

A meeting of the Inverclyde Council will be held on Thursday 5 December 2019 at 4pm within the Municipal Buildings, Greenock.

GERARD MALONE
Head of Legal and Property Services

BUSINESS

****Copy to follow**

1. Apologies and Declarations of Interest	Page
NEW BUSINESS	
<p>2. Minutes of Meetings of The Inverclyde Council, Committees, Sub-Committees and Boards</p> <p>Inverclyde Council (pp 291 – 294) Planning Board (p 295) Local Review Body (pp 296 – 298) Policy & Resources Executive Sub-Committee (p 299) General Purposes Board (p 300) Environment & Regeneration Committee (Special) (p 301) Audit Committee (pp 302 – 303) Health & Social Care Committee (pp 304 – 306) Environment & Regeneration Committee (pp 307 – 316) Education & Communities Committee (pp 317 – 321) Planning Board (p 322 – 323) General Purposes Board (pp 324 – 325) Policy & Resources Committee (pp 326 – 331) ** Local Police & Fire Scrutiny Committee (p 332) ** Planning Board () ** Local Review Body ()</p>	
<p>3. Chief Social Work Officer Annual Report 2018/19 Report by Chief Social Work Officer for Inverclyde Council</p>	p
<p>4. Financial Strategy 2019/2029 - Update Report by Chief Financial Officer</p>	p
<p>5. Administrative Arrangements: Committee Remits and Delegations Report by Head of Legal & Property Services</p>	p

6.	Proposed Compulsory Purchase Order – Babylon, West Stewart Street, Greenock Report by Head of Legal & Property Services	p
REMITS FROM COMMITTEES		
7.	Proposed Traffic Regulation Order – The Inverclyde Council, Disabled Persons’ Parking Places (On-Street) Order No. 3 2019 – Remit from Environment & Regeneration Committee Report by Corporate Director Environment, Regeneration & Resources	p
8.	Riverside Inverclyde – Company Restructure: Remit from Environment & Regeneration Committee Report by Corporate Director Environment, Regeneration & Resources	p
9.	Treasury Management – Mid-Year Report 2019/20: Remit from Policy & Resources Committee Report by Corporate Director Environment, Regeneration & Resources	p
TRUST BUSINESS		
10.	Trust Funds Annual Accounts 2018-19 Report by Honorary Treasurer	p
The documentation relative to the following item has been treated as exempt information in terms of the Local Government (Scotland) Act 1973 as amended, the nature of the exempt information being that set out in the paragraphs of Part I as detailed in the minute of the relevant Committee, Sub-Committee or Board.		
NEW BUSINESS		
11.	Business in the Appendix	

Enquiries to – **Sharon Lang** – Tel 01475 712112

THE INVERCLYDE COUNCIL – 26 SEPTEMBER 2019

The Inverclyde Council

Thursday 26 September 2019 at 4pm

Present: Provost Brennan, Councillors Ahlfeld, Brooks, Clocherty, Crowther, Curley, Dorrian, Jackson, McCabe, McCormick, C McEleny, J McEleny, McKenzie, McVey, Moran, Nelson, Quinn, Rebecchi, Robertson and Wilson.

Chair: Provost Brennan presided.

In attendance: Chief Executive, Corporate Director Environment, Regeneration & Resources, Corporate Director Education, Communities and Organisational Development, Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership, Chief Financial Officer, Head of Legal & Property Services, Ms S Lang (Legal & Property Services), Head of Organisational Development, Policy and Communications, Chief Internal Auditor and Service Manager – Communications, Tourism and Health & Safety.

In attendance also: Mr D Jamieson and Mr M Laird, Audit Scotland.

581 Apologies and Declarations of Interest 581

Apologies for absence were intimated on behalf of Councillors MacLeod and Murphy.

No declarations of interest were intimated.

582 2018/19 Annual Audit Report to Elected Members and the Controller of Audit 582

There was submitted a report by the Chief Executive appending the Annual Audit Report to Elected Members and the Controller of Audit for the financial year to 31 March 2019.

Mr David Jamieson and Mr Mark Laird of Audit Scotland were present and Mr Jamieson spoke to the report and answered a number of questions from Members.

Decided:

- (1) that the contents of the Annual Report to Members and the Controller of Audit for the financial year ended 31 March 2019 be endorsed and that the Action Plan in Appendix 1 of the Annual Report be approved;
- (2) that the Annual Accounts for Inverclyde Council for the financial year 2018/19 be endorsed and that approval be granted for the signing of the Accounts by the Council Leader, Chief Executive and Chief Financial Officer; and
- (3) that the Letter of Representation in Appendix 3 be endorsed and that the signing of the letter by the Chief Financial Officer be approved.

The Council adjourned at 4.15pm to allow the signing of the various documents in connection with the previous item and reconvened at 4.20pm.

THE INVERCLYDE COUNCIL – 26 SEPTEMBER 2019

**Minutes of Meetings of
The Inverclyde Council, Committees, Sub-Committees and Boards**

583	Local Police and Fire Scrutiny Committee – 6 June 2019	583
	Approved on the motion of Councillor McVey.	
584	The Inverclyde Council – 6 June 2019	584
	Approved on the motion of Provost Brennan.	
585	General Purposes Board – 12 June 2019	585
	Approved on the motion of Councillor Quinn.	
586	Planning Board – 13 June 2019	586
	Approved on the motion of Councillor Wilson.	
587	Grants Sub-Committee – 19 June 2019	587
	Approved on the motion of Provost Brennan.	
588	Grants Sub-Committee – 26 June 2019	588
	Approved on the motion of Councillor Brooks.	
589	Audit Committee (Special) – 27 June 2019	589
	Approved on the motion of Councillor Rebecchi.	
590	The Inverclyde Council (Special) – 27 June 2019	590
	Approved on the motion of Provost Brennan.	
591	Policy & Resources Committee – 6 August 2019	591
	Approved on the motion of Councillor McCabe.	
592	Local Review Body – 7 August 2019	592
	Approved on the motion of Councillor Wilson.	
593	Grants Sub-Committee – 14 August 2019	593
	Approved on the motion of Councillor Brooks.	

THE INVERCLYDE COUNCIL – 26 SEPTEMBER 2019

594	General Purposes Board – 14 August 2019	594
	Approved on the motion of Councillor Dorrian.	
595	Audit Committee – 20 August 2019	595
	Approved on the motion of Councillor Rebecchi.	
596	Health & Social Care Committee – 22 August 2019	596
	Approved on the motion of Councillor Moran.	
597	Environment & Regeneration Committee – 29 August 2019	597
	Approved on the motion of Councillor McCormick.	
598	Education & Communities Committee – 3 September 2019	598
	Approved on the motion of Councillor Clocherty.	
599	Planning Board – 4 September 2019	599
	Approved on the motion of Councillor Wilson.	
600	Local Review Body – 4 September 2019	600
	Approved on the motion of Councillor Wilson.	
601	General Purposes Board – 11 September 2019	601
	Approved on the motion of Councillor Dorrian.	
602	Policy & Resources Committee – 17 September 2019	602
	Approved on the motion of Councillor McCabe.	
603	Local Police and Fire Scrutiny Committee – 19 September 2019	603
	Approved on the motion of Councillor McVey.	
604	Review of the Roles of and Support Given to Council Champions	604
	There was submitted a report by the Head of Legal & Property Services reviewing the roles of and support given to Council Champions.	
	Decided:	
	(1) that the report be noted; and	
	(2) that it be remitted to the Head of Legal & Property Services in consultation with relevant Officers to implement the changes summarised in paragraph 6.2 of the report.	

THE INVERCLYDE COUNCIL – 26 SEPTEMBER 2019

605 Clyde Valley Learning and Development Project 2019 – Revised Minute of Agreement 605

There was submitted a report by the Head of Legal & Property Services (1) advising the Council that South Lanarkshire Council, as lead council, had updated the Minute of Agreement covering the Clyde Valley Project, of which Inverclyde Council was currently a full member, and (2) requesting the Council to enter into a revised Minute of Agreement to continue its participation in the Project as a full member.

Decided:

(1) that it be agreed to enter into the revised Minute of Agreement appended to the report to continue Inverclyde Council's participation in the Clyde Valley Learning and Development Project as a full member, with South Lanarkshire Council acting as lead authority for the project;

(2) that it be noted that in the event that there were no proposed amendments to the Minute of Agreement, South Lanarkshire Council would circulate the Minute of Agreement to full member councils for signing; and

(3) that it be noted that the Minute of Agreement, once approved, would require a Minute of Variation to be signed by all full members to reflect any changes.

606 Treasury Management – Annual Report 2018/19 – Remit from Policy & Resources Committee 606

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on a remit from the Policy & Resources Committee of 6 August 2019 requesting the Council to approve the Treasury Management Annual Report 2018/19.

Decided: that the Treasury Management Annual Report 2018/19 be approved.

Appendices to Minutes

607 General Purposes Board – 12 June 2019 607

Approved on the motion of Councillor Quinn.

608 Policy & Resources Committee – 6 August 2019 608

Approved on the motion of Councillor McCabe.

609 General Purposes Board – 14 August 2019 609

Approved on the motion of Councillor Dorrian.

610 Health & Social Care Committee – 22 August 2019 610

Approved on the motion of Councillor Moran.

611 Environment and Regeneration Committee – 29 August 2019 611

Approved on the motion of Councillor McCormick.

PLANNING BOARD – 2 OCTOBER 2019

Planning Board

Wednesday 2 October 2019 at 3pm

Present: Provost Brennan (for Councillor Clocherty), Councillors Crowther, Dorrian, J McEleny, McKenzie, Moran, Murphy, Nelson, Rebecchi and Wilson.

Chair: Councillor Wilson presided.

In attendance: Head of Regeneration & Planning, Development & Building Standards Manager, Mr G Leitch (Roads & Transportation), Mr J Kerr (for Head of Legal & Property Services) and Ms R McGhee (Legal & Property Services).

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

612 APOLOGIES, SUBSTITUTIONS AND DECLARATIONS OF INTEREST 612

Apologies for absence were intimated on behalf of Councillor Clocherty, with Provost Brennan substituting, and Councillor McVey.

No declarations of interest were intimated.

613 PLANNING APPLICATIONS 613

There were submitted reports by the Head of Regeneration & Planning on applications for planning permission as follows:-

**(a) Erection of 6m high flagpole:
Kempock Place, Gourock (19/0192/IC)**

The report recommended that planning permission be granted.

After discussion, Councillor Wilson moved that planning permission be granted. As an amendment, Councillor McKenzie moved that planning permission be refused as (1) the proposed flagpole would add to clutter in the area and (2) there are better locations for siting a flagpole within Gourock town centre.

On a vote, 3 Members, Councillors Crowther, McKenzie and Nelson, voted in favour of the amendment and 7 Members, Provost Brennan, Councillors Dorrian, J McEleny, Moran, Murphy, Rebecchi and Wilson, voted in favour of the motion which was declared carried.

Decided: that planning permission be granted.

**(b) Proposed change of use from existing office to beauty salon (in retrospect):
120 West Blackhall Street, Greenock (19/0214/IC)**

Decided: that planning permission be granted.

LOCAL REVIEW BODY – 2 OCTOBER 2019

616 CONTINUED PLANNING APPLICATION FOR REVIEW

616

**Alterations, extension and conversion of former stables to form new dwelling:
6 Roseneath Street, Greenock (19/0010/IC)**

There were submitted papers relative to the application for review of the refusal of planning permission for alterations, extension and conversation of former stables to form a new dwelling at 6 Roseneath Street, Greenock (19/0010/IC) to enable the Local Review Body to consider the matter afresh, consideration of which had been continued from the meeting held on 7 August 2019 to seek information by means of a written submission in terms of Regulation 15 of the Town and Country Planning (Schemes of Delegation and Local Review Procedure) (Scotland) Regulations 2013 from the applicant, the Appointed Officer and any other interested parties in relation to their views on Historic Environment Scotland's Historic Environment Policy for Scotland (HEPS) published in May 2019 as it impacts upon the application to the Local Review Body.

Ms Pickett acted as Planning Adviser in relation to this case.

Ms Pickett advised the Local Review Body that although the 2014 Local Development Plan had been in place when the Appointed Officer had determined the planning application, this had been superseded by the 2019 Local Development Plan and, accordingly, Members should not have regard to policies RES1, RES5 and HER1 when considering and determining the application for review.

The meeting adjourned at 4.21pm and re-convened at 4.26pm.

After discussion, Councillor Rebecchi moved (1) that sufficient information had been submitted to allow the Local Review Body to decide the matter without further procedure; and (2) that the application for review be dismissed and that planning permission be refused (upholding the Appointed Officer's determination) for the following reasons:

1. the proposal by virtue of scale, form and design would adversely impact upon the historical pattern of development and high quality traditional design which gave rise to the designation of the Greenock West End Conservation Area and, as such, the proposal is contrary to Policies 1, 20 and 28;
2. the proposal does not reflect the plot size, proportion of built ground to garden ground, distances to boundaries, established street frontage, roof design and use of materials and colours of properties within the immediate locality. The proposal therefore presents conflicts with the guidance within PAAN2 and PAAN3; and
3. the proposal is contrary to Historic Environment Scotland's Historic Environment Policy for Scotland as it does not seek to preserve or enhance the characteristics of the Conservation Area nor manage change to the historic environment with intelligence and understanding. Furthermore, it is not supported by the "Managing Change in the Historic Environment" guidance note on "Setting" which advises that development which does not respect the scale, design and detailing of existing buildings will not generally be supported.

As an amendment, Councillor McKenzie moved (1) that sufficient information had been submitted to allow the Local Review Body to decide the matter without further procedure; and (2) that the application for review be upheld and that planning permission be granted subject to the following advisory notes:

1. the applicant shall submit to the Planning Authority a detailed specification of the containers to be used to store waste materials and recyclable materials produced on the premises as well as specific details of the areas where such containers are to be

LOCAL REVIEW BODY – 2 OCTOBER 2019

located. The use of the residential accommodation shall not commence until the above details are approved in writing by the Planning Authority and the equipment and any structural changes are in place, to protect the amenity of the immediate area, prevent the creation of nuisance due to odours, insects, rodents or birds;

2. all external lighting on the application site should comply with the Scottish Government Guidance Note “Controlling Light Pollution and Reducing Lighting Energy Consumption”, to protect the amenity of the immediate area, the creation of nuisance due to light pollution and to support the reduction of energy consumption;

3. the sound insulation should have regard to advice and standards contained in the current Scottish Building Regulations, to ensure that acceptable noise and vibration levels are not exceeded;

4. (i) site drainage: suitable and sufficient measures for the effective collection and disposal of surface water should be implemented during the construction phase of the project as well as within the completed development to prevent flooding within this and nearby property;

(ii) rats, drains and sewers: prior to the construction phase it is strongly recommended that any existing, but redundant, sewer/drainage connections should be sealed to prevent rat infestation and inhibit the movement of rats within the area via the sewers/drains;

(iii) the applicant should be fully aware of the Construction (Design & Management) Regulations 2015 (CDM 2015) and their implications on client duties etc; and

(iv) design and construction of buildings – gulls: it is very strongly recommended that appropriate measures be taken in the design of all buildings and their construction, to inhibit the roosting and nesting of gulls. Such measures are intended to reduce nuisance to, and intimidation of, persons living, working and visiting the development.

On a vote, 2 Members, Councillors Crowther and McKenzie, voted for the amendment and 3 Members, Councillors Dorrian, Rebecchi and Wilson, voted for the motion which was declared carried.

Decided:

(1) that sufficient information had been submitted to allow the Local Review Body to decide the matter without further procedure; and

(2) that the application for review be dismissed and that planning permission be refused (upholding the Appointed Officer’s determination) for the following reasons:

1. the proposal by virtue of scale, form and design would adversely impact upon the historical pattern of development and high quality traditional design which gave rise to the designation of the Greenock West End Conservation Area and, as such, the proposal is contrary to Policies 1, 20 and 28;

2. the proposal does not reflect the plot size, proportion of built ground to garden ground, distances to boundaries, established street frontage, roof design and use of materials and colours of properties within the immediate locality. The proposal therefore presents conflicts with the guidance within PAAN2 and PAAN3; and

3. the proposal is contrary to Historic Environment Scotland’s Historic Environment Policy for Scotland as it does not seek to preserve or enhance the characteristics of the Conservation Area nor manage change to the historic environment with intelligence and understanding. Furthermore, it is not supported by the “Managing Change in the Historic Environment” guidance note on “Setting” which advises that development which does not respect the scale, design and detailing of existing buildings will not generally be supported.

Policy and Resources Executive Sub-Committee**Thursday 3 October 2019 at 1.30pm**

Present: Provost Brennan (for Councillor Clocherty), Councillors Ahlfeld, McCabe, J McEleny (for C McEleny), Robertson and Wilson.

Chair: Councillor McCabe presided.

In attendance: Chief Executive, Corporate Director Education, Communities & Organisational Development, Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership, Head of Legal & Property Services, Ms R McGhee (Legal & Property Services), Chief Financial Officer, Head of Organisational Development, Policy & Communications and Service Manager – Communications, Tourism and Health & Safety.

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

617 Apologies, Substitutions and Declarations of Interest 617

Apologies for absence were intimated on behalf of Councillor Clocherty, with Provost Brennan substituting, and Councillor C McEleny, with Councillor J McEleny substituting.

No declarations of interest were intimated.

618 Period Covered by the Budget 618

There was submitted a report by the Chief Financial Officer seeking approval to amend the current Budget Strategy in relation to the period covered by the Revenue Budget and the implications for the planned communication with employees together with publication of savings proposals.

Decided:

- (1) that the contents of the report be noted and that approval be given to the proposal to amend the current Budget Strategy and the revised timescales in Appendix 1 to the report; and
- (2) that the new timescales for considering the savings proposals as set out in Appendix 2 be noted.

GENERAL PURPOSES BOARD – 9 OCTOBER 2019

General Purposes Board**Wednesday 9 October 2019 at 3pm**

Present: Provost Brennan, Councillors Brooks, Crowther, Curley, Dorrian, Jackson, Robertson (for MacLeod), J McEleny, Moran and Quinn.

Chair: Councillor Dorrian presided.

In attendance: Mr D Keenan (for Head of Legal & Property Services), Ms D Sweeney (Legal & Property Services) and Sergeant R Brooks (Police Scotland).

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

619 Apologies, Substitutions and Declarations of Interest 619

Apologies for absence were intimated on behalf of Councillor MacLeod, with Councillor Robertson substituting, and Councillor Ahlfeld.

No declarations of interest were intimated.

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 item on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 6 of Part I of Schedule 7(A) of the Act.

620 Application for Renewal of Taxi Driver's Licence 620

There was submitted a report by the Head of Legal & Property Services on an application for the renewal of a Taxi Driver's Licence which was granted, all as detailed in the appendix.

ENVIRONMENT & REGENERATION COMMITTEE – 17 OCTOBER 2019

Environment & Regeneration Committee

Thursday 17 October 2019 at 3pm

Present: Councillors Brooks, Clocherty, Crowther, Curley, McCabe, McCormick, J McEleny, McKenzie and Nelson.

Chair: Councillor McCormick presided.

In attendance: Corporate Director Environment, Regeneration & Resources, Ms H Watson (for Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership), Head of Legal & Property Services, Legal Services Manager (Procurement, Conveyancing & Information Governance), Ms R McGhee (Legal & Property Services), Chief Financial Officer and Head of Environmental & Public Protection.

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

621 Apologies, Substitutions and Declarations of Interest 621

Apologies for absence were intimated on behalf of Councillors Ahlfeld and Jackson.

No declarations of interest were intimated.

622 Withdrawal from the European Union - Update 622

There was submitted a report by the Corporate Director Environment, Regeneration & Resources providing an update on actions taken to mitigate the potential risks arising from European Union withdrawal including a “No Deal” Brexit.

Following consideration, Councillor Brooks moved that the actions taken to mitigate the negative impact of a “No Deal” European Union exit in Inverclyde be approved. As an amendment, Councillor McCabe moved that the actions taken to mitigate the impact of a “No Deal” European Union exit in Inverclyde be approved.

On a vote, 1 Member, Councillor Brooks, voted for the motion and 7 Members, Councillors Clocherty, Crowther, Curley, McCabe, McCormick, J McEleny and Nelson, voted for the amendment which was declared carried. Councillor McKenzie abstained from voting.

Decided: that the actions taken to mitigate the impact of a “No Deal” European Union exit in Inverclyde be approved.

AUDIT COMMITTEE – 22 OCTOBER 2019

Audit Committee**Tuesday 22 October 2019 at 3pm**

Present: Provost Brennan, Councillors Brooks, Curley, McCabe, McCormick, J McEleny, McVey, Nelson, Quinn and Rebecchi.

Chair: Councillor Rebecchi presided.

In attendance: Corporate Director Environment, Regeneration & Resources, Service Manager, Community Learning & Development, Community Safety & Resilience and Sport, Chief Internal Auditor, Ms G Murphy (for Head of Legal & Property Services), Ms D Sweeney (Legal & Property Services) and Mr M Thomson (for Chief Financial Officer).

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

623 Apologies, Substitutions and Declarations of Interest 623

An apology for absence was intimated on behalf of Councillor Murphy.

No declarations of interest were intimated.

624 Internal Audit Progress Report – 29 July to 27 September 2019 624

There was submitted a report by the Corporate Director Environment, Regeneration & Resources appending the monitoring report in respect of Internal Audit activity for the period 29 July to 27 September 2019.

Decided: that the monitoring report in respect of Internal Audit activity for the period 29 July to 27 September 2019 be noted.

625 External Audit Action Plans – Current Actions 625

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on the status of current actions from External Audit Action Plans as at 30 September 2019.

Decided: that progress to date in relation to the implementation of External Audit actions be noted.

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 item on the grounds that the business involved the likely disclosure of exempt information as defined in paragraphs 1, 3 and 6 of Part I of Schedule 7(A) of the Act.

AUDIT COMMITTEE – 22 OCTOBER 2019

626 Appendix Relative to Item 2 Providing Information on a Special Investigation**626**

There was submitted an appendix to the Internal Audit progress report providing information on a special investigation.

Decided: that the contents of the appendix be noted.

HEALTH & SOCIAL CARE COMMITTEE – 24 OCTOBER 2019

Health & Social Care Committee

Thursday 24 October 2019 at 3pm

Present: Councillors Brooks, Clocherty (for Dorrian), Jackson, MacLeod, McCabe, Crowther (for C McEleny), McKenzie, Moran, Quinn, Rebecchi and Robertson.

Chair: Councillor Moran presided.

In attendance: Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership, Head of Health & Community Care, Head of Strategy & Support Services, Head of Children's Services & Criminal Justice, Ms A Hunter (for Head of Mental Health, Addictions & Homelessness), Ms S White (for Chief Financial Officer), Ms V Pollock (for Head of Legal & Property Services), Property Services Manager and Ms S Lang (Legal & Property Services).

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

627 Apologies, Substitutions and Declarations of Interest 627

Apologies for absence were intimated on behalf of Councillor Dorrian, with Councillor Clocherty substituting, and Councillor C McEleny, with Councillor Crowther substituting.

Declarations of interest were intimated as follows:

Agenda Item 3 (Inverclyde Community Justice Partnership Annual Report 2018-19) – Councillor Robertson;
Agenda Item 6 (Dementia Update) – Councillor Crowther.

628 Revenue and Capital Budget – Projected 2019/20 Revenue Outturn as at 31 August 2019 628

There was submitted a report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership and the Chief Financial Officer on the projected outturn on Revenue and Capital for 2019/20 as at Period 5, 31 August 2019.

Decided:

- (1) that the current year Revenue outturn projected overspend of £15,000 at 31 August 2019 be noted;
- (2) that the current projected Capital position be noted; and
- (3) that the current Earmarked Reserves position be noted.

629 Inverclyde Community Justice Partnership Annual Report 2018-19 629

There was submitted a report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership on the Inverclyde Community Justice Partnership Annual Report 2018-19.

Councillor Robertson declared a financial interest in this item as the result of a remuneration contract with Stepwell Consultancy Ltd which had been engaged to undertake work in connection with Community Justice and she left the meeting prior to

HEALTH & SOCIAL CARE COMMITTEE – 24 OCTOBER 2019

its consideration.

Decided:

- (1) that the Inverclyde Community Justice Partnership Annual Report 2018-19 be noted; and
- (2) that approval be given to submission of the Annual Report to Community Justice Scotland, pending the addressing of any necessary amendments.

Councillor Robertson returned to the meeting at this juncture.

630 Update on Rapid Rehousing Transition Plan**630**

There was submitted a report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership providing an update on the progress of the Inverclyde Rapid Rehousing Transition Plan (RRTP) and the proposed use of the funding allocation from the Scottish Government.

Decided:

- (1) that the content of the report and the submission of the third version of the Rapid Rehousing Transition Plan to the Scottish Government be noted;
- (2) that agreement be given to progress the implementation of a Housing First approach and that discussion be entered into with the Registered Social Landlords (RSLs) on the requirement for a RRTP Partnership Officer employed by a RSL; and
- (3) that agreement be given to future Rapid Rehousing Transition Plan updates following implementation of the Housing First model.

631 Whole System Approach**631**

There was submitted a report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership advising of new Scottish Government funding to support local authorities with a reinvigoration and extension of the Whole System Approach to youth offending.

Decided:

- (1) that the report be noted;
- (2) that the development of services to provide interventions to vulnerable and high-risk young people up to the age of 21, or 26 if care-experienced, be endorsed; and
- (3) that the development and implementation of a consistent model of risk assessment and management for vulnerable high-risk young people be endorsed.

632 Dementia Update**632**

There was submitted a report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership providing an update in relation to Dementia work in Inverclyde.

Councillor Crowther declared a non-financial interest in this item as the relative of a service user. 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 it be noted that Inverclyde HSCP had been identified as a national testing site for developing Dementia care co-ordination;
- (2) that the addition of an Improvement Adviser for 24 months, resourced by IHub Scotland, to progress the work in Inverclyde be noted;

HEALTH & SOCIAL CARE COMMITTEE – 24 OCTOBER 2019

(3) that it be noted that further update reports would be submitted on a six monthly basis; and

(4) that it be agreed that the future use of the Earmarked Reserve be linked to the test of change activity associated with the new care co-ordination work.

633 Mental Health Strategy and Improvement Programmes

633

There was submitted a report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership providing an update on developments to take forward the Mental Health Strategy within Inverclyde and appending the Mental Health Strategic Needs Assessment.

Decided:

(1) that the progress made in the delivery of Mental Health improvement in Inverclyde be noted;

(2) that the content of, and key evidence within, the Mental Health Strategic Needs Assessment be noted;

(3) that it be agreed that further regular update reports be submitted to the Committee; and

(4) that proposals for an outcomes framework in relation to the Mental Health Strategy be submitted to the Committee.

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 item on the grounds that the business involved the likely disclosure of exempt information as defined in paragraphs 6 and 9 of Part I of Schedule 7(A) of the Act.

634 Reporting by Exception – Governance of HSCP Commissioned External Organisations

634

There was submitted a report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership providing an update on matters relating to the HSCP governance process for externally commissioned Social Care Services.

Decided:

(1) that the governance report for the period 20 July to 20 September 2019 be noted;

(2) that Members acknowledge that Officers regard the control mechanisms in place through both governance meetings and the managing poorly performing services guidance within the Contract Management Framework as sufficiently robust to ensure ongoing quality and safety and the fostering of a commissioning culture of continuous improvement; and

(3) that a report be submitted to the Committee providing information on the operation of self-directed support.

ENVIRONMENT & REGENERATION COMMITTEE – 31 OCTOBER 2019

Environment & Regeneration Committee

Thursday 31 October 2019 at 3pm

Present: Councillors Ahlfeld, Brooks, Clocherty, Crowther, Curley, Jackson, McCabe, McCormick, C McEleny (for J McEleny), McKenzie and Nelson.

Chair: Councillor McCormick presided.

In attendance: Corporate Director Environment, Regeneration & Resources, Ms A Hunter (for Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership), Head of Legal & Property Services, Technical Services Manager, Ms R McGhee (Legal & Property Services), Ms M McCabe (for Chief Financial Officer), Shared Head of Service (Roads), Service Manager (Roads), Head of Environmental & Public Protection, Environmental Services Manager, Ms J Stitt (Environmental & Public Protection), Head of Regeneration & Planning and Mr D McLavin (Corporate Communications).

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

635 Apologies, Substitutions and Declarations of Interest

635

An apology for absence was intimated on behalf of Councillor J McEleny, with Councillor C McEleny substituting.

Declarations of interest were intimated as follows:-

Agenda Item 3 (Environment & Regeneration Capital Programme 2019/20 to 2022/23 – Progress) – Councillor Curley;
 Agenda Item 4 (Workforce Development Update) – Councillor Ahlfeld;
 Agenda Item 7 (Inverclyde Local Housing Strategy 2017-2022: 2019 Update) – Councillors Brooks and Curley;
 Agenda Item 12 (Play Area Strategy – Investment Funding Update) – Councillors Brooks and Curley;
 Agenda Item 15 (Road Naming within New Development at James Watt Dock, Greenock) – Councillor Curley;
 Agenda Item 18 (King George VI Building – 9-11 King Street, Port Glasgow) – Councillor McKenzie;
 Agenda Item 23 (Clune Park Regeneration Plan Progress Report: Update on Current Actions) – Councillor Curley;
 Agenda Item 24 (Property Assets Management Report) – Councillor Curley; and
 Agenda Item 25 (Riverside Inverclyde – Company Restructure) – Councillors Clocherty, McKenzie and Nelson.

ENVIRONMENT & REGENERATION COMMITTEE – 31 OCTOBER 2019

The Convener being of the opinion that the undernoted report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership was relevant, competent and urgent, moved its consideration in terms of the relevant Standing Order to allow the 2019/20 Annual Assurance Statement, if agreed, to be submitted to the Scottish Housing Regulator on 31 October 2019. This was agreed unanimously.

636 Scottish Housing Regulator 636

There was submitted a report by the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership (1) advising of the Scottish Housing Regulator's new requirement for the Council to produce an Annual Assurance Statement and (2) seeking approval to submit the 2019/20 Annual Assurance Statement to the Regulator on 31 October 2019.

Decided:

- (1) that it be noted that the Scottish Housing Regulator has published a new Regulatory Framework and guidance; and
- (2) that the 2019/20 Annual Assurance Statement covering the relevant information be noted and that approval be given to its submission to the Scottish Housing Regulator on 31 October 2019.

637 Environment & Regeneration 2019/20 Revenue Budget – Period 5 (31 August 2019) 637

There was submitted a report by the Chief Financial Officer and the Corporate Director Environment, Regeneration & Resources advising the Committee of the 2019/20 Revenue Budget position as at Period 5 to 31 August 2019.

Decided:

- (1) that the current projected underspend of £82,000 for 2019/20 as at 31 August 2019 be noted; and
- (2) that approval be given to the virement detailed in section 7 and Appendix 5 of the report.

638 Environment & Regeneration Capital Programme 2019/20 to 2022/23 – Progress 638

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 Environment & Regeneration Capital Programme and (2) highlighting the overall financial position.

The Head of Environmental & Public Protection requested that the Committee delegate authority to the Head of Legal & Property Services to accept the lowest acceptable tender for the cremator replacement, rather than himself.

Councillor Curley declared a non-financial in this item as a Board Member of Boglestone Community 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 current position of the 2019/23 Capital Programme and the progress on the specific projects detailed in Appendices 1 and 2 be noted;

ENVIRONMENT & REGENERATION COMMITTEE – 31 OCTOBER 2019

(2) that the Committee note the current over expenditure of £0.077m for the District Court Room Restoration and that a more detailed report on the final position will be submitted to a future meeting of the Committee upon agreement of the final account for the project and that any over expenditure will be contained within the Core Property Services General Provision;

(3) that approval be given to the issue of tenders for the cremator replacement and that authority be delegated to the Head of Legal & Property Services to accept the lowest acceptable tender providing the cost is within the budget allocation for the project; and

(4) that a report on the operation of the crematorium whilst the cremator replacement project is being undertaken be submitted to the Committee.

639 Workforce Development Update

639

There was submitted a report by the Head of Regeneration & Planning providing an update on the Council's services and contracts relating to Workforce Development. Councillor Ahlfeld declared a non-financial in this item as a Board Member of Inverclyde Community Development Trust. 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: that the services that are offered and the current contracted and in-house service performance be noted and that it be noted that a tender exercise will be undertaken for future provision, the outcome of which will duly be reported to the Committee.

640 Upper Kirn Drive, Gourock Proposed Residential Development and Road Widening

640

There was submitted a report by the Corporate Director Environment, Regeneration & Resources providing further information requested by the Committee at the meeting on 29 August 2019 in relation to roads and traffic options associated with residential development at Kirn Drive, Gourock.

Decided:

(1) that the roads and traffic options associated with residential development at Kirn Drive, Gourock as set out in the report be noted; and

(2) that, having regard to the representations received in response to the public open space consultation, the Head of Legal & Property Services be instructed to withdraw from negotiations for this proposed disposal.

641 Development Plan Update

641

There was submitted a report by the Corporate Director Environment, Regeneration & Resources (1) providing an update on Development Plan coverage within Inverclyde and (2) seeking approval/adoption of associated documents.

Decided:

(1) that it be noted that Inverclyde has up-to-date Development Plan coverage;

(2) that agreement be given to adoption of the Supplementary Guidance on Enabling Development attached to the report at Appendix 1;

(3) that the 2019 Development Plan Scheme and Participation Statement attached to the report at Appendix 2 be approved; and

ENVIRONMENT & REGENERATION COMMITTEE – 31 OCTOBER 2019

(4) that the West Renfrew Hills Local Landscape Area: Statement of Importance attached to the report at Appendix 3 be approved.

642 Inverclyde Local Housing Strategy 2017-2022: 2019 Update 642

There was submitted a report by the Corporate Director Environment, Regeneration & Resources providing an update on the progress to date on the implementation of the Inverclyde Local Housing Strategy 2017-2022 outcomes and action plan.

Councillors Brooks and Curley declared a non-financial interest in this matter as Board Members of River Clyde Homes. 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.

Decided: that approval be given to the 2019 update on the Inverclyde Local Housing Strategy 2017-2022, a copy of which was appended to the report, and the progress made to date.

643 Consultation on Land Reform (Scotland) Act 2003 Part 1: Draft Revised Guidance for Local Authorities and National Park Authorities 2019 643

There was submitted a report by the Corporate Director Environment, Regeneration & Resources (1) advising of the Scottish Government's consultation on the Land Reform (Scotland) Act 2003 Part 1: Draft Revised Guidance for Local Authorities and National Park Authorities 2019 and (2) seeking approval of the Council's response to the consultation.

Decided: that approval be given to the Council's consultation response to the Land Reform (Scotland) Act 2003 Part 1: Draft Revised Guidance for Local Authorities and National Park Authorities 2019 as set out in section 5 of the report.

644 Scottish Government Consultation on the Role of Public Sector Bodies in Tackling Climate Change 644

There was submitted a report by the Corporate Director Environment, Regeneration & Resources (1) on the Scottish Government's consultation on the role of public sector bodies in tackling climate change and (2) seeking approval of the response submitted on behalf of the Council.

Decided: that approval be given to the Council's response to the consultation on the role of public sector bodies in tackling climate change as set out in Appendix 1 to the report.

645 Withdrawal from the European Union - Update 645

There was submitted a report by the Corporate Director Environment, Regeneration & Resources providing an update on actions taken to mitigate the potential risks arising from European Union withdrawal including a "No Deal" Brexit.

Decided: that approval be given to the actions taken to mitigate the impact of a "No Deal" European Union exit in Inverclyde.

- 646 Play Area Strategy – Investment Funding Update 646**
- There was submitted a report by the Corporate Director Environment, Regeneration & Resources providing an update on the Play Area Strategy.
- Councillors Brooks and Curley declared a non-financial interest in this matter as Board Members of River Clyde Homes. 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.
- Decided:**
- (1) that approval be given to the distribution of the allocated budget of £250,000 to the Rainbow Centre MUGA (£90,000) and expansion of accessible play equipment (£120,000) split over two financial years; and
 - (2) that it be remitted to Officers to discuss with River Clyde Homes the siting of a new play area in the Broomhill area on a joint funded basis and that £40,000 be set aside for this purpose.
- 647 Craigmuschat Quarry Recycling Centre 647**
- There was submitted a report by the Head of Environmental & Public Protection providing an update on developments at Kirn Drive and Craigmuschat Quarry.
- Decided:**
- (1) that Officers submit a planning application to continue to use Craigmuschat Quarry as a recycling centre;
 - (2) that Officers provide a costed project plan to retain Craigmuschat Quarry as a Civic Amenity Site on a permanent basis; and
 - (3) that a report be submitted to the Committee on the proposals set out at (2) above.
- 648 Scottish Government Funding for Bus Priority Routes – Request by Councillor Curley 648**
- There was submitted a report by the Corporate Director Environment, Regeneration & Resources on a request received from Councillor Curley relative to Scottish Government funding for bus priority routes.
- Decided:**
- (1) that the terms of Councillor Curley's request be noted; and
 - (2) that an All Members' Briefing on the Transport (Scotland) Bill be arranged and, once the Bill is enacted, that a report on the Act, including the issues raised in Councillor Curley's request, be submitted to the Committee.
- 649 Road Naming within New Development at James Watt Dock, Greenock 649**
- There was submitted a report by the Corporate Director Environment, Regeneration & Resources seeking approval to name new roads being created within the River Clyde Homes development at James Watt Dock, Greenock.
- Councillor Curley declared a non-financial interest in this matter as a Board Member of River Clyde Homes. 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.

ENVIRONMENT & REGENERATION COMMITTEE – 31 OCTOBER 2019

The Head of Regeneration & Planning advised the Committee that Councillor MacLeod, one of the Ward Councillors, had suggested the name James Watt Dock Road for the road it was proposed to name Great Harbour Place. This suggestion had not been taken forward by Officers and it was noted that Councillor MacLeod accepted the position.

Decided: that the new road within the development at James Watt Dock leading from Douglas Rae Road be named Jackson Place and that the new road leading from Jackson Place be named Great Harbour Way.

Councillor C McEleny left the meeting at this juncture.

650 Greenock Waterfront – Consultations on Stopping-Up Order and Core Path Realignment 650

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on the outcome of two separate consultations on a proposed Stopping-Up Order and a Core Path Amendment as required by the erection of a new cruise ship terminal at the Waterfront Car Park, Greenock.

Decided:

(1) that the outcome of the consultation on the Stopping-Up Order and the subsequent confirmation of the Order on 5 September 2019 be noted and that it be noted that, following the confirmation of the Stopping-Up Order, the Council is required to amend the Core Paths Plan in line with the Order under Section 20(4) of the Land Reform (Scotland) Act 2003, as amended; and

(2) that approval be given to the amendment of the Core Paths Plan, in line with Stopping-Up Order, under Section 20(4) of the Land Reform (Scotland) Act 2003, as amended.

651 Proposed Traffic Regulation Order – Disabled Persons' Parking Places (On-Street) Order No. 3 2019 651

There was submitted a report by the Corporate Director Environment, Regeneration & Resources recommending the making of a Traffic Regulation Order to accompany the provision of parking places for the disabled.

Decided: that the Inverclyde Council be recommended to make the Traffic Regulation Order – Disabled Persons' Parking Places (On-Street) Order No. 3 2019 and that it be remitted to the Shared Head of Service (Roads) and the Head of Legal & Property Services to arrange for implementation of the Order.

652 King George VI Building – 9-11 King Street, Port Glasgow 652

There was submitted a report by the Corporate Director Environment, Regeneration & Resources (1) providing an update on the works required to make the King George VI Building structurally sound, wind and watertight, (2) seeking approval to increase the cost of the works to £1m and (3) advising of the use of the emergency powers procedure to approve recommencement of the works.

Councillor McKenzie declared a non-financial interest in this item as a member of the King George VI Strategy Committee. 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.

ENVIRONMENT & REGENERATION COMMITTEE – 31 OCTOBER 2019

Decided:

- (1) that the current position regarding the structural condition and funding position in respect of the King George VI building be noted;
- (2) that expenditure of all of the available budget be approved; and
- (3) that the use of the emergency powers procedure to approve the recommencement of the works be noted.

653 Craigend Resource Centre – Transfer of Land and Open Space Consultation 653

There was submitted a report by the Corporate Director Environment, Regeneration & Resources seeking authority to transfer ownership of two areas of land at McLeod Street, Greenock to Craigend Resource Centre Ltd (CRC) to facilitate their plans to build a new facility to accommodate a wider range of activities on the basis of the Heads of Terms detailed within the report, together with addendum report on the outcome of the open space consultation recently carried out in order to obtain and consider the views of the community in relation to the proposed transfer.

The Head of Legal & Property Services advised the Committee that CRC had indicated that it would require ownership of the two sites which would require clawback and buyback arrangements.

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

Decided:

- (1) that the outcome of the open space consultation relative to the proposed building of a new facility at Craigend Resource Centre, Greenock and the terms of the representations received be noted; and
- (2) that, having regard to those representations, it be remitted to the Head of Legal & Property Services in consultation with further appropriate Officers to proceed to conclude a bargain for the sale of the two sites at McLeod Street, Greenock shown outlined on the plan attached to the report at Appendix 1 and amounting to 1,530 sq m, or thereby, to Craigend Resource Centre Ltd to support the proposed new facility at Craigend Resource Centre, Greenock for no consideration but that subject to their obtaining appropriate planning permission for the project and otherwise on terms and conditions acceptable to the Head of Legal & Property Services and the Chief Financial Officer.

654 Items for Noting 654

There were submitted for reports for noting by the Corporate Director Environment, Regeneration & Resources on (1) Stopping Up Order – The Stopping Up of Road and Footpaths, Inverclyde (Slaemuir Avenue, Port Glasgow) Order 2019 and (2) Glasgow City Region Annual Performance Report (April 2018 – March 2019).

Decided: that the content of the reports be noted.

Councillor Ahlfeld returned to the meeting at this juncture.

655 Riverside Inverclyde – Company Re-structure 655

There was submitted a report by the Corporate Director Environment, Regeneration & Resources advising of the proposal to revise Riverside Inverclyde's Articles of Association to include a change in the structure and composition of the Riverside Inverclyde Board and the effect on the number of Council nominees to the Riverside Inverclyde Board.

ENVIRONMENT & REGENERATION COMMITTEE – 31 OCTOBER 2019

Decided:

- (1) that authority be delegated to the Corporate Director Environment, Regeneration & Resources, in consultation with the Head of Legal & Property Services and the Chief Financial Officer, and in partnership with Scottish Enterprise, to take all appropriate legal steps to (a) change the Articles of Association of Riverside Inverclyde and (b) change the structure and composition of the Riverside Inverclyde Board as set out in paragraph 5.4 of the report; and
- (2) that it be remitted to the December 2019 meeting of the Council to determine the two Council nominees to the Riverside Inverclyde Board.

The Convener being of the opinion that the undernoted report by the Corporate Director Environment, Regeneration & Resources was relevant, competent and urgent, moved its consideration in terms of the relevant Standing Order to enable the projects, if approved, to proceed at the earliest opportunity. This was agreed unanimously.

656 Active Travel Funded Projects**656**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on proposals to deliver Active Travel funded projects.

Decided: that the project list set out at paragraph 5.1 of the report be noted and approved.

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

Item	Paragraph(s)
Greenock Ocean Terminal – Final Business Case (Terminal Building)	6
West of Scotland Loan Fund	6
Upper Kirn Dive, Gourock Proposed Residential Development and Road Widening	1
Clune Park Regeneration Plan Progress Report: Update on Current Actions	6, 9, 12 & 13
Property Assets Management Report	2, 6 & 9

657 Greenock Ocean Terminal – Final Business Case (Terminal Building)**657**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources seeking approval to submit the Final Business Case for Greenock Ocean Terminal (Terminal Building) to the City Deal Cabinet.

Decided:

- (1) that agreement be given to the submission of the Final Business Case for Greenock Ocean Terminal (Terminal Building);
- (2) that authority be delegated to the Corporate Director Environment, Regeneration & Resources, in consultation with the Head of Legal & Property Services and the Chief Financial Officer, to take all steps to conclude a Funding Agreement with the Dunard Fund and the lease of part of the Ocean Terminal Building and any other agreements that are necessary with the George Wyllie Foundation 2019; and
- (3) that authority be delegated to the Head of Legal & Property Services to accept the most economically advantageous tender for the construction of the Ocean Terminal Building (Option 3), subject to Final Business Case approval from the City Deal Cabinet and provided the cost is within the budget allocation for the project.

658 West of Scotland Loan Fund**658**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources (1) providing an update on the current status of the West of Scotland Loan Fund Ltd and (2) seeking approval to withdraw surplus funds from the Company, to transfer the funds to Business Loans Scotland to cover ERDF liabilities, to transfer the existing WSLF loan book and to amend the Articles of Association of Business Loans Scotland.

Decided:

- (1) that the content of the report and the current status of the West of Scotland Loan Fund Ltd (WSLF) be noted; and
- (2) that approval be given to amend the Business Loans Scotland Articles of Association to enable individual member authorities to make decisions on the remaining funding within the WSLF.

**659 Upper Kirn Dive, Gourock
Proposed Residential Development and Road Widening****659**

There was submitted appendix relative to agenda item 5 (Upper Kirn Drive, Gourock Proposed Residential Development and Road Widening) comprising individual letters from petitioners and individual representations.

Decided: that the terms of the individual letters from petitioners and individual representations be noted.

660 Clune Park Regeneration Plan Progress Report: Update on Current Actions**660**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources (1) advising the Committee of the current actions to implement the Council's decisions on the Clune Park Estate and (2) providing a briefing on key, current items to ensure that the Committee is fully advised of progress.

Councillor Curley declared a non-financial interest in this item as Board Member of River Clyde Homes. 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: that the current progress in respect of the Clune Park Area Regeneration Plan be noted.

661 Property Assets Management Report**661**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources making recommendations in respect of a number of property assets. Councillor Curley declared a non-financial interest in this item as a Board Member of River Clyde Homes. 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. Following consideration, the Committee agreed to take action, all as detailed in the appendix.

EDUCATION AND COMMUNITIES COMMITTEE – 5 NOVEMBER 2019

Education and Communities Committee

Tuesday 5 November 2019 at 2pm

Present: Provost Brennan, Councillors Clocherty, Curley, Crowther (for MacLeod), McCabe, C McEleny, McVey, Jackson (for Murphy), Quinn, Robertson and Wilson, Rev. F Donaldson, Rev. D Burt and Mrs F Gilpin, Church Representatives, Ms A McMillan, Parent Representative and Ms P McEwan, Teacher Representative.

Chair: Councillor Clocherty presided.

In attendance: Corporate Director Education, Communities & Organisational Development, Head of Culture, Communities & Educational Resources, Head of Education, Service Manager, Community Learning & Development, Community Safety & Resilience and Sport, Libraries, Education Development & Arts Manager, Mr I Cameron (for Chief Financial Officer), Ms G Murphy (for Head of Legal & Property Services), Ms S Lang (Legal & Property Services), Service Manager, Communications Tourism and Health & Safety, Property Services Manager and Early Years Manager.

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

662 Apologies, Substitutions and Declarations of Interest 662

Apologies for absence were intimated on behalf of Councillor MacLeod, with Councillor Crowther substituting, and Councillor Murphy, with Councillor Jackson substituting.

Declarations of interest were intimated as follows:

Agenda Item 4 (Inverclyde Leisure: Annual Report 2018/19) – Councillors Clocherty and Quinn.

Agenda Item 5 (Consultation on Inverclyde’s Draft Anti-Social Behaviour Strategy 2020-2025) – Councillor Curley.

Agenda Item 16 (Beacon Arts Centre Update) – Councillors Clocherty and Robertson.

Agenda Item 17 (Whinhill Golf Course) – Councillors Clocherty and Quinn.

663 Communities 2019/20 Revenue Budget - Period 5 to 31 August 2019 663

There was submitted a report by the Chief Financial Officer and the Corporate Director Education, Communities & Organisational Development on the position of the 2019/20 Communities Revenue Budget as at Period 5 to 31 August 2019.

Decided: that the current projected overspend of £28,000 in the 2019/20 Communities Revenue Budget as at Period 5 to 31 August 2019 be noted.

664 Communities Capital Programme 2019-2023 Progress 664

There was submitted a report by the Corporate Director Education, Communities & Organisational Development and the Chief Financial Officer (1) on the status of the projects forming the Communities Capital Programme and (2) highlighting the overall financial position.

EDUCATION AND COMMUNITIES COMMITTEE – 5 NOVEMBER 2019

(Councillor C McEleny entered the meeting during consideration of this item of business).

Decided: that the progress of the specific projects detailed in Appendix 1 be noted.

665 Inverclyde Leisure: Annual Report 2018/19 665

There was submitted a report by the Corporate Director Education, Communities & Organisational Development appending Inverclyde Leisure's Annual Report 2018/19. Councillors Clocherty and Quinn declared a non-financial interest in this item as Members of the Board of Inverclyde Leisure. 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.

Decided: that the Inverclyde Leisure Annual Report 2018/19 be noted.

666 Consultation on Inverclyde's Draft Anti-Social Behaviour Strategy 2020-2025 666

There was submitted a report by the Corporate Director Education, Communities & Organisational Development seeking approval to consult on Inverclyde's Draft Anti-Social Behaviour Strategy 2020-2025 to replace the current strategy.

Councillor Curley declared a non-financial interest in this item as a Member of the Board of River Clyde Homes. 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 draft Inverclyde Anti-Social Behaviour Strategy 2020-2025, to be issued for consultation, be noted;
- (2) that approval be given to the community consultation and timescales set out in the report with the aim of seeking the views and experiences of individuals and community groups in relation to anti-social behaviour; and
- (3) that the finalised Inverclyde Anti-Social Behaviour Strategy 2020-2025 be submitted to the Committee in March 2020.

667 No Knives, Better Lives 667

There was submitted a report by the Corporate Director Education, Communities & Organisational Development (1) providing (a) an update in respect of the national programme, No Knives, Better Lives (NKBL), a primary prevention initiative which specifically addressed the issue of knife carrying in Scotland, (b) a summary of work by the NKBL Delivery Team at YouthLink Scotland and (c) an update regarding previous NKBL activity in Inverclyde and (2) seeking approval for future activity in Inverclyde.

Decided:

- (1) that the ongoing work undertaken by the NKBL Delivery Team at YouthLink Scotland, particularly the work in its tenth year be noted;
- (2) that the summary of NKBL work carried out in Inverclyde be noted;
- (3) that it be agreed that a further update regarding the national ten year evaluation of NKBL be submitted to the Committee;
- (4) that the use of the Crime Stoppers 'Fearless' Programme and its links to NKBL delivery in Inverclyde be endorsed;
- (5) that approval be given to the NKBL Delivery Plan for Inverclyde; and
- (6) that the contribution of local resident Mr John Muir as a campaigner against the carrying of knives be recognised by the Committee.

EDUCATION AND COMMUNITIES COMMITTEE – 5 NOVEMBER 2019

668 Items for Noting (Communities)

668

There were submitted reports for noting by the Corporate Director Education, Communities & Organisational Development on (1) the Watt Institution; (2) the Inverclyde Violence Against Women Multi-Agency Partnership 2018/19 Update; and (3) 16 Days of Activism to Eliminate Violence Against Women 2019.

Decided: that the content of the reports be noted.

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 two items on the grounds that the business involved the likely disclosure of exempt information as defined in the respective paragraphs of Part I of Schedule 7(A) of the Act as are set opposite the heading to each item.

Item	Paragraph(s)
Beacon Arts Centre Update	6
Whinhill Golf Course	1, 6 & 9

669 Beacon Arts Centre Update

669

There was submitted a report by the Corporate Director Education, Communities & Organisational Development providing an update on progress with the Beacon Arts Centre.

Councillors Clocherty and Robertson declared a non-financial interest in this item as Members of the Board of Greenock Arts Guild Ltd. 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.

Decided: that the progress made by the Greenock Arts Guild Board in relation to the Beacon Arts Centre be noted.

670 Whinhill Golf Course

670

There was submitted a report by the Corporate Director Education, Communities & Organisational Development seeking approval for the running of Whinhill Golf Course and facilities to be transferred from Inverclyde Council to Inverclyde Leisure from April 2020.

Councillors Clocherty and Quinn declared a non-financial interest in this item as Members of the Board of Inverclyde Leisure. 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.

The Committee agreed, following a vote, (1) to approve Inverclyde Leisure taking over the management of Whinhill Golf Course and facilities from April 2020 and (2) to note the staffing implications, all as detailed in the appendix.

The Communities business concluded at 3.45pm. The Committee commenced consideration of the Education items of business at 4pm with Councillor Wilson, Rev. Donaldson, Rev. Burt, Mrs Gilpin, Ms McMillan and Ms McEwan joining the

EDUCATION AND COMMUNITIES COMMITTEE – 5 NOVEMBER 2019

meeting.

- | | | |
|------------|---|------------|
| 671 | Education 2019/20 Revenue Budget – Period 5 to 31 August 2019 | 671 |
| | <p>There was submitted a report by the Chief Financial Officer and the Corporate Director Education, Communities & Organisational Development on the position of the 2019/20 Education Revenue Budget as at Period 5 to 31 August 2019.</p> <p>Decided:</p> <p>(1) that the current projected overspend of £166,000 in the 2019/20 Education Revenue Budget as at Period 5 to 31 August 2019 be noted; and</p> <p>(2) that the work underway to assist in the reduction of the projected overspend be noted.</p> | |
| 672 | Education Capital Programme 2019-23 Progress | 672 |
| | <p>There was submitted a report by the Corporate Director Education, Communities & Organisational Development and the Chief Financial Officer (1) on the status of the projects forming the Education Capital Programme and (2) highlighting the overall financial position.</p> <p>Decided: that the progress of the specific projects detailed in appendix 1 be noted.</p> | |
| 673 | Active Schools Performance 2018/19 | 673 |
| | <p>There was submitted a report by the Corporate Director Education, Communities & Organisational Development on the Active Schools Team performance in the school year 2018/19.</p> <p>Decided:</p> <p>(1) that the content of the report be noted;</p> <p>(2) that the performance report summary and report in appendices 2 and 3 be noted; and</p> <p>(3) that the role of volunteers in the Active Schools Programme be acknowledged.</p> | |
| 674 | Update on Progress of the Scottish Attainment Challenge | 674 |
| | <p>There was submitted a report by the Corporate Director Education, Communities & Organisational Development providing an update in respect of the progress and impact of the Attainment Challenge in Inverclyde.</p> <p>Decided: that the ongoing progress of the Scottish Attainment Challenge project in Inverclyde be noted.</p> | |
| 675 | Care Inspectorate Grades for Early Learning and Childcare | 675 |
| | <p>There was submitted a report by the Corporate Director Education, Communities & Organisational Development informing the Committee of the grades awarded by the Care Inspectorate to both local authority Early Learning and Childcare establishments and funded providers.</p> <p>Decided: that the content of the report be noted.</p> | |
| 676 | Glasgow City Region Improvement Collaborative 2019/22 Plan | 676 |
| | <p>There was submitted a report by the Corporate Director Education, Communities &</p> | |

EDUCATION AND COMMUNITIES COMMITTEE – 5 NOVEMBER 2019

Organisational Development (1) providing an update on the Glasgow City Region Improvement Collaborative 2019/22 Plan and (2) advising of the recent evaluation of the 2018/19 Plan.

