amber – Slight Slippage      ● Red – Significant Slippage

## Appendix 2

The Council's corporate services have a core set of key performance indicators that help to demonstrate performance in terms of their strategic and operational objectives. These indicators include Statutory Performance Indicators and Local Performance Indicators. Some of these indicators are gathered on an annual basis and performance will be reported to Committee following the end of this financial year. Other indicators are gathered on a more frequent basis and the most recent performance information is provided here.

Key Performance Measure	Current Performance (April – Sept)	Target 2013/14	Frequency of monitoring	Commentary on performance
Creditor Payments	96.52%	96.5%	Monthly	The number of invoices paid on time has improved by 0.04% compared to September 2012.
Council Tax Collection in year	54.4% (rolling cumulative figure)	94% (year end target)	Monthly	Slight downward trend on same time last year. 54.5% at the same time last year so slightly downward trend
Benefits Processing - New Claims - Change of Circumstances	23 days 6 days	23 days 8 days	Monthly Monthly	On target and ahead of same time last year for both indicators
Incident Resolution Times	95.7%	85%	Monthly	Above target
Service Request Resolution Times	94.96%	85%	Monthly	Above target
Network Availability	99.97%	99.5%	Monthly	Above target
Key Applications Availability	100%	99.5%	Monthly	Above target
Corporate Absence Rate	4.34% (period 3)	4.75%	Quarterly	Performance is currently exceeding target. Period 3 relates to the period July-September 2013.

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<b>Report To:</b>	<b>Policy and Resource Committee</b>	<b>Date:</b> 19 November 2013
<b>Report By:</b>	<b>Acting Corporate Director, Environment, Regeneration &amp; Resources</b>	<b>Report No:</b> FIN/89/13/JB/CM
<b>Contact Officer:</b>	<b>Jan Buchanan</b>	<b>Contact No:</b> 01475 712223
<b>Subject:</b>	<b>2013 Procurement Capability Assessment Score</b>	

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to inform the Committee of the 2013 Procurement Capability Assessment score.

## 2.0 SUMMARY

- 2.1 The Corporate Procurement Manager previously developed a Strategic Procurement Framework (SPF) with the target of achieving "conformance status" against the McClelland report. This was achieved in November 2011 and a refreshed strategy was agreed in 2012.
- 2.2 Reports are presented to Committee throughout the year giving updates on the progress of this action plan which is aimed at achieving 'Improved' performance status.
- 2.3 The work completed on the SPF has contributed to a further improvement in the annual Procurement Capability Assessment (PCA) from Scotland Excel with a score of 54% being achieved in the most recent assessment in October 2013. This means that the Council is now in the 'Improved' performance criteria.
- 2.4 There are 4 performance standards identified within the McClelland report on Public Procurement in Scotland; Non Conformance, Conformance, Improved Performance and Superior Performance. There are 8 procurement sections assessed as part of the PCA. The sections and standards, as found at the most recent PCA, are listed in section 4 of this report.
- 2.5 The achievement of Improved Performance was a key project within the Corporate Directorate Improvement Plan for 2013/16.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the Procurement Capability Assessment 2013 score and welcome the achievement of Improved Performance Status by the Council.



## 4.0 BACKGROUND

- 4.1 The Corporate Procurement Manager previously developed a Strategic Procurement Framework (SPF) with the target of achieving “conformance status” against the McClelland report. This was achieved in November 2011 and a refreshed strategy was agreed in 2012.
- 4.2 There are 4 performance standards identified within the McClelland report on Public Procurement in Scotland; Non Conformance, Conformance, Improved Performance and Superior Performance.
- 4.3 Reports are presented to Committee throughout the year giving updates on the progress of this action plan which is aimed at achieving ‘Improved’ performance status.
- 4.4 The work completed on the SPF has contributed to a further improvement in the annual Procurement Capability Assessment from Scotland Excel with a score of 54% being achieved in the most recent assessment in October 2013 compared to 47% in December 2012. This means that the Council is now in the ‘Improved’ performance criteria.
- 4.5 There are 4 performance standards identified within the McClelland report on Public Procurement in Scotland; Non Conformance, Conformance, Improved Performance and Superior Performance. There are 8 procurement sections assessed as part of the PCA. The section and standards, as found at the most recent PCA, are listed below and compared to the 2012 assessment in each case.

PCA Section	2012 Score	2013 Score
Procurement Leadership and Governance	Conformance	Improved
Procurement Strategy and Objectives	Improved	Improved
Defining the Supply Need	Conformance	Improved
Project Strategies and Collaborative purchasing	Improved	Improved
Contract and Supplier Management	Conformance	Conformance
Key Purchasing Processes and Systems	Conformance	Conformance
People	Improved	Superior
Performance Measurement	Conformance	Conformance
Overall Value of Results	47%	54%
Overall Status	Conformance	Improved

## 5.0 CONCLUSIONS

- 5.1 The attainment of Improved performance reflects well on the investment the Council has made in Procurement and the drive and commitment shown by the Corporate Procurement Manager and his team. The individual section scores illustrate the strengths of the Council in terms of people and demonstrates the opportunities for further improvement in areas such as supplier management and processes and systems.
- 5.2 The Strategic Procurement Framework contains actions designed to deliver further improvements in these areas and reports will continue to be made to the Policy and Resources Committee.

## **6.0 FINANCIAL IMPLICATIONS**

6.1 None

## **7.0 HR IMPLICATIONS**

7.1 None

## **8.0 CONSULTATIONS**

8.1 None

## **9.0 EQUALITIES**

9.1 None

## **10.0 REPOPULATION**

10.1 None

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Acting Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>FIN/86/13/JB/KJ</b>
<b>Contact Officer:</b>	<b>Jan Buchanan</b>	<b>Contact No:</b>	<b>01475 712225</b>
<b>Subject:</b>	<b>Treasury Management – Mid-Year Review Report 2013/14</b>		

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to advise members of the operation of the treasury function and its activities at the mid year of 2013/14 in compliance with the CIPFA Code of Practice on Treasury Management with which the Council complies.

## **2.0 SUMMARY**

- 2.1 As at 30<sup>th</sup> September 2013 the Council had debt of £224,298,739 and investments of £61,858,238.
- 2.2 The average rate of return achieved on investments during the first half of 2013/14 was 1.56% which exceeds the benchmark return rate for the period of 0.38% by 1.18% largely due to the Council choosing to invest for longer periods than the benchmark of 3 months.
- 2.3 During the period the Council operated within the treasury limits and Prudential and Treasury Indicators set out in the Council's Treasury Policy Statement, annual Treasury Strategy Statement, Annual Investment Strategy and the Treasury Management Practices.
- 2.4 The economic situation and financial and banking markets remain uncertain and volatile, both globally and in the UK, but it is considered that the Treasury Management Strategy and Annual Investment strategy approved by the Council on 11<sup>th</sup> April 2013 are still appropriate.

## **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Committee notes the contents of the Mid-Year Review Report on Treasury Management for 2013/14.
- 3.2 It is recommended that the Mid-Year Review Report be remitted to the Council for approval.

Jan Buchanan  
Head of Finance

## 4.0 BACKGROUND

- 4.1 The Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management 2011 has been adopted by this Council and the Council fully complies with its requirements. The primary requirements of the Code are:
1. The creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
  2. The creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
  3. The receipt by the Full Council of an annual Treasury Management Strategy Statement (including Annual Investment Strategy) for the year ahead, a Mid-Year Review Report, and an Annual Report (stewardship report) covering activities during the previous year.
  4. The delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
  5. The delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body which in this Council is the Policy & Resources Committee.
- 4.2 Treasury Management in this context is defined as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

### Mid-Year Review Report for 2013/14

- 4.3 The purpose of this report is to meet one of the above requirements of the CIPFA Code, namely the Mid-Year Review Report for the financial year 2013/14.
- 4.4 This mid-year review report covers:
- The Council's Treasury Position as at 30<sup>th</sup> September 2013
  - An economic update of the first six months of 2013/14
  - A review of the Treasury Management Strategy Statement and Annual Investment Strategy
  - A review of the Council's investment portfolio for 2013/14
  - A review of the Council's borrowing strategy for 2013/14
  - A review of any debt restructuring undertaken during 2013/14
  - A review of compliance with Treasury, Prudential, and Council Policy Limits for 2013/14.

Treasury Management is a complex area with its own terminology and acronyms. In order to aid the Committee's understanding a Glossary of Terms is attached as Appendix 1.

#### 4.5 Treasury Position As At 30<sup>th</sup> September 2013

The Council's debt and investment position was as follows:

	30 <sup>th</sup> September 2013		1 <sup>st</sup> April 2013	
	Principal	Rate	Principal	Rate
	£000		£000	
Fixed Rate Funding:				
- PWLB	121,356		121,468	
- Market *	40,000		56,000	
	<u>161,356</u>	3.88%	<u>177,468</u>	3.97%
Variable Rate Funding:				
- PWLB	0		0	
- Market *	62,900		46,900	
- Temporary	43		43	
	<u>62,943</u>	4.98%	<u>46,943</u>	5.04%
<b>Total Debt</b>	<b>224,299</b>	<b>4.19%</b>	<b>224,411</b>	<b>4.19%</b>

\* - Market Loans are shown as variable when they have less than 1 year to go until their next call date.

	30 <sup>th</sup> September 2013		1 <sup>st</sup> April 2013	
	Principal	Return	Principal	Return
	£000		£000	
Investments:				
- External	42,500	0.97%	57,500	2.51%
- Deposit Accounts	19,358	0.66%	9,814	0.58%
<b>Total Investments</b>	<b>61,858</b>	<b>0.87%</b>	<b>67,314</b>	<b>2.23%</b>

In addition, the Council has items counting as investments under Scottish Government rules as at 30<sup>th</sup> September 2013 of £326,997 (down from £337,325 on 1<sup>st</sup> April 2013). Details are given in Appendix 2 and largely relate to loans to third parties.

#### 4.6 Economic Update

The Council's Treasury Advisers (Sector Treasury Services) have provided the following economic update:

During 2013/14 economic indicators suggested that the economy is recovering, albeit from a low level. After avoiding recession in the first quarter of 2013, with a 0.3% quarterly expansion the economy grew 0.7% in quarter 2. There have been signs of renewed vigour in household spending in the summer, with a further pick-up in retail sales, mortgages, house prices and new car registrations.

The strengthening in economic growth appears to have supported the labour market, with employment rising at a modest pace and strong enough to reduce the level of unemployment further. Pay growth also rebounded strongly in April, though this was mostly driven by high earners delaying bonuses until after April's cut in the top rate of income tax. Excluding bonuses, earnings rose by just 1.0% year-on-year, well below the rate of inflation at 2.7% in August, causing continuing pressure on households' disposable income.

The Bank of England extended its Funding for Lending Scheme into 2015 and sharpened the incentives for banks to extend more business funding, particularly to small and medium size enterprises. To date, the mortgage market still appears to have been the biggest beneficiary from the scheme, with mortgage interest rates falling further to new lows. Together with the Government's Help to Buy scheme, which provides equity loans to credit-constrained

borrowers, this is helping to boost demand in the housing market. Mortgage approvals by high street banks have risen as have house prices, although they are still well down from the boom years pre-2008.

Turning to the fiscal situation, the public borrowing figures continued to be distorted by a number of one-off factors. On an underlying basis, borrowing in quarter 2 started to come down, but only slowly, as Government expenditure cuts took effect and economic growth started to show through in a small increase in tax receipts. The 2013 Spending Review, covering only 2015/16, made no changes to the headline Government spending plan, and monetary policy was unchanged in advance of the new Bank of England Governor, Mark Carney, arriving. Bank Rate remained at 0.5% and quantitative easing stayed at £375bn. In August, the Monetary Policy Committee provided forward guidance that Bank Rate is unlikely to change until unemployment first falls to 7%, which was not expected until mid 2016. However, 7% is only a point at which the Monetary Policy Committee will review Bank Rate, not necessarily take action to change it. The average rate for the three months to July was 7.7%.

CPI inflation (with a Monetary Policy Committee target of 2.0%), fell marginally from a peak of 2.9% in June to 2.7% in August. The Bank of England expects inflation to fall back to 2.0% in 2015.

Financial markets sold off sharply following comments from the US Federal Reserve chairman in June that suggested that they may 'taper' their asset purchases earlier than anticipated. The resulting rise in US Treasury yields was replicated in the UK. Equity prices fell initially too, as Federal Reserve purchasing of bonds has served to underpin investor moves into equities out of low yielding bonds. However, as the market moves to realign its expectations, bond yields and equities are likely to rise further in expectation of a continuing economic recovery. Increases in payroll figures have shown further improvement, helping to pull the unemployment rate down from a high of 8.1% to 7.3%, and continuing house price rises have helped more households to escape from negative equity. In September, the Federal Reserve surprised financial markets by not starting tapering as it felt the run of economic data in recent months had been too weak to warrant taking early action. Bond yields fell sharply as a result, though it still only remains a matter of time until tapering does start.

Tensions in the Eurozone eased over the second quarter, but there remained a number of triggers for a renewed flare-up. Economic survey data improved consistently over the first half of the year, pointing to a return to growth in quarter 2, so ending six quarters of Eurozone recession.

#### 4.7 Treasury Advisers' View of Next Six Months of 2013/14

Sector advise that:

Economic forecasting remains difficult with so many external influences weighing on the UK. Volatility in bond yields is likely during 2013/14 as investor fears and confidence ebb and flow between favouring more risky assets (i.e. equities) and safer bonds. Downside risks to UK gilt yields and PwLB rates include:

- A return to weak economic growth in the US, UK and China causing major disappointment to investor and market expectations.
- The potential for a significant increase in negative reactions of the people in Eurozone countries against austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- The Italian political situation is frail and unstable.
- Problems in other Eurozone heavily indebted countries (e.g. Cyprus and Portugal) which could also generate safe haven flows into UK gilts.
- Monetary policy action failing to stimulate sustainable growth in economies such as the Eurozone and Japan.
- Weak growth or recession in the UK's main trading partners - the EU and US, depressing

economic recovery in the UK.

- Geopolitical risks e.g. Syria, Iran, North Korea, which could trigger safe haven flows back into bonds.

Upside risks to UK gilt yields and PWLB rates, especially for longer term PWLB rates include:-

- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium built in to gilt yields.
- Increased investor confidence that sustainable robust world economic growth is firmly expected, together with a reduction or end of quantitative easing operations in the US, causing a further flow of funds out of bonds into equities.
- A reversal of Sterling's safe-haven status on a sustainable improvement in financial stresses in the Eurozone.
- In the longer term - a reversal of quantitative easing in the UK which could initially be implemented by allowing gilts held by the Bank to mature without reinvesting in new purchases, followed later by outright sale of gilts currently held.
- Further downgrading by credit rating agencies of the creditworthiness and credit rating of UK Government debt, consequent upon repeated failure to achieve fiscal correction targets and sustained recovery of economic growth, causing the ratio of total Government debt to GDP to rise to levels that provoke major concern.

The overall balance of risks to economic recovery in the UK is now weighted to the upside after five months of robust good news on the economy. However, only time will tell just how long this period of strong economic growth will last, and it remains exposed to vulnerabilities in a number of key areas. The longer run trend is for gilt yields and PWLB rates to rise, due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Near-term, there is some residual risk of further quantitative easing if there is a dip in strong growth or if the Monetary Policy Committee were to decide to take action to combat the market's expectations of an early first increase in Bank Rate. If the Monetary Policy Committee does take action to do more quantitative easing in order to reverse the rapid increase in market rates, especially in gilt yields and interest rates up to 10 years, such action could cause gilt yields and PWLB rates over the next year or two to significantly undershoot the forecasts. The tension in the US over passing a Federal budget for the new financial year starting on 1<sup>st</sup> October and the continued uncertainty caused by raising the debt ceiling on a temporary basis only until early 2014 could also see bond yields temporarily dip until final agreement is reached between the opposing Republican and Democrat sides. Conversely, the eventual start of tapering by the Federal Reserve will cause bond yields to rise.

#### 4.8 Sector's Interest Rate Forecast

The latest interest rate forecast produced by Sector is as follows:

	End Sept-13 Actual	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15
	%	%	%	%	%	%	%	%	%	%
<b>BANK RATE</b>	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>5yr PWLB</b>	2.50	2.50	2.50	2.60	2.70	2.70	2.80	2.80	2.90	3.00
<b>10yr PWLB</b>	3.66	3.70	3.70	3.70	3.80	3.80	3.90	4.00	4.10	4.20
<b>25yr PWLB</b>	4.45	4.40	4.40	4.40	4.50	4.50	4.60	4.70	4.80	4.90
<b>50yr PWLB</b>	4.48	4.40	4.40	4.40	4.50	4.60	4.70	4.80	4.90	5.00

The above Sector forecasts for PWLB rates incorporate the introduction of the PWLB certainty rate on 1<sup>st</sup> November 2012 which reduced interest rates for new PWLB borrowing from that date by 0.20% for local authorities that apply to access the rate (as most local authorities have done, including Inverclyde Council).

Sector advise that expectations for the first change in Bank Rate in the UK are now dependent on how to forecast when unemployment is likely to fall to 7%. Financial markets have taken a very contrary view to the Monetary Policy Committee and have aggressively raised short term interest rates and gilt yields due to their view that the strength of economic recovery is now so rapid that unemployment will fall much faster than the Bank of England forecasts. They therefore expect the first increase in Bank Rate to be in quarter 4 of 2014.

There is much latitude to disagree with this view as the economic downturn since 2008 was remarkable for the way in which unemployment did not rise to anywhere near the extent likely, unlike in previous recessions. This meant that labour was retained, productivity fell and now, as the Monetary Policy Committee expects, there is major potential for unemployment to fall only slowly as existing labour levels are worked more intensively and productivity rises back up again. The size of the work force is also expected to increase relatively rapidly and there are many currently self employed or part time employed workers who are seeking full time employment. Sector take the view that the unemployment rate is not likely to come down as quickly as the financial markets are currently expecting and that the Monetary Policy Committee view is more realistic. The prospects for any increase in Bank Rate before 2016 are therefore seen as being limited. However, some forecasters are forecasting that even the Bank of England forecast is too optimistic as to when the 7% level will be reached and so do not expect the first increase in Bank Rate until spring 2017.

#### 4.9 Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy Statement for 2013/14 was approved by the Council on 11<sup>th</sup> April 2013. The Council's Annual Investment Strategy, which is incorporated in the Treasury Management Strategy Statement, outlines the Council's investment priorities as follows:

- The security of capital.
- The liquidity of investments.

The Council will also aim to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term (maximum loan period of 12 months), and only invest with highly credit rated financial institutions, using Sector's suggested creditworthiness approach, including sovereign credit rating and credit default swap (CDS) overlay information provided by Sector.

A breakdown of the Council's investment portfolio is shown in Appendix 2.

For borrowing rates, the general trend has been an increase in interest rates during the first six months of 2013/14 across all maturity bands.

The Council have undertaken no borrowing so far this year to fund forthcoming capital expenditure. It is anticipated that borrowing will take place during this financial year in line with the approved Treasury Management Strategy.

Investments during the first six months of the year have been undertaken in line with the Strategy and no changes to credit ratings for UK and other banks and financial institutions have required action by the Council. Continued caution is, however, being exercised with the position being constantly monitored.

As outlined above, the economic situation and financial and banking markets remain uncertain and volatile, both globally and in the UK. In this context, it is considered that the Treasury Management Strategy and Annual Investment Strategy approved by the Council on 11<sup>th</sup> April 2013 are still appropriate.

#### 4.10 Investment Portfolio 2013/14

In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's low risk appetite. The investment portfolio yield for the first six months of the year compared to its benchmark is as follows:

Average Investment Over First Six Months Of 2013/14	Annualised Rate of Return (gross of fees)	Benchmark Return (3 Month LIBID un compounded)
£64,000,000	1.56%	0.38%



The Council have outperformed the benchmark by 1.18% resulting in additional income to the Council in the period of £377,600 largely due to the Council undertaking investments for longer periods than the 3 month benchmark and with UK Nationalised/Part Nationalised Banks which are considered to be lower risk.

The level of Deposit Rates during the first 6 months of the year means that the Council will not achieve similar performance against the benchmark in future.

A full list of investments held as at 30<sup>th</sup> September 2013, compared to Sector's counterparty list and to the position at 1<sup>st</sup> April 2013, is shown in Appendix 2.

#### 4.11 New External Borrowing

The Council's capital financing requirement (CFR) is, based on the latest capital programme, £12.4m for financial year 2013/14 and £25.6m for 2014/15 (excluding assets funded from PPP). The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.

For borrowing rates, the general trend has been an increase in interest rates during the first six months of 2013/14 across all maturity bands.

The following table shows the movement in PWLB rates for the first six months of the year and provides benchmarking data showing high and low points etc:

PWLB Borrowing Rates 1 <sup>st</sup> April – 30 <sup>th</sup> September 2013					
	1 year	5 year	10 year	25 year	50 year
High	1.40%	2.80%	3.99%	4.68%	4.71%
Date	24/06/2013	11/09/2013	11/09/2013	11/09/2013	11/09/2013
Low	1.11%	1.70%	2.71%	3.91%	4.04%
Date	02/04/2013	08/04/2013	23/04/2013	08/04/2013	08/04/2013
Average	1.25%	2.21%	3.34%	4.34%	4.43%
Spread between High and Low	0.29%	1.10%	1.28%	0.77%	0.67%
01/04/2013	1.11%	1.74%	2.83%	4.07%	4.22%
30/09/2013	1.30%	2.50%	3.66%	4.45%	4.48%
Spread between 01/04/2013 and 30/09/2013	0.19%	0.76%	0.83%	0.38%	0.26%

The Council has not borrowed in advance of need in 2013/14 and has no intention of doing so.

#### 4.12 Debt Rescheduling

No debt rescheduling was undertaken during the first six months of 2013/14.

#### 4.13 Compliance with Treasury, Prudential and Council Policy Limits

It is a statutory duty for the Council to determine and keep under review the “Affordable Capital Expenditure Limits”. The Council’s approved Treasury and Prudential Indicators (affordability limits) are outlined in the approved Treasury Management Strategy Statement.

During the financial year to date the Council has operated within the treasury limits and Treasury and Prudential Indicators set out in the Council’s Treasury Management Strategy Statement and in compliance with the Council’s Treasury Management Practices.

The Prudential and Treasury Indicators and Council policy limits monitored during the year are shown in Appendix 3.

#### 4.14 Performance Measurement 2012/13

Appendix 4 shows the outturn for Prudential Indicators for 2011/12 and 2012/13 along with the Loans Fund Pool Rate for Interest for the last five years. These figures reflect the final position following the completion and audit of the Council’s Annual Accounts.

With effect from 2013/14 the Council is required to compare its Gross External Debt to its Capital Financing Requirement (“CFR”) (as included in Appendix 3). The year-end position for 2011/12 and 2012/13 is shown in Appendix 4 and shows that, for 2012/13, the Gross External Debt was £1.309m (0.4%) over the CFR at 31 March 2013 and was £1.571m (0.6%) under the CFR at 31 March 2012. The 2012/13 position is not a cause for concern and does not mean that the Council have breached the Prudential Code, any formal limits or any Prudential Indicators. It arose due to the Council having borrowed during the year to fund its estimated capital expenditure for the year but some of that estimated expenditure was later rephased to 2013/14 (as advised in reports on the Capital Programme).

#### 4.15 Other Issues

The Council’s contract with its treasury advisers runs until 30<sup>th</sup> June 2014 with the option for a further one year extension until 30<sup>th</sup> June 2015.

## 5.0 IMPLICATIONS

5.1 Legal: None. Any borrowing or lending is done under the Council’s legal powers.

Finance: Through the achievement of exceeding the investment benchmark return rate, the Council has benefited from additional returns of £377,600. The Council utilises Treasury Management as part of the overall Financial Strategy and Officers will continue to investigate borrowing and investment opportunities to bring financial benefits to the Council, all within the Treasury Management Policy.

Human Resources: None.

Equalities: None.

## 6.0 CONSULTATIONS

6.1 This report has been produced based on advice from the Council’s treasury advisers (Sector Treasury Services).

## **7.0 LIST OF BACKGROUND PAPERS**

- 7.1 CIPFA - Code of Practice on Treasury Management in the Public Services (Revised 2011)  
Scottish Government – Finance Circular 5/2010 – The Investment of Money By Scottish Local Authorities  
Inverclyde Council – Treasury Management Strategy and Annual Investment Strategy 2013/14-2015/16.

**TREASURY MANAGEMENT**  
**GLOSSARY OF TERMS**

**Affordable Capital Expenditure Limit**

The amount that the Council can afford to allocate to capital expenditure in accordance with the requirements of the Local Government in Scotland Act 2003 and supporting regulations.

**Authorised Limit for External Debt**

This is a limit for total Council external debt as set by the Council based on debt levels and plans.

**Bank of England**

The central bank for the UK with ultimate responsibility for setting interest rates (which it does through the Monetary Policy Committee or “MPC”).

**Bank Rate**

The interest rate for the UK as set each month by the Monetary Policy Committee (“MPC”) of the Bank of England. This was previously referred to as the “Base Rate”.

**Call Date**

A date on which a lender for a LOBO loan can seek to apply an amended interest rate to the loan. The term “call date” is also used in relation to some types of investments with a maturity date where the investments can be redeemed on call dates prior to the maturity date.

**Capital Expenditure**

Expenditure on or for the creation of fixed assets that meets the definition of Capital Expenditure under the accounting rules as set-out in the Code of Practice on Local Authority Accounting in the United Kingdom and for which the Council are able to borrow.

**Capital Financing Requirement**

The Capital Financing Requirement (sometimes referred to as the “CFR”) is a Prudential Indicator that can be derived from the information in the Council’s Balance Sheet. It generally represents the underlying need to borrow for capital expenditure.

**CDS Spread**

A CDS Spread or “Credit Default Swap” Spread is the cost of insuring against default by a Counterparty. Increases in the CDS Spread for a Counterparty may indicate concerns within the market regarding a Counterparty.

**Certificates of Deposit**

Certificates of Deposit (or CDs) are a form of investment and similar to Fixed Term Deposits in that the investment is with a named Bank or Financial Institution, matures on a set date, and is repaid with interest on the maturity date. Unlike a Fixed Term Deposit, a CD can also be traded in the market prior to maturity.

**CIPFA**

CIPFA is the Chartered Institute of Public Finance and Accountancy who produce guidance, codes of practice, and policy documents for Councils.

**Consumer Prices Index**

The Consumer Prices Index (“CPI”) is a means of measuring inflation (as is the Retail Prices Index or “RPI”). The Monetary Policy Committee of the Bank of England set the Bank Rate in order to try to keep CPI at or close to the target set by the Government (currently the target is 2%). The calculation of the CPI includes many items of normal household expenditure but the calculation excludes some items such as mortgage interest payments and Council Tax.

**Counterparty**

Another organisation involved in a deal i.e. if the Council enters a deal with a bank then the bank would be referred to as the “Counterparty”.

### Credit Ratings

Credit ratings are indicators produced by a ratings provider (such as Fitch, Moody's or Standard & Poor's) that aim to give an opinion on the relative ability of a financial institution to meet its financial commitments. Credit ratings are not guarantees – they are opinions based on investigations and assessments by the ratings providers and they are regularly reviewed and updated. The Council makes use of credit ratings to determine which counterparties are appropriate or suitable for the Council to make deposits with.

The highest credit rating is AAA.

### European Central Bank

Sometimes referred to as “the ECB”, the European Central Bank is the central bank for the Eurozone and is the equivalent of the Bank of England. The European Central Bank sets interest rates for the Eurozone.

### Eurozone

This is the name given to the countries in Europe that have the Euro as their currency. Interest rates in the Eurozone are set by the European Central Bank. The Eurozone is comprised of the following 17 countries: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.

### Fed Rate

This is the interest rate for the US. Rates for the US are set by the Federal Reserve (the central bank for the US and the equivalent of the Bank of England).

### Federal Reserve

Sometimes referred to as “the Fed”, the Federal Reserve is the central bank for the US and is the equivalent of the Bank of England. The Federal Reserve sets interest rates for the US.

### Fixed Rate Funding/Investments

This term refers to funding or investments where the interest rate that applies to payments or receipts of interest on the funding or investments is fixed and does not change.

### Fixed Term Deposit

A Fixed Term Deposit or Fixed Term Investment is an investment with a named Bank or Financial Institution which matures on a set date and which is repaid with interest on the maturity date. Fixed Term Deposits cannot be traded and cannot be terminated before the maturity date without the payment of a penalty (if at all).

### Flat Yield Curve

A flat yield curve occurs where the yield for long-term investments is the same or similar to the yield for short-term investments – the period of the investment makes no or little difference to the yield on the investment.

### G7/G8/G20

These are forums for discussions by the governments of large world economies.

The G7 is comprised of Canada, France, Germany, Italy, Japan, the UK, and the USA. The G8 is the G7 plus Russia (with the European Union also attending). The G20 is comprised of 19 countries (including the G7 and Russia) plus the European Union.

### Gilt Yields

A gilt yield is the effective rate of return that someone buying a gilt at the current market price will receive on that gilt. Since the market price of a gilt can vary at any time, the yield will also vary.

### Gilts

Gilts are bonds (i.e. debt certificates) that are issued (i.e. sold) by the UK Government. When they issue gilts the Government sets the interest rate that applies to the gilt, sets when they will repay the value of the gilt, and it agrees to make interest payments at regular intervals until the gilt is repaid or redeemed. Gilts are traded in the financial markets with the price varying depending on the interest rate applicable to the gilt, when the gilt will be repaid (i.e. when it will mature), on Bank Rate expectations, and on market conditions.

### Gross Domestic Product

Gross Domestic Product ("GDP") is a measure of the output of goods and services from an economy.

### Growth

Positive growth in an economy is an increase in the amount of the goods and services produced by that economy over time. Negative growth is a reduction in the amount of the goods and services produced by that economy over time.

### IMF

The International Monetary Fund oversees the world financial system and seeks to stabilise international exchange rates, facilitate development, and provide resources to countries in balance of payments difficulties or to assist with poverty reduction.

### Incremental Impact of Capital Investment Decisions

These are Prudential Indicators that reflect the impact on Council Tax of movements in projected and estimated capital expenditure within and between financial years.

### Inflation

Inflation is the term used for an increase in prices over time. It can be measured in various ways including using the Consumer Prices Index ("CPI") or the Retail Prices Index ("RPI").

### Inverted Yield Curve

An inverted or negative yield curve shows long-term investments having lower yields than short-term investments (an investor gets a better yield by investing for a shorter period).

### Investment Regulations

The Local Government in Scotland Act 2003 allows the Scottish Ministers to introduce Regulations to extend and govern the rules under which Scottish Councils may invest funds. The Local Government Investments (Scotland) Regulations 2010 came into effect on 1<sup>st</sup> April 2010.

### LIBID

This is the London Interbank Bid Rate – an interest rate that is used between banks when they wish to attract deposits from each other.

### LIBOR

This is the London Inter Bank Offering Rate – an interest rate that is used as a base for setting interest rates for deals between banks.

### LOBO

This is a form of loan that the Council has with some lenders. The term is short for the phrase "Lender Option/Borrower Option".

### Money Market Fund

A Money Market Fund (or MMF) is a highly regulated investment product into which funds can be invested. An MMF offers the highest possible credit rating (AAA) whilst offering instant access and the diversification of risk (due to the MMF's balances being investing in selected and regulated types of investment product with a range of different and appropriately credit-rated counterparties).

### MPC

The MPC or Monetary Policy Committee is a committee of the Bank of England that meets each month (in a meeting over 2 days) to set the Bank Rate for the UK.

### Negative Yield Curve

A negative or inverted yield curve shows long-term investments having lower yields than short-term investments (an investor gets a better yield by investing for a shorter period).

### Net Borrowing Requirement

This is the difference between the Council's net external borrowing and its capital financing requirement. Under the Prudential Code the Council's net external borrowing should not, except in the short term, exceed its capital financing requirement. The Net Borrowing Requirement should therefore normally be a negative figure.

### Operational Boundary

This is a level of debt set by the Council at lower than the Authorised Limit and which Council debt levels should not normally exceed during normal operations.

### Positive Yield Curve

A positive yield curve shows long-term investments having higher yields than short-term investments (an investor gets a higher rate yield for investing for longer).

### Prudential Code

Councils are required to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities. These requirements include the production of Prudential Indicators. The Prudential Code was last revised in November 2011.

### Prudential Indicators

Indicators set-out in the Prudential Code that will help Councils to meet requirements in relation to borrowing limits or which will help Councils demonstrate affordability and prudence with regard to their prudential capital expenditure.

### PWLB

The Public Works Loan Board is a government agency and part of the Debt Management Office. The PWLB provides loans to local authorities and other specified bodies.

### PWLB Certainty Rates

In the Budget in March 2012, the Chancellor of the Exchequer announced that local authorities that provide information on their long-term borrowing and capital spending plans would be eligible for a 0.20% discount rate for new PWLB borrowing. The PWLB Certainty Rates came into effect on 1<sup>st</sup> November 2012.

### PWLB Rates

These are the interest rates chargeable by the Public Works Loan Board for loans. The rates for fixed rate loans are determined by the day on which the loan is agreed. The rates to be charged by the PWLB for loans are set each day based on gilt yields at the start of business each day and then updated at least once during the day.

### Quantitative Easing

This is the creation of money by a central bank (such as the Bank of England) in order to purchase assets from banks and companies and boost the supply of money in an economy.

### Ratings

Ratings are indicators produced by a ratings provider (such as Fitch, Moody's or Standard & Poor's) that aim to give an indication of the financial or operational strength of entities including financial institutions and even countries. Ratings are not guarantees – they are opinions based on investigations and assessments by the ratings providers and they are regularly reviewed and updated. The Council makes use of credit ratings to determine which counterparties are appropriate or suitable for the Council to make deposits with.

### Repo Rate

This is another name for the Bank Rate as set by the Monetary Policy Committee.

### Retail Prices Index

The Retail Prices Index (“RPI”) is a means of measuring inflation (as is the Consumer Prices Index or “CPI”). The calculation of the RPI includes most of the same items as the CPI as well as some items not included in the CPI such as mortgage interest payments and Council Tax whilst excluding items that are in the CPI such as charges for financial services.

### Sector

Sector Treasury Services Limited who are the Council’s treasury management advisers and who use Capita Asset Services as a trading name.

### Sovereign Debt

The public/national debt owed by a country or countries.

### Treasury Management Code

This is the “Treasury Management in the Public Services: Code of Practice” and is a code of practice for Council treasury management activities. It is produced by CIPFA and was last revised in November 2011.

### Treasury Management Indicators

These are Prudential Indicators specifically relating to Treasury Management issues.

### Treasury Management Practices (TMPs)

This is a Council document that sets out Council policies and procedures for treasury management as required by the Treasury Management Code. The Council also agrees an annual treasury management strategy that is submitted to Committee in accordance with the Treasury Management Practices.

### Variable Rate Funding/Investments

Funding or investments where the interest rate that applies to payments or receipts of interest on the funding or investments varies on an agreed basis.

### Yield

The yield is the effective rate of return on an investment.

### Yield Curve

A graph showing the yield on investments plotted against the maturity period for investments:

- A positive yield curve shows long-term investments having higher yields than short-term investments (an investor gets a higher rate yield for investing for longer).
- A negative or inverted yield curve shows long-term investments having lower yields than short-term investments (an investor gets a better yield by investing for a shorter period).
- A flat yield curve occurs where the yield for long-term investments is the same or similar to the yield for short-term investments – the period of the investment makes no or little difference to the yield on the investment.



## INVESTMENT PORTFOLIO

This Appendix shows the Council's Investment Portfolio as at 1<sup>st</sup> April 2013 and as at 30<sup>th</sup> September 2013. The Portfolio includes items included as Other Investments under the latest guidance on such matters.

<b>Investments As At 1<sup>st</sup> April 2013</b>					
	<u>Sector Colour Category And Maximum Investment Period</u>	<u>Annual Rate</u>	<u>Amount</u>	<u>Deposit Type</u>	<u>Maturity Date</u>
<u>Investments</u>			£		
Bank of Scotland	BLUE - 12 Months	2.65%	5,000,000	Fixed Term	15-Apr-13
Bank of Scotland	BLUE - 12 Months	2.65%	5,000,000	Fixed Term	13-May-13
RBS	BLUE - 12 Months	2.25%	10,000,000	Fixed Term	22-May-13
Bank of Scotland	BLUE - 12 Months	2.85%	5,000,000	Fixed Term	06-Jun-13
Bank of Scotland	BLUE - 12 Months	3.00%	7,500,000	Fixed Term	04-Jul-13
Bank of Scotland	BLUE - 12 Months	2.85%	5,000,000	Fixed Term	08-Jul-13
Bank of Scotland	BLUE - 12 Months	2.85%	5,000,000	Fixed Term	12-Aug-13
RBS	BLUE - 12 Months	2.25%	5,000,000	Fixed Term	21-Aug-13
Bank of Scotland	BLUE - 12 Months	2.70%	5,000,000	Fixed Term	11-Sep-13
Bank of Scotland	BLUE - 12 Months	1.10%	5,000,000	Fixed Term	07-Jan-14
			<b>57,500,000</b>		
<u>Deposit Accounts</u>					
Bank of Scotland	BLUE - 12 Months	0.50%	7,308,360	Call	---
Santander UK	NO COLOUR - No New Deals	0.80%	2,451,936	Call	---
Santander UK	NO COLOUR - No New Deals	0.70%	53,709	30-Day Notice	---
			<b>9,814,005</b>		
<u>Other Investments</u>					
Holdings of Shares, Bonds, and Units	---	---	2,000	War Stock	---
Loans Made To Third Parties	---	---	335,325	---	---
Investment Properties	---	---	0	---	---
			<b>337,325</b>		
<b>TOTAL</b>			<b>67,651,330</b>		

<b>Investments As At 30<sup>th</sup> September 2013</b>					
	<u>Sector Colour Category And Maximum Investment Period</u>	<u>Annual Rate</u>	<u>Amount</u>	<u>Deposit Type</u>	<u>Maturity Date</u>
<u>Investments</u>			<u>£</u>		
Bank of Scotland	BLUE - 12 Months	1.10%	5,000,000	Fixed Term	07-Jan-14
Bank of Scotland	BLUE - 12 Months	1.05%	5,000,000	Fixed Term	06-May-14
Bank of Scotland	BLUE - 12 Months	1.05%	5,000,000	Fixed Term	22-May-14
Bank of Scotland	BLUE - 12 Months	1.05%	5,000,000	Fixed Term	05-Jun-14
Bank of Scotland	BLUE - 12 Months	1.01%	5,000,000	Fixed Term	02-Jul-14
Bank of Scotland	BLUE - 12 Months	1.01%	7,500,000	Fixed Term	08-Jul-14
Bank of Scotland	BLUE - 12 Months	0.75%	5,000,000	Fixed Term	12-Feb-14
Bank of Scotland	BLUE - 12 Months	0.75%	5,000,000	Fixed Term	21-Feb-14
			<b>42,500,000</b>		
<u>Deposit Accounts</u>					
Bank of Scotland	BLUE - 12 Months	0.50%	9,304,150	Call	---
RBS	BLUE - 12 Months	0.50%	189	Call	---
Santander UK	GREEN - 3 Months	0.80%	10,000,000	Call	---
Santander UK	GREEN - 3 Months	0.70%	53,899	30-Day Notice	---
			<b>19,358,238</b>		
<u>Other Investments</u>					
Holdings of Shares, Bonds, and Units	---	---	2,000	War Stock	---
Loans Made To Third Parties	---	---	324,997	---	---
Investment Properties	---	---	0	---	---
			<b>326,997</b>		
<b>TOTAL</b>			<b>62,185,235</b>		

## PRUDENTIAL/TREASURY INDICATORS AND COUNCIL POLICY LIMITS

<b>Prudential and Treasury Indicators</b>				
	<u>Estimate For 2013/14</u>	<u>Actual For 2013/14 To 30/9/2013</u>	<u>Within Limits</u>	
	<u>£million</u>	<u>£million</u>		
PI 7 - Authorised Limit for External Debt (Excl PPP)	266.000	224.299	Yes	
PI 8 - Operational Limit for External Debt (Excl PPP)	258.800	224.299	Yes	
PI 10 - Compliance with CIPFA code			Yes	
	<u>%</u>	<u>%</u>		
PI 11 - Upper limit on fixed interest rate exposure	150.000%	99.332%	Yes	
PI 12 - Upper limit on variable interest rate exposure	40.000%	0.668%	Yes	
<b>PI 13 Borrowing fixed rate maturing in each period (LOBOs included based on call dates rather than maturity dates)</b>				
	<u>Upper</u>	<u>Lower</u>	<u>Actual</u>	<u>Within Limits</u>
Under 12 months	40%	0%	2.595%	Yes
1 - 2 years	40%	0%	3.592%	Yes
2 - 5 years	40%	0%	28.944%	Yes
5 - 10 years	40%	0%	29.906%	Yes
10 - 30 years	40%	0%	10.173%	Yes
30 - 50 years	40%	0%	24.790%	Yes
50 - 70 years	40%	0%	0.000%	Yes
TOTAL			100.000%	
<b>PI 14 - Upper limit on sums invested for periods longer than 364 days</b>				
	<u>Limit For 2013/14 £</u>	<u>Maximum In Period £</u>	<u>Within Limit</u>	<u>Comment</u>
PI 14 - Upper limit on sums invested for periods longer than 364 days	10,000,000	0	Yes	---
<b>Gross External Debt Compared To Capital Financing Requirement (Excl PPP)</b>				
	<u>CFR At 30/9/2013 £million</u>	<u>Gross External Debt At 30/9/2013 £million</u>	<u>Gross External Debt Below CFR?</u>	
Gross External Debt Compared To Capital Financing Requirement (Excl PPP)	230.323	224.299	Yes	
<b>Council Policy Limits</b>				
	<u>Limit per Council Policy</u>	<u>Actual As At 30/9/2013</u>	<u>Within Limits</u>	
Maximum proportion of borrowing at variable interest rates	40%	28.062%	Yes	
Maximum proportion of debt restructuring in any one year	30%	0.000%	Yes	
Maximum proportion of debt repayable in any one year	25%	17.833%	Yes	

## PRUDENTIAL INDICATORS AND LOANS FUND POOL RATE FOR INTEREST

PRUDENTIAL INDICATORS	2011/12	2012/13
	Actual	Actual
<b>Capital Expenditure (Indicator 5)</b> Non – HRA (Including PPP)	£000 84,860	£000 48,578
<b>Ratio of financing costs to net revenue stream (Indicator 1)</b> Non – HRA (Including PPP)	10.77%	10.93%
<b>Net borrowing requirement (Indicator 4)</b> As At 31 March	£000 -57,092	£000 -66,005
<b>Capital Financing Requirement as at 31 March (Indicator 6)</b> Non – HRA (Including PPP)	£000 271,815	£000 296,906
<b>Upper limit for total principal sums invested for over 364 days (Indicator 14)</b>	£0	£0
<b>Gross External Debt compared to Capital Financing Requirement at Year-End</b>	£000	£000
Capital Financing Requirement	271,815	296,906
Gross External Debt	270,244	298,215
Under/(Over) Against Capital Financing Requirement	1,571	(1,309)

LOANS FUND POOL RATE FOR INTEREST		
Year	Interest Rate	
2008/09	4.608%	
2009/10	3.805%	
2010/11	4.300%	
2011/12	4.208%	
2012/13	3.811%	

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Acting Corporate Director, Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>FIN/87/13/JB/KJ</b>
<b>Contact Officer:</b>	<b>Jan Buchanan</b>	<b>Contact No:</b>	<b>01475 712225</b>
<b>Subject:</b>	<b>Insurance Fund Position as at 30<sup>th</sup> September 2013</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to advise Committee of the position of the Council's Insurance Fund as at 30<sup>th</sup> September 2013 and to highlight any relevant issues.

