

POLICY & RESOURCES COMMITTEE – 18 NOVEMBER 2014

Policy & Resources Committee

Tuesday 18 November 2014 at 3pm

Present: Councillors Clocherty, Campbell-Sturgess (for MacLeod), McCabe, McCormick, McEleny, McIlwee, Brooks (for Nelson), Loughran, Rebecchi and Wilson.

Chair: Councillor McCabe presided.

In attendance: Chief Executive, Corporate Director Education, Communities & Organisational Development, Corporate Director Environment, Regeneration & Resources, Corporate Director Inverclyde Community Health & Care Partnership, Chief Financial Officer, Head of Legal & Property Services, Head of Education, Head of Inclusive Education, Culture & Corporate Policy, Head of Environmental & Commercial Services, Head of Organisational Development, HR & Communications, Corporate Procurement Manager, Business Support Executive and Corporate Communications Manager.

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

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| 714 | <p>Apologies, Substitutions and Declarations of Interest</p> <p>Apologies for absence were intimated on behalf of Councillors Ahlfeld, MacLeod, with Councillor Campbell-Sturgess substituting and Nelson, with Councillor Brooks substituting.</p> <p>Declarations of interest were intimated as follows:
 Agenda Item 8 (Annual Update in respect of Governance of External Organisations) – Councillors Campbell-Sturgess, Clocherty, McCabe, McEleny, McIlwee, Rebecchi and Wilson.
 Agenda Item 12 (2015/17 Revenue Budget – Update) – Councillor McCabe.
 Agenda Item 22 (Ongoing Cover for Vacant Post of Riverside Inverclyde's CEO) – Councillors Clocherty and McCabe.</p> | 714 |
| 715 | <p>Policy & Resources Capital Programme - (2013/14 – 2015/16) – Progress Report</p> <p>There was submitted a report by the Chief Financial Officer and Corporate Director Environment, Regeneration & Resources (1) providing an update on the status of the projects forming the Policy & Resources Capital Programme 2013/14 – 2015/16 and (2) highlighting the overall financial position.</p> <p>Decided: that the current position of the 2014/16 Capital Programme and the progress of the specific projects detailed in Appendix 1 be noted.</p> | 715 |
| 716 | <p>2014/16 Capital Programme</p> <p>There was submitted a report by the Chief Financial Officer on the latest position of the 2014/16 Capital Programme.</p> <p>Decided: that the Committee note the current position of the 2014/16 Capital Programme and the previous decision that any surplus on the 2014/16 Capital Programme be considered as part of the February 2015 budget process.</p> | 716 |

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717 Policy & Resources Committee 2014/15 Revenue Budget – Period 6 to 30 September 2014 717

There was submitted a report by the Chief Executive, Corporate Director Environment, Regeneration & Resources, Corporate Director Education, Communities & Organisational Development and Chief Financial Officer on the 2014/15 projected outturn for the Policy & Resources Committee 2014/15 Revenue Budget as at Period 6 to 30 September 2014.

Decided:

- (1) that the Committee note the 2014/15 projected underspend of £1,316,000 in the Policy & Resources Committee Revenue Budget as at Period 6 to 30 September 2014; and
- (2) that the Committee note the projected fund balance of £116,919 for the Common Good Fund.

718 2014/15 General Fund Revenue Budget as at 30 September 2014 718

There was submitted a report by the Chief Financial Officer (1) advising the Committee of the position of the General Fund Revenue Budget as at 30 September 2014 and (2) providing an update on the position of the General Fund Reserves and Workstream Savings.

There was also considered with this item, a report by the Corporate Director Environment, Regeneration & Resources on a Notice of Motion by Councillor McCabe, countersigned by Councillor McIlwee, relative to the UK Living Wage which had been submitted in terms of Standing Order 22.

Following discussion, Councillor McCabe moved (1) that the Committee note the latest position of the 2014/15 Revenue Budget and General Fund Reserves; (2) that the Committee note the 2013/16 Workstream Savings position; (3) that the Council implement the new UK Living Wage Rate of £7.85 per hour effective from 3 November 2014 with the additional financial cost for 2014/15 being contained within the existing pay inflation allowance or met from the General Reserve Fund and the financial implications for 2015/16 onwards to be addressed as part of the forthcoming budget process; and (4) that representations be made to the UK and Scottish Governments regarding the impact of the cost of living crisis, particularly as it relates to the cost of utilities.

As an amendment to (3) above, Councillor McEleny moved that the Council implement the new UK Living Wage Rate of £7.85 per hour for all Council staff including apprentices effective from 3 November 2014 with the additional financial cost for 2014/15 being contained within the existing pay inflation allowance or met from the General Reserve Fund and the financial implications for 2015/16 onwards to be addressed as part of the forthcoming budget process.