Decided: that the contents of the evaluation of the 2018/19 Regional Improvement Plan and the 2019/22 Regional Improvement Plan for the West Partnership be noted.

677 Report on Intake for St Columba's High School for Academic Year 2020/21 677

There was submitted a report by the Corporate Director Education, Communities & Organisational Development seeking approval to accept up to 140 pupils into St. Columba's High School for the academic year 2020/21 and to undertake a pre-consultation exercise to ascertain the future requirements for Roman Catholic education for village schools, particularly in the west of Inverclyde.

Decided:

(1) that it be agreed that the maximum intake for St. Columba's High School be 140 for academic year 2020/21;

(2) that it be agreed that a pre-consultation process be undertaken (a) to explore whether there required to be a change to the admission policy which allowed pupils from the village primary schools of Wemyss Bay, Inverkip and Kilmacolm to choose denomination at the point of transfer to secondary school and (b) to ascertain the possible future demand for Roman Catholic education in the west of Inverclyde; and

(3) that it be agreed that a further report be submitted to the Committee in January 2020 outlining the outcome of the pre-consultation process and making recommendations for any statutory consultation, if required.

Councillor C McEleny left the meeting at this juncture.

678 Items for Noting (Education) 678

There was submitted a report for noting by the Corporate Director Education, Communities & Organisational Development on an overview of college provision at the West College Scotland Greenock campuses.

Decided: that the content of the report be noted.

PLANNING BOARD – 6 NOVEMBER 2019

On a vote between the two amendments, 2 Members, Councillors J McEleny and Rebecchi, voted for the amendment by Councillor Rebecchi and 4 Members, Councillors Ahlfeld, Crowther, McKenzie and Wilson, voted for the amendment by Councillor Crowther. 4 Members, Councillors Clocherty, Dorrian, Moran and Nelson abstained from voting. Councillor Rebecchi's amendment, having received fewer votes, then fell.

On a vote between the motion and the amendment by Councillor Crowther, 4 Members, Councillors Clocherty, Dorrian, Moran and Nelson, voted for the motion and 5 Members, Councillors Ahlfeld, Crowther, J McEleny, McKenzie and Wilson, voted for the amendment which was declared carried. 1 Member, Councillor Rebecchi, abstained from voting.

Decided: that planning permission be refused as the materials used in the construction of the dwellinghouse do not comply with planning permission 16/0319/IC and, as such, the design of the dwellinghouse is not acceptable.

GENERAL PURPOSES BOARD – 13 NOVEMBER 2019

General Purposes BoardWednesday 13 November 2019 at 3pm

Present: Provost Brennan, Councillors Brooks, Crowther, Curley, Dorrian, Jackson, J McEleny, Moran and Quinn.

Chair: Councillor Dorrian presided.

In attendance: Mr D Keenan (for Head of Legal & Property Services) and Ms F Denver (Legal & Property Services) and Sergeant M Singh (Police Scotland).

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

681 Apologies, Substitutions and Declarations of Interest 681

Apologies for absence were intimated on behalf of Councillors Ahlfeld and MacLeod. There were no substitutions.

No declarations of interest were intimated.

682 Taxi Fares Review 2019 682

There was submitted a report by the Head of Legal & Property Services requesting the Board to determine the taxi fare scale and charges following its annual review.

Mr Keenan advised the Board that no objections or representations were received within the statutory time period of one month following the date of advertisement.

Decided: that it be remitted to the Head of Legal & Property Services to make the necessary arrangements to implement the new taxi fares and scale charges with effect of 1 December 2019.

It was agreed in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 as amended, that the public and press be excluded from the meeting during consideration of the following items on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 6 of Part I of Schedule 7(A) of the Act.

683 Request for Suspension of Taxi Driver's Licence 683

There was submitted a report by the Head of Legal & Property Services requesting the Board to uphold the immediate suspension of a Taxi Driver's Licence and consider whether or not to further suspend the licence as the Board may determine, to which, the Board agreed, all as detailed in the appendix.

684 Request for Suspension of Taxi Driver's Licence**684**

There was submitted a report by the Head of Legal & Property Services requesting the Board to uphold the immediate suspension of a Taxi Driver's Licence and consider whether or not to further suspend the licence as the Board may determine, to which, the Board agreed, all as detailed in the appendix.

POLICY & RESOURCES COMMITTEE – 19 NOVEMBER 2019

Policy & Resources Committee

Tuesday 19 November 2019 at 3pm

Present: Councillors Ahlfeld, Clocherty, MacLeod, McCabe, McCormick, C McEleny, McVey, Moran, Rebecchi, Robertson and Wilson.

Chair: Councillor McCabe presided.

In attendance: Chief Executive, Corporate Director Education, Communities & Organisational Development, Corporate Director Environment, Regeneration & Resources, Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership, Head of Legal & Property Services, Ms C Craig-McDonald and Ms R McGhee (Legal & Property Services), Chief Financial Officer, Head of Organisational Development, Policy & Communications, Ms A Rainey (Organisational Development, Policy & Communications), Corporate Policy, Performance & Partnership Manager, Procurement, Regeneration & Building Services Manager and Service Manager – Communications, Tourism and Health & Safety.

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

685 Apologies, Substitutions and Declarations of Interest 685

No apologies for absence were intimated.

Councillors Ahlfeld, Clocherty, MacLeod and Robertson declared interests in Agenda Item 11 (Governance of External Organisations – Annual Update).

At this juncture, Councillor Ahlfeld requested that Agenda Item 18 (Equal Pay Claims) be taken in public. The Head of Legal & Property Services explained that the report contained exempt information in terms of the Local Government (Scotland) Act 1973 as amended by way of internal and external legal advice, together with implications and consequences, and he therefore advised that it should be considered following the exclusion of the public and press from the meeting and this was agreed.

686 2019/20 General Fund Revenue Budget as at 30 September 2019 686

There was submitted a report by the Chief Financial Officer (1) on the position of the General Fund Revenue Budget as at 30 September 2019 and (2) providing an update in respect of the position of the General Fund Reserves and Earmarked Reserves.

Decided:

- (1) that the latest position of the 2019/20 Revenue Budget and General Fund Reserves be noted; and
- (2) that it be noted that the use of any Free Reserves will be considered as part of the 2020/23 budget process.

687 2019/23 Capital Programme 687

There was submitted a report by the Chief Financial Officer on the latest position of the 2019/23 Capital Programme.

POLICY & RESOURCES COMMITTEE – 19 NOVEMBER 2019

Decided: that the current position of the 2019/23 Capital Programme be noted.

688 Policy & Resources Committee 2019/20 Revenue & Capital Budget – Period 6 to 30 September 2019 688

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 position of the 2019/20 Revenue and Capital Budget as at Period 6 to 30 September 2019.

Decided:

- (1) that the 2019/20 Revenue Budget projected underspend of £1,488,000 as at Period 6 to 30 September 2019, be noted;
- (2) that the projected 2019/20 surplus of £48,600 for the Common Good Fund be noted; and
- (3) that the current projected Capital position be noted.

689 Welfare Reform Update 689

There was submitted a report by the Chief Financial Officer providing an update on current developments in relation to Welfare Reform.

The Chief Financial Officer advised the Committee that HMRC had now advised the Council that it did not consent to the reuse of DWP data to optimise access to education benefits. He indicated that the Scottish Government and CoSLA were continuing to pursue the matter.

Decided:

- (1) that the various updates contained in the report be noted;
- (2) that the increase in take up in Education benefits approved as part of the 2019/20 budget be noted and that it be noted that funding is in place to make this increase;
- (3) that it be agreed that, due to the transfer of certain duties relating to Universal Credit claims to Citizens' Advice Scotland, funding previously provided to Future Skills from the Anti-Poverty Fund discontinue from 31 March 2020;
- (4) that the Council continue to pursue the reuse of DWP data to optimise access to education benefits and work with the Scottish Government and CoSLA in this regard and that the implications of pursuing judicial review be included in the next update report to the Committee; and
- (5) that the Committee's thanks be extended to all HSCP Advice Service Welfare Rights Officers who had provided representation at Personal Independence Payment Tribunal Hearings.

690 Insurance Fund Position as at 30 September 2019 690

There was submitted a report by the Chief Financial Officer (1) on the position of the Council's Insurance Fund as at 30 September 2019 and (2) highlighting relevant issues.

Decided:

- (1) that the contents of the report and the Insurance Fund position as at 30 September 2019 be noted; and
- (2) that it be noted that any adjustment to the annual contribution to the Fund following the recent Actuarial Review will be included in the February 2020 budget committee report.

POLICY & RESOURCES COMMITTEE – 19 NOVEMBER 2019

691 Treasury Management – Mid-Year Report 2019/20**691**

There was submitted a report by the Chief Financial Officer on the operation of the treasury function and its activities for the first six months of 2019/20 as required under the terms of Treasury Management Practice 6 (“TMP6”) on “Reporting Requirements and Management Information Arrangements”.

Decided:

- (1) that the contents of the Mid-Year Report on Treasury Management for 2019/20 and the ongoing work to ensure the delivery of financial benefits for the Council be noted;
- (2) that approval be given to the Prudential Repayment policy for Loan Charges principal repayments as shown in Appendix 3 and that the £1,400,000 one-off and £400,000 recurring saving generated by the Loan Charges review be noted; and
- (3) that the Mid-Year Report be remitted to the Inverclyde Council for approval.

692 Contract Awards – 1 April 2019 to 30 September 2019**692**

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 April 2019 to 30 September 2019.

Decided: that the contracts awarded by the Council during the period 1 April 2019 to 30 September 2019 be noted.

693 Statutory and Key Performance Indicators Annual Report 2018/19**693**

There was submitted a report by the Head of Organisational Development, Policy & Communications appending the Statutory and Key Performance Indicators Annual Report 2018/19 which details the progress made in the last year towards the achievement of the Council’s Statutory Performance Indicator performance targets.

Decided:

- (1) that the Statutory and Key Performance information for financial year 2018/19 be noted; and
- (2) that it be noted that a separate report on the Local Government Benchmarking Framework (LGBF) indicators will be submitted to the Committee once the performance information has been published, setting out details of the Council’s performance relative to other Scottish local authorities.

694 Inverclyde Council Annual Complaint Handling Report 1 April 2018 – 31 March 2019**694**

There was submitted a report by the Head of Legal & Property Services advising the Committee of the annual performance in relation to all complaints received and handled by Inverclyde Council, Inverclyde Health & Social Care Partnership and both Arm’s Length Organisations (ALEOs), Inverclyde Leisure and Riverside Inverclyde, between 1 April 2018 and 31 March 2019.

Decided: that the annual performance of Inverclyde Council’s complaint procedure be noted.

POLICY & RESOURCES COMMITTEE – 19 NOVEMBER 2019

695 Governance of External Organisations – Annual Update

695

There was submitted a report by the Chief Financial Officer on the annual update in respect of the governance of external organisations.

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

Councillor Ahlfeld as a Board Member of Inverclyde Community Development Trust;

Councillor Clocherty as a Board Member of Greenock Arts Guild;

Councillor MacLeod as a non-executive Director of Parklea Branching Out; and

Councillor Robertson as a Board Member of Financial Fitness, Greenock Arts Guild and Inverclyde Community Development Trust.

Councillor Robertson also declared a financial interest as a result of a remuneration contract with Stepwell Consultancy Ltd.

All four Members formed the view that the nature of their interests 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 last 12 months' performance in respect of the governance of external organisations as shown in Appendix 1 to the report be noted and it also be noted that any outstanding issues will be addressed at the next cycle of Committees;

(2) that approval be given to the list of external organisations which will form part of the framework for the period October 2019 to September 2020 as shown in Appendix 3; and

(3) that reports providing an overview of and performance information on key organisations which do not currently have a Service Level Agreement in place be submitted to the Education and Communities Committee and any other relevant service committee.

696 Delivering Differently in Inverclyde - Update

696

There was submitted a report by the Chief Executive providing an update on the Delivering Differently programme.

Decided:

(1) that the progress made to date on the Delivering Differently programme be noted;

(2) that authority be delegated to the Chief Executive to conduct voluntary early release trawls where required for those projects in Appendix 2 but on the proviso that a report be submitted to the relevant Committee before any decisions are taken; and

(3) that the projects listed in Appendix 2 be added to the Delivering Differently programme.

697 Audit Scotland Reports on Midlothian, Perth and Kinross, Stirling and North Lanarkshire Councils

697

There was submitted a report by the Head of Organisational Development, Policy & Communications summarising the main points of Audit Scotland's 2019 Best Value Assurance Reports (BVARs) on Midlothian, Perth and Kinross, Stirling and North Lanarkshire Councils.

Decided:

(1) that it be agreed to note the content of Audit Scotland's BVARs on Midlothian, Perth and Kinross, Stirling and North Lanarkshire Councils and to take cognisance of the recommendations made in respect of those local authorities; and

POLICY & RESOURCES COMMITTEE – 19 NOVEMBER 2019

(2) that it be noted that Officers are considering implementing a number of proposed improvement actions, as outlined in section 9 of the report.

698 Procurement – Environmental Assessments and Local SMEs 698

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on (1) measures the Council can take that better include environmental impacts as a result of the Council's Procurement Policy, e.g. environmental weighting, and (2) measures that can result in more locally based SMEs and Inverclyde workers being successful in being awarded Council contracts.

Decided: that the work undertaken to include environmental impacts in terms of procurement, what can be done in future and the measures that are being taken to assist locally based SMEs and Inverclyde workers in being successful in being awarded Council contracts be noted.

699 Data Protection Policy 699

There was submitted a report by the Head of Legal & Property Services (1) providing an overview of the amended Data Protection Policy, a copy of which was appended to the report, and (2) seeking the Committee's approval of the amended Policy.

Decided: that approval be given to the amended Data Protection Policy.

700 Menopause Policy and Guidance 700

There was submitted a report by the Head of Organisational Development, Policy & Communications (1) on the development of a Menopause Policy and (2) seeking approval to implement the Policy.

Decided: that the Menopause Policy attached to the report at Appendix 1 be approved.

701 2020/23 Revenue Budget Update 701

There was submitted a report by the Chief Financial Officer (1) providing an update in respect of the 2020/23 Revenue Budget and (2) seeking the Committee's approval for a number of matters.

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

Decided:

(1) that it be noted that the Scottish Government will announce a new date for the 2020/21 budget;

(2) that the savings options prepared by the Corporate Management Team included in Appendix 1 to the report be noted;

(3) that approval be given to the proposals contained in Appendix 2 of the report to further reduce the 2020/23 funding gap;

(4) that the overall estimated 2020/23 budget position as outlined in Appendix 3 be noted; and

(5) that approval be given to the separation of the Council Tax setting decision and the budget setting day, as has been the case in previous years, and that, subject to the approval of the Provost, the 2020/21 Revenue Budget be approved at a special meeting of the Inverclyde Council on 12 March 2020.

POLICY & RESOURCES COMMITTEE – 19 NOVEMBER 2019

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)
Appendices 1 and 2 relative to Agenda Item 17 (2020/23 Revenue Budget Update)	1
Equal Pay Claims	1 and 12

Councillor Wilson returned to the meeting at this juncture.

702 Appendices 1 and 2 relative to Agenda Item 17 (2020/23 Revenue Budget Update) 702

There were submitted Appendices 1 and 2 relative to Agenda Item 17 (2020/23 Revenue Budget Update) providing (1) a summary of options together with potential employee impacts and (2) savings and adjustments proposals.

Decided: that the information contained in Appendices 1 and 2 be noted.

703 Equal Pay Claims 703

There was submitted a report by the Head of Legal & Property Services (1) addressing the request of the Committee at its meetings on 7 August 2018 and 5 February 2019 that consideration of a number of equal pay claims be continued to a future meeting of the Committee to allow further information in relation to a number of the claims to be provided and detailing the further information now provided and (2) advising of a request received from Councillor Ahlfeld.

Following a roll call vote, the Committee agreed to thank Councillor Ahlfeld for the information brought forward and that otherwise the recommendations in the report be noted, all as detailed in the appendix.

Report To:	The Inverclyde Council	Date:	5 December 2019
Report By:	Sharon McAlees Chief Social Work Officer for Inverclyde Council	Report No:	SW/52/2019/SMcA
Contact Officer:	Sharon McAlees Chief Social Work Officer	Contact No:	01475 715282
Subject:	CHIEF SOCIAL WORK OFFICER ANNUAL REPORT 2018/19		

1.0 PURPOSE

- 1.1 The purpose of the report is to advise the Council of the content of the Inverclyde Chief Social Work Officer (CSWO) report for 2018/19 and to seek approval for its submission to the Office of the Chief Social Work Advisor to the Scottish Government.

2.0 SUMMARY

- 2.1 There is a requirement on each Local Authority to submit an annual Chief Social Work Officer Report to the Chief Social Work Advisor to the Scottish Government.
- 2.2 The collation of Chief Social Work Officer reports from across Scotland by the Chief Social Work Advisor allows for the development of a picture of social work and social care practice across the country. This is important in benchmarking evaluations of performance in terms of implementation of legislation, development of innovative practice and addressing common challenges in delivering social work services across Scotland.
- 2.3 At a Local Authority level the report provides an opportunity to ensure Members are fully sighted on the issues affecting the most vulnerable members of our communities and the action taken by social work services to address these vulnerabilities. A key theme of the Inverclyde CSWO report for the year 2018/19 highlights the positive work in relation to the completion of the HSCP strategic plan and the strong track record of consultation to inform the plan and in particular the contribution of young people.
- 2.4 The report also highlights the process of continuous improvement in social work services and the many areas of progressive and developing practice.
- 2.5 Of the range of challenges facing the service note has been made in respect of the prevalence of substance misuse and its impact. Staffing challenges , especially in the mental health officer arena and children's services, are also noted

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Council notes the content of the Inverclyde Chief Social Work Officer Report for 2018/19 and approves its submission to the Office of the Chief Social Work Advisor in Scottish Government.

4.0 BACKGROUND

- 4.1 The Social Work (Scotland) Act 1968 sets out a requirement for all Scottish local authorities to submit reports on an annual basis from their Chief Social Work Officer (CSWO).
- 4.2 Revised guidance for Chief Social Work Officers and a new template for the production of the report were developed in March and May 2016 respectively by the Office of the Chief Social Work Advisor to the Scottish Government. Both were subsequently endorsed by COSLA.

Each CSWO report is required to set out the local context within which social work services are delivered and gives consideration to the following specific areas:

- opportunities and challenges
 - governance arrangements
 - partnerships
 - service quality and performance
 - resourcing
 - workforce planning
- 4.3 Local Authorities are democratically accountable for the role and functions of the CSWO. It was recognised by the Scottish Government that there was a need to support HSCP Committees and IJBs to be clear about the CSWO role in general and in particular in relation to the context of implementing the integration of health and social care and the Public Bodies (Joint Working) (Scotland) Act 2014. This is particularly the case given the diversity of organisational structures and the range of organisations and partnerships with an interest and role in the delivery of social work services across Scotland.
 - 4.4 As Inverclyde HSCP goes forward as a fully mature integrated partnership, the report reinforces the achievements of the collaborative relationship established over the past 9 years in which social work practice and values have had a significant impact. Social Work has a vital role to play in the continued development of the partnership into the future.
 - 4.5 At a Local Authority level, the CSWO report should serve to provide Members with a broad understanding of the range of needs and challenges faced by Inverclyde citizens. The report should also contribute to ensuring a clear line of sight for members as to how social work services are contributing to improving outcomes for the most vulnerable citizens of Inverclyde.
 - 4.6 The Inverclyde Chief Social Work Officer's report for 2018/19 provides an outline of our current demographic profile, notes the key challenges that are evident in Inverclyde along with a review of our performance and description of improvements we have made during the past year. Partnership Governance structures and links to the Council and Health Board reporting processes are highlighted. Key public protection functions and performance are outlined. The report seeks to highlight the important contribution of social work and social care services on supporting the most vulnerable in our community.
 - 4.7 The report draws attention to areas of particular strength across the range of social work functions and specifically highlights areas of sector leading practice.
 - 4.8 The full CSWO report for 2018/19 is attached.

5.0 PROPOSALS

- 5.1 It is proposed that the Council notes the report and agree its submission to the Office of the Chief Social Work Officer for Scotland.

6.0 IMPLICATIONS

Finance

6.1 There are no financial implications from this report.

One off costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
N/A					

Legal

6.2 There are no legal implications from this report

Human Resources

6.3 There are no Human Resources implications from this report.

Equalities

6.4 Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
√	NO - This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore no Equality Impact Assessment is required.

Repopulation

6.5 No implications

7.0 CONSULTATIONS

7.1 No consultations have taken place in the production of this report.

8.0 LIST OF BACKGROUND PAPERS

8.1 The role of the Chief Social Work Officer, Guidance issued by Scottish Ministers pursuant to Section 5(1) of the Social Work (Scotland) Act 1968, revised version – July 2016.

8.2 Annual Report by the Inverclyde Chief Social Work Officer for the year 2018/19.

INVERCLYDE CHIEF SOCIAL WORK OFFICER ANNUAL REPORT 2018/19



SECTION		PAGE
1	Introduction	3
2	Achievements	4
3	The Inverclyde context – demographics / strategic need assessment	10
4	Governance	19
5	Partnerships	23
6	Service Quality and Performance	31
7	Resources	59
8	Workforce Planning	63
9	Conclusion	66

1. Introduction

I am pleased to have the opportunity to present the annual Chief Social Work Officer report for Inverclyde.

The report follows the same format of that in previous years and seeks to provide an overview of the delivery of social work practice in the Inverclyde context, outlining the particular challenges and opportunities over the past year.

It is a responsibility of the role of Chief Social Work Officer to bring focus to the needs and circumstances of the most vulnerable members of our community and indeed to those individuals who rely on services at times in life of vulnerability or crisis. Given our demography in Inverclyde the report highlights the very many areas of challenge our communities experience.

However the key message of this year's report is that poor outcomes are not inevitable and that social work services should be leaders in proactively and persistently challenging inequalities.

Indeed the report highlights the many creative and innovative ways in which services are being developed and delivered in order to achieve the best outcomes for our service users. Many of these are of the highest possible standards. All have in common that they are delivered by our social work and social care staff who work in partnership with people to meet their needs, often in the most difficult of circumstances. The collective efforts of our staff save lives, protect people from harm, help people to live more fulfilled lives and even in the most challenging of circumstances extends respect and restores individual dignity.

I would like to take this opportunity to extend my thanks to our service users, our staff and our partners for their collective contribution to persistently challenging inequality and working to transform outcomes in our community.

2. Achievements

I would like to open this year's annual report by highlighting some of the things we are particularly proud of achieving during 2018/19. I have chosen examples from a range of service areas to give an overall picture of the passion for and commitment to services that deliver better outcomes and where we believe we are *Improving Lives*.

Home 1st

The Home 1st team were awarded the Greater Glasgow and Clyde Chairman's award for "outstanding excellence". The Home 1st concept includes a multi-disciplinary focus on anticipatory care, step up at home and a dedicated discharge team that, when brought together, really improves outcomes for people and has dramatically reduced delayed discharge rates. The strong ethos of partnership working and the enabling culture inherent in the Home 1st approach is an inspiration.



Hospital Discharge

Inverclyde performance in relation to hospital discharge is sector leading across NHSGGC and across Scotland. In the financial year 2018/19, Inverclyde was an exemplar in terms of individuals recorded as delayed and the lowest figure around bed days lost due to people staying in hospital unnecessarily when they are fit for discharge. This means more people are being cared for at home or in a homely environment, which is what people usually want, and also supports faster recovery.

Inverclyde's excellent record in this area extends to people with learning disabilities and other complex needs. We carry out regular reviews of individuals who need new services commissioned, work closely with supported living providers and have multi-disciplinary planning to enhance service users' experience. This has allowed Inverclyde to help implement recommendations from the recent Review of Specialist Learning Disability in-patient services and maintain very low numbers of service users placed out of area, in line with the Coming Home recommendations from Scottish Government to bring people we support back to Inverclyde.

Services for Children with Lived Experience of Care

In Inverclyde our children's houses, our fostering and our adoption services are considered sector leading, consistently awarded grades of excellent and very good across all areas and themes inspected by the Care Inspectorate.

Children and young people's involvement in the Strategic Plan

Inverclyde HSCP's development of the new Strategic Plan included direct engagement with 244 children and young people from across the authority. Children and young people had the opportunity to explore and contribute to the new vision statement as well as a chance to look at the 6 Big Actions proposed by HSCP and to discuss how well Inverclyde currently performed from the perspective of children and young people and what ideas they had for continued improvement. Those consulted with also suggested a child friendly appendix within the Strategic Plan to capture the discussions that had taken place. This was developed and shared with all schools who had taken part to ensure young people felt the document was reflective of their thoughts and feelings as well as easy to understand and visually appealing to young people. This is now available as part of the new HSCP Strategic plan.

Care Experienced Young People's Attainment Fund

Children's Services have used a self-directed support model to improve the life experiences and educational outcomes of care experienced young people in Inverclyde. The model is based on empowering young people and parents to be active participants in developing plans. Taking account of the extent of the poverty related attainment gap in Inverclyde this innovative approach to this recent policy initiative has strong links with the Inverclyde poverty strategy. It has reached 149 children and young people between the ages of 5-15; living at home with their parents, with relatives, foster care or in residential placements. Its' focus has been to build resilience by promoting access to learning through the provision of for example a tutor, equipment to do homework and access the virtual class room. This is underpinned by improving life experiences by having opportunities to try new hobbies, for families to do things together or go on a school holiday; gaining the confidence to do new things.

Women and Criminal Justice

In March 2018 Inverclyde HSCP was successful in a bid to the Big Lottery Early Action Systems Change Fund in the category of Women and Criminal Justice.

The Inverclyde HSCP Women's Project aims to achieve a step change in the response to women in the criminal justice system. It seeks to build this response around the women themselves and the community, with the ambition of providing women with the support they need at a time and in a way that is right for them.

Following the award decision a project Steering Group has been established with key partners. The Steering Group has laid the foundations of the project to the point that the Community Fund (formerly Big Lottery) released funding for the project on 31st January 2019. At this point the recruitment process was able to commence for the project team and women with lived experience have been part of the interview process.

Tailored Moving and Handling Solutions

In 2018 we made a successful bid to IHUB for a one year project looking at a test of change opportunity to support one carer instead of two to provide care using special equipment and training. The aspirations of the project were to remodel the Moving and Handling training in Inverclyde and train staff in new techniques.

This work offers an opportunity to move away from entrenched practice and shift towards safe, creative and tailored solutions offering the least intrusive care provision, more personalised care and allowing increased choice for service users and their families. The above are examples from across a range of service developments driving continuous improvement and improved outcomes for Inverclyde citizens. However in this year's report I would like to spotlight an area of practice, that of Compassionate Inverclyde which is outlined below.

Compassionate Inverclyde

Compassionate Inverclyde has grown from a small local initiative into something which many of the people involved describe as a social movement.

It comprises many different elements, all connected by a strong overarching story about enabling ordinary people to do ordinary things for ordinary people and guided by the community values of being compassionate, helpful and neighbourly.



Compassionate Inverclyde - the first compassionate community in Scotland was recognised at the COSLA Excellence Awards 2018.

The project is a partnership between Inverclyde Health & Social Care Partnership and Ardgowan Hospice and has brought together hundreds of volunteers supporting and caring for one another at time of crisis and loss.

Community engagement and development has been carried out across all age groups and many organisations within Inverclyde involving schools, churches, workplaces, community centres, hospital, local hospice, youth groups and voluntary organisations.

Strands of Compassionate Inverclyde

Compassionate Inverclyde continues to grow organically and now has many interdependent strands with the overarching movement.

No One Dies Alone (NODA)

One important strand of Compassionate Inverclyde is the No One Dies Alone work stream. Inverclyde Royal Hospital has become the first hospital in Scotland to have No One Dies Alone (NODA) programme. Local people were concerned about many people living and dying on their own. Volunteers provide support to those in their final hours who do not have family or friends available to be with them. Initially developed to support people at end of life in hospital it is now spreading to support end of life care in the community, initially in care homes.

49 People have benefitted from volunteer/No One Dies Alone companion support*

*From inception on 1/12/17 to 15/4/19

High Five Programme

Adapted and delivered to school pupils, college students, youth clubs, prisoners, community groups and a local business. Each five-week programme focuses on five ways to wellbeing and helps people to understand how they can be kind to themselves and to others.

Back Home Boxes



Representing community acts of kindness to support people who live alone as they return home from hospital. The boxes are gifted by a local business and are filled with community donations of essential food items, hand crafted kindness tokens, a get well card made by local school children and a small knitted blanket made by local people and community groups. Volunteers organise collecting contents from local community and distributing the Back Home Boxes within local hospital.

1903 people have received Back Homes Boxes*

*From inception on 13/11/17 to 15/4/19

Back Home Visitors

Is a new development based on neighbourliness whereby a volunteer visitor and a young person will visit an older person who lives alone and is socially isolated.

Bereavement Café and Support Hub

The initial drop-in bereavement groups in two community cafes have been superseded by a volunteer led support hub in a local Church. The Hub offers a meeting place for volunteers and a friendly haven for anyone in the community who is experiencing loneliness, loss, crisis or bereavement.

The synergy between each of these community initiatives amplifies their effect, improving the lives of the people of Inverclyde and enhancing the wellbeing of the community. Each day, many people facing bereavement, loneliness, illness and survivorship benefit from community acts of kindness and support that improve their wellbeing irrespective of age, condition or circumstances.

Touching Lives

I wanted to send you a quick email to express my gratitude for the Back Home Box and the kindness of it. I will explain how much it meant.

My brother was recently in Inverclyde Royal Hospital, very unexpectedly – he had collapsed which is frightening enough for anybody but even more so for him. He has had lifelong severe mental health problems and has had struggles with that over the years. He wasn't in that long but got a box given to him on discharge. I can't tell you how much it meant to him, if you had seen and heard his reaction to it you would have been so moved and would have known that what you are doing is amazing.

He leads a very isolated life and has very little contact with anybody, when I went round to visit him he had a beautiful homemade card in pride of place on his unit, what a fabulous idea and also for the children who make them to give too and understand about giving. He was so chuffed with it and he told me he'd even got jam and milk too and listed out the box items. It felt like a Christmas hamper! It's not even totally what is in the box but the very idea that somebody can be so kind to a stranger means the world and in a time of need such a tonic as well as being so useful as he hadn't been able to get the shops.

I will be donating items into the collection boxes you have and hope that it means as much to whoever gets them as it did to both my brother and me. I confess I even felt a bit tearful about it, in a good way! He gave me the heart to hang on my twig tree! So a huge thank you to you and everybody involved and the little girl from a school in Largs who made a beautiful get well card.

You are all stars.

The above feedback demonstrates how one box touches many lives.

3. The Inverclyde Context

The Inverclyde area stretches along the south bank of the river Clyde estuary and covers 61 square miles. It is one of the smallest local authority areas in Scotland with a population of approximately 78,150. As a small, post-industrial authority, Inverclyde is characterised by a strong sense of community identity. The past decade has seen a sustained focus on regeneration of the area with many positive developments for the population as a whole. However the impact of persistent socio-economic inequalities continues to be felt by a significant portion of the citizens of Inverclyde. These effects contribute to an array of challenges for our population as evidenced through national statistics, emphasising the important role of Social Work Services working with partners to provide support to those feeling the worst effects of inequality including some of the most vulnerable and excluded in our community.

Inverclyde Alliance

The Inverclyde Alliance (Community Planning Partnership) Vision for Inverclyde is ‘Getting it right for every Child, Citizen and Community’ and has developed the award-winning “Nurturing Inverclyde” approach. The intention of this approach is to make Inverclyde a place that nurtures all of our citizens, ensuring that everyone has the opportunity to have a good quality of life, and good mental and physical wellbeing.

The HSCP sits within the Alliance structure and has overall responsibility for the delivery of Social Work and Social Care Services in Inverclyde with the core aim of “Improving Lives”. As a result of the challenges faced by our community, the HSCP and Alliance is focussed on changing poor outcomes by identifying, preventing and taking action to mitigate our high levels of inequality.

Inequalities in Inverclyde

As stated, inequalities are a significant issue for people living in Inverclyde. A key priority for the HSCP is protecting and promoting the health and wellbeing of our most vulnerable children, citizens and communities. The HSCP supports the work of the community planning partnership in its fundamental approach to reducing inequality and improving the health and wellbeing of the whole population.

Health and social inequalities start early in life and persist not only into old age but impact on subsequent generations. We recognise that some of our communities experience higher levels of these poorer outcomes, and we are committed to working to find ways to respond by improving lives: preventing ill-health and social exclusion, protecting good health and wellbeing and promoting healthier living.

Defining need for Social Work Services

In common with other areas in Scotland, there are real challenges in developing data measures. As we consider the future configurations of our Social Work Services, we need to understand the local challenges and pressures that link directly with individual outcomes. However, In Inverclyde we have become increasingly attuned to understanding the needs of our community with our data analysis supporting us to drive service improvement.

Population Projections (2018 to 2031)

The latest estimated population of Inverclyde was taken from the mid-year population estimates published by the National Records of Scotland (NRS) on 25 April 2019. This gives us an estimated total population of 78,150 as at the end of June 2018.

Using the most recent published data available that can be used for population projections (Population Projections for Scottish Areas 2016-based), published by NRS on 28 March 2018, our population is expected to decline as is shown with the graphic below. As these estimates are based upon 2016 population base data the figure for 2018 shown here differs from the mid-year estimates just recently published.

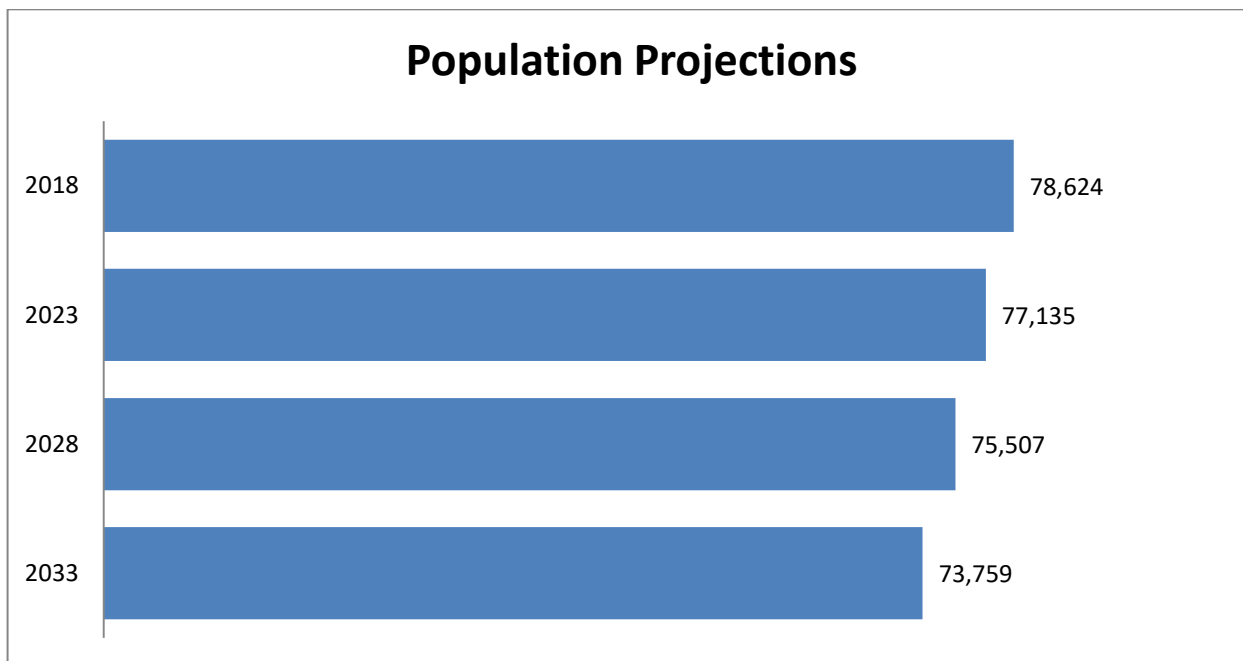


Figure 1 – Inverclyde Population Projection (Total)

Our population size is mainly affected in 2 specific areas. From mid-2017 to mid-2018 there were 1,080 deaths in Inverclyde compared to 662 births during this period, resulting in natural change of -418. Outmigration was again higher than in-migration, with an estimated 1,470 people moving into the area and 1,650 leaving, resulting in net migration of -180.

Deprivation

The Scottish Index of Multiple Deprivation (SIMD 2016) is a tool for identifying areas of poverty and inequality across Scotland and can help us invest in those areas that need it most.

Areas of poverty and inequality across Scotland are measured by a number of different indicators to help us target support in the areas that require it the most. The SIMD ranks small areas called data zones from most deprived to least deprived.

Inverclyde HSCP has 114 data zones, 50 of which are in the 20% most deprived areas in Scotland. Deprived does not just mean 'poor' or 'low income'. It can also mean that people have fewer resources and opportunities. The majority of the areas of high deprivation in Inverclyde are in the Central locality, covering Greenock Town Centre.

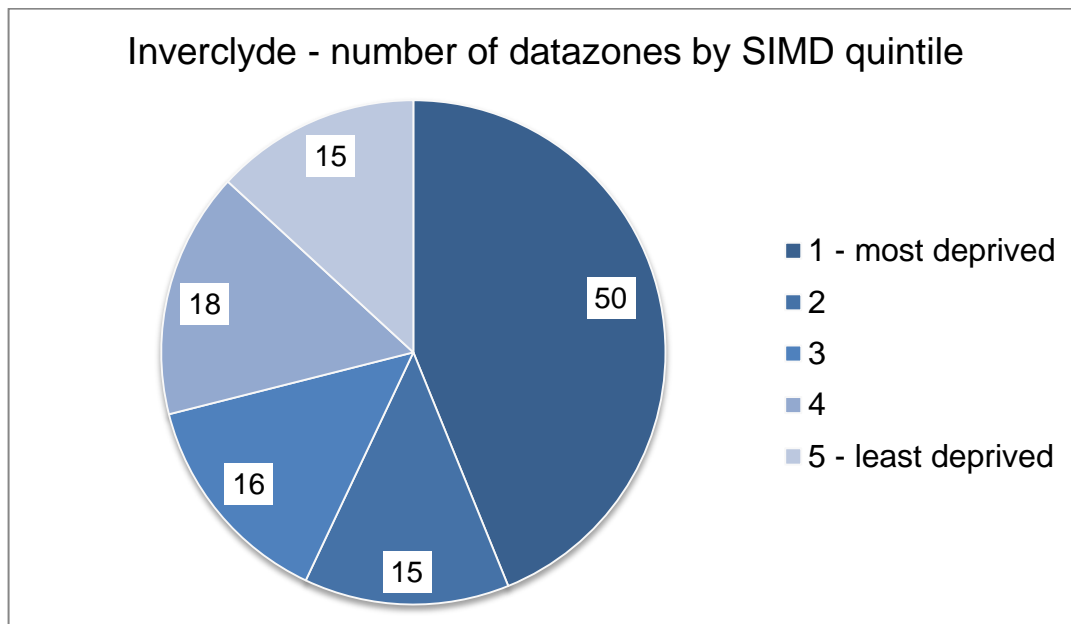


Figure 2 – Number of Inverclyde datazones by SIMD quintile

Economy

Employment for the people of Inverclyde remains heavily reliant on the public sector. Reductions in public sector budgets, resulting in a shrinking workforce in this area, will put additional pressure on the local employment market. Taken together with the reduction in the working age population of Inverclyde, tackling entrenched rates of dependency on Employment Support Allowance and Universal Credit remain a stubborn challenge for Inverclyde.

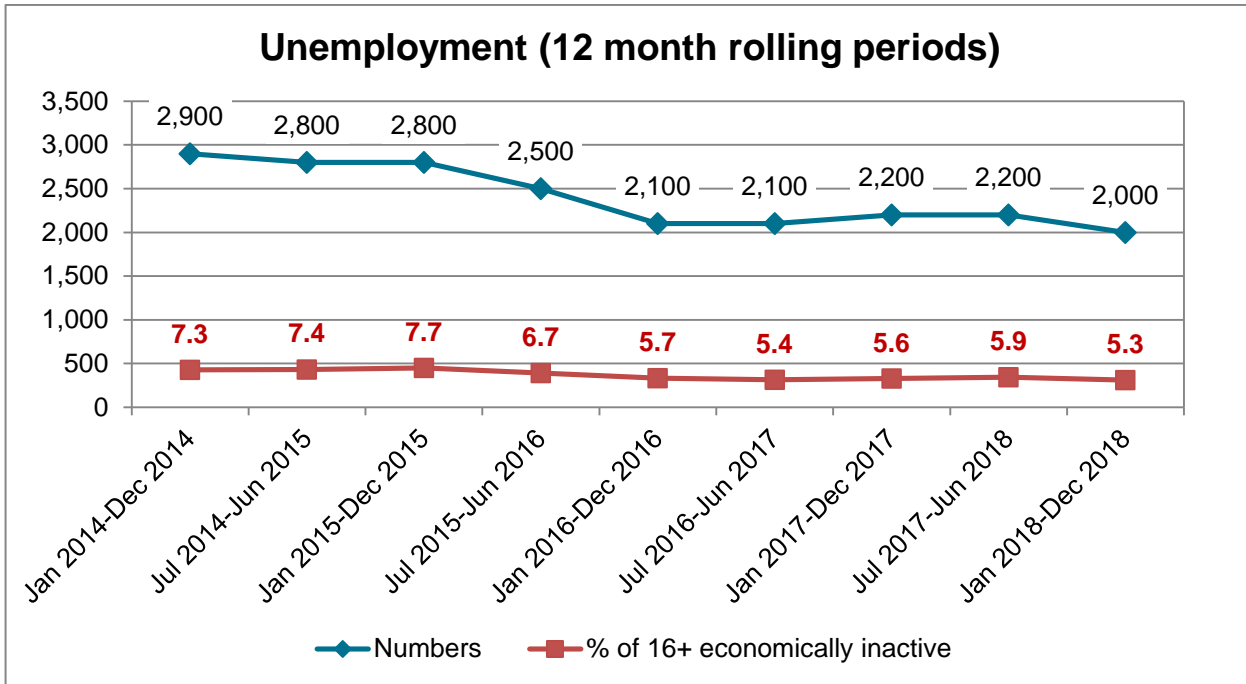


Figure 3 – Unemployment (in 12 month rolling periods)

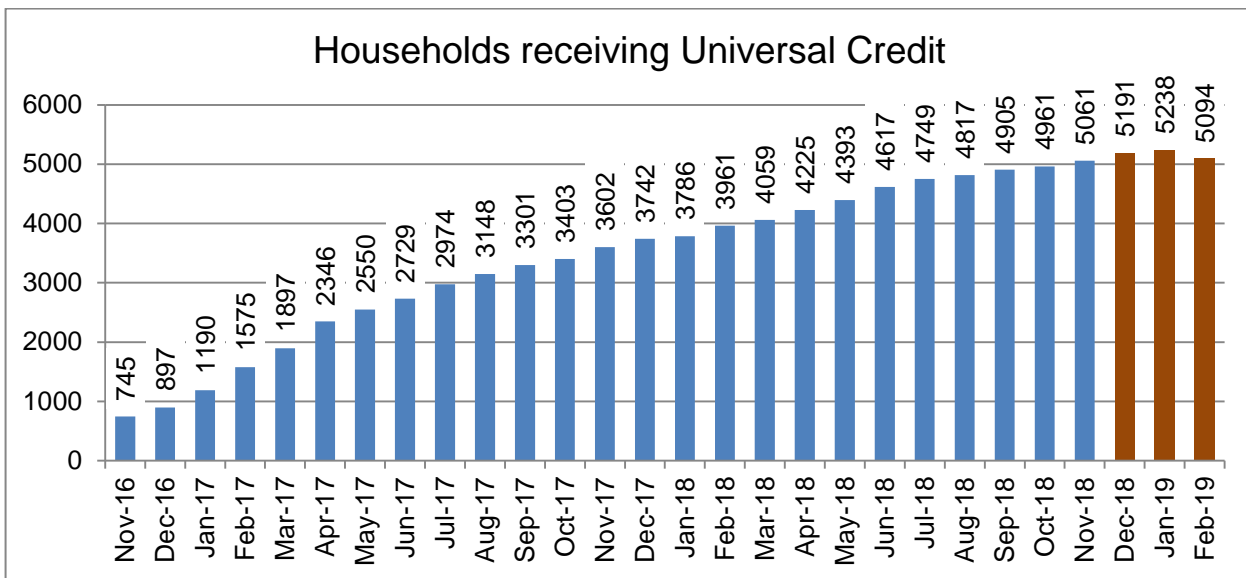


Figure 4 – Number of households receiving Universal Credit

Health Inequalities

Reduced or unequal social and economic opportunities go hand in hand with health inequalities. One of the most obvious outcomes is life expectancy, highlighted in figure 5.

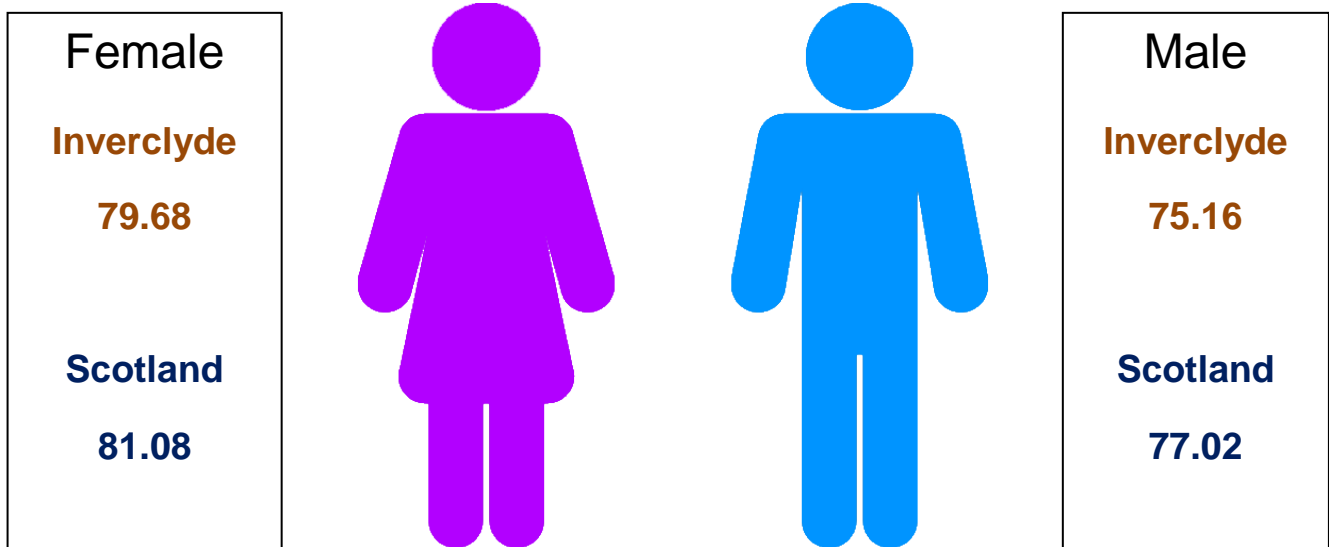


Figure 5 – Life expectancy comparison

In addition to the above, Inverclyde is below the Scottish average in terms of healthy life expectancy (the number of years a person can expect to live in ‘full’ health) by almost two years for men and over three years for women.

Within Inverclyde, there is a clear difference in life expectancy between those living in the most deprived areas to those living in the least deprived. Females living in the least deprived areas have a life expectancy almost seven years higher than those in the most deprived areas, while males in the least deprived areas have a life expectancy over seven and a half years more than those in the most deprived areas.

In the longer term, we aim to reduce the differences between Inverclyde and the Scottish average in both life expectancy and healthy life expectancy, and also the differences between men and women.

The Inverclyde HSCP Strategic Plan 2019-2024

Life expectancy and healthy life expectancy are stark indicators of inequalities. However, there are many other indicators that build up a picture over time of the disadvantages associated with multiple deprivation.

Our Strategic Plan 2019-24 aims to tackle these by delivering on our six Big Actions.

The Strategic Plan has been coproduced with our community including successful actions to reach the most excluded and in my opinion is the most inclusive plan we have produced to date. The plan outlines our ambitions and reflects the many conversations we have with the people across Inverclyde, our professional colleagues, staff, those who use our services including carers and our children and young people across all sectors and services.

We fully support the national ambition of ensuring that people get the right care, at the right time, in the right place and from the right service or professional. By continuing with our integrating Health with Social Work, we can maintain our focus on reducing these inequalities.

The Six Big Actions

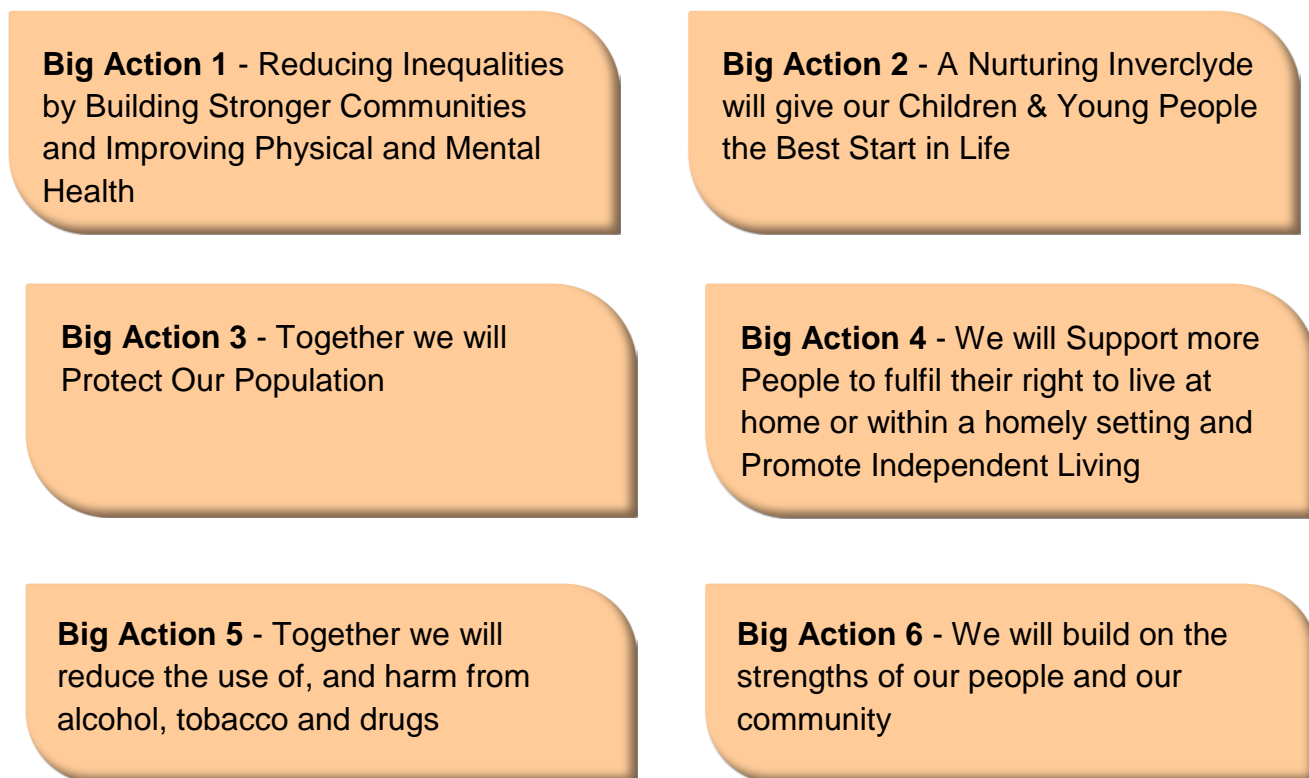


Figure 6 – Big Actions

Our 6 Big Actions have been shaped through a wide range of mechanisms of engagement, to reach as many local people, staff and carers as possible. We have also undertaken targeted engagement with the Children and Young People of Inverclyde to ensure that their voices are heard, and that they are central to shaping the future Inverclyde that they will inherit. Our children and young people consistently spoke of a vision of a future Inverclyde that is caring and compassionate and takes care of the most vulnerable and it is of particular importance to the HSCP that the vision of our young people has shaped our strategic plan.

“Inverclyde is a caring and compassionate, community working together to address inequalities and assist everyone to live active, healthy and fulfilling lives”

Market Facilitation and Commissioning Plan

All Health and Social Care Partnerships (HSCP), including Inverclyde HSCP must respond appropriately to the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 (the 2014 Act), often referred to as the integration legislation.

The 2014 Act also requires that a Market Facilitation Plan is produced to set out our Health and Social Care commissioning priorities and intentions for Inverclyde going forward over the duration of the new overarching Strategic Plan 2019 to 2024.

The Market Facilitation and Commissioning Plan has been developed in collaboration with local service providers, service users, carers, 3rd sector organisations and other stakeholders, to describe our best assessment about the future shape of our local Health and Social Care market. This is based on what services and supports we think will be needed to deliver the nine National Wellbeing Outcomes for local people. By implementing the Plan and retaining our focus on outcomes, we can ensure that we are responsive to the changing needs of Inverclyde service users. The Plan aims to identify what the future demand for care and support might look like and thereby help support and shape the market to meet our future needs.

We are committed to ensuring Inverclyde service users are well cared for and that people who need help to stay safe and well are able to exercise choice and control over their support. Inverclyde HSCP currently spends in the region of **£35 million** annually on commissioned Health and Social Care Services.

To deliver our commitment we need to ensure the people who use our services can choose from a number of care and support providers and have a variety of creative support options available to them.

To deliver new models of provision in Inverclyde, we recognise that commissioners and providers alike need to build improved arrangements for working together, to improve quality, increase choice for service users and their carers and deliver a more responsive and efficient commissioning process.