## 2.0 SUMMARY

- 2.1 The insurance claims against the Council and the Insurance Fund for 2012/13 was lower than for 2011/12 mainly due to a lower numbers of property claims (there having been severe winter storms in 2011/12). Claims have been relatively stable on a rolling 5-year period with claims increasing by around 6.1% (but 2.7% if adjusted for the severe 2011/12 winter weather). This is encouraging given the reported "claims culture" and continual advertising by claims advisers.
- 2.2 The Insurance Fund had a balance of £4.7 million at 30<sup>th</sup> September 2013 with a decrease in year of £272,500.
- 2.3 Estimated liabilities on claims outstanding at 30<sup>th</sup> September 2013 are £1.8 million with a provision for clawback on Municipal Mutual Insurance (MMI) claims having been made of £403,000.
- 2.4 The Insurance Fund may be affected by potential Pleural Plaques cases and by MMI's deteriorating financial position. These matters will continue to be closely monitored by Council Officers and via the triennial Actuarial review.
- 2.5 The Council tendered for new insurance contracts which commenced on 1<sup>st</sup> October 2013, the results of which have been reported to Committee.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the contents of this report and the continued strong position of the Insurance Fund.

Jan Buchanan  
Head of Finance

## **4.0 BACKGROUND**

- 4.1 Following a review of available options by the officers of the Council and also on advice from the Council's Insurance Brokers, the September 2003 meeting of the Corporate Business Committee agreed a change in the Council's Insurance Strategy whereby there was a move to a significant level of self insurance.
- 4.2 This approach has delivered significant savings in both external premiums and internal recharges.

## **5.0 2012/13 PERFORMANCE**

- 5.1 The overall insurance picture for 2012/13 has seen a decrease in the number of claims received compared to 2011/12 (which was a high year due to the severe storms during the winter). As can be seen in Appendix A, the Council have so far received 313 claims for the 12 month period which is a 21.9% decrease on claims received to date for insurance year 2011/12.
- 5.2 Last year the report showed 1,485 claims for the previous 5 insurance years (2007/08-2011/12) whereas Appendix A shows 1,575 claims when the position is moved forward a year (for 2008/09-2012/13), showing an increase of 90 claims or 6.1%. If the severe weather in 2011/12 is excluded, the increase in claims would have been around 40 claims or 2.7%.
- 5.3 The Fund balance decreased by £272,000 during the year to 30<sup>th</sup> September 2013 due largely to payments for property claims for the Storm Damage on 3<sup>rd</sup> January 2012. The estimated liabilities have also decreased, from £2.2m last year to £1.8m this year, largely due to the settlement of the Storm Damage claims.
- 5.4 In addition, part of the Fund has been set aside as a provision for the potential clawback of claims relating to MMI. Further background to this issue is given in paragraph 6.3. When the estimated liabilities and the provision for the MMI clawback are taken into consideration, there is a balance of £2.5 million in the Fund for future claims as at 30<sup>th</sup> September 2013. This represents a healthy position.
- 5.5 In an Audit Scotland analysis of the 2012/13 unaudited accounts for Scottish Local Authorities, Inverclyde had the second highest insurance fund value when compared to net revenue expenditure which again represents a healthy position.
- 5.6 The Fund is the subject of an actuarial review every 3 years with the last review being undertaken in November 2012. Fund contributions are set at a level consistent with the actuarial review but Fund performance continues to be monitored in case action needs to be taken on the level of contributions. Continued low interest rates mean that the annual interest earned on the Fund balance remains low.
- 5.7 The Committee should note that some insurance claims may appear several years after the period to which they relate and that the claims paid in a year do not relate solely to the claims arising in that year but also cover some claims arising for previous years. The current balance on the Fund shows that the self-insurance position remains encouraging.

- 5.8 It can be seen from Appendix B that payments made by the Council's External Insurers continue to be significantly less than the premium paid. The factors affecting this situation are:
- For Property Insurance the External Insurers are effectively providing disaster cover and it is hoped by both parties that the Insurer will never be asked to pay out against this policy.
  - For Liability Insurance the External Insurers deal with the longer-tailed claims such as Employer's Liability and these claims take longer to be generated and finalised.
- 5.9 High volume, low value claims for public liability continue to be dealt with in-house, whilst the Insurers deal with all other claims.
- 5.10 One area of particular interest relates to claims arising from road or pathway defects. The claim statistics for the last 3 insurance years are as follows:

Insurance Year	No. of Claims	% of Total Claims For Year	Claims Rejected/ Dropped	Claims Paid		Claims Outstanding	
				No. of Claims	Actual Cost of Claims	No. of Claims	Estimated Cost of Claims
					£000		£000
2010/11	157	50.0%	80	65	82	12	80
2011/12	211	52.6%	89	78	19	44	428
2012/13	204	65.2%	74	43	6	87	408

## 6.0 ONGOING DEVELOPMENTS

- 6.1 There are ongoing issues on 2 areas affecting the Council's insurance position:
- Pleural Plaques
  - Municipal Mutual Insurance (MMI).
- 6.2 Pleural Plaques  
The Damages (Asbestos-related Conditions) (Scotland) Act 2009 provides that asbestos-related and certain other asymptomatic asbestos-related conditions are compensable in Scotland if it can be established that the conditions were caused by negligent asbestos exposure. The insurance industry challenged the legal validity of the Act but failed at the Supreme Court in October 2011. It is expected that the Act will result in additional claims and costs to be borne by insurers although the impact is unknown.
- 6.3 MMI  
MMI is a former insurer which provided insurance primarily to local authorities. As a result of financial difficulties, MMI ceased to write new insurance business in September 1992 and "went into run-off" i.e. it continues but only to pay any claims that were outstanding or any claims that have arisen/may arise.
- 6.4 This "run-off" involved the establishment of a "Scheme of Arrangement" under which each local authority involved essentially assumed an element of mutual ownership of the company to manage the transition. When the Scheme was established it was believed that the company had sufficient resources to meet all existing liabilities and potentially provide a final distribution to participating local authorities of any residual surplus.
- 6.5 As a result of legal developments (including in relation to Pleural Plaques), it is expected that there will be additional claims and therefore costs to be borne by all insurers (including MMI).
- 6.6 As was anticipated, during the year MMI advised that they will not have sufficient funds to meet the cost of any new claims so they will only pay a percentage of any future

claims and any claims paid to date under the Scheme of Arrangement will be subject to clawback (there being no underwriting or reinsurance to cover this situation). This will impact on Inverclyde and on a large number of other local authorities throughout the UK who are part of the Scheme of Arrangement.

- 6.7 As part of the last Actuarial Review, the Council included an allowance for the above eventuality and, in the year-end accounts for financial year 2011/12, set aside £467,779 of the Insurance Fund as a provision for claims subject to clawback. On advice from the Actuary who undertook the last Insurance Fund Actuarial Review and using the latest information from MMI, the provision was reduced to £402,557 which is a level considered by the Actuary to be "prudent".

## **7.0 THE YEAR AHEAD**

- 7.1 The Council's contracts for insurance (for risks not covered by the Insurance Fund) expired on 30<sup>th</sup> September 2013. The Council tendered for new contracts which commenced on 1<sup>st</sup> October 2013, the results of which have been reported to Committee.
- 7.2 Officers within Finance Services will continue to monitor the performance of the insurance strategy closely and will continue to present reports to Committee no less frequently than annually.

## **8.0 IMPLICATIONS**

- 8.1 Legal  
None.

- 8.2 Financial  
The expenditure borne by the Insurance Fund in the year to 30<sup>th</sup> September 2013 amounts to £788,900 whilst the internal contribution to the fund was £516,400. As a result the Fund balance decreased in year by £272,500.

- 8.3 Human Resources  
None.

- 8.4 Equalities  
None.

## **9.0 CONSULTATIONS**

- 9.1 None.

## **10.0 LIST OF BACKGROUND PAPERS**

- 10.1 Audit Scotland - 2012/13 Analytical review database - unaudited (local authorities) Initial overview analysis WSFOF 22 August 2013.



**Appendix A**

**Insurance Fund Financial Summary - Insurance Years 2011/12 - 2012/13**

	Insurance Years		
	2011/2012	2012/2013	
	(1st Oct 2011 - 30th Sept 2012)	(1st Oct 2012 - 30th Sept 2013)	
	£	£	
<b>Fund Income in Year</b>			
Total Contributed to the Fund	400,000.00	500,000.00	
Internal Resources Interest	24,568.70	16,418.31	
	424,568.70	516,418.31	A
<b>Fund Expenditure in Year</b>			
Risk Management	5,000.00	5,000.00	
Consultants Fees (Actuary)	0.00	9,450.00	
Computer Replacement Fund	6,000.00	3,000.00	
	11,000.00	17,450.00	
Actually Incurred Charges to the Fund in Year	353,310.08	771,454.39	
	364,310.08	788,904.39	B
Net Surplus/(Deficit) on Fund in Year	60,258.62	(272,486.08)	C=A-B
<hr/>			
<b>Fund Balance</b>			
Balance As At Start of Year	4,913,842.24	4,974,100.86	D
Add:			
Net Surplus/(Deficit) on Fund in Year	60,258.62	(272,486.08)	C
Actual Fund Balance At End of Year	4,974,100.86	4,701,614.78	E=D+C
Less:			
Estimated Outstanding Charges on Fund	2,170,183.06	1,784,458.91	F
Provision for Clawback for MMI Claims	467,779.00	402,557.00	G
Balance for Future Years Claims At End of Year	2,336,138.80	2,514,598.87	H=E-F-G

**Claims Information For Last 5 Insurance Years**

(This information is for the number of claims received analysed by the year to which the claim relates)

	No. of Claims Received For Year	No. of Claims Settled/Resolved	No. of Claims Outstanding	Estimated Outstanding Charges On Insurance Fund £
2008/09	266	263	3	25,353.00
2009/10	281	260	21	102,897.00
2010/11	314	283	31	229,141.00
2011/12	401	317	84	772,691.31
2012/13	313	159	154	593,713.60
	1,575	1,282	293	1,723,795.91
Claims Pre-2008/09			7	60,663.00
<b>TOTALS</b>			300	1,784,458.91

Of the claims outstanding:

- \* 46 relate to Motor Vehicle claims which are not payable by the Insurance Fund.
- \* 8 relate to claims for Storm Damage on 3/1/2012 with estimated costs of £147,161.25 (Last year there were 47 claims outstanding with estimated costs of £481,043.19).

**Appendix B**

**Insurance Premiums/Payments By Insurers**

		2012/2013	2012	2011/2012	2011	2010/2011	2010	2009/2010	2009
		Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)	Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)	Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)	Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)
		£	£	£	£	£	£	£	£
<b>Property Policies</b>									
Housing Properties									
General Properties									
Education Properties									
Professional Fees (First Loss)		0.00	146,288.78	0.00	150,494.88	0.00	163,931.66	0.00	152,937.74
Removal of Debris (First Loss)									
Money									
Business Interruption:-									
- Gross Revenue	£5,000								
- Additional Expenditure	£100,000								
All Risks	£10,000								
Industrial/Commercial Property	£1,000								
Museum & Fine Art	£1,000	0.00	34,729.15	0.00	34,729.15	0.00	34,827.96	0.00	34,678.81
<b>Casualty Policies</b>									
Public Liability	£50,000								
Employers Liability	£50,000	0.00	185,975.94	0.00	182,692.06	11,272.77	177,836.40	0.00	174,863.85
Officials Indemnity	£50,000								
Libel & Slander	Not Applicable	0.00	2,767.66	0.00	2,718.90	0.00	2,693.25	0.00	2,693.25
Professional Negligence	Various	0.00	848.00	0.00	6,784.00	0.00	6,195.00	0.00	2,677.50
<b>Other Policies</b>									
Motor	£2,500	8,844.98	69,232.84	11,929.21	70,447.60	27,035.51	73,983.00	50,637.80	62,601.00
Fidelity Guarantee	£10,000	0.00	23,320.00	0.00	23,320.00	0.00	23,100.00	0.00	23,100.00
Work In Progress (Cont. All Risks)	Various	0.00	21,322.73	0.00	24,784.56	0.00	25,218.90	0.00	14,034.30
Contractors Plant	£500	0.00	858.60	0.00	858.60	0.00	850.50	0.00	4,599.00
Engineering Insurance	Not Applicable	0.00	11,669.49	0.00	12,095.65	0.00	11,766.60	0.00	11,245.00
Engineering Insurance	Not Applicable	0.00	3,512.91	0.00	3,594.27	0.00	3,600.49	0.00	3,987.90
Public Health Act	NIL	0.00	1,720.27	0.00	1,792.03	0.00	1,851.00	0.00	1,851.61
Computer	£5,000	0.00	13,649.12	0.00	13,649.12	0.00	12,398.65	7,021.99	12,398.66
Hirers Liability	£100	0.00	997.19	0.00	1,361.20	0.00	2,740.50	0.00	3,222.45
School Journey	Various	485.00	4,642.57	75.45	4,186.90	338.00	4,644.36	1,550.00	3,171.21
Business Travel/ PA	Various	0.00	6,865.62	0.00	7,314.00	0.00	8,178.01	0.00	8,220.28
		<b>9,329.98</b>	<b>528,400.87</b>	<b>12,004.66</b>	<b>540,822.92</b>	<b>38,646.28</b>	<b>553,816.28</b>	<b>59,209.79</b>	<b>516,292.56</b>

Responsibility for Policy Excess

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**Notes**  
 Note 1 - Insurance Fund (except for first £1k which is met by Service).  
 Note 2 - Excess is met direct by Service.  
 Note 3 - Insurance Fund.  
 Note 4 - Insurance Fund pre-1/10/08. Service pays excess of £1k from 1/10/08.

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Acting Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>FIN/93/13/JB/RS</b>
<b>Contact Officer:</b>	<b>Robert Stoakes</b>	<b>Contact No:</b>	<b>01475 712765</b>
<b>Subject:</b>	<b>Modernisation Programme Update November 2013</b>		

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## 1.0 PURPOSE

1.1 The purpose of this report is to update members on the status of the projects involved in the Council's ongoing Modernisation Programme.

## 2.0 SUMMARY

2.1 The Council's Modernisation Programme consists of:-

- Office Rationalisation
- Electronic Document Records Management System (EDRMS) Implementation
- Customer Service/Self Service Developments
- Mobile, Flexible and Home Working
- The ICT Collaboration Project

2.2 Office Rationalisation work is progressing well, with a number of major projects (Central Library Offices, Port Glasgow Hub Office, Wallace Place and Greenock Municipal Buildings) already under way and others planned for the near future.

2.3 The new EDRM solution is now live in Revenues, Benefits and Customer Services, with further work now underway in CHCP, Planning and Educational Psychology. A tender for back scanning and disposal of paper records in CHCP is to be issued in November, with the planned contract award in January 2014.

2.4 A Channel Shift Working Group has been set up, consisting of representatives from all major areas of the Council, to identify requirements in relation to self-service and improved digital access to Council services. These developments will offer self-service, reporting and on-line payment facilities and reduce internal transaction costs.

2.5 One of the most important areas for the Council's Modernisation Programme is the establishment of flexible working to allow employees to work from almost any location where an Internet connection is available. This initiative has been successfully trialled and is being rolled out to other services.

2.6 The Modernisation CIG has approved funds for flexible working in two CHCP services (Children & Families and Welfare Rights) plus two 24 month temporary posts (one for Customer Services and one for ICT) to assist with the Customer Services and Self-Service project.

2.7 The ICT Collaboration Project is moving to the next phase. Castlerigg will facilitate initial workshops, involving key service and ICT staff who will have responsibility for taking forward this work. Inverclyde has opted out of the Health and Social Care integration and agile working opportunities. By January 2014, there will be delivery plans in place for approval by the Strategic Board, prior to submission to the respective Councils.

2.8 There is currently no plan to create a shared ICT service, but instead look at where the Councils can collectively pool resources to modernise and improve, particularly where the current capacity and skills amongst ICT teams are limited.

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2.9 A requirement of achieving PSN (formerly GSX) compliance is that a far greater number of employees require Basic Disclosure checks. A policy in this regard is attached as Appendix 2.

### **3.0 RECOMMENDATIONS**

- 3.1 That the Committee note the current position of the projects that form the overall Modernisation Programme for the Council.
- 3.2 That the Committee note the funds allocated by the Modernisation CIG as set out in paragraph 2.6 and delegate to the CIG the allocation of the Modernisation Funds on the basis of the business case.
- 3.3 That the Committee note the Checks for Public Services Network Policy attached at Appendix 2.
- 3.4 That the Committee agree that reports on Modernisation progress are submitted to every alternative Committee as a minimum.

Alan Puckrin  
Acting Corporate Director  
Environment, Regeneration & Resources

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## 4.0 BACKGROUND

4.1 The Council's Modernisation Programme is made up of a number of interdependent projects. These support the Council's Office Rationalisation Plan by reducing office space requirements, introducing more flexible working methods and improving overall service delivery and customer service levels.

4.2 The remit of the Modernisation Corporate Improvement Group (CIG) chaired by the Corporate Director, Environment, Regeneration and Resources is to:-

- identify and agree suitable modernisation proposals and allocate funding,
- co-ordinate and monitor progress with these projects, to meet relevant target dates and
- ensure that interdependencies between projects are identified and managed, all within the allocated budgets.

4.3 Following a change to the corporate management structure, the Modernisation CIG is now chaired by Alan Puckrin, Acting Corporate Director, Environment, Regeneration & Resources and is composed of the following officers:-

Brian Moore	Corporate Director Inverclyde CHCP
Jan Buchanan	Head of Finance
Alasdair Moore	Head of Organisational Development, H R and Communications
Robert Stoakes	Transitional Head of ICT
Fiona Borthwick	Revenues and Customer Services Manager

4.4 The major projects that fall within the remit of the Modernisation CIG are:-

- Office Rationalisation
- Electronic Document Records Management System (EDRMS)
  - Civica Implementation
  - Back Scanning
- Customer Service /Self Service/Channel Shift Developments
- Mobile, Flexible and Home Working
- The ICT Collaboration Project - this joint initiative with Renfrewshire and East Renfrewshire has started and also falls within the remit of the Modernisation CIG.

It is important to note that, although work is split into a number of areas, there are linkages between these and that each does not sit in isolation of the others.

## 5.0 PROGRESS

### 5.1 *Office Rationalisation*

Work is progressing well, with a number of major projects already under way and others planned for the near future.

#### *Central Library Offices*

This building will provide accommodation for CHCP Staff and will act as the Headquarters for the CHCP, with other staff being based in Crown House, Cathcart Centre and The Port Glasgow Hub office. The project commenced on site in August and is due to complete in August 2014 and this will allow the vacation of Kirn House, Dalrymple House and the leased premises at 99 Dalrymple Street.

The building requires a more appropriate name and Corporate Communications are currently undertaking consultation to identify suitable names which will be brought back to Committee for a final decision.

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### *Wallace Place*

This building will house the Central Library on the Ground Floor, with offices on the first Floor for Education Services, Inclusive Education, Culture & Corporate Policy and Environmental & Commercial Services. Environmental & Commercial Services will also have offices at the Ingleston Municipal Recycling Facility. The Project, which is being managed under the Business Premises Renovation Allowance (BPRA) Scheme commenced on site in August and is due to complete in June 2014. This will allow the Education HQ building to be vacated for refurbishment.

### *Port Glasgow Hub Office*

This building (the former Peacocks Store) will house CHCP staff on the ground floor and a Corporate Training Centre on the first floor. This will incorporate the current CHCP Training Facility in Gourock Municipal Buildings. There will also be a Customer Centre desk for general customer enquiries. The Project, which is being managed under the Business Premises Renovation Allowance (BPRA) Scheme commenced on site in August and is due to complete in June 2014. This will allow vacation of the Newark House Office and Gourock Municipal Buildings.

### *Greenock Municipal Buildings*

Greenock Municipal Buildings is the Main Council Office and much work has been carried out which has established the new Customer Service Centre, refurbished offices on the second floor (to allow Planning to relocate from Cathcart House) and the refurbishment of the former Banking Hall to provide offices for Revenues and Benefits and enable the reorganisation of Finance Service offices.

The final phase of major alterations is to redevelop the former District Court offices which are currently derelict and refurbish the District Court itself to provide a marriage suite. This work is currently at an early stage of design and is planned to be on site late summer 2014. This will provide offices for Property Services who are currently based in the former Strone Social Work Office. Proposals will be finalised following discussions with Historic Scotland and a more detailed report will be submitted to a future meeting of the Committee. There is still funding within the current programme to carry out the District Court and District Court Offices refurbishment, but this will take up the remaining budget.

While this will complete the office rationalisation work, Greenock Municipal Buildings is still in need of significant major maintenance works, most notably an extensive programme of replacement windows, replacement of the carriageway canopy roof and work to other roofs.

The full extent of works will be established by the condition survey to be carried out as part of the 2014 Asset Management Plan.

## *5.2 Electronic Document Records Management System*

The Council procured Civica W2 to replace the existing Opentext solution; the contract for which expired in June 2013. EDRMS, which incorporates workflow and records management, is an integral part of the overall modernisation agenda, as it is a prerequisite for many of the other modernisation projects. For example, by digitising paper files and allowing electronic access to these, office storage space is minimised and staff can more easily work from flexible locations, whilst still having access to these records across the Council's network.

Once rolled out to Council services, the new EDRMS will deliver:-

- Remote access to documents to enable flexible and mobile working
- The ability to share documents across services and with the public and external agencies
- Reduced requirement for office accommodation space to store files.

- 
- Better compliance with legislation around the management of and public access to information
  - Workflow to improve business processes
  - Reduced risk to the Council by not holding large quantities of citizen information in paper file format which could be lost in the event of a disaster such as fire or flood.
  - Improved information security e.g. compliance with the Council's records retention policy.

### 5.3 *EDRMS: Civica Implementation*

- Revenues and Benefits/Customer Service Centre  
The project's primary objective was to transfer Revenues and Benefits and Customer Services to the Civica product, as the contract for the previous system, Opentext RKYV, had expired. The new software and processes went 'live' on 1<sup>st</sup> October. This was later than the original planned date, as a number of data-related issues surfaced late in the user acceptance test phase. The supplier encountered some difficulty in resolving these, but eventually the major issues were resolved to the satisfaction of the service. The project remit was a 'like for like' migration, but the nature of the new software has allowed a number of improvements to be implemented, to the benefit of the service.

Although the new software is implemented and live, some further integration work is scheduled and that work will progress over the next few months. This includes further agreed integration with email and eForms, Lagan integration and a formal end of project report.

### 5.4 Alongside the above work, other services are being progressed, as agreed by the Modernisation CIG.

- CHCP  
The creation of the CHCP headquarters in The old Central Library building is predicated on an overall ratio of 7 desks for every 10 staff, zoned office accommodation and minimal physical filing capacity. In order to meet these objectives, some employees require flexible working capability.  
  
In order to support the office space requirements and flexible working, Civica EDRMS system requires to be implemented in the CHCP HQ. In addition, existing paper records require a combination of back scanning and physical storage. A business case was agreed at the Modernisation CIG for this and work is ongoing, focussed on a move-in date of August 2014.
- Educational Psychology Service  
The Educational Psychologists have been working flexibly, with electronic client records stored in Opentext, since early 2013. The next stage for the service is to migrate to the Civica solution and this work is anticipated to be complete by end January 2014.
- Planning and Building Control  
The Project Team are in discussion with the service regarding a business case for the migration to the Civica solution from the existing iDox product. Documents are already stored electronically in iDox and the purpose of this migration is to move away from the centrally-supplied iDox solution, support for which ceases in 2014.

Other services such as Education, OD/HR etc will be subject to separate cases in due course, once the work associated with the current plans allows.

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## 5.5 *EDRMS: Back Scanning*

In parallel with the roll out of EDRMS, it will be necessary to back scan paper records in some cases, depending on service requirements and costs involved. In conjunction with Corporate Procurement, a tender for this work will be issued in November, with the award of contract scheduled for January 2014.

Back scanning of paper records will also ensure the Council manages its records consistently and in compliance with its records retention policy, DPA and FOI(S)A.

## 5.6 *Customer Service /Self-Service/Channel Shift Developments*

The Council's Customer Service and ICT Strategies both identify areas of work related to improving citizen access to Council services. This work ranges from redesign of the Council's web site, through to offering improved service request, self-service and on-line payment facilities. These initiatives improve access to Council services by citizens and reduce internal transaction costs.

Two 24 month temporary posts (one for CSC and one for ICT) were approved by CMT on 3 October to assist in these developments.

- 5.7 A Channel Shift Working Group has been set up, consisting of representatives from all major Council services (including CHCP, Education, Customer Services, Environment and Commercial, Corporate Communications). The group is in the process of identifying high level service requirements and representatives of the group have attended a number of supplier demonstrations in relation to self-service, improved digital access and system integration. The working group, in conjunction with ICT, now requires to refine and prioritise the identified high level requirements and then to recommend the best solutions to fulfil these. These proposals will be subject to a separate Policy and Resources Committee report in 2014.
- 5.8 As part of the ongoing development of the Council's web site, an on-line payment facility has been implemented for Council Tax, Non-Domestic Rates and Invoices. This is the first part of the development of a full on-line payments system, to be delivered as part of the self-service work. A prerequisite for the above is to ensure citizen information stored in the CRM is accurate and consistent and ICT is currently working with Kana, the CRM supplier, on this aspect.
- 5.9 It is worth noting that the areas of self-service and channel shift are closely related to web site redevelopment and can also include aspects of mobile/flexible working. An important part of the group's remit is to ensure that an integrated approach is taken, that duplication of spend is avoided and that the Council gets the most value from procured solutions.

## 5.10 *Flexible and Mobile Working*

One of the most important areas for the Council's Modernisation Programme is the establishment of flexible working to allow employees to work from almost any location where an Internet connection is available. This reduces office space requirements, improves staff productivity and reduces travel. EDRMS is a prerequisite for true flexible working.

- 5.11 The Educational Psychology Service has been working flexibly, with electronic client records, since early 2013. The Psychologists can access email, calendars, network folders and client information securely from any number of Council and non-Council locations. In particular, areas in schools are used as 'office' locations as required, saving time and travel and offering increased flexibility for the staff. This initiative has been successful and the solution trialled by this service is now available for other services.
- 5.12 The Modernisation CIG has approved funding to initiate flexible working with two CHCP services, in preparation for office moves to the Port Glasgow Hub (Children and Families) and out of the Scarlow Street office (Welfare Rights). ICT has worked with service staff to ascertain their information access requirements and has identified suitable equipment and software.



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5.13 As part of the work of the Channel Shift Group, a number of requirements are emerging that may fall into the realm of mobile working. These requirements are closely related to some of the self-service developments and demonstrate the need for an integrated approach to the work. ICT is working with the relevant services in this respect to develop solutions that are compatible with the 'channel shift' developments.

5.14 *ICT Collaboration Project*

In June 2013, Inverclyde, along with Renfrewshire and East Renfrewshire, commissioned Castlerigg Consulting to act as a transformation partner to assist in the identification, development and implementation of opportunities to improve the efficiency and effectiveness of ICT across the three Councils. The three Councils have agreed to move the ICT collaborative work to the next phase following the completion of the high level business case developed on their behalf by Castlerigg Consulting.

5.15 Castlerigg have spent the initial three months engaging with stakeholders across the three Councils in order to deliver a business case for ICT collaboration. The case for collaboration document was submitted to the ICT Collaborative Strategy Board on 20<sup>th</sup> September and focused on where the three Councils were looking to use ICT to modernise or transform wider service provision in the next two years. The document was very positively received and each Council is keen to move into the delivery phase of this work where appropriate.

5.16 The opportunities which are now being developed into programme and/or project mandates include agile working, Health and Social Care integration, use of technology to support innovation in education, digital access to services, joint ICT procurement, joint supplier management, joint approaches to Public Sector Network (PSN) compliance and information management.

5.17 A series of initial workshops will be arranged in each opportunity area during early November, involving key service and ICT staff who will have responsibility in their respective Councils for taking forward this work. At this stage, Inverclyde has opted out of the health and social care integration and agile working opportunities, but will be kept informed on progress in these areas. The aim is that by January 2014 there will be clear delivery plans in place against each opportunity to be formally approved by the Strategic Board, prior to submission to the respective Councils for formal approval or otherwise.

5.18 The collaboration aims to take a 'customer and business driven' approach to ICT, recognising that technology is a huge enabler of delivering modern public services and gives the ability to join up service delivery around the needs of our users and citizens in Scotland. There is currently no plan to create a shared ICT service, but instead look at where we can collectively pool resources to modernise and improve, particularly where the current capacity and skills amongst ICT teams are limited.

5.19 *PSN Compliance*

The need for the Council to achieve Public Sector Network (PSN) compliance is vital for it to carry out its business. The requirements are becoming more onerous and a number of Councils have not yet achieved the required standards.

5.20 In 2013 the Cabinet Office confirmed that all employees who access the PSN require to undergo a Basic Disclosure check at a cost of £25. It is estimated that this impacts 1200 Council employees plus all relevant new starts.

5.21 The Head of Organisational Development, Human Resources & Communications has confirmed the cost of the backdated checks will be contained in the existing PVG earmarked reserve and the CMT have agreed that the ongoing cost of new starts will be met by Directorates.

5.22 A Policy note is attached at Appendix 2 and has been agreed by the CMT.

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## 6.0 FINANCIAL IMPLICATIONS

### 6.1 One-Off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Other Comments
PVG EMR	PSN/PVG Checks	13/16	£208 k	

6.2 Appendix 1 shows the latest position of the Modernisation Funds contained in the Capital Programme/Earmarked Reserves.

6.3 Progress on spend is reported to each Policy and Resources Committee and will help fund initiatives to generate savings required for the Modernisation Workstream.

## 7.0 IMPLICATIONS

7.1 Human Resources: All human resources issues have been addressed in this report.

7.2 Legal: There are no legal issues.

7.3 Equality: There are no equality issues arising from these proposals.

7.4 Repopulation: The provision of efficient, accessible Customer Services will promote the Council as forward thinking and will therefore have a positive impact in attracting people to the area.

## 8.0 CONSULTATION

8.1 The report has been agreed by the Modernisation CIG and the Disclosure Checks for Public Services Network Policy has been agreed by the Corporate Management Team.

**9.1 Appendix 1 Financial Information**

**Modernisation Fund**

**Appendix1**

	1			2	3	4	6
<u>Project Name</u>	<u>Est Total Cost</u>	<u>Actual to 31/03/13</u>	<u>Approved Budget 2013/14</u>	<u>Actual to 30/09/13</u>	<u>Projection 2013/14</u>	<u>Budget 2014/15</u>	<u>Budget Future Years</u>
<b><u>Revenue Costs - One-off (Earmarked Reserve)</u></b>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
- Mobile Working	10	8	2	1	2	0	0
EDRMS Staffing	10	0	5	5	5	5	0
CHCP Backscanning	45	0	5	0	5	30	10
Scanners	5	0	5	0	5	0	0
Customer service development	150	0	0	0	24	75	51
Unallocated Budgets	290	0	39	0	15	0	275
	<b>510</b>	<b>8</b>	<b>56</b>	<b>6</b>	<b>56</b>	<b>110</b>	<b>336</b>
<b><u>Capital Costs</u></b>							
Civica Upgrade	9	0	9	6	9	0	0
EDRMS	80	52	28	21	28	0	0
Telephony System (CSC)	30	13	17	0	17	0	0
Liberata - Atlas Upgrade	9	0	9	9	9	0	0
CHCP Agile Working	22	0	22	0	22	0	0
Unallocated Budgets	382	0	32	0	0	32	350
	<b>532</b>	<b>65</b>	<b>117</b>	<b>36</b>	<b>85</b>	<b>032</b>	<b>350</b>
-							
<b>TOTAL</b>	<b>1,042</b>	<b>73</b>	<b>173</b>	<b>42</b>	<b>141</b>	<b>142</b>	<b>686</b>

*OD, Human Resources & Communications*

# ***DISCLOSURE CHECKS FOR PUBLIC SERVICES NETWORK***

Version 1

Produced by:  
*Human Resources*  
Inverclyde Council  
Municipal Buildings  
GREENOCK  
PA15 1LX

October 2013



**INVERCLYDE COUNCIL IS AN EQUAL OPPORTUNITIES EMPLOYER**

**THIS POLICY BOOKLET IS AVAILABLE ON REQUEST, IN LARGE PRINT, BRAILLE, ON  
AUDIOTAPE, OR CD.**

## **1 INTRODUCTION**

Inverclyde Council complies with the Code of Practice regarding handling, holding and destroying of Disclosure Information provided by Disclosure Scotland under Part V of the Police Act 1997 for the purpose of assessing applicants' suitability for positions of trust. As per the Disclosure Scotland Code of Practice policy.

## **2 BACKGROUND**

Inverclyde Council are now required to follow the Baseline Personnel Security Standard to use the Public Services Network (PSN) for data and/or email. It is the minimum standard to ensure the identity and integrity of an employee who has access to official information. It involves four main elements:

- Identity Check
- Nationality and Immigration Status
- Employment history (past 3 years)
- Verification of Criminal Record (unspent convictions only)

The first three bullet points are done as part of the safer recruitment process. For the fourth bullet point we previously used a Criminal Conviction Form where the candidate disclosed any unspent convictions. To comply with PSN this has changed to independent verification of Criminal Records via Disclosure Scotland.

All eligible employees will be contacted via their manager/HR and asked to complete a basic disclosure form from Disclosure Scotland. A cover letter and guidance will be issued on how to complete the form.

A check will be made with the information from Disclosure Scotland on unspent convictions to ensure it matches the information the employee submitted at recruitment.

## **3 EXISTING EMPLOYEES**

A programme of retrospective Basic Disclosure checks (similar to retrospective PVG checks) will be started in January 2014 and last for approximately 15 months. Employees who are GSX users will be disclosed first to comply with PSN compliance dates. All other employees who have (or will be issued with) a Corporate Login will be checked next.

Cost of £25 per disclosure will be met by the Council.

## **4 NEW EMPLOYEES**

Recruitment & Selection procedures will be changed to ask for a Basic Disclosure check from Disclosure Scotland as a pre-employment check for all employees from January 2014 – whether the employee currently has a Corporate Login now or in the future.

Cost of £25 per disclosure will be met by the Council and re-charged to Services.

## **5 OTHER GROUPS**

If services have students, work experience placements, Modern Apprentices etc they are required to basic disclose them prior to obtaining a Corporate Login.

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Acting Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>2013/PR/AP02</b>
<b>Contact Officer:</b>	<b>Alan Puckrin</b>	<b>Contact No:</b>	<b>2038</b>
<b>Subject:</b>	<b>Welfare Reforms Budget Position</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to update the Committee in respect of the various budgets relating to welfare reforms and to provide proposals to ensure resources are fully utilised in a managed way during 2013/14.

## 2.0 SUMMARY

- 2.1 Various one-off and recurring sums have been allocated by the Council, Scottish Government and DWP in relation to the impact of welfare reforms. Some of these sums have conditions attached and a number have been announced during the financial year.
- 2.2 In light of this, it is important that the Committee review latest projections and budget allocations to ensure that no funding is lost to Inverclyde and that spend is managed appropriately.
- 2.3 The Welfare Reform Board and the Corporate Management Team have considered various proposals to ensure that the objectives outlined in 2.2 above are achieved and this report contains details in that regard.
- 2.4 Further work requires to be progressed through the SOA 6 Officer Group in respect of Child Poverty and once concluded will be the subject of reports to Committee.
- 2.5 Further regular updates will be provided to Committee both in terms of the impact of welfare reforms on the Council and its residents but also proposals to fully utilise available budgets.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee approve the proposals contained in Appendices 1 & 2 of the report to amend to DHP policy and ensure that required spend is achieved in 2013/14.
- 3.2 It is recommended that the Committee agree to transferring £120,000 of grant funding allocated for Crisis Grants to Community Care Grants.
- 3.3 It is recommended that the Committee note that a report will be brought to Committee before the summer recess detailing proposals in respect of Child Poverty, these proposals to be progressed by the SOA 6 Officer Group.

## **4.0 BACKGROUND**

- 4.1 As part of the 2013/16 budget, the Council allocated £3.2 million to combat the impacts of the Welfare Reform legislation. The majority of this sum has already been allocated in respect of funding, the Council Tax reduction scheme, reductions in housing benefits subsidy and providing extra financial advice/welfare rights resources.
- 4.2 In addition, the Council has received funding from the DWP to make discretionary housing payments and funding from the Scottish Government in respect of the Scottish Welfare Fund and latterly funding to supplement the DWP funding for discretionary housing payments and other welfare reform issues.

## **5.0 CURRENT POSITION**

### **5.1 Discretionary Housing Payments**

Discretionary Housing Payments (DHP) are provided to tenants to help meet the costs associated with the Removal of the Spare Room Subsidy (also known as the Bedroom Tax). The DWP has set a limit of £383,000 in the amount of DHP that the Council can spend in 2013/14. In 2013/14 the DWP will provide £230,000 of this sum, and if this money is not spent then it will not be paid to the Council.

- 5.2 In addition, both the Council and the Scottish Government have allocated funding to ensure that the Council spends up to its upper limit of £383,000. The Scottish Government allocated £227,000 for this purpose in early October and it is proposed that £153,000 of this sum is utilised in 2013/14 for Discretionary Housing Payments.
- 5.3 In order to fully utilise the Discretionary Housing Payment budget, the Council's policy requires to be reviewed and Officers are recommending changes as outlined in Appendix 1 to the report. The main changes are to increase the intervention rate to 75% for all qualifying households, to extend eligibility to the full financial year for all qualifying households, and to increase the financial hardship threshold from £20 excess income per week to £40 excess income per week.
- 5.4 It is estimated by Officers that subject to claims remaining at around their current level, then these policy changes are affordable within the £383,000 limit. In the event that it becomes apparent that these policy changes are not affordable, then the Council will have to restrict payments in the latter part of the year to ensure that it does not breach the DWP limit of £383,000.
- 5.5 The Council has also submitted a bid to the DWP £20million DHP challenge fund and if this bid is successful it will increase the amount the Council can put out and should allow an intervention rate of 100% to be paid in all cases.
- 5.6 Appeals against DWP decisions are beginning to be heard by the tribunal who in both cases have found in favour of the claimant. Officers within Finance and CHCP have agreed a protocol to manage these appeals which should streamline the process and provide early decisions for the claimants.
- 5.7 DWP have announced a 22% reduction in DHP funding in 2014/15. If this is applied to the Council's 2013/14 allocation it would result in an £85,000 reduction in the DHP threshold which in turn will require a further review of the policy.