On a vote, 3 Members voted for amendment and 7 for the motion which was declared carried.

Decided:

- (1) that the Committee note the latest position of the 2014/15 Revenue Budget and General Fund Reserves;
- (2) that the Committee note the 2013/16 Workstream Savings position;
- (3) that the Council implement the new UK Living Wage Rate of £7.85 per hour effective from 3 November 2014 with the additional financial cost for 2014/15 being contained within the existing pay inflation allowance or met from the General Reserve

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Fund, and the financial implications for 2015/16 onwards to be addressed as part of the forthcoming budget process; and

(4) that representations be made to the UK and Scottish Governments regarding the impact of the cost of living crisis particularly as it relates to the cost of utilities.

719 Treasury Management – Mid Year Review Report 2014/15

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There was submitted a report by the Chief Financial Officer advising the Committee on the operation of the treasury function and its activities at the mid-year of 2014/15 in compliance with the CIPFA Code of Practice on Treasury Management with which the Council complies.

Decided:

(1) that the Committee note the contents of the Mid-Year Review Report on Treasury Management for 2014/15;

(2) that the report be remitted to the Inverclyde Council for approval; and

(3) that approval be given to procuring treasury advisers services on the basis of a contract for 3 years with the option of a further 1 year extension with procurement by negotiation with the current provider Capita Treasury Solutions Limited subject to the approval of the Chief Financial Officer and the Head of Legal & Property Services and the annual cost not exceeding £22,000.

720 Insurance Fund Position as at 30 September 2014

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There was submitted a report by the Chief Financial Officer (1) on the position of the Council's Insurance Fund as at 30 September 2014 and (2) highlighting a number of relevant issues.

Decided: that the Committee note the report and the continued financial benefits which the Council is achieving from the current Insurance Strategy.

721 Annual Update in respect of the Governance of External Organisations

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There was submitted a report by the Chief Financial Officer (1) providing the annual update in respect of the governance of external organisations and (2) assessing performance against the Audit Commission's report, "Arm's Length External Organisations (ALEOs) Are You Getting it Right?"

The following Members declared a non-financial interest in this item:

Councillor Campbell-Sturgess as a Board Member of Inverclyde Leisure.

Councillor Clocherty as a Board Member of Inverclyde Community Development Trust, Inverclyde Leisure and Riverside Inverclyde.

Councillor McCabe as a Board Member of Riverside Inverclyde, Kilmacolm New Community Centre Co Limited and River Clyde Homes.

Councillor McEleny as a Board Member of River Clyde Homes.

Councillor McIlwee as a Board Member of River Clyde Homes and a Member of Inverclyde Association for Mental Health.

Councillor Rebecchi as a Board Member of Inverclyde Community Development Trust.

Councillor Wilson as a Board Member of Riverside Inverclyde and Kilmacolm New Community Centre Co Limited and a Member of the Grand Lodge of Scotland.

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

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Decided:

- (1) that the Committee note the 2014 performance in respect of the governance of external organisations as shown in Appendix 1 to the report;
- (2) that the Committee approve the adoption of the action plan for the relevant organisations detailed in Appendix 4; and
- (3) that the Committee approve the list of external organisations which will form part of the framework for 2015 as shown in Appendix 3.

722 Welfare Reforms Update

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There was submitted a report by the Chief Financial Officer and Corporate Director Inverclyde Community Health & Care Partnership (1) on various aspects of the Welfare Reform agenda and (2) seeking Committee decisions as appropriate.

Following discussion, Councillor McCabe moved (1) that the report be noted; (2) that the Council Leader as Chair of the Alliance Board write to the Scottish Government seeking support to continue funding those projects set up in response to the Welfare Reform changes; (3) that approval be given to the two requests set out in Section 10 of the report for funding from the unallocated Welfare Reforms revenue budget; (4) that it be noted that a further update will be submitted to the Committee at its February 2015 meeting; and (5) that representations be made to the UK Government to delay implementation of Universal Credit in Inverclyde until the Smith Commission has concluded its deliberations and additional powers have been granted to the Scottish Government.

As an amendment, Councillor Wilson moved that no action be taken in relation to the proposal set out in (5) above. On a vote, 1 Member voted for the amendment and 9 for the motion which was declared carried.

Decided:

- (1) that the report be noted;
- (2) that the Council Leader as Chair of the Alliance Board write to the Scottish Government seeking support to continue funding those projects set up in response to the Welfare Reform changes;
- (3) that approval be given to the two requests set out in Section 10 of the report for funding from the unallocated Welfare Reforms revenue budget;
- (4) that it be noted that a further update will be submitted to the Committee at its February 2015 meeting; and
- (5) that representations be made to the UK Government to delay implementation of Universal Credit in Inverclyde until the Smith Commission has concluded its deliberations and additional powers have been granted to the Scottish Government.

