

**POLICY & RESOURCES COMMITTEE – 19 MAY 2015**

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**Policy & Resources Committee**

**Tuesday 19 May 2015 at 3pm**

**Present:** Councillors Ahlfeld, Clocherty, Brooks (for MacLeod), McCabe, McCormick, McEleny, Provost Moran (for McIlwee), 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 Health & Social Care Partnership, Head of Legal & Property Services, Chief Financial Officer, Head of Organisational Development, Human Resources & Communications, Corporate Procurement Manager, Corporate Policy & Partnership Manager, Business Support Executive and Mr M Bingham (Corporate Communications).

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

**372      Apologies, Substitutions and Declarations of Interest      372**

Apologies for absence were intimated on behalf of Councillor McIlwee, with Provost Moran substituting, Councillor MacLeod, with Councillor Brooks substituting, and Councillor Nelson.

Declarations of interest were intimated as follows:-

Agenda Item 10 (Overview of Local Government in Scotland 2015 – Report by the Accounts Commission) – Councillor Wilson; and  
Agenda Item 22 (Former Tied Housing Employees) – Provost Moran and Councillors Clocherty, McCabe and McEleny.

**373      Policy & Resources Capital Programme 2014/18 - Progress Report      373**

There was submitted a report by the Chief Financial Officer and the Corporate Director Environment, Regeneration & Resources (1) providing an update on the status of the projects within the Policy & Resources Capital Programme 2014/18 and (2) highlighting the overall financial position.

**Decided:** that the Committee note the current position of the 2014/18 Capital Programme and the progress of the specific projects detailed in Appendix 1.

**374      2014/18 Capital Programme      374**

There was submitted a report by the Chief Financial Officer on the latest position of the 2014/18 Capital Programme.

**Decided:**

(1) that the Committee note the current position of the 2014/18 Capital Programme; and

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(2) that the Committee note the current projected level of capital slippage in 2014/15 and that a detailed report on the 2014/15 final position will be presented to the Committee in August.

**375 Policy & Resources Committee 2014/15 Revenue Budget – Period 11 to 28 February 2015 375**

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 out-turn for the Policy & Resources Committee as at Period 11 to 28 February 2015.

**Decided:**

(1) that the Committee note the 2014/15 projected underspend of £2,272,000 for the Policy & Resources Committee as at period 11 to 28 February 2015; and

(2) that the Committee note the projected fund balance of £69,810 for the Common Good Fund.

**376 2014/15 General Fund Revenue Budget as at 28 February 2015 376**

There was submitted a report by the Chief Financial Officer (1) on the position of the General Fund Revenue Budget as at 28 February 2015 and (2) providing an update in respect of the position of the General Fund Reserves and Earmarked Reserves.

**Decided:**

(1) that the Committee note the latest position of the 2014/15 Revenue Budget and General Fund Reserves;

(2) that the Committee note that the increase in General Fund Reserves arising since the 19 February 2015 budget meeting will be considered by the Members Budget Working Group and reported to Committee in September;

(3) that the Committee agree to the allocation of a further £200,000 from the Council's Reserves to the Budget Development Earmarked Reserve to fund the delivery of the 2015/17 Budget Work Plan; and

(4) that the Committee delegate authority to the Chief Executive in consultation with the Chief Financial Officer and the Head of Legal & Property Services to make any necessary appointments for and to commit expenditure on implementation of the 2015/17 Budget Work Plan to facilitate early progress.

**377 Procurement Update and Procurement and The Living Wage 377**

There was submitted a report by the Chief Financial Officer (1) on the progress being made with Procurement since the last report in February 2015 and (2) proposing changes to the Council's Procurement Policy arising from the Scottish Government Policy Note 1/2015 in relation to the evaluation of workforce matters and public contracts, including the Living Wage.

After discussion, Councillor McCabe moved (1) that the Committee note the progress on the Strategic Procurement Framework; (2) that the progress made in savings delivery be noted; and (3) that the Committee approve the proposed policy and approach to Procurement and the Living Wage. As an amendment, Councillor Wilson moved that no action be taken in relation to the proposed policy and approach to Procurement and the Living Wage. On a vote, one Member voted for the amendment and nine for the motion which was declared carried.

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**Decided:**

- (1) that the Committee note the progress on the Strategic Procurement Framework;
- (2) that the progress made in savings delivery be noted; and
- (3) that the Committee approve the proposed policy and approach to Procurement and the Living Wage.

**378 Welfare Reforms Update****378**

There was submitted a report by the Chief Financial Officer and the Corporate Director Inverclyde Health & Social Care Partnership providing an update in respect of various aspects of the Welfare Reform agenda and the Welfare Reform Revenue Budget and Earmarked Reserve.