### **5.8 Scottish Welfare Fund**

The Scottish Welfare Fund (SWF) is administered by the Council on behalf of the Scottish Government and provides low value Crisis Grants for emergencies and larger Community Care Grants which are largely used to help individuals settle in the community.

- 5.9 The Scottish Government allocated £732,000 to Inverclyde Council in 2013/14 to provide these grants in addition to £131,000 to pay for the administration.
- 5.10 In line with the rest of Scotland, take-up has initially been slower than anticipated. Following revised Guidance payment levels in recent weeks are now moving towards levels which if sustained over a full twelve month period would ensure that the grant funding is fully utilised.
- 5.11 The Scottish Government has confirmed that whilst the funding is ring-fenced, it can be vired between Crisis Grants and Community Care Grants and any underspend can be carried forward into the next financial year. In light of this, it is proposed that £120,000 of funding allocated to Crisis Grants be vired to Community Care Grants. This is affordable within the most recent projections and ties in with a move away from reactive support and towards the preventative agenda.
- 5.12 The recently issued Guidance did not require the Council's approach to be significantly amended, but for Community Care Grants, a number of other items will now become eligible for funding which will improve the outcomes for qualifying applicants.

## **6.0 FURTHER PROPOSALS**

- 6.1 Based on the recommendations in Section 5, then the Council will have approximately £75,000 of Scottish Government funding which requires to be spent this year on tackling the impact of welfare reforms. Appendix 2 contains various proposals suggested by Officers which Committee are asked to consider to utilise the funding prior to 31<sup>st</sup> March 2014.
- 6.2 It should be noted that all the Council allocated funding for 2013/14 will therefore not be fully utilised, but will be carried forward as an earmarked reserve to be utilised in future years. Whilst the recent Scottish Government announcement that the £20 million allocated in 2013/14 will continue for 2014/15 is welcome, the Committee will also recall the ongoing cut in DWP funded discretionary housing payments support and Benefit Administration Grant from 2014/15.
- 6.3 In order to inform further investment to address the challenges highlighted / brought on by Welfare Reform further detailed work is required by Officers from the Council and its partners. This will be progressed via the SOA 6 Officer Group and be the subject of a report to Committee before the summer recess.

## **7.0 CONCLUSIONS**

- 7.1 Given recent funding announced by the Council and the Scottish Government, then the Discretionary Housing Payments Policy requires to be reviewed to ensure that the Council spends up to the £383,000 limit set by the DWP.
- 7.2 It is expected that the Scottish Welfare Fund will underspend in 2013/14 but that this underspend can be carried forward to future years and it is anticipated that this will be required given the uptake of SWF support is increasing as time progresses.
- 7.3 In order to ensure that the Council fully utilises the funding which requires to be spent in 2013/14, then various proposals have been included in Appendix 2 for Committee to consider. Longer term proposals will be developed for members to consider.

## **8.0 IMPLICATIONS**

### **8.1 Financial Implications**

Appendix 3 gives an update in respect of the overall financial implications with the various sources of funding plus approved expenditure on the basis that the recommendations in the report are approved.



- 8.2 It can be seen that there is approximately £700,000 of overall welfare reform funding not allocated, however, it is anticipated that there will be further impacts not known at this stage which the Council will require to fund and it is therefore recommended that this sum remain unallocated at this point in time and subject of further reports.
- 8.3 Legal – there are no legal implications arising from this report.
- 8.4 HR – there are no HR implications arising from this report.
- 8.5 Repopulation – it is important that the Council approaches the impact of welfare reforms in a coherent manner which protects those citizens most adversely impacted by it. Such action will support individuals to remain within the area and within their homes and will therefore have a positive impact on the Council’s repopulation agenda.

**APPENDIX 1**

	<b>Circumstances</b>	<b>Maximum Duration of Award/ Award to be reviewed</b>	<b>Amount of DHP (up to stated % of shortfall between HB and rent charge)</b>	<b>Examples of Supporting Evidence</b>
<b>1</b>	Property significantly adapted to meet tenant or a member of their household's needs	Until the end of the tenancy	100%	Statement confirming property's adaptations from RSL and confirmation of health needs
<b>1</b>	Foster carer (requiring more than one additional bedroom)	Until the end of the foster care arrangement with CHCP	100%	CHCP records
<b>1</b>	Kinship Care arrangement	Until the end of the kinship care arrangement	100%	HB records in consultation with CHCP
<b>1</b>	Children leaving care (LAC) and other vulnerable adults at risk	Up to the end of LAC status 12 months (adults)	100%	CHCP
<b>1</b>	Absent parent – requires bedroom for access to child	Until end of financial year <b>(Previously 6 months)</b>	100%	Support provider/ RSL statement
<b>2</b>	End of Life Care	6 months after date of death	100%	Customer statement & HB records
<b>2</b>	Carer – lives close to person for whom care is provided	Until end of financial year <b>(Previously 6 months)</b>	75%	Carer's Allowance records
<b>2</b>	Employed with caring responsibilities - tenant lives close to person for whom care is provided/ available childcare	Until end of financial year <b>(Previously 6 months)</b>	75%	Claimant statement & HB records
<b>3</b>	Financial Hardship – Less than £20 income over expenditure each week	Until end of financial year <b>(Previously 6 months)</b>	75% <b>(Previously 50%)</b>	Claimant statement/HB Assessment
<b>3</b>	Financial Hardship – Between £21 to £40 income over expenditure each week	Until end of the financial year <b>(New)</b>	75% <b>(New)</b>	Claimant statement/HB Assessment
<b>3</b>	Tenant/ partner within 6	Until tenant/ partner reaches	75%	HB records

	months of reaching Pension Age	pension age	<b>(Previously 50%)</b>	
<b>3</b>	Households requiring additional bedroom for medical reasons	Review depending on nature of illness	75% <b>(Previously 50%)</b>	Statement confirming circumstances from RSL
<b>3</b>	Health conditions - tenant benefits from local support network/ CHCP	Review depending on nature of illness	75% <b>(Previously 50%)</b>	Support provider statement
<b>3</b>	Tenant victim of harassment at previous property (and tenant is protected under the Equalities Act - eg. disability, sexual orientation, ethnicity)	Until end of financial year <b>(Previously 6 months)</b>	75% <b>(Previously 50%)</b>	Police report
<b>3</b>	Aged under 35 years – private rented sector tenant (max - 2 bedroom LHA rate)	Until end of financial year <b>(Previously 6 months)</b>	75% <b>(Previously 50%)</b>	HB records
<b>3</b>	Service widows and ex-service personnel (including non-dependents)	Until end of financial year <b>(Previously 6 months)</b>	75% <b>(Previously 50%)</b>	Self declaration, HB records
<b>3</b>	Benefit cap	Until end of financial year <b>(Previously 6 months)</b>	75% <b>(Previously 50%)</b>	HB records
<b>3</b>	Two of more surplus bedrooms. Cap impact at one surplus bedroom	6 months (cannot reapply)	100% of difference with one surplus bedroom	HB records/ RSL Letter

**NB** It is proposed that any priority group with a maximum duration of 6 months is increased to ‘until end of financial year’  
It is also proposed that the maximum award of DHP is increased to 75% in all cases previously under this amount.

## Welfare Reform – Additional Spend Proposals

No.	Proposal	Spend £000	Comments
1.	Pay for the New Money Advice Care Management software from Government Funding and carry forward freed up Council resource as an Earmarked Reserve.	40 (one-off)	Tenders returned and being assessed.
2.	Increase Clothing Grant from £62.50 to £80 from 2014.	45 (Recurring)	Vire funds to Education.
3.	Contribution to Oak Tree HA pilot to modify properties in the Maple Road area to reduce the number of bedrooms in order to stabilise population. (£1,000 per property for up to 10 properties).	10 (One-off)	OTHA will amend Leases & Weekly Rents.
4.	Create supermarket account to allow local foodbank to procure food / goods to meet increased demand arising from Council referrals and to supplement donations.	20 (Recurring)	Funding at £1500 / month will support 15 referrals per week. Discussions to take place re. increasing opening hours.
5.	Vouchers targeted to vulnerable Older Persons to assist manage costs over the winter. Corporate Director CHCP to distribute funding for 2013 but proposals for future years to be brought back to CHCP Sub-Committee.	40 (Recurring)	In addition to existing Christmas lunch / voucher provision.

Other areas being investigated and subject to future reports: Credit Union account for all school pupils, pilot free travel to certain nurseries to increase attendance.

**Welfare Reforms - Funding & Expenditure**

1/ Funding	2013/14 £000	2014/15 £000	2015/16 £000	Total £000
DHP Grant - DWP	230	153 *	153 *	536
DHP Top Up - SG	227	227 *	-	454
SWF Grants - SG	732	732 *	732 *	2196
SWF Administration - SG	131	120	110 *	361
CTR Scheme - SG	445	445 *	445 *	1335
DHP Top Up - Council	-	59	59	118
Welfare Reforms Reserves - Council	-	250	-	250
Welfare Reforms Pressures - Council	800	1100	1300	3200
	<u>2565</u>	<u>3086</u>	<u>2799</u>	<u>8450</u>

\* = Exact amount to be confirmed

2/ Expenditure	2013/14 £000	2014/15 £000	2015/16 £000	Total £000
1. DHP - Spend to Limit	383	383	383	1149
2. SWF - Crisis Grants **	158	158	158	474
- Community Care Grants **	574	574	574	1722
- Administration Costs #	205	205	205	615
Sub Total	<u>937</u>	<u>937</u>	<u>937</u>	<u>2811</u>
3. Council Tax Reduction	945	945	945	2835
4. Financial Advice Services	160	200	200	560
5. Benefit Administration Grant Cut	-	25	90	115
6. Appendix 2 Proposals	90	105	105	300
Grand Total	<u>2515</u>	<u>2595</u>	<u>2660</u>	<u>7770</u>

\*\* - Figures are after proposed £120,000 virement from Crisis Grants to Community Care Grants.  
Any underspend will be carried forward.

# - Team that deals with SWF also process DHP applications.

AP/CM  
22/10/2013

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Acting Corporate Director, Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>2013/PR/AP01</b>
<b>Contact Officer:</b>	<b>Alan Puckrin</b>	<b>Contact No:</b>	<b>712038</b>
<b>Subject:</b>	<b>Annual Update in respect of Governance of External Organisations</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to provide the annual update in respect of the governance of external organisations and to propose changes to the scoring matrix.

## 2.0 SUMMARY

- 2.1 In May 2011, the Council approved a risk based approach to the governance of those external organisations with whom the Council had a significant financial relationship.
- 2.2 As part of the approved framework, reports are to be presented to the relevant Service Committee throughout the year giving updates and assurances in terms of performance and governance whilst an annual report is presented to the Policy & Resources Committee summarising progress and highlighting any areas of concern.
- 2.3 After two years of operation, it is appropriate that a review is taken of the framework and recommendations in this regard are included in the report.
- 2.4 Overall, the Council's approach to the governance of external organisations is progressing well with Service Committees commenting positively on the information provided. In addition, the Council's External Auditors also recognise the value in this exercise and will be carrying audit follow-up work in this area during the next year.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the 2013 performance in respect of the governance of external organisations as show in Appendix 1.
- 3.2 It is recommended that the Committee approve the amended scoring matrix shown in Appendix 2.
- 3.3 It is recommended that the Committee approve the list of external organisations that will form part of this framework for 2014 as shown in Appendix 3.

## **4.0 BACKGROUND**

- 4.1 In May 2011, the Committee approved a framework for monitoring the governance of key external organisations with whom which the Council has a significant financial relationship.
- 4.2 The purpose of this framework was to provide a formal mechanism for feeding back to the relevant Committee on the organisations' performance and to highlight any issues in respect of governance, financial stability or overall performance. This approach was recognised by the Council's External Auditors at the time as being an example of good practice.
- 4.3 After almost two years, the process has become embedded in most areas of the Council and the Corporate Management Team have been keeping an overview of compliance with the framework.

## **5.0 CURRENT POSITION**

- 5.1 Appendix 1 shows the position of the 2013 organisations from where it can be seen that for the vast majority of organisations the framework has been fully adhered to. In a small number of cases, meetings and reporting are yet to take place but commitments have been given that this will happen prior to the end of January 2014.
- 5.2 It is appropriate that after almost two years of operation, the framework and process be reviewed and this has been done by the Procurement Board including clarification on the type of operation monitored under this arrangement.
- 5.3 The main areas of change have been to simplify the scoring matrix by clarifying the procurement route and to simplify the scoring in respect of member/officer representation or attendance at Board meetings. The net result of these discussions is shown at Appendix 2 and it is proposed that subject to Committee approval, that the amended scoring matrix be used from 2014.
- 5.4 On the basis that the scoring matrix is approved, then Appendix 3 gives the list of the organisations and lead Directorates for 2014.

## **6.0 CONCLUSIONS**

- 6.1 The Council's approach to the governance of external organisations is working well and in the small number of areas where implementation has been slower then action has been taken to catch up in 2013.
- 6.2 In order to provide greater transparency, the scoring matrix has been reviewed.
- 6.3 External Audit have indicated that they will be looking at this area as part of their 2013/14 audit.

## **7.0 IMPLICATIONS**

- 7.1 Finance – No comments.
- 7.2 Legal – No comments.
- 7.3 Repopulation – whilst there are no direct impacts in respect of repopulation, the Council's approach to the governance of external organisations should provide early warnings of organisations in distress and therefore provide greater stability to these organisations with a resultant impact on job security.

<u>Organisation Name</u>	<u>11/12 Spend</u>	<u>Service</u>	<u>Last Governance Monitoring Date</u>	<u>Nature of Payment</u>	<u>Total</u>
ICDT LTD	£2,331,450.46	CHCP	Quarterly meetings being reported	Commissioning Informal	27
CARE CONCERN LIMITED	£692,343.00	CHCP	08/10/2013	Commissioning Informal	27
MILLPORT CARE CENTRE	£324,859.00	CHCP	29/10/2012	Commissioning Informal	27
INVERCLYDE CARERS CENTRE LTD	£140,280.00	CHCP	04/06/2013	Grant	27
PARKLEA ASSOCIATION	£136,432.00	CHCP	31/10/2012	Grant	27
INVERCLYDE LEISURE	£2,175,142.33	E&C	26/10/2013	Grant	26
RIVERSIDE INVERCLYDE	£2,026,482.59	E&R	13/09/2013	Grant	26
INVERCLYDE ASS FOR MENTAL HEALTH	£520,122.54	CHCP	29/01/2013	Grant/ Commissioning Formal/Informal	26
BALCLUTHA COURT	£1,461,691.00	CHCP	26/08/2013	Commissioning national rates	25
FLAGSHIP TOWER (GREENOCK) LIMITED	£1,129,217.00	CHCP	03/09/2013	Commissioning national rates	25
GREENOCK MEDICAL AID SOCIETY	£1,020,992.00	CHCP	13/09/2013	Commissioning National rates	25
MEALLMORE LODGE LIMITED	£948,362.00	CHCP	19/09/2013	Commissioning national rates	25
ALT-NA-CRAIG LIMITED	£674,718.00	CHCP	13/09/2013	Commissioning National rates	25
RIVENDELL CARE HOMES LIMITED	£276,249.00	CHCP	Now in administration - last meeting 07/02/2013	Commissioning national rates	25
CALADH HOUSE ASSOCIATION	£225,748.70	CHCP	postponed until new provider is in place	Commissioning Informal	25
ICCF	£183,315.00	CHCP	16/09/2013	Commissioning Informal	25
EVERGREEN HOME SUPPORT	£151,686.00	CHCP	03/10/2013	Commissioning Formal/ Informal	25
INVERCLYDE WOMENS AID	£131,220.00	CHCP	12/09/2013	Commissioning Informal	25
SIR GABRIEL WOOD'S MARINERS HOME	£562,385.00	CHCP	14/10/2013	Commissioning Formal/Informal	24
IVCSS	£128,356.40	CHCP	Meetings not taking place but will be scheduled	Grant	24
THE KILMACOLM NEW COMMUNITY CENTRE COMPANY LTD	£127,816.06	E&C	Meetings not taking place but will be scheduled	Grant/ Commissioning informal	24
QUARRIERS	£3,353,255.81	CHCP	03/09/2013	Commissioning Formal/Informal	22



RIVER CLYDE HOMES	£1,568,746.06	CHCP	07/11/2013	Grant	22
MARGARET BLACKWOOD HOUSING ASS	£456,735.00	CHCP	03/09/2013	Commissioning Informal	22
CLOCH HOUSING ASSOCIATION LTD	£310,894.69	CHCP	01/08/2013	Commissioning Informal	22
STEPWELL CONSULTANCY LTD	£94,240.29	E&R	Quarterly meetings being reported	Commissioning Informal	22
TREE TOPS COMMUNITY NURSERY	£79,417.72	E&C	27/08/2013	Grant	22
KINCAID HOUSE	£1,527,987.00	CHCP	19/09/2013	Commissioning national rates	20
ALLIED HEALTHCARE GROUP LIMITED	£917,068.00	CHCP	03/10/2013	Commissioning Informal	20
BARNARDOS SCOTLAND WEST OFFICE	£346,983.25	CHCP	09/03/2014	Commissioning Informal	20
SPARK OF GENIUS	£306,905.00	CHCP	Was under education and hence no CHCP info	Commissioning Informal	20
MUIRSHIEL	£277,602.00	CHCP	23/01/2013	Grant	20
CAPABILITY SCOTLAND	£251,879.78	CHCP	28/10/2013	Commissioning Informal	20
SOLAS INSULATION LTD	£217,335.00	E&C	Now in liquidation	Grant	20
CONFIDENT CARE LTD	£209,591.09	CHCP	03/10/2013	Commissioning Informal	20
YOUTH CONNECTIONS	£130,305.40	E&C	04/10/2013	Commissioning Informal	20
ALZHEIMER SCOTLAND	£116,970.00	CHCP	16/09/2013	Grant	20
UNITY ENTERPRISE	£102,407.86	CHCP	01/08/2013	Grant	20
KEY HOUSING ASSOCIATION LTD	£1,197,727.00	CHCP	05/09/2013	Commissioning Formal	18
HC One (took over from Southern Cross)	£1,055,385.06	CHCP	23/09/2013	Commissioning national rates	18
KARMA HEALTHCARE	£523,170.93	CHCP	03/10/2013	Commissioning Informal	18
LITTLE SISTERS OF THE POOR	£398,945.00	CHCP	14/10/2013	Commissioning national rates/Informal	18
ERSKINE HOSPITAL	£271,015.85	CHCP	out of area placement not normally monitored	Commissioning national rates	18
CAREWATCH (INVER & NTH AYRSH)	£195,737.00	CHCP	03/10/2013	Commissioning Informal	18
TRUST HOUSING ASSOCIATION LTD	£192,382.11	CHCP	11/10/2013	Commissioning Informal	18
CRAEGMOOR HEALTHCARE	£147,982.00	CHCP	decommissioned service	Commissioning Informal	18
CASTLEBECK CARE (TEESDALE) LTD	£121,011.00	CHCP	22/10/2013	Commissioning Informal	18
HANSEL ALLIANCE	£98,036.21	CHCP	01/12/2013	Commissioning Informal	18
BIELD HOUSING ASSOCIATION	£58,081.78	CHCP	02/10/2013	Commissioning Informal	18
THORNTOUN LTD	£53,535.26	CHCP	11/09/2013	Commissioning Informal	18
JAMES WATT COLLEGE NURSERY	£21,664.80	E&C	27/08/2013	Grant	18

THE RICHMOND FELLOWSHIP SCTLND	£1,281,111.62	CHCP	12/09/2013	Commissioning Formal	16
SCOTT ASSOC FOR MENTAL HEALTH	£751,266.06	CHCP	06/12/2013	Commissioning Formal	16
TURNING POINT SCOTLAND	£723,446.26	CHCP	16/09/2013	Commissioning Formal	16
THE GRAND LODGE OF SCOTLAND	£184,816.00	CHCP	07/10/2013	Commissioning national rates	16
ARDFERN LEARNING CENTRE	£117,175.00	E&C	21/05/2013	Commissioning Informal	16
THE ABBEYFIELD STRATHGRYFFE SOC LTD	£92,233.00	CHCP	12/09/2013	Commissioning National Rates	16
INVERCLYDE COUNCIL ON DISABILITY	£74,251.83	CHCP	18/09/2013	Commissioning Informal	16
NAS SERVICES LIMITED	£67,177.67	CHCP	no longer in use	Commissioning Informal	16
MADEIRA NURSERY	£38,588.64	E&C	27/08/2013	Grant	16
CORNERSTONE COMMUNITY CARE	£37,046.49	CHCP	18/09/2013	Commissioning Informal	16
MCFARLANE HOMES	£35,068.81	CHCP	01/09/2013	Commissioning Informal	16
CORBENIC CAMPHILL COMMUNITY	£34,954.14	CHCP	17/09/2013	Commissioning Informal	16
WRVS	£30,272.50	CHCP	18/08/2013	Grant	16
GLENCAIRN NURSERY	£25,581.60	E&C	27/08/2013	Grant	16
WELLINGTON PRE-FIVE NURSERY	£25,302.55	E&C	27/08/2013	Grant	16
TODHILL FARM TRAINING HOME LTD	£24,685.96	CHCP	01/08/2013	Commissioning Informal	16

External Organisations Governance

Matrix

1/	<u>Annual Payment to the Organisation (Ex-Vat)</u>	<u>Points</u>
	Payment over £250,000	6
	Payment £50,000 to £250,000	4
	Payment £20,000 to £49,999	2
	Payment £19,999 and below	Exclude
2/	<u>Proportion of turnover funded by Council</u>	<u>Points</u>
	51% to 100%	8
	26% to 50%	6
	10% to 25%	4
	Below 10%	2
3/	<u>Nature of Payment to Organisation</u>	<u>Points</u>
	Grant – No SLA	8
	Grant – With SLA	6
	Commissioned – No Tender	6
	Tendered	4
4/	<u>Council Representation at Meetings</u>	<u>Points</u>
	No Council Presence	6
	Member on Board	4
	Officers attendance allowed	2

Governance Oversight

Points

- |             |   |
|-------------|---|
| 20 plus     | <ul style="list-style-type: none"><li>a) Annual Accounts received by Service and reviewed by Finance.</li><li>b) Briefing prepared where appropriate for Council Board Member in advance of any Board Meetings.</li><li>c) Post Board meeting briefing notes prepared by attendee for Corporate Director, Head of Service, Finance and Procurement.</li><li>d) Half yearly documented Governance meetings with organisations.</li><li>e) Annual Committee report covering performance and quality issues.</li></ul> |
| 19 - 16     | <ul style="list-style-type: none"><li>a) As above</li><li>b) Optional</li><li>c) Optional</li><li>d) Annual documented Governance meetings</li><li>e) As above</li></ul>  |
| 15 or Under | <ul style="list-style-type: none"><li>a) No action</li></ul>  |

Note: The above are the minimum requirements however Services may decide on more frequent meetings / reporting based on specific risks / intelligence.

<u>Organisation Name</u>	<u>2012/13 Spend</u>	<u>Service</u>	<u>Governance Monitoring Date</u>	<u>Nature of Payment</u>	<u>Total</u>
CARE CONCERN LIMITED	£617,878.00	CHCP	08/10/2013	Commissioned No Tender	26
INVERCLYDE CARERS CENTRE LTD	£127,070.00	CHCP	04/06/2013	Grant	26
MILLPORT CARE CENTRE	£301,453.00	CHCP	29/10/2012	Commissioned No Tender	26
MUIRSHIEL	£212,449.35	CHCP	23/01/2013	Grant	26
PARKLEA ASSOCIATION	£85,817.00	CHCP	31/10/2012	Grant	26
ALT-NA-CRAIG LIMITED	£663,619.00	CHCP	02/11/2012	Tendered (National rates)	24
BALCLUTHA COURT	£1,246,045.37	CHCP	15/01/2013	Tendered	24
CALADH HOUSE ASSOCIATION	£168,213.96	CHCP	Postponed until new provider is in place	Commissioned No Tender	24
EVERGREEN HOME SUPPORT	£171,347.36	CHCP	03/10/2013	Commissioned No Tender	24
FLAGSHIP TOWER (GREENOCK) LIMITED	£986,584.29	CHCP	26/10/2012	Tendered (National rates)	24
GREENOCK MEDICAL AID SOCIETY	£874,891.37	CHCP	13/09/2013	Tendered (National rates)	24
ICCF	£135,994.00	CHCP	22/02/2013	Commissioned No Tender	24
INVERCLYDE ASS FOR MENTAL HEALTH	£513,879.39	CHCP	29/01/2013	Grant/Commissioned - No Tender	24
INVERCLYDE WOMENS AID	£101,087.60	CHCP	12/09/2013	Commissioned No Tender	24
ICDT LTD	£1,827,120.00	E&R	1/4 meetings reported to committee	Tendered	22
INVERCLYDE LEISURE	£2,208,945.25	E&C	26/10/2013	Grant	22
MARGARET BLACKWOOD HOUSING ASS	£476,370.63	CHCP	19/10/2012	Commissioned No Tender	22
MEALLMORE LODGE LIMITED	£906,604.67	CHCP	19/09/2013	Tendered (National rates)	22
QUARRIERS	£3,236,610.09	CHCP	25/09/2012	Tendered/Commissioned No Tender	22
RIVERSIDE INVERCLYDE	£2,086,881.01	E&R	13/06/2013	Grant/ Commissioning	22
SCOTT ASSOC FOR MENTAL HEALTH	£815,154.21	CHCP	06/12/2012	Tendered/ Grant	22
STEPWELL CONSULTANCY LTD	£111,705.87	E&R	1/4 meetings reported to committee	Commissioned No Tender	22
ALLIED HEALTHCARE GROUP LIMITED	£678,572.25	CHCP	03/10/2013	Commissioned No Tender	20
ALZHEIMER SCOTLAND	£236,315.35	CHCP	16/09/2013	Grant	20
CLOCH HOUSING ASSOCIATION LTD	£218,496.00	CHCP	01/08/2013	Commissioned No Tender	20
CONFIDENT CARE LTD	£189,616.80	CHCP	03/10/2013	Commissioned No Tender	20
ICDT LTD	£214,806.00	CHCP	07/03/2013	Commissioned No Tender	20
LITTLE SISTERS OF THE POOR	£387,150.88	CHCP	14/10/2013	Tendered (National rates)/ Commissioned No Tender	20
RIVER CLYDE HOMES	£1,155,771.13	CHCP	TBA	Grant	20
SIR GABRIEL WOOD'S MARINERS HOME	£435,810.10	CHCP	14/10/2013	Tendered (National rates)	20
THE KILMACOLM NEW COMMUNITY CENTRE	£78,813.84	E&C	TBA	Grant/ Commissioned No Tender	20
UNITY ENTERPRISE	£83,288.28	CHCP	01/08/2013	Grant	20
YOUTH CONNECTIONS	£117,682.11	E&C	TBA	Commissioned No Tender	20
BARNARDOS SCOTLAND WEST OFFICE	£164,395.84	CHCP	09/09/2013	Commissioned No Tender	18
BIELD HOUSING ASSOCIATION	£103,316.92	CHCP	02/10/2013	Commissioned No Tender	18
CAPABILITY SCOTLAND	£219,565.99	CHCP	28/10/2013	Commissioned No Tender	18
CAREWATCH (INVER & NTH AYRSH)	£215,997.04	CHCP	03/10/2013	Commissioned No Tender	18
CASTLEBECK CARE (TEESDALE) LTD	£100,296.83	CHCP	22/10/2013	Commissioned No Tender	18
CRAEGMOOR HEALTHCARE	£69,519.50	CHCP	30/1/2013	Commissioned No Tender	18
ERSKINE HOSPITAL	£253,437.95	CHCP	TBA	Tendered (National rates)	18
HANSEL ALLIANCE	£84,480.12	CHCP	01/12/2013	Commissioned No Tender	18
HC One (took over from Southern Cross)	£733,693.00	CHCP	03/12/2012	Tendered (National rates)	18
IVCSS	£98,648.20	CHCP	TBA	Grant	18
KARMA HEALTHCARE	£607,579.63	CHCP	03/10/2013	Commissioned No Tender	18
KEY HOUSING ASSOCIATION LTD	£919,663.49	CHCP	03/12/2012	Tendered	18
KINCAID HOUSE	£1,124,251.00	CHCP	19/09/2013	Tendered (National rates)	18
MADEIRA NURSERY	£24,014.88	E&C	28/08/2013	Commissioned No Tender	18
SPARK OF GENIUS	£219,740.00	CHCP	TBA	Commissioned No Tender	18
THE RICHMOND FELLOWSHIP SCTLND	£1,090,065.15	CHCP	06/12/2012	Tendered	18
THORNTOUN LTD	£61,182.18	CHCP	08/03/2013	Commissioned No Tender	18
TRUST HOUSING ASSOCIATION LTD	£148,518.95	CHCP	11/10/2013	Commissioned No Tender	18
TURNING POINT SCOTLAND	£539,043.03	CHCP	06/12/2013	Tendered	18
WELLINGTON PRE-FIVE NURSERY	£22,602.60	E&C	28/09/2013	Commissioned No Tender	18
ARDFERN LEARNING CENTRE	£55,590.00	E&C	21/05/2013	Tendered (National rates)	16

CORBENIC CAMPHILL COMMUNITY	£32,918.55	CHCP	TBA	Commissioned No Tender	16
CORNERSTONE COMMUNITY CARE	£27,817.07	CHCP	18/09/2013	Commissioned No Tender	16
JAMES WATT COLLEGE NURSERY	£39,576.47	E&C	28/08/2013	Commissioned No Tender	16
MCFARLANE HOMES	£29,511.40	CHCP	01/09/2013	Commissioned No Tender	16
RIVER CLYDE HOMES	£172,692.00	CHCP	TBA	Commissioned No Tender	16
SALVATION ARMY TERRITORIAL HEADQUARTERS	£88,554.88	CHCP	21/01/2013	Tendered	16
THE ABBEYFIELD STRATHGRYFFE SOC LTD	£77,700.78	CHCP	12/02/2013	Tendered (National rates)	16
THE BEACON	£50,000.00	E&C	14/11/2013	Grant	16
TODHILL FARM TRAINING HOME LTD	£20,888.12	CHCP	01/08/2013	Commissioned No Tender	16

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b> 19 <sup>th</sup> November 2013
<b>Report By:</b>	<b>Corporate Director Education, Communities &amp; Organisational Development Acting Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b> FIN/85/13/JB/CM
<b>Contact Officer:</b>	<b>Jan Buchanan</b>	<b>Contact No:</b> 01475 712223
<b>Subject:</b>	<b>SOLACE Indicators</b>	

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to present to Committee an overview of the relevant SOLACE (Society of Local Authority Chief Executives) Indicators which benchmarked specific data for the financial years 2010/11 and 2011/12 and highlight Inverclyde Council's position for the Corporate Services indicators relevant to this Committee and any proposed action.

## 2.0 SUMMARY

- 2.1 A report was presented to the 26 March 2013 Policy and Resources Committee which provided an overview of the Improving Local Government project being progressed by the Improvement Service under the direction of SOLACE. The aim of the project is that the indicators will replace the SPI framework from 2013/14 and provide a comparable performance support framework to allow Scottish Authorities to drive out efficiencies.
- 2.2 A total of 55 indicators have been established across 7 service areas including Corporate Services which have 8 indicators which report to this Committee. The details of the indicators and the performance of 10/11 and 11/12 are tabled at Appendix 1.
- 2.3 It was agreed at the September Policy & Resources Committee that each Service Committee would receive a report on the indicators which relate to that Committee. This report fulfils that remit.

## 3.0 RECOMMENDATIONS

- 3.1 That the Committee note this report and approve the proposals on the action for each of the indicators.
- 3.2 That the Committee note that a report on the 2012/13 indicators will presented to Committee as soon as the results are published with the performance and proposed actions and annually thereafter.

Albert Henderson  
Corporate Director  
Education Communities &  
Organisational Development

Alan Puckrin  
Acting Corporate Director  
Environment, Regeneration & Resources

## 4.0 BACKGROUND

- 4.1 A report was presented to the March Committee meeting which detailed the work that the Improvement Service has been carrying out to support SOLACE to develop a set of benchmarking indicators on behalf of Scottish Councils as part of the 'Improving Local Government' agenda.
- 4.2 The aim of the project was that the indicators will replace the SPIs from 2013/14 and will provide a comparable performance support framework for Scottish local authorities, enable authorities to target areas for transformational changes in terms of – efficiency, costs, productivity and outcomes.
- 4.3 Overall there are 55 indicators split across 7 service areas but as Inverclyde no longer has Housing stock only 50 are relevant, 8 of which fall within the Corporate Services and are reported through this Committee.

## 5.0 INDICATORS

### 5.1 Corp1 – Central Support Services as a % of the total gross expenditure

Central Support Costs are classed as overhead cost for services such as ICT, HR, Legal, Finance. An organisation will aim to keep overheads to minimum which highlights an efficient organisation. In both 2010/11 and 2011/12 Inverclyde Council was ranked 2<sup>nd</sup> and in the 1st Quartile.

**Action/Comment** - No specific action is proposed, support services will continue to look for opportunities to provide better value for money and deliver efficiencies on an ongoing basis.

### 5.2 Corp2 - Core Democratic Costs per 1,000 population

Again this is viewed as an overhead cost and is the cost for supporting the democratic process within the Authority. It includes the proportion of officer's time spend specifically supporting the democratic process: preparing for and attending meetings, presentations, civic occasions. It also includes elected members salaries, allowances and support costs. A lower cost arguably reflects a more efficient democratic process within the organisation. In 2010/11 Inverclyde was ranked 4<sup>th</sup> in Scotland but slipped to 16<sup>th</sup> for 2011/12. This was due to an error in the 2010/11 calculation where the cost was understated. The ranking for 2011/12 is more accurate and places the Council in the 2<sup>nd</sup> Quartile.

**Action/Comment** No specific action is proposed, officers will continue to look for opportunities to provide better value for money and deliver efficiencies on an ongoing basis.

### 5.3 Corp3A and Corp3B – Percentage of employees in the highest 2% and 5% earners that are female

Inverclyde was ranked 8<sup>th</sup> in 2010/11 moving to 12<sup>th</sup> in 2011/12 for the highest 2% earners being female and ranked 10<sup>th</sup> in 2010/11 for the top 5% earners being female moving to 14<sup>th</sup> in 2011/12 remaining in the 2<sup>nd</sup> Quartile for both. The Council has robust equalities management procedures in place. The recruitment and selection procedures are equality impact assessed and are subject to rigorous re-evaluation at regular intervals to ensure equality standards are maintained. The Council has recently appointed an Equalities Officer for a two year appointment to further embed equalities within the day to day activities of the Council.

**Action/Comment** No action or comment.



#### 5.4 Corp 4 – The cost per dwelling of collecting Council Tax

Inverclyde Council was ranked 26<sup>th</sup> in Scotland in 2010/11 improving to 24<sup>th</sup> in 2011/12 and placed in quartile 3. The cost of collection represents just 2.2% of the Revenue collected. Due to the demographics of the area Officers need to ensure that the Debt Recovery Team is appropriately staffed. Whilst reductions in cost would reduce the cost per dwelling it would likely have a far greater detrimental effect on Revenue.

This is an indicator which is reviewed annually by the Directors of Finance and the consistency of reporting costs has been a matter of concern with the Chief Financial Officer and raised, but not resolved, amongst his peers. The Finance Service are confident that the indicators in relation to Inverclyde is accurate and has shown real term reductions in costs over the last few years.

**Action/Comment** This indicator is reviewed annually through the Directors of Finance performance indicators as well as being monitored and reported through the Corporate Directorate Improvement Plan (CDIP).

#### 5.5 Corp6 – Days lost per FTE employee

The ranking in 2010/11 was 25<sup>th</sup> in Scotland moving to 27<sup>th</sup> in 2011/12 and placing the Council in quartile 4. The Absence Management Strategy is under constant review to determine patterns of absence and ensure that resources are directed to those areas where support is required. Employee costs form a large proportion of the Council's budget and it recognised that absence management is a key priority to the Council. Through robust absence management procedures, the Council is endeavouring to support employees and reduce this level of absence. The Absence Management Policy is being actively promoted within Services with higher levels of absence. The Council works closely with our Occupational Health provider to ensure that absent employees are given the necessary support to enable them to return to work as soon as possible. A challenging absence rate has been set for the Council and all services which are monitored quarterly with the overall results for the Council.

**Action/Comment** The Council has set an absence target of 4.75 %. Services are continuously looking to reduce absence. When target is achieved it will be reviewed and set at a lower level for the future.

#### 5.6 Corp 7 - % Income due from Council Tax received by the end of the financial year

Inverclyde ranking was 25<sup>th</sup> in 2010/11 and remained 25<sup>th</sup> in 2011/12 and in the 4<sup>th</sup> quartile. This is an area that is constantly monitored and is reported in the Directorate Plan. The Chief Financial Officer receives monthly briefings on this area of performance which has been benchmarked since 1993. Performance is regularly reviewed with the Council's Debt Management Partner. A good practice guide issued by the Directors of Finance has been reviewed to identify areas of possible improvement. Previous detailed comparison with a number of Councils with higher overall collection shows that Inverclyde out performs these Councils on a Band by Band basis and that housing tenure/values is a key influence on this measure.

It should also be noted that some councils report council tax collection levels using a methodology which inflates collection levels by 1-2% due to the way water and sewerage monies are allocated. If Inverclyde Council was to report in this way the Council would show a higher collection figure and probably exceed the National mean. The Chief Financial Officer has not adopted this approach in order to be consistent with prior years.

**Action/Comment** The Council is piloting "Water Direct" deductions with DWP and it is expected this will marginally increase collection levels in 2013/14. This measure is monitored on a monthly basis and reported through the CDIP.

## 5.7 Corp8 - % invoices paid within 30 days

The Council has improved from 4<sup>th</sup> rank in 10/11 to joint 2<sup>nd</sup> in 11/12. The Council is constantly looking to see where it can improve efficiency and this is an area that the Council has made significant efficiencies in the past. The team has reduced in size as services and Finance work together to maintain performance. The focus is to maintain performance and improve payment times to local suppliers having introduced 20 day payment of invoices rather than the statutory 30 days. Whilst this will not make a difference to this indicator it will improve cash flow to local businesses.

**Action/Comment** This information is reviewed annually through the Directors of Finance performance indicators, performance is also monitored on a monthly basis and reported through the CDIP.

## 6.0 CONCLUSIONS

- 6.1 The report highlights how the Council is performing in relation to Corporate Indicators and the action being proposed to maintain/improve performance.
- 6.2 A key task is to ensure consistency across the data collection which is being progressed by the Finance team in consultation with Services in terms of completing the Local Finance Returns (LFRs) which is where the financial information is gathered by the Scottish Government.

## 7.0 EQUALITIES

- 7.1 No implications.

## 8.0 REPOPULATION

- 8.1 Providing efficient and effective services will allow more resources to be allocated to front line services and should make the area a more attractive place to live.

			<b>APPENDIX 1</b>				
Solace Indicators	Description	Inverclyde 10/11	Inverclyde 11/12	Position	Quartile	Best Performing 11/12	Median 11/12
CORP 1	Central Support as a % of total gross expenditure	2.50%	2.70%	2nd	1st	2.68%	4.3
COPR 2	Core Democratic cost per 1,000 population	£22,678	£32,063	16th	2nd	£11,448.51	£32,643
CORP 3A	Percentage of employees in the highest 2% of earners that are female	42.5%	42%	12th	2nd	54.80%	39.80%
CORP 3B	Percentage of employees in the highest 5% of earners that are female	47.6%	47.6%	14th	2nd	60.10%	47.1%
CORP 4	Cost per dwelling of collecting CT	£16.61	£15.05	24th	3rd	£2.98	£12.46
CORP 6	Days lost per FTE employee	10.4 days	10.5 days	27th	4th	7.6 days	9.4 days
CORP 7	Income due from CT received by the end of the Financial Year	94%	94.20%	25th	4th	98%	95.60%
CORP 8	% Invoices paid within 30 days	9.40%	95.60%	Joint 2nd	1st	97%	88.60%

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b> 19 <sup>th</sup> November 2013
<b>Report By:</b>	<b>Acting Corporate Director Environment, Regeneration and Resources</b>	<b>Report No:</b> FIN/88/13/AP/FB
<b>Contact Officer:</b>	<b>Fiona Borthwick</b>	<b>Contact No:</b> 01475 712904
<b>Subject:</b>	<b>Non Domestic Rates – Relief Policy</b>	

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to seek Committee approval for the Council's Non Domestic Rates Relief Policy.