This requires structured activities and well planned engagement. Mature and constructive partnership working is critical in ensuring that we create an innovative and flexible approach to service delivery.

The Market Facilitation and Commissioning Plan has been shaped by consultation and engagement with our communities, and informed by our Strategic Needs Assessment. Our locality profiles for Central, East and West describe the population of Inverclyde in the context of needs for Health and Social Care services. It looks at specific locality data and can be used to highlight key challenges that affect the population of each locality. Our aim is to ensure that the benefits of better integration improve health and wellbeing outcomes by providing a forum for professionals, communities and individuals to shape and inform service redesign and improvement.

The profile details how Inverclyde Health and Social Care Partnership will continue to integrate Health and Social Care in Inverclyde. The profiles will be used to inform and influence the community through both analysis of the data and engagement with those living, working and using services in the community. From this work, a set of local priorities will be identified which will also include details on the activities, interventions and resource that will need to be put in place to meet the needs of the local areas.

The views and priorities of our localities have been taken into account in the development of our new Strategic Plan 2019 to 2024. Localities will continue to contribute to the plan for how the HSCP's resources are to be spent on their local population. For some services or care groups, it will make sense for more than one locality to work together to plan what is needed and to make best use of resources.

The Commissioning Workplan which forms part of the Market Facilitation and Commissioning Plan consists of future commissioning service provision and priorities. The main challenges for the HSCP in delivering the priorities on the commissioning list will be uncertainty of future funding, and the need to specify and monitor the services being commissioned, while still allowing flexibility for creativity and innovation in the provider market.

Locality Planning

As a CSWO I hold the view that people have a right to be empowered to shape their own local services in response to local priorities. Our locality planning is aligned to the Inverclyde Alliance Local Outcomes Improvement Plan (LOIP), and we have agreed on six localities within Inverclyde, based on where people define their own communities. We aim to use locality planning to engage people of Inverclyde to ensure that we build a compassionate community that looks out for others.

Locality Planning Groups (LPGs)

Our six localities have been established to enable service planning at local geographies within natural communities.

Our localities will be central to improving social and economic circumstances, and reducing inequalities. In common with many other areas in Scotland we have challenges in meeting increasing demand and at the same time addressing the widening gap in health inequalities within the context of contracting budgets as emphasised in the Marmot Review Report 'Fair Society, Healthy Lives' of 2010. The Review Report proposes an evidence based strategy to address the social determinants of health; the conditions in which people are born, grow, live and age, which can lead to health inequalities.

“Effective local delivery requires effective participatory decision making at local levels. This can only happen by empowering individuals and local communities.”

The Inverclyde HSCP and Inverclyde Alliance are committed to driving this agenda because we know that's what makes a real difference. Our six Locality Planning Groups (LPGs) are reflected below.

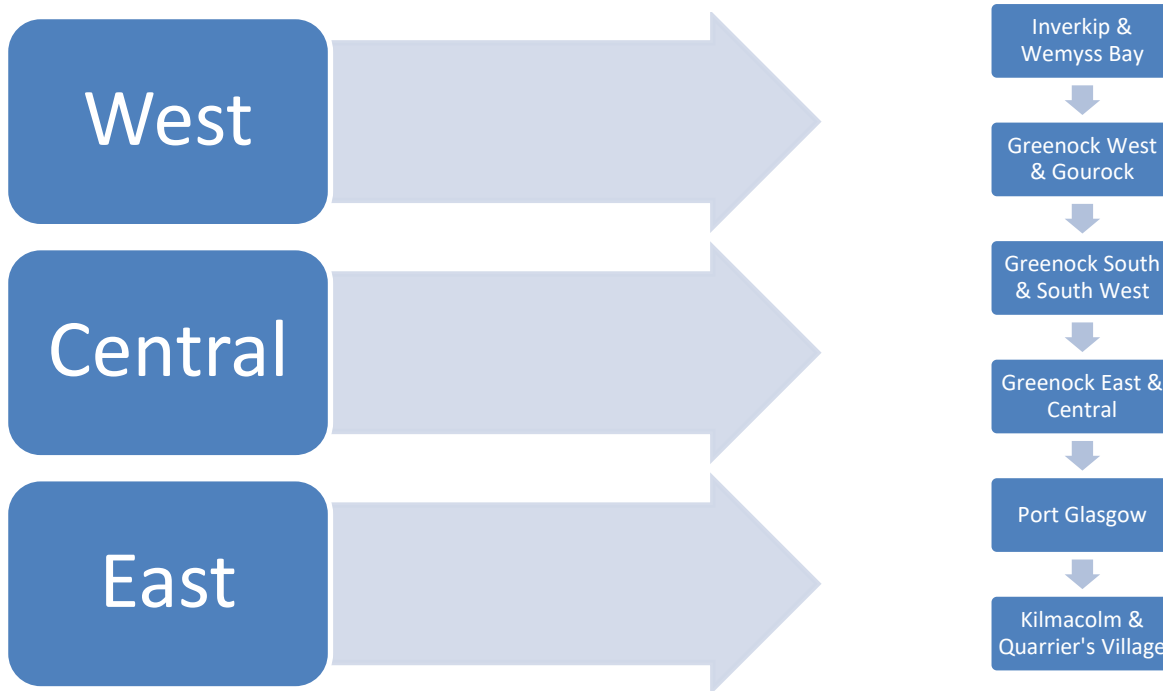


Figure 7 – Change in Locality Groups

The Locality Planning Groups will enable better communication and engagement with local communities and staff. Over this year and for the duration of our Strategic Plan we will provide guidance and support for Locality Planning Groups (LPGs) to ensure they have the capacity and capability to work effectively with and for local people.

4. Governance

In Inverclyde, Social Work Services fully integrated with Health Services in October 2010, initially as a Community Health and Care Partnership. This has meant that the integrated arrangements in Inverclyde were at an advanced stage of maturity before transferring to the HSCP model and the full establishment of the Integration Joint Board (IJB). From figures 8 and 9 below it can be seen that in Inverclyde formal reporting structures to council have been retained in the form of the Health and Social Care Committee reflecting elected members concern to continue to exercise strong governance of statutory social work matters and especially those relating to the public protection agenda.

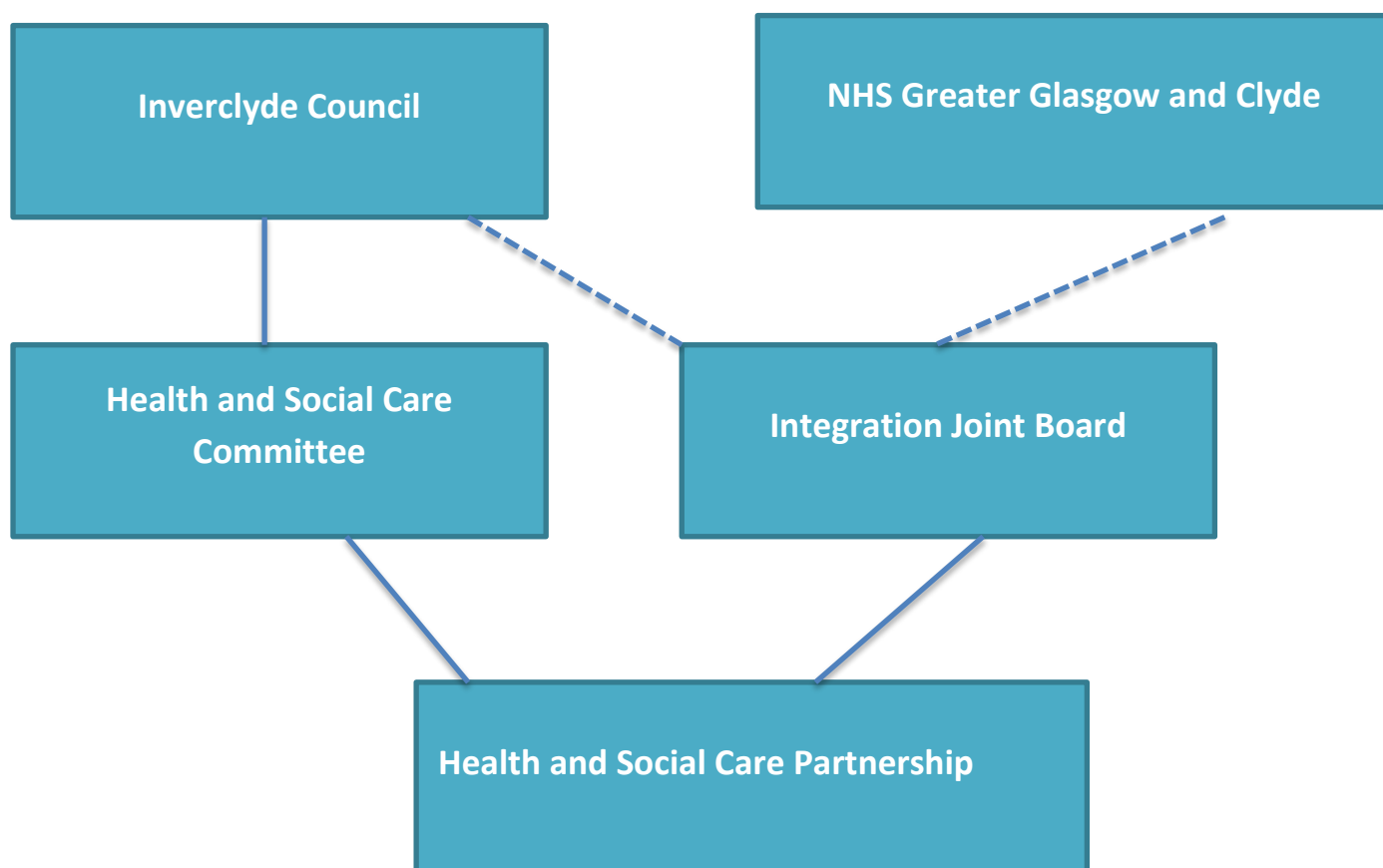


Figure 8 - Reporting Structures

In order to assure elected members on matters relating to the governance process for externally commissioned Social Care Services a governance report providing a strategic overview of performance, quality and contract compliance of services provided by external independent, third sector and voluntary organisations is presented to the Health and Social Care Committee. The governance arrangements ensure that contracted services maintain quality service provision, meet financial governance requirements and are an active partner in the strategic commissioning cycle.

The CSWO meets at regular intervals with the Chief Executive of the council in respect of matters relating to the delivery of social work and social care, is a non-voting member of the IJB and a member of the Strategic Planning Group.

In representing the unique contribution of Social Work Services in the delivery of public protection, the CSWO is a member of the Inverclyde Chief Officers Group, Chair of the Inverclyde Child Protection Committee and the Public Protection Forum and sits on the Adult Protection Committee.

One very positive aspect of integration has been the strengthening of governance arrangements overall as a consequence of the development of the HSCP-wide Clinical and Care Governance Forum. The social work Practice and Care Governance Group is an integral part of this governance structure. To assist the CSWO in supporting the development of social work practice across the HSCP, the terms of reference and membership of this group has been refreshed ensuring reach across all service user groups and importantly includes representatives from the third and independent sector so that the CSWO can provide support and guidance to organisations that deliver social care services under these organisational arrangements.

The Group's terms of reference are based on three priority themes:



Figure 9 – Terms of Reference priority themes

Work streams, led by Group members, deliver on the priority themes. In 2017/2018 this has led to the development of a local SSSC Code of Practice Protocol to be assured that there is compliance with the registration requirements and the Health and Social Care Standards (2018).

It is worthy of note that the national work stream to develop a revised clinical and care governance framework has been further delayed. Inverclyde have committed to developing a strategic approach to our work in this area that aligns with our strategic plan. We intend to forge ahead with this plan and will develop our revised strategy in a way that will allow us to align with any future national developments.

Health & Social Care Standards

Health and Social Care Standards (H&SCS) sessions were delivered to raise awareness amongst managers and HSCP staff in relation to the National Health and Social Care Standards which came into force in April 2018. 104 staff from across the HSCP attended the sessions facilitated by Healthcare Improvement Scotland. The sessions included a presentation of the Standards and time for group discussion and reflection.

The key insights included:

- The Standards support Scotland's journey to integrate health and social care and create shared objectives, a shared language and more joined-up service for the public.
- The Standards will have a far wider impact and will apply to many more people's experiences of care, including non-registered care and that provided by the NHS and local authority.
- There is a move away from the traditional prescriptive standards to a more holistic model looking at an individual's overall experience which therefore requires a different kind of inspection, starting with care homes for older people.
- The Care Inspectorate's expectation is that the H&SCS will be used in planning, commissioning, assessment, and delivering care and support.
- For practitioners, the Standards support a reflective stance and orientate the reader to the patient / service user's experiences and the outcomes that are desired.
- For the HSCP, the Standards orientate leaders to focus on the quality of relationships, how leadership is being evidenced and person-centred evidence within the services they manage.



Direct quotes in relation to what participants would do after the H&SCS session included:

“Ensure that I am aware of the Standards and I implement them in my role especially when implementing care plans.”

“More reflection in my practice and discuss in supervision - critical analysis of my practice.”

The H&SC Standards provide an opportunity for the whole of the HSCP workforce to work to shared goals using a common language and shared set of Standards. The language of the Standards resonates with practitioners and providers and has the potential to create enthusiasm for continuous service improvement . The way the Standards are written facilitates reflection and an increased focus on the service user experience and is an area that we are keen to see develop through our staff supervision arrangements.

Supervision remains a critical focus for the CSWO and the service as a whole constituting a fundamental element of our overall governance arrangements. We have continued to invest in training, development, coaching and mentoring for staff accros the HSCP given the singular importance of supervision for delivering safe, high quality social work services.

5. Partnerships

A defining characteristic of social work is that it recognises, promotes and supports the central importance of working in partnership in order to bring about improved outcomes. Inverclyde HSCP works in a broad range of partnership arrangements: internal and external, independent and third sector, national and government body's, to deliver services. Some of these partnership arrangements are highlighted here.

Public Protection

In Inverclyde the Chief Officers Group (COG) is the mechanism through which all public protection matters are governed. Chaired by the Chief Executive of the Council the COG has oversight of the work of the Adult Protection Committee, the Child Protection Committee and Multi Agency Public Protection Arrangements (MAPPA). The work of these partnerships is outlined in more detail below.

Child Protection Committee

The Inverclyde Child Protection Committee has been effectively progressing strategic partnership and planning to improve our services for Inverclyde's most vulnerable children since its inauguration. The committee is chaired by the CSWO who also carries the role of Head of Service for Children's services and criminal justice and the committee benefits from the expertise and experience that this level of involvement in operational service provision provides.

As a result of the use of data and evidence the Child Protection Committee has re-organised its focus to create a more dynamic and need responsive approach to meeting its core functions of strategic planning, continuous improvement, public information and communication and participation. The CPC has developed an outcome focused plan that targets priority areas of need through the work of task groups.

The Committees current priorities include improving the early response to risk by improving multiagency Initial Referral Discussions, to improve multi-agency assessment of risk and need, particularly identifying accumulating concerns relating to domestic abuse and neglect, and to continuing to improve our use of data and evidence.

The Child Protection Committee undertakes annual development days to ensure the strategic partnership continues to maximise its effectiveness and this has resulted in the production of an induction and annual self-evaluation process. In conjunction with the Chair and with the support of the lead officer each member considers their skills, experience and contribution to the strategic partnership and identifies areas for individual and collective development. The Child Protection Committee produces an annual report and within this summarises the achievements of the previous year and sets out its aims and priorities for the year ahead.

The priorities for the Child Protection Committee for the year ahead are to continue to improve services to address the children most at risk and to continue to strengthen the committee's strategic partnerships and governance arrangements. Inverclyde are paying close cognisance to the recently updated CPC / COG guidance produced by CPC Scotland and have held a development session for CPC members and a further development session planned for the Chief Officer Group to benchmark our arrangements and priorities against the national guidance to inform the outcomes plan for the next period.

Inverclyde have also contributed to a successful bid with North Strathclyde to run a cross authority pilot of specialist JII cadre of Police, Social Work and children's first staff in using the new joint investigative interviewing training and the principles of the Barnahaus model to provide an evidentially robust and trauma informed approach to interviewing vulnerable child witnesses.

Adult Protection Committee

The Inverclyde Adult Protection Committee has been meeting for nine years with representation from all relevant public agencies. Additionally the committee has service user and carer representatives with one being a member of the HSCP Integration Joint Board. The work of the Committee is progressed through a number of working groups and is reported through a Biennial Report and business plan. The Independent Chair is also a core member of the Chief Officers' Public Protection Group. The Committee is supported by the Coordinator and administrative staff hosted by HSCP. The CSWO is a member of the APC.

In line with the statutory duties of the Adult Protection Committee the on-going priorities are:

- Ensuring the multi-agency workforce has the necessary skills and knowledge. An Adult Support and Protection (ASP) Learning and Development Strategy 2018/20 has been produced to ensure that multi-agency staff have access to appropriate training and learning events that create opportunities to reflect on practice. The content of all training currently being delivered was audited against the West of Scotland Council Officer Learning and Development Framework. The content of existing courses have been reviewed and new courses have developed based on identified gaps.
- Ensuring the multi-agency workforce has access to relevant procedures, guidance and protocols to meet their responsibilities under the Adult Support and Protection (Scotland) Act 2007. A number of existing procedures, guidance and protocols are subject to planned review.
- Continued focus on self-evaluation, quality assurance and the impact of activity.
- Review of Communication Strategy to improve public awareness of Adult Support and Protection.

By focussing on these priorities our Adult Protection Committee ensures that people within Inverclyde HSCP are safe from harm.

Multi Agency Public Protection Arrangements (MAPPA)

MAPPA was established under Sections 10 and 11 of the Management of Offenders (Scotland) Act 2005. It is a process by which key partnership agencies coproduce a risk management plan for individuals representing a risk of sexual or violent harm towards others.

Agencies have a duty to cooperate and share information to inform risk management. Risk management is an ongoing process and risk management plans are reviewed on an ongoing basis. MAPPA is a key public protection mechanism.

The MAPPA Unit has been working with Inverclyde Housing Sex Offenders Liaison Officers (SOLOs) to form improved working relationships with local Registered Social Landlords. Several awareness events were held with RSLs and work is continuing on Information Sharing Protocols.

Wider social work service including Children and Families Social Work play an important role in the MAPPA process and there has been an increase in MAPPA Awareness training events to try to reach as many staff as possible. A Single Point of Contact for children and families has also been established which will assist in preparing staff for MAPPA meetings and collating information for the MAPPA Unit when required.

The Inverclyde Public Protection Forum

This forum has been in operation for the past two years and operates to enhance and where appropriate widen the functioning of the core public protection arenas listed above.

The forum is chaired by the CSWO and in addition to lead officers from our core public protection committees includes representation from the Violence Against Women Multi Agency Partnership, the Alcohol and drug partnership, our Mental Health Strategy group and our Community Safety Partnership.

The work of this group is focused on ensuring we are capturing cross cutting themes and where we can, amplifying the reach and impact of the various strands of public protection activity. One very important aspect of this work is in bringing a public protection lens to those groups of very vulnerable service users whose needs can often be less visible including people affected by drug and alcohol use and homelessness.

Broader Partnership Working

As noted above social work is by its very nature a partnership activity and noted below are examples of some of the partnership working that is taking place across the HSCP that is central to the delivery of the Big Actions in our strategic plan

Domestic Abuse

Domestic abuse continues to be one of the highest areas of concern recorded for those children on our Child Protection Register. Joint working takes place between Children's, Adult and Criminal Justice Services, where relevant, to assess and mitigate risks to children and vulnerable adults. The Child and Adult Protection Committees have strong links with Violence against Women Multi-agency Partnership and within these partnerships there are a number of preventative and protective actions undertaken by a range of partner agencies.

There have been two key developments this year. The first relates to a conference on the role of the Social Worker in domestic abuse. This was arranged in conjunction with SASW and Women's Aid and took place at the Beacon Arts Centre, Greenock in March 2019. There were a number of key speakers at the event, including representatives from Women's Aid and Police Scotland. The conference was attended by Social Workers from all care groups and was highly evaluated.

A second development is the successful tendering of a new perpetrator programme for working with domestic abuse offenders, encompassing work with the victim and the children. This is a collaboration between Criminal Justice and Children and Families and will result in 20 staff being trained to deliver the programme jointly between the two services. Although this particular programme is delivered in other areas of Scotland, Inverclyde is the first to deliver it on a collaborative basis between these two services.

Inverclyde's Child Protection Committee (ICPC) sponsors a multi-agency Practitioner Forum to progress the areas of work. One of the tasks has been to develop a toolkit to hear the voice of the child in different ways in a safeguarding process. Practitioners from across the Community Planning Partnership shared examples of good practice, including the resources that empowered children and young people to share their views. The result is a very usable Practitioner Toolkit / Manual.

Unscheduled Care Inverclyde Partnership

Partnership work with colleagues from the acute hospital sector continues to demonstrate the effectiveness of early commencement of assessments to identify future care needs and deliver better outcomes.

We are working with colleagues in the acute sector to develop Unscheduled Care Planning. This is looking at unplanned presentations and admissions to hospital which could be avoided with better community based service arrangements and information to the general public.

The Home 1st Unscheduled Care Plan will address the support needs of people attending the Emergency Department (ED) and a reinvigoration of the Choosing the Right Service Campaign to include ED will help our communities to understand where and how to get the right care.

We are aware that people who attend ED can do so due to poor mental wellbeing or alcohol and drug issues. Often ED is not the best place for individuals to attend as they require a different type of support and intervention. We will be placing social care staff with relevant experience and training to work with people whose issues relate more to mental wellbeing rather than a physical health issue.

Inverclyde has run a successful campaign in the community highlighting the range of health and social support people could access rather than visiting their GP. Each GP practice has a community link worker who can deal with housing issues which do not need to be taken to a GP. The second phase of this programme is to include ED and offer advice and signpost people to other more appropriate community services.

The best way to avoid a person being delayed in a hospital bed is to avoid all unnecessary admissions in the first instance. Along with GP support, we will continue to work on a multidisciplinary basis to work out the right type of support and contingency arrangements to maintain people at home. This will also inform the future of our Home 1st Service.

Occupational Therapy

The Occupational Therapy (OT) service has been working in close partnership with local housing providers to ensure that people receive a comprehensive assessment for housing suitability to meet long term needs, and appropriate recommendations for future housing. Our commitment to better outcomes has resulted in a marked increase in the number of requests for OT housing assessments / reports. This work has increased the influence the HSCP has on securing appropriate accommodation for people in housing need.

The Housing Occupational Therapy service ensures optimal housing match to support people to live well and independently within their local communities, supported where appropriate not just by formal services but by families, friends and the wider community.

Integrated working across the health Rehabilitation and Enablement Service and Social Care Occupational Therapy to streamline referral pathways by carrying out joint triage of referrals and sharing information across different electronic recording platforms has reduced the level of duplication and ensured the right person sees the service user at the right time. Updating referral processes has improved response times by identifying service user's needs more robustly and preventing crisis.

Nursing and care at home out of hours service review

As part of the continuing development of Inverclyde HSCP community services we are undertaking a review of the Out of Hours Community Nursing and Social Work Services, building on existing close working relationships.

Inverclyde's community alarm team, district nursing and home care are co-located at the Hillend Centre, providing evening and through the night care, working collaboratively to provide ongoing assessment and support to facilitate discharge from hospital and maintain people safely at home.

The review will seek to formalise links between the teams in the face of the challenges around high demand, increasing patient complexity and co-morbidity. We will explore opportunities to maximise shared care and joint working to facilitate safe, sustainable, efficient and effective person-centred care within the home environment.

As part of the ongoing redesign of alcohol and drug services, a partnership with the Scottish Drugs Forum (SDF) was developed to ensure a robust Recovery Orientated System of Care (ROSC) within Inverclyde. Local consultation work with a range of Inverclyde services and service users considered the current status of Inverclyde ROSC and while there are many strengths highlighted within the current system, a number of areas of need for development have also been identified. These will be incorporated into future delivery of services and partnerships across Inverclyde, and informed the ADP's successful bid to the Challenge Fund.

Partnership with Service Users and communities

Your Voice - Inverclyde Community Care Forum (ICCF), is commissioned by Inverclyde HSCP to help support involvement, engagement and formal consultation with local communities. Your Voice enables the voice of people who use services, their careers and families to positively and proactively contribute to the planning and provision of health and Community Care Services in Inverclyde. This is only one mechanism to enable people to share their views and contribute to service planning but as Your Voice includes a range of voluntary and community groups, the organisation supports the HSCP by reaching out to a significant number of people.

Your Voice, on behalf of Inverclyde HSCP, organised and facilitated a series of engagement events across Inverclyde. Contributions from these events helped to inform and shape the HSCP Strategic Plan 2019 – 2024. The Strategic Plan lays out the HSCPs intentions and priorities over the next five years, reflecting the complex nature of some of the issues faced. A Service User Reference Group for the Inverclyde Alcohol and Drug Review was established during this last year supported by Your Voice and will continue meeting to ensure that service users have an opportunity to have their views heard as part of the ongoing work around alcohol and drug service remodelling.

The Mental Health Service User Reference Group has been refreshed with work undertaken to review and agree on how this forum can best be utilised. This has included working with the forum to inform and shape developments within the statutory service around our Five Year Mental Health Strategy. <http://www.movingforwardtogetherggc.org/media/246061/mft-srg-4-mental-health-final-24-jan-2018.pdf>

Champions Board

Our partnership between Corporate Parents and care experienced young people has continued and further opportunities have been created for care experienced young people to influence how we deliver services. Examples of this include:-

- Care experienced young people contribute to our recruitment of Children and Families staff.
- Care experienced young people have delivered awareness raising sessions across a range of agencies.
- Care experienced young people influenced RSLs to identify a “care champion” within their organisation.

The work of the Champions board is governed as part of the wider Children’s Services Strategic Planning group that has overall governance for the children’s service plan.

Partnership with Carers

The Carers (Scotland) Act 2016 commenced from 01 April 2018 and Inverclyde has been working with carers and young carers to ensure the successful implementation of the new powers enshrined in the Act. In April 2019 Inverclyde Council took the decision to waive all charges for respite and short breaks. We are the first Council to implement this in Scotland and this will be of direct benefit to over 250 carers and their families.

Inverclyde has:

- commissioned Your Voice to develop a range of carer engagement opportunities
- supported Inverclyde Carers Centre to develop Carer Awareness Training to promote the rights of carers across the workforce as we move towards full implementation
- funded a Carer’s Passport Card to support increased identification of carers, linking to a “Carer Friendly Inverclyde” by encouraging local organisations to offer community/commercial discounts for carers
- raised awareness of young carers and issues, and increase capacity of Young Carers support from Barnardo’s Thrive Project
- supported Financial Fitness to provide an outreach advice service for Carers engaging with Inverclyde Carers Centre
- supported Inverclyde Carers Centre to provide emotional support to carers.

Community Connectors

As a community led “front door” health support, the Community Connectors are well placed to deliver assistance to a wide range of people in Inverclyde. This ensures people are well linked in to community provision and gives them the support of an experienced organisation that is trusted and respected locally.

The emphasis of the Community Connector role is often on creating opportunities to bring people together, maintaining, encouraging and creating networks and friendships and promoting activities that help to overcome the risks faced by and poor health outcomes of many individuals who are lonely and socially isolated.

With an ageing population, increasing loneliness and isolation and the prevalence of poor mental health, there is a real need to find new ways of providing high quality health and social care. Community Connectors are one of these new ways, working with individuals to ensure they are supported to join in activities, access services and generally feel better connected to their community, helping improve their health and wellbeing outcomes.

6. Service Quality and Performance

How Social Work Services are contributing to better outcomes for the most vulnerable in our community

Social Work Services in Inverclyde are progressing steadily along a continuum of integration firstly as an HSCP but also as part of the wider community planning partnership. This recognises that the need to keep improving outcomes for our most vulnerable citizens is a partnership one and it is only when agencies and services come together as a whole system that we are likely to have optimum impact. The section above outlined some of the key partnership fora that Social Work Services either lead, commission, or are core members of. In this section of the report, consideration is given to the important contribution of social work and social care. This section of the report outlines how Social Work Services are delivering services to the Inverclyde community both in terms of performance and quality and contributing to better outcomes. Information in relation to how statutory services are being delivered is also contained here.

How Social Work Services are contributing to better outcomes by tackling poverty and inequality in our community

Our **Advice Services Team** responds to a vast range of enquiries, including debt advice, benefits advice, welfare rights appeals and debt resolution. The tables below highlight the effectiveness of the team over the past 4 financial years.

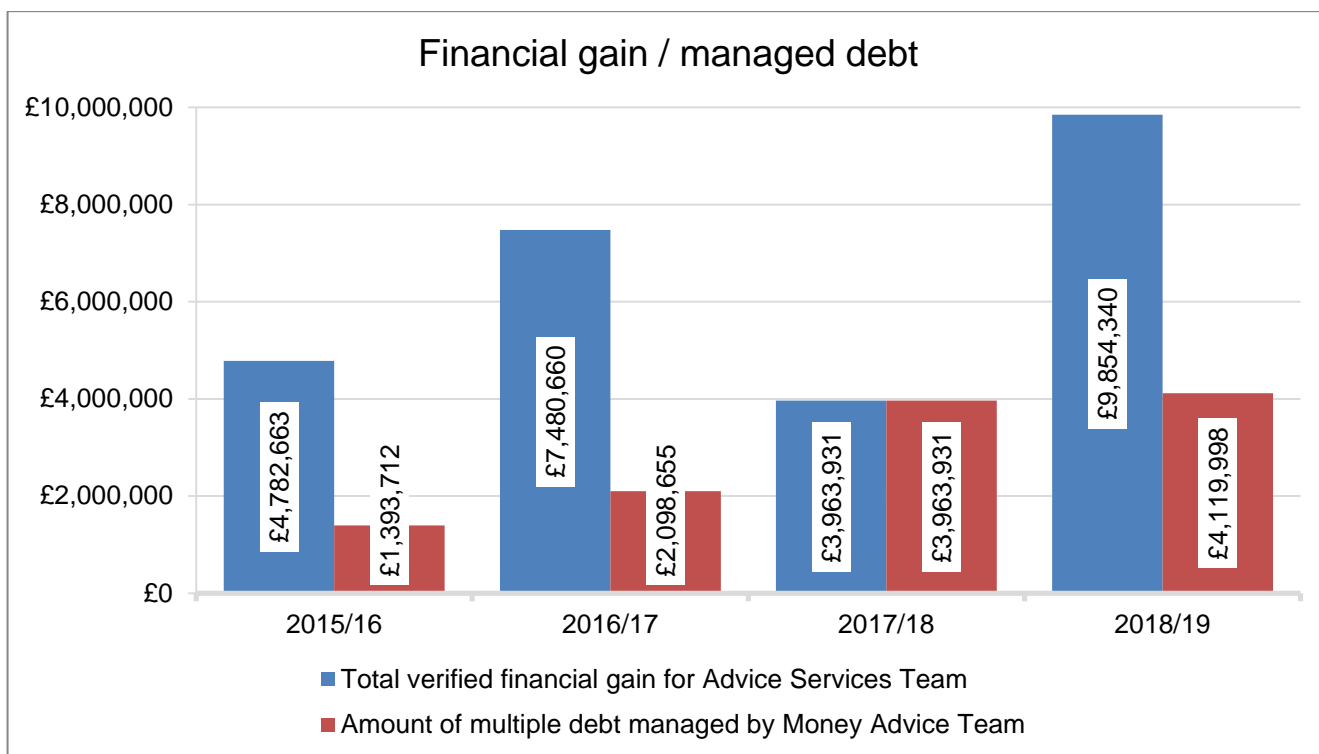


Figure 10 – Financial gain/managed debt by Advice Services Team

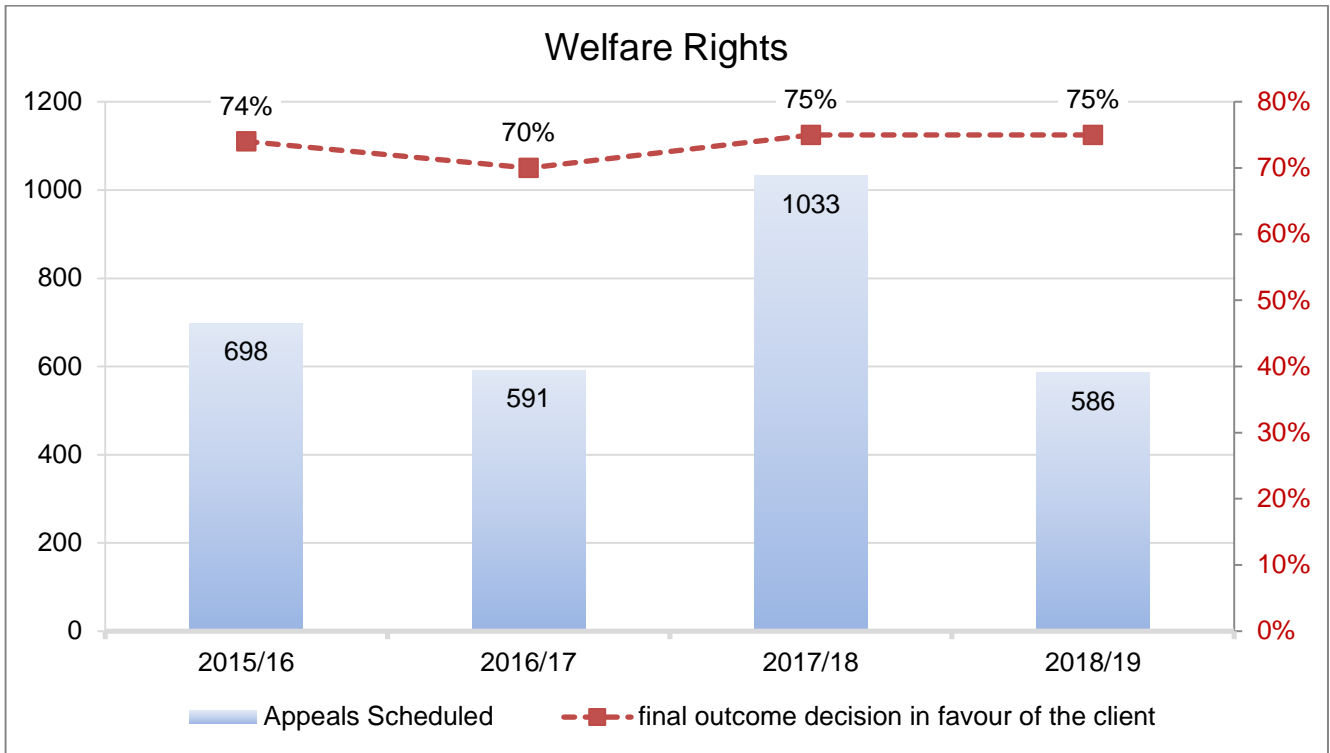


Figure 11 – Welfare Rights appeals scheduled and success rate

Working with local people and other organisations we gained significant financial amounts for Inverclyde Residents. We know that financial exclusion and economic deprivation leads to other inequalities, so this work is vital to our strategic aims.

Morag's Story

Morag was referred to the Inverclyde Macmillan Benefits Service by Clinical Nurse Support following a cancer diagnosis. Assistance was provided to Morag and her partner to help them apply for Personal Independence Payment, contribution-based Employment Support Allowance, disability discount for Council Tax and road tax exemption. Financial gains confirmed so far are £17,347 per annum.

Morag was also assisted to apply for a blue badge, travel card with companion pass and a disabled parking bay. Information was also provided about how to book a short respite break.

How Social Work Services are improving outcomes for Children and Families Getting it Right for Every Child in Inverclyde

Inverclyde has fully embraced the Getting it Right for Every Child approach and have continued to develop and extend our practice in line with the underpinning philosophy and frameworks embodied by this policy stream. Having developed the Inverclyde GIRFEC pathway we are working with CELCIS to make best use of evidence in how we continue to implement, embed and improve the framework across our services for children.

The transitioning of the GIRFEC policy landscape to a legislative basis has been a complex one and Inverclyde will continue to work with Scottish Government and national partners to establish the most effective arrangements for delivering on this important agenda.

Child Protection Services

There has been a significant amount of child protection activity over the last year. Practice in this area has continued to improve with the Initial Referral Discussion process coordinated by senior social workers now embedded and taking place promptly. The consistent and effective application of this has resulted in positive improvements in the quality of initial response to child protection concerns.

Between April 2018 and March 2019, 104 Child Protection (CP) referrals were received. As a result of these, 153 children were subject to Initial Referral Discussions (IRDs) between Social Work, Health and Police representatives during this period and this in turn resulted in 39 child protection investigations being undertaken.

The number of children on the child protection register fluctuated from a low of 26 to a high of 37 through the period and the risks to 175 children were considered in multi-agency child protection case conferences. 15 of the case conferences held pertained to concerns that were raised via our SNIPS pre-birth referral pathway and 33 were initial case conferences, the average time spent on the child protection register is 6 months.

Our improved practice in robust interagency referral discussions is maintained by a six weekly quality assurance group made up of Social Work, Police, Education and Health professionals from the operational and strategic level. This ensures that improvements can be implemented promptly from the learning at the appropriate level in the child protection system. Improved risk assessment via the IRD process resulted in a reduction in initial child protection case conferences but did not affect the number of children registered which suggests that we are ensuring that only those children most at risk are progressed to case conference.

Request for Assistance Team

The Inverclyde Children and Families, Request for Assistance (RfA) Team, provides a single point of contact with Children's Social Work, enabling members of the public and professionals to seek support for and raise concerns about the wellbeing of children so that they can receive timely and proportionate help. This includes children identified as being in need of child protection support. The team was established in 2018 and approaching its first annual evaluation. It has been hugely successful in ensuring a consistency of service offered at the front door of children's social work by ensuring every child referred receives an initial assessment of need and the service commensurate with the need assessed. The team has also provided valuable insight into areas of strength and areas requiring development in relation to our collaboration with other agencies on the GIRFEC pathway.

Child Planning and Reviewing Team

The Inverclyde child planning and reviewing team has a commitment to ensure children's wellbeing is improving across all the wellbeing indicators and that children and their families are engaged in reviewing progress, joint planning and decision making in their child's lives. The reviewing officer compliment has been increased to three full time posts. This compliment will allow for a development of the role to include not only those children looked after at home and away from home but those on a continuing care pathway, those young people requiring a protection process and youth justice reviews. The team are developing a quality assurance and improvement role to ensure consistently good planning and reviewing to meet the positive outcomes for children and young people.

Children with Additional Support Needs

Work with children with additional needs continues to advance.

Inverclyde has a distinct team with a remit of supporting children and families with additional support needs. In the past year the team have had an improvement focus on effective communication with children with Additional Support Needs. This included valuable insight into how to employ a number of communication methods to ascertain the views of children and develop a detailed understanding of their lived experience. It also engendered reflection on the vulnerability of these children within the child protection system.

As an extension of this the team have engaged in a pilot along with Glasgow City Council considering appropriate tools for undertaking joint investigative interviews with children with additional support needs. This is in recognition that the current model of Joint investigative interviews employed in Scotland is unlikely to be fit for purpose for use with children with learning disabilities and requires to be tailored to each child's age, cognitive development, communication needs and vulnerabilities. The pilot involves detailed training on understanding the building blocks of communication, building rapport and the assessment of appropriate communication aids in order to promote an understanding of the child's capacity prior to making the decision to interview.

Over the last year, 18 children and young people with additional support needs received residential respite amounting to 291 nights in total. An additional 25 packages of community support were offered to children and families. Some families have chosen to manage their own support services through self-directed support with the assistance of their social worker. We have continued to promote the uptake of self-directed support with the goal that all parents or carers have an understanding of the options open to them and that the choice they have opted for is clearly outlined in the Wellbeing Assessment completed on the child. Currently a multi-agency transitions group has been established to consider the transition from children and families to adult services, using the existing policy to further develop this process and ensure a positive destination for these young people.

Young Carers

There have been a number of developments with Young Carers over the last year. Young Carers Statements have been embedded in practice. These identify the personal outcomes and needs of a Young Carer and confirm the support to be offered. Social work services are leading a multi-agency Young Carers group to develop understanding of the statutory responsibilities and legislative background in the Carers Act so that agencies across Inverclyde have a grasp of their role in relation to Young Carers.

Children Looked after at home or away

The balance of care for looked after child remaining within the community has remained above 86% in the last year. Shifting the balance of care is a key local strategy which is underpinned by a number of national policies which promote early help, support, local family connections and sustainability.

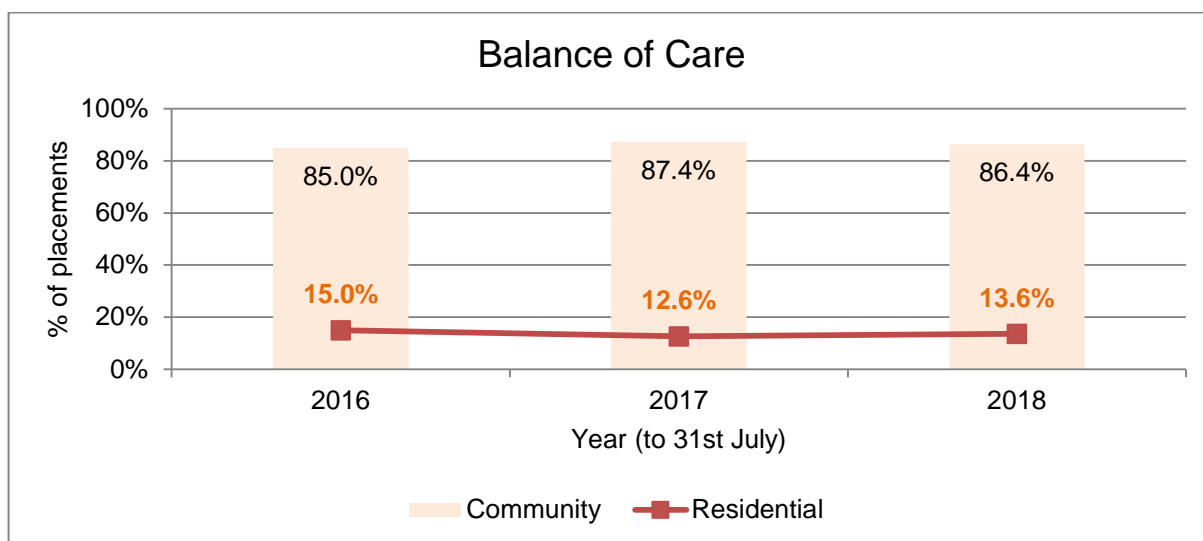


Figure 12 – Balance of care

Increasing the balance of care to community placements remains a priority with the youngest children, who require to be looked after away from home being in foster placements pending permanence planning, and leaves our local residential provision accessible to our most vulnerable young people. Our track record of excellent inspection reports within these setting, helps us deploy a competent trauma informed workforce to support young people, and their families over graduated and extended transitions that lead into our continuing care service and aftercare service.

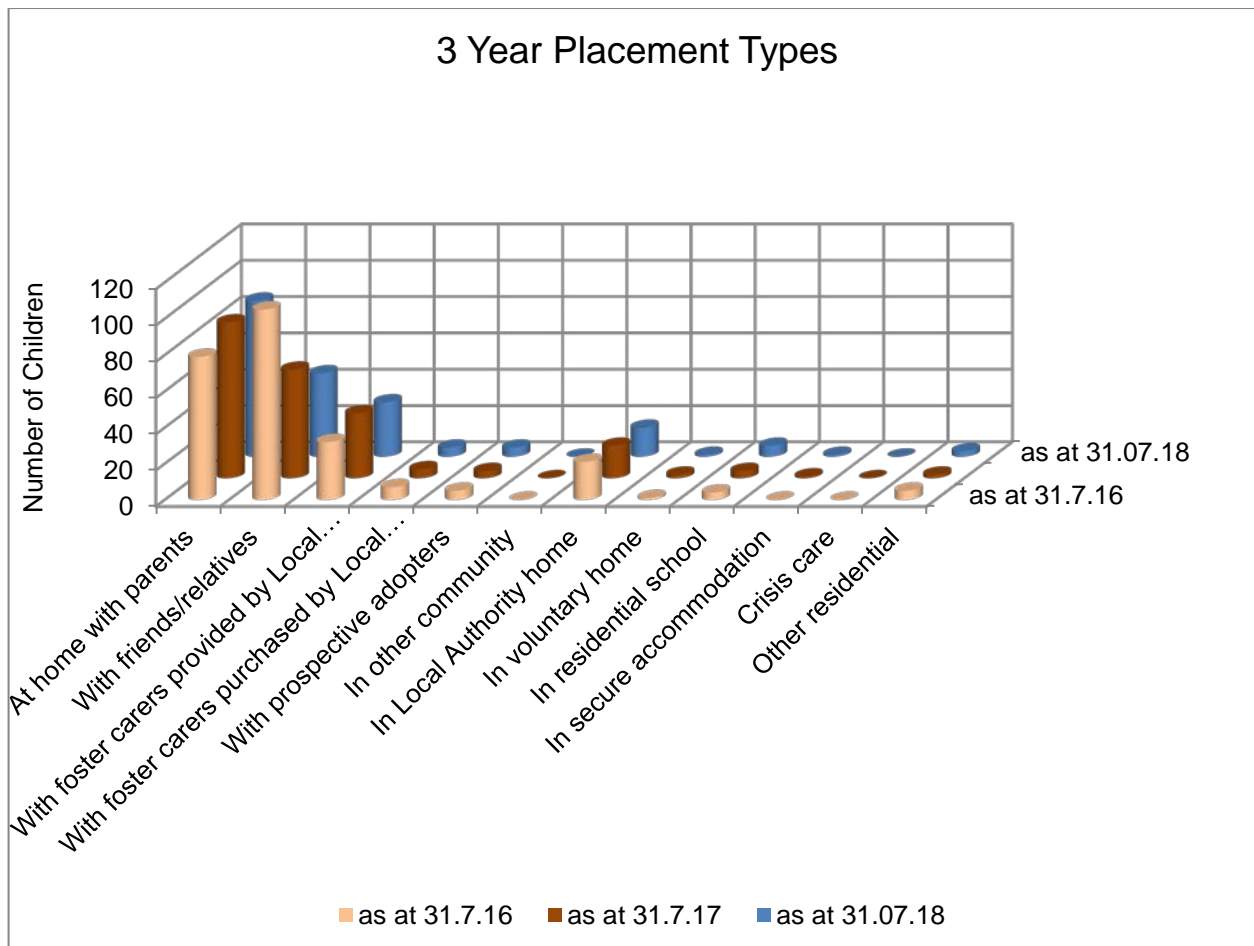


Figure 13 – Placement types over 3 years

Figure 13 represents the population of our looked after children and young people and placement types. As at 31 March 2019, 183 children were subject to Compulsory Supervision Orders, an increase of 21 on the previous year. Our deployment of early help and support to identify the most vulnerable children is reflective of the increase in children being looked after at home. This structured support affords parents the opportunity to get the right help, at the right time through our GIRFEC pathway.

Permanence

For all looked after children permanency planning continues to be an area of priority for Inverclyde. We believe that every looked after child in Inverclyde should be provided with a safe, secure and permanent place to grow up whether this be within their own birth family or outwith their immediate family. During 2019 we are participating in the Scottish Government funded Permanence and Care Excellence (PACE) programme. The aim of this is to enable us to improve our approach to permanence and ensure that there are no unnecessary delays in securing permanence for children and young people

Adoption

The Adoption Team are involved in the recruitment, assessment, support and training of adoptive parents. Recruitment of adoptive families continues to be an area of significant challenge. The service has undertaken some rebranding focusing recruitment around the theme 'Together We Make A Family' and 'What Makes It Worth It?' During 2018 National Adoption week Inverclyde's Adoption Family Tree was launched which built on the inclusion of key stakeholder's views and experiences of adoption with Inverclyde. During 2019, the programme of recruitment events and use of social media will continue with a sharper focus on 'The Needs of Children Placed for Adoption'.

Our Birth Ties Project has continued to develop referrals are received for Birth Ties Support Project from a number of routes. Birth Ties Support Project was a finalist in the 2018 Scottish Social Services Awards and was nominated for awards at both Inverclyde HSCP Staff Awards and the Pride of Inverclyde Awards. The key focus of Birth Ties in 2019 will be to embed our current practice and continue to develop our birth parent group.

Fostering

The number of children placed in foster care during 2018/19 has slightly reduced we attribute this to the strong family connections in Inverclyde and the resourcefulness of kinship carers. We continue to be successful in recruiting caring committed foster carers to add to our existing experienced group of carers. This is an invaluable resource for our children here in Inverclyde, However recruiting foster carers who can care for older children continues to be an area of challenge and a continued area of focus for us.

Kinship

Kinship care across Inverclyde continues to grow however the reducing numbers of kinship placements secured through the Children's Hearing is viewed as a strength, as security and stability is being effected through increased up take of Kinship Care Orders. Our engagement with kinship carers is both humbling and inspirational, year upon year we see the benefit to young people of having a secure family placement within their local community. During 2018/19 the service worked in partnership with Ardgowan Hospice in developing supports to kinship carers, children and young people around the issues of loss and bereavement this being identified as an area of need by kinship carers.

Residential Care

We are in the final phase of our ambitious programme of new builds, Inverclyde continues to provide high quality residential care. The challenges associated with continuing care and our desire to ensure wherever possible young people can remain in Inverclyde does however put pressure on placement availability. One of the consequences of this is the resultant expansion of numbers in our local residential provision; necessitating that each of our three Children's Houses' occupancy rate increases by one.

Continuing Care

Continuing Care is part of the national 'Staying Put' agenda that Inverclyde fully endorses. It provides young people, looked after away from home with the opportunity to stay with their current carers until the age of 21. This extended and graduated transition improves outcomes for our care experienced population, and while this is its strength; it also poses pressures on existing resources and service design. We have had an incremental increase in the number of young people benefiting from this transition from continuing care. This is a critical area of practice if we are to consolidate the increasingly positive experiences of children and young people in our care system and it is therefore very welcome to see further developments to support this work emerging in the national arena

Figure 14 below shows the range of placement types where young people are benefiting from continuing care.

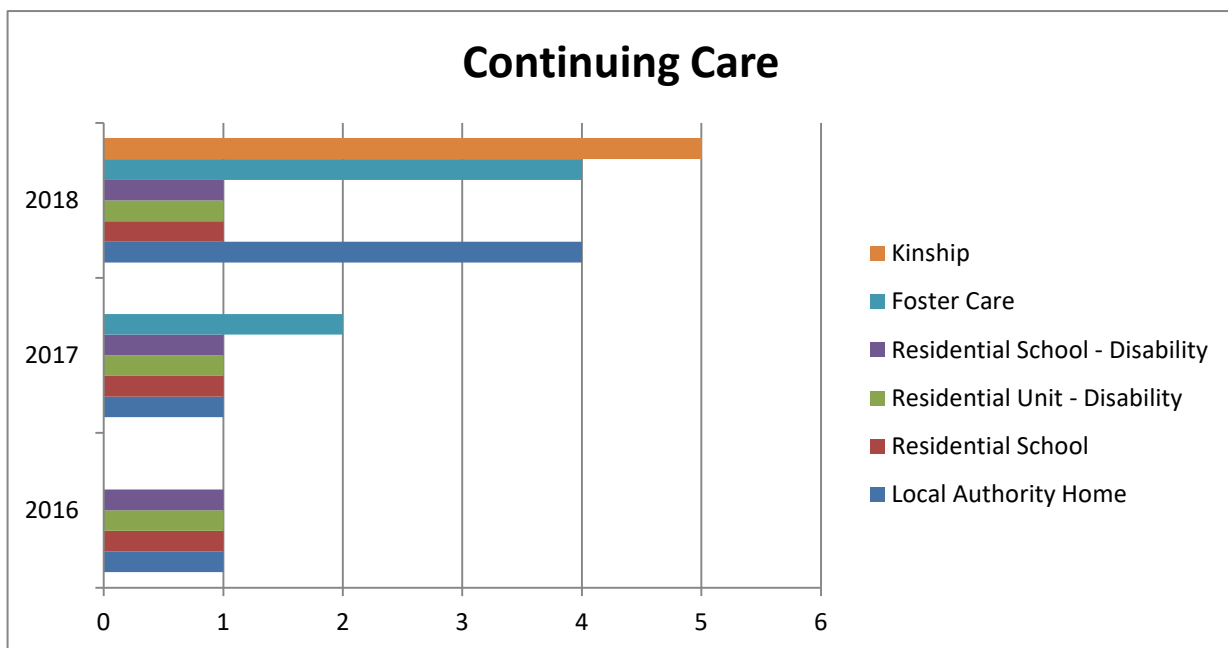


Figure 14– Continuing Care Placements

Youth Services

Our youth services team provides support and interventions to young people over 12yrs who are deemed vulnerable or involved in high risk taking behaviours through to 26 yrs of age if previously looked after and eligible for after care. In line with our looked after figures those eligible for after care have remained consistent however the numbers of young people receiving an after care service from the team has increased.

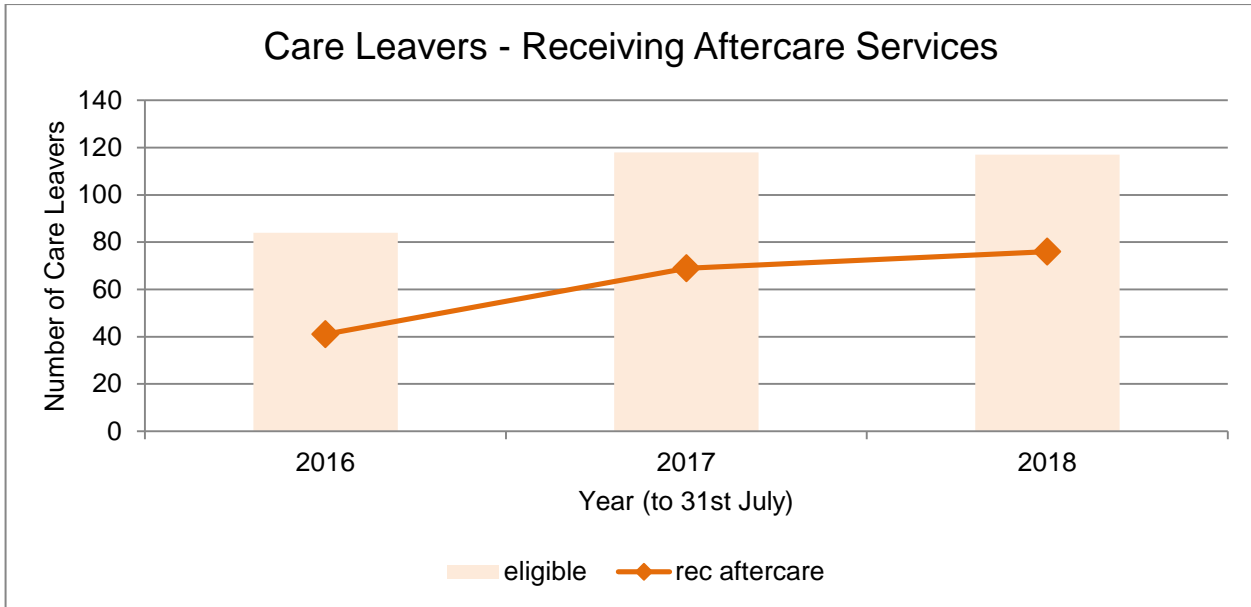


Figure 15 – Number of eligible care leavers receiving aftercare services

Youth Services are responsible for all youth justice work for under 18's in line with the whole systems approach to youth offending. This includes court support for any under 18's appearing form custody, court reports, supervision of community payback orders and diversion. The services is continuing to see a reduction in reoffending rates and a growth in the number of cases being referred for diversion from five in 2017/18 to thirteen in 2018/19.