**Decided:**

- (1) that the Committee note the latest position in respect of the Council's response to the Welfare Reform changes;
- (2) that the Committee approve the request for additional one off funding contained in section 7 of the report;
- (3) that the Committee note the latest position in respect of the recurring Welfare Reform Revenue Budget and agree that the Council Tax reduction scheme underspend of £780,000 over 2014/16 be allocated to the General Fund Reserves; and
- (4) that the Committee note that the recurring Welfare Reform Revenue Budget will be reviewed as part of the 2016/18 Revenue Budget process.

**379 Corporate Services Performance Report****379**

There was submitted a report by the Corporate Director Education, Communities & Organisational Development and the Corporate Director Environment, Regeneration & Resources providing an update on the achievement of key objectives by the Council's Corporate Services as detailed in the Education, Communities & Organisational Development Corporate Directorate Improvement Plan 2013/16 and the Environment, Regeneration & Resources Corporate Directorate Improvement Plan 2013/16.

**Decided:**

- (1) that the progress made by Corporate Services in delivering improvement actions outlined in their respective Corporate Directorate Improvement Plans 2013/16 be noted; and
- (2) that a sixth progress report be submitted to the first meeting of the Committee following the summer 2015 recess.

**380 Audit Scotland Report: Borrowing and Treasury Management in Councils****380**

There was submitted a report by the Chief Financial Officer on the Audit Scotland Report "Borrowing and Treasury Management in Councils" published in March 2015 and seeking approval of a proposed action plan to address the issues raised by Audit Scotland.

**Decided:** that the Committee note the Audit Scotland Report "Borrowing and Treasury Management in Councils" and Supplement and approve the proposed action plan attached as Appendix 1 to the report.

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**381 Overview of Local Government in Scotland 2015 – Report by the Accounts Commission 381**

There was submitted a report by the Chief Financial Officer (1) on the Accounts Commission report “An Overview of Local Government in Scotland 2015” and (2) seeking approval for the actions identified by officers.

Councillor Wilson declared a non-financial interest in this item as a Director of Link Housing Association. 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.

**Decided:**

(1) that the Committee note the contents of the “Overview of Local Government in Scotland in 2015” report issued by the Accounts Commission; and

(2) that the Committee approve the actions outlined in Appendix 1 and note that updates on delivering these actions will be provided via the Audit Committee.

**382 National Scrutiny Plan 2015/16 382**

There was submitted a report by the Chief Executive on the National Scrutiny Plan 2015/16 summarising the strategic scrutiny work from April 2015 to March 2016 in each of Scotland’s 32 Councils.

**Decided:** that the Committee note the contents of the National Scrutiny Plan 2015/16.

**383 Audit Scotland: Local Scrutiny Plan 2015/16 383**

There was submitted a report by the Chief Executive on the Local Scrutiny Plan 2015/16 based upon a shared risk assessment undertaken by representatives of all of the main local government audit and inspection agencies.

**Decided:** that the Committee note the Local Scrutiny Plan 2015/16 as presented by Audit Scotland.

**384 Earmarked Reserves Policy 384**

There was submitted a report by the Chief Financial Officer seeking approval of an amended policy in respect of the establishment and utilisation of Earmarked Reserves.

**Decided:**

(1) that approval be given to the Earmarked Reserve Policy set out in Appendix 2 to the report; and

(2) that consideration be given to the utilisation of any surplus Free Reserves at the September meeting of the Policy & Resources Committee and that any proposals comply with the amended Earmarked Reserves Policy.

**385 Future Budget Consultations 385**

There was submitted a report by the Corporate Director Education, Communities & Organisational Development providing feedback on the Council’s budget consultation 2016/17 process and suggesting changes to future consultations.

**Decided:**

(1) that the Committee note the main findings from the feedback on the budget consultation 2016/17 process;

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(2) that the suggestions for improvement be taken into account when future consultation exercises are being devised; and

(3) that the budget consultation process be funded as outlined in section 7 of the report.

**386      Renewal of Partnership Agreement – Children’s Hearings Scotland      386**

There was submitted a report by the Head of Legal & Property Services seeking approval of the renewal, for a period of three years, of the partnership agreement with Children’s Hearings Scotland for the continued support of Inverclyde’s Area Support Team.

**Decided:**

(1) that the Committee agree to support an agreement with Children’s Hearings Scotland to continue to provide staffing resources, up to the level currently provided, to the Inverclyde Area Support Team, for a further term of three years, to 30 June 2018; and

(2) that it be remitted to the Chief Executive to progress and, as appropriate, to conclude negotiations with Children’s Hearings Scotland to ensure the best interests of the Council, and those of the Children’s Hearings system in Inverclyde.

**387      Contract Awards – 1 October 2014 to 31 March 2015      387**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources advising the Committee of contracts awarded for the supply of goods or materials, provision of services and execution of works during the period 1 October 2014 to 31 March 2015.

**Decided:** that the Committee note the contracts awarded by the Council during the period 1 October 2014 to 31 March 2015.