## 2.0 SUMMARY

- 2.1 There are a number of reliefs in respect of Non Domestic Rates which the Council has either a mandatory requirement or discretion to award. It is important that the Council has policies approved by Committee for Officers to administer.
- 2.2 In developing Non Domestic Relief Policies the Council needs to achieve a balance between supporting the local business community, providing consistency, having a clear and understandable application process and finally containing any costs within approved budgets.
- 2.3 Members approved a Policy in respect of Short Term Part Empty Relief properties at the Policy and Resources Committee in August 2013. It was also agreed at Committee that this Policy would be followed up by one comprehensive Policy which includes all categories of Mandatory and Discretionary Relief that can be awarded.
- 2.4 Members also approved a Policy in respect of granting Discretionary Relief to charities and non-profit making organisations at the Policy and Resources Committee on 18 September 2012. At Committee it was also remitted to the Corporate Director Environment, Regeneration and Resources to consult with the local Business Community on specific proposals to limit the density of charity shops in a parade creates an imbalance in the shopping on offer.
- 2.5 There is a wide range of properties that can qualify for Mandatory and/or Discretionary Relief. The draft Policy clearly sets out the factors to consider for eligibility, the application process and the rules around backdating. The final page of the Policy details the percentage of discretionary relief allowed by legislation, the percentage awarded under this Policy and the financial implications to the Council of any award.
- 2.6 A draft Policy is attached at appendix 1 to consider. The Policy has been drawn up after reviewing the relevant legislation and seeking information from other Councils in respect of their approaches.
- 2.7 If the attached Policy is approved by Committee, the next stage will be to publicise the Policy within the local business community via the Economic Regeneration Service.
- 2.8 In 2013/14 it is projected that the Council will overspend the Discretionary Relief budget by £30,000 (37%). This has been addressed by virement but further increases are likely to require extra budget to be allocated.

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### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Committee approve the draft Policy for Non Domestic Rates Relief.
- 3.2 It is recommended that the Committee note the £30,000 increase in spend in 2013/14 arising from Discretionary Relief.

Alan Puckrin  
Acting Corporate Director  
Environment, Regeneration & Resources

Jan Buchanan  
Head of Finance

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## 4.0 BACKGROUND

4.1 There are a number of reliefs that can be awarded in respect of Non Domestic Rates and they fall into two main categories, Mandatory Relief where the criteria are set nationally and there is no cost to the authority; and Discretionary Relief that can also only be awarded where certain criteria are met but the Council has the discretion to determine additional criteria and limits to the relief. In these cases only a percentage (typically 75%) of the relief granted is met by the Government. The balance of the relief granted (typically 25%) must be met by the Council. The attached Policy sets out Inverclyde's criteria for awarding reliefs and details the types of organisations that are likely to qualify.

## 5.0 MANDATORY RELIEF

5.1 Registered Charities or Trustees - for a charity that uses its business premises wholly or mainly for the purposes of the charity may be eligible for an 80% reduction in their Rates bill. This is generally referred to as Mandatory Relief and is awarded in accordance with Section 4(2) and (8) of the Local Government (Financial Provisions etc.) Scotland Act 1962.

The Council is obliged to grant relief to premises which fall within the mandatory category and is subsequently recompensed for any amounts granted.

5.2 Rural Rates Relief – the Local Government and Rating Act 1997 made provision that certain types of businesses located within a rural settlement with a population below 3,000, and in an area designated as rural by Scottish Ministers, may be eligible for Mandatory Rates Relief. The Council is obliged to grant relief to premises which fall within the Mandatory category and is subsequently recompensed for any amounts granted. 50% rural Rates Relief will be awarded in respect of applications that meet the eligibility criteria and can provide supporting evidence to support their application.

5.3 Empty Property Relief – Section 24 of the Local Government (Scotland) Act 1996 provides relief for premises which are completely unoccupied. Full exemption of 100% can be granted for a maximum of three months and 50% thereafter for an indefinite period. From 1 April 2013, after the initial 100% relief for three months, 90% of the charge is levied. Certain types of property, e.g. industrial, are exempt from the 90% charge and will continue to receive 100% relief while the property remains empty.

5.4 The Council is obliged to grant relief to premises which fall within the Empty Property Relief category and is subsequently recompensed for any amounts granted.

5.5 Disabled Persons Relief – Relief of up to 100% is available to establishments where nursing care is provided within the terms of the Rating (Disabled Persons) Act 1978. The Council is obliged to grant relief to premises which fall within the Mandatory category and is subsequently recompensed for any amounts granted.

5.6 Small Business Bonus Scheme – the Small Business Bonus Scheme was introduced on 1 April 2008 and replaced the Small Business Rates Relief Scheme. The Small Business Bonus Scheme provides a discount of between 25% and 100% on bills for eligible business properties with a cumulative rateable value of £25,000 or less. The Council is obliged to grant relief to premises which fall within the Small Business Bonus Scheme Relief category and is subsequently recompensed for any amounts granted.

5.7 Community Amateur Sports Clubs – Section 98 of the Charities and Trustee Investment (Scotland) Act 2005 provides for 80% Mandatory Relief from rates for registered Community Amateur Sports Clubs (CASCS). Sports clubs play a valuable role in the community and the CASC scheme recognises this important role by distinguishing between clubs and businesses for rates and tax purposes, ensuring money is kept in sports clubs. The Council is obliged to grant relief to premises which fall within the Community Amateur Sport Club Relief category.

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- 5.8 Renewable Energy Relief – The Renewable Energy Generation Scheme will provide Non-domestic Rates Relief from 1 April 2010, to renewable energy producers who are solely concerned with the production of heat or power (or both) from various sources. The Council is obliged to grant relief to premises which fall within the Renewable Energy Relief category and is subsequently recompensed for any amounts granted.
- 5.9 New Start Relief – With effect from 1 April 2013, a New Start Relief is available for new properties entered onto the Valuation Roll between the periods 1 April 2013 and 31 March 2016 and which are unoccupied. Relief of up to 100% is available for a period of up to 18 months which can be discontinuous for example where a property is occupied for a short period prior to becoming empty again. Where the maximum period of relief has been granted, this may become available again where the property is occupied for a period of 6 weeks or more prior to once more becoming occupied.
- 5.10 Fresh Start Relief – With effect from 1 April 2013, Fresh Start Relief is available where previously unoccupied shops and offices are newly occupied. Relief of up to 50% is available for a period of 12 months. The Scheme will run for a 3 year period from 01 April 2013. The Council is obliged to grant relief to premises which fall within the Fresh Start Relief category and is subsequently recompensed for any amounts granted.

## **6.0 DISCRETIONARY RELIEF**

- 6.1 Whilst the Council is obliged to grant relief to premises which fall within the mandatory category for which the Council is fully recompensed for any amounts granted, the Council also has powers to grant Discretionary Relief to ratepayers subject to certain criteria being met.
- 6.2 One purpose of discretionary relief is to provide assistance where the property does not qualify for mandatory relief, whilst discretionary relief can also be given to 'top up' cases where ratepayers already receive Mandatory Relief. Where no Mandatory Relief is given then Discretionary Relief of up to 100% of the total rates liability can be granted to qualifying non profit making organisations.
- 6.3 The range of organisations which are eligible for Discretionary Relief is wide and not all of the criteria laid down will be applicable in each case. It should be noted that the Council usually incurs 25% of the cost of any Discretionary Relief granted although of some categories which are fully funded by the Scottish Government.
- 6.4 Registered Charities or Trustees for a charity that uses its business premises wholly or mainly for the purposes of the charity may be eligible for 20% to 'top up' charities already in receipt of Mandatory Relief or up to 100% relief in respect of non-profit making organisations. The amount of relief that can be granted depends on a number of key factors and must satisfy certain eligibility factors.
- 6.5 A Policy for granting Discretionary Relief to charities and non-profit making organisations was approved by the Policy and Resources Committee on 18 September 2012. At Committee it was also remitted to the Corporate Director Environment, Regeneration and Resources to consult with the local business community on specific proposals with regard to areas where the density of charity shops in a parade creates an imbalance in the shopping on offer.
- 6.6 Sports Clubs - Sports clubs may be awarded 100% relief except where the organisation occupies licensed premises – in these cases a formula is applied to apportion the activities between the bar and the sporting activity. This typically applies to golf clubs, bowling clubs etc. Under this policy the Council will grant relief to premises which fall within the Sports Relief category. Although this is Discretionary Relief the Council is fully recompensed for any amounts granted. 100% Sports Relief will be awarded in respect of applications from unlicensed sports clubs that meet the eligibility criteria.

- 6.7 Relief will also be awarded to licensed sport clubs that meet the eligibility criteria specified below and fulfil all the requirements of the application process; however the level of relief afforded to licensed clubs will vary for each club depending on their turnover from bar, food and gaming.
- 6.8 Community Amateur Sports Clubs – Section 4 (5) of the Charities and Trustee Investment (Scotland) Act 2005 provides for 20% discretionary relief from rates for (CASCS). Where a CASCS meets the eligibility criteria as detailed at paragraph 13.3 of the Policy then the Council can award a top of 20% relief over and above the 80% Mandatory Relief. The Council must meet 25% of the cost of this additional Relief and is recompensed for the 75% balance.
- 6.9 Short Term Part Empty Relief - A policy for granting Short Term Part Empty Relief was approved by the Policy & Resources Committee on 13<sup>th</sup> August 2013. Under this policy the Council will grant relief to premises which fall within the Short Term Part Empty Relief category. Although this is Discretionary Relief, the Council will be subsequently be recompensed for any amounts granted.
- 6.10 Hardship Relief - Section 25A of the Local Government (Scotland) Act 1966 (as amended by section 156 of the Local Government etc. (Scotland) Act 1994) allows rating authorities to abate, in full or in part, a ratepayer's liability where they are satisfied that:

- The person would sustain hardship if the authority did not do so; and
- It is reasonable for the authority to do so, having regard to the interests of persons liable to pay council tax set by them.

Under this policy the Council 25% of any award will be met by the Council.

- 6.11 Stud Farms - Under this policy the Council may grant up to 100% relief to premises which fall within the Stud Farm Relief category; 25% of any award will be met by the Council.
- 6.12 Rural Relief - The Local Government and Rating Act 1997 made provision that certain types of businesses located within a rural settlement with a population below 3,000, and in an area designated as rural by Scottish Ministers, may be eligible for relief of rates. Councils have discretionary powers to award up to 50%.
- 6.13 Councils also have discretionary powers to grant up to 100% rate relief to properties within a rural settlement with a rateable value of £17,000 or less, used for purposes that are beneficial to the local community. Under this policy the Council may make awards of discretionary relief in respect of the only general store or Post Office in a rural settlement that already receives 50% mandatory relief. The Council policy is to award 50% Discretionary Rural Rates Relief to premises in receipt of Mandatory Rural Rates Relief. 25% of the cost of the discretionary relief must be met by the Council.

## 7.0 BACKDATING AND APPEALS

- 7.1 The rules and processes around backdating and appeals are detailed at the relevant section within the attached Policy.

## 8.0 IMPLICATIONS

- 8.1 Finance – The financial implications arising from the application of Discretionary Relief are detailed at section 18 of the attached Policy (Appendix 1).

### One-Off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Other Comments



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## Recurring Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Other Comments
Finance	Discretionary Relief	13/14	£110,000	

There are no HR or Legal Implications arising from this report.

There are no equalities issues arising from this report.

### **9.0 CONSULTATION**

9.1 The Head of Regeneration and Planning consulted with the Chamber of Commerce and the Federation of Small Businesses whilst there is a recognition that there will be individual difficulties for their members they remain broadly in support of the policy.

### **10.0 REPOPULATION IMPLICATIONS**

10.1 This supports the repopulation of Inverclyde.

# **Non-Domestic Rates**

## **Relief Policy**

**Date produced/reviewed:** October 2013  
**Prepared by:** Liz Brown  
**Approved by:**

# **Inverclyde Council – Finance Services Revenues and Benefits**

<b>Table of Contents</b>		<b>Page(s)</b>
<b>Introduction</b>		<b>3</b>
<b>Mandatory Relief</b>		
1	Charitable Relief	5
2	Rural Rates Relief	7
3	Empty property Relief	9
4	Disabled Persons Relief	11
5	Small Business Bonus Scheme	12
6	Community Amateur Sports Clubs	13
7	Renewable Energy Relief	15
8	New Start Relief	17
9	Fresh Start Relief	18
<b>Discretionary Relief</b>		
10	Charitable/Non Profit Making Organisations	20
11	Sports Clubs	23
12	Community Amateur Sports Clubs	25
13	Short Term Part Empty Relief	27
14	Hardship Relief	30
15	Stud Farms	33
16	Rural Rates Relief	34
17	Appeals Process	36
18	Financial Implications	37
19	Policy Review	38

# Inverclyde Council – Finance Services

## Revenues and Benefits

### Introduction

There are a number of types of reliefs that can be claimed by Non Domestic (Business Rates) payers and they fall into two main categories. **Mandatory Relief** where the criteria are set nationally and there is no cost to the authority; and **Discretionary Relief** that can also only be awarded where certain criteria are met but the Council has the discretion to determine additional criteria and limits to the relief. In these cases only a percentage (typically 75%) of the relief granted is met by the government. The balance of the relief granted (typically 25%) must be met by the Council, i.e. the Council Tax Payers

This document sets out the criteria for awarding all relief and the policy of Inverclyde Council with regards to discretionary reliefs.

**Inverclyde Council – Finance Services  
Revenues and Benefits**

**Mandatory Relief**

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 1. Charitable Relief

#### 1.1 Background

Registered Charities or Trustees for a charity that uses its business premises wholly or mainly for the purposes of the charity may be eligible for an 80% reduction in their Rates bill. This is generally referred to as **Mandatory Relief** and is awarded in accordance with Section 4(2) and (8) of the Local Government (Financial Provisions etc.) (Scotland) Act 1962

The Council is obliged to grant relief to premises which fall within the mandatory category and is subsequently recompensed for any amounts granted.

#### 1.2 Council Policy

The Council is obliged to grant relief to premises which fall within the mandatory category and is subsequently recompensed for any amounts granted. 80% Mandatory Relief will be awarded in respect of all applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

#### 1.3 Eligibility

The following conditions must be met before the Council can consider an application:

- (a) The Property must be occupied by a charity or a trustee of a charity listed on the register maintained by the Office of the Scottish Charity Regulator (OSCR)
- (d) The organisation must use the premises for charitable purposes, i.e. (i) the relief of poverty, (ii) the advancement of religion, (iii) the advancement of education, (iv) other purposes beneficial to the community.
- (c) The application must provide sufficient information to allow officers of the Council to determine whether the organisation is of a quasi-charitable nature in terms of Section 4 (5) of the Local Government (Financial Provisions Etc) (Scotland) Act, 1962.
- (d) Entitlement is reviewed periodically, and on any change of occupation and/or use relief may be curtailed
- (e) Charity shops can also receive 80% Mandatory Relief in terms of the *Rating (Charity Shops) Act 1976*.

Charity shops will be treated as being wholly or mainly used for charitable purposes if the following criteria are met:

- (i) Wholly/mainly used for the sale of goods donated to the charity AND
- (ii) Proceeds of the sale of goods are used for purposes of the charity.

It should be noted that not all goods sold in charity shops are donated. When assessing entitlement to this type of relief, officers should be satisfied that goods which are not donated are less than 50% of the stock sold in the shops.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 1.4 Application Process

In order to make an application for Mandatory Relief an application form must be fully completed and submitted with supporting evidence:

- A copy of the organisation's constitution.
- The last 2 years financial statements in respect of the property for which relief is being applied. If the organisation has not started to occupy the property, a statement of the anticipated income and expenditure in respect of the first 12 months.
- A copy of the letter from the Inland Revenue stating acceptance as a charity for tax purposes, if applicable.
- The Council may also require ratepayers to provide any other information it sees as reasonable when considering an application for relief.

All applications will be authorised by the Revenues & Customer Services Manager or Revenues Team Leader prior to processing relief.

### 1.5 Backdating

Where an application for relief is received in the first 6 months of the financial year, then relief can be backdated to the start of the previous financial year provided the organisation satisfied the requirements at that time.

Where an application is made after the first 6 months of the financial year then relief can only be granted from the start of that year except in exceptional circumstances such as the original application being made timeously but not able to be traced.

### 1.6 Cancellation

Where a decision is made to cancel a mandatory relief the ratepayer must be given 12 months notice in writing.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 2. Rural Rates Relief

#### 2.1 Background

The Local Government and Rating Act 1997 made provision that certain types of businesses located within a rural settlement with a population below 3,000, and in an area designated as rural by Scottish Ministers, may be eligible for mandatory relief of rates.

Eligible premises are entitled to mandatory 50% rate relief, with Councils having discretionary powers to top up this relief to 100%.

Councils also have discretionary powers to grant up to 100% rate relief to properties within a rural settlement with a rateable value of £17,000 or less, used for purposes that are beneficial to the local community.

Local Authorities are now also required to compile and maintain a Rural Settlement List, which must include areas where:

- i) Population is not more than 3,000, AND
- ii) Within an area designated by the Scottish Government as a rural area.

#### 2.2 Council Policy

The Council is obliged to grant relief to premises which fall within the mandatory category and is subsequently recompensed for any amounts granted. 50% Rural Rates Relief will be awarded in respect of applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

#### 2.3 Eligibility

The types of business that may qualify for this relief, together with the 1st April 2010 rateable value thresholds, are:

- the only general store or post office with a rateable value of £8,500 or less;
- a food shop with a rateable value of £8,500 or less;
- the only public house/small hotel (with appropriate license), with a rateable value of £12,750 or less;
- a petrol filling station with a rateable value of £12,750 or less.

Where a property is located in a rural settlement and its rateable value does not exceed the statutory maximum for rural rates relief, the Council may make an award of discretionary rural rates relief, provided that the property in question is being used for purposes which benefit the local community and the award of relief will generally serve the interests of council tax payers.

#### 2.4 Application Process



## **Inverclyde Council – Finance Services Revenues and Benefits**

In order to make an application for Rural Rates Relief an application form must be fully completed and submitted with supporting evidence:

All applications will be authorised by the Revenues & Customer Services Manager or Revenues Team Leader prior to processing relief.

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### **2.5 Backdating**

An application for relief can be backdated to the start of the financial year in which the application is made provided the organisation satisfied the requirements at that time.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 3 Empty Property Relief

#### 3.1 Background

Section 24 of the Local Government (Scotland) Act 1996 provides relief for premises which are completely unoccupied. Full exemption of 100% can be granted for a maximum of three months and 50% thereafter for an indefinite period.

From 1st April 2013, after the initial 100% relief for three months 90% of the charge is levied.

The 90% empty property rate does not apply to the following categories of property which are entitled to 100% empty property relief until re-occupied.

- (i) Industrial Properties
- (ii) Properties with Rateable Values less than £1700
- (iii) Properties unoccupied due to death or insolvency
- (iv) Properties which are under a compulsory purchase order
- (v) Properties which have a Preservation Order, Listed Buildings and Ancient Monuments

#### 3.2 Council Policy

The Council is obliged to grant relief to premises which fall within the Empty Property Relief category and is subsequently recompensed for any amounts granted. Empty Property Relief will be awarded in respect of all applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

#### 3.3 Eligibility

The categories of lands and heritages which can be granted exemption are listed as follows:

- Unoccupied property
- Property which had been classed as unoccupied, and which becomes occupied for less than 6 weeks
- The owner is prohibited by law from occupying the property (eg *Health and Safety at Work Acts* prevents occupation due to inadequate fire escapes)
- Property is vacant due to action by Crown, Local Authority or a Public Body (eg subject to a Planning condition)
- Properties which are classed as Listed Buildings (per *Town and Country Planning (Scotland) Act 1972*), Ancient Monuments or Archaeology Sites.

## Inverclyde Council – Finance Services Revenues and Benefits

- Industrial properties (other than retail lands and heritages), which have been constructed or adapted for business use for one or more of the following purposes:
  - manufacturing , repair or adaption of goods or materials
  - storage of such goods
  - work or processing of such materials
  - generation of electricity
- Unoccupied properties with RV's of less than £1,700 (prior to 1 April 2000 the RV limit was £1,500)
- Where the person is entitled to possession of a property due to being:
  - The Trustee under a Trust Deed for creditors
  - The Trustee under an award of Sequestration
  - The Executors of a Deceased person
  - Liquidator appointed under the *Insolvency Acts*
- Companies being wound up in terms of the *Insolvency Acts*

### 3.4 Application Process

In order to make an application for Empty Property Relief an application form must be fully completed and submitted with supporting evidence:

### 3.5 Backdating

An application for relief can be backdated to the start of the financial year in which the application is made provided the organisation satisfied the requirements at that time. Any applications for the previous financial year can be considered provided sufficient evidence is submitted in support of the application.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 4. Disabled Persons Relief

#### 4.1 Background

Relief of up to 100% is available to establishments where nursing care is provided within the terms of the Rating (Disabled Persons) Act 1978.

#### 4.2 Council Policy

The Council is obliged to grant relief to premises which fall within the Disabled Persons Relief category and is subsequently recompensed for any amounts granted. Disabled Persons Relief will be awarded in respect of all applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

#### 4.3 Eligibility

Local Authorities can grant relief where half or more of the floor area is used exclusively for one or more of the following purposes:

- Provision of residential accommodation for the care (\* see below) of persons suffering from illness or for the aftercare of persons who have suffered from an illness
- Provision of facilities for the training or keeping suitably occupied persons suffering from illness or who have been ill
- Provisions of welfare services for the disabled
- Provision of facilities under *Section 15 of the Disabled Persons (Employment) Act 1944*
- Provision of workshop or other facility under the *Disabled Persons (Employment) Act 1958*  
\*\*“Care” in this context does not include medical, surgical or dental treatment.

The applicant must be registered with the Council CHCP or Care Commission.

#### 4.4 Application Process

An application must be made in writing and the applicant must submit all relevant information required in order to make a determination. This would include details of the type and number of residents and a floor plan.

The amount of relief granted is normally 100% of the normal rates payable in respect of the part of the premises used under the scope of the qualifying criteria. The Assessor will be required to certify the Value of this part

Premises should be reviewed each year, with a view to establishing change of use of qualifying/non-qualifying areas.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 4.5 Backdating

Relief can be granted from the start of the financial year in which the application is made and can only be backdated in exceptional circumstances.

## 5. Small Business Bonus Scheme

### 5.1 Background

The Small Business Bonus Scheme was introduced on 1 April 2008 and replaced the Small Business Rates Relief Scheme.

The Small Business Bonus Scheme provides a discount of between 25 and 100 percent on bills for eligible business properties with a cumulative rateable value of £25,000 or less, subject to eligibility.

### 5.2 Council Policy

The Council is obliged to grant relief to premises which fall within the Small Business Bonus Scheme Relief category and is subsequently recompensed for any amounts granted. Small Business Bonus Scheme Relief will be awarded in respect of all applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process

### 5.3 Eligibility

The level of relief under the Scheme for each individual ratepayer will depend on:

- the **cumulative** rateable value of **all** properties in Scotland of which the business is in rateable occupation or (if vacant) which the business is entitled to occupy
- whether or not each property is eligible for one of the existing rates relief schemes
- the level of other public sector assistance received by the business

#### **Combined Rateable Value of all business properties in Scotland      From 1<sup>st</sup> April 2010**

Up to £10,000	100%
£10,001 to £12,000	50%
£12,001 to £18,000	25%
Upper limit for cumulative RV* £25,000	25%

### 5.4 Application Process

The Small Business Bonus is an application-based scheme; businesses require to apply to each local authority area in which the business has a property. All business premises which the business occupies or is entitled to occupy must be declared on the application form and will be taken into account when determining the level of relief to be applied.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 5.5 Backdating

Applications can be backdated to the start of the Small Business Bonus Scheme if applicable.

## 6. Community Amateur Sports Clubs

### 6.1 Background

Section 98 of the Charities and Trustee Investment (Scotland) Act 2005 provides for 80% mandatory relief from rates for registered Community Amateur Sports Clubs (CASCS). The Council also has discretion under section 4(5) of the Act to top up the relief to 100%.

Sports clubs play a valuable role in their communities. The CASC scheme recognises this important role by distinguishing between clubs and businesses for rates and tax purposes, ensuring money is kept in sports clubs.

Both property and non-property owning clubs can significantly benefit from the scheme. The key benefits of casc registration include:

- 80% mandatory business rate relief. Local authorities can offer up to 100% relief to clubs at their discretion.
- The ability to raise funds from individuals under Gift Aid. A registered CASC can reclaim up to £25 in tax for every £100 donated, though at the moment this does not apply to all types of donations.
- CASCs are exempt from Corporation Tax on profits derived from trading activities if their trading income is under £30,000 pa.
- Profits derived from property income are also exempt for CASCs if gross property income is under £20,000 pa, of particular relevance following the abolition of the nil rate band.
- CASCs whose income does not exceed these thresholds will no longer be required to complete an annual Corporation Tax return

### 6.2 Council Policy

The Council is obliged to grant relief to premises which fall within the Community Amateur Sports Club Relief category and is subsequently recompensed for any amounts granted. 80% Community Amateur Sports Club Relief will be awarded in respect of all applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

### 6.3 Eligibility

The club requires to be registered with H.M Revenue & Customs as a Community Amateur Sports Club and relief can only be awarded from the date the club was first registered.

CASCS are entitled to relief from rates on any non-domestic property that is wholly or mainly used for the purposes of that club, or of that club and of other such registered clubs.

## **Inverclyde Council – Finance Services Revenues and Benefits**

### **6.4 Application Process**

An application must be made in writing and the applicant must submit all relevant information required in order to make a determination.

### **6.5 Backdating**

Relief can be granted from the start of the financial year in which the application is made and can only be backdated in exceptional circumstances.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 7. Renewable Energy Relief

#### 7.1 Background

The Renewable Energy Generation Relief Scheme will provide non- domestic rates relief from 1 April 2010, to renewable energy producers who are solely concerned with the production of heat or power (or both) from the following sources:

- a. biomass;
- b. biofuels;
- c. fuel cells;
- d. photovoltaics;
- e. water (including waves and tides, but excluding production from the pumped storage of water);
- f. wind;
- g. solar power;
- h. geothermal sources;

**Note:** heat or power produced by Combined Heat and Power (CHP) systems is not classed as renewable, unless that system uses only sources of energy described in sub-paragraphs (a) to (h) and has an electrical capacity of 50 kilowatts or less.

#### 7.2 Council Policy

The Council is obliged to grant relief to premises which fall within the Renewable Energy Relief category and is subsequently recompensed for any amounts granted. Renewable Energy Relief will be awarded in respect of all applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

#### 7.3 Eligibility

When assessing eligibility for Renewable Energy Generation relief, four criteria need to be considered for each business:

- whether the business is solely concerned with the generation of heat or power by the means listed above;



## Inverclyde Council – Finance Services Revenues and Benefits

- whether the property is in receipt of any other relief;
- the level of other public sector assistance received by the business (in order to determine compliance with the State aids de minimis limit (see below); and
- the combined rateable value of all properties in Scotland of which the business is in rateable occupation or (if vacant) which the business is entitled to occupy.

**Note:** Where there are multiple entries on the valuation roll for the same ratepayer it is the combined rateable value of properties used for renewable energy production which should be considered for the award of this relief.

For example, a business has a number of properties with a total rateable value (RV) of £1m RV, and one of the individual properties is a wind farm with a RV of £300,000 used solely for renewable energy production.

In this example, the wind farm can receive 50% relief (because the renewable energy production part of the business falls into the "up to £430k RV band").

However, all reliefs or other financial assistance for all subjects for this ratepayer, across all properties for which they liable, must be monitored to ensure that they do not breach the State aid de minimis limit, regardless of whether or not the properties are concerned with renewable energy production.

### **State aid: Relief can be awarded for all individual properties concerned with renewable energy production up to de minimis State aid limits.**

The renewable energy relief will be applied before any other calculation of relief and the amount of relief awarded must not breach State Aid de minimis limits i.e. 200,000 euros, approximately £175,000, over a rolling 3 year period.

A reduction of the rates payable will be applied as specified in the table below:

<b>Rateable Value</b>	<b>% of Rates relief</b>
£145,000 or less	100%
More than £145,000 but not exceeding £430,000	50%
More than £430,000 but not exceeding £860,000	25%
More than £860,000 but not exceeding £4,000,000	10%
More than £4,000,000	2.5%

### **7.4 Application Process**

An application must be made in writing and the applicant must submit all relevant information required in order to make a determination.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 7.5 Backdating

Relief can be granted from the start of the financial year in which the application is made and can only be backdated in exceptional circumstances.

## 8. New Start Relief

### 8.1 Background

With effect from 01/04/13, a New Start Relief is available for new properties entered onto the Valuation Roll between the periods 01/04/13 and 31/03/16 and which are unoccupied.

### 8.2 Council Policy

The Council is obliged to grant relief to premises which fall within the New Start Relief category and is subsequently recompensed for any amounts granted. New Start Relief will be awarded in respect of applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

### 8.3 Eligibility

In order to qualify, the Property must be unoccupied at the time of being entered onto the Valuation Roll and the entry on the valuation roll should not be as a result of a division of an existing entry or conversion of a domestic property, or a property previously exempt from rating.

Relief of up to 100% is available for a period of up to 18 months which can be discontinuous e.g. where a property is occupied for a short period prior to becoming empty again. Where the maximum period of relief has been granted, this may become available again where the property is occupied for a period of 6 weeks or more prior to once more becoming unoccupied.

New Start Relief may also be applied for up to 18 months after 31/03/16, provided it is entered onto the Valuation Roll on or before 31/03/16.

There can be no interaction with any other form of relief, e.g. SBBS etc. and any award of relief must not breach State Aid de minimis limit i.e. no more than 200,000 euros, (approximately £175,000), over a rolling 3 year period.

### 8.4 Application Process

An application must be made in writing and the applicant must submit all relevant information required in order to make a determination.

### 8.5 Backdating

Relief can be granted from the start of the financial year in which the application is made and can only be backdated in exceptional circumstances.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### **9. Fresh Start Relief**

#### **9.1 Background**

With effect from 01/04/13, Fresh Start Relief is available where previously unoccupied shops and offices are newly occupied. Relief of up to 50% is available for a period of 12 months. The Scheme will run for a 3 year period from 01/04/13.

#### **9.2 Council Policy**

The Council is obliged to grant relief to premises which fall within the Fresh Start Relief category and is subsequently recompensed for any amounts granted. Fresh Start Relief will be awarded in respect of applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

#### **9.3 Eligibility**

In order to qualify, the property must have been in receipt of Empty Property Relief for a continuous period of 12 months, during the period immediately prior to the award of Fresh Start Relief and have a rateable value of £45,000 or less. When last occupied, the property must have been used as a shop or office, the 'fresh' use of the property when occupied can be for any purpose.

Where there has been no previous use of the property, then the use of the property when occupied, must be as a shop or office.

Any period/s of occupation lasting less than 6 weeks during the preceding 12 months will be ignored for the purpose of granting Fresh Start relief.

There can be no interaction with any other form of relief, e.g. SBBS etc. and any award of relief must not breach State Aid de minimis limit i.e. no more than 200,000 euros, (approximately £175,000), over a rolling 3 year period

#### **9.4 Application Process**

An application must be made in writing and the applicant must submit all relevant information required in order to make a determination.

#### **9.5 Backdating**

Relief can be granted from the start of the financial year in which the application is made and can only be backdated in exceptional circumstances.

**Inverclyde Council – Finance Services  
Revenues and Benefits**

**Discretionary Relief**

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 10. Charitable/Non Profit Making Organisations

#### 10.1 Background

Registered Charities or Trustees for a charity that uses its business premises wholly or mainly for the purposes of the charity may be eligible for an 80% reduction in their Rates bill. This is generally referred to as **Mandatory Relief** and is awarded in accordance with Section 4(2) and (8) of the Local Government (Financial Provisions etc.) (Scotland) Act 1962

Whilst the Council is obliged to grant relief to premises which fall within the mandatory category (and the Council is subsequently recompensed for any amounts granted), the Council also has powers to grant **Discretionary Relief** to ratepayers subject to certain criteria being met.

The primary purpose of discretionary relief is to provide assistance where the property does not qualify for mandatory relief, although discretionary relief can also be given to 'top' up cases where ratepayers already receive mandatory relief.

**Where no mandatory relief is given then discretionary relief of up to 100 percent of the total rates liability can be granted to qualifying non profit making organisations.**

The range of organisations which are eligible for discretionary rate relief is wide and not all of the criteria laid down by the legislation will be applicable in each case.

It should be noted that the Council incurs 25% of the cost of any discretionary relief granted and it is therefore borne by the council tax payer.

#### 10.2 Council Policy:

A policy for granting discretionary relief to charities and non-profit making organisations was approved by the Policy & Resources Committee on 18<sup>th</sup> September 2012.

It was also remitted to the Corporate Director Environment, Regeneration & Resources to consult with the local business community on specific proposals with regards to the withdrawal of relief for charity shops where there is no direct benefit to the local community or area, or where the density of charity shops in a parade creates an imbalance in the shopping on offer.

The amount of relief granted will largely be dependent on the following key factors:

- a. is the organisation entitled / or could be entitled to mandatory relief?
- b. are the premises of benefit to residents of the area?
- c. does the use of the premises relieve the Council from providing similar facilities?

## **Inverclyde Council – Finance Services Revenues and Benefits**

- d. does the organisation provide special facilities to certain priority groups such as elderly, disabled, minority groups, disadvantaged groups?
- e. what is the percentage level of funding for the organisation available by commercial means e.g. bar profits, sales of merchandise etc;
- f. in the case of clubs etc, is the organisation available and open to all members of the public within the Council area? (No relief is granted to organisations where membership is restricted because of race, creed or gender.)
- g. Discretionary relief for charity shops will be considered only in cases where the charity is a local charity that wholly or mainly benefits the local residents of Inverclyde; national charity shops will not be eligible for discretionary relief.
- h. Factors such as the contribution the organisation makes to the local area and a balanced mix of shop types will be taken into consideration when making a decision on what relief is appropriate.

In considering whether the interests of council taxpayers are being best served, other Services may be consulted as appropriate.

### **10.3 Who may apply:**

#### **Mandatory relief recipients**

The ratepayer is an OSCR registered charity or trustees for a charity and the premises are wholly or mainly used for charitable purposes.

#### **Non profit making organisations**

The property is one where all or part of it is occupied for the purposes of one or more institutions or other organisations, none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts.

### **10.4 Eligibility Conditions**

The following conditions must be met before the Council can consider an application:

- (a) The premises must not hold liquor or gaming licences.
- (b) The premises must not be used to carry out an operation of a commercial nature where proceeds from the operation represent a significant proportion of the organisation's total turnover from the premises.
- (c) The organisation must not fall within a class of applicants which the Council wishes to exclude from discretionary award.
- (d) The organisation must use the premises for charitable purposes, i.e. (i) the relief of poverty, (ii) the advancement of religion, (iii) the advancement of education, (iv) other purposes beneficial to the community.

## **Inverclyde Council – Finance Services Revenues and Benefits**

(e) The application must provide sufficient information to allow officers of the Council to determine whether the organisation is of a quasi-charitable nature in terms of Section 4 (5) of the Local Government (Financial Provisions Etc) (Scotland) Act, 1962.

(f) Entitlement is reviewed periodically, and on any change of occupation and/or use relief may be curtailed

### **10.5 Application Process**

In order to make an application for Discretionary Relief an application form must be fully completed and submitted with supporting evidence:

- A copy of the organisation's constitution.
- The last 2 years financial statements in respect of the property for which relief is being applied. If the organisation has not started to occupy the property, a statement of the anticipated income and expenditure in respect of the first 12 months.
- A copy of the letter from the Inland Revenue stating acceptance as a charity for tax purposes, if applicable.
- A statement outlining how an award of discretionary rates relief would serve the interests of Council Tax payers in the Inverclyde Council area
- The Council may also require ratepayers to provide any other information it sees as reasonable when considering an application for relief.

All discretionary reliefs awarded will be checked for compliance with the Council's policy and all applications will be authorised by the Revenues and Customer Services Manager or Revenues Team Leader prior to processing relief.

### **10.6 Backdating**

Where a charity, sports club or similar body makes an application for relief in the first 6 months of the financial year, then relief can be backdated to the start of the previous financial year provided the organisation satisfied the requirements at that time.

Where an application is made after the first 6 months of the financial year then relief can only be granted from the start of that year except in exceptional circumstances such as the original application being made timeously but not able to be traced.

### **10.7 Cancellation**

Where a decision is made to cancel a discretionary relief the ratepayer must be given 12 months notice in writing.

# **Inverclyde Council – Finance Services Revenues and Benefits**

## **11. Sports Clubs**

### **11.1 Background**

Section 4 (5) (c) of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 provides Councils with discretionary powers to award relief where a property is wholly or mainly used for purposes of recreation, and all or part of it is occupied for the purpose of a club, society or other organisation not established or conducted for profit

Sports clubs may be awarded 100% relief except where the organisation occupies licensed premises – in these cases a formula is applied to apportion the activities between the bar and the sporting activity. This typically applies to golf clubs, bowling clubs etc. The higher the bar takings, the less relief available and in some cases bar takings can be at such a level that no relief is awarded.

### **11.2 Council Policy.**

Under this policy the Council will grant relief to premises which fall within the Sports Relief category and will subsequently be recompensed for any amounts granted. 100% Sports Relief will be awarded in respect of applications from unlicensed sports clubs that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

Relief will also be awarded to licensed sport clubs that meet the eligibility criteria specified below and fulfil all the requirements of the application process; however the level of relief afforded to licensed clubs will vary for each club depending on their turnover from bar, food and gaming.

### **11.3 Eligibility**

Where sports clubs do not meet the CASC requirement, and are not registered charities, discretionary relief can be granted where the property is wholly or mainly used for purposes of recreation and all or part of it is occupied for the purpose of a club, society or other organisation not established or conducted for profit. The following criteria must also be met.

Membership should be open to all sections of the community. There may be legitimate restrictions placed on membership which relate for example to ability in sport or to the achievement of a standard in the field covered by the organisation, or where the capacity of the facility is limited, but in general membership should not be exclusive or restrictive.

No relief will be granted to organisations where membership is restricted because of race, creed or gender. This will be apparent from the constitution and most commonly applies to clubs where ladies are not allowed to be full members with voting rights. The only exception to this is where the ladies state in writing or provide a minute of a decision that they do not wish to be full members. A letter from the Lady Captain/President on club notepaper is required in support of any application.



## **Inverclyde Council – Finance Services Revenues and Benefits**

Membership rates should not be set at such a high level as to exclude the general community. However, membership fees may be payable at different rates that distinguish the different classes of membership such as juniors, adults, students, pensioners, players, non-players, employed and unemployed. In general, the club or organisation must be prepared to show that the criteria by which it considers applications for membership are consistent with the principle of open access.

Consideration should also be given to whether the facilities provided relieve the council of the need to do so, or enhance and supplement those that it does provide.

### **11.4 Application Process**

#### **Recreational/Sports Clubs - Unlicensed**

100% Discretionary Relief is available to Recreational/Sports clubs not licensed to sell alcohol. Applicants should submit a completed application form along with copies of their constitution and latest audited accounts. These are examined to establish that the applicant is a bona fide sports or recreational Club, and that no income from the sale of alcohol, tobacco, etc, appears in the accounts.

#### **Recreational/Sports Clubs - Licensed**

Available to Recreational/Sports clubs licensed to sell alcohol and/or income from the sale of alcohol, tobacco, food, gaming etc appears in the accounts.

Copies of accounts and constitution are required. Accounts should relate to the base year for revaluation. If these are not available, accounts for subsequent years can be index-linked to the base year. The gross turnover figures for bar, food, gaming and tobacco should be entered. The Council will then calculate the non-licensed element of Rateable Value. This is the figure on which relief may be awarded

### **11.5 Backdating**

Relief is granted from the start of the financial year in which the application is made and can only be backdated in exceptional circumstances.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 12. Community Amateur Sports Clubs

#### 12.1 Background

Section 4 (5) of the Charities and Trustee Investment (Scotland) Act 2005 provides for 20% discretionary relief from rates for registered Community Amateur Sports Clubs (CASCS).

Sports clubs play a valuable role in their communities. The CASC scheme recognises this important role by distinguishing between clubs and businesses for rates and tax purposes, ensuring money is kept in sports clubs.

Both property and non-property owning clubs can significantly benefit from the scheme. The key benefits of casc registration include:

- 80% mandatory business rate relief. Local authorities can offer up to 100% relief to clubs at their discretion.
- The ability to raise funds from individuals under Gift Aid. A registered CASC can reclaim up to £25 in tax for every £100 donated, though at the moment this does not apply to all types of donations.
- CASCs are exempt from Corporation Tax on profits derived from trading activities if their trading income is under £30,000 pa.
- Profits derived from property income are also exempt for CASCs if gross property income is under £20,000 pa, of particular relevance following the abolition of the nil rate band.
- CASCs whose income does not exceed these thresholds will no longer be required to complete an annual Corporation Tax return

#### 12.2 Council Policy

Under this policy the Council will grant discretionary relief to premises which fall within the Community Amateur Sports Club Relief category, 25% of any award will be met by the Council. Community Amateur Sports Club Relief will be awarded in respect of all applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

The policy of the Council is to award this discretionary rates relief top up to unlicensed sports clubs only. The club's main purpose must be to provide facilities for eligible sports, to encourage people to take part in them and the promotion of a healthy lifestyle.