Advocacy

A children's rights approach with strong opportunities for participation is fundamental to how we ensure children and young people's voices are heard, listened to and acted upon. In addition to this all looked after children and young people and those subject to child protection procedures continue to have access to independently commissioned advocacy services.

Independent Care Review

The Independent Care Review currently underway in Scotland aims to identify and deliver change in the care system to improve the wellbeing of children and young people. Inverclyde are privileged to be working closely with the review team and in particular the STOP; GO Group. Nine members of the Review Group visited Inverclyde on the 3rd April 2019. They participated in:

- visits to two of our Children's Houses – highlighting their place and inclusion within their local communities and the importance of keeping the young person at the centre; being consistent and persistent in their care;
- a presentation from the Team Lead of the Birth Ties Group – around the innovation and impact of this work;
- a session presented by a Social Worker on systemic family work – outlining the skills and tools typically deployed in supporting families through complex and challenging circumstances but enabling lasting change.

The Review Group's concluding comments were:

“the leadership and culture in Inverclyde is a model for the country”, and none more so than the involvement of the Proud2Care Group (P2C) – who are confident and engaged in local priorities.

As CSWO for Inverclyde it is a personal and professional privilege to have the opportunity to participate in the work of the review group, believing as I do that the CSWOs and the social work profession in general has had and will continue to have a fundamentally important role in delivering the best possible experiences of care for our most vulnerable children. Participating in the review has strengthened and reinforced my view that when we listen, reflect and act on the perspectives of care experienced children we deliver better care.

How Social Work Services are improving outcomes for service users involved in Criminal Justice

The Criminal Justice Service continues to have a positive impact in the local community through the delivery of various programmes including Community Payback Orders (CPO), Multi Agency Public Protection Arrangements (MAPPA) and women’s programmes. Unpaid Work Requirements provide an opportunity for individuals to pay back to their community through participation in work placements organised by Criminal Justice Social Work Services. This can be particularly challenging for those individuals with little or no work experience and/or poor physical or mental health, but does provide a way for such offenders to start to develop appropriate skills and experience.

In addition, the ‘other activity’ component of Unpaid Work enables Criminal Justice Social Work Services to support individuals with their interpersonal, educational and vocational skills with the aim of assisting them in their efforts to desist from further offending. This “whole person” approach aims to improve outcomes, not only for those under the supervision of the Service, but also for wider communities.

Some individuals will get more than 1 CPO, but not every CPO includes a requirement for unpaid work.

Figures 16 & 17 below show some Community Payback Order statistics over the last 4 years.

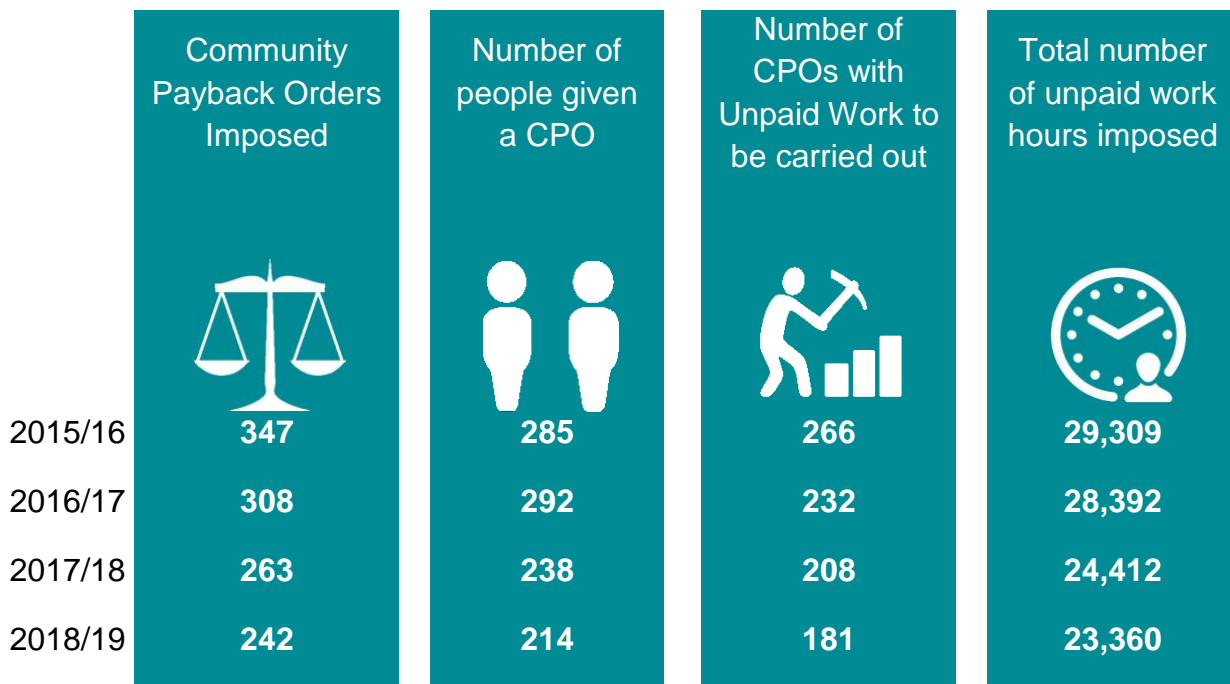


Figure 16 – Community Payback Order statistics

The Unpaid Work Service plans activity for the benefit of individuals, organisations and public areas within Inverclyde. A variety of tasks are undertaken including gardening, painting, joinery and grounds work.

The feedback from those who receive this service has been positive.

Some examples of how much work is 'paid back' into the community are shown in the figure 17 below.

	Number of hours of gardening	Number of hours of painting	Number of hours of ground work	Number of hours of joinery
2015/16	5,544	7,311		1,907
2016/17	3,804	4,161	624	1,066
2017/18	5,478	7,125	4,803	1,235
2018/19	2,726	6,012	3,835	1,281

Figure 17 – Community Payback Order hours of work

Some comments from [garden icon] who received [paint icon] Service: [ground work icon] [joinery icon]

und ever

friendly and well mannered, work ethic excellent as is the standard of work”

“We were satisfied with the work being carried out. It is much appreciated by all our staff and Service Users.”

“The team were very professional and the work carried out was to a high standard.”

“My wife and I were very happy with the service we received the supervisor was very professional, the work carried out by unpaid work was to a very high standard.”

“I was very pleased with the work done and how well they tidied up, very pleased.”

Presumption against Short Sentences

The Criminal Justice Service is currently preparing for the implementation of the presumption against short sentences which will see the very welcome introduction of an increase in community based disposals for some individuals that would otherwise have experienced custody.

Whilst the development of community justice partnerships have strengthened the multi-agency response to criminal justice service users , it is vital that social work services are properly resourced to ensure that they can continue to manage the difficult balance between risk and need. This has and continues to be a challenge in Inverclyde. Thus far the service has responded with creativity to significant budget reductions, however further increases in demand for services against diminishing resources in this complex area will require close monitoring.

Inverclyde Community Justice Partnership

The Inverclyde Community Justice Partnership has worked closely with operational services as “influencers” of national and local priorities. An example of this relates to prevention and early intervention and promoting the approach that every contact with the justice system is also an opportunity to support people. We are currently exploring how we can ensure early help is available from a range of partners at the point of arrest in police custody. Other discussions at an operational level have included Unpaid Work and applying the “Resilience Doughnut” model to other activity to strengthen people’s connections with their local communities and their sense of belonging. This may relate to adult literacy, health and wellbeing, building positive relationships in the community by participating in positive activities that deter from further offending, as well as seeking support relating to employability.

The six local priorities of the Inverclyde Community Justice Partnership include:

1. Housing and Homelessness
2. Employability
3. Access to GP / Primary Care
4. Prevention and Early Intervention
5. Domestic Abuse
6. Women Involved in the Criminal Justice System

As part of annual development sessions, the partners recognise the significance of partnership working in being able to achieve more than a single agency. Focusing on our local priorities we have therefore strengthened our link with existing strategic partnerships including:

- HSCP Housing Partnership
- Alcohol and Drug Partnership
- Mental Health Programme Board
- Regeneration and Employability Partnership
- Violence Against Women Partnership
- Greater Glasgow and Clyde Health Board Community Justice Partnership
- Crown Office and Procurator Fiscal North Strathclyde Sheriffdom Meetings

By adopting a strategic partnership approach the profile of the Inverclyde Community Justice Partnership has been raised to a wider range of partners and key actions have been included in a range of strategic plans that support progress in our local priorities. This includes:

- HSCP Strategic Plan
- HSCP Housing Contribution Statement
- Alcohol and Drug Partnership (ADP) Strategy
- Mental Health Strategy
- Poverty Action Plan
- Violence Against Women Strategy

A further key development over the last year has been the establishment of the Inverclyde Community Justice Network for Third Sector and community organisations with an interest in advancing the community justice agenda. This network meets every two months and has representation from twenty-two organisations. It is facilitated by the Third Sector and has been a valuable forum to enable networking and collaborative practice. Inverclyde has also recently been successful in securing a place on a new collaborative leadership programme being jointly organised by Community Justice Scotland and the Criminal Justice Voluntary Sector Forum which will help to support the future direction of the local Inverclyde Community Justice Network including in the potential development of collaborative funding bids and commissioning.

Another recent development is in co-designing our participation strategy with a service user and piloting a peer support initiative as one mechanism of involving people with lived experience of the justice system in the work of the Inverclyde Community Justice Partnership.

Following a successful joint funding bid with the Employability Service to Scottish Government's Employability Innovation and Integration Fund, we have been able to provide a pilot project, the Resilience Project. This is targeting people who are involved in the Criminal Justice system to help them into paid employment.

Figure 18 – Resilience Factors



In addition Recruit with Conviction delivered training on disclosure requirements and how these are changing.

The Scottish Drug Forum delivered training on Stigma and Equalities and Diversity in Recovery.

An Employer Engagement session was held in February.

How Social Work Services are improving outcomes for users of our Health and Community Care Services

Health and Community Care Services deliver person-centred care and support to many of our most vulnerable citizens across Inverclyde. During the last year our multi-disciplinary staff have all been delivering safe, high quality services that ensure people live at home or in a homely setting. Improving opportunities, increasing independent living and improving outcomes sit at the heart of what we do 365 days a year. Our out-of-hours staff also maintain contact with people who require additional support during the night and at weekends.

When adults need to be admitted to hospital, we work in a person-centred way to ensure people go back home with a safe and quality service to support discharge back home. When going home is not an option, we work with the local care providers in Inverclyde to identify the most appropriate care home that best suits the needs of the individual.

Our teams are supporting more people with long term conditions and ensure anticipatory care plans are in place to support people to self-manage their particular long-term health and social care needs.

Adult Protection Concerns

During 2018/19, 225 Adult Protection concerns were referred to the HSCP (no change since 2017/18).

After initial inquiries 38 of these concerns - or about 17% - progressed to a full investigation. Investigations fluctuate from year to year but generally remain within parameters of a 10 to 20% conversion rate from referrals to investigations.

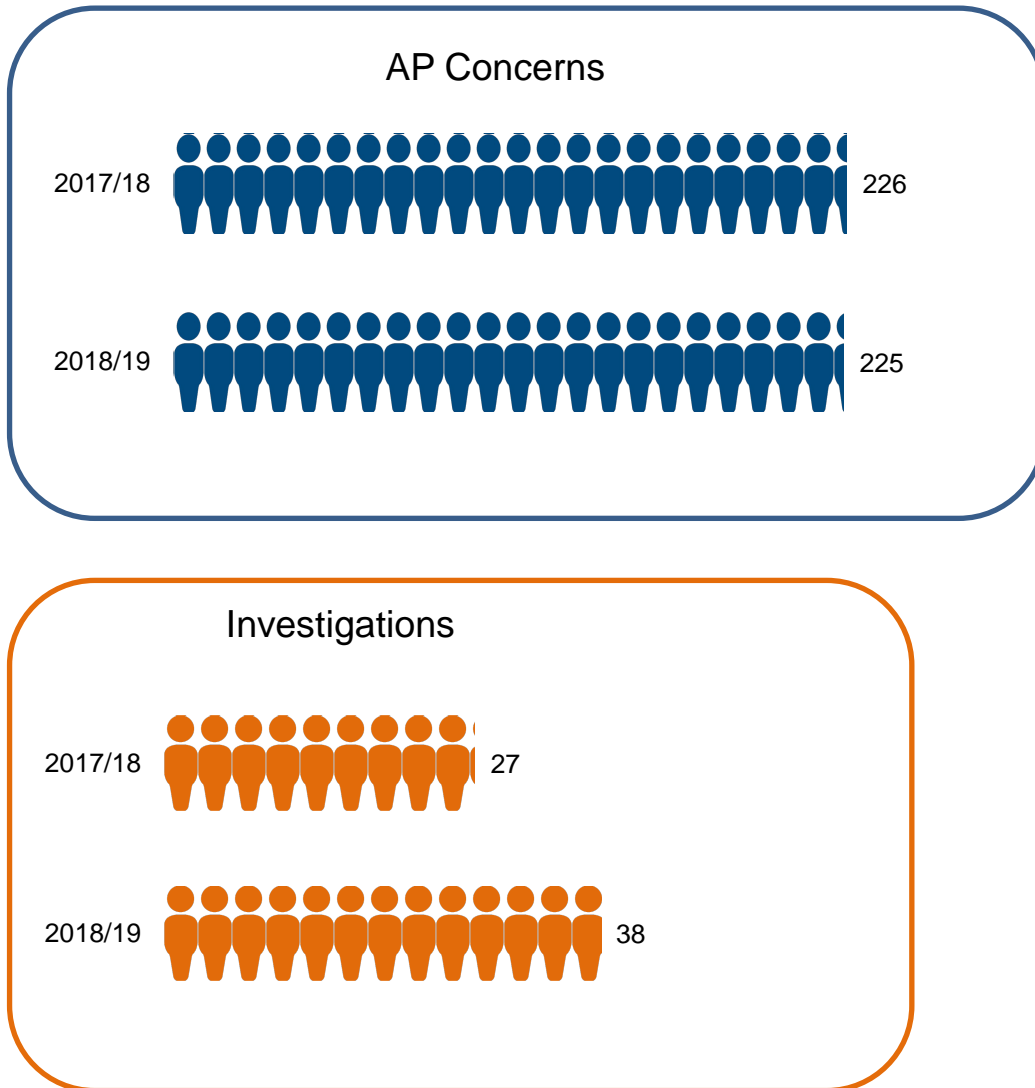


Figure 19 – Adult Protection concerns and investigations

Ben's story

Ben's situation came to light following a police referral. He was an older man with cognitive impairment who lived alone. He was subject to financial harm following being targeted by bogus workmen. He was taken to the bank by them in an attempt to withdraw a significant sum from his account for unnecessary and non-existent work to his property.

Social work and health staff worked together to ensure Ben's wellbeing and finances were safeguarded in the short and longer term whilst the police, trading standards and bank progressed a criminal investigation.

Ben's situation was progressed under auspices of adult support and protection however all appropriate legislation was considered with action under adults with incapacity legislation being utilised to secure his financial position.

Whilst this was a traumatic experience for Ben and his family, they very much appreciated and felt supported by the coordinated multi-agency response to their situation.

Home 1st

The last year has seen the completion of the redesign and refresh of our services for older people. The basis of the Home 1st approach is that people are supported better and achieve improved outcomes when health and social care is provided in their home or community.



Discharge from hospital is ideally from a community perspective, though employing a Rapid Discharge Planning approach it is important that the discharge is successful, minimalizing moves of placement and avoiding unnecessary readmission.

Implementation of Home 1st: examples of work to date

Hospital Discharge

Partnership work with colleagues at Inverclyde Royal Hospital continues to demonstrate the effectiveness of Rapid Discharge Planning (RDP) early commencement of assessments regarding future care needs in collaboration with the person and family at an early stage. Clear identification of destination post discharge are all key elements of achieving an appropriate, timely and safe discharge. The result is that the majority of individuals are assessed and discharged home as soon as they are deemed medically fit for discharge, including those requiring a complex home care package or a care home placement.

Home 1st Reablement

Our Reablement Service continues to deliver assessment and care to the people of Inverclyde who have experienced a change in their lives that has resulted in a need for additional support to remain at home. The Service follows an approach that maximises peoples opportunities to live as independently as possible.

The Reablement Service now includes assessment and care management staff and has been renamed the Home 1st Reablement Service to reflect our belief that staying at home is the 1st and best option for all who wish to do so. The team continues to work closely with a wide range of services including rehabilitation and independent living staff, community nursing, acute staff and community services.

Frailty tool for older people

The Rockwood Frailty tool is currently being implemented across all teams within the HSCP. This tool brings opportunities to measure any change of people's abilities throughout the relevant team's intervention and can be used to measure complexity of care.

The use of a frailty tool is aiming to create a common language that can be scored and interpreted by clinical and non-clinical personnel. Training has been delivered to home care and social work staff and across the acute sector with a newly developed post of Frailty Specialist. This project is working towards providing the right person at the right time with the right response that reduces costly duplication and provides appropriate, timely input.

Housing Support within sheltered housing

A review of our Housing Support Services for older people living in sheltered housing was completed in 2018 with the implementation of a redesign service commencing in April 2019. This work was undertaken in partnership with local housing providers, developing a service model that is modern, sustainable and equitable. The new model of service delivery focuses on providing a service which is flexible and responsive to changing need and supports people who live within sheltered housing to optimise their own assets to live as independently as possible, targeting the resources to those within this community with greatest needs and to build capacity amongst residents to influence, organise and lead activities within their complex and wider community.

The service will enable service users to remain living independently in their own home, a key objective of our Strategic Plan.

Hillend Day / Respite Services

Hillend Day Service will be participating in a new initiative working alongside Reablement and Home 1st team, establishing and delivering an extension to existing Reablement Services by providing a further Intensive Reablement period within Hillend Day Centre.

Formerly known as Small Group Day Care, ALFA is a new service which aims to promote independence through social groups that support people to make connections and stay active within their local community. Group members are encouraged to remain active and independent in order to maintain a healthy lifestyle. This service also provides an opportunity to come together and socialise with others, support to connect with other local activities and resources, whilst encouraging individuals with independent travel.

Technology Enabled Care

2018/19 has seen the introduction of a nominal fee for users who are in receipt of the Community Alarm Service and as such the HSCP did see a reduction in the number of active clients utilising this Service.

Although the overall numbers receiving Community Alarm Service has dropped due to the introduction of the charge, the number of new users in each month has increased slightly (the number of new users in 2017/18 was 441 and in 2018/19 this rose to 501). We are confident that the numbers will settle at a level that shows actual need.

Long Term Care

The Average Length of Stay for those individuals in Long Term Care has remained fairly static. In March 2019, the average Length of Stay was 2.65 years, the measurement for the previous financial year end (March 2018) was also 2.65 years.

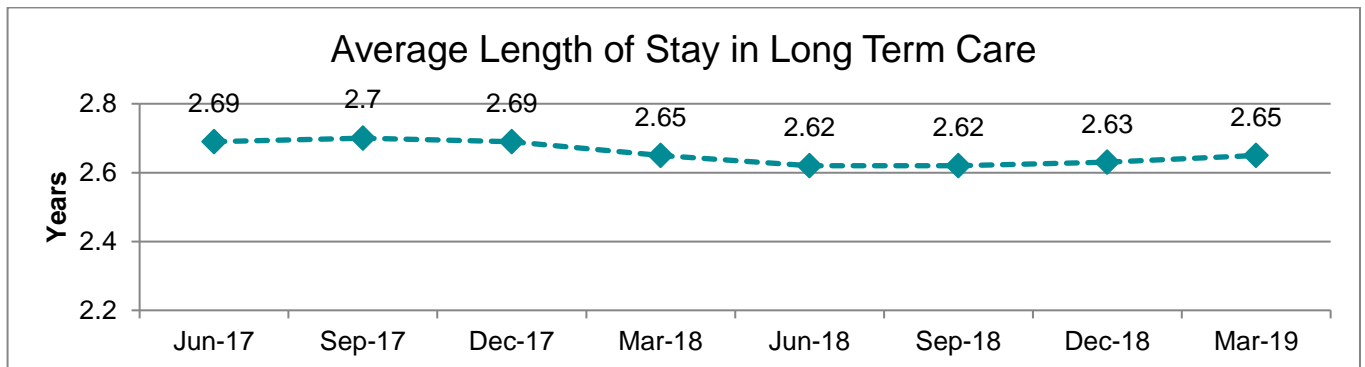


Figure 20 – Average length of stay in long term care

Although the Average Length of stay has remained static, we do know that service users admitted to long term care in the last few years are staying for shorter lengths of time than they did previously (this indicates that individuals are only being placed in long term care when it is deemed they can no longer live independently in their own homes supported by our other Services). This is a stark contrast to some of our service who were admitted around the turn of the millennium and whose length of stay is around 20 years.

This indicator is now measured quarterly rather than monthly due to the small changes/movements in the data.

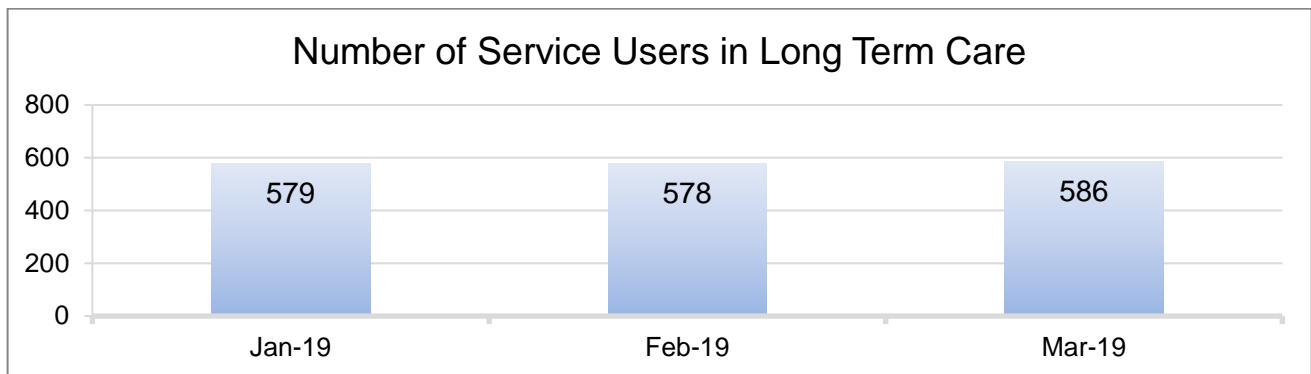


Figure 21 – Total number of service users in long term care

Learning Disability

The review and commissioning work carried out by the Community Learning Disability Team (CLDT) detailed in previous years reports has allowed better outcomes to be achieved. By building capacity in supported living, the balance of care has improved and people have been enabled to return to Inverclyde, in accordance with the Keys to Life and the Scottish Government “Coming Home” report.

The Learning Disability Service has developed a new travel policy this year and is involved in an independent travel pilot programme to encourage people to use public transport and make journeys independently. In line with the principles of early intervention, travel training is being considered in transitions planning, as part of the overall assessment of needs.

The needs and aspirations of people with a learning disability are changing and becoming more diverse. People have told us they wish to be as independent as they can be within their own community and wish to have more choice and control over their lives with good quality support built around their individual needs and outcomes. This means moving away from fitting people into what is already available to offer tailored, flexible, personalised support, focusing on what people can achieve, rather than what they cannot.

There has been extensive service user and family engagement in the redesign and new service model for Learning Disability services, particularly in consultation about the closure of the McPherson Centre in 2018 and the improvements to the Fitzgerald Centre. Staff and service users have also been consulted with around plans for the new LD Hub.

There is also a parent and voluntary sector partnership in the review of the Transitions Policy, with a working group creating a new leaflet for families to help them understand the process of leaving school for young people with additional needs.

We now liaise with LD Supported Living services each month to discuss new care packages and encourage them to be involved in partnership with commissioning support. This has allowed us to develop new services like a shared supported living house for young men affected by autism and another shared house for young women with high risk profiles soon to open. Joint planning with housing and support providers has enabled these services to be commissioned in an innovative way, allowing people to live with the right support in their local community.

Self-Directed Support

Self-Directed Support (SDS) continues to be developed with a successful shift to outcomes focussed support plans written in the first person, ensuring outcome based practice. We have undertaken self-evaluation and quality assurance events to ensure we are heading in the right direction and learning how to widen the range of choice and control service users should have over the support they receive.

CONRAD

A tool has been developed in order to support outcome focussed recording. It has been created for Inverclyde HSCP under Talking Points approaches and SDS legislation. CONRAD has been launched and implemented across Health and Community Care.

The impact has been twofold. Firstly, service users and carers have achieved personalised outcomes that are important to them and improve their quality of life. Secondly, practitioners have been enabled to provide a framework for recording outcome based approaches within their assessment, support plan and work within the principles of SDS legislation of collaboration, involvement, informed choice, health and social care standards. It is part of wider implementation of SDS across the HSCP and the corresponding quality assurance framework.

Improving outcomes for Carers

The Carers (Scotland) Act 2016 commenced from 01 April 2018 and Inverclyde has been working with carers and young carers to ensure the successful implementation of the new powers enshrined in the Act. In April 2019, Inverclyde Health and Social Care partnership took the decision to waive all charges for respite and short breaks. We are the first Council to implement this in Scotland and will be of direct benefit to over 250 carers and their families. The aim of the Act is to ensure better, more consistent support for carers so that they can continue to care, if they so wish, in better health and to have a fulfilled life alongside caring. For young carers the intention is to ensure that they are supported to ensure that they have a childhood similar to their non-carer peers.

Inverclyde has:

Worked in collaboration with Inverclyde Carers Centre to ensure the requirements of the Act are implemented locally.

Waived all charges for respite and short breaks. We are the first HSCP to implement this in Scotland and will be of direct benefit to over 250 carers and their families.

Supported Inverclyde Carers Centre to develop Carer Awareness Training to promote the rights of carers across the workforce as we move towards full implementation.

Commissioned Your Voice to develop a range of carer engagement opportunities.

Raised awareness of young carers and issues across education and the wider community, increased capacity of Young Carers support from Barnardo's Thrive Project.

Fund a Carer's Passport Card to support increased identification of carers, linking to a "Carer Friendly Inverclyde" by encouraging local organisations to offer community/commercial discounts for carers. To date over 100 businesses have signed up to the scheme and over 300 carers are in receipt of a card.

Support Financial Fitness to provide an outreach advice service for Carers engaging with Inverclyde Carers Centre.

Support Inverclyde Carers Centre to provide emotional support to carers.

Over 500 carers identified themselves as carers in the past financial year with around 150 Adult Carer Support Plans completed and around 30 Young Carers Statements completed.

A copy of the Inverclyde Carer & Young Carer Strategy 2017-2022 is available on the Inverclyde Council website:
<http://www.inverclyde.gov.uk/health-and-social-care/support-for-carers/inverclyde-carer-young-carer-strategy-2017-2022>

How Social Work Services are improving outcomes for people with Mental Health, Homelessness and Addictions issues

It has long been recognised that mental ill-health, homelessness and addiction can often co-exist for individuals, and that they can bring a range of social issues and challenges. Our communities recognise the impact on outcomes for individuals and for families that is often caused, and that impact is reflected in our outcomes data.

People affected by substance misuse

Our outcomes against a backdrop of intergenerational inequalities is starkly evident in our prevalence rates across a range of areas but most notably in respect of alcohol and drugs. The drug deaths in Inverclyde being the third highest in Scotland with latest prevalence study showing highest prevalence of drug use in Scotland. Big Action five of our strategic plan is focused on improvements in this area. Over the past two years we have been systematically reviewing a range of our services and as a social work service, as an HSCP and as a community planning partnership we are committed to challenging these outcomes. Under the leadership of the Alliance Board, the entire community planning partnership are coming together to develop a discrete plan including rapid improvement actions together with longer term actions to reverse these outcomes. Social work services has a pivotal role in supporting this work.

The culmination of this review and consultation activity has enabled us to identify key areas of change and development required within the service. This included the change to our service model to provide new pathways for service users, with a particular focus on improving engagement with those most vulnerable service users at furthest distance from services. This change involved providing new routes to access services from community outreach provision at GP practices, access to services across 7 day working, preventing alcohol and drug related admissions to hospital, reducing presentations to emergency departments, and providing community based treatment option for home detox. We made a successful bid to the CORRA foundation for funding from the Scottish Government's Challenge Fund, which together with matched funding from the IJB's transformation fund will enable us to develop new pathways for service users and test new approaches. This work will commence mid 2019 and tests of change will be implemented over the next two years.

People affected by Mental health Issues

Within our Community Mental Health Services there were a total of 5,043 referrals throughout 2018/19, an increase of 6.9% from 2016/17. This is also matched by an increase in those being discharged from the Service with 4,935 in 2018/19 an increase of 14.7% from 2016/17. Every referral involves an assessment to identify the most appropriate intervention to help support each person and improve their overall quality of life.

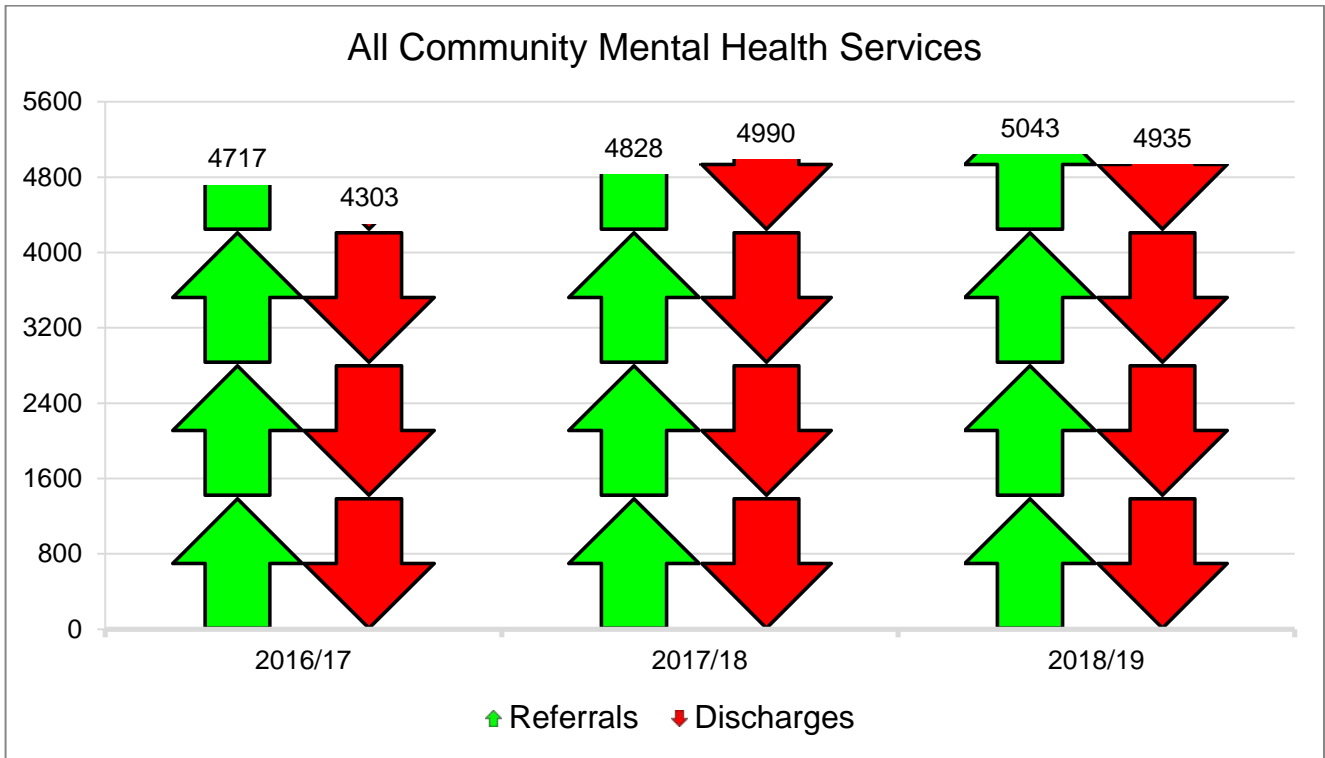


Figure 22 – Referrals and discharges from all Mental Health services

Our Primary Care Mental Health Team (PCMHT) offers a service for those individuals who have mild to moderate mental health problems. People are able to self-refer, which has proven to be an effective option and accounts for over 65% of all referrals into the service. The largest users of this service are younger adults aged between 18 and 35 years.

CRISIS – is an out-of-hours quick response service to prevent those people experiencing a crisis having to attend the emergency department in order to have a mental health assessment undertaken.

Our Community Mental Health Team (CMHT) works in partnership with families and carers, primary care and other agencies to design, implement and oversee comprehensive packages of health and social care, to support people with complex mental health needs. We deliver this support in environments that are suitable to the individuals and their carers.

Over the last three years the Community Mental Health Team have been working in partnership with the Scottish Association for Mental Health, who achieved Big Lottery funding to pilot Individual Placement Support (IPS), supporting improving employment outcomes for people with significant mental health issues. An external evaluation of the project was undertaken in 2018 and reported that the IPS Service has been successful in implementing many elements of supported employment. Eight service users are currently in receipt of In Work Support.

The Mental Health, Homelessness and Addictions Resource Groups have unified to ensure standard and consistency of commissioning supported living services within a revised framework of core and specialist interventions. The focus of commissioning is on coproduced person-centred outcomes aspirations.

Over the past year there have been emerging challenges in maintaining the safe and effective delivery of our statutory mental health services, due in part to the availability of a sufficient number of qualified and experienced mental health officers, this is a national and local issue. The Mental Health Service has been subject to rigorous review and detailed action planning to ensure the service returns to equilibrium. The action plan is kept under active review by the CSWO. To date a number of improvement actions have been completed with progress achieved in a range of others. A full review of this service has been commissioned to consider the service as a whole going forward.

Homelessness Services

In order to support some of our most vulnerable service users, the Homelessness Service has continued to work towards its vision:

“To reduce the need for temporary accommodation by enabling homeless households to access settled accommodation quickly and with the right support to achieve housing sustainment”

Inverclyde’s Rapid Rehousing Transition Plan was submitted to the Scottish Government in December 2018 and set out five key areas for focus:

Objective 1 - Reduce the need for temporary accommodation by preventing homelessness

Objective 2 - Enable service users with no/low support needs to access settled housing quickly

Objective 3 - Develop interim housing options which enable independent living and housing sustainment

Objective 4 - Investigate a Housing First model which enables the most excluded service users to achieve housing sustainment

Objective 5 - Enable service users who need specialist supported housing to access commissioned HSCP services

Implementation has now begun and we will work with a range of partners through our Temporary Accommodation Programme Board to deliver on these objectives within available resources.

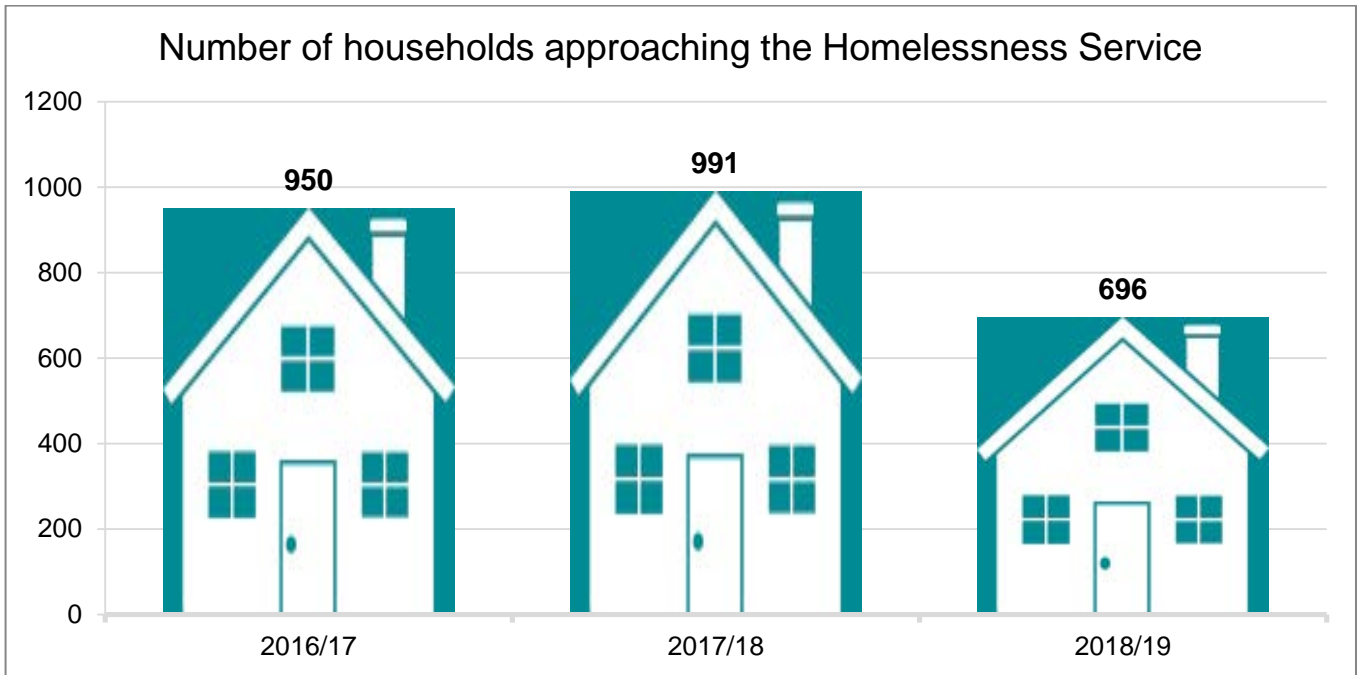


Figure 23 – Number of households approaching the Homelessness Service

By focusing on interventions to prevent people from becoming homeless, we are able to resolve the vast majority of cases (approx. 73%) at this stage.

Where it has not been possible to prevent homelessness occurring, the service will carry out a more intense level of support. This involves a fuller assessment of the circumstances and needs of a presenting household and, as necessary, providing temporary accommodation. Figure 24 shows the number of these assessments that began in 2018/19.

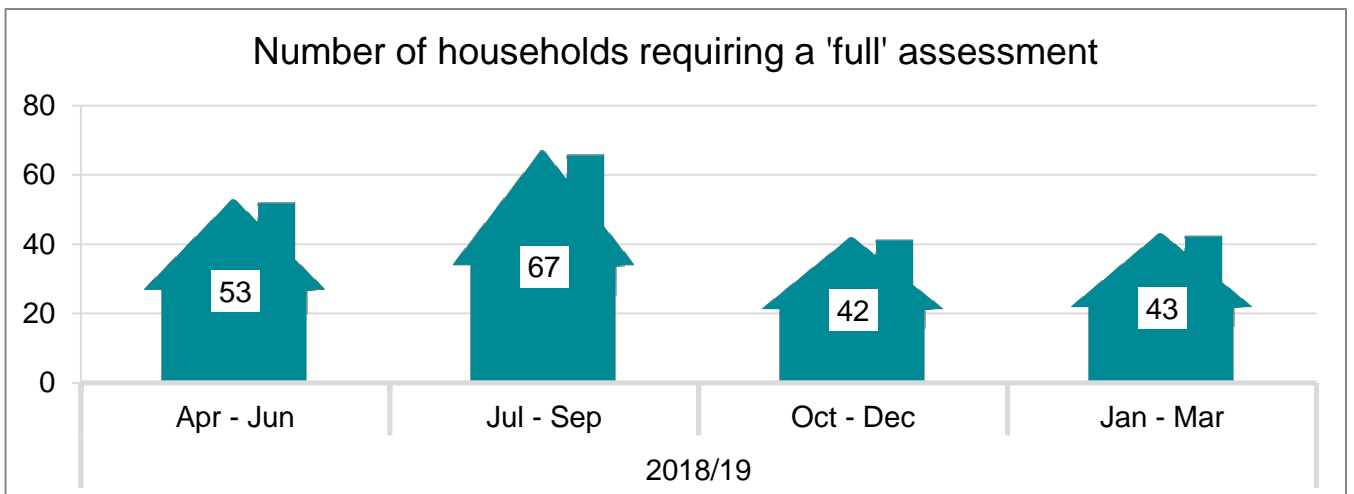


Figure 24 – Number of households requiring 'full' Homelessness assessment

7. Resources

2018/19 PERFORMANCE

The overall net budget for Social Work Services for 2018/19 was £47.794 million with a further £5.985m from the Social Care Fund (SCF). The budget was net of approved savings of £1.555m for the year. Figure 25 breaks down the approved net budget over service areas.

Approved Budget	£m
Children & Families	£10.429
Community Care & Health	£36.175
Planning, Health Improvement & Commissioning	£4.233
Mental Health & Addictions	£2.942
Social Care Fund (IJB)	(£5.985)
Net Expenditure	£47.794

Figure 25 – Net budget over service areas

The Health & Social Care Partnership ended the financial year with a surplus on Social Care services of £0.988 million (2.07%) and carried forward a further £7.281 million to a number of earmarked funds.

Figure 26 highlights the net expenditure outturn for the last four years across services.

HSCP	2015/2016	2016/2017	2017/2018	2018/2019
	£m	£m	£m	£m
Children & Families	£10.102	£10.158	£10.017	£10.085
Community Care & Health	£32.508	£33.864	£34.808	£36.274
Planning, HI & Commissioning	£3.852	£3.714	£3.670	£3.998
Mental Health & Addictions	£2.873	£2.991	£3.064	£2.739
Contribution to/(from) Reserves	£0	£0	£1.289	(£0.305)
Social Care Fund (IJB)	£0	£0	(£5.862)	(£5.985)
Total Net Expenditure	£49.335	£48.536	£46.986	£46.806

Figure 26 – Net expenditure outturn across services

There were a number of significant issues and demand pressures for some social care services, which were managed within the overall budget or use of earmarked reserves. The Health and Social Care Partnership have available smoothing earmarked reserves for Children & Families Services and Older People Services in order to help alleviate the financial risk with demand led pressures.

The Health and Social Care Partnership continues to provide services under challenging financial circumstances. In order to manage the pressures, the Partnership undertakes a robust budget monitoring process with clear focus on key/high risk budget areas. This has led to the Partnership to effectively foresee potential financial risks arising.

The main areas of pressure arose within Children and Families Services and Physical Disability Services due to costs within client care packages. It is anticipated that this trend will continue in the future within Children and Families Services due to Continuing Care legislation.

Since 2015/16, expenditure on Children and Families has reduced by 0.17% in cash terms. The Service has utilised a smoothing earmarked reserve to deal with demand led pressures. The NRS Population projections indicate a declining number of children within Inverclyde in future years, however, the Service faces the added complexity of looking after children longer in the Service due to the Continuing Care legislation.

Spend on Older People has increased by 11.58% since 2015/16 with 2018/19 spend increasing by 4.2%. It is anticipated that expenditure will continue to increase due to the increase in aging population and the impact of the Living Wage.

2018/19 saw an increase in spend for Planning, Health Improvement and Commissioning Services of, 8.9%.

Excluding the contribution from the Social Care Fund, spend on the Social Care element of the Health and Social Care Partnership has increased by 7% over the last 4 years compared to an increase in approved budget of 10% (see table below for increases across service areas). In 2018/19, spend reduced by 0.1%.

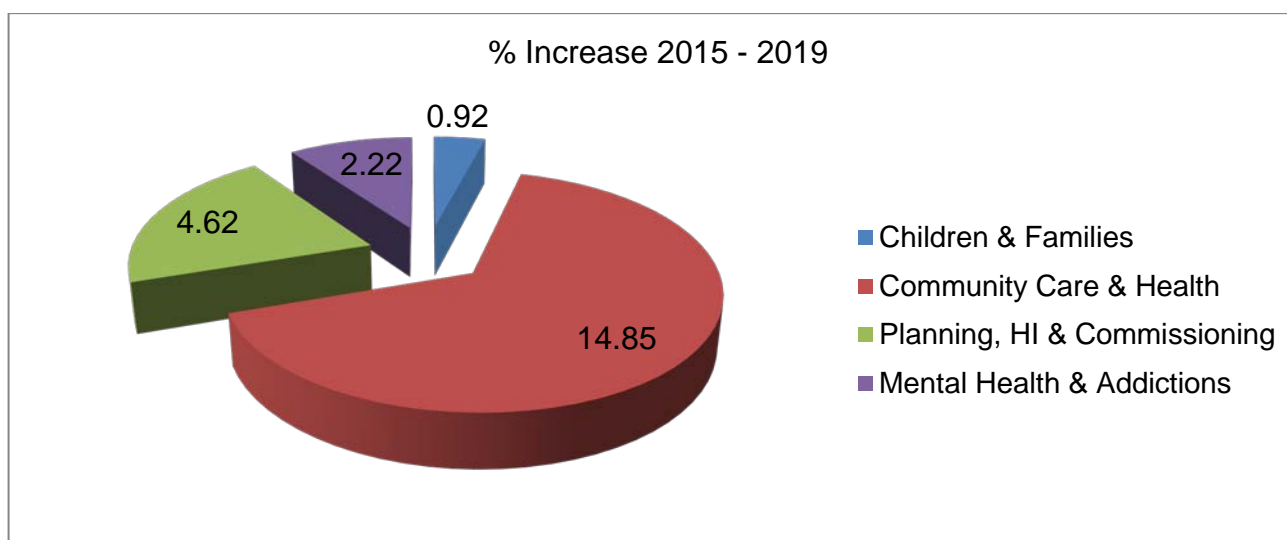


Figure 27 - Budget increases

The Social Work Service has achieved significant savings due to continuing pressure on public sector finances delivering savings of £4.851 million since 2015/16 (as detailed in figure 28). The Service is due to deliver savings of £1.448 million in 2019/20 which will prove challenging for the forthcoming year.

Service	2015/16	2016/17	2017/18	2018/19	Total
	£m	£m	£m	£m	£m
Children & Families	£0.045	£0.120	£0.000	£0.370	£0.535
Community Care & Health	£1.713	£0.541	£0.316	£0.834	£3.404
Planning, HI & Commissioning	£0.070	£0.298	£0.000	£0.069	£0.437
Mental Health & Addictions	£0.091	£0.088	£0.014	£0.282	£0.475
Overall Savings	£1.919	£1.047	£0.330	£1.555	£4.851

Figure 28 – Savings delivered

Forthcoming Year

The Council approved a net budget of £50.529 million with a further £6.294 million contribution from the IJB Social Care Fund for 2019/20. This is net of savings for the year of £1.448 million. The Scottish Government released an additional £120 million in 2019/20 for additional investment in integration but this will be offset in full by a range of legislative pressures such as the Scottish Living Wage uplift for care workers, implementation of an hourly rate for sleepovers and implementation of Free Personal Care for under 65's.

Criminal Justice

The Scottish Government undertook a review of Criminal Justice (Section 27) funding with assistance from an expert group, which included representatives from Directors of Finance, Community Justice Authorities, Scottish Prison Service, Social Work Scotland, CJSW and COSLA. The new funding formula commenced on 1st April 2017. Based on the new formula, Inverclyde Criminal Justice Social Work budget was reduced by 4.8% for 2018/19 financial year resulting in an incremental reduction over a five year period amounting to 22%.

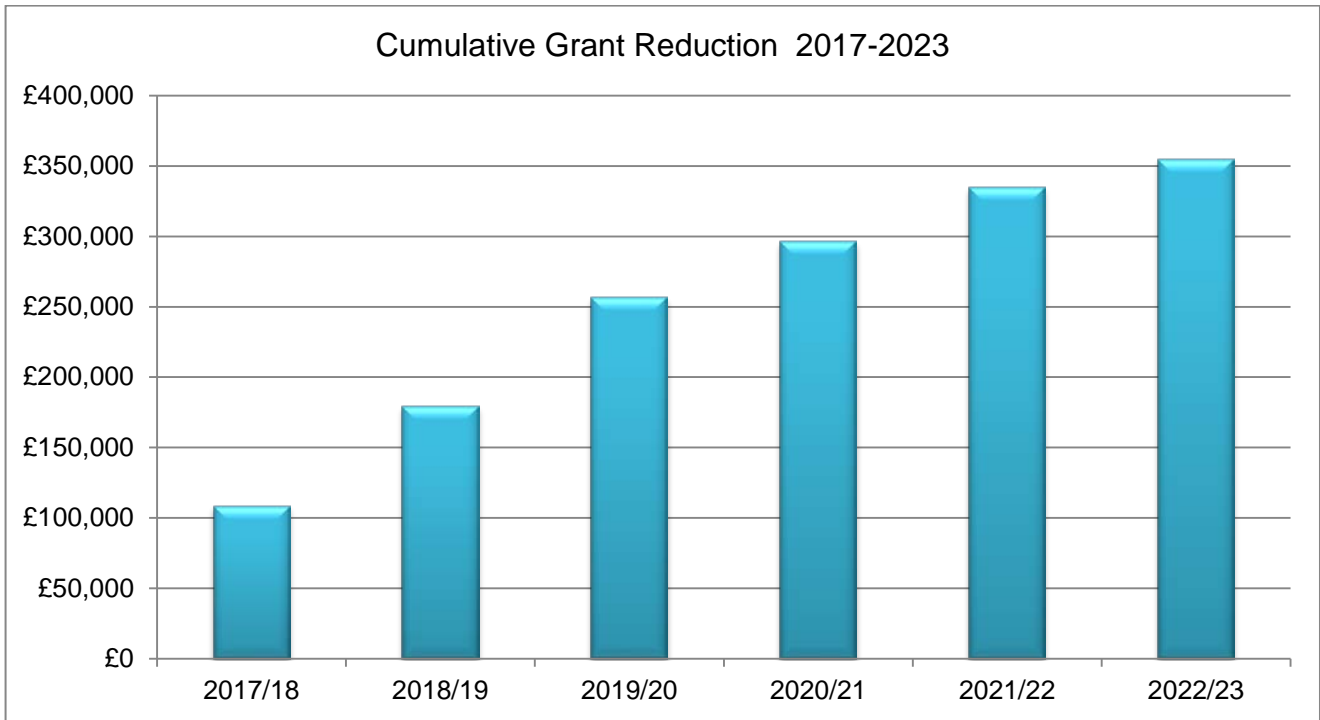


Figure 29 - Cumulative reduction in Criminal Justice grant

Within the new funding arrangements there were certain protected lines of funding that are to be targeted at specific types of work e.g. MAPPA / VISOR. There was however no protection for the Moving Forward Making Changes (MFMC) programme, which addresses the treatment needs of Registered Sex Offenders. Regrettably this has called into question the sustainability of the current arrangements for Inverclyde accessing this programme, which is via a partnership with neighbouring authorities.

To support this partnership and in an effort to safeguard access to the programme in future years, Inverclyde Criminal Justice staff have volunteered to go through the rigorous assessment process to become MFMC programme facilitators. This will mean going forward the Service, if required, will be able to deliver this within a local framework. This speaks to the dedication and professionalism of the staff group to do what they can to mitigate the impact of the financial challenges which the Service faces and to ensure that our service users and indeed our community are not disadvantaged.

Mid Term Outlook

Social Work Services continue to face growing demographic demand pressures with anticipated Scottish Government real terms budget reductions continuing to 2022/23. Both the Council and the Integrated Joint Board (IJB) produce annual Finance Strategies covering medium term financial planning in order to address the anticipated budget gap. The IJB Medium Term Financial Plan identifies a budget gap of approximately £5m for the Social Work Services by 2024.

Looking beyond 2023/24 is exceedingly more difficult to forecast due to uncertainties around the level of public sector funding that will be available and decisions/agreements around Brexit.

8. Workforce

Inverclyde HSCP People Plan

As a requirement of the integration legislation each HSCP is required to produce a Workforce Plan. In Inverclyde, the decision was taken to adopt a more inclusive approach in recognising that to deliver our aims set out in our Strategic Plan our 'workforce' extends beyond staff within the HSCP. There are many individuals and organisations that make up the overall workforce delivering health and social care in Inverclyde for example unpaid carers and volunteers, providers in the third and independent sectors, as well as wider roles that indirectly support the delivery of good care and ultimately better outcomes. The People Plan incorporates a 4 tier structure to help us identify the resource that is the people of Inverclyde, and helps us achieve effective succession planning for our people in the future.

It sets out our key challenges, drivers for change, including service redesign, new ways of working and emerging models of organising future service delivery in line with our five strategic commissioning themes and the ongoing transformation of public services. A new group will be established to review the people plan action plan.

The action plan will seek to identify and address the gaps in knowledge and data. It is intended to work as a dynamic, evolving and adaptable plan which takes account of the collective intentions and aspirations of the people plan and addresses the key challenges such as the aging workforce, depopulation of working age people and the ongoing financial constraints.

HSCP staff (Inverclyde Council employees only)

	March 2016	March 2017	March 2018	March 2019
Number of employees	1055	1038	1044	1036
FTE equivalent	848.76	834.69	840.1	831.92
Number of Sessional Workers	94	108	98	80
Number of Modern Apprentices	N/A	4	4	2
Workdays lost (per FTE)	10.15	11.96	14.57	9.53

Figure 30 – Inverclyde Council HSCP staff details

The HSCP has its own SVQ Centre. During 2018-2019, it has delivered:

Figure 31 – SVQ Centre numbers

Staff Group	Number SVQs	Level
Care at Home	33	SCQF level 6
Care at Home	2	SCQF level 7
Home Care Seniors	8	SQA Professional Development Award in supervision
Voluntary and independent sector	4	SVQ level 2 and 3

Workforce challenges

Over the last year there has been significant staffing difficulties across a range of services. This has impacted on service delivery in a number of areas including children's services, mental health services and occupational therapy. This has included statutory work and where this has been the case a prioritisation system has been in place with service manager oversight of allocation to ensure that there is adequate management of risk. Vacancy management has been robust and while the number of vacancies have reduced some gaps remain particularly in children's services and within the MHO service. This is reflective of workforce issues across the country and the refreshed workforce and resources work stream reintroduced by social work Scotland is most welcome.