723 Corporate Performance Report

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There was submitted a report by the Head of Inclusive Education, Culture & Corporate Policy providing an update on the achievement of key objectives in the Education, Communities and Organisational Development Corporate Directorate Improvement Plan 2013/16 and the Environment, Regeneration & Resources Corporate Director Improvement Plan 2013/16.

Decided:

- (1) that the performance information outlined in the report be noted; and
- (2) that a fourth progress report be submitted to the meeting of the Committee on 24 March 2015.

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| 724 | <p>Statutory and Key Performance Indicators Annual Report 2013/14</p> <p>There was submitted a report by the Head of Inclusive Education, Culture & Corporate Policy on the Council's Statutory Performance Indicator return which details the progress made in 2013/14 towards the achievement of performance indicator targets.</p> <p>Decided:</p> <ul style="list-style-type: none"> (1) that the Committee note the performance information outlined in the report; (2) that it be agreed that the information contained in the appendix be used to update the performance pages on the Council's website; and (3) that it be noted that a further report will be submitted regarding the 2013/14 Local Government Benchmarking Framework Indicators once these are published. | 724 |
| 725 | <p>2015/17 Revenue Budget - Update</p> <p>There was submitted a report by the Chief Financial Officer (1) providing the Committee with an update on the 2015/17 Revenue Budget and (2) advising of the £10m savings options produced by the Corporate Management Team which are recommended for wider consultation.</p> <p>Councillor McCabe declared a non-financial interest in this item as a close relative of a person potentially affected by the proposals. He also formed the view that the nature of his interest and of the item of business did not preclude his continued presence in the Chamber or his participation in the decision making process.</p> <p>Decided:</p> <ul style="list-style-type: none"> (1) that the Committee note the contents of the letter from the Cabinet Secretary, Mr John Swinney, and note that a decision on whether to comply with these conditions will be required as part of the consideration of the overall Budget in February 2015; (2) that the Committee note the savings proposals in Appendix 2 produced by the Corporate Management Team and agree that these savings form part of the overall budget consultation exercise which is due to commence later in the month; (3) that the Committee note that targeted voluntary severance trawls will take place where required in order to deliver the approved savings; and (4) that it be agreed that any decision in respect of the surplus General Fund Reserves projected as at 31 March 2016 be taken as part of the overall budget decision in February 2015. | 725 |
| 726 | <p>Revenue Budget Pressures - 2015/17</p> <p>There was submitted a report by the Chief Financial Officer (1) highlighting budget pressures identified by the Corporate Management Team for the revenue budget period 2015/17 and (2) seeking approval to include these proposals within the overall budget consultation exercise.</p> <p>Decided:</p> <ul style="list-style-type: none"> (1) that the Committee note the 2015/17 budget pressures outlined in Appendix 2; (2) that it be agreed that the pressures contained in the report form part of the budget consultation exercise and that a final decision in respect of these budget pressures be taken at the February 2015 meeting of the Council; and (3) that the budget pressures be referred to the Members' Budget Working Group. | 726 |

727 Draft 2015/18 Capital Programme**727**

There was submitted a report by the Chief Financial Officer outlining proposals for the 2015/18 Capital Programme for consideration as part of the overall budget process.

Decided:

- (1) that the Committee note the proposed draft Capital Programme for 2015/18 as outlined in Appendix 1;
- (2) that it be agreed that the draft Capital Programme be increased in respect of the £9.2m extra Roads Asset Management Plan expenditure, £2m Property Assets expenditure and allocating £250,000 to feasibility studies, pre-contract work;
- (3) that it be agreed that the project highlighted in Section 6 (Kirn Drive Depot Civic Amenity Site Safety Improvements) be put on hold pending decisions due to be taken in February 2015 as part of the overall budget;
- (4) that it be agreed that the 2015/18 Capital Programme, adjusted for the decisions above, form part of the overall budget consultation;
- (5) that final decisions in respect of the 2015/18 Capital Programme, including the use of any surplus resources, be taken at the Council meeting on 19 February 2015; and
- (6) that the proposals be referred to the Members' Budget Working Group.

728 Budget Consultation and Communication Plan**728**

There was submitted a report by the Corporate Director Education, Communities & Organisational Development requesting the Committee to agree the consultation and communication plan for the budget proposals 2015/17 based on the proposed options as agreed earlier as part of the 2015/17 budget strategy. There was circulated to the Committee, paper providing details of budget community presentations.

Decided: that the Committee approve the consultation programme and timeline outlined in Section 5 and Appendix 1 of the report and the budget community presentations detailed in the additional paper.

729 Charging Workstream**729**

There was submitted a report by the Chief Financial Officer advising the Committee of the progress made by the Charging Workstream Officer Working Group in producing a Council Charging Policy and in identifying options to meet the required workstream target of £470,000 as part of the 2015/16 budget.