**388      Updated Policy for the Retention and Disposal of Documents and Records Paper and Electronic      388**

There was submitted a report by the Corporate Director Inverclyde Health & Social Care Partnership seeking approval of the updated Policy for the Retention and Disposal of Documents and Records Paper and Electronic.

**Decided:**

(1) that approval be given to the updated Policy for the Retention and Disposal of Documents and Records Paper and Electronic; and

(2) that the Corporate Director Inverclyde Health & Social Care Partnership, through the Information Governance Steering Group, submit a further report on the progress of the implementation of the Policy on an annual basis.

**389      Disasters Emergency Appeal in Scotland: Nepal Earthquake Appeal – Request by Councillor McCabe      389**

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 Nepal Earthquake Appeal by means of financial donation and/or promotional activity.

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

**390 Proposed Closure of Longannet Power Station – Motion by Councillor McCabe**

390

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on a motion by Councillor McCabe, countersigned by Councillor Clocherty, in relation to the proposed early closure of Longannet Power Station which had been submitted in accordance with Standing Order 22 in the following terms:-

“That the Committee consider the impact on the Scottish Economy of the proposed early closure of Longannet Power Station in Fife by Scottish Power and agree that appropriate representations should be made to Scottish Power and the Scottish and UK Governments in relation to this matter.”

The Committee discussed this item with reference to the letter received from the Industrial Communities Alliance. During the course of discussion of the item, a question arose in relation to the separate issue of the proposed closure of the Playtex premises in Inverclyde and it was confirmed that the Council would continue to pursue engagement with DB Apparel to explore alternatives to closure and the Corporate Director Environment, Regeneration & Resources undertook to keep Elected Members updated on that position.

**Decided:** that it be remitted to the Chief Executive to write to Scottish Power and the Scottish and UK Governments to make appropriate representations in relation to the proposed early closure of Longannet Power Station.

**391 Zero Hours Contracts – Request by Councillor McEleny**

391

There was submitted a report by the Head of Legal & Property Services advising of a request from Councillor McEleny that the Committee consider the remit of zero hours contracts and Council funding to external organisations.

(Councillor Wilson left the meeting during consideration of this item of business).

**Decided:** that the Corporate Director Environment, Regeneration & Resources submit a report to the Committee on the implications of the Council deciding to implement a policy of not providing future funding to any organisation which employs people on exploitative zero hours contracts.

**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) |
|---|--------------|
| Legal Representation – Planning                                   | 8 and 12     |
| Update on the Greenock Arts Guild Limited: The Beacon Arts Centre | 6            |
| Former Tied Housing Employees                                     | 1, 11 and 12 |

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**Business Property Renovation Allowance Scheme****6 and 12****392 Legal Representation - Planning 392**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources seeking approval to appoint external legal representation in relation to a forthcoming Public Inquiry.

**Decided:** that approval be given to a budget of £25,000 to enable the appointment of external legal representation for the Council at the forthcoming Public Inquiry.

**393 Update on the Greenock Arts Guild Limited: The Beacon Arts Centre 393**

There was submitted a report by the Corporate Director Education, Communities & Organisational Development providing an update on the progress of the Board of the Greenock Arts Guild Limited (GAG) to meet the conditions of grant totalling £1.2m as agreed at the meeting of the Council on 29 January 2015 including the progress made by the Board of GAG on the governance arrangements, an update on the current financial position, GAG progress with its business plan, discussions with Creative Scotland and the grant award from the Scottish Government.

**Decided:**

- (1) that it be noted more focused progress is necessary by GAG to meet the conditions of the Council grant as agreed on 29 January 2015;
- (2) that the Committee note the updated financial position including the loss of the significant contribution from the anonymous philanthropist;
- (3) that approval be given to the proposals outlined in section 6 of the report;
- (4) that officers be instructed to implement the proposals; and
- (5) that, once the proposals in section 6 and the conditions of payment previously agreed are satisfied, a meeting of the Policy & Resources Executive Sub-Committee be called to consider the scale of any payment.

**394 Former Tied Housing Employees 394**

There was submitted a report by the Head of Organisational Development, Human Resources & Communications (1) updating the Committee on the formal consultation period with the Trades Unions in relation to the implementation of revised rent arrangements for employees in former tied houses and (2) outlining the potential next steps for consideration.

Provost Moran and Councillors Clocherty, McCabe and McEleny declared a non-financial interest in this matter as members of Unite the Union. They also 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.

Following consideration, the Committee agreed to take action, all as detailed in the appendix.

**395 Business Property Renovation Allowance Scheme 395**

There was submitted a report together with updated Appendix 1 by the Chief Financial Officer seeking approval for the Council to enter into a second Business Property Renovation Allowance Scheme to assist with the delivery of the Office Asset Management Plan and the Committee to the action recommended, all as detailed in the appendix.