Staff engagement

iMatter

The Scottish Government has commissioned Webropol Ltd, an independent company to measure and report staff experience in Health and Social Care through the iMatter process. The iMatter Continuous Improvement Model is a team-based tool and offers individual teams, managers and organisations the facility to measure, understand, improve and evidence staff experience.

Inverclyde HSCP iMatter return has demonstrated a year on year increase in response rates and this year for the first time we exceeded the threshold of 60% return and received a detailed and specific report of the staff experiences of Inverclyde HSCP.

The report demonstrates an 80% average across all questions which is heartening and suggests that the HSCP staff are well engaged. Staff rated Inverclyde HSCP as a good place to work as 7.32 out of 10 on a Likert scale. Our highest and lowest scores are detailed below. It's important to note that only one of twenty nine questions fell out with the green "strive and celebrate" category.

Highest and lowest scores by year:

Highest Scores	2017	2018	2019
My direct line manager is sufficiently approachable	90	91	90
I am clear about my duties and responsibilities	87	89	89
Lowest Scores	2017	2018	2019
I feel senior managers responsible for the wider organisation are sufficiently visible	67	68	70
I feel involved in decisions relating to my organisation	61	62	65

Figure 32 – iMatter scores

The scores suggest that team members feel well supported and report high scores for line manager approachability and having trust and confidence in line managers and feeling that direct line managers care about team member's health and wellbeing. At an individual level the highest score was "I am clear about my duties and responsibilities" which is an important component in effective working and in reducing work related stress. Other high scores related to feeling treated with dignity and respect.

9. Conclusion

The content of this report outlines some of the work streams and initiatives that have been delivered by social work and social care services over the last year. The scope and depth of service delivery is significant and this report can only provide a flavour of the overall delivery landscape. However the report highlights that social work is an activity that supports the most vulnerable in our community often at times of crisis in people's lives and is delivered 24 hours a day, 365 days a year. Social work services in Inverclyde remain focussed and committed to ensuring that delivery is of the highest possible standard.

Self-evaluation, audit, review and external scrutiny of service delivery provided strong evidence of services across the board performing to a consistently high standard and making a real difference to the lives of the people of Inverclyde. Nonetheless the last year has seen a continued drive for further development and service improvement.

Learning disability, residential child care, homelessness and services to people affected by drug and alcohol use have undertaken significant review that will result in transformed services for those that use them. These reviews, together with a newly commissioned review of mental health services, will inform a wider review of the management structures within the HSCP. Taken together these reviews will ensure that the HSCP is best structured to achieve the intentions of our Strategic Plan

Partnership working is central to improving outcomes for our service users and social work services in Inverclyde have a strong track record in this area. Services work in partnership across the public and third sector.

The level of deprivation and inequality that is prevalent in Inverclyde makes it all the more important that our strongest partnership is with our service users and our community. The past year has seen very welcome progress on the shift to locality working. This represents an exciting and important opportunity reflecting that social work operates at its best when delivered in partnership with communities. Social work services have a vital role in ensuring the needs of the most vulnerable are heard and responded to and indeed are the driver for service development. It is through our highly skilled and committed workforce, working in partnership with our service users that inequality is challenge and socially just outcomes delivered

The Improvement Service

ELECTED MEMBER BRIEFING NOTE

Chief Social Work Officer





What is the purpose of the briefing note series?

The Improvement Service (IS) has developed an Elected Members Briefing Series to help elected members keep pace with key issues affecting local government.

Some briefing notes will be directly produced by IS staff but we will also make available material from as wide a range of public bodies, commentators and observers of public services as possible.

We will use the IS website and elected member e-bulletin to publicise and provide access to the briefing notes. All briefing notes in the series can be accessed at www.improvementservice.org.uk/elected-member-guidance-and-briefings.html

About this briefing note

Elected members are a key group of influential individuals with whom chief social work officers want, and need, to work effectively together.

The purpose of this briefing note is:

1. To advise elected members of the role and functions of the chief social work officer.
2. To support partnership working between the chief social work officer and elected members.
3. To support the elected members to fulfil their duty under [Scottish Government guidance](#) to “satisfy themselves that the chief social work officer has appropriate access and influence at the most senior level and is supported to deliver the complex role described in this guidance”.
4. To support elected members to implement the recommendations and address the issues raised in the Audit Scotland report ‘[Social Work in Scotland](#)’ (2016).
5. To continue to promote an effective working relationship between elected members and chief social work officers.

What is the issue and why does it matter?

Current delivery models for social work and social care services are not sustainable. The [Audit Scotland 2016](#) report states that “services are facing significant challenges, including financial pressures caused by a real time reduction in overall council spending, demographic changes and the cost of implementing new legislation and policies”. The report concludes that, if councils and integration authorities continue with the same methods of service delivery, additional spending of £510 – £667 million by 2020 will be required: a 16 – 21 % increase in funding.

Elected members are key decision-makers for social work and social care services on behalf of their constituents and will want to maintain a good understanding of, and effective scrutiny of, these services in order to ensure councils meet their statutory responsibilities, despite these pressures. Elected members must maintain oversight of social work and social care services regardless of local governance arrangements, for instance, through the frameworks of integration authorities or delegated services.

One of the most important ways of achieving this is through their working relationship with the council’s chief social work officer.

Local Authorities

Elected members have specific legal responsibilities to ensure that their councils are well governed, deliver Best Value and adopt sustainable policies and practices. This includes seeking assurance about the quality and effectiveness of the commissioning, planning, delivery and evaluation of social work and social care services, a role undertaken in partnership with, and with support and challenge from and to, the chief social work officer.

The chief social work officer is a role required in each local authority by Statute and cannot be delegated to integration authorities or other agencies. The chief social work officer is accountable to elected members through local governance frameworks and is a role for which the council retains statutory responsibility. The chief social work officer must be:

- a qualified social worker, registered with the Scottish Social Services Council
- designated as a ‘proper officer’ of the local authority
- of sufficient seniority and experience in both the operational and strategic management of social work services.

In practice, the role is usually held by a Director or Head of Service who often carries management responsibilities for a range of services, for example, adult social care, children’s services and/ or criminal justice services. The chief social work officer role is distinct from the post holder’s operational management responsibilities.

It is important, therefore, that elected members are clear about the role and function of the chief social work officer, as distinct from the post holder’s service management responsibilities.

Integration Authorities

Elected members may wish to refer to the relevant [briefing note](#) for further information on their responsibilities in relation to the integration of health and social care.

The Public Bodies (Joint Working) (Scotland) Act 2014 provided for the delegation by the local authority of certain social work services to an integration authority. Each area has developed local arrangements in order to discharge this requirement. Irrespective of which services in the council or in the integration authority the chief social work officer may manage, the chief social work officer must be a non-voting member of the integration authority.

The role of chief social work officer is distinct from that of chief officer of the integration authority.

The chief social work officer undertakes the role across the full range of local authority social work functions, irrespective of the range of operational management responsibilities within their job description. For instance, the chief social work officer may be a Head of Children's Services where children's services are not delegated to the integration authority, or may be a Head of Adult Social Care where services for adults are delegated to the integration authority. In both scenarios, the chief social work officer role requires the chief social work officer to maintain a governance, quality and professional leadership role for all social work services, both in the integration authority and in the council.

The variation in arrangements across 32 local authorities has created a complex landscape for elected members and chief social work officers to navigate in seeking to ensure the oversight of social care and social work services.

The Chief Social Work Officer's perspective

The role of chief social work officer, as leader of the social care and social work profession, involves:

- The provision of professional advice in the discharge of the local authority's statutory functions as outlined in the Social Work (Scotland) Act 1968
- The provision of strategic and professional leadership in the delivery of social work services
- The assistance to local authorities and their partners in understanding the complexities and cross-cutting nature of social work services and the key role social work plays in contributing to a wide range of local and national outcomes
- The support of overall performance management and the management of corporate risk

These functions apply in respect of both council and integration authority services.

Issues raised by the [Audit Scotland report](#): 'Social Work in Scotland' (2016)

The Audit Scotland report highlighted many challenges in relation to the delivery of social care and social work services and set out a number of issues in relation to the leadership and scrutiny role of elected members.

The report concluded that it is important that elected members:

- Assure themselves that service quality is maintained and that risks are managed effectively
- Initiate a wider conversation with the public about service priorities and managing people's expectations about social work and social care services in terms of future affordability
- Ensure that chief social work officers have the seniority and the capacity to enable them to fulfil their statutory responsibilities effectively
- Develop longer term financial strategies for social work services delivered by both councils and integration authorities
- Manage the risk inherent in the complexity of new governance arrangements and take responsibility for remaining informed, irrespective of whether or not they are members of the relevant council committee or integration authority
- Ensure they remain accessible to the chief social work officer
- Ensure they scrutinise reports by chief social work officers, demonstrating constructive challenge, questioning and support as required

Issues raised by the complex nature of the chief social work officer role

Elected members should note the complexities involved in the role of chief social work officer between ensuring professional advice-giving at 'arms-length' (as chief social work officer) and taking operational decisions (as within the substantive post). These two elements can be conflictual.

For example, operational decisions may be taken on the basis of budgets and performance expediency, and advice may be given on the basis of risk, ensuring quality and maintaining professional standards. Operational service structures may reflect financial constraints, however, may leave the service vulnerable in terms of management oversight or sufficient staffing resource, thereby failing to ensure staff are enabled to undertake their work to acceptable professional standards, possibly leaving service users vulnerable.

In other cases, operating procedures may inadvertently fail to take account of acceptable professional standards: procedures which encourage expedited hospital discharge without due regard for an individual's care beyond the point of discharge may leave already vulnerable individuals more so; or eligibility criteria which reflect budgetary constraints but which could potentially leave individuals in need without an appropriate level of service.

Understanding the complex nature of the role will support both integration authorities and councils to aspire to provide high quality services.

It is recognised that, although individual elected members and chief social work officers may change, excellent future working relationships will be built from a clear understanding of the requirements in relation to the respective duties of each.

What does this mean for elected members?

The following suggestions may strengthen the effectiveness of the working relationship between elected members and chief social work officers:

- Structured local and national dialogue should continue between elected members and chief social work officers, including discussion of the opportunities to address any gaps in understanding and opportunities to come together to further effective partnership working
- Joint training and development opportunities should continue to be implemented involving elected members and chief social work officers, both locally and nationally
- Councils and integration authorities are encouraged to develop clear, explicit and transparent written protocols on the ways in which the chief social work officer should discharge his/her function according to local governance arrangements

What does good practice look like in this area?

Good practice is demonstrated by the following:

- A shared understanding of the complexities and cross-cutting nature of social care and social work services and of what makes a difference to those using these services
- The chief social work officer and elected members mutually support and hold each other to account, for the benefit of those using services
- The chief social work officer annual report is used as a tool from which councils and integration authorities can learn in order to develop services which meet the needs of local people and communities both now and in future
- The chief social work officer, elected members and partner agencies demonstrate true partnership working by challenging and supporting each other to make effective decisions which are strengths-based, based on an assessment of risk, set in the context of human rights, delivered to the highest standards of quality and delivered with joint accountability
- There is a shared understanding of transparent processes evidenced by all members of councils' and integration authorities' governance arrangements
- Individuals demonstrate a commitment to the joint design, planning, commissioning, delivery and evaluation of social work and social care services which meet the needs of local people and which evolve over time to reflect changing circumstances

All of these would enable the local authority and the integration authority to give the highest degree of assurance of the efficacy of social care and social work services locally both now and in future.

Summary

Both chief social work officers and elected members have duties to oversee effective, professional and high quality social care and social work services delivered to the highest of professional standards.

Governance frameworks in local authorities and local integration arrangements require the participation of both the chief social work officer and elected members to provide accountability for these services. It is, therefore, vital that these individuals work together in partnership.

In summary:

- The chief social work officer is a role and function, rather than a specific job description. It is interpreted and enacted differently across each of the 32 local authorities
- The chief social work officer role extends beyond the operational management responsibilities held in parallel by the chief social work officer. The implications of this complexity and the opportunities and limitations it presents need to be understood by councils and integration authorities

- The chief social work officer role applies to the professional leadership of, and accountability for, all aspects of local social care and social work services – elected members must ensure they are familiar with the role and the spheres of influence of their local chief social work officer
- Improved understanding of the chief social work officer role is beneficial to elected members in discharging their responsibilities effectively in local authorities, in local integrated arrangements and to chief social work officers in being supported and challenged by elected members
- The Audit Scotland report (2016) will be of interest and assistance to elected members in scrutinising social care and social work services and in ensuring councils and integration authorities discharge their statutory responsibilities
- Partnership working between elected members and the chief social work officer is an essential component of the effective delivery of shared responsibilities

Further support and contacts

The chief social work officer in your local area can be contacted as per local protocols for elected members.

Social Work Scotland is the professional leadership body for the social work and social care profession in Scotland. Social Work Scotland influences and advises on the development of policy and legislation in relation to social work and social care and supports the development of the social work and social care professions.

Further contact with Social Work Scotland in relation to this briefing:

Gill Pritchard

Head of Leadership Development, Social Work Scotland gill.pritchard@socialworkscotland.org

iHub
Quarrywood Court
Livingston
EH54 6AX

Tel: 01506 282012
Email: info@improvementservice.org.uk
www.improvementservice.org.uk

Sept 2017



The Improvement Service is devoted to improving the efficiency, quality and accountability of public services in Scotland through learning and sharing information and experiences.



The Role of Chief Social Work Officer

Guidance Issued by Scottish Ministers pursuant to Section 5(1) of the Social Work (Scotland) Act 1968

Revision of Guidance First Issued In 2009

Revised Version – July 2016

**This guidance has been developed in partnership
with local government and supported by COSLA**

INTRODUCTION

1. The Social Work (Scotland) Act 1968 (the 1968 Act) requires local authorities to appoint a single Chief Social Work Officer (CSWO) for the purposes of listed social work functions.
2. This document contains statutory guidance. It is issued to local authorities by Scottish Ministers under section 5 of the 1968 Act. The local authority must have regard to this guidance. It must follow both the letter and the spirit of the guidance. It must not depart from the guidance without good reason. The Guidance replaces guidance previously issued in 2009.

PURPOSE

3. The guidance is for local authorities and will also be of use to bodies and partnerships to which local authorities have delegated social work functions. Local authorities must have regard to this guidance when carrying out their functions under the 1968 Act. Recognising the democratic accountability which local authorities have in this area, clarity and consistency about the role and contribution of the CSWO are particularly important given the diversity of organisational structures and the range of organisations and partnerships with an interest and role in delivery of social work services.
4. This guidance summarises the minimum scope of the role of the CSWO. It will assist elected members in ensuring that the role is delivered effectively and that the local authority derives maximum benefit from the effective functioning of the role. Effective delivery of and support for the role will assist local authorities to be assured that there is coherence and effective interfacing across all of their social work functions.
5. The guidance is intended to:
 - (a) support local authorities in effective discharge of responsibilities for which they are democratically accountable;
 - (b) help local authorities maximise the role of the CSWO and the value of their professional advice – both strategically and professionally;
 - (c) provide advice on how best to support the role so that the CSWO can be effective in their role both within the local authority and in regard to other entities, such as Community Planning Partnerships, whilst recognising that local authorities operate with different management and organisational structures and in different partnership landscapes;
 - (d) assist Integration Joint Boards (IJBs) to understand the CSWO role in the context of integration of health and social care brought in through the Public Bodies (Joint Working) (Scotland) Act 2014 (the 2014 Act).

- (e) be read alongside the wide range of guidance relevant to social work functions of local authorities and relevant guidance issued relating to the 2014 Act.
- (f) be sufficiently generic to remain relevant in the event of future management or organisational structural change.

REQUIREMENT

6. The requirement for every local authority to appoint a Chief Social Work Officer is set out in section 3 of the 1968 Act. This requirement is for the purposes of the local authority functions under the 1968 Act and the enactments listed in section 5(1B) of the Act. The role provides a strategic and professional leadership role in the delivery of social work services. In addition there are certain functions conferred by legislation directly on the CSWO by name.

7. The Scottish Office explicitly recognised that the need for the role was driven by “*the particular responsibilities which fall on social work services in that they affect personal lives, individual rights and liberties to an extent that other local authority services do not.*” (Circular: SWSG2/1995 May 1995)

8. The Public Bodies (Joint Working) (Scotland) Act 2014 provides for the delegation of certain social work functions by a local authority to an integration authority. The CSWO’s responsibilities in relation to local authority social work functions continue to apply to functions which are being delivered by other bodies under integration arrangements. However, the responsibility for appointing a CSWO cannot be delegated and must be exercised directly by the local authority itself.

THE CHIEF SOCIAL WORK OFFICER ROLE

Overview

9. The CSWO role was established to ensure the provision of appropriate professional advice in the discharge of a local authority’s statutory functions as described in paragraph 6. The role also has a place set out in integrated arrangements brought in through the 2014 Act. As a matter of good practice it is expected that the CSWO will undertake the role across the full range of a local authority’s social work functions to provide a focus for professional leadership and governance in regard to these functions.

10. The CSWO should assist local authorities and their partners in understanding the complexities and cross-cutting nature of social work service delivery – including in relation to particular issues such as corporate parenting, child protection, adult protection and the management of high risk offenders - and also the key role social work plays in contributing to the achievement of a wide range of national and local outcomes. The CSWO also has a contribution to make in supporting overall performance improvement and management of corporate risk.

11. It is for local authorities to determine the reporting and management structures that best meet their needs. Where the CSWO is not a full member of the senior management team or equivalent, elected members must satisfy themselves that the officer has appropriate access and influence at the most senior level and is supported to deliver the complex role described in this guidance.

Competencies

12. Scottish Ministers' requirement is that the CSWO role will be held by a person who is qualified as a social worker and registered as such with the Scottish Social Services Council. Local authorities will also want to require this as they will need to ensure that the CSWO:

- can demonstrate extensive experience at a senior level of both operational and strategic management of social work and social care services and;
- has the competence and confidence required to provide effective professional advice at all levels within the organisation and with the full range of partner organisations
- receives effective induction to support them in full delivery of their role

(NB At the time of writing, SI 1996/515, which sets out minimum qualifications for a CSWO is being reviewed with a view to amendment so that the social work degree is specifically included.)

13. Further information on the skills and competencies required of a CSWO is available in the Standard for Chief Social Work Officers (issued by the Scottish Social Services Council in July 2015) which underpins the Level 11 Award for CSWOs which was launched in August 2015 as a further professional accredited qualification aimed at enhancing CSWO competence.

Scope

14. The scope of the role relates to the functions outlined in paragraph 6 whether provided directly by the local authority; through delegation to another statutory body or in partnership with other agencies. Where social work services and support are commissioned on behalf of the authority, including from the independent and voluntary sector, the CSWO has a responsibility to advise on the specification, quality and standards of the commissioned services and support. The CSWO also has a role in providing professional advice and guidance to an Integration Joint Board or NHS Board to which social work functions have been formally delegated.

Responsibility for values and standards

15. The CSWO should:

- (a) promote values and standards of professional practice, including all relevant national Standards and Guidance, and ensure adherence with the Codes of Practice issued by the Scottish Social Services Council for social service employers.

- (b) work with Human Resources (or equivalent function) and responsible senior managers to ensure that all social service workers practice in line with the SSSC's Code of Practice and that all registered social service workers meet the requirements of the regulatory body;
- (c) establish a Practice Governance Group or link with relevant Clinical and Care Governance arrangements designed to support and advise managers in maintaining and developing high standards of practice and supervision in line with relevant guidance, including, for example, - the *Practice Governance Framework: Responsibility and Accountability in Social Work Practice* (SG 2011);
- (d) ensure that the values and standards of professional practice are communicated on a regular basis and adhered to and that local guidance is reviewed and updated periodically.

16. The CSWO must be empowered and enabled to provide professional advice and contribute to decision-making in the local authority and health and social care partnership arrangements, raising issues of concern with the local authority Elected Members or Chief Executive, or the Chief Officer of the Integration Joint Board as appropriate (or the Chief Executive of a Health Board if appropriate in the context of a lead agency model), in regard to:

- (a) effective governance arrangements for the management of the complex balance of need, risk and civil liberties, in accordance with professional standards.
- (b) appropriate systems required to 1) promote continuous improvement and 2) identify and address weak and poor practice.
- (c) the development and monitoring of implementation of appropriate care governance arrangements;
- (d) approaches in place for learning from critical incidents, which could include through facilitation of local authority involvement in the work of Child Protection Committees, Adult Support and Protection Committees and Offender Management Committees where that will result in the necessary learning within local authorities taking place;
- (e) requirements that only registered social workers undertake those functions reserved in legislation or are accountable for those functions described in guidance;
- (f) workforce planning and quality assurance, including safe recruitment practice, probation/mentoring arrangements, managing poor performance and promoting continuous learning and development for staff;

- (g) continuous improvement, raising standards and evidence-informed good practice, including the development of person-centred services that are focussed on the needs of people who use services and support;
- (h) the provision and quality of practice learning experiences for social work students and effective workplace assessment arrangements, in accordance with the SSSC Code of Practice for Employers of Social Service Workers;

Decision-Making

17. There are a small number of areas of decision-making where legislation confers functions directly on the CSWO by name. These areas relate primarily to the curtailment of individual freedom and the protection of both individuals and the public. Such decisions must be made either by the CSWO or by a professionally qualified social worker, at an appropriate level of seniority, to whom the responsibility has been formally delegated and set out within local authority arrangements. Even where responsibility has been delegated, the CSWO retains overall responsibility for ensuring quality and oversight of the decisions. These areas include:

- deciding whether to implement a secure accommodation authorisation in relation to a child (with the consent of a head of the secure accommodation), reviewing such placements and removing a child from secure accommodation if appropriate;
- the transfer of a child subject to a Supervision Order in cases of urgent necessity;
- acting as guardian to an adult with incapacity where the guardianship functions relate to the personal welfare of the adult and no other suitable individual has consented to be appointed;
- decisions associated with the management of drug treatment and testing orders
- carrying out functions as the appropriate authority in relation to a breach of a supervised release order, or to appoint someone to carry out these functions.

18. In addition to these specific areas where legislation confers functions on all CSWOs, there will be a much larger number of areas of decision-making which have been assigned by individual local authorities to Chief Social Work Officers reflecting *“the particular responsibilities which fall on social work services in that they affect personal lives, individual rights and liberties to an extent that other local authority services do not”* noted in paragraph 7. These areas may include responsibilities assigned through guidance or other routes. For example:

- the 2014 guidance on Multi Agency Public Protection Arrangements (MAPPA) makes explicit reference to the role of the CSWO in responsibility for joint arrangements, in co-operation with other authorities.
- although mental health services are delegated to Integration Joint Boards, some of these functions require to be carried out by local authority officers with a social work qualification (Mental Health Officers). Local authorities will want to be reassured via the CSWO that these functions are discharged in accordance with professional standards and statutory requirements

It is for each local authority to make transparent which additional specific areas of responsibility in regard to their social work functions they have assigned to their CSWO

Leadership

19. The CSWO is responsible for providing professional leadership for social workers and staff in social work services. The CSWO should:

- (a) support and contribute to evidence-informed decision making and practice – at professional and corporate level – by providing appropriate professional advice;
- (b) seek to enhance professional leadership and accountability throughout the organisation to support the quality of service and delivery;
- (c) support the delivery of social work's contribution to achieving local and national outcomes;
- (d) promote partnership working across professions and all agencies to support the delivery of integrated services;
- (e) promote social work values across corporate agendas and partner agencies.

The CSWO role in the context of partnerships and integration

20. In the context of Health and Social Care Integration and the 2014 Act, the CSWO is required to be appointed as a non-voting member of the Integration Joint Board (IJB) (or, in lead agency models, the Integration Joint Monitoring Committee). Scottish Ministers are strongly of the view that the influence of high quality professional leaders in the integrated arrangements is central to the effectiveness of improving the quality of care locally and nationally.

21. The CSWO also has a defined role in professional and clinical and care leadership and has a key role to play in Clinical and Care Governance systems which support the work of the Integration Joint Board, as set out in the partnership Integration Schemes and [relevant guidance](#).

22. The local authority should ensure that appropriate arrangements are in place to include the CSWO in relevant strategic and operational forums that provide direct access to the Chief Executive and elected members so that the CSWO is in an optimum position to support and advise them in regard to their social work function responsibilities in their partnership contexts.

Reporting

23. The CSWO has a role in reporting to the local authority Chief Executive, elected members and IJBs – providing comment on issues which may identify risk to safety of vulnerable people or impact on the social work service and also on the findings of relevant service quality and performance reports, setting out:

- implications for the local authority, for the IJB, for services, for people who use services and support and carers, for individual teams/members of staff/partners as appropriate;
- implications for delivery of national and local outcomes;
- proposals for remedial action;
- means for sharing good practice and learning;
- monitoring and reporting arrangements for identified improvement activity.

24. The CSWO should also produce and publish a summary annual report for local authorities and IJBs on the functions of the CSWO role and delivery of the local authority's social work services functions (however these are organised or delivered). A template for this report is available from by the Office of the Chief Social Work Adviser, Scottish Government.

ACCESS, ACCOUNTABILITY AND REPORTING ARRANGEMENTS

25. To discharge their role effectively, the CSWO will need:

- (a) direct access to people and information across the local authority, including the Chief Executive, elected members, managers and frontline practitioners and also in partner services, including in Health and Social Care Partnerships. Specific arrangements will vary according to individual councils, but should be clearly articulated locally;
- (b) to be able to bring matters to the attention of the Chief Executive to ensure that professional standards and values are maintained;
- (c) to be visible and available to any social services worker and ensure the availability of robust professional advice and practice guidance;
- (d) to provide professional advice as required to senior managers across the authority and its partners in support of strategic and corporate agendas.

26. Local authorities will need to agree:

- (a) how the CSWO is enabled to inform and influence corporate issues, such as managing risk, setting budget priorities and public service reform;

- (b) the specific access arrangements for the CSWO to the Chief Executive and elected members;
- (c) the relationships, responsibilities and respective accountabilities of service managers and the CSWO;
- (d) a mechanism to include an independent, professional perspective to the appointment of the CSWO;
- (e) procedures for removal of a CSWO postholder, bearing in mind the need for continuity in the provision of the CSWO functions, the value of independent professional advice and the arrangements for the appointment and removal of the local authority's other proper officers;
- (f) clear and formal deputising arrangements (with similar skills and experience available) to cover any period of absence by the CSWO and appropriate delegation arrangements where scale of business requires this.

27. This document complements the wide set of guidance underpinning the delivery of safe, accountable and effective social work practice and high quality social services in Scotland.



© Crown copyright 2016

OGL

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at
The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-78652-358-7 (web only)

Published by The Scottish Government, July 2016

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS76000 (07/16)

W W W . G O V . S C O T

Report To:	Inverclyde Council	Date:	5 December 2019
Report By:	Chief Financial Officer	Report No:	FIN/109/19/AP
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	Financial Strategy 2019/2029 - Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to present the updated Financial Strategy to the Council for review and approval and to approve actions factored into the Strategy presented.

2.0 SUMMARY

- 2.1 The six monthly review of the Financial Strategy has been undertaken and takes into account the approved 2019/20 Budget and a review of all funding models included in the Appendix. The context takes into account the Spring Statement, the Autumn Spending Review plus any developments in respect of the Scottish Government Budget.
- 2.2 It can be seen from table 3 in paragraph 7.8 that the 2019/22 estimated funding gap is £7.875 million after the application of adjustments and savings at the September and November Policy & Resources Committee and before any decision on whether to increase Council Tax.
- 2.3 Table 4a shows that based on the latest information including forecasts from the Fraser of Allander Institute, Fiscal Affairs Scotland and the local assessment of certain figures by the Chief Financial Officer, the mid-range scenario shows that the Council faces a net potential funding gap of £13.4 million over the 2020/23 period prior to any decision around Council Tax levels. Again this reflects the most up to date position reported to the Policy & Resources Committee. In line with Best Practice, Tables 4b and 4c illustrate scenarios for the 2020/23 Revenue funding gap based on different assumptions around Government Grant, income, inflation and budget pressures. These Tables show potential funding shortfalls of £2.3 million to £24.3 million.
- 2.4 Members need to bear in mind that these projections and estimates could change significantly by the next 6 monthly update depending on the outcome of the imminent General Election and the Spending/Taxation/Borrowing plans outlined in early 2020 by the Chancellor of the Exchequer.
- 2.5 Table 5 in paragraph 7.13 shows that overall the 2019/23 Capital Programme has a £2.44 million funding shortfall. The Capital Programme allows for 5% over programming and the funding shortfall is within that limit. The outlook for capital is potentially more positive than for revenue and the Council will need to examine how it can best use capital to reduce pressure on the Revenue Budget.
- 2.6 All the other appendices and tables have been updated and reviewed with a number of actions proposed which will assist in closing the Budget gap whilst freeing up resources for Members to consider the use of as part of the 2020/23 Budget Strategy. The detail is contained in Section 6 of the report.
- 2.7 Section 11 of the Strategy reflects the identified risks to the Financial Strategy and mitigating actions whilst Appendices 1 to 3 highlights the major short / medium / long term issues the Council needs to be aware of which could materially impact on the figures presented.
- 2.8 Overall, the Financial Strategy confirms the significant challenges facing the Council in coming years but that all models remain affordable, based on the latest information. The Chief

Financial Officer has identified a number of actions which will deliver one-off resources or recurring net savings for Members to consider.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Council approves the latest revision of the Financial Strategy and specifically:

- a) That the previously approved £2.0million allocation from the Capital Fund to the Loans Charges Model over 2019/21 no longer takes place
- b) That the £240,000 annual contribution from the Capital Fund to the School Estate Model for Loans Charges ceases from 2020/21
- c) That the remaining balance in the AMP at 31 March 2020 be added to the 2020/21 Property Maintenance Capital Allocation
- d) That the budget allocated to loans charges for the AMP be reduced by £200,000 from 2020/21
- e) That the Loans Charges budget in the Vehicle Replacement Model be increased by £91,000 from 2020/21 to reflect increases in Vehicle replacement costs
- f) That all the above proposals be factored into the 2020/23 Budget Strategy and the 2020/21 Budget to be considered by the Council in March 2020

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 The Financial Strategy requires to be reviewed twice per year and reported to the Full Council. This is done in June and December each year.

5.0 CURRENT POSITION

- 5.1 The Strategy has been updated to reflect latest information and takes into account the Spring Statement, the Autumn Spending Review plus any developments in respect of the Scottish Government Budget. The Council has an estimated recurring mid-range funding gap of £13.4 million over 2020/23 based on latest estimates and after factoring savings/adjustments approved by the Policy & Resources Committee.
- 5.2 In line with Best Practice, Tables 4b and 4c illustrate scenarios for the 2020/23 Revenue funding gap based on different assumptions around Government Grant, income, inflation and budget pressures. These Tables show potential funding shortfalls of £2.3 million to £24.3 million.
- 5.3 All models in the Appendices have been reviewed and all remain affordable in the short / medium term with more detail on each of the Funding Models contained in Section 6.
- 5.4 Appendices 1-3 outline the short, medium and long term challenges which the Council requires to consider when agreeing future budgets.

6.0 REVIEW OF FUNDING MODELS

- 6.1 Appendix 4 – School Estate Management Plan – This reflects the latest phasings and decisions and the recent Loans Charges review which has resulted in reductions in SEMP loans charges. It is proposed that the Extra Financing allocation is reduced by £240,000 from 2020/21 to reflect the Capital Fund no longer making this contribution. It can be seen that even after this proposal the model remains financially balanced based on the assumptions made.
- 6.2 Appendix 5 – General Fund Reserves – This reflects the November 2019 Policy & Resources Committee position of £2.341 million free reserves at 31 March 2020.
- 6.3 Appendix 6 – Capital Fund – This reflects the latest review of receipts and the ceasing of the £240,000 annual contribution to the SEMP Model and that the approved £2.0 million allocation to the Loans Charges model is no longer required (See Appendix 12). If this is approved then it is projected that the Capital Fund balance will be £4.1million by the end of 2022/23.
- 6.4 Appendix 7 – Repairs and Renewals Fund – This reflects the latest projections for the refurbishment of 3G Pitches over 2019/26 and following a decision taken as part of the 2018/19 Budget to allocate an annual allowance from the Capital Programme, the maintenance model is now funded in the longer term.
Approval was given in December 2017 to combine the maintenance funds for the Port Glasgow Retail Development, Reservoirs above the Cut and Inverkip Railway Bridge into a single fund to provide longer-term sustainability and reduce pressure on the Revenue Budget.
- 6.5 Appendix 8 – AMP – This is the last time the AMP will be included in the Financial Strategy as the programme is coming to an end and the maintenance of the assets created will now fall into operational budgets. Following the Loans Charges review, a saving of £200,000 is identified and it is proposed that Members agree to this being taken as a saving from 2020/21. It can be seen that it is estimated that there will be a balance on the AMP at 31 March, 2020 and it is proposed that this one-off sum be added to the Property Maintenance Capital Budget in 2020/21.
- 6.6 Appendix 9 – Vehicle Replacement Programme – This reflects the latest information and budget savings. This model is under pressure due to inflationary increases in the cost of vehicles and as such it is proposed to increase the annual loans charges allocation by £91,000 to £1.15million. It is the intention of officers to incorporate the Vehicle Replacement Programme within the overall mainstream Capital Programme and as such this is proposed to be the last time this Appendix is included.

- 6.7 Appendix 10 – RAMP – This shows the approved investment for the period to 31 March 2023 plus to deliver the Roads Asset Strategy.
- 6.8 Appendix 11 -- This Appendix provides a projection of the City Deal programme for the first 10 years of operation from both a revenue and capital perspective. It should be noted that this model will be refined as Business Case approvals are achieved but is currently affordable after the application of a saving of £80,000 agreed by the Policy & Strategy Committee in September 2019.
- 6.9 Appendix 12 – As reported to the November Policy & Resources Committee, officers have undertaken a detailed review of Loans Charges. The review identified areas where the life of assets meant that loans charges could be spread over a longer period and also reduced borrowing costs following recent borrowing undertaken. The net result of the review reported to the Policy and Resources Committee was a £400,000 recurring saving from 2019/20 plus a backdated one-off saving of £1.4million. In addition, as proposed above, there is no longer a need for a £2.0million contribution from the Capital Fund. Finally, it should be noted that the model includes provision of Prudential Funding of £360,000 per year to fund a new Leaning Disability Centre in Greenock. A detailed report on the proposals in this regard will be presented to the relevant Committees in early 2020.

7.0 IMPLICATIONS

Finance

- 7.1 The financial implications arising from the proposals in this report will be considered by the Members' Budget Working Group and thereafter be factored into the March 2020 Budget proposals.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Capital Programme	Property Capital	2020/21	350		Transfer from AMP

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (if Applicable)	Other Comments
EMR	SEMP	2020/21	Nil	Capital Fund	Elimination of the £240k Capital Fund annual contribution
EMR	AMP	2020/21	(200)		Saving following review of asset lives
EMR	Vehicle Replacement Programme	2020/21	91		Increased Loans Charges resulting from increased vehicle costs

Legal

- 7.2 There are no specific Legal issues arising from the report.

Human Resources

- 7.3 There are no specific Human Resources issues arising from the report.

7.4 Equalities

Equalities

- (a) Has an Equality Impact Assessment been carried out?

	YES
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

- (b) Fairer Scotland Duty

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

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

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

- (c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

7.5 Repopulation

Having medium term financial plans which realistically reflect the pressures and opportunities faced by the Council and the communities it serves will help build confidence in the area and contribute to the Repopulation agenda.

8.0 CONSULTATIONS

- 8.1 The Financial Strategy has been produced after consultation with and input from the CMT and other relevant Officers.

9.0 LIST OF BACKGROUND PAPERS

- 9.1 Scottish Government Medium Term Financial Strategy- May,2019



Financial Strategy

2019/20 – 2028/29

December 2019

Contents

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

Appendices

Appendix 1 - Short-Term Issues

Appendix 2 - Medium-Term Issues

Appendix 3 - Long-Term Issues

Appendix 4 - School Estate Management Plan Funding Details

Appendix 5 - General Fund Reserves

Appendix 6 - Capital Fund

Appendix 7 - Repairs & Renewals Fund

Appendix 8 - Office & Depot AMP Funding Details

Appendix 9 - Vehicle Replacement Programme

Appendix 10 --Roads AMP

Appendix 11 – City Deal

Appendix 12 – Loan Charges

1.1 Foreword

This latest revision of the Council's Financial Strategy reflects the continued pressure on the Public Finances plus political and constitutional uncertainty.

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

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

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

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

The primary financial challenge facing the Council over the coming period, given the continued pressure on public sector budgets, will be to stay within the approved revenue budget and deliver a capital programme that continues to maintain a high level of investment in key infrastructure.

There is no doubt that setting the 2019/20 budget generated options which required difficult decisions. This position is expected to continue with a funding gap of £19 million estimated for 2020/23. One of the main challenges faced by the Council is therefore forward planning, preparatory investment and a sufficient lead in period prior to implementation of both savings and investment for the period beyond the current budget.

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

The Council has also approved corporate policies to charging and income generation – including maximising external funding to supplement existing resources and support service delivery. The Council increased the level of income generated by charging as part of the overall 2019/20 Budget.

The Financial Strategy also ensures that strategic initiatives which require long term revenue and capital commitments such as The City Deal, Asset Management Strategy and the School Estates Management Plan are locked down.

We also need to ensure that the Financial Strategy continues to support the Corporate Plan directly, the Local Outcome Improvement Plan and effectively link this Strategy to our Corporate Directorate Improvement Plans.

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

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

Councillor Stephen McCabe
Leader of the Council

Aubrey Fawcett
Chief Executive

2.0 Why have a Financial Strategy?

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

Table 1 – Stakeholder Information

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

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

3.0 Financial Summary

- 3.1 On 21 March 2019 the Council agreed the 2019/20 Revenue Budget.. As part of the Budget Strategy the Council also agreed to progress a medium term Budget Strategy covering 2020/23, the life of the current Council.
- 3.2 The same meeting also agreed the 2019/23 Capital Programme which took into account the latest Government Grant settlement information.

Table 2 – Short Term Summary – Approved Revenue and Capital Budgets (March 2019)

	2019/20 £million
<u>General Fund Revenue</u>	192.764
<u>Budget Financed by</u>	
Government Grant (Including NDR)	(160.575)
Council Tax	(31.359)
Approved Contribution from General Reserve	(0.830)
	0
<u>Capital Programme (2019/20)</u>	
Approved Spend	22.87
<u>Financed by</u>	
Government Grants	9.39
Capital Receipts	6.74
Other Grants/CFCR	1.40
Prudential Borrowing	3.93
Resources Carried Forward from prior year	17.66
Surplus in Resources in 2019/20	15.03

4.0 Overall Economic Position

UK Context

4.1 The March 2019 Spring Statement by the UK Government and OBR forecasts revised a number of the key projections. Some of the latest figures are shown below.

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
GDP (real % change)	1.4	1.2	1.5	1.6	1.6
CPI (% change)	2.3	2.0	1.9	2.0	2.0
Interest Rate (LIBOR)	0.8	0.9	1.1	1.2	1.3
Borrowing (£Billion)	23	29	21	18	14

4.2 In September 2019 the new Chancellor of the Exchequer made a Spending Review (SR) Announcement. The approach did not follow usual protocol as it was not accompanied by an Economic & Fiscal Outlook from the Office of Budget Responsibility.

4.3 The SR focussed on revenue budgets and announced a £21.5 billion increase in spend between 2019/20 and 2020/21 with significant increased allocations to Health, Education, Defence, Local Government and Police. The increased spending represents a 4.1% real terms increase in budget which is 2.8% more than the figures used in the Spring Statement in 4.1 above.

4.4 The UK Parliament is now in the middle of a General Election campaign with all parties making pledges to spend greater sums than those announced in the September Spending Review. The medium term economic impact of this various proposals will be a key area of debate as election day draws closer.

The Scottish Context

4.5 The current Scottish Government plans contain a number of commitments which are expected to impact on Local Government finances over the life of the Parliament. The main areas are as follows:

- NHS Budget to increase by £500m more than inflation by the end of the Parliament
- Additional £1.3 billion in Health & Social Care Partnerships
- To almost double the free early years provision by 2020
- Increase Scottish Attainment Fund by £750 million with more allocated to Head Teachers
- Extend payment of the Living Wage to all Social Care and Early Years workers.
- Abolish the “Bedroom Tax”
- Devolution of welfare benefits and the creation of new grants
- Council Tax increases to be capped.
- Reform of Council Tax

Progress has been made on a number of these commitments but the longer term funding for some areas remains uncertain and this issue has been highlighted in various reports by the Accounts Commission/Auditor General.

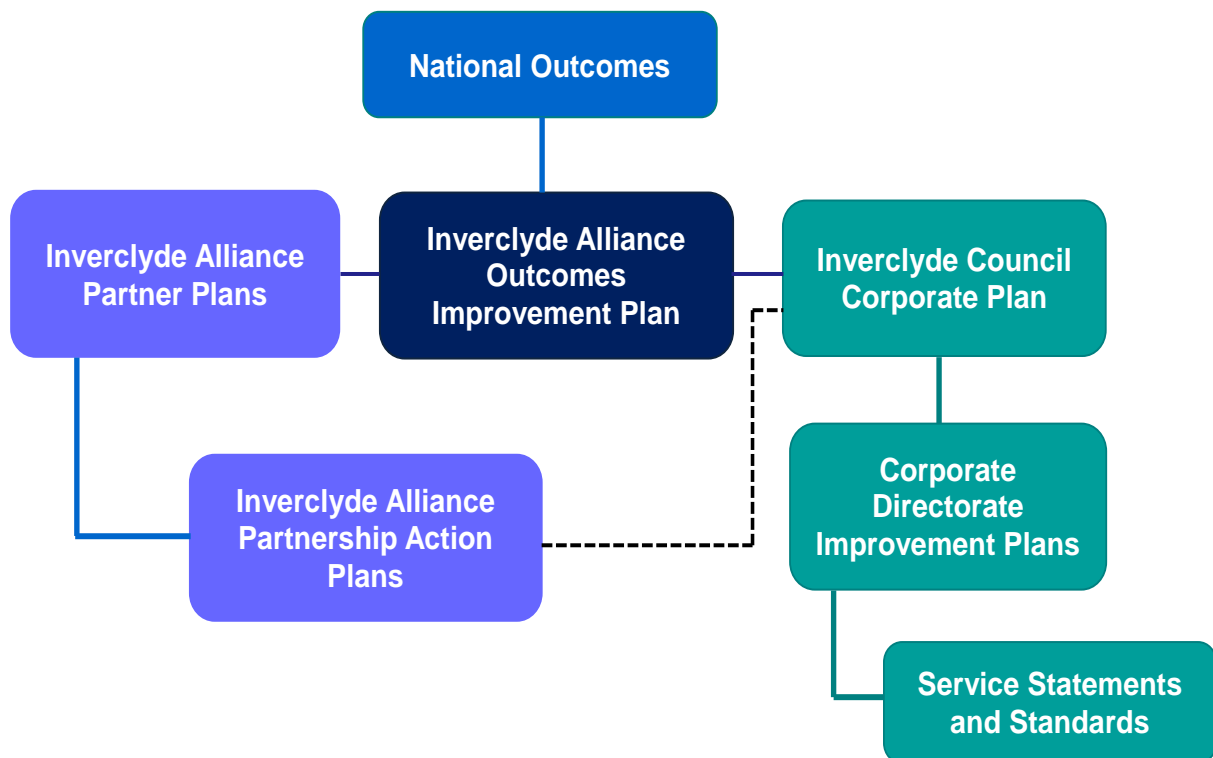
4.6 The Scottish Government published their second Medium Term Financial Strategy (MTFS) in May 2019 which gave broad financial plans for the next 5 years. This was published before the September Spending Review which allocated increase revenue resources of £1.1-1.2 billion to Scotland. Whilst this is a significant increase, expectations are that between the negative tax reconciliations, existing Policy commitments and demographic pressures there may be limited scope for extra resources to non-priority areas. The underlying message for Local Government as a whole is that it is not in the “protected” element of the Scottish Budget and as such budgets will remain under pressure unless there is a combination of improved settlements, increased Scottish GDP or increases in Scottish Taxation relative to the rest of

the UK.

- 4.7 Based on the above it is clear that Local Government faces a continued squeeze on resources for the foreseeable future which will require clear prioritisation and inevitably a review of some of the universal service provision policies at both a national and local level.
- 4.8 The UK election has thrown the usual Scottish Government Budget timetable into uncertainty. It is going to be challenging for Councils to get certainty on their proposed grant allocations before the end of January with the knock on consequences on Council Tax setting/billing and providing residents with clarity on service delivery levels in 2020/21.
- 4.9 Brexit continues to be an area of considerable uncertainty with the UK leaving date still unclear. There is almost daily speculation and reports outlining potential impacts but the Financial Strategy is based on the latest approved budgetary information from both UK and Scottish Governments. Officers gave a broad estimate of £1.2 million for the extra inflationary impacts of a “No Deal” Brexit were inflation increases sustained for a 12 month period. A prudent level of inflation is included in the estimated funding gap calculations for 2020/23.

5.0 Local Context

- 5.1 The local environment within which the Council operates has changed significantly in recent years and will alter further in future years due to the impact of national legislation and policy, further economic turbulence, societal changes and developing customer expectations.
- 5.2 The overall strategic framework within which the Council operates is outlined in the Strategic Planning and Performance Management Framework. The Framework includes the Local Outcome Improvement Plan, the Corporate Plan, Corporate Directorate Improvement Plans and the Financial Strategy.
- 5.3 The Strategic Planning and Performance Management Framework is shown in the Diagram below.



- **National Outcomes** are set by the Scottish Government and sit within a National Performance Framework. These 11 outcomes are an overarching guide for the local community planning partnership document, the Inverclyde Outcomes Improvement Plan.
- The **Inverclyde Alliance Outcomes Improvement Plan** (OIP) is a high level strategic partnership document setting out the vision and direction for the Inverclyde area, as agreed by all the Inverclyde Alliance partner organisations and communities. The outcomes are based on evidence of the key issues and challenges for the Inverclyde area and through community engagement. They set out what we want to achieve for all the communities of Inverclyde.
- The **Partnership Action Plans** set out the Partnership actions and projects which will contribute to the achievement of the OIP priorities and are expressed through the wellbeing indicators (see below in 5.4) to help better understand their impact on a crosscutting basis.
- The Council approved a new **Corporate Plan 2018/22** on 7 June 2018.

The Corporate Plan is a public facing document and sets out the ways in which Inverclyde Council hopes to deliver better outcomes for the people of Inverclyde through the delivery of 10 organisational priorities. The Plan reflects the wellbeing outcomes from the Outcomes Improvement Plan and sets out, at a high level, what the Council will do to help deliver the partnership priorities. The Plan also contains high level budget information for key services.

- **Corporate Directorate Improvement Plans (CDIPs)** set out the vision for each Directorate. New CDIPs have been produced for the period 2019/22. The Plan covers two broad areas, the first being corporate cross cutting improvement actions and the second Directorate Improvement actions. These improvement actions are based on robust self-evaluation and are mapped to the Corporate Plan organisational priorities. In addition the HSCP has recently developed a Strategic Plan 2019/24 which supports the Inverclyde Joint Board.
- **Service Statement and Standards** set out what services do on a day to day basis and will not change significantly year on year, but will be refreshed to reflect any structural or legislative changes. It is a public facing document which also sets out a summary of the financial and employee resources allocated to run the service. Service standards are also reflected in the Service Statements, setting out what quality standards the service follows and what customers can expect.

Outcomes for Inverclyde

The focus of the Strategic Planning and Performance Management Framework is on addressing the main challenges facing the area. The Inverclyde Outcomes Improvement Plan builds on the achievements of the SOA and contains three strategic priorities to be delivered in partnership:

- **Population:** Inverclyde's population will be stable and sustainable with an appropriate balance of socio-economic groups that is conducive to local economic prosperity and longer term population growth
 - **Inequalities:** There will be low levels of poverty and deprivation and the gap between the richest and poorest members of our communities will be reduced
 - **Environment Culture and Heritage:** Inverclyde's environment, culture and heritage will be protected and enhanced to create a better place for all Inverclyde residents and an attractive place in which to live, work and visit
- 5.4 The OIP continues to focus on the delivery of the **wellbeing outcomes**, which the Inverclyde Alliance, including the Council, has adopted. These wellbeing outcomes have been adapted and expanded from 'Getting it Right for Every Child', to help us work towards a Nurturing Inverclyde, 'Getting it Right for Every Child, Citizen and Community'. The wellbeing outcomes cover the core areas of Safe, Healthy, Achieving, Nurtured, Active, Respected, Responsible and Included.
- 5.5 A key challenge for the Inverclyde Alliance, and the public agencies, operating in Inverclyde, over the next five years will be to ensure better alignment between available resources, across all agencies, and the outcomes and priorities identified in the Inverclyde Outcomes Improvement Plan.
- 5.6 Demographics and Population
- The most significant challenge facing Inverclyde is depopulation and associated demographic change – this has been recognised by the Council and our Partners as a priority in the Inverclyde Outcomes Improvement Plan and the Council's Corporate Plan 2018/22.
- 5.7 The fundamental issue for the Council is that at some point if the decline in population continues at the current pace then the area could become no longer sustainable as a unit of administration which would have an associated impact on other services such as health, police and fire. Following encouraging signs that the population decline was stabilising, with out-migration levels falling year on year since 2013/14, the latest mid-year population estimates (2018) show an increase

in the number of people leaving the area and a fall in the number of those moving into Inverclyde. Work around repopulation is led by the Inverclyde Alliance Repopulation Group and the potential reasons for this change in trend will be considered by the group and any resulting actions fed into the Repopulation Strategy and Action Plan that was approved by the Alliance Board on 18 March 2019.

- 5.8 In the 2011 Census the population for Inverclyde was 81,485, a decrease of 3.2% from 84,200 in the 2001 census. The most recent population estimates set out Inverclyde's population for 2018 at 78,150, a decrease of -0.77% from 78,760 in 2017. The population of Inverclyde accounts for 1.4% of the total population of Scotland.
- 5.9 The latest mid-year population estimates (2018) show that 16% of Inverclyde's population is aged between 0 – 15 years, which is slightly less than the percentage for Scotland, 17%. 63% of the population is aged 16 – 64 years, compared to 64% in Scotland. 21% of Inverclyde's population is aged 65 years and older compared to 19% in Scotland.
- 5.10 Since 1985, Inverclyde's total population has fallen overall whilst Scotland's population has risen over this period.
- 5.11 Official population projections continue to forecast a long term decline in Inverclyde's population. By 2041 the population of Inverclyde is projected to be 70,550, a decrease of 10.9% compared to the population in 2016. The population of Scotland is projected to increase by 5.3% per cent between 2016 and 2041.
- 5.12 Over the 25 year period the age group that is projected to increase the most in size in Inverclyde is the pensionable and over age group with a 14.1% increase. In Scotland, it is estimated that there will be a projected 25.1% increase in the pensionable age population by 2041.
- 5.13 The population aged under 16 in Inverclyde is projected to decline by 14.9% over the 25 year period, compared to a 1.5% decrease nationally.
- 5.14 Between SIMD12 and SIMD16, the number of Inverclyde data zones in the 5% most deprived in Scotland fell by 3 from 14 to 11. This equates to 9.6% of all 114 Inverclyde data zones in the 5% most deprived category.

Inverclyde has the second highest concentration of multiple deprivation in Scotland, sitting behind Glasgow.

- 5.15 Demographic change will have significant impact on services as funding allocated from the Scottish Government is partly based on the population of an area. Even with additional allocations to take account of deprivation the budget is expected to reduce in real terms over the next five years.
- 5.16 In terms of indicators of deprivation the profile for Inverclyde differs from the national picture, these include:
- 4.7% of working age benefit claimants are claiming unemployment benefits. Of this, a higher proportion of 18 – 24 year olds (7.8%) are claiming than 25 – 49 year olds (5.5 %) or 50+year olds (2.8%). (As at September 2019).
 - Economic inactivity rates in Inverclyde are higher than the national rate 24.8% compared to 22.1% (July 2018 – June 2019)
 - The percentage of workless households in Inverclyde is 19.2% compared to 17.1% in Scotland (January – December 2018)
 - Approximately 80.8% of working age adults in Inverclyde have NVQ1 and above, or other formal qualifications. 83.5% of the Scottish population have NVQ1 and above or other formal qualifications (January 2018 – Dec 2018).

- Median earnings for full time workers living in the area (Gross Weekly Pay) in 2018 were £566.30, a significant increase from the 2007 rate of £382.10 per week, which placed Inverclyde 13% below the national average. Earnings in 2018 were approximately 0.6% higher than those for Scotland as a whole (£562.70). This is the second year that gross median earnings for workers living in Inverclyde have been higher than the Scottish average.
- Working age people account for 63% of all people in Inverclyde (2018 mid-year population estimates). This is 1% lower than for Scotland as a whole.

5.17 The projected population changes will have an impact on all service areas, particularly Education and Social Care, where there will be a need to actively manage the transition from current service delivery arrangements to new models that are built around the needs of the future population.

5.18 The deprivation profile will have major implications for services as research indicates that those most vulnerable to poverty are more likely to require greater interventions and experience greater levels of health inequalities and a targeted focus to move individuals out of poverty will come at a significant cost to public agencies.

5.19 The predicted demographic changes also have other implications. A decline in younger economically active people and a growth in the older, more vulnerable age group can mean there will be fewer informal carers which could result in a higher dependency on the services provided by the Health & Social Care Partnership.

The public sector landscape in Inverclyde

5.20 The public sector landscape has changed significantly over the last 10-15 years in Inverclyde. The development of this mixed economy of public service provision presents new challenges for the Council as it seeks to ensure that outcomes are achieved and that resources are being deployed effectively and efficiently. This is particularly relevant in the context of the LOIP where there will need to be a robust appraisal of whether existing service delivery arrangements across all partner agencies can effectively deliver on the agreed outcomes.