Decided:

- (1) that it be agreed that the proposals in Appendices 1 and 2 of the report form part of the 2015/17 budget consultation;
- (2) that it be noted that a decision on how to address the 2015/16 saving of £470,000 will be required at the February 2015 budget meeting;
- (3) that the current position of the draft Charging Policy document be noted; and
- (4) that the matter be referred to the Members' Budget Working Group.

Councillor Wilson left the meeting at this juncture.

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| 730 | <p>Contract Awards – 1 April 2014 to 30 September 2014</p> <p>There was submitted a report by the Corporate Director Environment, Regeneration & Resources advising the Committee of contracts awarded for the supply of goods and materials, provision of services and execution of works during the period 1 April 2014 to 30 September 2014.</p> <p>Decided:</p> <p>(1) that the Committee note the contracts awarded by the Council during the period 1 April 2014 to 30 September 2014; and</p> <p>(2) that statistics on the award of contracts by the Council to local companies be submitted to the Committee.</p> | 730 |
| 731 | <p>2014 Procurement Capability Assessment and E-Tendering</p> <p>There was submitted a report by the Corporate Director Environment, Regeneration & Resources (1) seeking approval to adopt e-tendering and to amend the Contract Standing Orders and (2) providing an update on the latest Procurement Capability Assessment.</p> <p>Decided:</p> <p>(1) that approval be given to the changes to the Contract Standing Orders set out in Appendix 1 to the report; and</p> <p>(2) that the Procurement Capability Assessment 2014 score be noted.</p> | 731 |
| 732 | <p>Participation in the Procurement for a Housing Framework Agreement for the Provision of the Council Tax Bill Payment Collection Service</p> <p>There was submitted a report by the Corporate Director Environment, Regeneration & Resources requesting Committee approval to participate in the Procurement for a Housing Framework Agreement for the provision of the Council Tax Bill Payment Collection Service.</p> <p>Decided: that approval be giving to participate in the Procurement for a Housing Framework in accordance with Contract Stranding Order 12.1.</p> | 732 |
| 733 | <p>Purchase of Commemorative World War 1 Benches</p> <p>There was submitted a report by the Corporate Director Environment, Regeneration & Resources seeking approval for the purchase of 6 World War 1 memorial benches to be sited beside or near the cenotaphs in the towns and villages of Inverclyde.</p> <p>Decided: that approval be given to the purchase of 6 World War 1 memorial benches as detailed in the report, to be funded from the Common Good Fund.</p> | 733 |
| 734 | <p>Disasters Emergency Appeal in Scotland: Ebola Appeal – Request by Councillor McCabe</p> <p>There was submitted a report by the Head of Legal & Property Services advising of a request received from Councillor McCabe that the Committee consider supporting the Disasters Emergency Appeal (DEC) in Scotland Ebola Appeal by means of financial donation and / or promotional activity.</p> | 734 |

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Decided: that it be agreed to provide £10,000 to the Disasters Emergency Appeal in Scotland Ebola Appeal and that this be supported by promotional activity.

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

Item	Paragraph(s)
Ongoing Cover for Vacant Post of Riverside Inverclyde's Chief Executive Officer	1
Holiday Pay	12

735 Ongoing Cover for Vacant Post of Riverside Inverclyde's Chief Executive Officer 735

There was submitted a report by the Chief Executive (1) providing an update on the outcome of the recruitment process for a replacement for Riverside Inverclyde's (ri's) Chief Executive Officer (CEO) and (2) outlining a proposal to fill the position. Councillors Clocherty and McCabe declared a non-financial interest in this item as Members of the Board of Riverside Inverclyde. Both Members formed the view that the nature of their interest and of the item of business did not preclude their continued presence in the Chamber or their participation in the decision making process.

Decided:

- (1) that the Committee note the excellent work completed by Mr Aubrey Fawcett, Mr Alan Puckrin, Ms Jan Buchanan and Mr Matt Thomson on an interim basis;
- (2) that the Corporate Director Environment, Regeneration & Resources be allocated the additional responsibility of ri's Chief Executive Officer up to no later than March 2017;
- (3) that the Chief Executive establish an appropriate protocol in consultation with the ri Board to satisfy the requirement of the Office of the Scottish Charity Regulator (OSCR) with respect to the independence of the CEO role when implementing ri Board decisions;
- (4) that the Accountable Officer duties for ri be transferred to the Council's Chief Executive; and
- (5) that the Chief Executive review and report on the effectiveness of the management arrangements in summer 2015.

736 Holiday Pay 736

There was submitted a report by the Head of Organisational Development, HR & Communications seeking approval to implement actions in response to recent employment law judgements which potentially have significant financial implications for the Council.

Decided: that approval be given to the actions contained within section 5 of the report.