Although the existence of a bar may not in itself seem to be a reason for not granting relief, it helps to determine the main purpose of the organisation. In sports clubs the balance between playing and non-playing members might provide a useful guide as to whether the main purpose of the club is sporting or social activities

25% of the cost of the discretionary relief must be met by the Council.

## **Inverclyde Council – Finance Services Revenues and Benefits**

### **12.3 Eligibility**

The club requires to be registered with H.M Revenue & Customs as a Community Amateur Sports Club and relief can only be awarded from the date the club was first registered.

CASCS are entitled to relief from rates on any non-domestic property that is wholly or mainly used for the purposes of that club, or of that club and of other such registered clubs.

### **12.4 Application Process**

An application must be made in writing and the applicant must submit all relevant information required in order to make a determination.

### **12.5 Backdating**

Relief can be granted from the start of the financial year in which the application is made and can only be backdated in exceptional circumstances.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 13. Short Term Part Empty Relief

#### 13.1 Background

Section 24A of the Local Government (Scotland) Act 1966 (as amended by section 155 of the Local Government etc. (Scotland) Act 1994) states:

- (1) if it appears to the rating authority that part of any lands and heritages included in the valuation roll is unoccupied but will remain so for a short time only, the authority may request the assessor to apportion the rateable value between the occupied and unoccupied parts and on being thus requested the assessor shall apportion the rateable value accordingly.
- (2) As from whichever is the later of the following:
  - (a) The date on which lands and heritages the rateable value of which has been apportioned under subsection (1) above became partly occupied;
  - (b) The commencement of the financial year in which the request under that subsection relating to those lands and heritages was made,

Until whichever of the events specified in subsection (3) below first occurs, the value apportioned to the occupied part of the lands and heritages shall, subject to subsection (4) below, be treated for rating purposes as if it were the rateable value ascribed to the lands and heritages in the valuation roll.

- (3) The events mentioned in subsection (2) above are—
  - (a) The reoccupation of any of the unoccupied part;
  - (b) The end of the financial year in which the request was made;
  - (c) A further apportionment of the value of the lands and heritages taking effect under subsection (1) above;
  - (d) The lands and heritages to which the apportionment relates becoming completely unoccupied.
- (4) Where any lands and heritages fall within such class or classes of lands and heritages as may be prescribed by the Secretary of State by regulations, the value to be treated for rating purposes as if it were the rateable value ascribed to the lands and heritages in the valuation roll shall be the sum of—
  - (a) The value apportioned to the occupied part of the lands and heritages; and
  - (b) One half of the value apportioned to the unoccupied part of the lands and heritages.
- (5) Notwithstanding paragraph (b) of subsection (3) above, if it appears to the rating authority that the part of the lands and heritages which was unoccupied at the date of an apportionment of the rateable value thereof under subsection (1) above has continued after the end of the financial year referred to in that paragraph to be unoccupied but will remain so for a short time only, the authority may direct that the

## **Inverclyde Council – Finance Services Revenues and Benefits**

apportionment shall continue to have effect for the next financial year; and subsections (2), (3)(a), (c) and (d) and (4) above shall have effect in relation to that year accordingly. “

### **13.2 Council Policy**

A policy for granting Short Term Part Empty Relief was approved by the Policy & Resources Committee on 13<sup>th</sup> August 2013.

Under this policy the Council will grant relief to premises which fall within the Short Term Part Empty Relief category and will subsequently be recompensed for any amounts granted. Short Term Part Empty Relief will be awarded in respect of applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process

### **13.3 Eligibility**

Legislation does not define what constitutes a short time and it is therefore the responsibility of the Council to determine what constitutes a short period of time. For the purposes of this policy “a short time” is defined as a period not less than 1 month but not exceeding 24 months.

- Applications will be considered where the ratepayer advises that part occupation of the property is to last for a minimum period of 1 month and a maximum period of 24 months. If a ratepayer indicates that their part occupation is long term, i.e. likely to continue for more than 24 months then no rateable value apportionment will be considered beyond the maximum period.
- Applications will be considered in respect of industrial properties only.
- Any relief from rates due to part occupation cannot exceed 24 months in any 5 years. This may consist of a number of separate claims over a maximum of 3 different financial years in a 5 year period. This is to prevent a ratepayer from continuously keeping a part of their property empty to avoid full rates
- If a part empty period is likely to extend beyond 12 months a maximum of 12 months relief can be awarded initially. A review will be carried out at the end of the 12 months which will require a revised business plan to be submitted and an inspection of the premises. If the Council are satisfied up to a further 12 months relief can be awarded.
- A fresh application must be made whenever there is a change to the part occupation of the property so that the correct apportioned rateable value is used in the relief calculation.
- Once a period of part occupation has ended the property must be occupied for a period of 42 days (6 weeks) before a ratepayer can apply for a further relief period.

## **Inverclyde Council – Finance Services Revenues and Benefits**

In the event that arrears of Non Domestic Rates exist it will be a condition of any relief award that a repayment plan is agreed with Finance Services and adhered to. If the repayment plan is defaulted the relief may be withdrawn.

- In exceptional circumstance a case which merits special consideration may be considered under this policy even if some elements of the policy criteria are not satisfied, providing the relevant legislation is complied with.
- Applications will be considered jointly by Finance Services and Economic Development.
- The Chief Financial Officer and Head of Regeneration and Planning may consult with other Services as appropriate, and will assess the extent to which an award safeguards employment and promotes local economic development.

### **13.4 Application Process**

In order to make an application for Part Empty Short Term Relief an application must be submitted with supporting evidence.

- Application to be made by the ratepayer (or their representative) liable to pay Non Domestic Rates on the property.
- Applicants will be required to complete an application form and provide a plan showing the unoccupied area(s).. The unoccupied area must be satisfactorily sectioned off.
- In order for the application to be fully considered audited accounts and a business plan must also be submitted along with any other supporting information and evidence to support their claim.
- Applications must be submitted immediately the property becomes unoccupied and no relief will be granted for any period prior to the application receipt date.
- Applications will not be considered retrospectively.
- All applications to be submitted to Finance Services for consideration by Finance Services and Economic Development. Any case with exceptional circumstances and outside the normal criteria will be considered by the Chief Financial Officer and Head of Regeneration and Planning.
- Prior to requesting an apportionment of the rateable value, an inspection visit may be made to the property to establish eligibility.
- If an application meets the qualifying criteria then a request will be made to the Assessor to provide an apportioned rateable value for the unoccupied part of the property.
- The apportioned rateable value must be equal to or greater than 5% of the subject's total rateable value.
- All applications will be processed within 21 days once all information is received.

## **Inverclyde Council – Finance Services Revenues and Benefits**

- The rates payable will be charged in accordance with legislation. The occupied part of a property will be charged at 100%. The unoccupied part of a property will be charged in accordance with legislation for the duration of the short-term empty period unless the property is industrial, in which case there is no charge. .

### **13.5 Monitoring Process**

Applications will be subject to periodic reviews and the property will be visited up to 4 times per year by Economic Development.

In the case of empty periods extending beyond 12 months, a review will be carried out at the end of 12 months which will require audited accounts and a revised business plan to be submitted, an inspection of the premises will also be carried out.

Any applicant subsequently found to have deliberately misled the Council as to their intentions in relation to this policy may have any relief previously awarded withdrawn

# Inverclyde Council – Finance Services

## Revenues and Benefits

### **14. Hardship Relief**

#### **14.1 Background**

Section 25A of the Local Government (Scotland) Act 1966 (as amended by section 156 of the Local Government etc. (Scotland) Act 1994) allows rating authorities to abate, in full or in part, a ratepayer's liability where they are satisfied that:

- The person would sustain hardship if the authority did not do so; and
- It is reasonable for the authority to do so, having regard to the interests of persons liable to pay council tax set by them.

#### **14.2 Council Policy**

Under this policy the Council may grant relief to premises which fall within the Hardship Relief category, 25% of any award will be met by the Council. Hardship Relief will be considered in respect of applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process

#### **14.3 Eligibility**

On application by a ratepayer, the Chief Financial Officer may award hardship relief where he is satisfied that the ratepayer would otherwise suffer hardship and that the interests of council tax payers in the Inverclyde Council area would be best served by awarding relief.

In considering whether the interests of council taxpayers are being best served, the Chief Financial Officer may consult with other Services as appropriate, and will assess the extent to which an award safeguards employment, alleviates poverty and promotes local economic development.

As an alternative to the award of Hardship Relief, the Chief Financial Officer may, where it is considered appropriate, first offer to put in place a payment arrangement in respect of any Non Domestic Rates arrears. This would allow the business to spread the repayment over a longer period of time. Any arrangement would require future rating liability to be paid concurrently with the arrears repayments.

#### **14.4 Application Process**

In order to make an application for Hardship Relief a letter must be submitted with supporting evidence eg.

- Documentary evidence that hardship has occurred in the business, e.g. a drop in sales has occurred or perhaps where a major customer has recently folded leaving a significant debt that is legally non-collectable



## **Inverclyde Council – Finance Services Revenues and Benefits**

- Details of any cash-flow / liquidity problems that have occurred providing documentary evidence of such
- A copy of the business's most recent Financial Accounts
- A copy of the business's Monthly Management Accounts for the current financial year
- A copy of the business's most up to date business plan
- A statement explaining what action has been taken to avoid hardship
- Details of any other assistance the business may have received, or has currently applied for, and in particular assistance to overcome business difficulties
- A statement outlining how an award of rates relief would serve the interests of Council Tax payers in the Inverclyde Council area
- A statement outlining the impact on the business should rates relief not be awarded

Hardship Relief will only be considered for the period the application relates to and will not be applied without limit of time. A new application will be required if the applicant feels that relief should be awarded in subsequent years.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### **15. Stud Farms**

#### **15.1 Background**

The rateable value of lands and heritages which comprise or include buildings used for the breeding and/or rearing of horses and occupied with agricultural land or agricultural buildings should be ascertained by making a deduction from what would otherwise be the rateable value. The deduction is made from the value of the whole property by the local assessor to reflect how much of the property is used as a stud farm. The maximum amount of the deduction the assessor can make is determined by the Scottish Ministers by order and currently stands at **£3,500**.

Additionally, stud farms newly established on or after 1 April 2003 are eligible for discretionary rates relief if the rateable value amounts to **£7,000** or less.

Paragraph 4 (discretionary relief) of Schedule 2 to the Local Government and Rating Act 1997 (“the 1997 Act”), as amended by section 28(4)(c) of the Local Government in Scotland Act 2003, makes provision for discretionary rate relief to be granted to eligible stud farms

#### **15.2 Council Policy**

Under this policy the Council may grant relief to premises which fall within the Stud Farm Relief category, 25% of any award will be met by the Council. 100% Stud Farm Relief will be considered in respect of all applications that meet the eligibility criteria specified below and fulfil all the requirements of the application process.

#### **15.3 Eligibility**

In order to qualify the stud farm must have a rateable value under £7000 and be newly set up on former agricultural property.

#### **15.4 Application Process**

An application must be made in writing and the applicant must submit all relevant information required in order to make a determination.

#### **15.5 Backdating**

Relief can be granted from the start of the financial year in which the application is made and can only be backdated in exceptional circumstances.

# Inverclyde Council – Finance Services

## Revenues and Benefits

### 16. Rural Rates Relief

#### 16.1 Background

The Local Government and Rating Act 1997 made provision that certain types of businesses located within a rural settlement with a population below 3,000, and in an area designated as rural by Scottish Ministers, may be eligible for mandatory relief of rates.

Eligible premises are entitled to mandatory 50% rate relief, with Councils having discretionary powers to top up this relief to 100%.

Councils also have discretionary powers to grant up to 100% rate relief to properties within a rural settlement with a rateable value of £17,000 or less, used for purposes that are beneficial to the local community.

Local Authorities are now also required to compile and maintain a Rural Settlement List, which must include areas where:

- |      |   |
|------|---|
| iii) | Population is not more than 3,000, AND                                |
| iv)  | Within an area designated by the Scottish Government as a rural area. |

#### 16.2 Council Policy

Under this policy the Council may make awards of discretionary relief in respect of the only general store or Post Office in a rural settlement that already receives 50% mandatory relief. The Council policy is to award 50% Discretionary Rural Rates Relief to premises in receipt of Mandatory Rural Rates Relief. 25% of the cost of the discretionary relief must be met by the Council

#### 16.3 Eligibility

The types of business that may qualify for this relief, together with the 1st April 2010 rateable value thresholds, are:

- the only general store or post office with a rateable value of £8,500 or less;
- a food shop with a rateable value of £8,500 or less;
- the only public house/small hotel (with appropriate license), with a rateable value of £12,750 or less;
- a petrol filling station with a rateable value of £12,750 or less.

Where a property is located in a rural settlement and its rateable value does not exceed the statutory maximum for rural rates relief, the Council may make an award of discretionary

## **Inverclyde Council – Finance Services Revenues and Benefits**

rural rates relief, provided that the property in question is being used for purposes which benefit the local community and the award of relief will generally serve the interests of council tax payers.

The Council may also make awards of discretionary relief in respect of the only general store or Post Office in a rural settlement that already receives 50% mandatory relief.

### **16.4 Application Process**

In order to make an application for Rural Rates Relief an application form must be fully completed and submitted with supporting evidence:

All applications will be authorised by the Revenues & Customer Services Manager or Revenues Team Leader prior to processing relief.

### **16.5 Backdating**

An application for relief can be backdated to the start of the financial year in which the application is made provided the organisation satisfied the requirements at that time.

## **Inverclyde Council – Finance Services Revenues and Benefits**

### **17. Appeals Process**

In respect of all Mandatory Reliefs, once an application has been processed, the ratepayer will be notified in writing of the decision. If the ratepayer disagrees with the decision they can appeal in the first instance by writing to the Revenues and Customer Services Manager with a further right of appeal to the Renfrewshire Valuation Appeal Panel.

Once an application for a Discretionary Relief has been processed, the ratepayer will be notified in writing of the decision. As this is a discretionary power there is no formal appeal process against the Council's decision. However the decision can be re-considered in the light of any additional points that the ratepayer wishes to make

Applicants who disagree with any decisions in relation to the Short Term Part Empty Relief policy and Hardship Relief policy have a right of appeal to the Chief Financial Officer

## Inverclyde Council – Finance Services Revenues and Benefits

### 18. Financial Implications

In respect of Mandatory Reliefs, Sports Club Relief and Short Term Part Empty Relief there are no financial implications for the Council, under the National Rates pooling arrangements all costs are met by the Scottish Government.

Under the National Rates pooling arrangements, 25% of the cost of all other Discretionary Relief and Hardship Relief must be met by the Local Authority.

The table below details the percentage of discretionary relief allowed by legislation, the percentage awarded under this policy and the financial implications to the council of any award.

<b>Discretionary Relief Type</b>	<b>% Discretionary Relief Allowed by legislation</b>	<b>% Discretionary Relief Awarded by Council policy</b>	<b>% cost to be borne by NDR Pool (if relief awarded)</b>	<b>% cost to be borne by the Council (if relief awarded)</b>
Charitable Relief (i)	20%	20%	75%	25%
Non Profit Making Organisations	100%	100%	75%	25%
Rural Rates Relief	50%	50%	75%	25%
Stud Farm Relief	100%	100%	75%	25%
Short Term Part Empty Relief	100% (of empty part)	100% (of empty part)	100%	0%
Hardship Relief	Up to 100%	Up to 100%	75%	25%
Sports Relief (Unlicensed)	100%	100%	100%	0%
Sports Relief (Licensed)	Up to 100%	Up to 100%	100%	0%
CASC (Unlicensed)	20%	20%	75%	25%
CASC (Licensed)	20%	0%	75%	25%

(i) Certain restrictions apply – see policy detail

## **Inverclyde Council – Finance Services Revenues and Benefits**

### **19. Review of Policy**

This Policy will be reviewed a minimum of once every four years with the next review due October 2017.

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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Alan Puckrin, Acting Corporate Director Environment, Regeneration and Resources</b>	<b>Report No:</b>	<b>PR/101/13/AH/MMcK</b>
<b>Contact Officer:</b>	<b>Miriam McKenna, Corporate Policy and Partnership Manager</b>	<b>Contact No:</b>	<b>01475 712042</b>
<b>Subject:</b>	<b>Inverclyde Alliance Repopulation Outcome Delivery Plan Progress Report</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to provide an update to the Policy and Resources Committee on progress towards the delivery of the actions agreed in regard to promoting repopulation in Inverclyde, via the Inverclyde Alliance.

## 2.0 SUMMARY

- 2.1 The Repopulation Outcome Delivery Group of the Inverclyde Alliance have developed an action plan, setting out how it will use the £1 million allocated from Inverclyde Council, to promote Inverclyde and encourage new migrants to the area.
- 2.2 The Outcome Delivery Group has a new lead officer following the secondment of the previous lead officer to Riverside Inverclyde. Alan Puckrin, Acting Corporate Director Environment, Regeneration and Resources has taken on the lead officer role.
- 2.3 The full progress report is attached at appendix one, outlining some of the activity to date.
- 2.4 Highlights of action delivered so far include:

**Council Tax Reduction:** A draft policy and application forms have been produced. A launch date early in 2014 will be confirmed once the systems to manage the process are finalised and the relocation officer is in post.

**Self Build:** The self build sites have been subsumed in the Local Development Plan and a number of sites have been identified. The Council undertook a masterplanning exercise for the 5 sites identified across Inverclyde. Leperston in Kilmacolm is the initial focus. A more detailed plan is required to be undertaken. Currently going out to tender to get a consultant to develop that detail.

**Relocation Service:** Job Description and Person Specification was developed and evaluated and graded by HR. The post is being advertised in the Greenock Telegraph and Inverclyde Now (with weblink to myjobscotland website) and will be filled as soon as possible.

**Additional Express Train Services:** Commitment given from Scotrail for an additional train service starting in March 2014. Discussions are ongoing between Corporate Communications and Scotrail



on promoting the new service.

**Analysis of Potential Mid Market Rent Housing:** Study has commenced and expected to be completed by November 2013. The study is being carried out in partnership with River Clyde Homes. Proposals to use the remaining budget are outlined in paragraph 4.7.

**Graduate Entry Programme:** Building on the existing programme, a number of graduate placements have been secured with Texas Instruments. The Business Development Team will also be making contact with Account Managed companies with less than 250 employees as these companies are eligible for our business support products which we will promote alongside the graduate programme.

**Promotional Campaign:** a promotional strategy was presented to the last meeting of the group for consideration. A number of positive news stories about, or set in Inverclyde, have been in national and local press across the country. Additional work is taking place to identify key sites for elements of the marketing campaign. Details will be presented to the next meeting of the Committee.

2.5 The lead officers for each action are continuing to progress their areas of responsibility and a further report on progress will be made to future meetings of the Inverclyde Alliance Board and the SOA Programme Board, as well as future meetings of this Committee. In order to improve reporting, key dates, performance measures and spend progress will be incorporated in future updates.

### **3.0 RECOMMENDATIONS**

3.1 It is recommended that Committee:

- a. Note the progress on the delivery of the actions set out in the Repopulation Outcome Delivery Plan.
- b. Note the reallocation of underspend to the actions set out in paragraph 4.7.

**Alan Puckrin**  
**Acting Corporate Director Environment, Regeneration and Resources**

## 4.0 BACKGROUND

- 4.1 The Inverclyde Single Outcome Agreement has identified depopulation as an issue facing Inverclyde which could have negative repercussions in the future. In order to stem the flow of those leaving the area and to encourage new people to come into the area, the Inverclyde Alliance established a partnership Repopulation Outcome Delivery Group.
- 4.2 The Repopulation Outcome Delivery Group was allocated £1,000,000 of funding from Inverclyde Council, in order to deliver a number of actions focussed around the key areas of:
- Attracting new people and businesses to the area
  - Retaining existing population
  - The promotion of Inverclyde
- 4.3 A detailed action plan and breakdown of spend was then developed and a progress report on the delivery of these actions is attached at Appendix One. The actions being taken forward are:
- Relocation Support Grants
  - Identify Sites for Self Build
  - Relocation Service/Inverclyde Migration Service
  - Lobby for and Promote Additional Express Train Services
  - Analysis of potential for Mid-Market Rent Housing
  - Graduate Entry Programme
  - Grant Assistance for Local Business Start Ups and Growth
  - Green Homes
  - Tourism Business Liaison
  - Promotional Campaign
- 4.4 Lead officers have been identified for each of the actions and they are working to deliver these across various Council services.
- 4.5 A lot of good progress has been made in taking forward each of the actions, with additional funding secured through e.g: European Regional Development Fund (ERDF) where £50,000 of the money was used as match funding for a Small to Medium Enterprise (SME) growth programme, making around £107,000 available for Inverclyde; and a successful bid to the Home Energy Efficiency Programme Scotland (HEEPS) has resulted in over £1million for Inverclyde.
- 4.6 Some of the other progress to date includes:

**Council Tax Reduction:** Finance have been working on a policy which will facilitate this scheme, drafting an application form for use and developing the system for how the fund will work in practice. A launch date early in 2014 will be confirmed once the systems to manage the process are finalised and the relocation officer is in post.

**Relocation Service:** Job Description and Person Specification was developed and evaluated and graded by HR. The post is being advertised in the Greenock Telegraph and Inverclyde Now (with weblink to myjobscotland website) and will be filled as soon as possible.

**Analysis of Potential Mid Market Rent Housing:** Consultants have been jointly appointed by River Clyde Homes and Inverclyde Council to undertake research and the scheduled completion date is November 2013. RCH and Inverclyde Council Housing Strategy are

monitoring progress and liaising with the consultants. Proposals to use the remaining budget are outlined in paragraph 4.7.

**Graduate Entry Programme:** Economic Regeneration and Education Officers have met to identify how they will build on the existing graduate programme. A number of graduate placements have been secured with Texas Instruments. The Business Development Team will also be making contact with Account Managed companies with less than 250 employees as these companies are eligible for our business support products which we will promote alongside the graduate programme. Scottish Enterprise have been alerted to the programme so they can advise their account managed companies to try to secure further placements.

**Grant Assistance for Local Business Start Ups and Growth:** £50,000 has been used as match funding for an ERDF SME growth programme, working jointly with Renfrewshire and East Renfrewshire. The remaining £50,000 allocated to this action has been split between Marketing Grants and Informal Training.

**Promotional Campaign:** a promotional strategy setting out campaigns for promoting Inverclyde was presented to the last meeting of the group for consideration. A number of positive news stories about, or set in, Inverclyde have been in national and local press across the country. When the additional express train service is added by Scotrail there will be a joint marketing campaign. Additional work is taking place to identify key sites for elements of the marketing campaign. Details will be presented to the next meeting of the Committee.

- 4.7 A saving has been achieved in the Analysis of Mid Mark Rent Housing and it was agreed to reallocate the funding to two other actions which were proposed by the Repopulation Outcome Delivery Group, which will help to encourage people to move to Inverclyde. £2000 will be used for Inverclyde Council to have a one year membership of a Scottish Government-backed organisation called 'Landlord Accreditation Scotland (LAS)'. Private landlords apply to LAS and when they demonstrate that they meet good standards, they can use the accredited logo on their advertising etc. This could encourage people to come to the area as they will know the private landlords meet strict criteria. Should this be successful the Council will seek to secure funding to continue its membership.

The remaining funding will be used to develop the Housing Options Guide, which will be a web based resource bringing together information on all tenures of housing to make it easier for people looking to move into the area to find somewhere to live. The Housing Options Guide will also be used by the Relocation Officer to provide packages of information to potential movers as well as used in the Promotional Campaign for Inverclyde.

## 5.0 IMPLICATIONS

### 5.1 Financial Implications - One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Earmarked Reserves	Repopulation	2013 – 16	£1,000,000	-	Anticipating to spend c£150,000 13/14

### 5.2 Human Resources: Two posts have been identified and the Tourism and Business Liaison

Co-ordinator post has been advertised. The Relocation Officer post will be advertised shortly.

5.3 Legal: none

5.4 Equalities: none

5.5 Repopulation: the Outcome Delivery Plan is entirely focussed on promoting repopulation in the Inverclyde area.

## **6.0 CONSULTATIONS**

6.1 This report has been developed in consultation with the partners and Council services who make up the Repopulation Outcome Delivery Group.

## **7.0 LIST OF BACKGROUND PAPERS**

7.1 Repopulation Outcome Delivery Group Update, Policy and Resources Committee, 5 February 2013.



# **Repopulation Outcome Delivery Group**

## **Action Plan Progress Report**

**October 2013**

<b>Local Outcome:</b>	Repopulation
<b>Covering Period:</b>	May 2013 – October 2013
<b>Lead Officer:</b>	Alan Puckrin, Acting Corporate Director, Environment, Regeneration and Resources

### Summary of progress since last report:

The Repopulation Outcome Delivery Group met on the 24<sup>th</sup> of October to further progress the agreed actions for promoting repopulation in Inverclyde. A new lead officer has been identified following the temporary move of the previous lead officer to Riverside Inverclyde. Alan Puckrin, Acting Corporate Director for Environment, Regeneration and Resources has taken on the lead officer role.

Further work has been carried out to clarify some of the actions and to identify the lead officers for each action. Progress on each of the actions include:

**Council Tax reduction:** A draft policy and application forms have been produced. A launch date early in 2014 will be confirmed once the systems to manage the process are finalised and the relocation officer is in post.

**Self Build:** The self build sites have been subsumed in the Local Development Plan and a number of sites have been identified. The Council undertook a masterplanning exercise for the 5 sites identified across Inverclyde. Leperston in Kilmacolm is the initial focus. A more detailed plan is required to be undertaken. Currently going out to tender to get a consultant to develop that detail.

**Relocation Service:** Job Description and Person Specification was developed and evaluated and graded by HR. The post is being advertised in the Greenock Telegraph and Inverclyde Now (with weblink to myjobscotland website) and will be filled as soon as possible.

**Additional Express Train services:** Commitment given from Scotrail for an additional train service starting in March 2014. Discussions are ongoing between Corporate Communications and Scotrail on promoting the new service.

**Analysis of potential Mid Market Rent Housing:** Study has commenced and expected to be completed by November 2013. The study is being carried out in partnership with River Clyde Homes. Proposals to use the remaining budget are outlined in paragraph 4.7.

**Graduate Entry Programme:** Building on the existing programme, a number of graduate placements have been secured with Texas Instruments. The Business Development Team will also be making contact with Account Managed companies with less than 250 employees as these companies are eligible for our business support products which we will promote alongside the graduate programme.

## Appendix One

**Promotional Campaign:** a promotional strategy was presented to the last meeting of the group for consideration. A number of positive news stories about, or set in Inverclyde, have been in national and local press across the country. Additional work is taking place to identify key sites for elements of the marketing campaign. Details will be presented to the next meeting of the Committee.

### Membership of group

<b>Organisation</b>	<b>Name</b>
Inverclyde Council (Lead Officer)	Alan Puckrin
Stepwell	Steve Watson
OakTree Housing Association	Nick Jardine
River Clyde Homes	Angela Spence
Police Scotland	Stuart Drake
Inverclyde Council, Property and Facilities Management	Alan McClintock
Inverclyde Council, Housing Strategy	Ronny Lee
Inverclyde Council, Education	Elizabeth Robertson
Inverclyde Council, Economic Development	Jackie Hill
Inverclyde Council, ICT	Gregor Gillespie
Inverclyde Council, Corporate Communications	George Barbour
Inverclyde Council, Safer and Inclusive Communities	Drew Hall
Inverclyde Council, Corporate Policy and Partnership	Miriam McKenna

Appendix One

<b>Organisation Name</b>	
Inverclyde CHCP, Planning, Health Improvement and Commissioning	Andrea Connolly

**Affiliated groups/Groups reporting to Outcome Delivery Groups: N/A**



Appendix One

**Contents**

1.	Relocation Support Grants .....	11
2.	Identify Sites for Self Build .....	11
3.	Relocation Service/Inverclyde Migration Service .....	12
4.	Lobby for and Promote Additional Express Train Services .....	13
5.	Analysis of potential for Mid-Market Rent Housing .....	14
6.	Graduate Entry Programme .....	14
7.	Grant Assistance for Local Business Start Ups and Growth .....	15
8.	Tourism Business Liaison.....	16
9.	Promotional Campaign.....	16

<b>1. Relocation Support Grants</b>	
<b>Name:</b> Liz Brown	<b>Contact Email:</b> <a href="mailto:liz.brown@inverclyde.gov.uk">liz.brown@inverclyde.gov.uk</a>
<b>Description of Proposed Action:</b> Council Tax Reduction (over 2 years) for Owner-Occupiers moving into Inverclyde	
<p><b>Progress:</b>  Meeting held with Finance to identify how this action will be taken forward. A draft policy and application forms have been produced. The policy will require to be agreed and then a launch date will be identified once the systems to manage the process are in place.</p> <p>Will identify appropriate launch date in line with Promotional Campaign and Relocation Officer start date.</p> <p>The group had also been keeping a watchful eye on the development of the Local Authority Mortgage (LAMS). Information has recently been released by Government regarding the Help to Buy (Scotland) Scheme, which sets out guidance as to how the scheme will operate. The scheme aims to help credit-worthy buyers to buy a new build house, where this is sustainable for them. It appears the Local Authority Mortgage (LAMS) scheme will not progress given the development of the Help to Buy Scheme.</p>	

<b>2. Identify Sites for Self Build</b>	
<b>Name:</b> Alan McClintock	<b>Contact Email:</b> <a href="mailto:alan.mcclintock@inverclyde.gov.uk">alan.mcclintock@inverclyde.gov.uk</a>
<p><b>Description of Proposed Action:</b>  Support the development of self build sites as part of the housing development strategy of the Local Development Plan. Possibility of three sites with around 12 to 15 homes created. Funding will cover detailed site assessment, site particulars, appointment of planning consultants, architectural services and promotion of self build sites. Funding would not include site infrastructure work at this stage.</p> <ul style="list-style-type: none"> <li>• Can be subsumed into Local Development Plan (2014 for fully adopted plan)</li> <li>• Could create a Developer Forum, to sell the message that 'Inverclyde is Open for Business' to housebuilders</li> <li>• Can 'market' to people the identified sites in the LDP on the 'Self Build Scotland' forum/site</li> <li>• Could also develop Homesteading approach, where people are given opportunities to bring sub standard housing up to scratch with either grant aid or low cost/no cost for property (link to Empty Homes Initiative)</li> </ul>	

- Potential to support self builders to establish a self build housing co-operative
- Possible focus on self build green homes.

**Progress:**

The self build sites have been subsumed in the LDP and a number of sites have been identified. Plan will be fully adopted next year.

The Council undertook a masterplanning exercise for the 5 sites identified across Inverclyde. Leperston in Kilmacolm is the initial focus. A more detailed plan is required to be undertaken. Currently going out to tender to get a consultant to develop that detail. Full liaison between property and planning. Development brief will be created.

Still further work to be undertaken to identify the full scope of self build.

### 3. Relocation Service/Inverclyde Migration Service

**Name: Jackie Hill**

**Contact Email: Jackie.hill@inverclyde.gov.uk**

**Description of Proposed Action:**

Development of a Relocation Service which provides a personalised support package for people moving into the area / investigating the area as a place to live. This service could provide substantial follow-up to web portal requests, where people note their interest in moving to Inverclyde.

Support to “clients”, based on self-indicated areas of interest:

- Discussion of options
- Personalised Information gathering for / on behalf of clients
- Supporting / organising “Reconnaissance Visits” to the area
- Linking in with local provisions / services / groups / individuals as relative to client needs – start to build picture of the client's community
- Legwork on behalf of the client – facilitating practical aspects of investigation / move
- Distribution of Council Tax reduction funding
- Engagement with local ‘champions’ who can help to sell the area to prospective migrants.

Additional work could be included to personalise job offers via the Employer Engagement Unit to show what is on offer in the area.

Bearing in mind the demographic groups we are trying to target into Inverclyde, this service may be attractive in appealing to young professionals as an aspirational / lifestyle service, and to young families as a consolidative / timesaving service.

Clear link with Housing Options Guide development by Strategic Housing Team. Will require to link with this to reduce duplication. Link with work on developing the website to promote Inverclyde.

**Progress:**

Job Description and Person Specification was developed and evaluated and graded by HR. A clear outline of what the job will involve has also be developed. Job Evaluation process has brought the post forward at Grade G. The post will be advertised in the Greenock Telegraph and Inverclyde Now (with weblink to myjobscotland website) as soon as possible.

Partner input invited onto the interview panel for the post.

#### **4. Lobby for and Promote Additional Express Train Services**

**Name: George Barbour**

**Contact Email: [George.barbour@inverclyde.gov.uk](mailto:George.barbour@inverclyde.gov.uk)**

**Description of Proposed Action:  
Lobby for Additional Express Train Services.**

**Progress:**

Scotrail have agreed to introduce an additional service from 2014. Update discussion required with ScotRail – Aubrey Fawcett to take forward.

Now moving to look at the joint promotion of the service in line with Scotrail. Will present as part of the 'Inverclyde Package'.

<b>5. Analysis of potential for Mid-Market Rent Housing</b>	
<b>Name: Ronny Lee</b>	<b>Contact Email: <a href="mailto:Ronny.Lee@inverclyde.gov.uk">Ronny.Lee@inverclyde.gov.uk</a></b>
<b>Description of Proposed Action:</b> Undertake analysis of the potential uptake of mid-market rent (MMR) housing in the Inverclyde Council area to inform future investment decisions by the council and by key partners in RSLs. The proposed research will also consider the potential for converting existing RSL stock for use as MMR housing following recent Scottish Government approval of a pilot project by an RSL.	
<b>Progress:</b> Consultants EKOSGEN have been jointly appointed by River Clyde Homes and Inverclyde Council to undertake the MMR research and work started in September 2013. The Consultants are in the process of preparing first draft of report. The scheduled completion date of the study is November 2013 and RCH / Inverclyde Council Housing Strategy team are monitoring progress and liaising with the appointed consultants. On target for completion in November 2013.	

<b>6. Graduate Entry Programme</b>	
<b>Name: Jackie Hill</b>	<b>Contact Email: <a href="mailto:Jackie.hill@inverclyde.gov.uk">Jackie.hill@inverclyde.gov.uk</a></b>
<b>Description of Proposed Action:</b>  The National Data hub has been developed by Scottish Government and Skills Development Scotland to support post 16 transitions in Scotland. This is a means of tracking young people after they leave school, in order to keep routes open for continued support if / when needed.  The data hub will essentially provide a means of communication with all Inverclyde young people, post 16. For the purposes of this proposed development, we would be particularly interested in those who have accessed Further and Higher education.  It will be possible to identify those young people who are approaching the end of their studies (and which courses they have studied) in order to resume actual contact to support them in making positive transitions post-university. At this point, analysis could be done to consider promotion of available careers options locally, and to promote the return to Inverclyde with local(ish) job prospects to start their careers. It will be possible to build up contact lists of graduates to market local jobs to them which match their areas of study.	

This proposal is entirely in line with the Scottish Government publications relating to Post 16 Transitions “Data Practice Framework” and “Revised Policy & Practice Framework” which outline the relationships that Universities and Community Planning Partnership will have / could have in supporting young people as much as possible as they leave tertiary education. *Refer to pg 11 of the Data Practice Framework and to pg 29 of the Policy & Practice Framework for examples of this.*

The Council’s Employability Pipeline Graduate Programme has recently been extended allowing suitable candidates to be placed in private sector business for a period of 12 months. It is proposed to extend this programme to allow a further seven places to be created for a period of two years per graduate at 50% intervention, in line with state aid guidelines. The candidates will be required to demonstrate that they have moved into Inverclyde for the period of employment .

**Progress:**

Economic Regeneration and Education officers have met to discuss how they will build on the existing graduate programme. A number of placements have been secured with Texas Instruments and discussions ongoing with CIGNA and AMG group. Information has been passed to Scottish Enterprise’s Account Managers who support larger companies with over 250 employees (as they are our best bet for recruiting graduates) in the area so that they can advise their companies accordingly. The Employer Engagement Team are also promoting the graduate programme with the companies they are already engaged with. The Business Development Team will also be making contact with Account Managed companies with less than 250 employees as these companies are eligible for our business support products which we will promote alongside the graduate programme.

Inverclyde’s current university students have been identified via the Datahub. We will now contact them specifically to link them in with future opportunities and information about developments in the area that may be of professional interest to them. Have also profiled their sectors of study which could be discussed by the Strategic Employability Group.

## 7. Grant Assistance for Local Business Start Ups and Growth

**Name:** Jackie Hill

**Contact Email:** jackie.hill@inverclyde.gov.uk

**Description of Proposed Action:**

**Provide grant assistance for local businesses.**

**Progress:**

£100,000 has been allocated to this action. Have used £50,000 as match funding for an ERDF SME growth programme jointly working with

East Renfrewshire and Renfrewshire, making around £107,000 available for Inverclyde. As yet, there are no spend commitments to the SME Growth Programme as there was a delay in receiving the formal offer of grant from Scottish Government. Remaining £50,000 is split between £25,000 for Marketing Grants and £25,000 for Informal Training of which £5,000 and £6,700 have been committed respectively to date. This initiative is additional to Business Gateway programmes, and referrals will come through Business Gateway. It is not available for Advisory Services.

## 8. Tourism Business Liaison

**Name:** Jackie Hill

**Contact Email:** [jackie.hill@inverclyde.gov.uk](mailto:jackie.hill@inverclyde.gov.uk)

**Description of Proposed Action:**

The post holder will develop and deliver an ambitious tourism and events programme to promote Inverclyde as a tourism destination. The key role is to co-ordinate and support Inverclyde's businesses and tourism organisations in order to contribute to the wider economic growth agenda for the area. The post holder will provide a high level of service delivery in order to attract visitors and generate significant economic benefits on behalf of Inverclyde Alliance, the Community Planning Partnership.

**Progress:**

Post has been evaluated at Grade I and has been advertised for a second time with a closing date of 13 October 2013. Interview date set for 14<sup>th</sup> of November.

## 9. Promotional Campaign

**Name:** George Barbour

**Contact Email:** [george.barbour@inverclyde.gov.uk](mailto:george.barbour@inverclyde.gov.uk)

**Description of Proposed Action:**

1. Create an overall campaign to promote Inverclyde which incorporates developing an annual activity which would bring people in to visit the area e.g. a river festival and build on existing activity, especially events we're not currently engaged with.
2. Change/update the signage for the area, especially on entry to Inverclyde.

**Progress:**

A draft strategy has been developed setting out possible campaigns for promoting Inverclyde. The key messages for the campaign are:

- Riverside living is an affordable option in Inverclyde
- Inverclyde has top class schools
- Inverclyde is only 25 minutes to the city of Glasgow; close to Glasgow Airport; has regular fast rail links; ferry links to Argyll and the Trossachs
- Inverclyde has good quality and reasonably priced housing.

The strategy also highlights the need to promote name recognition for Inverclyde ensuring the name is used on all Council and partner promotional material and included on addresses.

Suggestions for gathering materials to be used in a campaign include:

- Recruiting Inverclyde 'champions' to upload information and photos onto Twitter, Facebook, Vine and Instagram etc
- Have a local competition for photographs and video that could be used in promotional material
- Access recent aerial shots of the area
- Approach Shed Media to identify if they have any footage of the area which they could donate to be used in promotional material

Corporate Communications in Inverclyde Council have been working with local media and the BBC to promote the area as a location for news items and filming locations. Additionally articles have appeared in a wide range of newspapers regarding Inverclyde schools. The Scottish Homes supplement of The Herald featured a Wemyss Bay property as a result of promotion from Corporate Communications. There was a live broadcast on Radio Five Live breakfast show on the exam results where some young people from Notre Dame opened their exam results and talked about their future plans with presenter Nicky Campbell, again highlighting Inverclyde's schools.

Corporate Communications are getting quotes on prices for particular aspects of the campaign. E.g. for outdoor advertising, a film of the area and exhibiting at the Ideal Home Show. Additionally contact has been made with Scotrail regarding joint marketing of the additional express train service when it is introduced. Linkage is being established with Riverside Inverclyde regarding marketing budgets.