5.21 Whilst the Council has to tackle the problems associated with poverty, health inequalities and deprivation now, it also has to look to the future, and ensure that effective intervention is put into place now, to prevent further problems from developing, which will ultimately require expensive interventions. Investment in the lives of our children and young people early on in their lives will result in a better outcomes and quality of life for them as they grow up in the Inverclyde area.

5.22 The Community Empowerment (Scotland) Bill received royal assent on 24 July 2015. The Act places new duties on the Council and its partners to provide new rights for community bodies. The Act came into effect in July 2016 and is beginning to have a significant impact on the way the Council interacts with the Community.

5.23 *Riverside Inverclyde*

Riverside Inverclyde is a joint initiative between the Council and Scottish Enterprise to regenerate 330 acres of the Clyde Waterfront scheduled to run from 2006/7 until 2017/18.

The Council's contribution towards Riverside Inverclyde was originally to be £24 million over the ten year period. In addition the Council has made contributions in kind by transferring specific assets to the Urban Regeneration Company which will count towards the £24 million contribution and a further £6.1 million financial support to specific major Regeneration projects led by Riverside Inverclyde.

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

5.24 *River Clyde Homes*

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

The transfer to River Clyde Homes of all the Council housing stock was based on significantly more money being available to invest in homes and neighbourhoods and give tenants a real say in the decisions that are made about their housing, with tenants on the Board influencing policies and investment decisions.

5.25 *Inverclyde Leisure*

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

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

The Council's Community Facilities transferred to Inverclyde Leisure in April 2010 and the transfer of the management of Outdoor Leisure Facilities to Inverclyde Leisure took place in April 2015. Members agreed in November 2019 to the transfer of Whinhill Golf Course to Inverclyde Leisure from 2020/21 Season. Inverclyde Leisure has revised its Business Planning process and a new Business Plan is reviewed annually by the Council.

The Council's percentage contribution to the Leisure Trust has reduced considerably and is currently under 30% of the Leisure Trust turnover.

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

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

The Public Bodies (Joint Working) Act 2014 resulted in the creation of a HSCP Integrated Joint Board (IJB) during 2015/16 and required a revised Governance and Financial framework. The IJB is a separate legal entity and will receive resources from and delegate resources to the Council and Health Board. The Council was well placed to meet this challenge given the 4 successful years of CHCP operation.

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

6.0 Financial Management

Corporate Governance

- 6.1 The Council positively promotes the principles of sound corporate governance within all aspects of its activities.
- 6.2 Corporate governance is about the structures and processes for decision-making, accountability, controls and behaviour throughout the Council. It is based around key principles of openness, equality, integrity and accountability.
- 6.3 The fundamental principles of corporate governance should be reflected in the various dimensions of Council business, including;
- Ensuring a community focus underpins the Council's vision and priorities;
 - Ensuring the effective delivery of local services on a sustainable basis;
 - Establishing effective management structures and processes which include clearly defined roles and responsibilities for officers;
 - Developing and maintaining effective risk management systems that form part of the Council's strategic decision making process;
 - Ensuring high standards of propriety and probity in the stewardship of the Council's funds and the management of the Council's affairs;
 - A commitment to openness in the Council's affairs and the provision of full, accurate and clear information to all stakeholders.
- 6.4 The Chief Financial Officer has been designated as "the proper officer" and is responsible for advising the Council on all financial matters.
- 6.5 The Financial Regulations were refreshed and approved in September 2016 and are an essential component of the corporate governance of the Council.
- 6.6 The Financial Regulations are designed to facilitate the smooth running of the Council, protect its interests and the interests of members and officers, and ensure the proper administration of all the Council's financial affairs, including, Partnerships, The Common Good and Sundry Accounts.
- 6.7 Head Teachers must also comply with the Financial Regulations, with the exception of virement which is defined in the Devolved Management of Resources Scheme.

Roles and Responsibilities

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

Elected Members

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

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

Corporate Management Team

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

Chief Financial Officer

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

Heads of Service

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

Budget Managers

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

Financial Support to Services

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

Internal Audit

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

External Audit

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

Managing the Budget

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

7.0 Financial Outlook

- 7.1 Key financial issues are known or anticipated events and activities that have to be addressed within overall financial resources in the short-term (within 2 years), medium-term (within 4 years) or long-term (over 4 years).
- 7.2 Events and activities include efficiencies, planned savings, changes to service priorities and delivery, and known potential pressures. The financial impact of an event or activity may be one-off, recurring or time-limited.
- 7.3 The Council is due to receive Revenue Grant/Non-Domestic Rates Income of 160.575m in 2019/20.
- 7.4 When the Council's own projection of Council Tax Income based on 96.8% collection rate is added (£31.359m) then the income for the Council in 2019/20 is projected to be £191.934m
- 7.5 The level of resources available to the authority to fund its revenue expenditure is also dependent on Council Tax and the approved budget included a 4.79% increase in Band D Council Tax in 2019/20.
- 7.6 The Financial Strategy covers the period 2019/29 and beyond in terms of identifying potential issues, but the revenue forecasts are limited to the period which can be reasonably forecast. A new requirement from 2019/20 has been the production and approval of a Capital Strategy which covers a period beyond 2028/29. This examines a number of long term issues including the sustainability and affordability of borrowing and investment decisions.
- 7.7 The Council has agreed a Reserve Strategy which requires a minimum unallocated General Fund Reserve of 2% of turnover. Based on the 2019/20 Budget this equates to £3.8 million. The overall position of the Reserves shown in Appendix 5 and has been updated to reflect the latest projections. The Reserve Strategy was reviewed and approved by the Policy & Resources Committee in September 2019. Earmarked Reserves and the level of unallocated reserves are reviewed annual as part of the budget process.
- 7.8 The projected budget position in the short to medium term, is set out in the following tables and notes for both revenue and capital. Details of the short, medium and long-term issues identified in consultation with Services are contained at Appendices 1, 2 and 3.

Finance Strategy - December 2019

Table 3

	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Base Budget for Prior Year	190.379	191.934	191.184
<u>UPLIFTS FROM PRIOR YEAR</u>			
<u>Inflation (Note1)</u>			
Pay Inflation	4.347	3.150	3.000
Other Inflation	0.503	1.500	1.500
Income	0.000	-0.130	-0.130
	<u>4.850</u>	<u>4.520</u>	<u>4.370</u>
<u>Budget Increases (Note 2)</u>			
General Pressures	0.400	0.200	0.600
Teachers Superannuation Allowance	0.390	0.000	0.000
	<u>0.790</u>	<u>0.200</u>	<u>0.600</u>
<u>Adjustments (Note 3)</u>			
Other Adjustments Applied	-0.033	0.096	0.018
New Funding Per SG Settlement	2.909	0.000	0.000
Policy Pressure Approved (Feb/Mar 19)	0.211	0.071	0.000
Contribution from Reserves (Mar 19)	-0.830	0.830	0.000
Net Revenue Budget Before Savings	<u>198.276</u>	<u>197.651</u>	<u>196.172</u>
<u>Funded by: (Note 4)</u>			
Revenue Grant/NDR Income	160.575	159.575	158.575
Council Tax Income (Net of CTR)	31.359	31.609	31.609
	<u>191.934</u>	<u>191.184</u>	<u>190.184</u>
Annual Budget Before Savings (Surplus)/Deficit	<u>6.342</u>	<u>6.467</u>	<u>5.988</u>
Cumulative Budget Gap before Savings	<u>6.342</u>	<u>12.809</u>	<u>18.797</u>
<u>Savings Applied (Cumulative)</u>			
Adjustments Approved September 2017	-0.300	-0.600	-0.900
Efficiencies Approved November 2017	-0.197	-0.197	-0.197
Adjustments Approved December 2017	-0.241	-0.241	-0.241
Service Committee Reports Approved March 2018	-1.456	-1.559	-1.559
Public Consultation Savings Approved March 2018	-0.413	-0.413	-0.413
Adjustments Approved September 2018	-0.331	-0.331	-0.331
Adjustments Approved November 2018	-0.772	-0.783	-0.783
Adjustments Approved February 2019	-1.304	-1.341	-1.341
Savings Approved February 2019	-0.170	-0.170	-0.170
Adjustments Approved March 2019	0.015	0.000	0.000
Savings Approved March 2019	-1.173	-2.052	-2.052
Adjustments Approved September 2019	0.000	-1.088	-1.137
Adjustments Approved November 2019	0.000	-1.617	-1.798
Approved Budget (Surplus)/Deficit	<u>0.000</u>	<u>2.417</u>	<u>7.875</u>

Finance Strategy Notes – December 2019

Note 1 Inflation

- a) Pay – The allowance for pay inflation is an allowance available over the 3 year period to fund all pay related pressures including the annual pay award, Pay and Grading Model review, impacts of living wage, increases in employers national insurance/pension costs, and movement in service bottom up employee budgets. Figures for 2020/21 reflect budget decisions taken September 2019.
- b) Other Inflation – Inflation had been at a low rate in recent times and as such the allowances have been greatly reduced. However, over the last 12 months inflation has gradually increased and the allowance will come under pressure in future. Figures for 2020/22 reflect reflect proposals identified in Finance Strategy approved May 2019.
- c) Income – Reflects an annual increase of 3% on fees & charges income as part of the budget decisions approved November 2019.

Note 2 Budget Increases

- a) General Pressures – Reflects pressures approved for 2019/20 in March 2019 and budget decisions approved September 2019.
- b) Teachers Superannuation – Reflects allowance approved March 2019 to fund increase in Teachers' pension costs.

Note 3 Adjustments

- a) Other Adjustments – Reflects minor prior year savings agreed offset by School Transport pressure approved November 2019.
- b) New Funding – Reflects new funding received as part of the Settlement February 2019. The majority of the funding relates to the increased allocation for Social Care to fund Living Wage costs, Free Personal Care to U65's and additional funding towards the implementation of the Carers Act Scotland.
- c) Policy Pressures – Reflects pressures approved as part of the 2019/20 budget process.
- d) Contribution from Reserves – As part of the 2019/20 budget process, the Council approved use of reserves to fund the 2019/20 budget for 1 year.

Note 4 Funded By

- a) Reflects 2019/20 Finance Settlement included in Scottish Government Circular 2/2019. The 2020/22 figures are estimated based on continuing grant loss due to Depopulation and estimated cash reductions per estimates by Fiscal Affairs Scotland. Figures reflect budget decisions taken September 2019.
- b) Council Tax Income is shown net of Council Tax Reduction (CTR) Scheme. Grant is included within Council General Revenue Grant for CTR. Figures reflect decision to increase Council Tax by 4.79% on 21 February 2019. No increase is reflected for 2020/22.

7.9 *Other Short Term Revenue Issues*

The main remaining risks associated with the 2020/21 budget position will be around non-pay inflation allowances, the 2020/21 Grant settlement and increasing demand for certain services. Regular reporting to Committee will ensure officers report any significant variances at the earliest opportunity.

7.10 *Medium to Long Term Revenue Issues*

Looking beyond 2021 becomes increasingly difficult with uncertainty around the level of funding likely to be available, the impact of the Scotland Act, Brexit and the use the Scottish Government will make of its new powers. The Scottish Government had intended to issue a 3 year (2020/23) settlement in December 2019 but the calling of the General Election has prevented this and the 2020/21 Budget announcement will be later than usual.

The incremental impact of current major initiatives including Schools Estate Strategy, City Deal, and Asset Management Plans have been fully incorporated the overall Budget.

Post 2020/21 the main issues impacting on the revenue budget will be:

- **Funding will be impacted by future population change/demographic shifts and any changes to the way local government in Scotland is funded.**
- **Decisions of the new Scottish Government regarding any protection afforded to Local Government or other parts of the Budget plus the use that is made available tax raising powers.**
- **Welfare Reform changes and associated budget cuts will continue to impact on Council Services from both a demand and funding perspective.**
- **Health and Social Care integration continues to become embedded but the fundamental fact is that there is not enough money in current budgets to meet increasing demand.**
- **Pension costs influenced by the impact of auto-enrolment, the changes to LGPS and Teachers Pensions, plus costs associated with the Council resizing its workforce in order to balance its budgets and potential changes to Pension Tax Relief.**
- **Costs associated with sustainability including waste disposal and recycling, energy and fuel costs and general procurement inflation due to increased global demand for raw materials.**
- **Overall global economic situation and in particular the Brexit vote resulting in uncertainty interest rates, investment returns, inflation levels and further reductions in public sector funding.**

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

- 7.11 Table 4 shows the high level estimate of the 2020/23 budget gap based on the above. In line with good practice tables 4b and 4c provide two further scenarios based on different assumptions. Table 4b represents an “optimistic” scenario and Table 4c representing a “pessimistic” scenario.

Table 4a**2020/23 Budget Gap - Mid Range Estimate**

	2020/21	2021/22	2022/23	2020/23
	£m	£m	£m	£m
1/ Estimated Block Grant Reduction	0.0	0.0	0.0	0.0
2/ Continuing cash cut due to Depopulation	1.0	1.0	1.0	3.0
3/ Inflation - Pay	3.2	3.0	3.0	9.2
- Non-Pay	1.5	1.5	1.5	4.5
4/ Pressures				
-Use of reserves, 2019-20	0.8	0.0	0.0	0.8
- Approved Policy Pressures	0.2	0.1	0.0	0.3
- General Pressures	0.1	0.5	0.6	1.7
5/ Savings Approved (March 2019)	(1.0)	-		(1.0)
Approved Loans Charges Adjustment	(0.3)	(0.3)	(0.3)	(0.9)
Savings Approved (Sept/Nov P&R)	(3.1)	(0.4)	(0.2)	(3.7)
	<u>2.4</u>	<u>5.4</u>	<u>5.6</u>	<u>13.4</u>

- a/ Assumes Government contribution to increased teachers pension is continued from 2020.
- b/ Assumes no new Prudential Borrowing above that already contained in the Loans Charges model.
- c/ Assumes no Council Tax increase. (3% annual increase would raise £0.9 million per year)
- d/ The GRG/NDRI assumption excludes any hypothecated grant increases eg: Early Years as this is ring fenced to deliver new policies rather than fund existing service provision.

	2020/21	2021/22	2022/23
e/ Key Assumptions	%	%	%
GRG/NDRI	0	0	0
Pay Inflation	3.0	2.5	2.5

Table 4b**2020/23 Budget Gap - Optimistic Scenario**

	<u>2020/21</u> £m	<u>2021/22</u> £m	<u>2022/23</u> £m	<u>2020/23</u> £m
Block Grant Reduction	(2.4)	(2.4)	(2.4)	(7.2)
Continuing Impact of Depopulation	1.0	1.0	1.0	3.0
Inflation - Pay	3.2	1.8	1.8	6.8
- Non-Pay	1.0	1.0	1.0	3.0
Pressures				
- Use of reserves-2019/20	0.8	-	-	0.8
- Approved Policy Pressures	0.2	0.1	-	0.3
- General Pressures	0.1	0.5	0.6	1.2
Savings Approved (March 2019)	(1.0)	-	-	(1.0)
Approved Loans Charges Adjustment	(0.3)	(0.3)	(0.3)	(0.9)
Savings Approved (Sept/Nov P&R)	(3.1)	(0.4)	(0.2)	(3.7)
Funding Gap	<u>(0.5)</u>	<u>1.3</u>	<u>1.5</u>	<u>2.3</u>

a/ Assumes Government contribution to increased teachers pension is continued from 2020.

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

c/ Assumes no Council Tax increase (3% annual increase would raise £0.9million per year)

d/ The increase in Block Grant does excludes hypothecated funding increases eg Early Years etc

<u>e/ Key Assumptions</u>	<u>2020/21</u> %	<u>2021/22</u> %	<u>2022/23</u> %
GRG/NDRI	1.5	1.5	1.5
Pay Inflation	3.0	1.5	1.5

Table 4c**2020/23 Budget Gap - Pessimistic Scenario**

	2020/21 £m	2021/22 £m	2022/23 £m	2020/23 £m
Block Grant Reduction	3.2	2.4	1.6	7.2
Continuing Impact of Depopulation	1.0	1.0	1.0	3.0
Inflation - Pay	3.2	3.6	3.6	10.4
- Non-Pay	2.0	2.0	2.0	6.0
Pressures				
-Use of reserves 2019/20	0.8	0	0	0.8
-Approved Policy Pressures	0.2	0.1	0	0.3
- General Pressures	0.1	1.0	1.1	2.2
Savings Approved (March 2019)	(1.0)	0	0	(1.0)
Approved Loans Charges Adjustment	(0.3)	(0.3)	(0.3)	(0.9)
Savings Approved (Sept/Nov P&R)	(3.1)	(0.4)	(0.2)	(3.7)
Funding Gap	6.1	9.4	8.8	24.3

a/ Assumes Government contribution to increased teachers pension is continued from 2020.

b/ Assumes no new Prudential Borrowing above that already outlined in the Loans Charges Model.

c/ Assumes no Council Tax increase. (3% increase would raise £0.9 million per year)

d/ The GRG/NDRI assumption excludes any hypothecated grant increases eg: Early Years as this is ring fenced to deliver new policies rather than fund existing service provision.

e/ Key Assumptions	2020/21 %	2021/22 %	2022/23 %
GRG/NDRI	-2.0	-1.5	-1.0
Pay Inflation	3.0	3.0	3.0

7.12 Short to Medium Term Capital Projections

The Council agreed a 4 year Capital Programme covering 2019/23 in March 2019. A 5% overprovision was built in to allow for increased resources/project cost reductions.

7.13 Long-Term Capital Projections

There is greater certainty around capital spend for the post 2022/23 period due to the fact that asset management plans will continue to utilise nearly all available funding i.e. Schools, Operational Properties, Roads, Lighting, Vehicles, Open Spaces and ICT.

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

It is hoped that Local Government Capital Grants may increase in the medium term. Given the major revenue financial pressures the Council needs to seriously consider using any increase in grant to reduce prudential borrowing/use of reserves rather than identifying new projects.

Table 5 - Capital Programme 2019/2023 (Medium Term Capital Projections)

Table 5

<u>Expenditure/Projects by Committee</u>	<u>2019/20</u> <u>£m</u>	<u>2020/21</u> <u>£m</u>	<u>2021/22</u> <u>£m</u>	<u>2022/23</u> <u>£m</u>	<u>future</u> <u>£m</u>	<u>Totals</u> <u>£m</u>
Policy & Resources	0.51	0.37	0.36	0.36	0.00	1.60
Environment & Regeneration	12.00	19.58	6.97	6.42	0.00	44.97
School Estate	7.78	9.32	2.00	2.11	0.23	21.44
Education & Communities (Exc School Estate)	1.49	0.90	0.28	0.14	1.00	3.81
CHCP	1.09	0.19	0.00	0.00	0.00	1.28
	22.87	30.36	9.61	9.03	1.23	73.10
<u>Financed By</u>						
Government Grant	9.39	8.10	8.10	8.10	0.00	33.69
Sales/Contributions	0.28	0.54	0.15	0.10	0.00	1.07
Other Income	4.55	1.50	0.02	0.00	0.00	6.07
Revenue	2.19	0.93	0.23	0.23	0.00	3.58
Prudential Borrowing	3.93	3.64	0.46	0.33	0.23	8.59
Resources Carried Forward	17.66	0.00	0.00	0.00	0.00	17.66
	38.00	14.71	8.96	8.76	0.23	70.66
Shortfall in Resources						2.44

Notes

1 As per Nov 2019 P&R Committee

8.0 Treasury Management

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

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

- 8.4 Table 6 below shows the Council’s debt and investments position as at 31/10/19.

Table 6 – Council’s Debt and Investment Position – 31/10/19

The Council’s treasury portfolio position at 31/10/19 comprised:

		Principal		Average Rate
		£000	£000	
Fixed rate funding	PWLB	104,180		3.64%
	Market	55,000	159,180	
Variable rate funding	PWLB	0		4.86%
	Market	44,600	44,600	
TOTAL DEBT			203,780	3.91%
TOTAL INVESTMENTS			26,223	0.75%

- 8.5 In October 2019 the Council undertook a detailed review of its Loan Charges focussing on debt repayment periods and future interest rates. The review identified a £1.4 million one off saving plus £400,000 recurring savings from 2019/20.

9.0 Reserves

- 9.1 A key aspect of the consideration of the Financial Strategy is the position of the General Fund Reserves. The Reserves Strategy was last reviewed and approved by Council in September 2019.
- 9.2 Reserves can be held for three main purposes:-
- A working balance to help cushion the impact of uneven cash flows - this forms part of General Reserves.
 - A contingency to cushion the impact of unexpected events or emergencies which also forms part of General Reserves.
 - A means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.
- 9.3 The Reserves Strategy is based on the core General Fund Reserve being maintained at a level of 2% of turnover. A turnover of approximately £190 million results in a core General Fund Reserve of £3.8 million. In the event that the Reserves are projected to fall below this level then Members must have a clear route for bringing Reserves back up to the level over the subsequent three financial years.
- 9.4 The Reserves Strategy also assumes the continued use of earmarked reserves. In this way, earmarked reserves can be separated from the core General Fund Reserve which should allow Members to more transparently track the underlying reserves position. A full review of existing Earmarked Reserves was undertaken following the 2017 Best Value Audit and Earmarked Reserves are reviewed annually as part of the budget process.
- 9.5 Within Inverclyde Council the main Reserves/Funds comprise; General Fund Reserve, Insurance Fund, Capital Fund and Repairs & Renewals Fund. The latest projected position is shown below.
- 9.6 (a) General Fund “Free” Reserves – This Reserve represents the Council’s contingency for unforeseen/unquantifiable events. The level of the Reserve is determined by the Reserve Strategy whilst the projected balance is reported to each Policy and Resources Committee. See Appendix 5.

Projected Balance 31/3/20 = £6.141 million

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

Balance 30/9/19 = £4.037 million

- (c) Capital Fund – The Capital Fund is a Fund into which Capital Receipt income can be paid and used to fund either capital investment or repay the Principal element of debt repayments. The balance and planned usage of the Capital Fund is incorporated into the Financial Strategy. See Appendix 6.

Projected Balance 31/3/20 = £1.958 million

- (d) Repairs & Renewals Fund – The Repairs & Renewals Fund consists of sums received from external parties or allocated directly from Council resources which are thereafter released on a phased basis to maintain specific assets. Use of specific allocations to the Fund are agreed by Policy & Resources Committee and the overall position will be reported as part of the Financial Strategy. See Appendix 7.

Projected Balance 31/3/20 = £3.259 million

10.0 Monitoring, Reporting and Review Processes

- 10.1 The Financial Strategy should be a dynamic, relevant document and will be monitored on an ongoing basis by Finance - it will also be formally reviewed twice yearly, in May and then in November.
- 10.2 The formal review of the Financial Strategy will be reported to CMT and Full Council on a six monthly basis – there will also be capacity to review the Strategy as and when required, particularly when a new issue arises or the impact of major policy or initiative becomes clearer.
- 10.3 The Financial Strategy will only be revised if there are material changes to estimates, projections or policy which will have a financial impact however issues which may impact will be flagged up in the regular General Fund Budget reports to Policy & Resources Committee.
- 10.4 The deminimus level for a major impact requiring immediate review is 50% of the core General Fund reserves, £1.9 million, subject to the opinion of the Chief Financial Officer.
- 10.5 The financial management principles and expectations have been communicated and are understood by all Chief Officers and budget holders.
- 10.6 The Financial Strategy has been drawn up with the full involvement of the CMT and, will be communicated throughout the organisation.

11.0 Risk Management

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

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

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

<p>Interest rates on borrowing may be higher than forecast.</p>	<p>Regular review of treasury management decisions. Prudent assumptions on likely interest rates have been incorporated into Financial Strategy. Borrowing is spread to reduce impact of short-term changes.</p>
<p>Reserves are required to cashflow unanticipated budget shortfalls and fall below minimum recommended level.</p>	<p>Reserve Strategy is in place which clearly states that there must be a clear route to bring reserves back up to the minimum level over the subsequent 3 financial years.</p>
<p>Revenue implications of capital programme/projects are not fully anticipated.</p>	<p>All capital projects identify revenue implications and link into Council priorities. All capital projects are subject to a robust approval process which includes a review of revenue implications.</p>
<p>The decision to leave the European Union will provide impacts which are not fully reflected in the Financial Strategy.</p>	<p>The Council engages with partners in assessing potential risks and impacts. The Scottish Planning Assumptions were recently reported to the Environment & Regeneration Committee.</p>

Short-Term Issues (2019/21)

The tables in Appendices 1, 2 and 3 have been developed through ongoing consultation with the CMT by the Chief Financial Officer to develop detailed knowledge of the issues to inform the Financial Strategy and future budget setting.

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Corporate	Equal Pay	Provision for outstanding claims may not be sufficient.	Offers issued and payments made to address the vast majority of outstanding claims. Provision will continue to be monitored and reviewed taking account of relevant legal judgements and advice from the Council's legal advisors.	Steven McNab	Ongoing
	Inflation	Uncertainty over non-pay inflation pressures are not fully clear over the period.	Inflation allowances are regularly reviewed. Regular monitoring and reporting to CMT/Members.	Alan Puckrin	Ongoing
	Auto-enrolment	Amount set aside for auto-enrolment is an estimate and full cost may be greater than estimated.	Monitored via the Bottom Up Budget.	Steven McNab	February 2020
	Brexit	There could be an immediate impact of the UK leaving the EU and this may result in funding pressures from 2020/21.	The CMT will monitor the situation and will present reports to Committee as required.	Scott Allan	Ongoing

Social Care	Health/Social Care Integration	Impacts on Governance/Funding could be significant.	Monitor developments and report to relevant Committees. Increased Government Funding will help offset some pressures.	Louise Long	Ongoing
	Continuing Care	The financial impact of the Council meeting its statutory requirements to provide support to young people under its care is not adequately funded.	Report to Committee in January 2020.	Louise Long	Jan 2020
	Relationship with Service Providers.	Managing provider expectations whilst in a period of uncertainty over the future of the National Care Home Contract along with expectations from those providers out with this contract to fund inflation/impact of pensions/living wage.	As above	Louise Long	Ongoing
Education & Communities	Teacher Numbers	The Government threat of sanctions if teacher numbers are reduced limits options to balance the budget.	Continue to lobby for flexibility and monitor developments.	Ruth Binks	December 2019
Environment & Regeneration	Biodegradable Waste diversion from Landfill.	From January 2021 all biodegradable waste is to be diverted from landfill. The financial implications could be significant.	Monitor and develop options and report to Committee via CMT during 2019.	Scott Allan	March 2020

Medium-Term Issues (2021/23)

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Corporate	Reductions in other public sector partner's funding streams	As Public Sector funding reductions continue, partners are reducing their contributions to key Council priorities.	Continue dialogue with partners.	Corporate Directors	Ongoing
	Reduction in Council Funding	Funding over 2021/23 likely to be further reduced in real terms in line with UK Fiscal Policy and increasing ring fencing by the Scottish Government.	Await next Scottish Government Spending Review figures and factor into revised Financial Strategy.	Alan Puckrin	December 2020
	Government needs to reduce Public Sector Borrowing	Prudential Borrowing Capping would require revision of capital plans. Borrowing interest rate increases will increase loans charges.	Rolling Capital Programme developed annually and longer term loan charges projections undertaken.	Alan Puckrin	Ongoing
	Welfare Reform	Impact of Welfare Reform and increase in demand for Services can only be estimated.	Update reports going to Committee each cycle.	Alan Puckrin	Ongoing
	Removal of key services from Council control.	Scottish Government could review Public Sector landscape which could result in loss of large parts of the Council remit and resultant impact on corporate viability.	Keep track of developments and report to Committee as required.	Aubrey Fawcett	Ongoing
	Increased cost for externally provided contracts and services due to the Living Wage.	There is a clear desire to ensure suppliers of Council Services pay the Living Wage. This could add significant costs to the Council if passed on by suppliers.	Monitor developments and report to Committee when required.	Corporate Management Team	Ongoing
	Potential changes to funding of Local Government	Scottish Government continues to cap Council Tax but may introduce local taxation flexibility.	Monitor National developments and report as required.	Alan Puckrin	Ongoing
	Further increase in Pension Costs	Potential changes to Pension Tax Relief would add costs to both to Council and employees.	Monitor development and report to Committee when required.	Steven McNab	Ongoing
	Brexit	In addition to the immediate impact of the UK leaving the EU and this may result in funding pressures in the medium term.	The CMT will monitor the situation and will present reports to Committee as required.	Scott Allan	Ongoing

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report</u>
Social Care	<p>Ongoing Demographic demand pressures across many Social Care areas and ongoing drive towards Self-Directed Support and Independent Living</p> <p>Impact of inclusion of elements of the Acute Health Services within the IJB Budget.</p>	<p>Continuing increased demand will put considerable pressure on “flat cash” budgets.</p> <p>Potential for the Council to have to meet a proportion of any overspend caused by increasing pressure on Health Budgets.</p>	<p>Await detail of future settlements and model potential scenarios.</p> <p>Regular monitoring of the IJB Strategic Plan and financial projections added to supporting robust financial scrutiny by the IJB.</p>	<p>Louise Long/Alan Puckrin</p> <p>Louise Long</p>	<p>December 2020</p> <p>On Going</p>
Education & Communities	School Estate Management Plan	Reduced Capital resources and corporate cost pressures may make current planned investment in SEMP post 2020 unsustainable.	Six monthly review of all aspects of SEMP to continue. Recent review reflects approved acceleration programme is still affordable in line with plan for completion	Ruth Binks/ Alan Puckrin	On Going
	Early Years – Increase to 1140 hours.	Current funding is not sufficient to meet all the requirements in the legislation.	Funding now known to 2022. Council Costs to be contained within this sum.	Ruth Binks	August 2020
	Inverclyde Leisure – Reduction in Income	A major source of income for IL comes from its fitness gyms. Competitors are due to move into the area and this could lead to an increase in Council funding.	Monitor via regular meetings with IL and identify financial implications at an early stage.	Ruth Binks/Alan Puckrin	November 2020

Long-Term Issues (Post 2023)

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report</u>
Corporate	Depopulation and Change of Demographics	Continued loss of grant income, over provision of infrastructure. Viability of area under threat.	Population/Demographic trends to be monitored and reported to the Council and Alliance on a regular basis.	Steven McNab	Ongoing
Social Care	Increase in number of Elderly and Adults with Learning Difficulties and resource implications of policy direction of Independent Living and Self Directed Support.	Significant costs associated with reshaping, expanding delivery models.	Develop as part of HSCP Strategic Plan.	Louise Long	Ongoing
Environment & Regeneration	Regeneration of Greenock and Port Glasgow Town Centres.	Reports to Committee have identified significant investment needs within the Greenock and Port Glasgow Town Centre areas. Whilst contributions will be sought from Partners and the Private Sector the Council will require to provide a large amount of the funding.	Develop a funding model with clear outputs and funding sources.	Scott Allan	Ongoing
	Global Warming/Climate Change leading to rising sea levels	Significant impact on Council area with increased flooding and expenditure on sea defences.	6 year SEPA Flood Plan includes funding for a number of Council projects approved in Summer 2016.	Scott Allan	Ongoing
	Closure of major local employer	Could further increase rate of depopulation and would significantly impact of areas regeneration efforts.	Work with all partners to identify areas of risk and mitigating actions.	Scott Allan/Stuart Jamieson	As required

November 2019 SEMP Funding Model Review

Jan 19 RPI

Appendix 4

School Estate - Earmarked Reserves

	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Earmarked Reserve b/fwd	1,932	1,073	595	933	1,255	1,398	1,602	1,708	1,718	1,636	1,464
Available Savings added (a)	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682
Extra Financing (b)	2,745	2,505	3,155	3,155	3,155	3,155	3,155	3,155	3,155	3,155	3,155
Prudential Schools Loan Charges (c)	-4,639	-4,608	-4,623	-4,639	-4,698	-4,757	-4,855	-4,951	-5,043	-5,133	-5,256
Unitary Charge Payment (d)	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742
Unitary Charge Inflation Element (e)	-1,274	-1,544	-1,820	-2,105	-2,397	-2,696	-3,004	-3,420	-3,744	-4,077	-4,419
Unitary Charge Funding from Inflation Contingency	1,274	1,544	1,820	2,105	2,397	2,696	3,004	3,420	3,744	4,077	4,419
One Off Costs (f)	-780	-181	0	0	-120	0	0	0	0	0	0
Extra Revenue Repairs (g)	-221	-230	-230	-230	-230	-230	-230	-230	-230	-230	-230
Unitary Charge RSG	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096
Written Back to / from General Reserves	0	0	0	0	0	0	0	0	0	0	0
Earmarked Reserve c/fwd	<u>1,073</u>	<u>595</u>	<u>933</u>	<u>1,255</u>	<u>1,398</u>	<u>1,602</u>	<u>1,708</u>	<u>1,718</u>	<u>1,636</u>	<u>1,464</u>	<u>1,169</u>

(a) Savings now completed.

(b) 650k increase from 2021/22 to fund acceleration of programme. £240k reduction proposed from 2020/21 due to Capital Fund contribution in lieu of receipts ceasing.

(c) Uses a pool fund rate of 3.55% for 19/20, 3.50% for 20/21 to 22/23, 3.55% for 23/24, 3.60% for 24/25, 3.70% for 25/26, 3.80% for 26/27. 3.90% for 27/28, 4.00% for 28/29, 4.15% 29/30, 4.25% 30/31, 4.25% 30/31 and 4.40% 31/32. No contingency. Reflects costs of acceleration of programme.

(d) Based on Actual Unitary Charge at Jan 2011 RPI of £8.842 million less £100k saving from 2018/19.

(e) Base at Jan 2019 RPI. Assumes 2.7% annual inflation (4% RPI discounted by factor of 1.5).

(f) £375k per year added for additional school buses up to Aug 20, £10k Hillend Costs moved from 19/20 to 20/21, £45k added 2020/21 for 3 additional months hire of Modular Buildings at Gourrock PS. After 2023/24 all one-off costs cease.

(g) Extra revenue repairs budget set aside for School buildings life cycle works as per Property Services schedule.

Finance Strategy
General Fund "Free" Reserves
December 2019

	<u>£000</u>
Reserves Balance at 31st March 2019	5,087
<u>Budgeted Contribution to Reserves: Note 1</u>	
2018/19 Outturn Earmarked for 2019/22	12,115
2019/20	<u>0</u>
	12,115
Planned Use of Reserves 2019/22 Note 2	(12,735)
Projected Surplus (Deficit) 2019/20 Note 3	1,674
Projected Free Reserves Balance 31st March 2020	6,141

GRG/NDR/Council Tax is approximately £190 million. Recommended minimum level of reserves is 2% / £3.8 million.

Notes:

- 1/ 2019/20 figures reflect a balanced budget set at 2019/20 budget setting process.
- 2/ Represents decisions taken between February 2015 and September 2019 and based on latest phasings.

<u>Approved Use of Reserves</u>	2019/20 £000	2020/21 £000	2021/22 £'000	Total £000
February 2015 - £5.305m	(250)	0	0	(250)
February 2017 - £5.500m	(80)	(1,198)	(1,200)	(2,478)
December 2017 - Continuing Care	(134)	(200)	(160)	(494)
March 2018 - £8.858m	(1,662)	(1,554)	(1,508)	(4,724)
January 2019	(169)	0	0	(169)
March 2019 - £4m	(2,787)	(158)	(1,055)	(4,000)
May 2019 - £0.12m	(120)	0	0	(120)
September 2019 - £0.5m	(500)	0	0	(500)
	<u>(5,702)</u>	<u>(3,110)</u>	<u>(3,923)</u>	<u>(12,735)</u>

- 3/ Figure reflects projected surplus reported to Policy & Resources Committee September 2019:

	2019/20 £000	2020/21 £000	2021/22 £000	Total £000
Projected Surplus (Nov 2019 P&R)	1,674	0	0	1,674
Approved write back Earmarked Reserves	0	0	0	0
	<u>1,674</u>	<u>0</u>	<u>0</u>	<u>1,674</u>

Finance Strategy
Capital Fund

		2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Balance B/fwd		(2,236)	(1,958)	(3,904)	(3,941)	(4,075)	(4,136)	(4,198)
Additions (Estimate)	a	54	(2,530)	0	(75)	0	0	0
Interest (Estimate)		(16)	(16)	(37)	(59)	(61)	(62)	(63)
Principal Repayments	b	240	0	0	0	0	0	0
Other Payments	c	0	600	0	0	0	0	0
Balance at Year End		(1,958)	(3,904)	(3,941)	(4,075)	(4,136)	(4,198)	(4,261)

Notes

- a Estimated Receipts:
- 2019/20 SEMP Receipts, £0.025, Kings Glen House plot.
SEMP Receipts, return of £1.1m, St Stephens, Kings Gen & Barmoss, due to site abnormalities.
Other Receipts, £0.250m, Business Store
Recovery of Scottish Enterprise Clawback, £0.731m
Contribution from Affordable Housing Fund, Cumberland Walk, £0.040m
 - 2020/21 SEMP Receipts, £1.285m remainder of Greenock Academy Site, £0.525m, remainder of Sacred Heart Site
AMP Receipts, £0.050m, Glenbrae
Other Receipts, £0.670m, Golf Road, Bank St & McPherson Centre
 - 2022/23 Other Receipts, £0.075m, Former Garvel Centre
- b £240k SEMP from 2015/16 to 2019/20
- c Other Payments:
- 2020/21 £0.6m payment to fund Capital Programme (approved March 2019)

Finance Strategy
Repairs & Renewals Fund

		2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Balance B/fwd		(3,256)	(3,259)	(3,229)	(3,171)	(2,407)	(2,410)	(2,306)
Additions:								
Environmental Maintenance								
Leisure Strategy	a	(134)						
Central Energy Efficiency Fund		(1)	(1)	(9)	(9)	(9)	(9)	(9)
Maintenance Payments:								
Environmental Maintenance		36	36	71	36	41	36	36
Leisure Strategy	b			27	785		115	210
Former Housing Repairs & Renewals Fund		80						
Affordable Housing Fund		40						
Contribution to Energy Efficiency Administration	c		21					
Interest								
Environmental Maintenance		(5)	(5)	(6)	(8)	(7)	(7)	(6)
Leisure Strategy		(9)	(11)	(13)	(21)	(9)	(10)	(8)
Former Housing Repairs & Renewals Fund		(8)	(9)	(11)	(17)	(17)	(18)	(18)
Affordable Housing Fund		(1)		0	0	0	(1)	(1)
Central Energy Efficiency Fund		(1)	(1)	(1)	(2)	(2)	(2)	(2)
Balance:								
Environmental Maintenance	d	(608)	(577)	(512)	(484)	(450)	(421)	(391)
Leisure Strategy		(1,394)	(1,405)	(1,391)	(627)	(636)	(531)	(329)
Former Housing Repairs & Renewals Fund		(1,119)	(1,128)	(1,139)	(1,156)	(1,173)	(1,191)	(1,209)
Affordable Housing Fund		(29)	(29)	(29)	(29)	(29)	(30)	(31)
Central Energy Efficiency Fund		(109)	(90)	(100)	(111)	(122)	(133)	(144)
Balance at Year End		(3,259)	(3,229)	(3,171)	(2,407)	(2,410)	(2,306)	(2,104)

Finance Strategy
Repairs & Renewals Fund

Notes

- a Future contribution to Leisure Strategy subject to confirmation of available funds.
- b Leisure Strategy commitments:
 - 2017-25 Pitches/MUGA's Lifecycle costs in excess of recurring £120k Leisure Strategy AMP budget.
- c Central Energy Efficiency Fund commitments:
 - 2020/21 £17k LED Lighting, Inglseton MRF
 - 2020/21 £4k LED Lighting, GMB Carraigeway
- d Environmental Maintenance is a combined fund used for ongoing maintenance of Greenock Cut, Gallaghers (Port Glasgow) Development and Inverkip Footbridge.

Finance Strategy
Asset Management Plan - Offices

Earmarked Reserve Offices	<u>2019/20</u> <u>£000's</u>
Earmarked Reserve b/fwd	197
Additional Funding (Note d)	305
Available Savings/(Cost) Added (Note a)	302
Loan Charges (Note b)	(599)
Further One Off Costs (Note c)	(180)
Net Saving/(cost) for year	<u>(172)</u>
Earmarked Reserve c/fwd	<u><u>25</u></u>

Notes

- a Net Revenue Savings & Costs Excluding Loan Charges
- b Assumes interest rate matches pool rate.
- c Further One Off costs relate to the temporary appointment of an Asset Manager to 2017, costs for various decants, demolitions and rental of storage area as well as an allowance for dilapidations of leased properties, a £300k contribution towards William St refurb, a £203k contribution to the refurbishment of the District Court and a £130k contribution to the GMB Finance corridor works.
£50k of the one off costs in 19/20 relates to uncommitted dilapidations budgets and may not be required.
- d Additional funding consists of original funding allocation of £1m adjusted for:
£200k Workstream Saving from 2011/12
£30k Topslice saving from 2012/13
£60k Workstream Saving from 2013/14
£100k Workstream Saving from 2014/15
£45k BPRA scheme saving from 2015/16
£65k Revenue saving from 2015/16
£125k further Revenue saving from 2016/17
£34k balance of BPRA scheme added to Reserve 2017/18
£70k Revenue saving agreed Nov 2018 from 2019/20
- e All Office refurbishments are now complete, ongoing net saving of £3k will be returned to the Revenue Contingency. The remaining £25k Earmarked Reserve along with any of the remaining Dilapidations budget that is not required will be used to help offset the deficit in the capital programme.

Finance Strategy
Asset Management Plan - Depots

Earmarked Reserve Depots	2019/20 £000's	2020/21 £000's
Earmarked Reserve b/fwd	377	326
Additional Funding (Note d)	800	600
Available Savings/(Cost) Added (Note a)	54	54
Loan Charges (Note b)	(575)	(609)
Further One Off Costs (Note c)	(330)	(25)
Net Saving/(cost) for year	(51)	20
Earmarked Reserve c/fwd	326	346

Notes

- a Net Revenue Savings & Costs Excluding Loan Charges
- b Assumes interest rate matches pool rate.
Review of repayment periods and interest rates within Loan Charges has resulted in a reduction in loan charges of approximately £200k per annum from 2019/20 onwards.
- c Further One Off costs relate to the temporary appointment of an Asset Manager to 2017 and cost of decants etc as well as a £250k allowance for demolitions of obsolete Depots and £30k additional Health & Safety works at Pottery St.
- d Additional funding made up of:
- | | | |
|---|---------|--|
| Contribution from Zero Waste Fund | £200k | From 2010/11 |
| Contribution from Revenue Budget | £300k | From 2012/13, original £500k allocation reduced by £200k Workstream Saving from 2016/17 & as a result of reduction in capital spend of £1.5m |
| Reduction in funding | £(100)k | |
| Additional Contribution from Revenue Budget | £400k | From 2017/18, diversion of Riverside Inverclyde budget. |
| Loan Charges Saving | £(200)k | From 2020/21 based on lower interest rates. |

Finance Strategy
Vehicle Replacement Programme

Appendix 9

Earmarked Reserve	<u>2019/20</u> £000's	<u>2020/21</u> £000's	<u>2021/22</u> £000's	<u>2022/23</u> £000's	<u>2023/24</u> £000's	<u>2024/25</u> £000's	<u>2025/26</u> £000's
Capital Requirements:							
Vehicle Purchases	1,301	2,421	680	477	1,075	1,579	3,056
Grant Funding	(33)	0	(19)	0	0	0	0
Residual Value	(454)	(543)	(148)	(95)	(296)	(443)	(723)
Net Capital Requirement	<u>814</u>	<u>1,878</u>	<u>513</u>	<u>382</u>	<u>779</u>	<u>1,136</u>	<u>2,333</u>
Earmarked Reserve b/fwd	193	157	236	292	303	343	289
Loan Charges	(1,067)	(1,043)	(1,066)	(1,111)	(1,082)	(1,176)	(1,221)
Additional Revenue Costs, Tracking System	(28)	(28)	(28)	(28)	(28)	(28)	(28)
	<u>(1,095)</u>	<u>(1,071)</u>	<u>(1,094)</u>	<u>(1,139)</u>	<u>(1,110)</u>	<u>(1,204)</u>	<u>(1,249)</u>
Funding Available							
Loan Charges	1,059	1,150	1,150	1,150	1,150	1,150	1,150
Other Adjustments	0	0	0	0	0	0	0
Total Funding Available	<u>1,059</u>	<u>1,150</u>	<u>1,150</u>	<u>1,150</u>	<u>1,150</u>	<u>1,150</u>	<u>1,150</u>
Annual Funding Surplus/(Shortfall)	<u>(36)</u>	<u>79</u>	<u>56</u>	<u>11</u>	<u>40</u>	<u>(54)</u>	<u>(99)</u>
Earmarked Reserve c/fwd	<u>157</u>	<u>236</u>	<u>292</u>	<u>303</u>	<u>343</u>	<u>289</u>	<u>190</u>

It should be noted that the model:

- a Assumes continuation of Food Waste collection and includes replacement of Food Waste Vehicles, 2018/19.
 - b Includes Low Carbon Vehicles, 2016/17 funded from a combination of Government grant and reductions in Service Revenue budgets.
- In 2018/19 & 2019/20 a further 28 vehicles will be replaced with Low Carbon Vehicles, funded from Government grant and existing replacement budget.

Finance Strategy
Roads Asset Management Plan

Appendix 10

		<u>2012/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2013/18</u>	<u>2018/23</u>	<u>2013/23</u>
		Actual	Actual	Approved	Approved	Approved	Approved	5 Year	5 Year	10 Year
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Funding Available										
Core/Supported Borrowing	a	6,700	2,683	2,819	2,959	3,000	3,000	6,700	14,461	21,161
Prudential Borrowing		13,400						13,400		13,400
CFCR:										
Early Allocation (Feb 2012)	b	3,000						3,000		3,000
Further Allocation (Feb 2013)	c	5,900						5,900		5,900
Further Allocation (March 2018)	d			620					620	620
Total Funding Available		29,000	2,683	3,439	2,959	3,000	3,000	29,000	15,081	44,081
Allocation of Expenditure										
Carraigeways		17,095	1,723	1,459	1,759	1,554	1,558	17,095	8,053	25,148
Footways		3,189	421	237	326	330	329	3,189	1,643	4,832
Lighting		3,483	1,203	670	411	416	415	3,483	3,115	6,598
Drainage		325	166	125	260	203	202	325	956	1,281
Structures		1,020	105	407	675	176	175	1,020	1,538	2,558
Fees & Staffing Costs	e	1,977	399	325	321	321	321	1,977	1,687	3,664
Total Allocation of Expenditure		27,089	4,017	3,223	3,752	3,000	3,000	27,089	16,992	44,081
Over/(Under) Allocation		(1,911)	1,334	(216)	793	0	0	(1,911)	1,911	0

Notes

- a 2019/23 funding approved March 2019.
- b Funds were set aside during February 2012 budget process prior to the formal approval of the RAMP model.
- c CFCR part funded from underspends due to reduced requirement for Loan Charges in early years.
- d Additional CFCR allocation to fund final phase of lighting programme.
- e Staffing requirements from 2019/20 onwards confirmed and built into core roads establishment as part of the budget process, Capital/RAMP Fees have been increased accordingly.

City Deal - First 10 Years

Capital	<u>£m</u> 15/18	<u>£m</u> 18/19	<u>£m</u> 19/20	<u>£m</u> 20/21	<u>£m</u> 21/22	<u>£m</u> 22/23	<u>£m</u> 23/24	<u>£m</u> 24/25	<u>£m</u> Total
Overall Grant	90	30	30	30	30	70	60	60	400
Regional Projects	1.944	0.46	0.7	18.8	30	34	45	33	163.904
Grant Available	88.056	29.54	29.3	11.2	0	36	15	27	236.096
Inverclyde's Grant Share	2.554	0.857	0.850	0.325	0.000	1.044	0.435	0.783	6.847
Project Spend									
Ocean Terminal	0.254	0.239	5.378	3.500	0.358	0	0	0	9.729
Inverkip	0.008	0.000	0.300	2.942	0	0	0	0	3.250
Inchgreen	0	0.001	0.150	0	4.713	4.563	0	0	9.427
Borrowing	0	0	0	0	0	(1.320)	0	0	(1.320)
Grant Eligible Costs	0.262	0.240	5.828	6.442	5.071	3.243	0	0	21.086
Annual Grant (Shortfall)/Surplus	2.292	0.617	-4.978	-6.117	-5.071	-2.199	0.435	0.783	-14.239
Cumulative (Shortfall)/Surplus	2.292	2.908	-2.070	-8.187	-13.258	-15.457	-15.022	-14.239	
Revenue	<u>£m</u> 15/18	<u>£m</u> 18/19	<u>£m</u> 19/20	<u>£m</u> 20/21	<u>£m</u> 21/22	<u>£m</u> 22/23	<u>£m</u> 23/24	<u>£m</u> 24/25	
Revenue Budget	331	400	400	400	360	320	320	320	
PMO Central Team Costs	0	(74)	(60)	(60)	(62)	(64)	(66)	(68)	
Interest Charge	0	0	(9)	(77)	(161)	(288)	(308)	(300)	
Loans Charges (Inchgreen)	0	0	0	0	0	(26)	(81)	(81)	
Balance at Year End	331	657	988	1,251	1,388	1,330	1,195	1,066	

Notes

- 1/ The project spend profiles reflect the FBC figures for Greenock Ocean Terminal, OBC for Inverkip and initial project allowance for Inchgreen. Costs will be firming up as part of the detailed Business Case preparation. Figures exclude partner contributions. Phasings per October FSG.
- 2/ The Council will require to finance the interest costs associated with the grant shortfall and has set aside up to £400,000 per year for this purpose of which £60,000 is currently set aside for the Programme Management Office. A saving approved by the Sept P&R Committee reduced the £400k budget by £80k from 2022/23 on the assumption that loans charges will be met from the earmarked reserve balance
- 3/ Assumes that the City Deal will pass the first 2 milestones (2019 & 2024) and as such the UK and Scottish Government will honour their grant commitments.
- 4/ Regional projects have first call on the grant and total £174.3million. Phasing of these for 2020/21 and beyond is indicative at this stage.
- 5/ The Interest Charge is based on the investment return foregone by the Council on the assumption the capital investment will be funded from cash balances and fully repaid by 2035. Interest rates used , 19/20(0.85%), 20/22(1.5%) and 22/23 onwards (2.0%)

Finance Strategy
Loan Charges

		2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
Balance B/fwd		6,086	5,399	2,487	1,982	1,516	1,408	1,647	1,880	2,112	2,443	2,724	3,269
Projected Loan Charges	a	13,762	14,257	10,900	10,561	10,303	10,056	10,162	10,263	10,264	10,414	10,250	10,117
Available Budget	b	11,675	11,345	10,395	10,095	10,195	10,295	10,395	10,495	10,595	10,695	10,795	10,895
Loan Charge Surplus/(Deficit)		(2,087)	(2,912)	(505)	(466)	(108)	239	233	232	331	281	545	778
Additional Funding: One-Off Prior Year Adjustment	c	1,400											
Balance at Year End		5,399	2,487	1,982	1,516	1,408	1,647	1,880	2,112	2,443	2,724	3,269	4,047
Interest Rate (Assumed):		3.55%	3.50%	3.50%	3.50%	3.55%	3.60%	3.70%	3.80%	3.90%	4.00%	4.15%	4.25%

Notes

Revised projections as at November 2019 and excludes Loan Charges relating to funded models (SEMP, AMP, VRP, City Deal, Birkmyre Trust). Includes the effect of decisions on SEMF acceleration taken in March 2016 including the £650k annual budget transferred to SEMF from 2021/22. From 2018/19 onwards, general capital grant is applied to core allocations only and not to individually funded models (e.g. VRP).

- a £360k annual cost increase from 2021/22 for new LD Centre.
£100k annual cost increase from 2023/24 to reflect increased prudential borrowing of £1,400k.
- b Adjustments to Available Budget:
For 2019/20
£30k removed for ICT saving agreed February 2015 (additional sum removed each year until last year 2020/21).
Budget from 2018/19 onwards reduced by £300k annually to 2022/23 to reflect reduction in Scottish Government grant support resulting from repayment of historic debt.
£30k removed from ongoing budget for saving due to debt restructuring undertaken in February 2019.
Budget from 2019/20 onwards reduced by £70k due to use of reserves for premiums write-off in 2018/19.
£30k removed from ongoing budget for loan charges saving by using reserves to balance 2019/23 Capital Programme (agreed March 2019).
£400k removed from ongoing budget from 2019/20 following the Loan Charges review in 2019.
For 2021/22
£650k removed from ongoing budget and transferred to SEMF relating to SEMF acceleration, as agreed in March 2016.
For 2023/24
Budget from 2023/24 onwards increased by £100k annually for annual Prudential Borrowing.
- c This is a one-off prior year adjustment for charges made in previous years and follows the Loan Charges review in 2019.

Report To:	Inverclyde Council	Date:	5 December 2019
Report By:	Head of Legal & Property Services	Report No:	GM/LP/141/19
Contact Officer:	Gerard Malone	Contact No:	01475 712710
Subject:	Administrative Arrangements: Committee Remits and Delegations		

1.0 PURPOSE

- 1.1 The purpose of this report is to request the Council to make necessary changes to the Scheme of Administration and Scheme of Delegation (Officers).

2.0 SUMMARY

- 2.1 On an operational basis, the Corporate Management Team recently considered two separate items relating to the Homelessness Service and More Choices, More Chances which require, in respect of Homelessness, changes to the Scheme of Administration and, in respect of More Choices, More Chances, changes to both the Scheme of Administration and Scheme of Delegation (Officers).

3.0 RECOMMENDATIONS

- 3.1 The Council is asked to approve the changes to the Scheme of Administration as set out in Appendix 1 to the report.
- 3.2 The Council is asked to approve the changes to the Scheme of Delegation (Officers) as set out in Appendix 2.

Gerard Malone
Head of Legal & Property Services

4.0 BACKGROUND

- 4.1 The Council's key governance documents are regularly reviewed to ensure that these reflect the Council's approved structures.
- 4.2 Authority is sought in this report for the following changes:

Health & Social Care Committee

(a) The Head of Environmental & Public Protection is responsible for administering the Council's role as Strategic Housing Authority and for reporting to the Environment & Regeneration Committee on this function. However, the responsibility for administering and monitoring the Homelessness function is the operational remit of the Corporate Director (Chief Officer), Inverclyde Health & Social Care Partnership and, following Corporate Management Team review, it is proposed to specify this responsibility by including such reference in the remit of the Health & Social Care Committee.

(b) The Social Work Complaints Review Committee (SWCRC) has been replaced by a new model of complaints review involving consideration by the Scottish Public Sector Ombudsman (SPSO) and therefore reference to the SWCRC requires to be deleted from the remit of the Health & Social Care Committee.

Environment & Regeneration Committee

In order to provide a better focus on transitions for young people in relation to the More Choices, More Chances Programme, the Corporate Management Team recommends that the remit of the Environment & Regeneration Committee be amended to incorporate within its remit support to young people in their transition from compulsory education. There also requires to be an addition to the Scheme of Delegation (Officers) to specify that the operational responsibility for this is within the powers of the Head of Regeneration & Planning.

- 4.3 These changes have been incorporated within the updated Scheme of Administration and Scheme of Delegation (Officers) set out in Appendices 1 and 2 of the report respectively and are shown in italicised text (and red on the electronic version).

5.0 IMPLICATIONS

5.1 Finance

There are no financial implications.

Financial Implications:

One off Costs

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

Annually Recurring Costs/ (Savings)

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

5.2 Legal

The legal implications are as set out in the report.

5.3 Human Resources

There are no HR implications arising from this report.

5.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

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

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

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

5.5 Repopulation

There are no repopulation implications arising from this report.

6.0 CONSULTATIONS

6.1 This report has been endorsed by the Corporate Management Team.

7.0 BACKGROUND PAPERS

7.1 None.

Extract of Scheme of Administration**7.3.2 Relationships with Key Partnerships**

To oversee the Council's relationships with the following agencies and partnerships:

- Audit Scotland
- The Accounts Commission
- The Council's External Auditors

7.4 HEALTH AND SOCIAL CARE COMMITTEE

7.4.1 Power is delegated to the Health and Social Care Committee:

- (a) To oversee the Council's relationship with the Inverclyde Integration Joint Board;
- (b) To oversee the effective deployment of Council resources to support the strategic priorities of the Inverclyde Integration Joint Board;
- (c) ~~To consider recommendations arising from the findings of the Social Work Complaints Review Committee.~~

To oversee the Council's responsibilities in relation to homelessness services and, within the statutory framework, to contribute to reports on homelessness and rented residential accommodation to the Scottish Housing Regulator.

7.5 ENVIRONMENT AND REGENERATION COMMITTEE

7.5.1 Power is delegated to the Environment and Regeneration Committee:

To have responsibility for the directorate planning, performance management reporting and financial monitoring for the following service areas:

- Regeneration and Planning
- Asset Management and Property Estates
- Environmental and Public Protection Services
- Strategic Housing
- Emergency Planning
- Private Sector Housing
- Environmental Health and Trading Standards

7.5.2 The Committee has service responsibilities as follows:

Regeneration and Planning

- (a) To promote the economic development and urban regeneration of Inverclyde;
- (b) To promote competitiveness, employment growth, the physical environment and planning and quality of life;
- (c) To promote marketing and inward investment, business development and support schemes, training initiatives *and processes to support young people in their transition from compulsory education*, labour market activities, the marketing, management and development of industrial and commercial property and to participate and engage in effective partnership activities to support all of the above;

Extract of Scheme of Delegation (Officers)

- 20 Authorised to approve and record any deviation from the standards set out in the Guide to Safety at Sports Grounds setting out the justification for the deviation;
- 21 Authorised to maintain all records in relation to the annual and other inspections of certified sports grounds carried out by the Head of Regeneration & Planning, the Chief Constable and the Chief Officer, Strathclyde Fire and Rescue;
- 22 Authorised to fix the annual date for the inspection of any certified sports ground;
- 23 Authorised to act as Lead Officer for the Council in all aspects of the Joint Management of Clyde Muirshiel Regional Park;
- 24 Authorised to approve the terms and conditions of and to sign missives of lease in respect of commercial and industrial properties in the ownership of the Council for not exceeding one year, subject to all such transactions being recorded in a Register kept for that purpose by him/her which shall be available for inspection by Elected Members of the Council;
- 25 Authorised to grant leases in respect of commercial and industrial properties in the ownership of the Council at market value for periods up to 5 years in respect of property with rentals of up to £25,000 per annum, subject to the condition that he/she maintains a Register of transactions so dealt with, which Register shall be available for inspection by Elected Members of the Council;
- 26 Authorised, where arrears of rent have arisen or any other term of the lease has been breached, to enter into and terminate the leases and to take any action necessary to secure possession of property and to recover rent arrears, subject to maintaining a Register of transactions so dealt with, which Register shall be available for inspection;
- 27 Authorised to terminate leases at wish in respect of all commercial and industrial properties and to agree commercial and industrial rental levels at review periods;
- 28 Authorised to conclude missives in respect of assignments of leases for commercial and industrial premises;
- 29 Authorised to proceed with repairs to commercial and industrial premises;
- 30 *Authorised to identify and engage young people in programmes to develop post compulsory education learning opportunities for 16-19 year olds and to work within, and form effective partnerships with, schools, colleges, local businesses and others to support transitions for young people.*

Exceptions:

The above delegations are subject to the exception of the following categories of application, which are for decision by Elected Members, as follows:

To be determined by the Council:

- (a) national developments as specified in the National Planning Framework;
- (b) major developments which are significantly contrary to the local development plan;

To be determined by a Committee or Board of the Council:

- (a) which the Planning Authority decides to determine which would otherwise fall to be determined by a person appointed to do so under this scheme;

Report To:	Inverclyde Council	Date:	5 December 2019
Report By:	Head of Legal & Property Services	Report No:	GM/LP/140/19
Contact Officer:	Gerard Malone	Contact No:	01475 712710
Subject:	Proposed Compulsory Purchase Order - Babylon, West Stewart Street, Greenock		

1.0 PURPOSE

- 1.1 The purpose of this report is to request that the Council seeks to promote the Compulsory Purchase Order at Babylon, West Stewart Street, Greenock in order to improve the conditions of the West Blackhall Street area and to assist making Greenock town centre a successful and attractive place.

2.0 SUMMARY

- 2.1 The Local Development Plan identifies the importance of Greenock town centre and making the town centre a successful and attractive place is integral to the three Local Outcomes Improvement Plan priorities of repopulation, reducing inequalities and supporting environment, culture and heritage.
- 2.2 At its May 2019 meeting, the Environment & Regeneration Committee considered a report by the Head of Regeneration & Planning on under-utilised sites in Greenock town centre. That report underlined the significant investment that is in hand in improving the public realm of West Blackhall Street, Greenock. The Committee considered the strategic background to intervention and decided to use Scottish Government Town Centre Fund allocation to contribute towards bringing one or more of the under-utilised sites and buildings referred to within that report into productive use for the benefit of the community.
- 2.3 At its August 2019 meeting, the Environment & Regeneration Committee considered the report by the Head of Legal & Property Services on the background to the Babylon, West Stewart Street building and site and the background involving contact with the owners of the building over an extensive period. From the terms of that report, it was requested that a further report be submitted to the Council at its December meeting so that a decision may be made as to whether to continue to attempt voluntary negotiations or otherwise to seek the promotion of a Compulsory Purchase Order.
- 2.4 Following upon contact and discussions with the owners, it is clear that voluntary negotiations are unlikely to be agreed at this time and, so, for purposes of implementing the Council's strategy in the area, the seeking of compulsory purchase powers will be necessary.

3.0 RECOMMENDATION

- 3.1 That the Council approves the promotion of a Compulsory Purchase Order for the building at Babylon, West Stewart Street, Greenock and that it be remitted to the Corporate Director Environment, Regeneration & Resources in consultation with relevant Officers to progress and report thereon, in due course.

4.0 BACKGROUND

- 4.1 The site at Babylon, West Stewart Street, Greenock is shown in **Appendix 1**. The site of the building amounts to 1,060 square metres or thereby. The building and site are in a dilapidated condition within Greenock Town Centre and all attempts thus far to develop the site for affordable housing or for it to be acquired voluntarily by the Council have failed. The site is in the current Strategic Housing Investment Plan and it is in the public interest for it be acquired and remediated.
- 4.2 The approved Local Development Plan identifies the importance of Greenock town centre. In addition, the Council recognises that making Greenock town centre a successful and attractive place is integral to the three Local Outcomes Improvement Plan priorities of repopulation, reducing inequalities and supporting environment, culture and heritage.
- 4.3 At its May 2019 meeting, the Environment & Regeneration Committee considered a detailed report by the Head of Regeneration & Planning to identify under-utilised sites in Greenock town centre, including the Babylon, West Stewart Street, Greenock building. The Committee decided that the under-utilised sites identified within that report be prioritised and requested Officers to engage with their owners potentially to advance any redevelopment of the sites within the terms of its strategies. The Committee also decided that the Scottish Government Town Centre Fund allocation be used to contribute towards bringing one or more of the under-utilised sites and buildings referred to in the report into productive use.
- 4.4 At its August 2019 meeting, the Environment & Regeneration Committee considered a report by the Head of Legal & Property Services on the background to the Babylon, West Stewart Street, Greenock building and site and history of contact with the owners. From the terms of that report, the Committee requested that a report be considered by the Council at its December 2019 meeting on any progress and to determine whether a Compulsory Purchase Order should be sought.

5.0 CURRENT SITUATION

- 5.1 The site is in a dilapidated condition and is under-utilised to the detriment of the vicinity of the West Blackhall Street area and to Greenock town centre. The Council has identified the West Blackhall Street area for substantial investment and improvement in the public realm.
- 5.2 There has been further contact with the owners of the site and there has been discussion of a joint venture approach but it is clear that voluntary negotiations will not conclude at this time. Following upon a number of unsuccessful attempts to establish joint venture arrangements with local Registered Social Landlords, Officers remain to be convinced that a joint venture proposal could be developed based on the land value expectations of the owners. In terms of its priorities, the Council will now seek to compulsorily purchase the site. Following any approved acquisition by compulsory purchase, the site will be the subject of demolition and investment in terms of the Council's strategies for improving this vicinity and realising the planning strategy for this area.
- 5.3 The cost of acquiring the site would be met by the Town Centre Fund if funding timescale eligibility can be met, otherwise the funding would be sourced from the Town Centre Regeneration Forum allocation. A comprehensive statement of reasons supporting the compulsory purchase of the site will be prepared and will require to be submitted to Scottish Ministers for consideration.
- 5.4 The owners will continue to be given the opportunity to sell their property on a voluntarily basis throughout the duration of the Compulsory Purchase Order process. The legal and financial issues relative to the seeking of compulsory purchase powers together with the relevant implications have been noted in the report to the Environment & Regeneration Committee meeting in August 2019.

6.0 IMPLICATIONS

6.1 Finance

The Council has been awarded £660,000 from the Scottish Government Town Centre Fund. The acquisition of land and buildings as part of a strategic vision in terms of the Local Development Plans is an acceptable use of this funding provided that timescale eligibility could be met. Otherwise this would come out of the Town Centre Regeneration Forum allocation.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Greenock Town Centre Fund/Town Centre Regeneration Forum Allocation	Site Acquisition	2020/21	£TBC		District Valuer assessment

Annually Recurring Costs/ (Savings)

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

6.2 Legal

There is a statutory process for seeking and obtaining compulsory purchase powers. The Council does not have any power to compulsorily acquire any land until the Compulsory Purchase Order is confirmed by Scottish Ministers. The use of any compulsory purchase powers is a significant step that must be carefully considered as it affects a person's property rights and the benefits of any intended Council projects and priorities must be balanced against the rights of landowners and any others with an interest in the land. The principle to be followed is that a Compulsory Purchase Order must be done efficiently and fairly and that uncertainty for landowners and those affected by the compulsory powers should be minimised wherever possible. There is a detailed process for objecting to the seeking of compulsory purchase powers and Scottish Ministers may confirm, modify or reject orders without the need for any form of hearing. Equally, however, Scottish Ministers may arrange for a Public Local Inquiry to be held for objections to be considered or through the written representations procedures. It is possible for the Council at any time to negotiate with objectors prior to any public inquiry or, where relevant, during their written representations procedure. If the Compulsory Purchase Order is confirmed, there are a number of ways for the Council to acquire the land:-

- (a) by agreement;
- (b) notice to treat;
- (c) general vesting declaration; or
- (d) blights notice.

These detailed issues are noted in full in the August 2019 report to the Environment & Regeneration Committee. In terms of setting the price, the Lands Tribunal for Scotland has the statutory power to deal with any aspect of disputed compensation arising from the compulsory purchase.

6.3 Human Resources

There are no personnel implications associated with this report.

6.4 Equalities

Equalities

This initiative will help deliver key strategic outcomes relative to the Local Outcome Improvement Plan and to the Greenock charrette. The project will have a positive impact on the amenity of the West Blackhall Street area and on residents' quality of life. The project will improve the standard of accommodation available for residents and the housing conditions within Inverclyde.

(a) Has an Equality Impact Assessment been carried out?

	YES
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

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

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

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

6.5 Repopulation

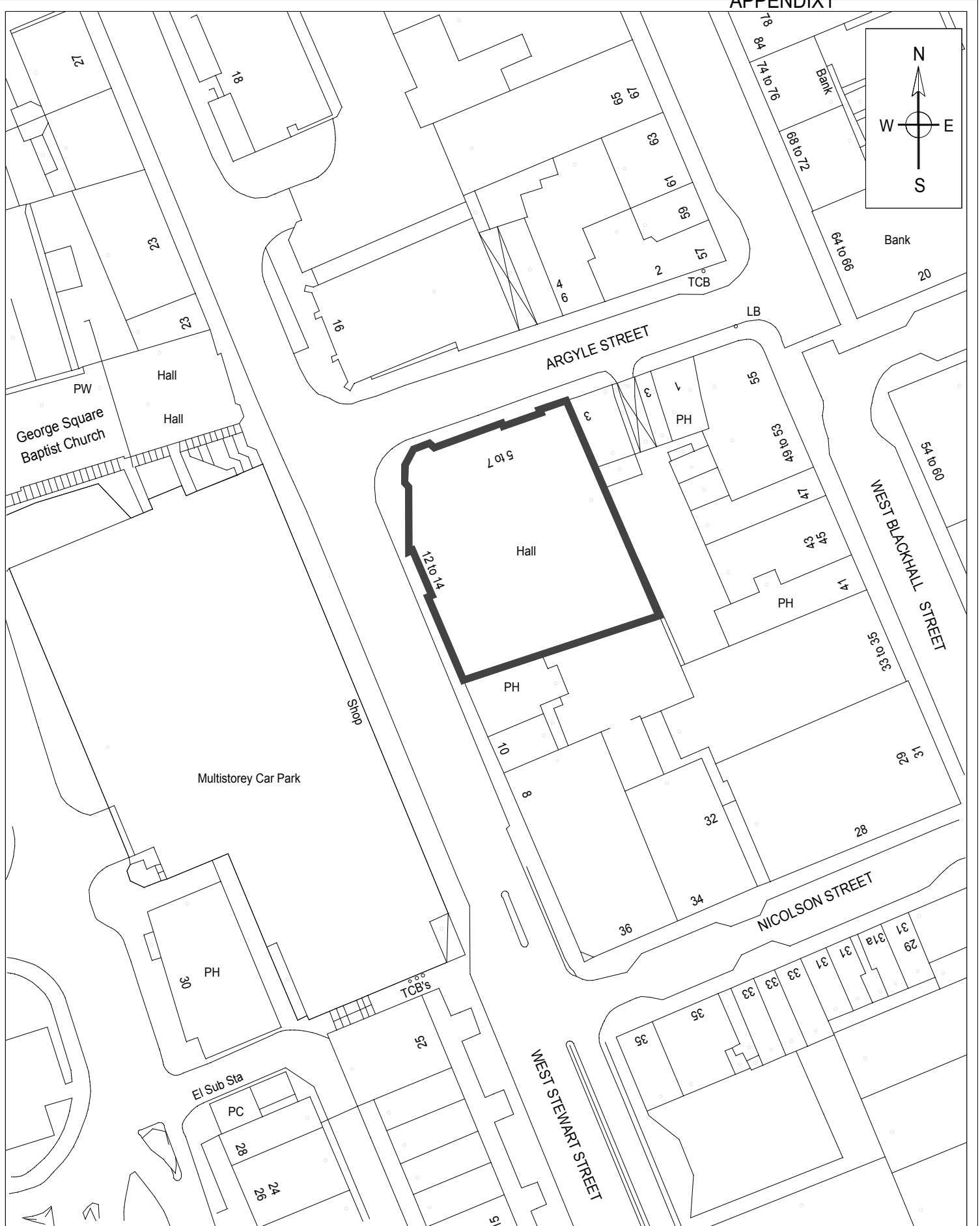
Improving the environment and attractiveness of Greenock town centre will make it and Inverclyde as a whole a more attractive place to live, work, visit and invest.

7.0 CONSULTATIONS

7.1 The Corporate Management Team endorses this report.

8.0 BACKGROUND PAPERS

8.1 None.



Area shown outlined extends to 1059.74 sq.m. (0.106 Hectares) or thereby.

Former ' Babylon' site, West Stewart St., Greenock

SCALE: 1:750
 Originating Group:

DRAWN BY:

DATE 01/04/2019

Drawing No. Former ' Babylon' site
 West Stewart St
 Greenock

Report To:	Inverclyde Council	Date:	5 December 2019
Report By:	Corporate Director, Environment, Regeneration and Resources	Report No:	LP/138/19
Contact Officer:	Lindsay Carrick	Contact No:	01475 712114
Subject:	Proposed Traffic Regulation Order – The Inverclyde Council, Disabled Persons’ Parking Places (On-Street) Order No. 3 2019		

1.0 PURPOSE

- 1.1 The purpose of this report is to request the Council to consider a remit from the Environment & Regeneration Committee.

2.0 SUMMARY

- 2.1 The Environment & Regeneration Committee held on 31 October 2019 after consideration of a report by the Corporate Director Environment, Regeneration & Resources on the proposed Traffic Regulation Order – The Inverclyde Council, Disabled Persons’ Parking Places (On-Street) Order No. 3 2019 recommended that the Inverclyde Council be asked to make the Traffic Regulation Order and to remit it to the Shared Head of Service Roads and the Head of Legal and Property Services to arrange for its implementation.

3.0 RECOMMENDATION

- 3.1 That the Inverclyde Council approves the making of the Traffic Regulation Order – The Inverclyde Council, Disabled Persons’ Parking Places (On-Street) Order No. 3 2019 and that the Shared Head of Service Roads and the Head of Legal and Property Services be authorised to take all necessary action in connection therewith.

Appendix
1

Gerard Malone
Head of Legal and Property Services

4.0 BACKGROUND

- 4.1 Local Authorities are empowered to make Orders under the Road Traffic Regulation and Roads (Scotland) Act 1984.
- 4.2 The provision of on-street parking places for use by disabled drivers, who are the holders of a Disabled Person's Badge, is regulated by The Disabled Persons' Parking Places (Scotland) Act 2009. Inverclyde Council is required to promote a Traffic Regulation Order to regulate the use of such parking places.
- 4.3 The Council is asked to note that, if approved, the Order may not be implemented until the making of the Order has been advertised to allow any persons who so wish a period of six weeks to question the validity of the Order in terms of the Road Traffic Regulation Act 1984.

6.0 IMPLICATIONS

6.1 Finance

Financial Implications:

One off Costs

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

Annually Recurring Costs/ (Savings)

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

6.2 Legal

There are no legal implications arising from this report.

6.3 Human Resources

There are no HR implications arising from this report.

6.4 Equalities

Equalities

- (a) Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

- (b) Fairer Scotland Duty

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

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

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

6.5 Repopulation

There are no repopulation implications arising from this report.

7.0 CONSULTATIONS

7.1 The proposals have been advertised in the Greenock Telegraph and full details of the proposals have been made available for public inspection during normal office hours at the offices of the Shared Head of Service Roads, the Customer Contact Centre and at Central, Port Glasgow, Kilmacolm, Southwest and Gourrock Libraries.

8.0 BACKGROUND PAPERS

8.1 None

THE INVERCLYDE COUNCIL
DISABLED PERSONS' PARKING PLACES
(ON-STREET) ORDER NO. 3 2019
TRAFFIC REGULATION ORDER

THE INVERCLYDE COUNCIL
DISABLED PERSONS' PARKING PLACES (ON-STREET)
ORDER NO. 3 2019

The Inverclyde Council in exercise of the powers conferred on them by Section 32(1) of the Road Traffic Regulation Act 1984 ("the Act") and of all other enabling powers and after consultation with the Chief Constable of Police Scotland in accordance with Part III of Schedule 9 to the Act hereby make the following Order.

1. This Order may be cited as "The Inverclyde Council Disabled Persons' Parking Places (On-Street) Order No. 3 2019" and shall come into operation on #####.

2. In this Order the following expressions have the meanings hereby assigned to them:-

"Council" means The Inverclyde Council or its successors as Roads Authority;

"disabled person's badge" means:

- (a) a badge issued under Section 21 of the Chronically Sick and Disabled Persons Act 1970 (as amended);
 - (b) a badge issued under a provision of the law of Northern Ireland corresponding to that section; or
 - (c) a badge issued by any member State other than the United Kingdom for purposes corresponding to the purposes for which badges under that section are issued;
- and which has not ceased to be in force;

"disabled person's vehicle" means a vehicle lawfully displaying a disabled person's badge;

"parking attendant" means a person employed in accordance with Section 63A of the Act to carry out the functions therein;

"parking place" means an area of land specified by number and name in Columns 1 and 2 in the Schedule to this Order;

"traffic sign" means a sign prescribed or authorised under Section 64 of the Act; and

"vehicle" unless the context otherwise requires, means a vehicle of any description and includes a machine or implement of any kind drawn or propelled along roads whether or not by mechanical power.

3. The Schedule titled "Disabled Persons' Parking Places (On Street) Order No. 3 2019" forms the Schedule to this Order.

4. Each area of road which is described in the Schedule Part 1 to this Order and the plans relative to this Order is hereby designated as a parking place.

5. The parking places shall only be used for the leaving of disabled persons' vehicles displaying a valid disabled person's badge.

6. The limits of each parking place shall be indicated on the carriageway as prescribed by The Traffic Signs Regulations and General Directions 2016, as amended.
7. Every vehicle left in any parking place shall stand such that no parking place is occupied by more than one vehicle and that every part of the vehicle is within the limits of the parking place provided that, where the length of a vehicle precludes compliance with this paragraph, such vehicle shall be deemed to be within the limits of a parking place if:-

the extreme front portion or, as the case may be, the extreme rear portion of the vehicle is within 300mm of an indication on the carriageway provided under this Order in relation to the parking place; and

the vehicle, or any part thereof, is not within the limits of any adjoining parking place.
8. Any person duly authorised by the Council or a police officer in uniform or a traffic warden or parking attendant may move or cause to be moved in case of any emergency, to any place they think fit, vehicles left in a parking place.
9. Any person duly authorised by the Council may suspend the use of a parking place or any part thereof whenever such suspension is considered reasonably necessary:-

for the purpose of facilitating the movement of traffic or promoting its safety;

for the purpose of any building operation, demolition, or excavation in or adjacent to the parking place or the laying, erection, alteration, removal or repair in or adjacent to the parking place of any sewer or of any main, pipe, apparatus for the supply of gas, water electricity or of any telecommunications apparatus, traffic sign or parking meter;

for the convenience of occupiers of premises adjacent to the parking place on any occasion of the removal of furniture from one office or dwellinghouse to another or the removal of furniture from such premises to a depository or to such premises from a depository;

on any occasion on which it is likely by reason of some special attraction that any street will be thronged or obstructed; or

for the convenience of occupiers of premises adjacent to the parking place at times of weddings or funerals or on other special occasions.
10. A police officer in uniform may suspend for not longer than twenty four hours the use of a parking place or part thereof whenever such suspension is considered reasonably necessary for the purpose of facilitating the movement of traffic or promoting its safety.

11. This Order insofar as it relates to the parking places to be revoked (R) and amended, as specified in the Schedule Part 2 to this Order, partially revokes and amends The Inverclyde Council Disabled Persons' Parking Places (On-Street) Order Nos.03/2010, 03/2011, 01/2015, 04/2015, 01/2017 and 02/2019 respectively.

Sealed with the Common Seal of The Inverclyde Council and subscribed for them and on their behalf by #####, Proper Officer, on the ##### day of #####, Two Thousand and #####.

DRAFT

INVERCLYDE COUNCIL

DISABLED PERSONS' PARKING PLACES (ON-STREET) ORDER No.3 2019

Rev C

SCHEDULE (Part 1)

All and whole that area of ground as described in Column 2 in the table below:

Column 1	Column 2
<u>Ref No.</u>	<u>Address of Disabled Person's Parking Place to be created "ex-adverso"</u>
1804	7 Smithston Cottages, Greenock
1859	20 Roxburgh Way, Greenock
1881	3 Glenhuntly Road, Port Glasgow
1902	72 Clynder Road, Greenock
1903	10 Lyle Street, Greenock
1904	11 Hillside Avenue, Kilmacolm
1907	24 Davaar Road, Greenock
1912	51 Forfar Road, Greenock
1915	39 Grosvenor Road, Greenock
1918	117a Albert Road, Gourock
1919	61 Forfar Road, Greenock
1920	14 Jacobs Drive, Gourock
1928	10 Oldhall Drive, Kilmacolm
1929	33 Trafalgar Street, Greenock
1996	110 Lynedoch Street, Greenock
1997	50 Newton Street, Greenock
1999	Knockbuckle Road, Kilmacolm



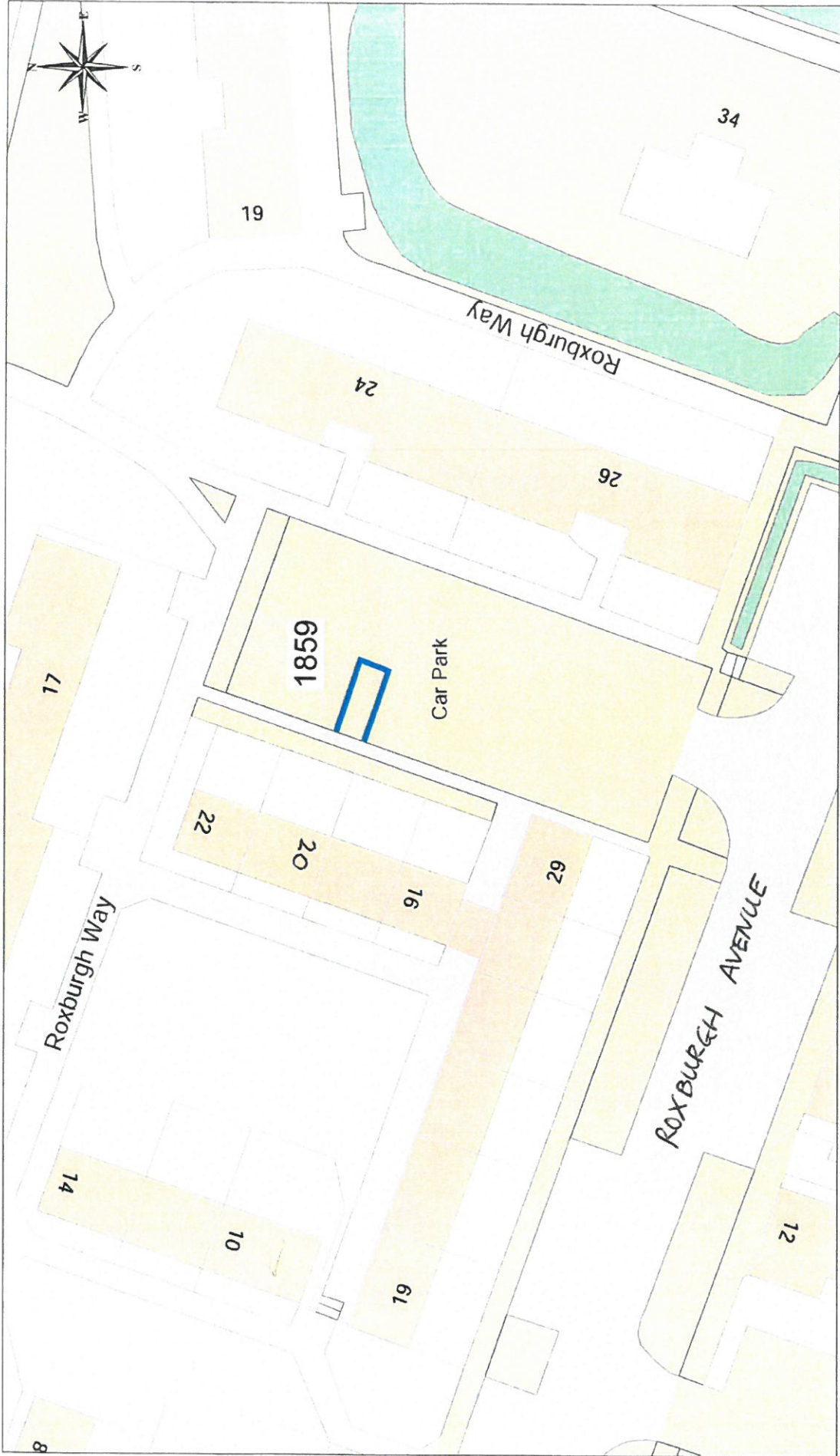
©Crown Copyright and database right 2018.
 All rights reserved.
 Ordnance survey Licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Clyde Square
 Greenock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
 7 SMITHSTON COTTAGES, GREENOCK
 PLACE No. 1804



©Crown Copyright and database right 2018
 All rights reserved
 Ordnance survey Licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Clyde Square
 Greenock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
20 ROXBURGH WAY, GREENOCK
PLACE NO. 1859

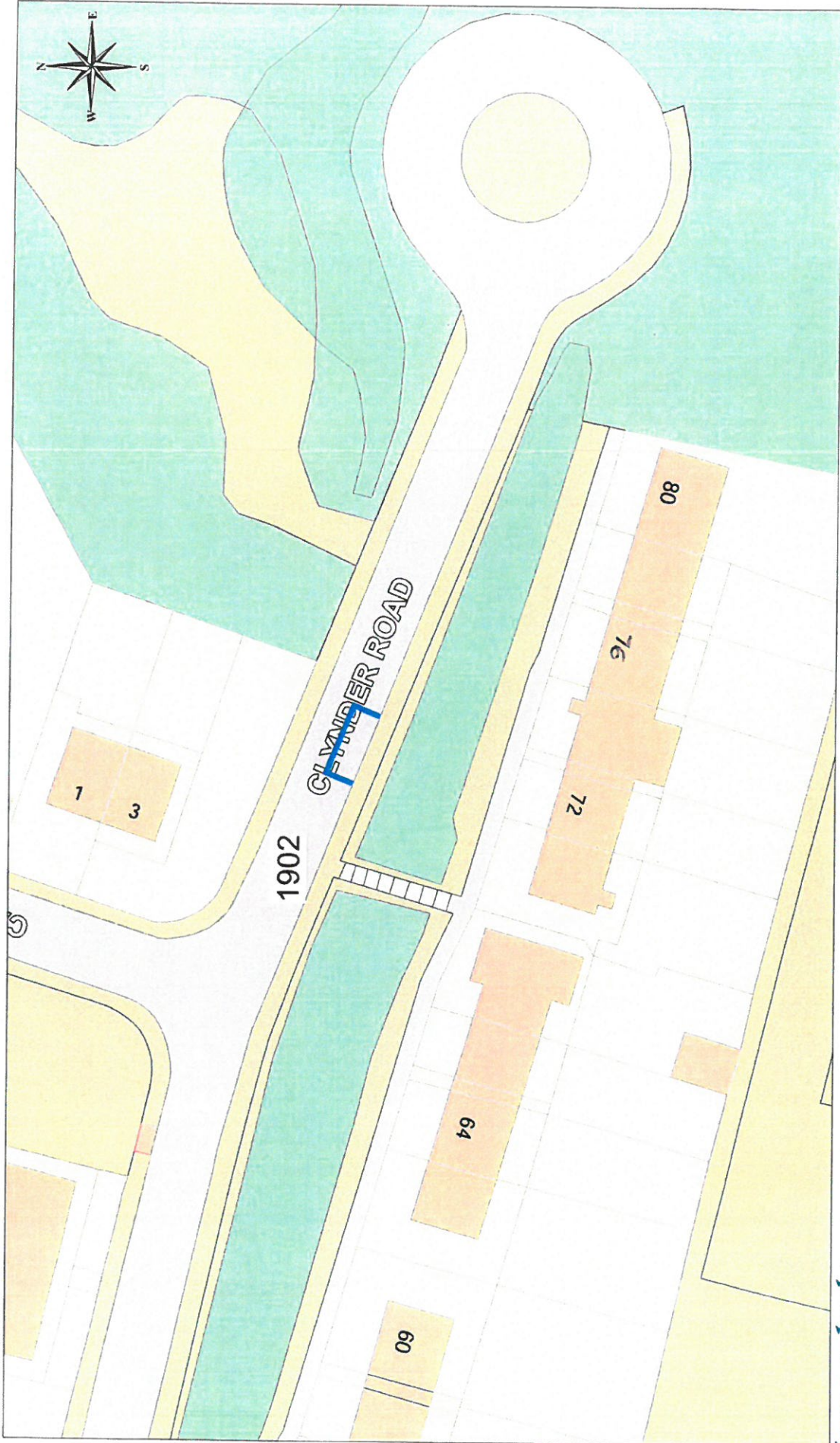


©Crown Copyright and database right 2018
 All rights reserved
 Ordnance survey Licence number 100023421

Inverclyde
 council
 Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Civic Square
 Greenock, G84 1LJ
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
3 GLENHUNTLY ROAD, PORT GLASGOW
PLACE No. 1881



©Crown Copyright and database right 2018
All rights reserved
Ordnance survey Licence number 100023421

Inverclyde
council
Roads & Transportation

Environment, Regeneration & Resources
Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
Municipal Buildings
Clyde Square
Greenock PA15 1LY
Tel: 01475 712712
Fax: 01475 712731
scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
72 CLYNDER ROAD, GREENOCK
PLACE No. 1902



©Crown Copyright and database right 2018
 All rights reserved
 Ordnance survey Licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E

Municipal Buildings
 Clyde Square
 Greenock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
10 LYLE STREET, GREENOCK
PLACE No. 1903



©Crown Copyright and database right 2018.
 All rights reserved
 Ordnance survey Licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Clyde Square
 Greenock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
11 HILLSIDE AVENUE, KILMACOLM
PLACE No. 1904



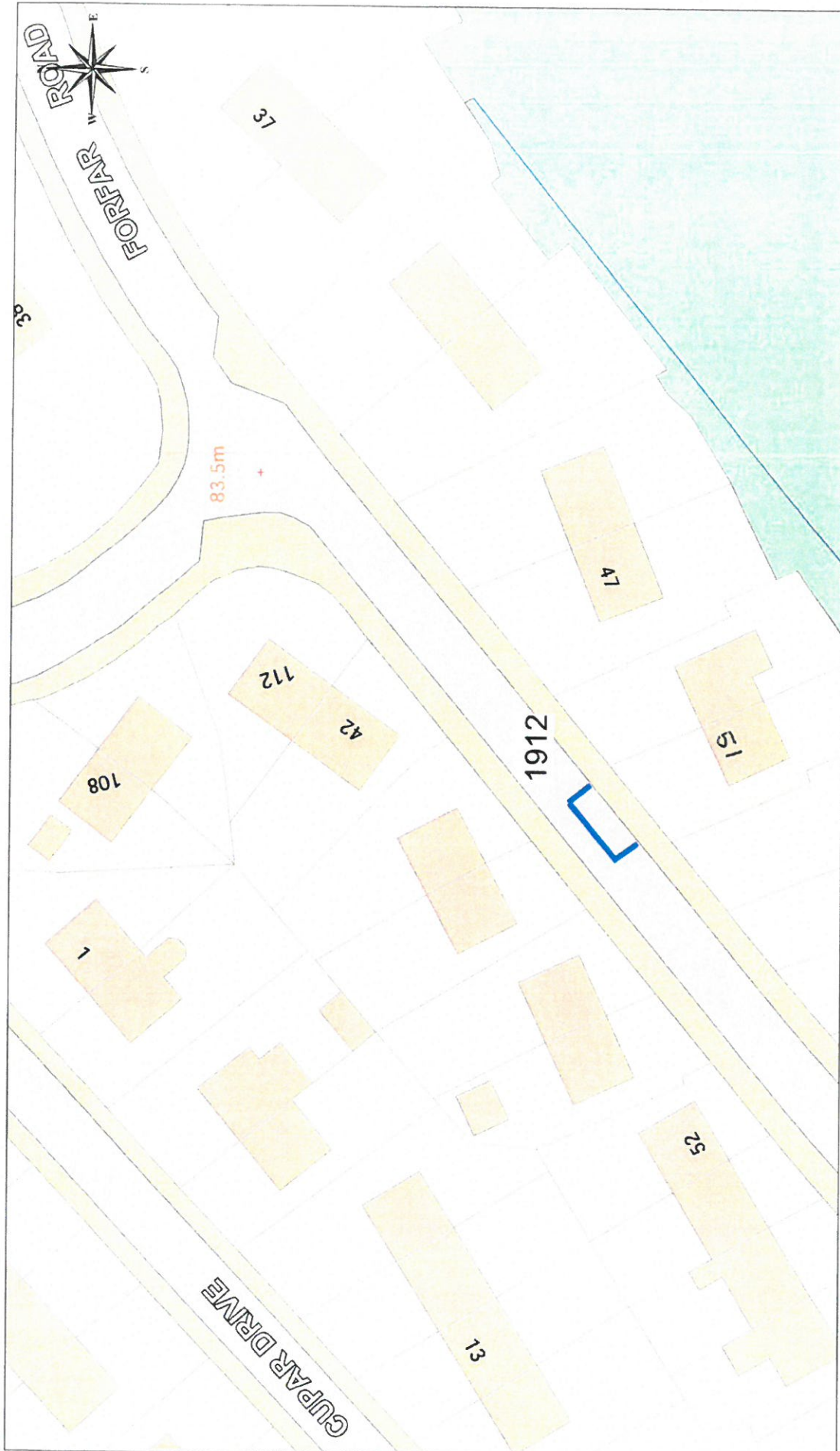
Inverclyde
 council
 Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Clyde Square
 Greenock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
 24 DAVAAR ROAD, GREENOCK
 PLACE No. 1907



©Crown Copyright and database right 2018
 All rights reserved
 Ordnance survey Licence number 100023421



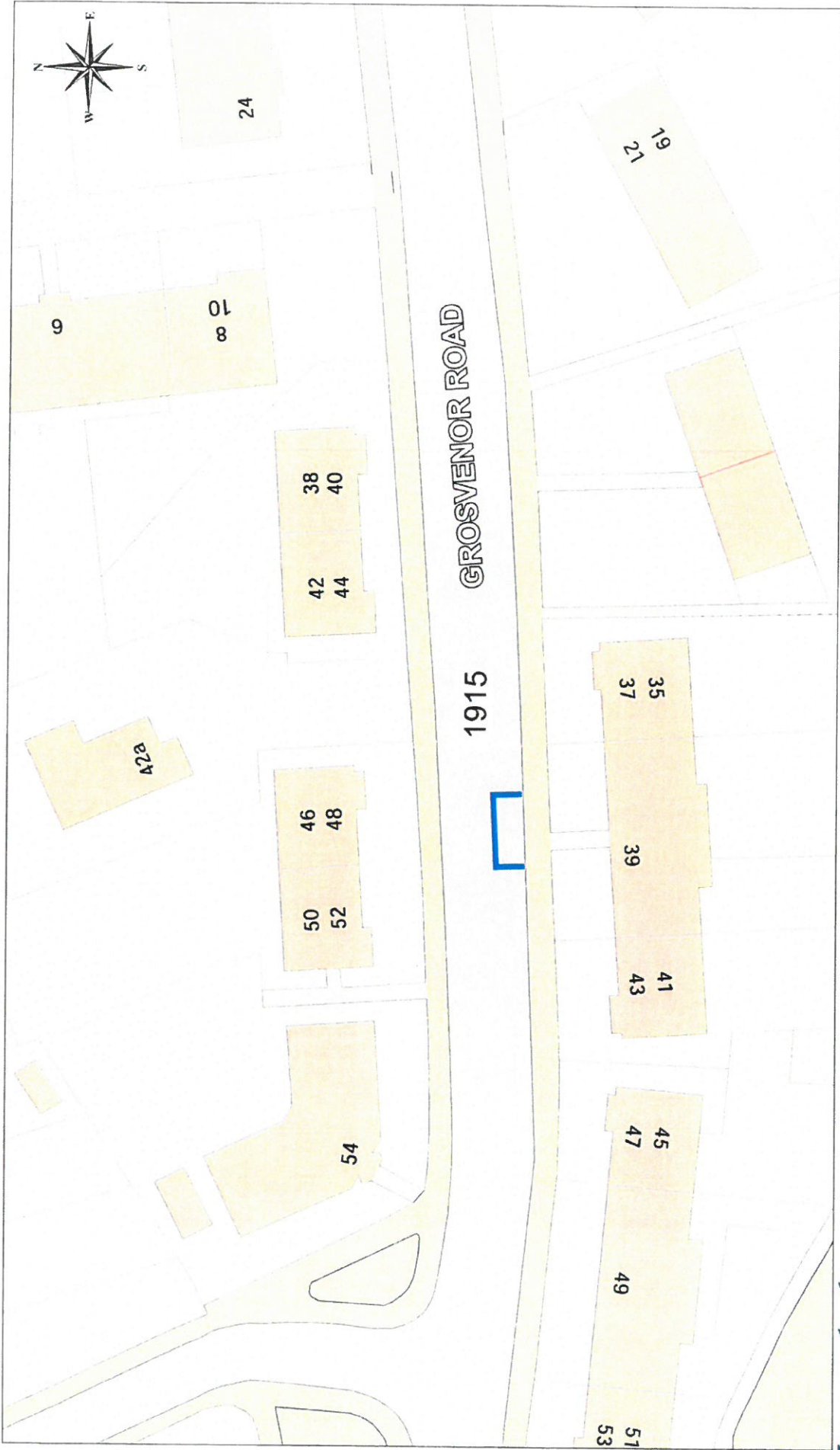
©Crown Copyright and database right 2018.
 All rights reserved.
 Ordnance survey Licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Clyde Square
 Greenock PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
51 FORFAR ROAD, GREENOCK
PLACE No. 1912



©Crown Copyright and database right 2018
 All rights reserved
 Ordnance survey licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Civic Square
 Greenock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
39 GROSVENOR ROAD, GREENOCK
PLACE No. 1915

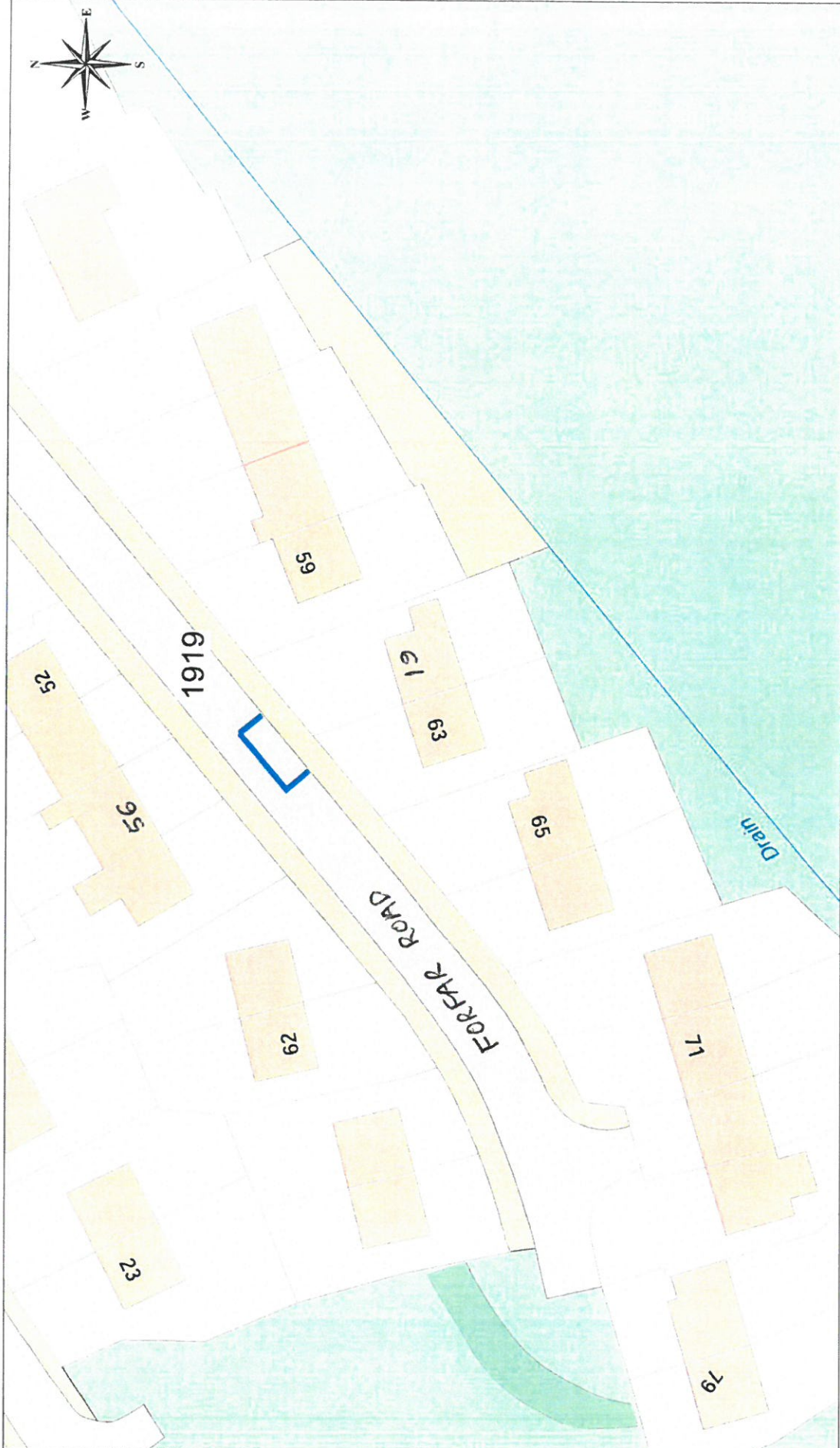


©Crown Copyright and database right 2018.
 All rights reserved.
 Ordnance Survey Licence number 100023421

Inverclyde
 council
 Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc, C.Eng., M.I.C.E.
 Municipal Buildings
 Clarks Square
 Gourock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
 117a ALBERT ROAD, GOUROCK
 PLACE No. 1918



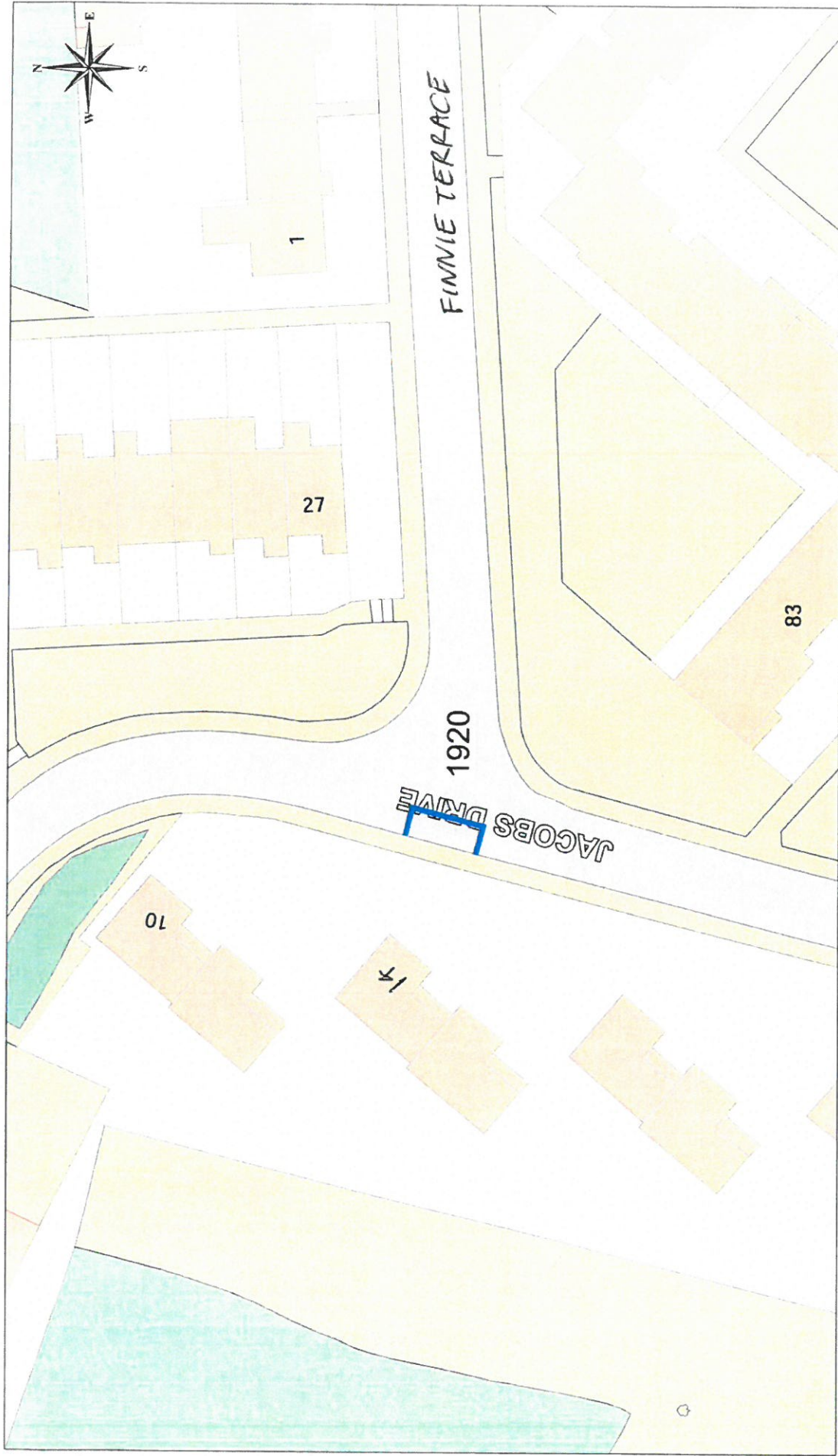
©Crown Copyright and database right 2018.
 All rights reserved.
 Ordnance survey Licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Clyde Square
 Greenock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
 61 FORFAR ROAD, GREENOCK
 PLACE No. 1919



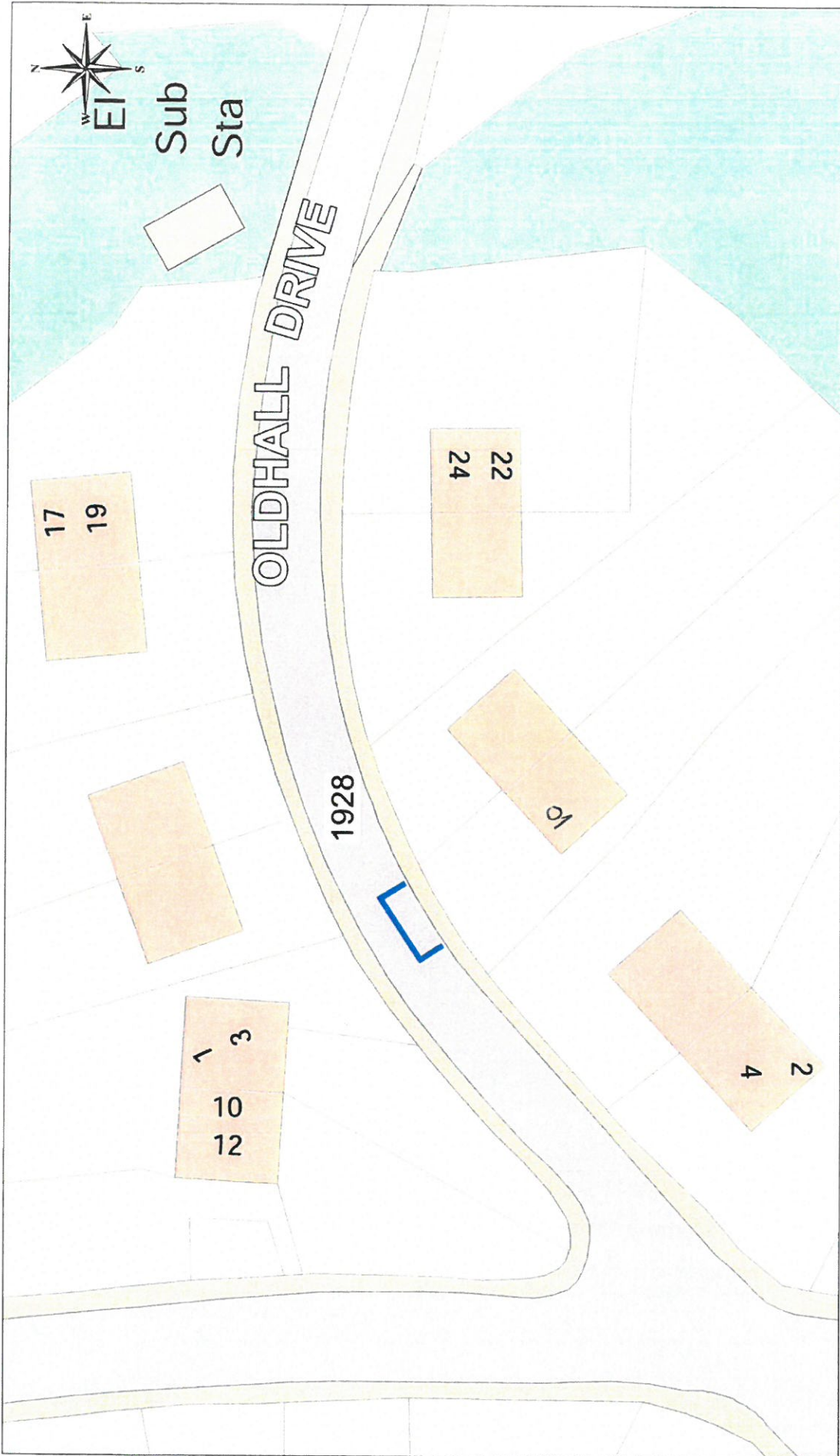
Inverclyde
council
Roads & Transportation

Environment, Regeneration & Resources
Corporate Director, Scott Allan BSc., C.Eng., M.I.C.E.
Municipal Buildings
Clyde Square, PA15 1LY
Tel: 01475 712712
Fax: 01475 712731
scott.allan@inverclyde.gov.uk



©Crown Copyright and database right 2018.
All rights reserved
Ordnance Survey Licence number 100023421