Appendix Two

**Budget Allocation for Repopulation Action Plan**

Attracting new people and businesses to the area			Spend to Date
1	Assistance with initial housing costs and access to housing <ul style="list-style-type: none"> <li>Council Tax reduction</li> </ul>	£30,000	Still to be launched
2	Support the development of self build housing schemes	£250,000	
3	Develop a service that helps people set up in the area <ul style="list-style-type: none"> <li>Client Management Service</li> <li>Link with Housing Options Guide (Strategic Housing Team)</li> <li>Link with personalisation of job offers/Employer Engagement Unit</li> </ul>	£155,000	Post to be filled
4	Increased public transport services <ul style="list-style-type: none"> <li>Additional express trains</li> </ul>	Included in promotional budget	
<b>Total</b>		<b>£435,000</b>	
Retaining existing population			Spend to Date
5	Analysis of potential for mid-market rent housing	£25,000	£8,000
6	Increase employment opportunities <ul style="list-style-type: none"> <li>Inverclyde Graduate Entry Programme</li> </ul>	£150,000	Nil
7	Provide support to businesses <ul style="list-style-type: none"> <li>Ongoing business support/aftercare</li> </ul>	£100,000	£50k match funding committed to ERDF project. £5k committed to Marketing Grants. £6,700 committed to Informal Training.
8	Introducing sustainable Heat Regeneration Schemes (Green Homes Network)	Included in self build budget	
<b>Total</b>		<b>£275,000</b>	<b>£69,700</b>
The promotion of Inverclyde			Spend to Date
9	Development of tourism in collaboration with local businesses <ul style="list-style-type: none"> <li>Tourism Business Liaison Post</li> <li>Budget for development of website, engagement with businesses etc.</li> </ul>	£150,000	Nil Post still to be filled
10	Promotional Campaign <ul style="list-style-type: none"> <li>Improved signage</li> <li>Develop annual activities which would bring people in to visit the area e.g. a river festival</li> </ul>	£140,000	Nil
<b>Total</b>		<b>£290,000</b>	
<b>Overall Total</b>		<b>£1,000,000</b>	<b>£69,700</b>

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**Report To:** Policy & Resources Committee      **Date:** 19<sup>th</sup> November 2013

**Report By:** Brian Moore  
Corporate Director  
Inverclyde Community Health &  
Care Partnership      **Report No:** CHCP/55/2013

**Contact Officer:** Susanna McCorry-Rice      **Contact No:** 715375  
Head of Mental Health,  
Addictions & Homelessness

**Subject:** GYPSY TRAVELLER CONSULTATION

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to inform Committee of the outcome of the public consultation on the proposed transit site for Gypsy Travellers at Kelburn Park.

## 2.0 SUMMARY

- 2.1 Consultation commenced on 29<sup>th</sup> July through to 30<sup>th</sup> August, 2013.
- 2.2 Inverclyde CHCP launched the consultation proposal in the local media detailing options to participate in the process.
- 2.3 A survey was set up and drop-in sessions carried out in the local libraries.

## 3.0 RECOMMENDATIONS

It is recommended that:

- 3.1 The Committee note the findings of the consultation process.
- 3.2 The Committee note that Officers have not been able to identify any suitable alternative sites in addition to those already considered as part of the options appraisal process.
- 3.3 Committee do not approve the establishment of an authorised transit site for gypsy travellers in Kelburn Park or at any other Inverclyde site at this time in recognition of the outcome of the consultation process and 3.2 above.
- 3.4 Committee approve the revised policy and procedure for the management of unauthorised sites.
- 3.5 Committee agree that if the proposal of the transit site at Kelburn Park is not approved that the £50,000 previously agreed for the creation of the site be utilised to upgrade and improve Kelburn Park and other Council parks that have been adversely affected by unauthorised encampments in the recent past. Details of this proposal will be subject to a future report to the Environment and Regeneration Committee on 16<sup>th</sup> January 2014.

**Brian Moore**  
Corporate Director  
Inverclyde Community Health & Care  
Partnership

## **4.0 BACKGROUND**

- 4.1 The decision by Inverclyde Council to consider the establishment of a transit site (for short-term stays) for the Gypsy Travellers is in response to the need to have more robust management arrangements in place in relation to unauthorised Gypsy Travellers encampments in Inverclyde.
- 4.2 Historically the Gypsy Traveller Community visit Inverclyde every year. On average up to 10 caravans are parked in various locations, but primarily in the Kelburn/Parklea area for around 6 weeks at a time.
- 4.3 The Council has a duty to protect the ethnic identity and lifestyle preferences of the Gypsy Travellers who are a distinct ethnic group.
- 4.4 The equalities legislation dictates that all Local Authorities have a duty to ensure that the health and education needs of Gypsy Travellers are identified and provided for.
- 4.5 The Council has no automatic right to move Gypsy Travellers from an unauthorised site when there is no alternative provision for them. The existence of a transit site as proposed would allow Inverclyde Council to redirect the Gypsy Travellers to this alternative site. This approach would be a proportionate response to their needs and enable the Council to seek legal redress to direct Gypsy Travellers to this specific location. The site would have basic essential services such as toilets, running water and domestic rubbish collection.
- 4.6 The public consultation was set up to assess the public's view on the establishment of such a site.

## **5.0 CONSULTATION**

- 5.1 Inverclyde CHCP launched the consultation proposal in the local media detailing options to participate in the process.
- 5.2 Public consultation was carried out from 29<sup>th</sup> July through to 30<sup>th</sup> August, 2013 in the form of a survey available on the Council's web site and in hard copy at local libraries for the wider community consultation.
- 5.3 The public were asked to answer 7 questions on the location and the provision in general. See appendix A. Five drop-in information sharing sessions were held in Port Glasgow, Greenock and Gourock libraries.
- 5.4 The consultation received feedback from 840 people, in the form of returned surveys and petitions.
- 5.5 The outcome of the consultation indicates that the majority of those who participated were against a transit site for Gypsy Travellers in Inverclyde. See appendix B for the details.
- 5.6 Community Councils

All Inverclyde Community Councils were contacted to attend an information sharing session on the consultation on a Gypsy Traveller transit site in Kelburn Park. Three Community Councils representatives attended (seven people) in all from Greenock Centre Community Council; Port Glasgow East Community Council; Cardwell Bay & Greenock West Community Council. The conclusion was that the Community Councils would have liked more than one site option to be considered.

- 5.7 As part of the consultation a positive Gypsy Travellers awareness raising session was delivered to seven key representatives of the Port Glasgow East; Port Glasgow West; Cardwell Bay & Greenock West; Greenock Central West Community Councils.

Evaluation by Community Council of the session delivered by Gypsy Travellers and Council staff it was beneficial in understanding the wide ranging issues affecting the travelling community.

#### 5.8 Registers Social Landlords

A meeting of RSL's at the Inverclyde Housing Association Forum where River Clyde Homes, Cloch Housing Association, Oak Tree Housing Association and Larkfield Housing Association attended. There was broad agreement that a transit site would improve the management of the Travelling Community in Inverclyde.

#### 5.9 Churches

Contact was made with Wellpark Mid Kirk who agreed to receive the information on the consultation and undertook to circulate to the faith community. No direct feedback was received.

#### 5.10 Chamber of Commerce

The Chamber was emailed with all the consultation documentation, no feedback was received. Local businesses however did complete surveys.

#### 5.11 Gypsy Travellers

During the period of consultation there were two encampments in Inverclyde. Each encampment was visited and survey questionnaires completed to get their views on whether they would use a transit site, services and charges. It was confirmed by both traveller groups that they would use a transit site with basic facilities and were in agreement to paying a charge.

### **6.0 PROPOSALS**

6.1 The consultation gives emphasis for the need to review our current management arrangement for unauthorised encampments. Therefore attached is our revised policy and procedure to strengthen the management of unauthorised sites. It makes explicit what actions the Council will take for unauthorised encampments on park land, this will contribute to evidence for court action (Appendix C).

6.2 The policy now includes an information leaflet and code of conduct to be issued to each caravan on the establishment of an unauthorised site. This clearly sets out what is expected of the Travelling Community and what they can expect from the Inverclyde Council. This will help us to speed up the process for court action. Officers will continue to monitor the cost implications of undertaking repair and remedial works to unauthorised sites once vacated and are alert to the demands made of Council staff on completing this task.

6.3 The Park Management Rules which are currently under review will also strengthen the Council's position in relation to unauthorised encampments set up in public park land. Park rules provide an aid to Legal Services when action for recovery of possession of Council land is raised.

6.4 In recognition of the findings of the consultation process it is not deemed appropriate to establish the transit site at Kelburn and if Committee support this way forward, then the £50,000 proposed one off cost should instead be used to upgrade and improve Kelburn Park and other Council parks that have been adversely affected by unauthorised encampments in the recent past. Details of the proposals will be subject to a future report to the Environment and Regeneration Committee of 16<sup>th</sup> January 2014.

6.5 The above policy and management arrangements will be reviewed as required in event of any changes to Scottish Government policy and guidance regarding gypsy travellers.

## 7.0 IMPLICATIONS

- 7.1 Legal: Legal Service have been consulted are represented on the Working Group.
- 7.2 Finance: The £50,000 that has primarily been approved for the provision of a transit site to be used to upgrade and improve security in public open spaces /parks.

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
TBC	TBC	14/15	£50,000		For improved security in public parks

- 7.3 Personnel: No implications.
- 7.4 Equalities: The Local Authority has a responsibility to ensure a proportionate response to Gypsy Traveller as a distinct ethnic group.
- 7.5 Repopulation: Not applicable.

## 8.0 CONCLUSION

- 8.1 It is clear that there is a very significant depth of feeling and resistance within sections of the community towards the establishment of a gypsy travellers' transit site. These polarised views were expressed throughout the consultation process. However, some people and businesses in the community recognise the need and acknowledge the potential benefits of having a transit site but in the significant majority of cases did not wish to have a site located close to where they lived or worked.
- 8.2 During the consultation process Officers were asked to identify additional suitable alternative sites over and above those sites already considered as part of the options appraisal process. No alternative suitable sites have been identified by officers or suggested by others.
- 8.3 Unbudgeted costs are invariably incurred by the Council at unauthorised sites to effect repairs and clear up waste and dumped materials. The Corporate Management Team fundamentally believes that the Council should, if at all possible, provide a transit site for Gypsy Travellers. However, after due consideration of the findings of the consultation process and in the absence of a suitable site at present, the Corporate Management Team believe that it would not be sensible to set up a transit at this time.

## 9.0 CONSULTATION

- 9.1 Report attached.

## 10.0 LIST OF BACKGROUND PAPERS

- 10.1 Policy and Resources Committee report May 2013.

Inverclyde Council, at a recent meeting of the Policy and Resources Committee, approved the consultation on the possible development of a short term stay site for travelling people. The recommended site under consideration is Kelburn Park which was selected as being the most appropriate because of its distance from settled community housing; suitability for installing basic facilities and its historical connection with the travelling community.

This consultation is aimed at gathering the views of the residents of Inverclyde about the proposal. Further information is available at local libraries with access to plans of the proposed site.

Your assistance is very much appreciated and if you care to add your name and address at the end of this questionnaire we will be happy to advise you on the results of the consultation.

Q 1. The Council proposes to locate the site at Kelburn Park due to its secluded location; proximity to facilities and the historical connection to this area for the travelling community.

Do you agree with the chosen location?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q 2. Do you agree with the proposal to identify a transit site to avoid illegal encampments at other sites?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q 3. Do you agree with the proposal to create a transit site as opposed to a permanent site?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q 4. The proposal suggests that the site has sufficient pitches for a maximum of 12 caravans at a time. Do you think this a reasonable size?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q 5. A transit site could only be used by individuals/families up to 6 weeks. Do you think this is a reasonable amount of time for people to camp?

- Yes - Agree
- No – Too Long
- No – Too Short

Q 6. The Council plans to introduce a Charging Policy for use of the site and its facilities at a rate of £5 per night. Do you agree with this?

- Yes
- No – Higher Charge
- No – No Charge



Q 7. The Council intends to provide basic facilities at the Campsite, which include portaloos as required; stand pipe for drinking water; domestic waste removal. Do you think this is a reasonable provision for the site?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q 8. Any other comments you wish to add?

Q 9. If you would like to leave contact details for further feedback please do so below:

Name: .....

Address: .....

.....

.....

Postcode: .....

All paper copies of this consultation should be returned to:

Planning & Performance Team  
Kirn House  
Ravensraig Hospital  
PA16 9HA

**The Gypsy/Traveller People Proposed Site Consultation**

**Draft Interim Report**

**10<sup>th</sup> October 2013**

**1.0 Consultation Process/Timeline**

- The Short Life Working Group established a timeline for the Consultation Process which began in July and ran for a 5 week period until August 30<sup>th</sup>
- The results of the Consultation were then analysed and considered by the Group mid September.

**1.1 Methods employed in the Consultation Process**

The Consultation process was promoted on the Council's website, through the local press and through the community, voluntary, business and church networks.

A variety of methods were used including the following:-

- A questionnaire around the proposal was made available online from the Council's website and hard (paper) copies were also available from Council offices and libraries.
- Key facts around the proposal were made available on a fact sheet, which accompanied the questionnaire, as well as, a myth buster to dispel some of the misconceptions that people often have about the culture of the Gypsy/Traveler community.
- Copies of the site plans, questionnaires, fact sheets and myth busters were also made available in public libraries in Kilmacolm, Port Glasgow, Greenock Central and South West, Gourock and Inverkip.
- Participants were able to deposit questionnaires/comments in the Ballot Box provided in libraries or return to the advertised central council office.
- Information sessions with held in libraries in Port Glasgow, Greenock and Gourock, where members of the public could drop in and meet with members of the Working Group and discuss the plans and discuss any concerns face to face. 5 sessions were held which were attended by over 100 members of the public.
- A meeting was held with representatives of the Community Councils in the area at the beginning of the Consultation process. This proved to be a constructive discussion and where agreement was reached about the need to work in partnership to try and reach an amicable solution to these issues.
- Representation was made to the Inverclyde Housing Association Forum who broadly supported the proposal.
- Contact was made with the local churches via Wellpark Mid Kirk.
- The chamber of commerce were contacted by e-mail and advise how to

participate in the process

## **2.0 Analysis of feedback**

A quantitative analysis of the questionnaire was compiled through Survey Monkey around each of the 7 key questions. In addition to receiving 3 separate petitions, there were several open/free text comments, which have been analysed separately and grouped into similar themes alongside the emails, phone calls and comments received by both Councillors and officials.

### **2.1. Petitions**

Three separate petitions were received by the Council in respect of the proposal. These were as follows:-

- **Port Glasgow Residents AGAINST Inverclyde Council's proposal to designate Kelburn Park/Parklea as an official travellers site.  
940 names**
- **We, as residents of Port Glasgow ,DO NOT WANT a travellers site in Port Glasgow  
68 names**
- **Inverclyde Council: No public funded travellers site in Inverclyde  
500 names**

### **3.0 Key themes from open/free text comments**

Analysis of free text comments were noted individually and grouped under themes. These themes were based on the content of open comments made in questionnaires and telephone calls/emails and letters to Councillors and officers.

The key themes which emerged were:-

- Opposition to the proposed site in Kelburn Park
- Rejection of any site in Inverclyde
- Size of camp/length of stay/provision of facilities
- Introduction of charging/collection of payment and non payment
- Proposed use of Public Money on site and annual running costs of site
- Concerns around the Consultation Process
- Lack of Information about other sites
- Management of Unauthorized sites.

### **4.0 Views of the Gypsy/Traveller Community**

Opinions were collated from the traveller community, as there were 2 camps in the area during the Consultation period. Overall the community welcomed the proposal and summary of their feedback is captured below.

- Members of the traveller community welcomed the proposal to establish a transit site in Inverclyde and stated that they would be happy to use it.
- It was suggested that the site should be available all year round for different groups of travellers passing through the area.
- Some travellers expressed the need for a mix of transit and permanent pitches on the site.
- Members of the traveller community were satisfied with the proposed site, because of their historical link with the area.
- Respondents were happy with the suggested £5 per night charge.
- Respondents were also happy with the proposed facilities and suggested that provision of waste skips would also be useful.

## **5.0 Meeting with representatives of the Community Councils**

A meeting was held with representatives of 4 Community Councils in the area to explain the background to the Consultation. Officers were able to explain the background to the proposal, share information about the site plans, advice on the other sites under consideration and the criteria upon which the selection was made.

Community Councillors acknowledged that the traveller community did require to have a designated site, but that they felt Kelburn Park was not appropriate. There was also agreement expressed that it was in everyone's interest to work together with the Council in finding a suitable solution to the issue.

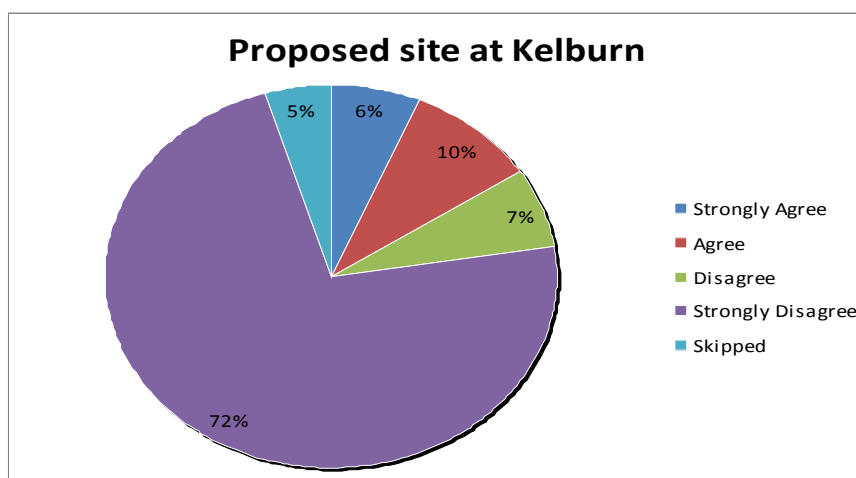
In addition, representatives responded positively to the opportunity to participate in future awareness raising sessions with officers around the Gypsy /Traveller Community in order to further develop a shared understanding between the settled and traveller community in Inverclyde.

## **6.0 Conclusions**

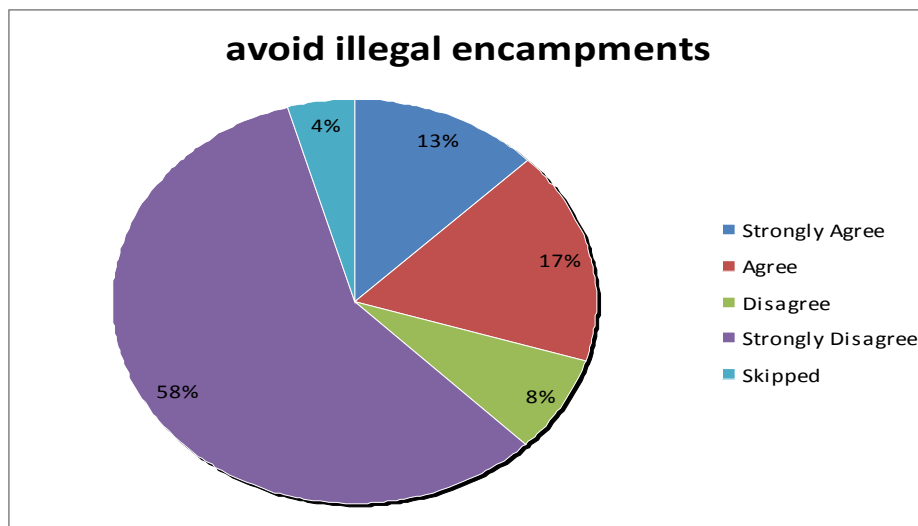
- 840 people participated in the survey process of which 668 either strongly disagreed or disagreed with the proposal of the Kelburn site.
- 554 of the 840 people of participated disagreed or strongly disagreed with the establishment of any form of provision for the Gypsy Travellers.

## Appendix 1

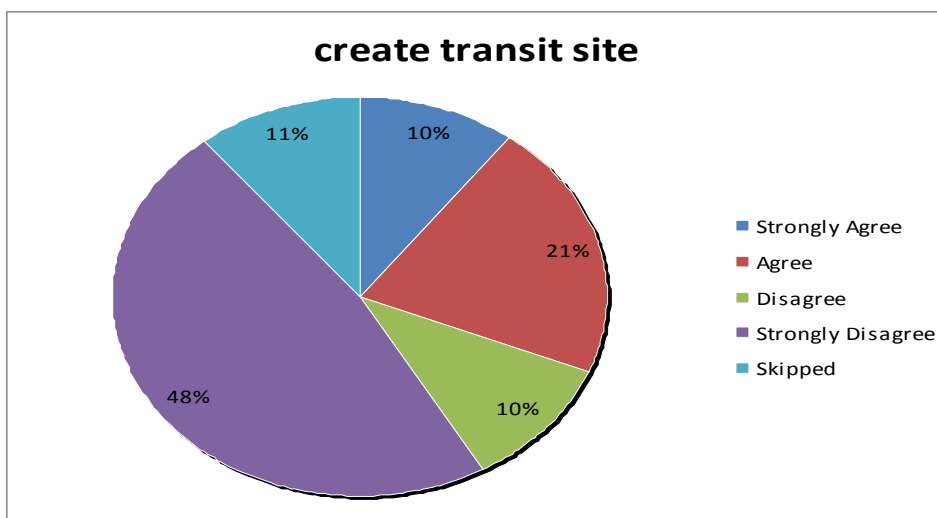
Question	Answer	Paper Copies	Survey Monkey	TOTAL
The Council proposes to locate the site at Kelburn Park due to its secluded location; proximity to facilities and the historical connection to this area for the travelling community Do you agree with the chosen location?				
1	Strongly Agree	21	32	53
1	Agree	23	57	80
1	Disagree	19	37	56
1	Strongly Disagree	145	467	612
1	Skipped	27	12	39
	<b>Grand Total</b>	<b>235</b>	<b>605</b>	<b>840</b>



Question	Answer	Paper Copies	Survey Monkey	TOTAL
<b>Q2</b> Do you agree with the proposal to identify a transit site to avoid illegal encampments at other sites?				
2	Strongly Agree	37	71	108
2	Agree	44	97	141
2	Disagree	21	44	65
2	Strongly Disagree	107	382	489
2	Skipped	26	11	37
	<b>Grand Total</b>	<b>235</b>	<b>605</b>	<b>840</b>

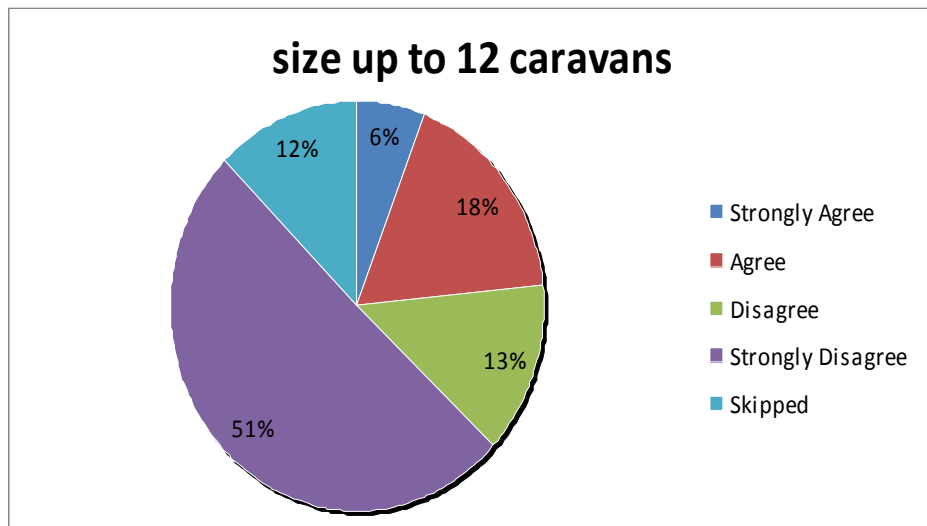


Question	Answer	Paper Copies	Survey Monkey	TOTAL
Q3 Do you agree with the proposal to create a transit site as opposed to a permanent site?				
3	Strongly Agree	32	55	87
3	Agree	44	130	174
3	Disagree	22	66	88
3	Strongly Disagree	98	301	399
3	Skipped	39	53	92
	<b>Grand Total</b>	<b>235</b>	<b>605</b>	<b>840</b>

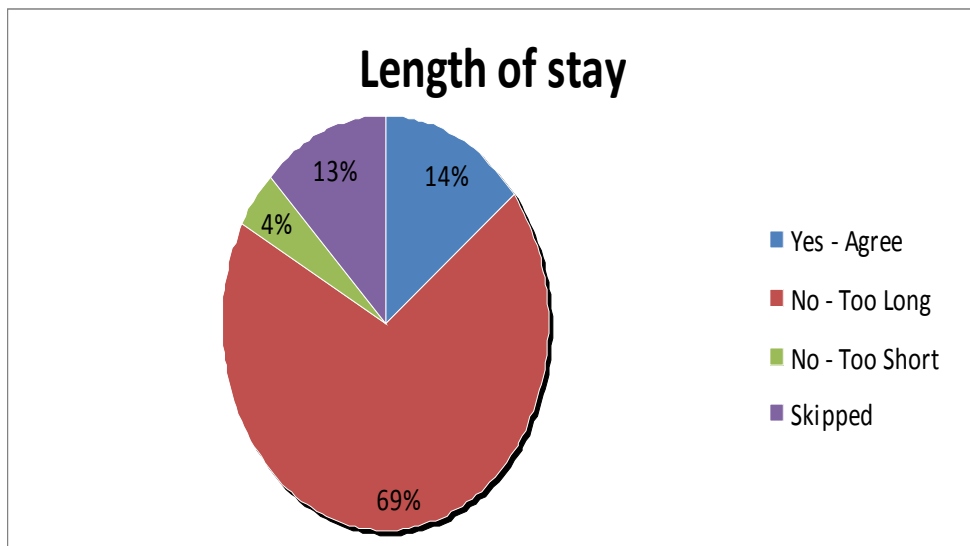




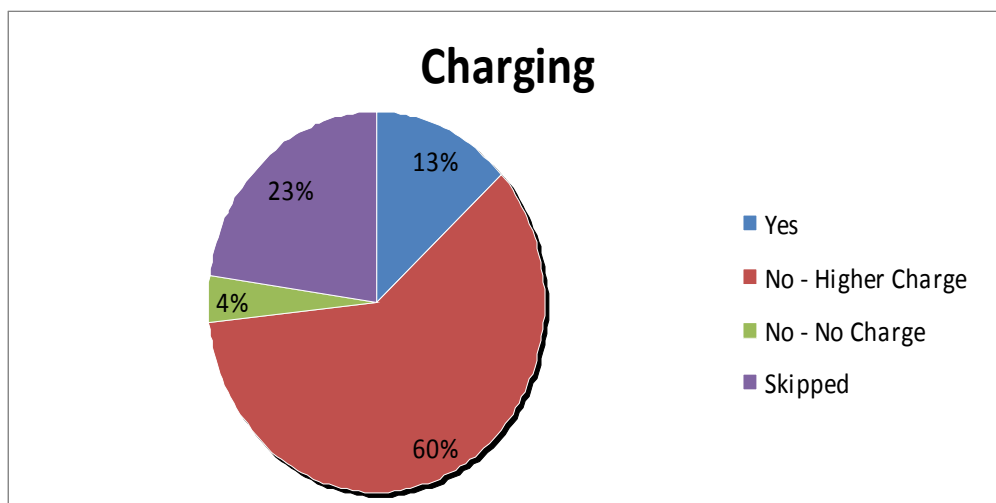
Question	Answer	Paper Copies	Survey Monkey	TOTAL
Q4 The proposal suggest that the site has sufficient pitches for a maximum of 12 caravans at a time. Do you think this is a reasonable size?				
4	Strongly Agree	17	33	50
4	Agree	43	104	147
4	Disagree	30	83	113
4	Strongly Disagree	101	325	426
4	Skipped	44	60	104
	<b>Grand Total</b>	<b>235</b>	<b>605</b>	<b>840</b>



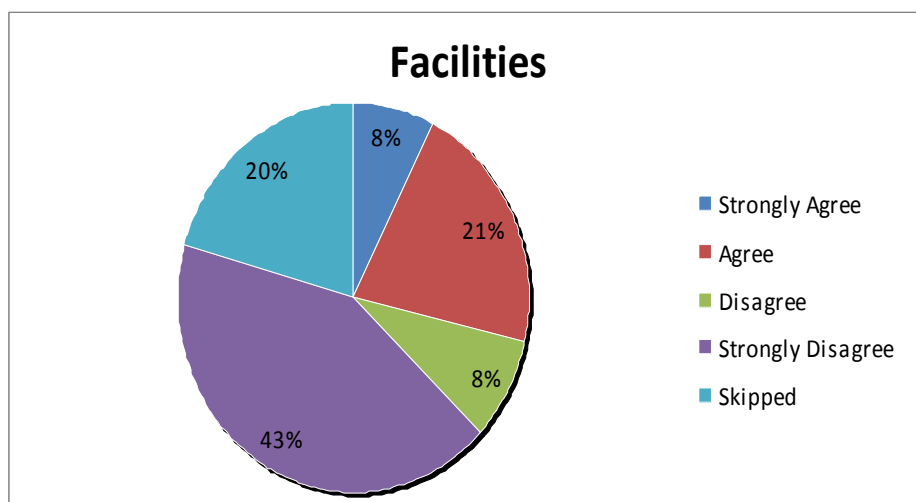
Question	Answer	Paper Copies	Survey Monkey	TOTAL
<b>Q.5</b> A transit site could only be used by individuals/families up to 6 weeks at a time Do you think this is a reasonable amount of time for people to camp?				
5	Yes - Agree	39	82	121
5	No - Too Long	133	444	577
5	No - Too Short	11	25	36
5	Skipped	52	54	106
	<b>Grand Total</b>	<b>235</b>	<b>605</b>	<b>840</b>



Question	Answer	How Many	Survey Monkey	TOTAL
<b>Q.6</b> The Council plans to introduce a Charging Policy for use of the site and its facilities at a rate of £5 per night. Do you agree with this?				
6	Yes	55	57	112
6	No - Higher Charge	115	390	505
6	No - No Charge	10	21	31
6	Skipped	55	137	192
	<b>Grand Total</b>	<b>235</b>	<b>605</b>	<b>840</b>



Question	Answer	Paper Copies	Survey Monkey	TOTAL
The Council intends to provide basic facilities at the Campsite which include portable toilets as required; stand pipe for drinking water; domestic waste removal. Do you think this is a reasonable provision for the site?				
7	Strongly Agree	24	40	64
7	Agree	57	120	177
7	Disagree	21	50	71
7	Strongly Disagree	88	268	356
7	Skipped	45	127	172
	<b>Grand Total</b>	<b>235</b>	<b>605</b>	<b>840</b>



## APPENDIX C

**DRAFT**



# **Policy and Procedural Guidelines on the Management of Unauthorised Encampments by Gypsies/Travellers in Inverclyde**

October 13

## **CONTENTS**

- 1. Introduction**
- 2. Background**
- 3. Context**
- 4. Transit site management**
- 5. Establishment of Encampment**
- 6. Legislative context**
- 7. Procedural guidance on Gypsy/Travellers Encampment**

## **1. Introduction**

1.1 This policy updates the Council position and procedural guidelines relating to the management of services to Gypsies/Travellers who establish unauthorised encampments in the Inverclyde area. The policy will provide greater clarity on the roles and responsibilities of the Council, and our partners in the Inverclyde Community & Health Partnership (ICHCP) and Police Scotland, towards providing the most appropriate, accessible services to Gypsies/Travellers.

1.2 The policy will facilitate the provision of a consistent approach, and ensure decisions taken in respect to Gypsies/Travellers encampments are reached in the acknowledgement of the unique circumstances surrounding each encampment.

1.3 The Council's response to all Gypsies/Travellers encampments, will consider the social, health, welfare and educational needs of both the Gypsies/Travellers population and those of the broader community.

## **2. Background**

2.1 Gypsies/Travellers are a small but distinctive ethnic and cultural minority within the Scottish population. The Scottish Government has recognised that Gypsies/Travellers have specific requirements and that they should receive the same level of protection from prejudice and discrimination as other ethnic minority groups in Scotland. The definition of Gypsies/Travellers excludes Occupational/Show Travellers and New (Age) Travellers. The incidence of travelling means that the population of Gypsies/Travellers in Scotland can vary considerably at different points in time. This is particularly true between the winter and summer months.

2.2 The responsibility for co-ordinating Inverclyde Council's services to Gypsies/Travellers lies within the Inverclyde Community & Health Care Partnership (ICHCP), principally with the Service Manager (Homelessness).

2.3 Inverclyde Council has no current official site provision for Gypsies/Travellers, either independently or in conjunction with neighbouring authorities. This being the case, the Council fully recognises Scottish Government Guidelines for Managing Unauthorised Camping by Gypsies/Travellers.\*

\* <http://www.scotland.gov.uk/Publications/2004/12/20417/48825>

### **3. Context**

3.1 This policy emphasises Inverclyde Council and ICHCP's ongoing commitment to equality and diversity, in conjunction with our partners in the Police Services. This policy fully recognises the rights and responsibilities of the Gypsies/Travellers community, and the rights of all residents of Inverclyde to enjoy equity of access to services provided, regardless of background, and to do so in an atmosphere free from prejudice and discrimination.

3.2 Inverclyde Council and our partners will at all times adopt an approach of co-operation and assistance in response to encampments, to ensure that the rights of Gypsies/Travellers and those in the broader community are mutually respected.

3.3 Inverclyde Council believes that the effective management of services to Gypsies/Travellers and the response to encampments can only be achieved by effective joint-working with partner agencies, the broader community and Gypsies/Travellers themselves.

### **4. Establishment of Unauthorised Encampments**

4.1 Unauthorised encampments are set up on a short-term basis by Gypsies/Travellers when travelling through or visiting an area. They can also arise when families are having difficulty finding somewhere to settle in an area, for example, on a Council, Registered Social Landlord or private site. In many areas, such encampments are the only option available (where no available sites/pitches exist or where they are refused entry to private/holiday sites).

4.2 When an unauthorised encampment has been identified Inverclyde Council and Inverclyde CHCP will be active in offering advice and practical support on issues such as waste disposal, site hygiene, social care, and educational support. We will also offer advice and interventions on issues such as road traffic legislation, anti-social behaviour, and other areas of environmental and common law in conjunction with Police Scotland.

### **5. Legislative Context**

5.1 The Police have no powers to direct Gypsies/Travellers onto any land. This is the responsibility of local authorities. The Police are not empowered to remove or clear unauthorised encampment sites except where legislation empowers them to do so.



5.2 The relevant legislation covering any such action is contained within:

- Sections 61 and 62 of the Criminal Justice and Public Order Act 1994.
- Section 14 of the Public Order Act 1986 (serious community disruption from very large encampments)
- Trespass (Scotland) Act 1865
- Roads (Scotland) Act 1984

5.3 It is the settled view of the Police that negotiation and civil means should be exhausted prior to any further police action being taken. In circumstances where Gypsies/Travellers have refused to re-locate, or have been repeatedly moved from the same site only to return, prosecution may be considered. Landowners including local authorities have responsibility to take further steps to prevent continued access to unauthorised sites.

5.4 The Environmental Protection Act 1990 empowers authorised officers of the Council to regulate and to take enforcement action on unsatisfactory site conditions regarding waste management, fly tipping and the existence of Statutory Nuisance in particularly for insanitary conditions on the site. Officers will advise the site users of their responsibilities regarding these conditions. Failure to deal with unsatisfactory conditions will be addressed using enforcement powers available.

5.5 The Scottish Government's policy approaches to delivering education recognises the specific needs of children and young people within the Gypsies/Travellers community, and has provided guidance to support education authorities, schools and support services in delivering education for Gypsies/Travellers children to encourage inclusive practices. Education authorities have a responsibility to assist parents in the provision of education and do so largely by providing education in schools. Whilst a Gypsies/Travellers child's access to education is a right this may involve going to school, although an education authority's interpretation of any legal requirement for children is the area that allows for some flexibility.

The relevant legislation and guidance is outlined as follows:

- Section 2 of the Standard in Scotland's Schools etc Act 2000
- Education (Additional Support for Learning) Acts 2004 and 2009
- Inclusive Educational Approaches for Scotland's Travelling Communities within the context of interrupted learning 2<sup>nd</sup> Edition – Learning Teaching Scotland 2011

Under Section 2 of the Standard in Scotland's Schools etc Act 2000 places a clear duty upon education authorities to have regard for a child's right to a 'school education'.

The Education (Additional Support for Learning) Acts 2004 and 2009 also signal that educators must seek out the views of a child or young person and bring those views into decision-making. The Acts also emphasise the importance of giving a voice to children and their parents in identifying

individual learning needs. Gypsies/Travellers parents have a responsibility to ensure that their child has an education; however, a Traveller child's entitlement to a school education is not affected by their family's mobility. Thus, Inverclyde Education Services will aim to provide information, advice and support regarding educational matters for Gypsies/Travellers on visits to sites.

5.6 Results of a survey carried out by the Department of Health in 2004 showed that Gypsy Travellers have significantly poorer health than other English speaking ethnic minorities and economically disadvantaged white UK residents. For Gypsy Travellers, living in a house is associated with long term illness, poorer health state and anxiety. Those who rarely travel have the poorest health. This study also showed an inverse relationship between health needs of Gypsy Travellers and their use of health services. ([The Health Status of Gypsies & Travellers in England, Department of Health 2004](#))

It is the responsibility of all NHS Greater Glasgow and Clyde staff to ensure that everyone who uses the health service or works for us is treated fairly. Equalities legislation has been enacted by the Government to ensure that public organisations promote equality and remove discrimination in the delivery of all their functions.

In order that NHS Greater Glasgow and Clyde is supported to tackle inequality, the Corporate Inequalities Team was set up to:

- Implement the Equality Scheme Action Plan 2010-13 to promote equality and remove discrimination
- Ensure that NHSGGC plans and services are developed in a way which will tackle the health gap
- Work with practitioners to develop [inequalities sensitive practice](#) e.g. routine and sensitive enquiry on gender based violence, financial inclusion, employability and other social issues
- Ensure that NHSGGC meets the needs of [marginalised groups](#) who face additional discrimination and prejudice.

5.7 In general, access to Social Work services are governed by the Social Work (Scotland) Act 1968, and subsequent legislation for various client groups including children, families, vulnerable adults and older people. On the initial visit to unauthorised encampments, staff from Homelessness Services will outline to Gypsies/Travellers' households the availability of social work services, carry out a basic assessment of any requirements, and make referrals to relevant social work teams as required.

5.8 Officers of Inverclyde Council, Inverclyde CHCP and the Police will at all times ensure that any actions taken in respect of the Gypsies/Travellers community will be balanced, consistent, legal, proportionate, and necessary to ensure compliance with the European Convention on Human Rights:

Article 8;

- *Everyone has the right to respect for private and family life, home and correspondence.*
- *There shall be no interference by a public authority with exercise of this right except such as, in accordance with the law, is necessary in a democratic society in the interests of well-being of the country for the prevention of disorder or crime, for the protection of health and morals, or for the protection of the rights and freedoms of others.*

and Article 14;

- ***Prohibition of Discrimination***
- *The enjoyment of the rights and freedoms set forth in the convention shall be secured without discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, national or social origin, associated with a national minority, property, birth or status.*

## **6. Procedural Guidance in response to Gypsies/Travellers Unauthorised Encampments**

6.1 Due to the issues which may arise there is a need for an oversight of the establishment of an encampment which incorporates a multi-agency approach. To this end it has been agreed that such cases be referred to the Service Manager (Homelessness).

6.2 When any new encampment is identified within the area, the Service Manager (Homelessness), or identified deputising officer should be informed immediately.

6.3 The Service Manager (Homelessness Service) will then co-ordinate a clear multi-agency response as outlined in the following procedural steps:

- An initial joint visit to the encampment will be carried out by Community Wardens. This visit will constitute a site assessment, which will ascertain the number of vehicles onsite, and other basic relevant information on households, inclusive of number of children residing onsite where applicable. During this visit images of the camp, details of vehicles using the camp and the condition of the site will be recorded.
- Community Wardens will attempt to identify a spokesperson or representative of the group to advise on the recording of images and the reason for doing so. Community Wardens will answer any queries that arise as a result of the visit. Daily visits thereafter will be undertaken by the mobile CCTV van with a view to keeping recorded images of the conditions of the site, the vehicles that continue to use

the site and to evidence any illegal dumping or damage on or to the site.

- All images shall be stored in accordance with the Data Protection Act 1998. Any evidence gathered may be used as evidence in subsequent criminal or civil court action.
- A record of the site visit will be drawn up and copies passed to Service Manager (Homelessness) and Team Leader, Social Protection, for information.
- A follow-up joint site visit will then be carried out by the Team Leader, Social Protection, and the Police Scotlands Local Authority Liaison Officer, who will engage in direct discussion with the members of the encampment, and seek to obtain additional information in terms of intended length of stay, and will outline to members of the encampment their responsibilities in terms of environmental protection and waste disposal. The information leaflet incorporating the code of conduct will be issued to each van on the site in the course of this visit.
- The follow-up joint visit will ensure that the site does not pose any threat to hygiene, public health, or road safety; and will also ensure that there is no evidence of criminal damage, unnecessary nuisance, or careless waste disposal.
- On completion of the joint site visit, the Team Leader, Social Protection, will complete a Gypsies/Travellers Liaison Record, a copy of which should be sent to the Service Manager (Homelessness), with the original copy being held by the Police.
- Officers involved in the site assessment will inform the Gypsies/Travellers' households on-site that a referral will be made for subsequent visits to be carried out in order to assess any input required from health, social work and education services.
- The Service Manager (Homelessness) will arrange for such visits to be carried out in order to assess any health, welfare or educational needs of the households within the encampment, in conjunction with named contacts in Social Work Services, Education Services and Inverclyde Community Health Partnership.
- A further Gypsies/Travellers Liaison record will be completed and passed to the Service Manager (Homelessness). Any required services will be offered and provided through normal working arrangements by the services involved.
- The Service Manager (Homelessness) will decide whether the establishment of the encampment requires convening where necessary, a meeting of the Gypsies/Travellers Working Group. The Group will comprise of representation from Community Safety & Wellbeing, Education Services, Inverclyde CHCP, and the Police. This

will provide a platform to discuss any issues arising, and facilitate any further appropriate services or required interventions.

- If the unauthorised encampment is set up in a Public park the group will consider the park management rules. If the encampment is in breach of these rules appropriate action will be taken.
- The Group will decide on the frequency of meetings while the Travellers are in situ to monitor service provision to the site, make appropriate decisions for any required additional action, and will set timescales as to reasonable duration of time an unauthorised encampment may be allowed to remain on any particular site. The Group, as directed by the Service Manager (Homelessness), may draw up specific guidelines on timescales which reflect reasonable and realistic pressures on land use and the availability of alternative sites to which Gypsies/Travellers can be directed.
- Inverclyde Council reserves the right to seek legal remedy to pursue the clearance of any site which is deemed unsuitable, or has in the view of the Gypsies/Travellers Working Group, been in situ for an unsustainable period of time.
- All official correspondence with members of an unauthorised encampment should be co-ordinated by the Service Manager (Homelessness) and should take full account of the views expressed within the Gypsies/Travellers Working Group.
- This will assist in ensuring a consistency of approach to service provision to Gypsies/Travellers, and an agreed proportionate response to enquiries, and any statements pertaining to responses made to the establishment of unauthorised encampments in the area.



# **INVERCLYDE COUNCIL**

**GYPSIES / TRAVELLERS**

**UNAUTHORISED ENCAMPMENT**

**CODE OF CONDUCT**

**NOVEMBER 2013**

## GYPSIES / TRAVELLERS CODE OF CONDUCT

Gypsies / Travellers who are found to have formed an unauthorised encampment on Council land:

Will be provided with the code of conduct during the first visit to said camp by officers of the Council.

### Members of the unauthorised encampment while on site MUST:

- Keep the site and surrounding area clean, tidy and free from damage.
- Ensure that trade waste is disposed of properly. (Must have waste disposal certificates.)
- Keep the same standard of behaviour that is expected of the settled community. This includes, but is not restricted to, adherence to all criminal, civil and road traffic laws.
- Observe and adhere to Inverclyde Council's park management rules relating to public parks and parkland.
- Keep all pets / animals under strict control.

## USEFUL CONTACT TELEPHONE NUMBERS

### Police Scotland Greenock

Contact Telephone Number: **101**

You should continue to call **999** in an emergency.

### Inverclyde Council:

(For all services including Education, Community Health & Care Partnership, Environmental Health, Waste Services etc)

Contact Telephone Number: **01475 717171**

### Hospital:

Inverclyde Royal Hospital (A&E)  
Larkfield Road Greenock PA16 0XN

Contact Telephone Number: **01475 633777**

Call NHS 24 on **08454 242424**

During the initial visit, images of the camp, details of the vehicles using the camp and the condition of the site shall be recorded. Community Wardens shall attempt to identify a spokesperson or representative of the group to advise on the recording of images and the reasons for doing so. Community Wardens shall answer any queries that arise as a result of the visit. Daily visits to the camp shall thereafter be undertaken by the mobile CCTV van with a view to keeping recorded images of the condition of the site, the vehicles that continue to use the site and to evidence any illegal dumping or damage on or to the site.

All images shall be stored in accordance with the Data Protection Act 1998. Any evidence gathered may be used as evidence in subsequent criminal or civil court action that may follow thereon.

Should any fly-tipping, litter or damage be found deposited within the unauthorised encampment, the cost of removal or repairs will be subject of invoice to those having used the camp.

- **Respect the rights of other people who may be found in and around the area of the unauthorised encampment.**
- **Leave the site in a clean and tidy condition.**

**Members of unauthorised encampments MUST not:**

- **Dump or tip rubbish, waste materials or trade waste, such as tree cuttings and rubble within the confines of the encampment.**
- **Cause any nuisance to neighbours or damage any property.**
- **Light any fires in or around the encampment.**
- **Deposit or leave human waste in public areas.**
- **Drive vehicles along any footpath or rights of way not specifically designed for road vehicles.**
- **Make excessive noise or indulge in other forms of antisocial behaviour.**
- **Abuse, intimidate or harass any person who is lawfully using or working in the area.**
- **Drive commercial vehicles onto any surface not intended for the use of road vehicles.**
- **Carry on business activities on any public land without prior permission of the Council.**



## **FURTHER INFORMATION**

Inverclyde Council has no current official site provision for Gypsies / Travellers. This being the case, Inverclyde Council fully recognises the Scottish Government Guidelines for managing unauthorised encampments by Gypsies / Travellers.

Inverclyde Council and our Multi-Agency Partners will at all times adopt an approach of co-operation and assistance in response to unauthorised encampments, to ensure the rights of Gypsies / Travellers and those in the broader community are mutually respected.

Inverclyde Council believes that effective management of services to Gypsies / Travellers and the response to unauthorised encampments can only be achieved by effective joint working with multi-agency partners, the broader community and the Gypsies/Travellers themselves.

When an unauthorised encampment has been identified, Inverclyde Council and Inverclyde CHCP will be active in offering advice and practical support on issues such as waste disposal, site hygiene, social care and educational support. The Council will also offer advice and interventions on issues such as road traffic legislation, anti-social behaviour, and other areas of environmental and common law in conjunction with our Police Scotland partners.

That said, Gypsies / Travellers who form part of an unauthorised encampment on public land will be **advised when Inverclyde Council intends to commence legal proceedings to obtain a Court Order authorising their removal from said land**

The Environmental Protection Act 1990 empowers authorised officers of the Council to regulate and to take enforcement action on unsatisfactory site conditions regarding waste management, fly-tipping, and the existence of Statutory Nuisance in particular for insanitary conditions on the site. Officers will advise the site users of their responsibilities regarding these conditions. Failure to deal with unsatisfactory conditions will be addressed using enforcement powers available.

Officers of Inverclyde Council, Inverclyde CHCP and Police Scotland, will at all times ensure that any actions taken in respect of the Gypsies / Travellers Community will be balanced, consistent, legal, proportionate, and necessary to ensure compliance with the European Convention on Human Rights.

Inverclyde Council's Community Warden Service will be responsible for visiting the unauthorised encampment as soon as possible after receiving information that such an encampment has been established on Council land. This visit will include the use of a mobile CCTV van.

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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date</b>	<b>19 November 2013</b>
<b>Report By:</b>	<b>Head of Organisational Development, Human Resources and Communications</b>	<b>Report No:</b>	<b>HR/24/13/GB</b>
<b>Contact Officer:</b>	<b>George Barbour</b>	<b>Contact No:</b>	<b>01475 712385</b>
<b>Subject:</b>	<b>Public Information Notices (PINs) Portal : 'Tell Me Scotland'</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to highlight the development of the national public information notices portal 'Tell me Scotland' and to agree Inverclyde Council's involvement

## 2.0 SUMMARY

- 2.1 'Tell me Scotland' is the national portal for publishing public notices online. It is supported by the Scottish Government and development has been led by the Improvement Service.
- 2.2 Currently 27 of the 32 Scottish Councils participate in uploading public information notices to the national portal.
- 2.3 The most recent visitor figures for the 'Tell Me Scotland' portal are: from 1 April-30 September 2013: 31,505 visits; 133,458 page views. In addition to the portal, an iPhone and android app is also available to allow users to access public notices through mobile devices. In September 2013 32.1% of traffic to the portal came from mobile devices.
- 2.4 Councils are required to advertise statutory public notices in local newspaper and with no change in legislation in place through the Scottish Government; Inverclyde Council would continue to advertise statutory public notices in addition to publishing on the 'Tell Me Scotland' portal.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee agree that the Council participate in the 'Tell Me Scotland' portal site. Statutory notices will be advertised in the local press.

Head of Organisational Development,  
Human Resources and Communications

## **4.0 BACKGROUND**

- 4.1 The portal [www.tellmesotland.gov.uk](http://www.tellmesotland.gov.uk) was delivered through a collaborative partnership under the auspices of the National Shared Services Board, led by COSLA and supported by the Scottish Government. The Improvement Service led the development and delivery of the portal website.
- 4.2 The public information notices portal (PINs), branded as 'Tell Me Scotland' is a web resource to publish public notices across Scotland online in one location.
- 4.3 Currently other Scottish councils are uploading notices to the site. The notices being published include planning notices, roads and licensing.
- 4.4 The most recent visitor figures for the Tell Me Scotland portal are, from 1 April-30 September 2013: 31,505 visits; 133,458 page views. An iPhone and android app is also available to allow users to access public notices through mobile devices. In September 2013 32% of traffic to the portal came from mobile devices.
- 4.5 In addition to local authorities, a range of other public sector organisations are using 'Tell Me Scotland' to publish their notices including: Care Inspectorate; Historic Scotland; Scottish Environment Protection Agency (SEPA); Scottish Natural Heritage and Scottish Water. Discussions have also taken place with community councils on their use of the portal as a key stakeholder and in the potential for publishing their own notices on the site.
- 4.6 Publicising the 'Tell Me Scotland' portal relies on participating councils to actively promote it. The Improvement Service can provide some publicity material such as posters, bookmarks and business cards for display in customer access points.
- 4.7 In addition to making use of these, Inverclyde Council can help to promote the portal and the notices uploaded onto it through its social media channels, by incorporating the website into existing public notice adverts (where space allows); on the Council website and through InView newspaper.

## **5.0 PROPOSALS**

- 5.1 Discussions have taken place between the Council's Corporate Communications Service and the Improvement Service and to allow the Council to participate in Tell Me Scotland it is proposed that training is arranged for the Council by the Improvement Service.

If this is agreed by the Committee the Council would then be able to upload public notice content to the Tell Me Scotland portal by January 2014.

## **6.0 IMPLICATIONS**

- 6.1 Financial Implications – There are no direct costs associated with using the public information notices portal. Funding discussions have taken place between the Scottish Government and the Improvement Service and the indications are that funding shall be provisioned within the current budget estimates being compiled with the Scottish Government for 2014/15.
- 6.2 Human Resources: None
- 6.3 Legal: None
- 6.4 Equalities: None

## **7.0 CONSULTATION**

7.1 n/a

## **8.0 LIST OF BACKGROUND PAPERS**

n/a

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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b> 19 November 2013
<b>Report By:</b>	<b>Head of Organisational Development, HR &amp; Communications</b>	<b>Report No:</b> HR/23/13/PR
<b>Contact Officer:</b>	<b>Pauline Ramsay Health and Safety Team Leader</b>	<b>Contact No:</b> 01475 714723
<b>Subject:</b>	<b>Noise at Work Policy</b>	

---

## 1.0 PURPOSE

- 1.1 To ask the Committee to approve a reviewed Noise at Work Policy for the Council. (Appendix 1)

## 2.0 SUMMARY

- 2.1 The Control of Noise at Work Regulations 2005 place a duty on employers to carry out assessments of the noise levels within their premises and to undertake appropriate preventative action where necessary. This policy formalises these requirements into a corporate policy.
- 2.2 The Health and Safety at Work etc. Act places a duty on employers to prepare a written statement of their general policy and as part of that policy to have in place arrangements for the implementation of Health and Safety. The Noise at Work Policy will form part of the Council's arrangements for Health and Safety.
- 2.3 The policy sets out how the Council will control noise at work in line with the relevant legislation and HSE guidance documentation.
- 2.4 The Organisational Development Strategy was approved by the Policy and Resources Committee in March 2013. This particular proposal is contained within Theme 2 - *Leadership, Succession Planning and Skills Development (Employees our Most Valuable Resource)* and Theme 3 - *Employer of Choice (Continuous Improvement)* in that it focuses on the health, safety and welfare of our workforce.

## 3.0 RECOMMENDATIONS

- 3.1 The Committee is recommended to approve the Noise at Work Policy.
- 3.2 The Committee is asked to support this policy by active promotion of Health and Safety.

Head of Organisational Development,  
Human Resources and Communications

## **4.0 BACKGROUND**

- 4.1 Inverclyde Council is required to ensure that the risks to employee, from excessive noise at work are assessed in line with its legal duties as defined by the Control of Noise at Work Regulations 2005 (as amended), the Management of Health and Safety at Work Regulations 1999 and the Health and Safety at Work etc. Act 1974.
- 4.2 By law (Health and Safety at Work etc Act 1974 section 2(3)) if you employ five or more people you must have a written health and safety policy. This contains a statement of general policy on health and safety at work and the organisation and arrangements in place for putting that policy into practice. The Noise at Work Policy details the arrangements the Council has in place for managing the risks to employee from noise at work.
- 4.3 The Noise at Work Policy sets a clear direction for the Council to follow; it will contribute to all aspects of business performance as part of a demonstrable commitment to continuous improvement. It will demonstrate a shared common understanding of the Council's vision, values and beliefs. A positive Health and Safety culture is fostered by the visible and active leadership of senior managers. This is reflected within the policy.
- 4.4 The policy consists of the following main sections:
- Statement of Policy
  - Roles and Responsibilities
  - How the Policy should be implemented
  - Management Requirements
  - Information and Training Requirements

## **5.0 PROPOSALS**

- 5.1 The Noise at Work Policy to be adopted by Inverclyde Council and used as a framework to further enhance the safety of employees and those affected by the work of the Council.

## **6.0 IMPLICATIONS**

- 6.1 Finance: None
- 6.2 Human Resources: None
- 6.3 Legal: Failure to have a robust Policy in place and to implement it could result in enforcement action being taken against the Council.
- 6.4 Equality: None

## **7.0 CONSULTATION**

- 7.1 The Noise at Work Policy has been coordinated through the Corporate Health and Safety Committee with Health and Safety seeking the views of both union and management colleagues. The Trades Unions have agreed the Policy.

## **8.0 BACKGROUND PAPERS**

- 8.1 Appendix 1 – Noise at Work Policy

*Organisational Development and Human Resources*

## **Noise at Work Policy**

Version 3.0



Produced by:

*Health and Safety, Human Resources*

Inverclyde Council  
Municipal Buildings  
GREENOCK  
PA15 1LX

November 2013

**INVERCLYDE COUNCIL IS AN EQUAL OPPORTUNITIES EMPLOYER**

**THIS POLICY BOOKLET IS AVAILABLE ON REQUEST, IN LARGE PRINT, BRAILLE, ON  
AUDIOTAPE, OR CD.**

## CONTENTS

DOCUMENT CONTROL .....	4
1 INTRODUCTION .....	5
2 STATEMENT OF POLICY .....	5
3 AIMS.....	6
4 SCOPE .....	6
5 CONSULTATION & IMPACT ASSESSMENT .....	6
6 ROLES AND RESPONSIBILITIES.....	6
6.1 Chief Executive, Corporate Management Team and Chief Officers .....	6
6.2 Corporate Directors.....	7
6.3 Heads of Service .....	7
6.4 Managers, Team Leaders and Supervisors .....	7
6.5 Health and Safety Team Leader .....	7
6.6 Corporate Health and Safety Committee.....	8
6.7 Employee Responsibilities .....	8
7 ARRANGEMENTS.....	8
7.1 Definitions .....	8
7.2 Implementation .....	9
8 PROVISION OF TRAINING/INFORMATION ETC .....	12
9 MONITORING, EVALUATION & REVIEW.....	12
APPENDIX 1 .....	13
1 GUIDANCE .....	13
1.1 Assessment of Noise Exposure.....	13
1.2 Records of Assessment.....	14
1.3 Risk Reduction.....	15



1.4	Hearing Protection.....	16
1.5	Maintenance and Use of Equipment.....	17
1.6	Provision of Training/Information etc.....	19
2	SUPERVISION.....	19
3	EMPLOYEES DUTIES.....	20
4	RELATED DOCUMENTS .....	20
	APPENDIX 2 .....	21
	APPENDIX 3 .....	25

## DOCUMENT CONTROL

<b>Document Responsibility</b>		
<b>Name</b>	<b>Title</b>	<b>Service</b>
Pauline Ramsay	Health and Safety Team Leader	Organisational Development, Human Resources and Communication

<b>Change History</b>		
<b>Version</b>	<b>Date</b>	<b>Comments</b>
1.0	1999	Original
2.0	September 2007	Updated to reflect the requirements of the Noise at Work Regulations 2005
3.0	November 2013	Periodic review

<b>Distribution</b>		
<b>Name</b>	<b>Title</b>	<b>Location</b>
<b>CMT and Management Team</b>		
Chief Executive		
Corporate Directors		
Heads of Service		
Union Representatives		
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Billy Matthews	UNISON	Fitzgerald Centre
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Noreen McMillan	NAWUWT	Gourock High School

*Distribution may be made to others on request*

<b>Policy Review</b>		
<b>Review Date</b>	<b>Person Responsible</b>	<b>Service</b>
November 2017	Health and Safety Team Leader	OD, HR & Comms

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## 1 INTRODUCTION

Inverclyde Council is committed to protecting the health, safety and welfare of all employees by promoting a healthy and supportive working environment. The Council recognises the importance of managing workplace noise.

The Control of Noise at Work Regulations 2005 place a duty on employers to carry out assessments of the noise levels within their premises and to undertake appropriate preventative action where necessary. The regulations apply to all workplaces throughout the Council e.g.

- Schools
- Offices
- Workshops
- Garages
- Parks

Hearing loss caused by work is preventable, but once your hearing has gone it will not come back. Some 17,000 people in the UK suffer deafness, ringing in the ears or other ear conditions caused by excessive noise at work.

Hearing loss is not the only problem. People may develop tinnitus (ringing, whistling, buzzing or humming in the ears), a distressing condition which can lead to disturbed sleep. Noise at work can interfere with communications and make warnings harder to hear. It can also reduce a person's awareness of his or her surroundings. These factors can lead to safety risks – putting people at risk of injury or death.

### Is noise a problem?

You will probably need to do something about the noise if any of the following apply:

- the noise is intrusive-like a busy street, a vacuum cleaner or a crowded restaurant, or worse than intrusive, for most of the working day
- your employees have to raise their voices to have a normal conversation when about 2 metres apart for at least part of the day
- your employees use noisy powered tools or machinery for more than half an hour a day
- your work sector is one known to have noisy tasks, e.g. road repair, woodworking, engineering, general fabrication, waste and recycling
- there are noises due to impacts (such as hammering, pneumatic impact tools etc), explosive sources such as cartridge-operated tools or detonators, or guns

Situations where you will need to consider safety issues in relation to noise include where:

- you use warning sounds to avoid or alert to dangerous situations
- working practices rely on verbal communications
- there is work around mobile machinery or traffic

## 2 STATEMENT OF POLICY

Inverclyde Council will undertake to meet the requirements of the Control of Noise at Work Regulations 2005 (as amended), by undertaking a programme of noise assessments and implementing appropriate measures to reduce noise exposure.

The results of the assessments will be used as a basis to provide suitable information, instruction and training to employees to assist in the provision of appropriate management systems and equipment as required by the above regulations.

Directors will ensure that suitable arrangements are in place for all areas of operations for which they are responsible, to ensure compliance with duties placed on their Directorate.

### **3 AIMS**

This policy aims to provide guidance and information to Services to help them to manage the risk of injury to or ill health to employees who carry out their work for the Council.

### **4 SCOPE**

This policy applies equally to all employees regardless of grade, experience or role within the organisation. The policy also applies to contracted staff as far as is reasonably practicable.

### **5 CONSULTATION & IMPACT ASSESSMENT**

5.1 Inverclyde Council recognises the importance of employee consultation and is committed to involving all employees in the development of policies and procedures. The following groups are formally consulted:

- Trade Union Representatives through the Corporate Health and Safety Committee.
- All Chief Officers.
- Employees via the Council Intranet.

5.2 An Equalities Impact Assessment was carried out using the Council's Equalities Impact Assessment Template.

### **6 ROLES AND RESPONSIBILITIES**

All Directorates will ensure a system is in place to identify areas requiring assessment and that appropriate steps are taken to reduce the exposure to noise within the workplace. Each assessment must be reviewed when there is reason to believe that the assessment is no longer valid e.g. when there has been a significant change to the workplace/work equipment, after a period of no greater than two years or on the request of the operator of the equipment.

#### **6.1 Chief Executive, Corporate Management Team and Chief Officers**

The Chief Executive and Corporate Management Team are responsible for overall implementation of this Policy.

The Chief Executive will ensure that as far as is reasonably practicable adequate finance and other resources are allocated to ensure the health and safety of employees and those other persons who may be affected by the activities and actions of the Council with regard to workplace noise.

Corporate Directors and Heads of Service are responsible, as far as is reasonably practicable, for ensuring the health, safety and welfare at work of all employees in their respective service. These responsibilities are detailed in the Corporate Health and Safety Policy. With regard to Workplace

Noise, The Chief Executive, The Corporate Management Team, Corporate Directors and Heads of Service will ensure that:

- the Noise Policy is maintained and adhered to.

## **6.2 Corporate Directors**

The Chief Executive has confirmed the Corporate Director, Education, Communities and Organisational Development with particular responsibility for corporate health, safety and welfare. This Corporate Director will take the overall lead on corporate health and safety issues affecting more than one department.

Corporate Directors and Heads of Service, have a collective and individual responsibility to employees in providing Health and Safety leadership within Inverclyde Council, they should ensure that their Directorate complies with all aspects of this policy.

## **6.3 Heads of Service**

Heads of Service will have a pivotal role in the effective implementation of this policy. They shall be responsible for ensuring that suitable and sufficient arrangements are in place to implement the Noise Policy within their sphere of responsibility.

## **6.4 Managers, Team Leaders and Supervisors**

Managers, Team Leaders and Supervisors will perform a crucial role in ensuring that this policy is implemented. They shall be responsible for ensuring that suitable and sufficient arrangements are in place to implement the Noise Policy within their sphere of responsibility.

Managers, Team Leaders and Supervisors should ensure that where noise exposure is a risk factor for employees that the following are carried out:

- Identify activities likely to lead to noise exposure
- Identify persons likely to be affected including exposure patterns
- Arrange noise measurements for key areas of activity, review existing control measures and implement further controls as necessary.
- Record the findings including noise data obtained which provides important information for determining controls.
- Review and revise the risk assessments regularly.
- Implement appropriate hearing protection measures.
- Maintain control measures.
- Provide information, instruction and training about noise risks.
- Provide supervision to ensure safe methods of work are followed by employees.

## **6.5 Health and Safety Team Leader**

The Council Health and Safety Team Leader shall ensure that the Noise Policy is monitored for effectiveness, is subject to regular review, and is revised when necessary. They shall do so in conjunction with the Corporate Health and Safety Committee, Heads of Service and Trades Union Safety representatives.

Noise assessments are to be carried out by a competent person; this can be an external contractor or the Council's Health and Safety Unit depending on the availability of a designated competent person. The H&S Team Leader shall ensure that all noise monitoring equipment is serviced and calibrated in accordance the Noise at Work Regulations.

The Health and Safety Section of Human Resources and Organisational Development will monitor Directorate compliance with this policy.

## 6.6 Corporate Health and Safety Committee

The Corporate Health and Safety Committee will perform a pivotal role in ensuring that this policy is implemented.

The safety committee will oversee monitoring of the effectiveness of the policy and other measures to reduce risks with regard to workplace noise.

## 6.7 Employee Responsibilities

All employees have a responsibility to ensure that they are complying with the health and safety procedures and requirements appropriate to their job. To achieve this, in relation to this Policy, employees should:

- ensure that they understand this policy and their obligations under it
- report any risks arising from workplace noise to their line manager
- comply with any safe system of work that has been implemented by the supervisor or line manager, an example of this would be to abide by any signage or instruction such as "hearing protection must be worn"

# 7 ARRANGEMENTS

## 7.1 Definitions

A number of specialist terms and phrases are used in this document; the main terms are defined as follows:

Daily personal noise exposure	is the level of the daily noise exposure of an employee, but taking no account of any personal protective equipment used.
Exposed	exposed to noise whilst at work.
Lower Exposure Action levels	a daily personal noise exposure of 80 dB (A)
Upper Exposure Action Levels	a daily personal noise exposure of 85 dB (A)
Levels not to be exceeded	a daily personal noise exposure of 87dB(A) peak sound pressure of 137 Pascal's
dB	the unit of measuring sound, the unit is a decibel.

dB(A)	refers to the unit of measuring sound as heard by the ear, the unit is also a decibel.
$L_{EP,d}$	the daily personal noise exposure over an 8 hour working day.
$L_{eq}$	the exposure to noise over the period of noise measurement.

## 7.2 Implementation

### 7.2.1 Assessment of Exposure

The Control of Noise at Work Regulations 2005, require the employer to assess the noise levels within the workplace. The assessment should involve the measurement of sound at the operators ear and provide enough information to determine if the exposure to noise exceeds the action levels indicated within the regulations.

Directorates will develop management systems to clearly identify areas of operation that may constitute a noise "hazard". Directorates should contact the H&S Team Leader to arrange noise assessments of those "noise hazard" areas. The noise assessments shall be used to formulate a directorate action plan to reduce noise exposure.

The assessment process should clearly identify:

1. Which employees are exposed
2. What noise sources they are exposed to
3. To what extent they are exposed, and
4. The information required to facilitate:
  - a. Noise reduction at source
  - b. Provision of suitable hearing protectors
  - c. Demarcation of Hearing protection zones
  - d. Provision of information on exposure levels to employees.

The assessment will be reviewed when there is reason to suspect the original assessment is no longer valid including, for example, a significant change in the work to which the assessment relates.

Any scheme of assessment developed to comply with these regulations, should be developed in conjunction with the Health and Safety Team Leader.

Noise assessments will be undertaken by competent persons using equipment that is suitable and has been calibrated in accordance with the manufacturers instructions.

### 7.2.2 Record of Assessment

Any assessment carried out under the Control of Noise at Work Regulations 2005 shall be recorded in a format that includes details of:

- the work location
- the task being monitored
- when the assessment was undertaken
- persons involved in the assessment
- the results
- the recommendations

Directors will ensure that a system is in place within their directorate to record assessments in a suitable format and that these records are kept for future reference.

### 7.2.3 Controlling Noise

Directors will put into place systems to:

1. Eliminate risks from noise exposure completely where it is reasonably practicable to do so.
2. If it is not reasonably practicable to eliminate the risks completely to reduce them to as low a level as is reasonably practicable.
3. Where any employee is likely to be exposed to a daily exposure in excess of the lower action level “80 dB(A)” but no greater than the upper action level “85 dB(A)” provision of:
  - Information and training on the risk from workplace noise and hearing damage.
  - Suitable and sufficient hearing protectors are available for employees.
4. Where an employees exposure to noise is likely to exceed the upper exposure action value “85 dB(A)” develop an action plan to reduce noise exposure. This should include:
  - Eliminating the risk e.g. can it be done another way e.g. without power tools.
  - Reduce the employee noise exposure e.g. purchase low noise equipment.
  - Isolate the noise source e.g. sound dampening material around the noise source. Equipment monitored/operated remotely.
  - Control methods to reduce employee exposure time to noise e.g. job rotation.
  - Provision of mandatory PPE e.g. ear defenders or ear plugs.
5. Ensure no employee is exposed above the exposure limit value “87 dB(A)”.



#### 7.2.4 Risk Reduction

Directorates will put in place systems to reduce risks identified by noise assessments. There is an obligation for employers to :

1. Reduce risk of damage to the hearing of employees from exposure to noise, to the lowest level that is reasonably practicable
2. Reduce noise exposure, when any of his employees are likely to be exposed to the second action level or above or to the peak action level, so far as is reasonably practicable without the use of personal protective equipment.

Systems established to reduce the risks associated with noise, should consider the following:

1. Identifying the noise source
2. Identifying reasonably practicable steps to reduce noise level by engineering means
3. establishing priorities for action
4. ensure that action is taken
5. reassessment of noise exposure

#### 7.2.5 Hearing Protection

Directorates shall ensure, that when any employee is likely to be exposed to a daily exposure in excess of the first action level but no greater than the second action level that suitable and sufficient hearing protectors are available for employees who ask for them.

Directorates shall ensure that when any employees are likely to be exposed to the second action level or above or to the peak action level or above, then employees will be provided with suitable personal ear protectors, which, when properly worn, could be expected to reduce the noise level at the ear to a level below the second action level or indeed the peak action level. The wearing of such hearing protection should, so far as is reasonably practicable, be enforced. Areas where hearing protection should be worn should be designated as Hearing Protection Zones.

Ear protectors must also be available for visitors who may access areas designated as Hearing Protection Zones.

#### 7.2.6 Maintenance and Use of Equipment

All directorates will ensure that equipment provided to control noise at work, other than personal protective equipment, is properly maintained and used.

All directorates will make known to their employees the employees duties to make full and proper use of personal hearing protectors, in addition, there shall be a system in place to permit the maintenance of personal hearing protectors, including the methods of reporting faulty/broken equipment and its subsequent repair or replacement.

#### 7.2.7 Supervision

All departments will ensure that there is in place a appropriate system of supervision to ensure that all systems and equipment provided to reduce workplace noise are used properly and in accordance with departmental guidance.

## **8 PROVISION OF TRAINING/INFORMATION ETC**

Directorates will ensure that there is a programme of training and information provision as necessary, this programme of training/information will include:

1. Assessment information
2. General Noise Awareness
3. Employees Duties
4. How to use equipment provided to reduce the risks associated with workplace noise
5. Arrangements for the provision of hearing protectors

## **9 MONITORING, EVALUATION & REVIEW**

This reviewed policy was ratified by the Council's Policy and Resources Committee on xxxx and implemented immediately thereafter.

Regular monitoring and review are necessary to measure the effectiveness of the policy and to ensure it remains relevant to the needs of the Council. This policy will be subject to monitoring and review on a regular basis by the Corporate Health and Safety Section via the Corporate Health and Safety Committee.

The policy will be reviewed 12 months from implementation and every three years thereafter unless there is significant change in legislative requirements or risk assessment identifies a need for review. Measuring the effectiveness of the policy will include the auditing of compliance with this policy.

## APPENDIX 1

### 1 GUIDANCE

#### 1.1 Assessment of Noise Exposure

##### 1.1.1 Competent Persons

The Control of Noise at Work Regulations 2005 clearly indicates that assessments be carried out by competent persons, this means that the employer will have to be sure that the assessment work is carried out by someone having the appropriate training and experience. The Health and Safety Executive indicate that the ability to understand and apply the Controlling Noise at Work ACOP L108 would demonstrate the appropriate level of competence. Departments should therefore ensure that persons undertaking noise surveys/assessments are at least competent to this level. Advice on this matter can be obtained from the Team Leader Health and Safety OD&HR.

##### 1.1.2 Noise Assessments

The need for an assessment can be normally be determined without the need of noise measuring equipment, you can use the simple tests below.

<b>Test</b>	<b>Probable noise level</b>	<b>A risk assessment will be needed if the noise is like this for more than:</b>
The noise is intrusive but normal conversation is possible	80 dB	6 hours
You have to shout to talk to someone 2 m away	85 dB	2 hours
You have to shout to talk to someone 1 m away	90 dB	45 minutes

**Table 1** Simple tests to see if a noise risk assessment is needed

Where there is any doubt about the noise levels then measurements should be taken, and if this indicates levels of exposure above the first action level then a more detailed assessment will be required.

Any assessment undertaken to comply with the Regulations will need to:

- Identify all workers likely to be exposed to noise at or above the first action level or at or above the peak action level.
- Provide further information, where action is considered necessary to assist the employer to reduce the risks.

It should be noted that it is possible to undertake an adequate assessment of risk, without monitoring every employee, the following advice is given in relation to the assessment of risk within groups of employees:

1. Where groups are employed in areas where the noise levels are uniform then it is acceptable to base an assessment on the noise levels in the working area and the length of time the employees spend in the area.
2. Where employees are employed to do similar tasks, then an assessment of a sample of employees can be used to provide a representative record of exposure.
3. Exposure calculations, and thus assessments may be adequate if information about the noise produced by machines is provided by the supplier/ manufacturer.

### 1.1.3 Noise Assessment Equipment

Equipment used to undertake assessments/ surveys needs to be suitable for the task and calibrated in accordance with the manufacturers instructions and certainly within the preceding 12 month period.

### 1.1.4 Octave band analysis

In circumstances where exposure levels approach or exceed 85 dB(A) then an Octave band analysis should be undertaken by the competent person and the information used to ensure that suitable control measures are introduced or maintained to control the frequencies identified as causing problems. In situations where hearing protectors are in use the octave band analysis should be used to ensure that the PPE provided has the correct attenuation.

Departmental arrangements should include systems to ensure that surveys/ assessments are undertaken using appropriate calibrated equipment and competent persons.

## 1.2 Records of Assessment

There are no defined standards of recording assessment results, the nature of the report is ultimately a choice for the competent person, however, any assessment carried out under the Control of Noise at Work Regulations 2005 shall be recorded in format that includes details of:

- the work location
- the task being monitored
- when the assessment was undertaken
- persons involved in the assessment
- the results
- details of instrumentation used and calibration confirmation
- the recommendations

Records of assessment should be kept in a form that is easily accessible.

Record of assessment should be kept until it is replaced by a new assessment with the old records then archived. Old records should only be destroyed with specific authorisation from the Council's Health and Safety Team Leader on a record per record basis.

### 1.3 Risk Reduction

The Control of Noise at Work Regulations 2005 require the employer to reduce the noise at source and thus reduce the risk of hearing damage. As a result of assessment, departments may have to put in place measures to reduce the risks from workplace noise.

Departments should include as part of their "Safety Plan" indications of measures being undertaken to reduce the noise levels at source, this may include.

- planned maintenance systems
- asset replacement programmes or
- purchasing policies where departments take conscious decisions to purchase quieter machines

Where proposed reduction measures are not being implemented, reasons for the decision should be recorded.

In addition to the above steps, the assessment/survey should also identify steps that can be taken by the employer to reduce noise in the workplace. Often these will be simple cost effective measures, however, on occasions there may be a need to enlist the services of an acoustic engineer.

Any programme of noise reduction will actively consider the following:

- a) Identifying the major noise sources
- b) Identifying reasonably practicable steps that can be taken to reduce the noise level by engineered methods
- c) Establishing priorities for action
- d) Ensuring action is taken
- e) Re-assessment procedures

Resources allocated to the noise reduction programme should be allocated giving due regard to the following factors:

- a) The number of people who will benefit from the programmed measure
- b) The noise exposure levels involved in the work area
- c) The cost effectiveness of the engineering and/or organisational measures proposed, ie implement the most cost effective measures first
- d) The likelihood that the engineered methods proposed will produce measurable worthwhile results
- e) Environmental/operational factors that make the wearing of hearing protection undesirable.

### 1.3.1 Limiting exposure

It may be possible to reduce an employees noise exposure by limiting their time in a noisy work environment. The benefits from this are small and the operation of such a system is very difficult and fraught with supervision difficulties especially if you consider that halving the time of exposure will only equate to a 3dB(A) reduction in exposure. This method may however prove useful as a short term control measure if managed properly and perhaps combined with other techniques.

### 1.3.2 Noise refuges

In situations where employees are based in a continually noisy environment, it is recommended that consideration be given to the installation and use of noise survey and assessment undertaken by the competent person, alternatively advice can be obtained from the Council Health and Safety Team Leader.

### 1.3.3 Hearing Protection Zones

In situations where the noise level are such that an employee may attain an exposure equivalent to, or above, the second or peak action level then steps should be taken to erect suitable signs to show where employees are expected to wear hearing protectors.

Such signs must comply with the Safety Signs and Signals Regulations 1996 and be displayed at each entrance to the affected workplace and also at appropriate intervals within the workplace. The employer is required, so far as is reasonably practicable, to ensure that all persons entering the nominated zone wear the required hearing protectors.



Hearing protection zone sign.

## 1.4 Hearing Protection

Where control of noise is not reasonably practicable, or indeed there is a delay before an employer is able to control the noise exposure effectively, then, there is a duty on employers to provide suitable hearing protection. Departments will have to make available on request, appropriate hearing protectors to employers who have a measured noise exposure between the first and second action levels (80-85 dB(A)).

There is a need to provide suitable information, instruction and training in the use of the PPE provided.

Where daily noise exposure is measured at above the upper exposure action levels or the peak action level, then, in the absence of other control measures, suitable PPE must be provided and worn together with suitable information, instruction and training.

#### 1.4.1 Suitability of Hearing Protectors

Any hearing protection equipment provided to reduce exposure to noise must be of a suitable type. Departments must consider a number of factors before issuing PPE to employees.

Factors to consider include:

- a) Attenuation properties of the protectors at certain frequencies
- b) Frequency of use, ie, is it all day every day, or for one hour every week etc.
- c) Suitability of hearing protectors with other forms of PPE, eg, safety spectacles will often reduce the effectiveness of ear muff style protectors or safety helmets may make the use of certain ear muffs impossible
- d) Environmental conditions, eg, is it particularly hot or humid in which case standard ear muffs may be difficult to maintain
- e) Are employees working in particularly dirty environments where the hygienic condition of foam ear plugs may be difficult to maintain
- f) Are employees subject to ear infections, which make ear plugs inappropriate

#### 1.4.2 AUDIOMETRIC TESTING

Where employees undertake work regularly at noise levels in excess of the upper exposure action levels, they should be referred to Human Resources for referral to Occupational Health for audiometric testing at regular interval throughout their employment. Employees who also indicate that they have a family history of becoming deaf early on in life should also be referred to Human Resources for referral to Occupational Health. In order to provide a baseline and to identify potential hearing problems, pre-employment testing should be carried out and advice sought from the Councils Occupational Health provider.

### 1.5 Maintenance and Use of Equipment

Departments must ensure that equipment provided to reduce noise levels, must be maintained and used correctly

The following guidance relates to all equipment provided under these regulations:

#### 1.5.1 Noise Control Equipment

Departments should have systems in place to check, on a regular basis, that all noise control equipment is in good condition and being properly used. Should any deficiencies be found during the check, or as a result of a reported fault, then the defect must be rectified promptly. To assist in this process, a suitable system to report defects/concerns should be established and made known to all appropriate employees. It is likely that this reporting system would be co-ordinated by a senior manager with the authority to rectify the defects.

### 1.5.2 Hearing Protection Programme

Departments are strongly encouraged to adopt a "Hearing Protection Programme", such a programme involves regular information, instruction and training to employee working in noisy environments, this can be achieved through:

- a) Appropriate statements and information within the departmental safety arrangements.
- b) Appropriate signs and information notices throughout the workplace advising persons where and when to use noise reduction equipment/personal protective equipment
- c) Allocation of clear responsibilities in terms of co-ordination of the hearing protection programme, the distribution of hearing protectors and the maintenance of protectors and other noise protection equipment
- d) Suitable and sufficient information, instruction and training on all aspects of noise and the systems of control
- e) Appropriate record systems, that are able to indicate the types of PPE issued, any repairs/problems identified with the issued equipment and the level of instruction, information and training given.
- f) Use of a monitoring system to ensure that all of the above operate in accordance with departmental instructions and guidance. Such monitoring might include: Spot checks, feedback systems on suitability of measures/equipment, links to disciplinary procedures.



## 1.6 Provision of Training/Information etc

There is a legal requirement for the department to provide "adequate information, instruction and training on all aspects of noise control. The provision of such training and information could be through a number of methods, for example:

- Noise Information sheet (Appendix 2)
- "Tool box talk" (Appendix 3)
- Training briefings
- Short courses
- Demonstration by supervisors
- Employee training programme
- Video presentations etc.

Any information given, must be in a form that is easily understood by employees and should consider some essential factors, these factors include:

A programme of training/information will include:

1. The likely noise exposure, based on assessment results and the risk to hearing
2. How to report defects in hearing protectors and noise control equipment
3. Where and how ear protectors can be obtained and how to use them
4. The employees duties under the regulations
5. The steps that an employee can take to minimise the risk of hearing damage
6. Advise on the symptoms and signs of hearing damage and the steps to take if concerned
7. How to use equipment provided to reduce the risks associated with the workplace

## 2 SUPERVISION

It is often the case that although employers put in place many of the systems contained within this and other guidance documents, inadequate supervision of the work activity can result in the system being ineffective.

It is therefore stressed that supervision of Noise Control Programmes. Hearing Protection Programmes or other departmental measures, put in place to comply with these regulations, is vital and that adequate supervision levels must be maintained and monitored by the department.

### 3 EMPLOYEES DUTIES

Any training programme or information system put in place by a department should detail the employees duties under these regulations. The employees duties are detailed below:

Employees have a duty to:

- 1) co-operate with the assessment of noise exposure
- 2) use noise control measures, such as exhaust silencers and machine enclosures, in accordance with departmental instructions
- 3) wear hearing protectors provided at or above the upper or peak action levels and in areas marked as a "hearing protection zone"
- 4) take care of personal protective equipment and noise control equipment provided, making use of storage accommodation after use
- 5) report, in accordance with departmental procedures, any defect found in hearing protectors or noise control equipment.

### 4 RELATED DOCUMENTS

The following noise guidance can be found on the HSE website:

- Controlling noise at work. Guidance on the Control of Noise at Work Regulations 2005.[1]  
L108, ISBN 0 7176 6164 4 HSE Books  
This book replaces the 1998 edition of L108 Reducing Noise at Work. Guidance on the Noise at Work Regulations (ISBN 0 7176 1511 1).
- Sound Advice: control of noise at work in music and entertainment. HSG260[2]. HSG260, 0 7176 6307 1 HSE Books.  
This book contains practical guidance on the control of noise at work in music and entertainment.
- HSE's free employers leaflet Noise at Work - Advice for employers INDG362 (rev 1)[3]  
This leaflet is for employers on good practice and considering what they need to do
- Noise - Don't lose your hearing (HSE's free pocket card) INDG363[4]  
Contains notes on good practice which you may find helpful.

**APPENDIX 2**

**Information Sheet No. 17**

**Noise at Work Regulations 2005**

## Information Sheet No. 17

### Noise at Work Regulations 2005

The Noise at Work Regulations provide a legal framework to protect people from the effects of prolonged exposure to excessive noise levels. Employers and employees have legal responsibilities to ensure their health and safety at work.

#### What is noise?

For the purpose of the Noise at Work Regulations, 'any audible sound' is treated as noise. In non-legal terms noise is usually defined as 'any unwanted sound'.

#### How noise is measured

Noise is measured in decibels (dB). An 'A-Weighting' sometimes written as dB(A) is used to measure average noise levels, and a 'C weighting or dB(C)' to measure peak, impact or explosive noises.

You might just notice a 3dB change in noise level, because the way our ear works. Yet every 3dB doubles the noise, so what might seem like small differences in the numbers can be quite significant.

#### Some useful definitions

dB - decibel, a measurement of sound.

dB(A) - reflects how the hearing mechanism of the body works.

Lep,d - a is the daily personal noise exposure level.

First (lower) Action Level - an Lep,d of 80 dB(A).

Second (upper) Action Level - an Lep,d of 85 dB(A).

Peak Action Level - a peak sound pressure of 200 pascals.

#### The Legal Requirements

Employer's Duties include:

- Identify activities likely to lead to noise exposure;
- Identify persons likely to be affected, including exposure patterns;
- Undertake noise measurements for key areas of activity, and review existing control measures and implement further controls as necessary;
- Record the findings, including noise data obtained, which provides important information for determining control;
- Review, revise and audit the risk assessments of their implementation.

#### Employee's Duties Include:

- Use ear defenders when they are provided by employer;
- Use any other protective measures provided by employer, in compliance with these regulations;
- Report any defects, concerning the protective equipment and control measures, to the employer.

#### Noise and Hearing

The tissue in the inner ear, like any other tissue, can be damaged, and this damage will depend on the level of the sound, its duration, and to some extent on its frequency.

Exposure to a quieter noise for a long period of time could be just as damaging as exposure to a louder noise for a shorter period.

Clearly the level of sound is important, the loudest sounds causing the most damage. The duration of the sound is also important, since the effect of deafness is progressive, and the ear must be allowed to recover from any exposure. Hearing damage in most cases cannot be cured medically or surgically, and the use of hearing aids will not usually solve problems.

Remember: young people can be damaged as easily as the old.

### Some noise levels of specific activities

Some examples of typical noise levels are shown. This indicates that a quiet office may range from 40 - 50dB, while a road drill can produce 100 -110 dB.



### Ear protectors

Types of protectors

Ear muffs – these are normally hard plastic cups which fit over and surround the ears, and are sealed to the head by cushion seals filled with soft plastic foam or a viscous liquid. The inner surfaces of the cups are covered with a sound absorbing material, usually a soft plastics foam.

- ear plugs – these fit into the ear canal. There are different types of ear plugs available:
- Permanent – can be used for an infinite time; available in a range of sizes.
- reusable – can be used a few times; must be cleaned regularly.
- Disposable – are thrown away after one use; can usually fit most people without requiring specialist fit.

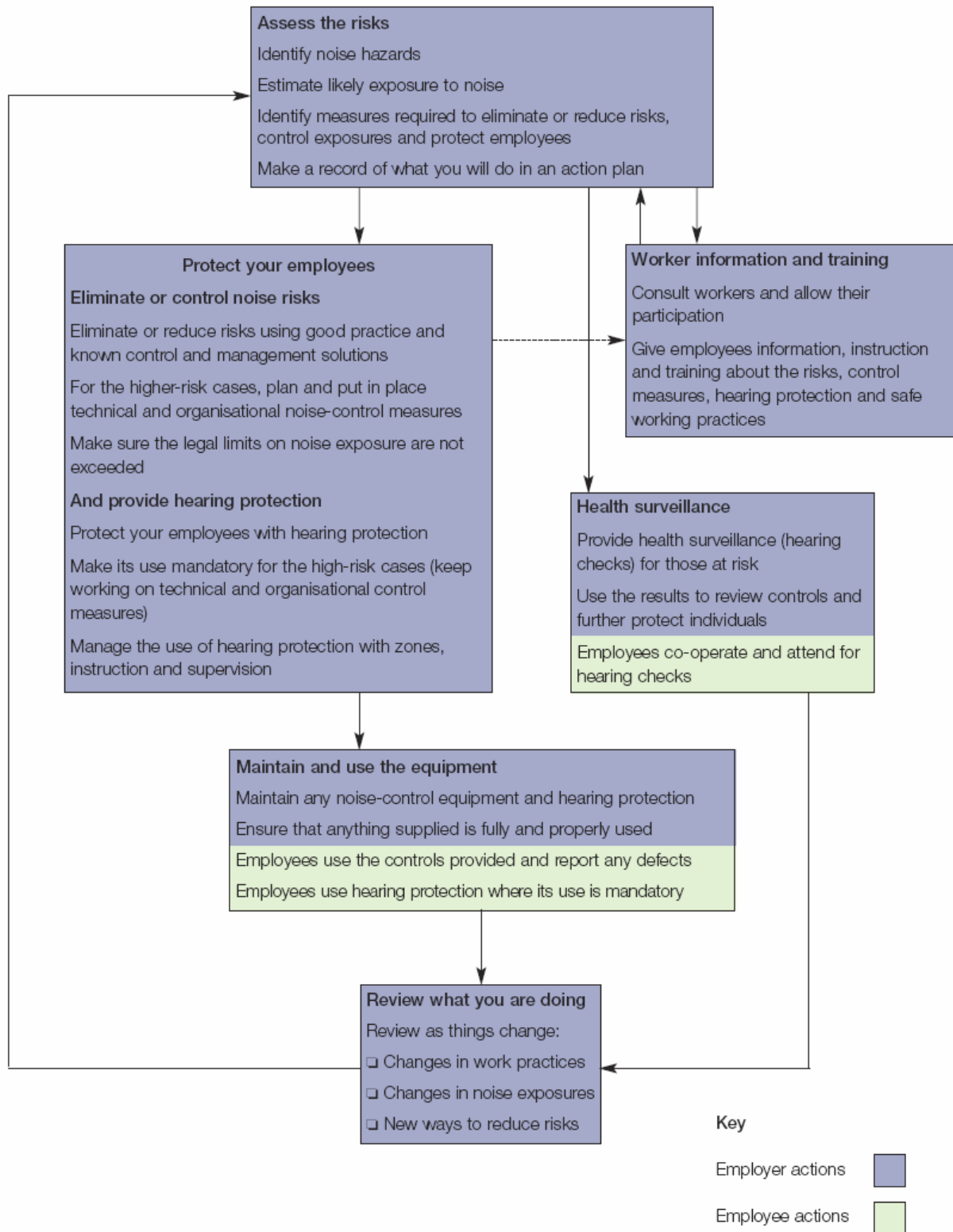
### Noise Assessments

A noise assessment is required where an employee is likely to be exposed at or above the First or the Peak Action Level. The assessment will need to:-

- identify all workers likely to be exposed, and
- Provide information to indicate where action is needed and help the employer decide what further action is appropriate.

Assessments should be based on reliable information about work patterns and noise levels, so the affected employees and their safety representatives should be consulted; this will also help ensure their co-operation with any control measures that might turn out to be needed.

## Managing Noise Risk



## **APPENDIX 3**

### **Toolbox Talk: Noise**

## **Toolbox Talk: Noise**

### Noise



### **The law**

**The Control of Noise at Work Regulations 2005 require employers to take action to prevent or reduce risks to health and safety from noise at work.**

Loud noise at work can damage your hearing. This usually happens gradually and it may only be when the damage caused by noise combines with hearing loss due to ageing that people realise how impaired their hearing has become .

#### **Why is dealing with noise important?**

- Noise at work can cause hearing damage that is permanent and disabling. This can be gradual, from exposure to noise over time, but damage can also be caused by sudden, extremely loud, noises. The damage is disabling in that it could stop you being able to understand speech, keep up with conversations or use the telephone.
- Hearing loss is not the only problem. You may develop tinnitus (ringing, whistling, buzzing or humming in the ears), a distressing condition which can lead to disturbed sleep.
- Noise at work can interfere with communications and make warnings harder to hear. It could also reduce awareness of your surroundings. These factors can lead to safety risks – putting your colleagues and others at risk of injury or death.

#### **How would you recognise a noise problem?**

We will probably need to do something about the noise if any of the following apply:

- the noise is intrusive-like a busy street, a vacuum cleaner or a crowded restaurant, or worse than intrusive, for most of the working day
- You have to raise your voice to have a normal conversation when about 2 metres apart for at least part of the day
- You use noisy powered tools or machinery for more than half an hour a day



- our sector is one known to have noisy tasks, e.g. construction, road repair, woodworking, engineering, waste and recycling
- there are noises due to impacts (such as hammering, pneumatic impact tools etc), explosive sources such as cartridge-operated tools

**Situations where we need to consider safety issues in relation to noise include where:**

- You use warning sounds to avoid or alert others to dangerous situations
- Your working practices rely on verbal communications
- You work around mobile machinery or traffic

**How can we control noise?**

There are many ways of reducing noise and noise exposure. There are practical, cost-effective actions to control noise risks. Guidance is available e.g. HSE's noise at work website or Council Intranet H&S pages.

First, we think about how to remove the source of noise altogether, for example housing a noisy machine where it cannot be heard by you.

If that is not possible, other safe methods of work may include:

- You use quieter equipment
- You use screens, barriers, enclosures and absorbent materials to reduce the noise
- You limit the time you operate noisy equipment
- You limit the time spent in noisy areas/rooms
- You wear PPE provided e.g. Ear Defenders, Ear Plugs

**When should personal hearing protection be used?**

Hearing protection (PPE) shall be issued to you:

- where extra protection is needed above what has been achieved using other noise control methods
- for short-term protection, while other methods of controlling noise are being developed
- where hearing protection zones are designated/signposted

**You shall receive PPE training on the following:**

- » **Correct use**
- » **Storage**
- » **Reporting damage or loss**

**Detecting damage to hearing**

You shall receive suitable health surveillance (regular hearing checks) should the following apply:

- If you are frequently exposed to noise above the upper action level (85dB(A))
- If you indicate that you have a family history of deafness developing early on in life
- If you inform your Supervisor of an existing hearing problem

**Further help and guidance is available to you from:**

- HSE website: <http://www.hse.gov.uk/noise/>
- Council intranet: <http://icon/health-and-safety/health-and-safety-policy-and-guidance/noise-work/>
- Council Health and Safety Section on Ext: 4723

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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b> 19 November 2013
<b>Report By:</b>	<b>Head of Organisational Development, Human Resources and Communications</b>	<b>Report No:</b> HR/25/13/GB
<b>Contact Officer:</b>	<b>George Barbour</b>	<b>Contact No:</b> 01475 712385
<b>Subject:</b>	<b>Media and Social Media Protocol</b>	

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to propose a new media protocol incorporating social media.

## **2.0 SUMMARY**

- 2.1 The draft press and social media protocol (Appendix 1) sets out the Council's overall approach to delivering press and media relations. It also incorporates social media and will assist in the co-ordination of communications activity.
- 2.2 The revised protocol updates the original protocol that was in place for the Council.

## **3.0 RECOMMENDATION**

- 3.1 The Committee is asked to agree the introduction of a new media and social media protocol.

Head of Organisational Development,  
Human Resources and Communications

#### **4.0 BACKGROUND**

- 4.1 The attached media and social media protocol (Appendix 1) has been submitted to and agreed by the Corporate Management Team.
- 4.2 It incorporates many of the Council's Corporate Communications team existing operating procedures and includes specific reference to social media mechanisms.
- 4.3 The protocol has been developed for both elected members and officers.

#### **5.0 PROPOSALS**

- 5.1 The attached media and social media protocol aims to assist the Council and the Corporate Communications service in the co-ordination of the Council's media relations with particular reference to social media.
- 5.2 The protocol sets out a standardised system for press and media relations that will apply to both elected members and officers.

#### **6.0 IMPLICATIONS**

- 6.1 Finance: None
- 6.2 Human Resources: None
- 6.3 Legal: None
- 6.4 Equalities: There are no equalities issues

#### **7.0 LIST OF BACKGROUND PAPERS**

- 7.1 Appendix 1 – Social Media Protocol

Organisational Development, Human Resources and Communications

***Media and social media protocol***

November 2013

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## ***Media and social media protocol***

### **Index**

<b>Section</b>	<b>Page number</b>
1.0 Introduction	1
2.0 The Publicity code	2
3.0 Social media	2
4.0 The role of corporate communications	4
5.0 Press releases	4
6.0 Photocalls	4
7.0 Schools	5
8.0 Press enquiries	5
9.0 Media freedom of information (FOI) enquiries	6
10.0 Data protection	6
11.0 Political press enquiries	6
12.0 Ward councillors	6
13.0 Filming/interviews	6
14.0 Council photography	6
15.0 Potential media issues	6
16.0 Council committees and meetings	7
17.0 Planning applications	7
18.0 Publicity ahead of elections/referendums	7
19.0 Emergency media relations	7
20.0 External communications contact and partnerships	8
21.0 Ministerial visits	8
22.0 Monitoring press enquiries and press releases	8
23.0 Distribution of press releases	8
Appendix 1: Invitation list	9
Appendix 2: Media and social media quick guide for officers	10
Appendix 3: Media and social media quick guide for councillors	13

## ***Media and social media protocol***

October 2013

### **1.0 INTRODUCTION**

- 1.1 The aim of this document is to set out a standard operating procedures for Inverclyde Council's professional relationships, working practices and operational activity with the press and media whether local, national, broadcast, specialist, online or social media.
- 1.2 Local authority publicity is governed by the **Local Government Act 1986** and guidance is provided through the **Code of Recommended Practice on Local Authority Publicity**.
- 1.3 The general points of the media protocol are outlined as:
- *The Council is prevented from publishing, or helping others to publish, material which may appear to affect public support for a political party.*
  - *Social media is incorporated in the publicity code as it is used as a form of communication and publicity, including content on social network sites, websites and blogs.*
  - *The majority of press releases will contain a quote from the convener or vice convener of the relevant committee as the elected member with responsibility for those issues.*
  - *The Leader of the Council has a wide-ranging remit and can be quoted in media, material and undertake media work across all areas of the Council's services as required.*
  - *Conveners and vice conveners can be quoted on matters which relate to their individual Committees and will be pictured and quoted accordingly.*
  - *The Provost represents the Council for civic and ceremonial functions and will be pictured and quoted accordingly.*
  - *The council cannot provide press releases or media support to individual elected members in their ward role.*
  - *Press and media enquiries can be received by Corporate Communications seven days-a-week during office hours and out-of-hours.*
  - *Journalists contacting corporate communications with enquiries that are deemed to be political will be advised to contact the leader of the relevant political group for their response.*
- 1.4 Publicity is a corporate function and so should reflect the Council's views at all times
- 1.5 Therefore, it is inappropriate to publicise individual councillors, unless acting on behalf of the council as a whole – for example, council leader; provost; convener, etc.

### **2.0 THE PUBLICITY CODE**

- 2.1 All publicity the Council produces should comply with the Code of Recommended Practice on Local Authority Publicity, issued under the Local Government Act 1986. Local authorities are obliged to have regard to the Code in coming to any decisions on publicity.

2.2 Paragraph 20 of the Code defines the purposes of local authority publicity as:

*“To increase public awareness of the services provided by the authority and the functions it performs; to explain to electors and ratepayers the reasons for particular policies and priorities; and in general to improve local accountability.”*

2.3 Paragraphs 39 and 40 of the Code say the following about individual members of an authority:

*“The functions of a local authority are discharged by the Council corporately. It is therefore inappropriate for public resources to be used to publicise individual councillors.”*

*“In the interests of public accountability, however, it may be appropriate to give publicity to the views or activities of individual members when they are representing the council as a whole: for example, when the chairman of a council speaks or acts as the first citizen of the whole community, or when a chairman of a committee opens a new scheme or launches a policy approved by the council or by his committee on the council’s behalf.”*

2.4 The Code applies to media relations work as well as other forms of communication and publicity produced by the Council, including social media.

### **3.0 SOCIAL MEDIA**

3.1 Social media has become an essential vehicle for communication and publicity, and for that reason it must be looked at with caution as it not only reflects on the individual personally, but Inverclyde Council as an organisation.

3.2 Social media guidance: There are many different types of social media platforms and the list of websites and applications are increasingly growing by the day, with each site or application being unique. For the purpose of this guidance we use the term to include:

- Social networking sites (such as Facebook and Twitter)
- Blogs and microblogs (such as WordPress and Twitter)
- Content communities (such as YouTube, Pinterest, Instagram and Flickr)
- Collaborative projects (such as Wikipedia), and
- Internet forums and online discussion boards.

3.3 Before setting up a social media site authorisation must be gained from Corporate Communications for a number of reasons:

- To determine the purpose and overall strategic goals of using the specific site.
- To assess whether the chosen site meets strategic aims initially outlined.
- To ensure the chosen site is the most appropriate for your content.
- To evaluate if a similar account already exists for the same purpose.
- To assess an ongoing commitment to maintain and develop the site.

3.4 All Council social media sites will be evaluated each year and if no use or little engagement has taken place in the previous year, the site should be closed down and content removed if appropriate.

3.5 How employees and councillors communicate with people on social media sites reflects on the individual and on Inverclyde Council as an organisation. It is vital that employees understand the expected behaviour, and the general principles as stated in the [Acceptable Use of Information Systems Policy](#); [Employees code of Conduct](#) and [Councillors’ code of conduct](#) are applied.

- 3.6 If employees choose to disclose their employment with Inverclyde Council on social media platforms, they are expected to follow the overall principles of this media and social media guidance when posting and sharing content. Various social media sites will have their own rules and guidance, but if there is anything that could potentially be seen as breaking these rules and damaging the reputation of the council, corporate communications reserve the right to ask that it be removed or that the site be closed down.
- 3.7 To avoid this from occurring remember when using social media:
- **Be responsible, clear and relevant.** You are responsible for the content you publish on any social media platform; everything you post is a reflection of yourself and Inverclyde Council.
  - **No spamming.** Do not post the same message, or very similar messages more than once.
  - **Publishing online is permanent** - Be mindful that what you publish will be in the public domain for a long time and can appear in search engine results/ user screen grabs even **after** you delete it.
  - **Respect copyright** especially in the use of images or music.
  - **External links and sources should be relevant and safe**, and must not compromise the integrity of the Council.
  - **Respect your audience.** Never behave in a manner which would not be acceptable in the workplace or a face to face meeting e.g. swearing, personal insults or discrimination.
  - **No defamatory comments.** All employees must not make false statements to harm the reputation of an individual, organisation or community. This could in turn damage the Council's reputation.
  - **Do not advertise products or services.**
  - **Do not promote any political parties, candidates, or groups.** This is of particular relevance to officers in politically restricted posts, but all other employees must ensure the balance is reached with expressing your personal views and whether this can be misinterpreted and compromise your position as a council employee.

*Basically, don't post anything you wouldn't want to see on the front page of the newspaper.*

- 3.8 *Security Guidelines:* Depending on which social media application you use, there are privacy settings available to help you control what information you would like to be *visible* to other users. You should look into your profile settings to see how 'private' your information is currently, and keep in mind that content you have deleted may still appear in the public domain. *Top tip:* Enter your full name into a search engine to view how accessible your personal information on social media platforms is to the public.
- 3.9 The purpose of social media is to provide an easier and faster way of informing the public of council services, news, events and any other relevant issues. A wider audience can be reached and information can be shared through various social media platforms directly.
- 3.10 At present, Corporate Communications maintain and use *twitter* as a means of informing residents and the wider audience of council activities, upcoming events, available vacancies, news in and around the Inverclyde area, and any other general news items that would positively promote the area. All items that are published on the website are automatically 'tweeted' onto Inverclyde Council [@inverclyde](#) twitter page through RSS feeds, allowing for direct news to residents and a wider reach.
- 3.11 Individual service social media accounts should be linked to the main council twitter account to ensure sharing and cross promotion of council events and activity takes place in a co-ordinated way. Advice should be sought from Corporate Communications before any social media activity is undertaken or account set up.



## **4.0 THE ROLE OF CORPORATE COMMUNICATIONS**

- 4.1 The Council's corporate communications team is the primary point of contact between the Council and the local and national media for proactive and reactive communications.
- 4.2 Employees who are contacted by the media should immediately direct the query to Corporate Communications team who will represent and communicate the views of the Council at all times.
- 4.3 Most media enquiries will require a quick response to meet strict media deadlines, particularly in emergency situations. Senior officers are required to support Corporate Communications to meet deadlines to ensure the Council does not lose its right to reply and has the opportunity to provide a fast, accurate and honest account of its actions. This also applies to enquiries on social media platforms.
- 4.4 It is important that Corporate Communications are contacted as quickly as possible about any incident or initiative that is likely to be reported by the media.
- 4.5 Any officer wishing to organise media coverage or to publicise an issue or an event should speak to Corporate Communications as early as possible and ideally at least two weeks in advance. No date for an event should be chosen before consulting Corporate Communications.
- 4.6 The council will be open and honest in all communications with the media, taking account of legal, privacy or commercial considerations and will never say 'no comment'.

## **5.0 PRESS RELEASES**

- 5.1 The purpose of a press release is to gain coverage in printed and online media to promote the activities of the Council, its decisions and policies.
- 5.2 The majority of press releases will contain a quote from the Convener or Vice Convener of the relevant committee as the elected member with responsibility for those issues. Where a press release may cross a number of services or committees the Council Leader may be quoted.
- 5.3 All quotes included will be approved by the named individual to whom the quote is attributed. If this is not possible within the necessary timescale the Leader of the Council will be asked for final clearance.
- 5.4 The Provost will be quoted on civic issues and on issues arising from the Provost's activities, attendance at events and as 'chair' of the full council meeting and as 'first citizen' of Inverclyde.
- 5.5 Press releases are also published on the Council website and published on social media channels (eg twitter and Facebook). Press releases or media support cannot be provided to individual elected members in their ward role.

## **6.0 PHOTOCALLS**

- 6.1 The purpose of a photocall is to provide an opportunity for the press and media to gain a visual relating to an activity, event or service to publish and gain coverage in printed and online media.
- 6.2 Photocalls will be arranged through Corporate Communications with the assistance of the service.
- 6.3 The Council Leader or Deputy Leader and/or the Convener and Vice Convener will be invited to attend photocall events on behalf of the Council. Invitations to photocalls will generally be issued by the relevant service, who will collate and co-ordinate responses and advise the communications team. Services must also ensure relevant permissions are in place for photographs to be taken.

- 6.4 For events or activities with a strong local connection, relevant ward councillors may be invited to attend by the Council service.
- 6.5 If elected members have been invited to attend a formal 'launch' event or opening group photographs may be taken of all those in attendance. There can be no guarantee that all or any individual councillor or Convener's photograph would be used by the press or media.
- 6.6 Corporate Communications is still empowered to set up additional photographs at the photocall if it is requested by the media to encourage more extensive coverage for the Council. The final decision on photographs issued to the press and media will be based on the best quality of photograph taken to represent the service, activity or event and gain maximum coverage.
- 6.7 Media organisations have suggested there is more chance they will use a photograph if there are fewer individuals in it.
- 6.8 Copyright for photographs taken by Corporate Communications rests with the Council. When external photographers are commissioned the Council will ensure it has freedom to use the images as required – for example in Council publications, for issue to the media, on the Council website and in publicity material used to promote the Council.

## **7.0 SCHOOLS**

- 7.1 Schools and education establishment may contact the media about arranged local school events. Activity in schools should be notified to corporate communications to examine if there are any opportunities for wider promotion.
- 7.2 Any enquiry from the media or press about a school-related incident or council policy should always be referred to corporate communications.

## **8.0 PRESS ENQUIRIES**

- 8.1 Press and media enquiries can be received by Corporate Communications 7 days a week during office hours and out-of-hours.
- 8.2 While the team has extensive media contacts and is generally the first port of call for the press, officers and elected members may be contacted directly by the media.
- 8.3 Elected members approached by the media for an official Council comment should discuss the request with the communications team who can provide support and guidance.
- 8.4 Media enquiries received by officers should, without exception, be directed to the communications team.
- 8.5 Most enquiries will require a quick response and requests from the communications team for information should be viewed as a high priority by council officers. Failure to respond in time can leave the Council open to criticism and a public perception that it is unwilling to be open and accountable.
- 8.6 In extremely urgent cases the communications team will use their own professional judgement to provide appropriate quotes as necessary.
- 8.7 Quotes from the council communications team will use the convention: 'A council spokesman/person/man/woman said:...'. It should be recognised that this is a journalistic convention and some media may choose to quote individual members of the communication team by name.

8.8 In some cases, such as on technical or specialist enquiries, quotes will be issued in the name of a Council officer.

## **9.0 MEDIA FREEDOM OF INFORMATION (FOI) ENQUIRIES**

9.1 All FOI enquiries from the press and media should be copied to the communications team. Where appropriate, officers compiling responses to freedom of information enquiries which could attract media attention should contact the communications team to discuss incorporating more explanatory information into the response or to prepare background information for follow-up enquiries.

## **10.0 DATA PROTECTION**

10.1 Members of Corporate Communications will abide by the terms of the Data Protection Act.

## **11.0 POLITICAL PRESS ENQUIRIES**

11.1 Journalists contacting Corporate Communications with enquiries that are deemed to be political will be advised to contact the leader of the relevant political group for their response. Elected members should make their own arrangements for issuing party political material to the media and ensure that the material does not use the Council's corporate identity or branding.

## **12.0 WARD COUNCILLORS**

12.1 Corporate Communications can provide non-party political communications advice to individual councillors but cannot produce press releases or arrange photo calls for members on individual ward or party political issues. They also cannot write or issue press releases on behalf of individual political groups or independent councillors/groups.

## **13.0 FILMING/INTERVIEW**

13.1 All requests for filming or interviews should be directed to Corporate Communications.

## **14.0 COUNCIL PHOTOGRAPHY**

14.1 Photographs taken by the council or on behalf of the Council for publicity purposes are the property of Inverclyde Council. Photographs taken by externally commissioned photographers may also be subject to copyright agreements with those photographers. It would therefore be inappropriate for photographs to be used for party political or election purposes.

## **15.0 POTENTIAL MEDIA ISSUES**

15.1 Officers should notify Corporate Communications of any issues within their service that has the potential to become a media story, even if it is out of hours. They should also provide contact details and ensure that they are available to Corporate Communications either by mobile or by responding to emails.

15.2 Officers should avoid withholding information because they do not wish to attract negative media coverage or because they do not see media handling as a priority. They should not respond directly to media or requests for quotes from any organisation, unless expressly authorised to do so by Corporate Communications

## **16.0 COUNCIL COMMITTEES AND MEETINGS**

16.1 Corporate Communications team will report on decisions made by Council committees. Their role is not to report the debate, detailed discussions which take place or to minute the meeting.

## **17.0 PLANNING APPLICATIONS**

17.1 The Council does not comment on planning applications ahead of a Planning Committee decision except to confirm that an application has been received. The exception to this would be any communication around consultation or public information of applications the Council has a direct interest in.

17.2 In most cases journalists would be directed to the council's online planning service which hosts a wealth of information and drawings on applications. Any pictures or graphics are generally owned by the applicant or their agent. If asked for copies by the media, journalists will generally be referred directly to the applicant or their agent.

## **18.0 PUBLICITY AHEAD OF ELECTIONS/REFERENDUMS**

18.1 In the period directly before an election (usually six weeks or the period from the Notice of Election to the election itself), councils must be careful about what they publicise.

18.2 The Code of Recommended Practice says: "The period between the notice of an election and the election itself should preclude proactive publicity in all its forms of candidates and other politicians involved directly in the election. Publicity should not deal with controversial issues or report views, proposals or recommendations in such a way that identifies them with individual members or groups of members. However, it is acceptable for the authority to respond in appropriate circumstances to events and legitimate service enquiries provided that their answers are factual and not party political. Members holding key political or civil positions should be able to comment in an emergency where there is a genuine need for a member level response to an important event outside the authority's control. Proactive events arranged in this period should not involve members likely to be standing for election."

18.3 In pre-election circumstances, where a quote is required, the Chief Executive, relevant Corporate Director or relevant senior officer may be quoted.

18.4 Local circumstances may mean that some proactive events need to take place in this period, in which case, following advice from the Corporate Director and Head of Legal and Democratic services, any approved publicity photocalls and press releases should include representatives from all political parties in the Council.

## **19.0 EMERGENCY MEDIA RELATIONS**

19.1 The Council, as part of its Emergency Plan, has a Civil Emergency Communications Plan which addresses how to handle the media in such circumstances. The Council has also signed up to the Regional Resilience Partnership communications plan which contains a mutual aid agreement between the partners. If the Council's Emergency Plan is brought into use, all of the Council's media relations work must be done in conjunction with the Civil Emergency Communications Plan.

19.2 If the Council experiences its own emergency situation and invokes its Business Continuity Plan, the corporate communications team will invoke its Business Continuity communications plan and all media relations activity will be managed in conjunction with this.

## **20.0 EXTERNAL COMMUNICATIONS CONTACT AND PARTNERSHIPS**

- 20.1 Council services contacted by an external communications/media/marketing service looking to issue a press releases or arrange communications activity involving the Council or looking to set up a photocall, should immediately be referred to the Council's Corporate Communications service. Corporate Communciations will liaise with the external organisation or their representatives.
- 20.2 Where the Council is involved in issuing a press release as part of a partnership with a third party organisation, the partnership's arrangements for who to quote must be followed. This would normally be the chair of the organisation.
- 20.3 In the case of a press release being prepared on behalf of a number of partners it may be appropriate to offer each partner an opportunity to be quoted. All partners should be given an opportunity to approve the release with a stated timeframe.
- 20.4 If officers are contacted by a third party organisation seeking a Council comment on a press release or looking to involve the Council in photocalls or publicity, they should be referred to the corporate communications team.

## **21.0 MINISTERIAL VISITS**

- 21.1 The Scottish and UK Governments may choose Inverclyde for ministerial visits and/or launch events.
- 21.2 Corporate Communications should be told immediately and given any details to allow timely liaison with the relevant government department about any media coverage for the visit.
- 21.3 The Council's Members Services and Chief Executive's office should also be informed immediately.
- 21.4 The Leader, Deputy Leader and/or relevant Convener and Vice Convener will be invited to attend such an event on behalf of the Council. The Chief Executive and relevant Corporate Director will also be invited to attend.
- 21.5 If the Minister is opening or launching a service of particular local interest, wherever possible, all ward members should be invited to attend. See appendix 1 titled 'Invitation list'

## **22.0 MONITORING PRESS ENQUIRIES AND PRESS RELEASES**

- 22.1 The council uses press office management software to record and monitor its response to press and media enquiries and press releases issued.
- 22.2 All press releases and responses to press and media enquiries should be logged using that system by the council's communications team.
- 22.3 Any service wishing to carry out direct press and media relations on an ongoing basis will require to purchase a license and comply fully with the council's press and media protocol. Individual officers may be subject to training. Press releases will be subject to review prior to distribution by the council's communications team.

## **23.0 DISTRIBUTION OF PRESS RELEASES**

- 23.1 Press releases distributed to the press and media will also be distributed to Councillors and the Corporate Management Team. This distribution will take place after press releases are distributed to the press and media and usually when the press release is published on the council website.
- 23.2 Content issued as an exclusive to a press or media organisation or used for feature purposes may not be distributed widely or published online through the council website or through social media before the publication/broadcast date.

## **Appendix 1: Invitation List**

Below is a standard invitation list for a range of press and media activities.

### **Local launch:**

- Leader/Depute Leader or Provost/Depute Provost
- Relevant convener and/or vice convener(s)
- Local ward councillors
- Relevant Corporate Director(s) and/or Chief Executive
- Corporate Communications Manager and/or Communications Officer (Media Relations)

### **Photocal:**

- Leader/Depute Leader or Provost/Depute Provost, if appropriate
- Relevant convener and/or vice convener
- Relevant Corporate Director(s) and/or Chief Executive, if appropriate
- Corporate Communications Manager and/or Communications Officer (Media Relations)

### **Ministerial visit:**

- Leader or Depute Leader
- Provost or Depute Provost
- Relevant convener and/or vice convener
- Local ward councillors
- Relevant Corporate Director(s) and Chief Executive
- Corporate Communications Manager and/or Communications Officer (Media Relations).

## Appendix 2: Media and social media quick guide for officers

### Political press and media:

- *The Council is prevented from publishing, or helping others to publish, material which may appear to affect public support for a political party.*
- *The Council cannot provide press releases or media support to individual elected members in their ward role.*
- Journalists contacting Corporate Communications with enquiries that are deemed to be political will be advised to contact the leader of the relevant political group for their response.

### Social media:

- Before setting up a social media site authorisation must be gained from Corporate Communications.
- All Council social media sites will be evaluated each year and if no use or little engagement has taken place in the previous year, the site should be closed down and content removed if appropriate.
- If employees choose to disclose their employment with Inverclyde Council on social media platforms, they are expected to follow the overall principles of this media and social media guidance when posting and sharing content.

### Press and media:

- Corporate communications is the primary point of contact between the Council and the local and national media for proactive and reactive communications.
- Press and media enquiries can be received by Corporate Communications seven-days-a-week during office hours and out-of-hours.
- Employees who are contacted by the media should immediately direct the query to the communications team who will represent and communicate the views of the Council at all times.
- It is important that corporate communications are contacted as quickly as possible about any incident or initiative that is likely to be reported by the media.
- Any officer wishing to organise media coverage or to publicise an issue or an event should speak to corporate communications as early as possible and ideally at least two weeks in advance. No date for an event should be chosen before consulting the corporate communications team.
- In some cases, such as on technical or specialist enquiries, quotes will be issued in the name of a council officer.

### Media Freedom of Information (FOI) enquiries:

- All FOI enquiries from the press and media should be copied to Corporate Communications. Where appropriate, officers compiling responses to freedom of information enquiries which could attract media attention should contact Corporate Communications to discuss incorporating more explanatory information into the response or to prepare background information for follow-up enquiries.

### Filming/interview:

- All requests for filming or interviews should be directed to the communications team.

### Planning applications

- The council does not comment on planning applications ahead of a Planning Committee decision except to confirm that an application has been received. The exception to this would be any communication around consultation or public information of applications the council has a direct interest in.

### Publicity ahead of elections/referendums

- In pre-election circumstances, where a quote is required, the Chief Executive, relevant Corporate Director or relevant senior officer may be quoted.
- Local circumstances may mean that some proactive events need to take place in this period, in which case, following advice from the Corporate Director and Head of Legal and Democratic services, any approved publicity photocalls and press releases should include representatives from all political parties in the Council.

### Emergency media relations:

- If the Council's Emergency Plan is brought into use, all of the Council's media relations work must be done in conjunction with the Civil Emergency Communications Plan.

### External communications contact:

- Council services contacted by an external communications/media/marketing service looking to issue a press releases or arrange communications activity involving the Council or looking to set up a photocall, should immediately be referred to Corporate Communications. The Corporate Communications team will liaise with the external organisation or their representatives.
- If officers are contacted by a third party organisation seeking a Council comment on a press release or looking to involve the Council in photocalls or publicity, they should be referred to the Corporate Communications team.

### Ministerial visits:

- Corporate Communications should be told immediately and given any details to allow timely liaison with the relevant government department about any media coverage for the visit. The council's Members Services and Chief Executive's office should also be informed immediately.
- The following invitation list should be used for the following levels of activity:

#### **Local launch:**

Leader/Depute Leader or Provost/Depute Provost  
Relevant convener and/or vice convener(s)  
Local ward councillors  
Relevant Corporate director(s) and/or Chief Executive  
Corporate Communications Manager and/or Communications Officer (Media Relations)

#### **Photocall:**

Leader/Depute Leader or Provost/Depute Provost, if appropriate  
Relevant convener and/or vice convener  
Relevant Corporate director(s) and/or Chief Executive, if appropriate  
Corporate Communications Manager and/or Communications Officer (Media Relations)



**Ministerial visit:**

Leader or Depute Leader

Provost or Depute Provost

Relevant convener and/or vice convener

Local ward councillors

Relevant Corporate director(s) and Chief Executive

Corporate Communications Manager and/or Communications Officer (Media Relations).

**Monitoring press enquiries and press releases:**

- The Council uses press office management software to record and monitor its response to press and media enquiries and press releases issued. All press releases and responses to press and media enquiries should be logged using that system by the Council's Corporate Communications team. Any service wishing to carry out direct press and media relations on an ongoing basis will require to purchase a license and comply fully with the Council's press and media protocol. Individual officers may be subject to training. Press releases will be subject to review prior to distribution by the Council's Corporate Communications team.

**Distribution of press releases:**

- Press releases distributed to the press and media will also be distributed to Councillors and the Corporate Management Team. This distribution will take place after press releases are distributed to the press and media and usually when the press release is published on the council website.
- Content issued as an exclusive to a press or media organisation or used for feature purposes may not be distributed widely or published online through the council website or through social media before the publication/broadcast date.

### Appendix 3: Media and social media quick guide for councillors

#### Political press and media:

- *The Council is prevented from publishing, or helping others to publish, material which may appear to affect public support for a political party.*
- *Journalists contacting corporate communications with enquiries that are deemed to be political will be advised to contact the leader of the relevant political group for their response.*
- *The Council cannot provide press releases or media support to individual elected members in their ward role.*

#### Press and media:

- The Council's corporate communications team is the primary point of contact between the Council and the local and national media for proactive and reactive communications.
- Press and media enquiries can be received by Corporate Communications 7 days a week during office hours and out-of-hours.
- The majority of press releases will contain a quote from the Convener or Vice Convener of the relevant committee as the elected member with responsibility for those issues.
- The Leader of the Council has a wide-ranging remit and can be quoted in media, material and undertake media work across all areas of the Council's services as required.
- Conveners and vice conveners can be quoted on matters which relate to their individual committees and will be pictured and quoted accordingly.
- The Provost represents the Council for civic and ceremonial functions and will be pictured and quoted accordingly.
- The council cannot provide press releases or media support to individual elected members in their ward role.

#### Social media:

- *Social media is incorporated in the publicity code as it is used as a form of communication and publicity, including content on social network sites, websites and blogs.*

#### Planning applications

- The Council does not comment on planning applications ahead of a Planning Committee decision except to confirm that an application has been received. The exception to this would be any communication around consultation or public information of applications the council has a direct interest in.

#### Publicity ahead of elections/referendums:

- In pre-election circumstances, where a quote is required, the Chief Executive, relevant Corporate Director or relevant senior officer may be quoted.

- Local circumstances may mean that some proactive events need to take place in this period, in which case, following advice from the relevant Corporate Director and Head of Legal and Democratic services, any approved publicity photocalls and press releases should include representatives from all political parties in the Council.

Ministerial visits:

- Corporate communications should be told immediately and given any details to allow timely liaison with the relevant government department about any media coverage for the visit.
- The council's members services and chief executive's office should also be informed immediately.
- The following invitation list should be used for the following levels of activity:

**Local launch:**

Leader/Depute Leader or Provost/Depute Provost  
 Relevant convener and/or vice convener(s)  
 Local ward councillors  
 Relevant Corporate Director(s) and/or Chief Executive  
 Corporate Communications Manager and/or Communications Officer (Media Relations)

**Photocall:**

Leader/Depute Leader or Provost/Depute Provost, if appropriate  
 Relevant convener and/or vice convener  
 Relevant Corporate Director(s) and/or Chief Executive, if appropriate  
 Corporate Communications Manager and/or Communications Officer (Media Relations)

**Ministerial visit:**

Leader or Depute Leader  
 Provost or Depute Provost  
 Relevant convener and/or vice convener  
 Local ward councillors  
 Relevant executive director(s) and Chief Executive  
 Corporate Communications Manager and/or Communications Officer (Media Relations).

Distribution of press releases:

- Press releases distributed to the press and media will also be distributed to councillors and the corporate management team. This distribution will take place after press releases are distributed to the press and media and usually when the press release is published on the Council website.
- Content issued as an exclusive to a press or media organisation or used for feature purposes may not be distributed widely or published online through the Council website or through social media before the publication/broadcast date.