DISABLED PERSONS' PARKING PLACE
14 JACOBS DRIVE, GOUROCK
PLACE No. 1920



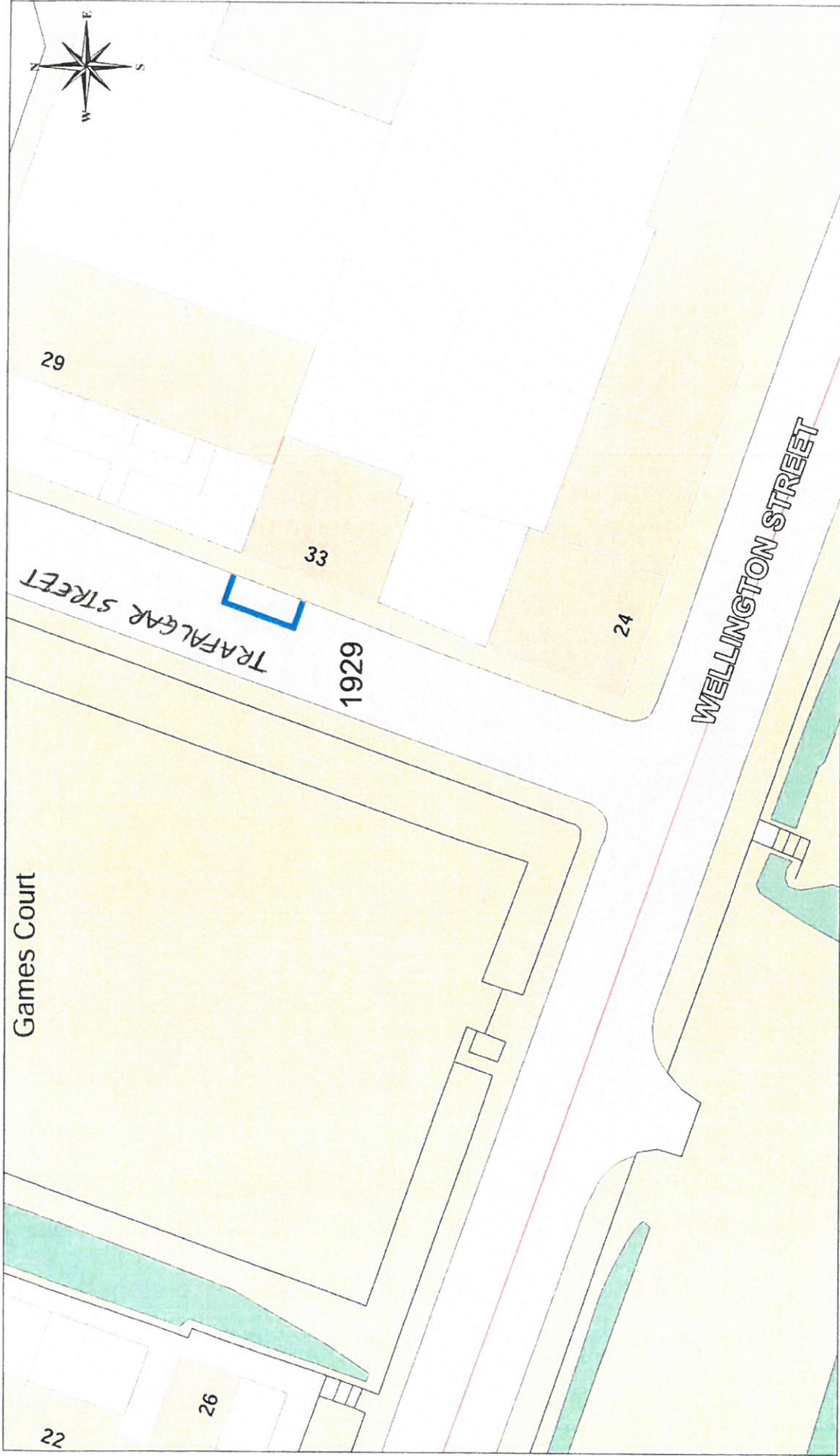
©Crown Copyright and database right 2018
All rights reserved
Ordnance survey licence number 100023421

Inverclyde
council

Roads & Transportation

Environment, Regeneration & Resources
Corporate Director: Scott Allan BSc. C.Eng., M.I.C.E.
Municipal Buildings
Clyde Square
Greenock, PA15 1LY
Tel: 01475 712712
Fax: 01475 712731
scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
10 OLDHALL DRIVE, KILMACOLM
PLACE No. 1928



©Crown Copyright and database right 2018
 All rights reserved
 Ordnance Survey Licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director, Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Green Square, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

DISABLED PERSONS' PARKING PLACE
 33 TRAFALGAR STREET, GREENOCK
 PLACE No. 1929



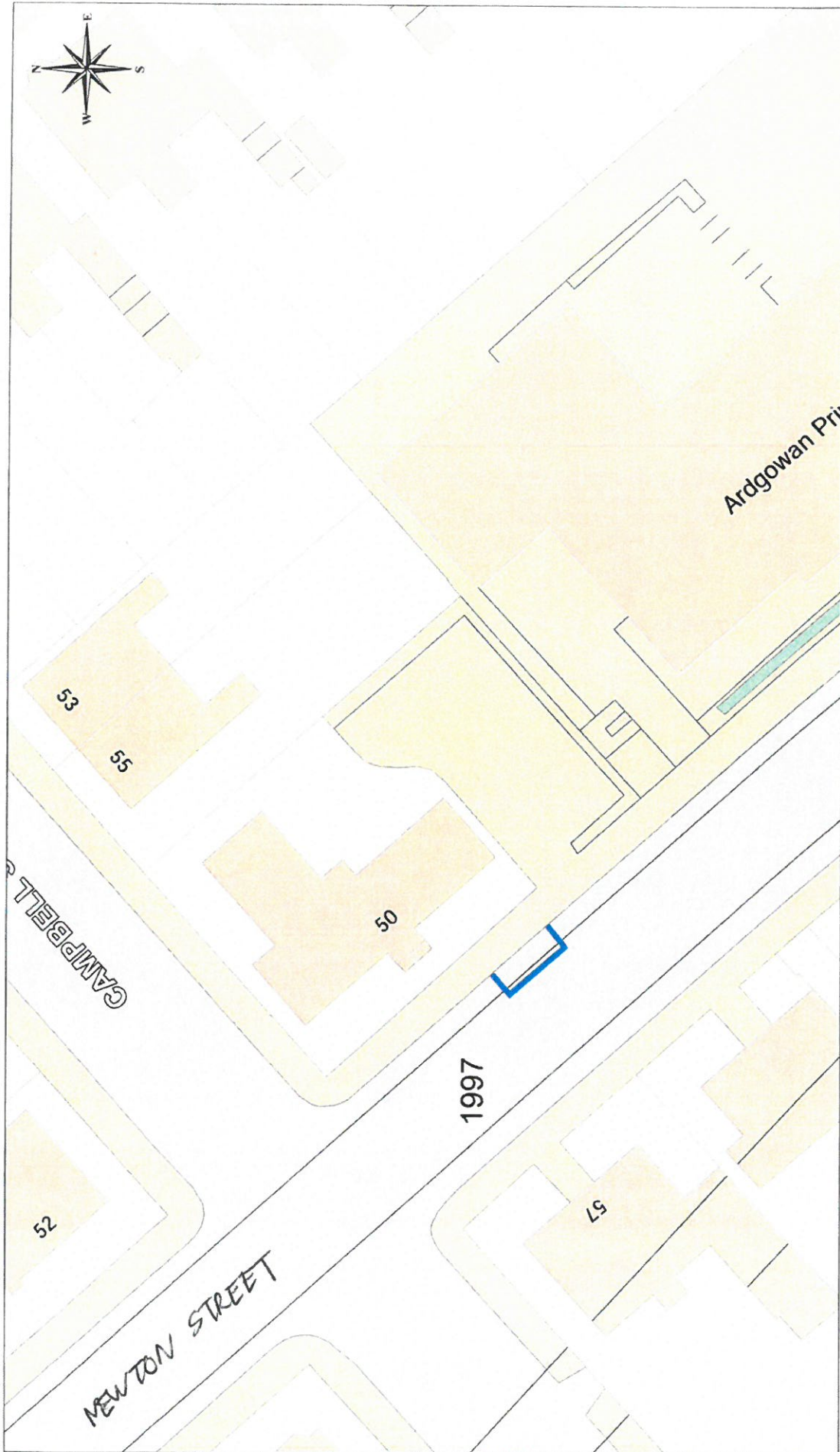
©Crown Copyright and database right 2018.
 All rights reserved.
 Ordnance survey Licence number 100023421

Inverclyde
 council

Roads & Transportation

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Clyde Square
 Greenock, G14 7LY
 Tel: 01475 712711
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

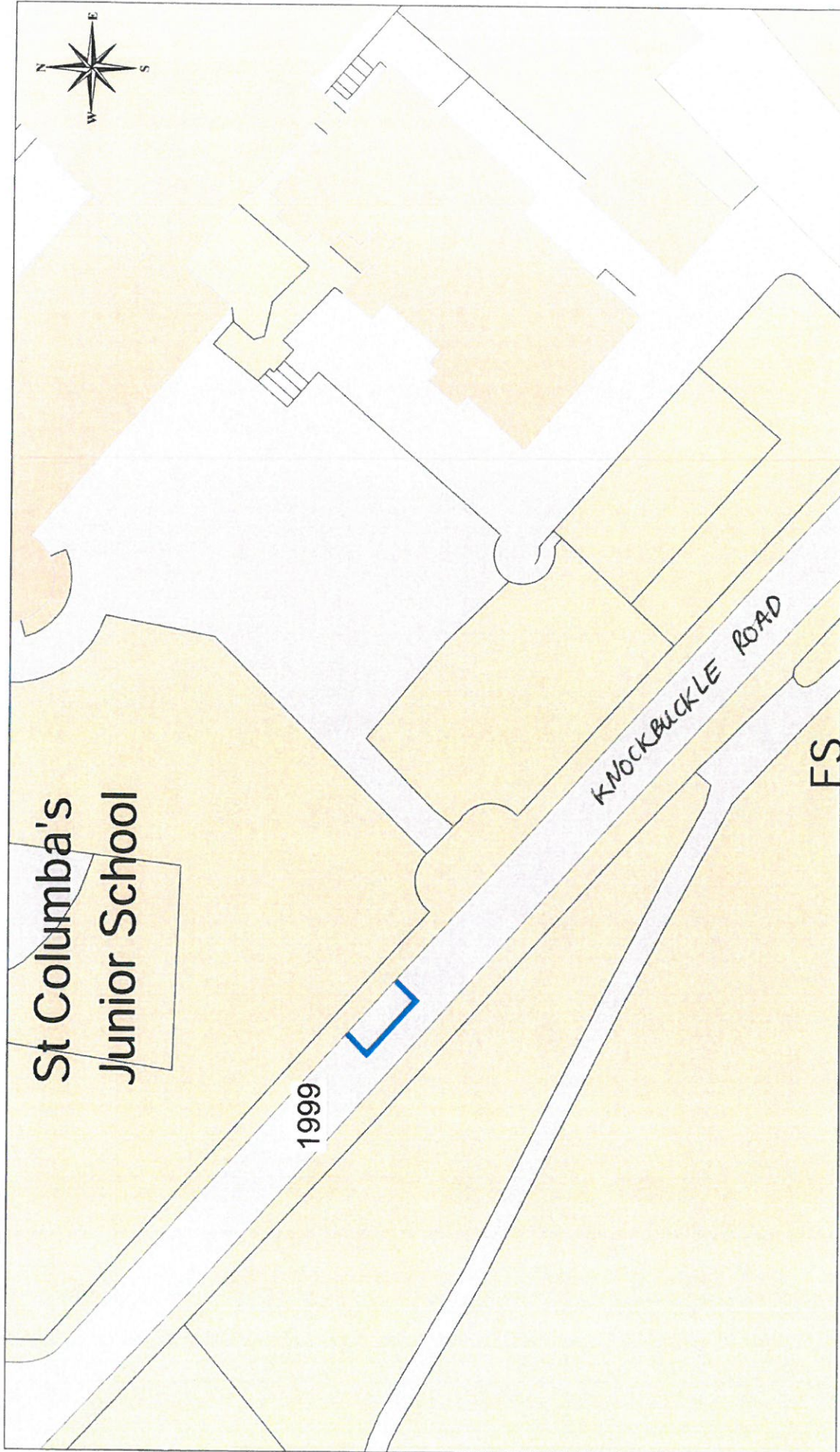
DISABLED PERSONS' PARKING PLACE
110 LYNEDOCH STREET, GREENOCK
PLACE No. 1996



©Crown Copyright and database right 2018
 All rights reserved
 Ordnance survey Licence number 100023421

DISABLED PERSONS' PARKING PLACE
50 NEWTON STREET, GREENOCK
PLACE No. 1997

Inverclyde council
 Roads & Transportation
 Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc. C.Eng., M.I.C.E.
 Municipal Buildings
 Clyde Street
 Greenock, PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk



©Crown Copyright and database right 2018
All rights reserved
Ordnance survey licence number 100023421

St Columba's
Junior School

1999

KNOCKBUCKLE ROAD

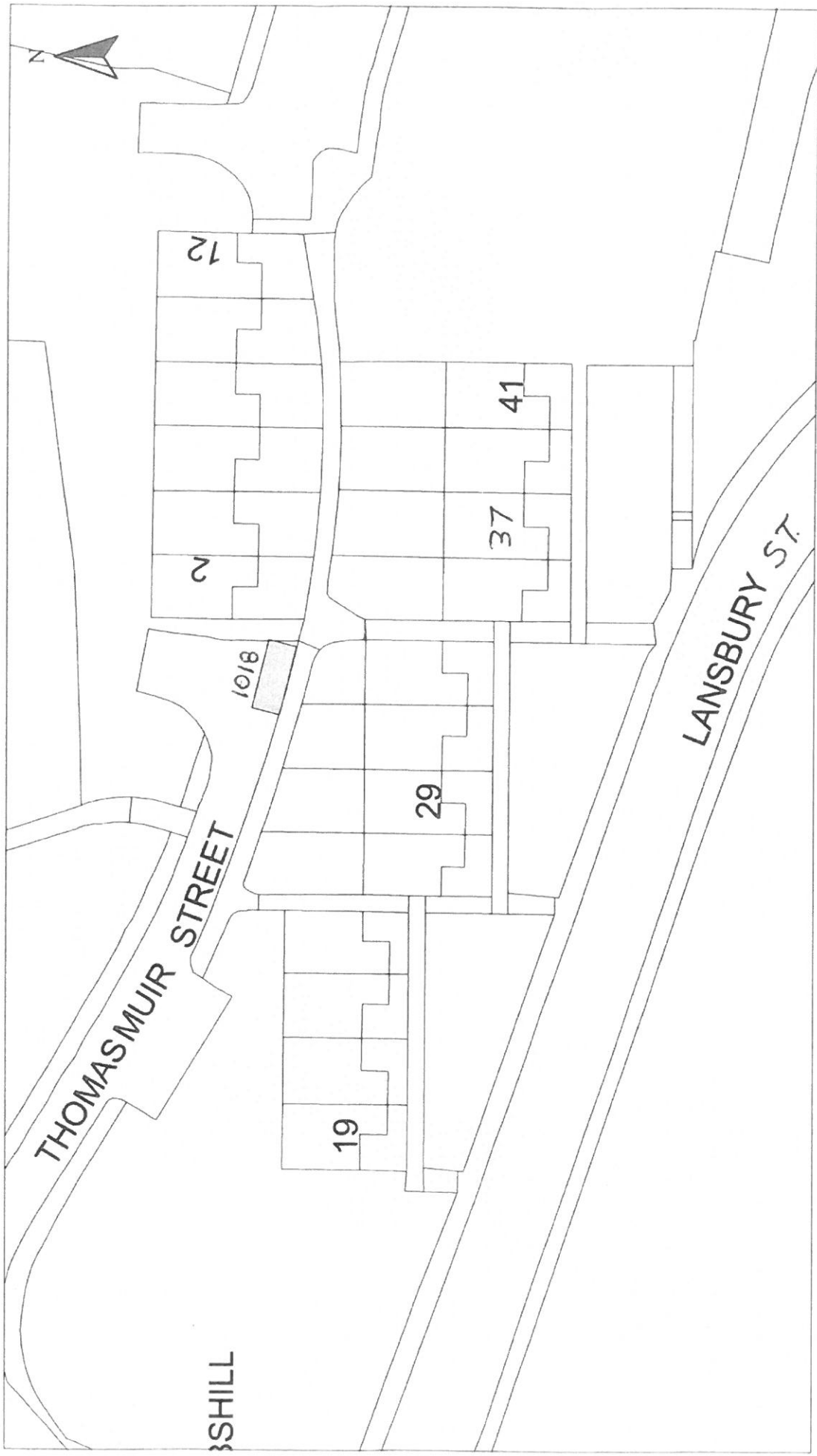
FS


DISABLED PERSONS' PARKING PLACE
KNOCKBUCKLE ROAD, KILMACOLM
PLACE No. 1999

Inverclyde
council
Roads & Transportation

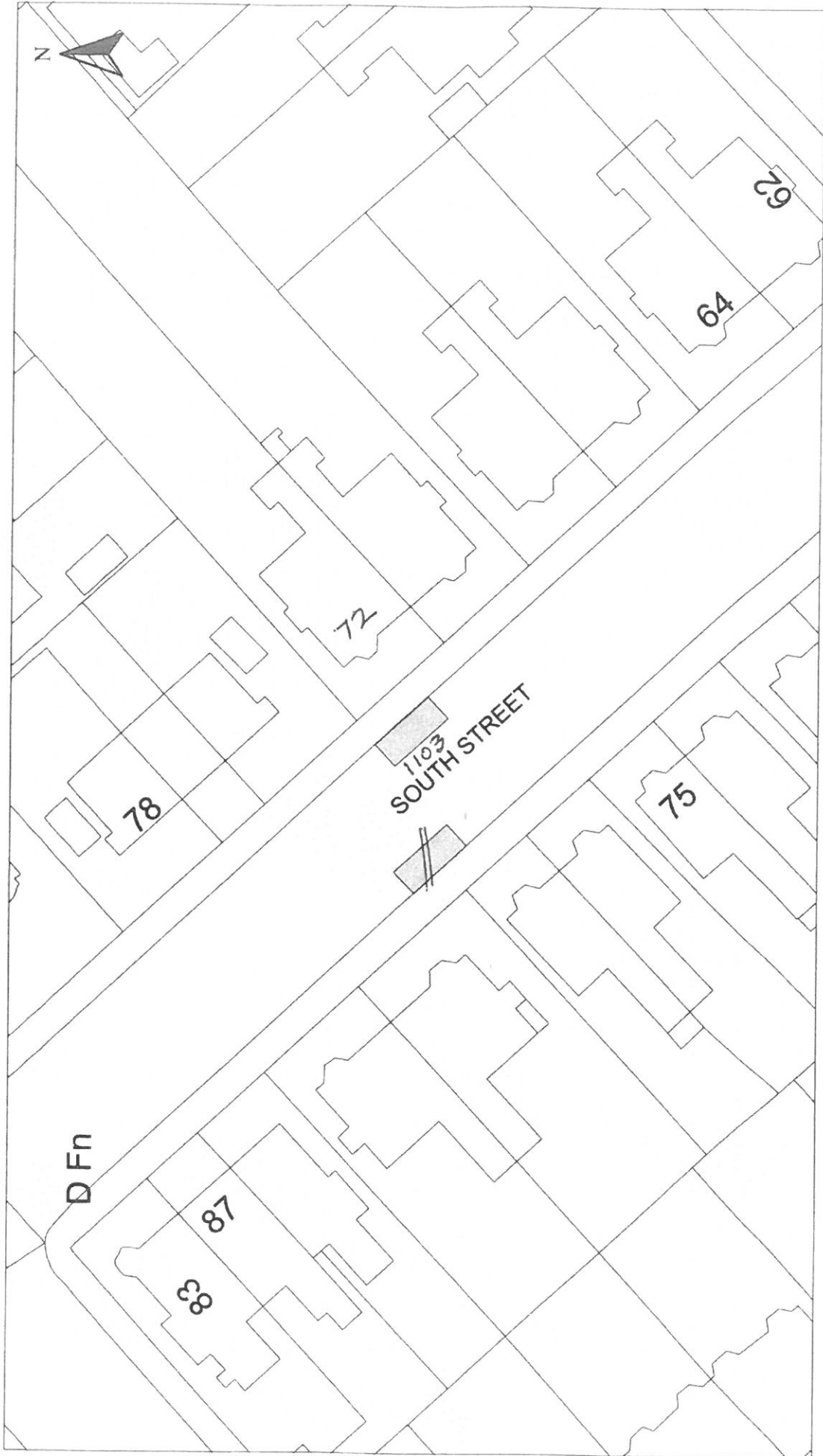
Environment, Regeneration & Resources
Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.

Municipal Buildings
Greenock, PA15 1LY
Tel: 01475 712712
Fax: 01475 712731
scott.allan@inverclyde.gov.uk



HEAD OF SERVICE ALAN G BARNES MCIWM CENV		Scale : 1:500 Prepared by : R. MACKAY Drawn by : R. MACKAY Drawing No. : 19/12		Date : MAY 2010 Checked by : Approved by :	
Disabled Bays 71 EAST HAMILTON STREET GREENOCK, PA15 2UA		DISABLED PERSONS' PARKING PLACE THOMAS MUIR STREET, GREENOCK PLACE No. 1018 REVOCATION			
Reproduced from Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationery Office. Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may result in prosecution or legal proceedings. Licence No. LA03097L 					

Inverclyde council ENVIRONMENTAL & COMMERCIAL SERVICES

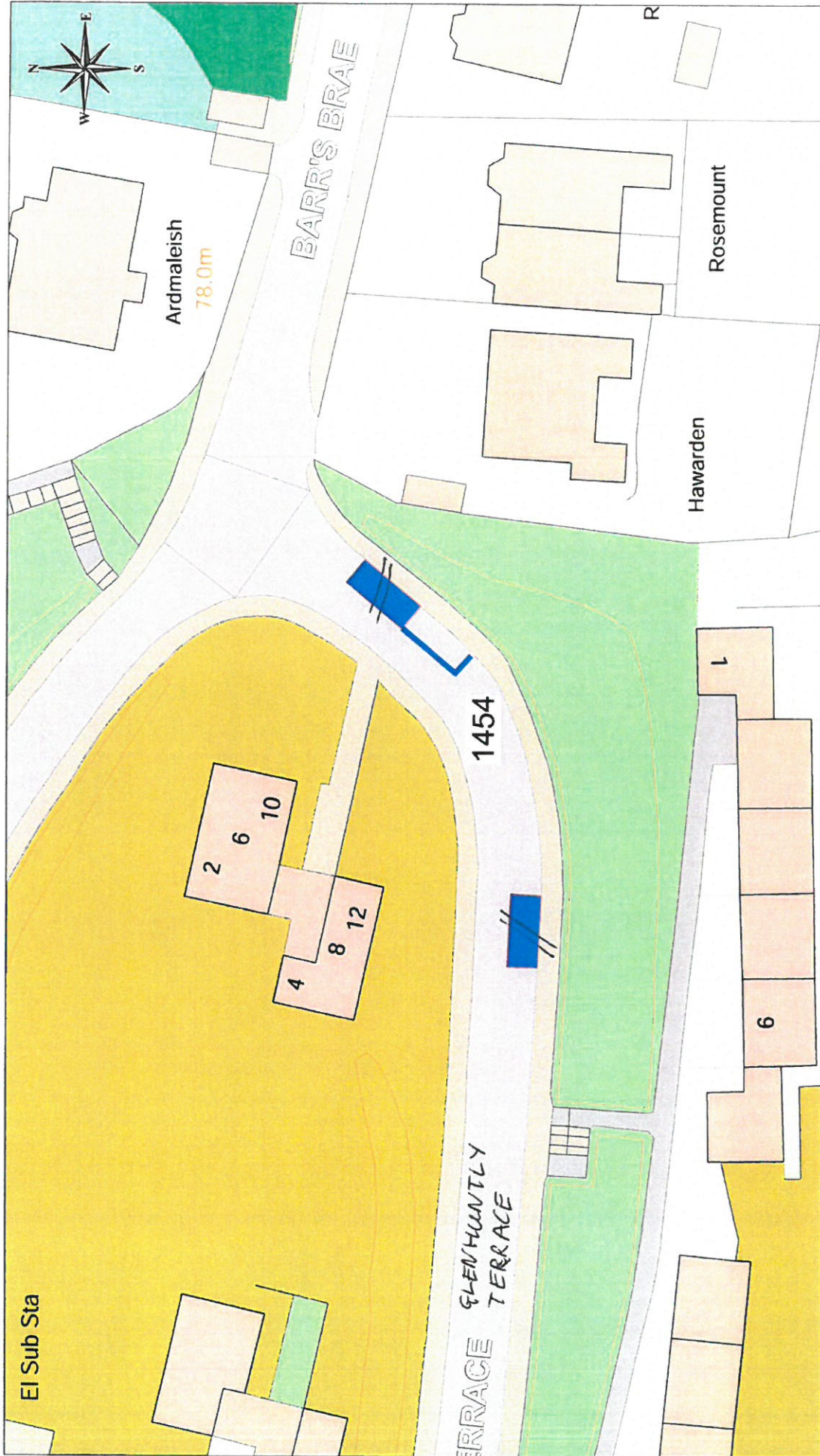


Disabled Bays	HEAD OF SERVICE IAN MOFFAT	Disabled PERSONS' PARKING PLACE 72 SOUTH STREET, GREENOCK PLACE No. 1103 REVOCATION	Scale : 1:500	Date : APR 2011
	71 EAST HAMILTON STREET GREENOCK, PA15 2UA		Prepared by : R. MACKAY	Checked by :
			Drawn by : R. MACKAY	Approved by :
			Drawing No. :	File No. : 19/12

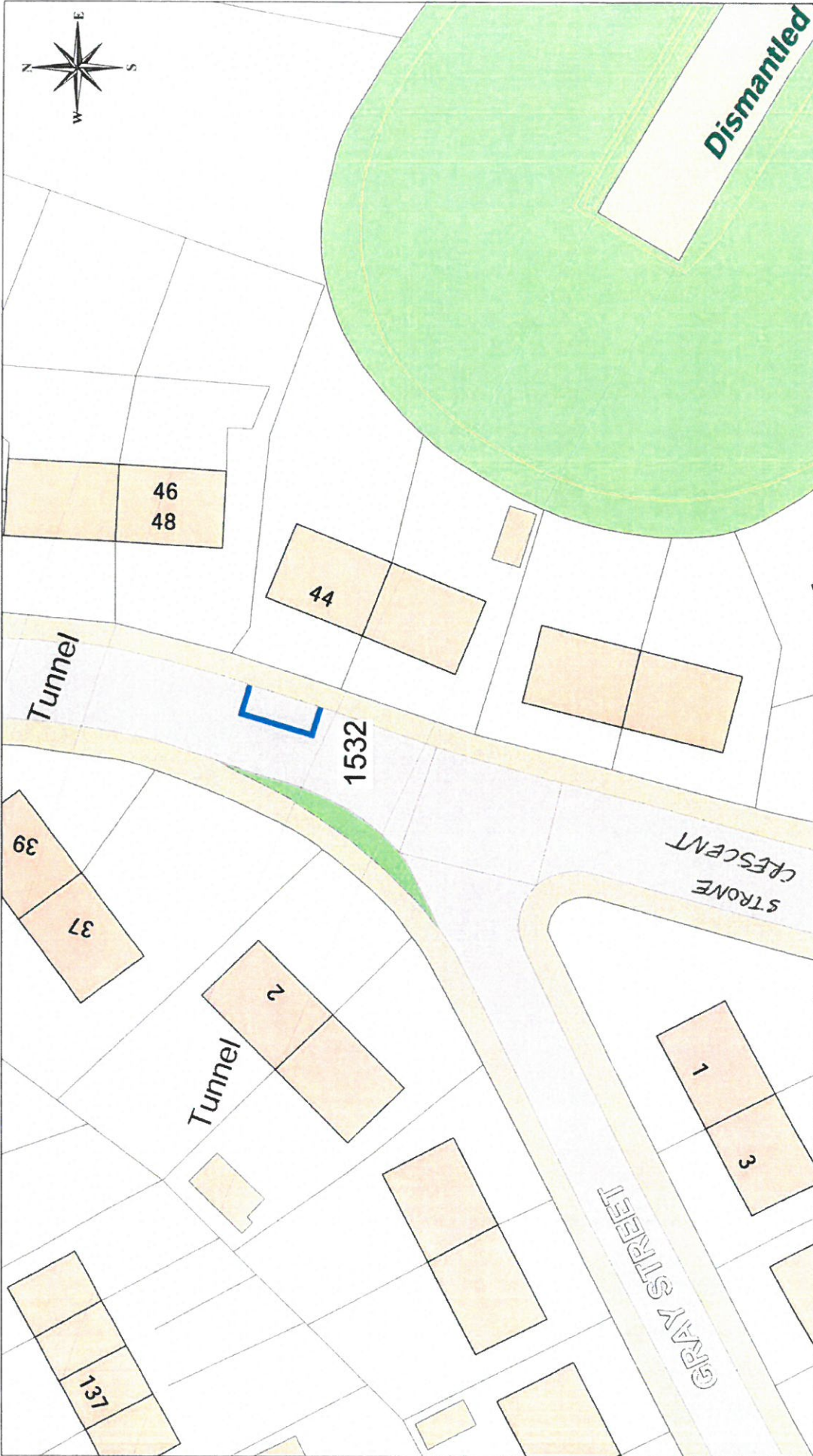
Reproduced from Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationery Office. Crown Copyright. Unauthorized reproduction infringes Crown Copyright and may result in prosecution or legal proceedings.

Licence No. LA03097L





DISABLED PERSONS' PARKING PLACE
10 GLENHUNTLY TERR, PORT GLASGOW
PLACE No. 1454 REVOCATION

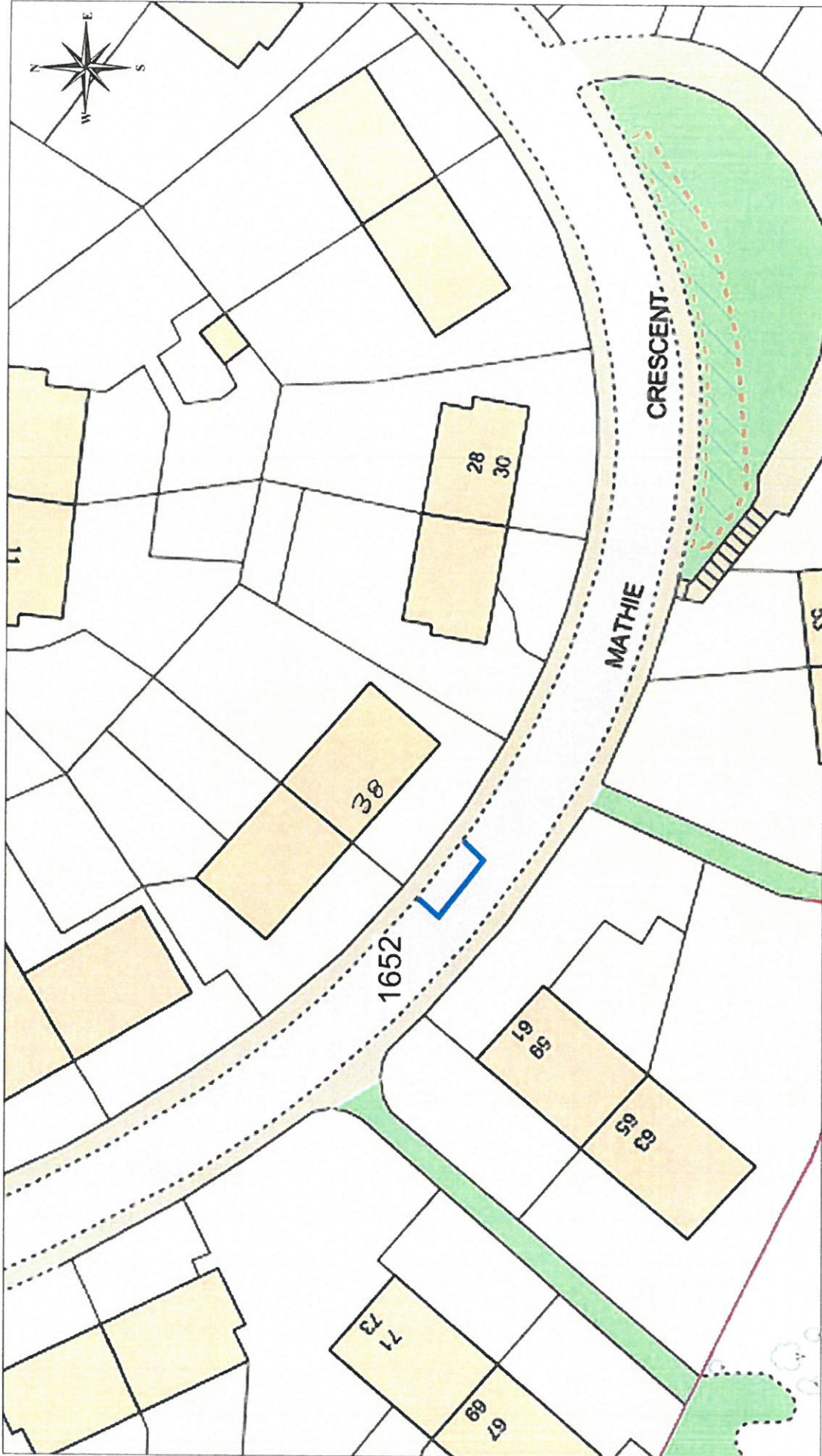


This material has been reproduced from the Ordnance Survey digital map data with the permission of Ordnance Survey on behalf of Her Majesty's Stationary Office. © Crown copyright. Licence Number: 100020421

DISABLED PERSONS' PARKING PLACE
 44 STONE CRESCENT, GREENOCK
 PLACE No. 1532 REVOCATION

Inverclyde
 council
Environmental Services

Regeneration & Environment
 Corporate Director: Aubrey Fawcett
 Municipal Buildings
 Clyde Square
 Greenock
 PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 aubrey.fawcett@inverclyde.nv.uk

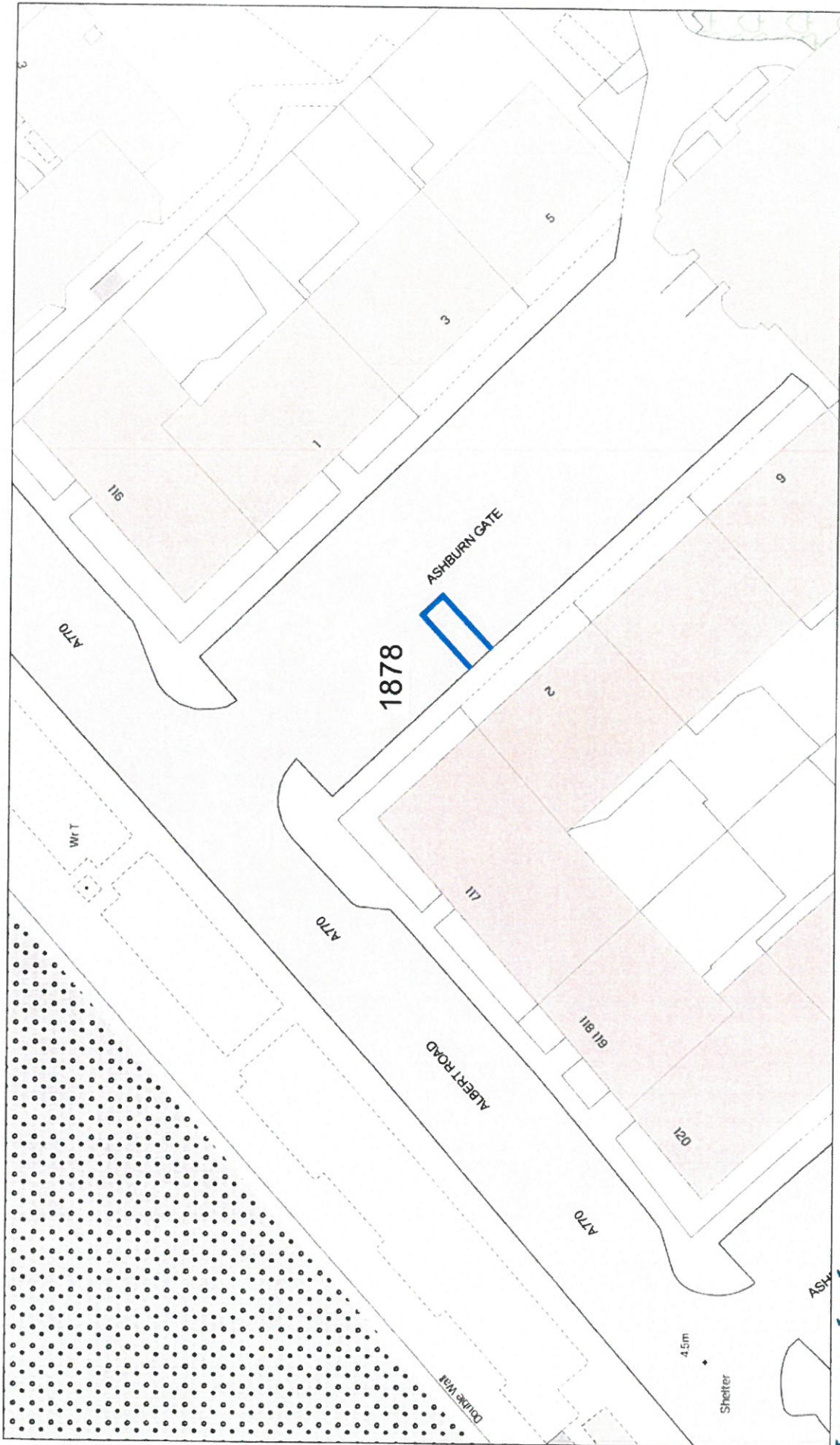


This material has been reproduced from Ordnance Survey digital map data with the permission of the Controller of Her Majesty's Stationery Office. © Crown Copyright. 100019374

**DISABLED PERSONS' PARKING PLACE
38 MATHIE CRESCENT, GOUROCK
PLACE No. 1652 REVOCATION**

Inverclyde
council
Environmental Services

Regeneration & Environment
Corporate Director: Aubrey Fawcett
Municipal Buildings
Clyde Square
Gourock
PA13 1JW 712712
Tel: 01475 712731
Fax: 01475 712731
aubrey.fawcett@inverclyde.nsw.uk



© Crown Copyright and database right 2018.
 All rights reserved.
 Ordnance survey Licence number 100023421.

DISABLED PERSONS' PARKING PLACE
2b ASHBURN GATE, GOUROCK
PLACE No. 1878 REVOCATION

Inverclyde
 council
 Environment and Public Protection

Environment, Regeneration & Resources
 Corporate Director: Scott Allan BSc., C.Eng., M.I.C.E.
 Municipal Buildings
 Cycle Square
 Greenock
 PA15 1LY
 Tel: 01475 712712
 Fax: 01475 712731
 scott.allan@inverclyde.gov.uk

THE INVERCLYDE COUNCIL

**DISABLED PERSONS' PARKING PLACES
(ON-STREET) ORDER NO. 3 2019**

**Statement of Reasons for Proposing to Make
the above Order**

It is considered necessary, in order to comply with Section 5 of The Disabled Persons' Parking Places (Scotland) Act 2009, to make the above Order to provide assistance for disabled persons who hold a badge under the Disabled Persons (Badges for Motor Vehicles) (Scotland) Regulations 2000 as amended and to revoke those parking places no longer required to maximise street parking capacity.

Gail MacFarlane
Shared Head of Service Roads
8 Pottery Street
GREENOCK
PA15 2UH

Report To:	Inverclyde Council	Date:	5 December 2019
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	RMcG/LP/137/19
Contact Officer:	Rona McGhee	Contact No:	01475 712113
Subject:	Riverside Inverclyde – Company Restructure: Remit from Environment & Regeneration Committee		

1.0 PURPOSE

- 1.1 The purpose of this report is to request the Council to consider a remit from the Environment & Regeneration Committee.

2.0 SUMMARY

- 2.1 The Environment & Regeneration Committee at its meeting on 31 October 2019 considered a report by the Corporate Director Environment, Regeneration & Resources advising of proposals to revise Riverside Inverclyde's Articles of Association, to include a change in the structure and composition of the Riverside Inverclyde Board and the effect on the number of Council nominees to the Riverside Inverclyde Board.
- 2.2 A copy of the report to the Environment & Regeneration Committee is attached at Appendix 1. This provides background information, information on the Articles of Association and Board structure and the implications.
- 2.3 The Environment & Regeneration Committee decided:
- (1) that authority be delegated to the Corporate Director Environment, Regeneration & Resources, in consultation with the Head of Legal & Property Services and the Chief Financial Officer, and in partnership with Scottish Enterprise, to take all appropriate legal steps to (a) change the Articles of Association of Riverside Inverclyde and (b) change the structure and composition of the Riverside Inverclyde Board as set out in paragraph 5.4 of the report; and
- (2) that it be remitted to the December 2019 meeting of the Council to determine the two Council nominees to the Riverside Inverclyde Board.

3.0 RECOMMENDATION

- 3.1 The Council is asked to consider the remit from the Environment & Regeneration Committee.

Report To:	Environment & Regeneration Committee	Date:	31 October 2019
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	LP/130/19
Contact Officer:	Gerard Malone	Contact No:	01475 712710
Subject:	Riverside Inverclyde – Company Restructure		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the proposal to revise Riverside Inverclyde's Articles of Association, to include a change in the structure and composition of the Riverside Inverclyde Board and the effect on the number of Council nominees to the Riverside Inverclyde Board.

2.0 SUMMARY

- 2.1 Following the successful delivery of the revised operating model of Riverside Inverclyde, as approved by the Environment & Regeneration Committee on 7 March 2019, Riverside Inverclyde is now managed by the Council in terms of a Service Level Agreement. Officers have been working to review and improve Riverside Inverclyde's governance and constitutional arrangements.
- 2.2 Following a review of the governance arrangements and in order to reflect the structure of the revised operating model, it is proposed to amend and modernise Riverside Inverclyde's Articles of Association in terms of which the composition of the Board of Riverside Inverclyde shall also be changed, involving a reduction in the number of Board members and Council representatives on the Board. Various minor revisions to the Articles of Association are also proposed.
- 2.3 This report advises of the proposed changes to the structure of Riverside Inverclyde and it will be the decision of the Council at its 5 December 2019 meeting to decide on its nominees to the Board.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Environment & Regeneration Committee:
1. grants delegated authority to the Corporate Director Environment, Regeneration and Resources, in consultation with the Head of Legal and Property Services and the Chief Financial Officer, and in partnership with Scottish Enterprise, to take all appropriate legal steps to:
 - a. change the Articles of Association of Riverside Inverclyde; and
 - b. change the structure and composition of the Riverside Inverclyde Board as set out in paragraph 5.4 of this report; and
 2. remits it to the December 2019 meeting of the Council to determine the two Council nominees to the Riverside Inverclyde Board.

4.0 BACKGROUND

- 4.1 Following the successful delivery of the revised operating model of Riverside Inverclyde, as approved by the Environment & Regeneration Committee on 7 March 2019, Riverside Inverclyde is now managed by the Council in terms of a Service Level Agreement. Officers have been working to review, modernise and improve Riverside Inverclyde's governance and constitutional arrangements.
- 4.2 As part of this review, there is a proposal from the members of Riverside Inverclyde, the Council and Scottish Enterprise, to amend the Articles of Association of Riverside Inverclyde, the main focus thereof being a change in the composition of the Board in order to best implement the future delivery of regeneration services in Inverclyde and to further Riverside Inverclyde's charitable purposes.
- 4.3 The proposals will also bring the Articles of Association in line with the revised operating model and will better reflect the new direction and specific responsibilities of Riverside Inverclyde in relation to economic development priorities.
- 4.4 In particular, the members are seeking to make changes to the composition of the Riverside Inverclyde Board, with the intention of seeking appropriate representation from suitably experienced members of the community and the private sector to support the Board's objectives and charitable purposes.
- 4.5 Inverclyde Council and Scottish Enterprise, as the members of Riverside Inverclyde, are required to consent to any changes to the Articles of Association.

5.0 ARTICLES OF ASSOCIATION AND BOARD STRUCTURE

- 5.1 The current Articles for Riverside Inverclyde state that there shall be a maximum of 9 directors, comprised of the following:
 - 3 directors appointed by Inverclyde Council;
 - 1 director appointed by Scottish Enterprise;
 - 5 co-opted directors to be comprised of:
 - a minimum of 1 and maximum of 2 directors drawn from the local community;
 - a minimum of 2 and maximum of 3 directors drawn from the private sector; and
 - a minimum of 1 and maximum of 2 directors nominated by Inverclyde Chamber of Commerce.
- 5.2 There are currently a number of vacancies, including the Chair, on the Board and the members of Riverside Inverclyde consider it vitally important to have suitably experienced business and community representatives as co-opted directors of the Board who are aligned with the Council and Scottish Enterprise's direction of travel for the future delivery of regeneration services in Inverclyde and their view of the most appropriate way to further Riverside Inverclyde's charitable purposes.
- 5.3 It is entirely legitimate and appropriate for the members of any company to set their desired directions for it and, in the case of Riverside Inverclyde, in order to further the charitable purposes of the company.
- 5.4 The proposed revised structure of the Riverside Inverclyde Board is to have a maximum of 6 directors comprised of the following:
 - 2 directors appointed by Inverclyde Council;
 - 1 director appointed by Scottish Enterprise;
 - 3 co-opted directors to be comprised of:
 - 1 director drawn from the local community;
 - 1 director drawn from the private sector; and
 - 1 director nominated by Inverclyde Chamber of Commerce (or any successor to the body) or the Federation of Small Businesses.

One of the co-opted directors would be Chair of the Board and may have a casting vote.

- 5.5 This is a proposal to reduce the number of directors on the Riverside Inverclyde Board from 9 to 6. The Council's representation on the Board will reduce from 3 to 2. The Council will be entitled to make 2 nominations to the Board. It is a reserved function of the Council to make nominations to the Boards of external organisations and the decision on the Council nominees will be remitted to its December 2019 meeting. The requirement to reflect political balance applies only where more than two nominees are to be appointed to any outside body.
- 5.6 In anticipation of the adoption of the revised structure set out at paragraph 5.4 and in order to fill existing vacancies on the Board, a recruitment and selection process for the appointment of 2 co-opted directors (from the local community and private sector, including the Chair), is currently ongoing. Riverside Inverclyde's Nominations Committee, with an independent Chair, is due to interview potential candidates on 11 November 2019.
- 5.7 Various other minor revisals will also be required in order to simplify, modernise and update Riverside Inverclyde's Articles of Association and delegated authority to officers is being sought to allow this process to progress.
- 5.8 It is intended that the proposed revisals will relate to the following:
- Removal of a conflict and simplification of the process for appointing the Chair;
 - Specification of the process of the appointment of a Vice-Chair;
 - Specific definitions of entities referred to in the Articles – i.e. Scottish Enterprise, Inverclyde Council etc.;
 - Removal of repetitions in the Articles;
 - Correction of errors in cross referencing within the Articles;
 - Removal of the provision allowing Partner Directors to appoint alternate directors;
 - Removal of the provision relating to the appointment of a company secretary. (It is now no longer necessary for companies to have a secretary).
- 5.9 Liaison with the Office of the Scottish Charity Regulator (OSCR) is important in relation to this process and will be made at the appropriate junctures.

6.0 IMPLICATIONS

6.1 Finance

There are no financial implications.

Financial Implications:

One off Costs

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

Annually Recurring Costs/ (Savings)

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

6.2 Legal

The legal issues are referred to within this report.

6.3 Human Resources

There are no implications.

6.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

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

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

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

6.5 Repopulation

There is no effect upon repopulation.

7.0 BACKGROUND PAPERS

7.1 None.

Report To:	Inverclyde Council	Date:	5 December 2019
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	RMcG/LP/139/19
Contact Officer:	Rona McGhee	Contact No:	01475 712113
Subject:	Treasury Management – Mid-Year Report 2019/20: Remit from Policy & Resources Committee		

1.0 PURPOSE

- 1.1 The purpose of this report is to request the Council to consider a remit from the Policy & Resources Committee.

2.0 SUMMARY

- 2.1 The Policy & Resources Committee at its meeting on 19 November 2019 considered a report by the Chief Financial Officer on the operation of the treasury function and its activities for the first six months of 2019/20 as required under the terms of Treasury Management Practice 6 ('TMP6') on 'Reporting Requirements and Management Information Arrangements'.
- 2.2 A copy of the report to the Policy & Resources Committee is attached as Appendix 1.
- 2.3 The Policy & Resources Committee decided:
- (1) that the contents of the Mid-Year Report on Treasury Management for 2019/20 and the ongoing work to ensure the delivery of financial benefits for the Council be noted;
 - (2) that approval be given to the Prudential Repayment policy for Loan Charges principal repayments as shown in Appendix 3 and that the £1,400,000 one-off and £400,000 recurring saving generated by the Loan Charges review be noted; and
 - (3) that the Mid-Year Report be remitted to the Inverclyde Council for approval.

3.0 RECOMMENDATION

- 3.1 The Council is asked to approve the Treasury Management Mid-Year Report 2019/20.

Gerard Malone
Head of Legal & Property Services

Report To:	Policy & Resources Committee	Date:	19 November 2019
Report By:	Chief Financial Officer	Report No:	FIN/104/19/AP/KJ
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	TREASURY MANAGEMENT – MID-YEAR REPORT 2019/20		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise Members of the operation of the treasury function and its activities for the first six months of 2019/20 as required under the terms of Treasury Management Practice 6 ("TMP6") on "Reporting Requirements and Management Information Arrangements".

2.0 SUMMARY

- 2.1 As at 30 September 2019 the Council had gross external debt (including PPP) of £275,414,731 and investments (cash balances managed in house) of £32,938,024. This compares to gross external debt (including PPP) of £259,326,319 and investments of £18,915,222 at 31 March 2019. The movements are largely due to PWLB borrowing undertaken to provide funding for forthcoming requirements and financing maturing debt/liabilities (including £10m of PWLB borrowing which was due for repayment in October 2019).
- 2.2 The Council is projected to be underborrowed by £29,488,000 compared to its Capital Financing Requirement as at 31 March 2020. This is a decrease of £4,876,000 from the estimate of £34,364,000 in the 2019/20 Treasury Management Strategy. The under borrowing position means that the Council is using funds it currently has (such as reserves) to cash flow capital expenditure rather than bringing in new funds from borrowing.
- 2.3 The Council undertook a total of £22,000,000 of PWLB borrowing and £3,000,000 of temporary borrowing during the period. The temporary borrowing (from an English local authority and for cash flow purposes) has been repaid whilst £15,000,000 of the PWLB borrowing is being used to repay maturing debt. The projection for the remainder of the year includes a further £8,000,000 of borrowing that will only be undertaken if the funds are required and it is prudent to borrow. Any borrowing undertaken will be reported to the Committee.
- 2.4 The average rate of return achieved on investments during the first six months of 2019/20 was 0.82% which exceeds the benchmark return rate for the period of 0.66% by 0.16% and resulted in £15,700 of additional interest on investments for the Council.
- 2.5 During the first six months of 2019/20 the Council did not undertake any debt restructuring and operated within the required treasury limits and Prudential Indicators for the year set out in the Council's Treasury Policy Statement, annual Treasury Strategy Statement, and the Treasury Management Practices.
- 2.6 On 9 October the PWLB announced an immediate and unexpected 1% increase in interest rates for new borrowing. It is likely that decision will lead to further lenders seeking to provide funding to Councils at lower rates than the PWLB offer or to an increase in short-term borrowing.

- 2.7 A review has been undertaken of the periods over which previous years' capital expenditure is being written-off to revenue as part of the Loan Charges budget. Following the review, a Prudential Repayment policy has been prepared (Appendix 3) and Committee approval is being sought to adopt this policy.
- 2.8 The Loan Charges review identified projects where the write-off periods currently being used should be amended to more closely match the expected life of the assets involved, in line with the proposed Prudential Repayment policy. This has resulted in a £1,400,000 saving in Loan Charge principal repayments for the period to 31 March 2019 which will be allocated to the Loan Charges Earmarked Reserve. There will also be ongoing Loan Charge repayment savings of £400,000 per year from 2019/20 through to 2035/36, following which repayments will increase as a result of the extension of the write-off periods to bring those periods more in line with the asset lives. This saving will help reduce the funding gap in 2020/21.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the contents of the Mid-Year Report on Treasury Management for 2019/20 and the ongoing work to ensure the delivery of financial benefits for the Council.
- 3.2 It is recommended that the Committee approves the Prudential Repayment policy for Loan Charges principal repayments as shown in Appendix 3 and notes the £1,400,000 one-off and £400,000 recurring saving generated by the Loan Charges review.
- 3.3 It is recommended that the Mid-Year Report be remitted to the Inverclyde Council for approval.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 The Council is required by the CIPFA Code of Practice on Treasury Management 2011 and the CIPFA Prudential Code for Capital Finance in Local Authorities to produce a mid-year treasury management review of activities and prudential and treasury indicators for 2019/20.
- 4.2 Treasury Management in this context is defined as: “The management of the local authority’s 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.”

5.0 MID-YEAR REVIEW

- 5.1 The treasury management issues arising during the first six months of 2019/20 were:
- a. The Council’s debt (including PPP) has increased during the period by £16,088,412 due to borrowing undertaken to provide funding for forthcoming requirements and financing maturing debt/liabilities (including £10,000,000 of PWLB borrowing which was due for repayment on 14 October 2019).
 - b. The Council’s investments have increased by £14,022,802 due to borrowing (see item h. below) and from regular cash flow movements.
 - c. As at 31 March 2019 the Council had under borrowed against its capital financing requirement by £48,136,000. The latest projection is for the under borrowing to reduce to £29,488,000 as at 31 March 2020. Under borrowing means that the Council is using funds it currently has to cash flow capital expenditure rather than bringing in funds from borrowing. The projected level of under borrowing is considered manageable but the position is kept under review in light of Council capital financing and other funding requirements.
 - d. There remains ongoing volatility in the financial markets and economic uncertainty in the UK and around the world, impacting on rates for new borrowing and investments. The UK Bank Rate has remained unchanged at 0.75% since August 2018 but there remains uncertainty over when the next change will take place and if that change will see an increase or decrease in rates.
 - e. The latest forecast from the Council’s treasury advisers (produced in August) is for no change to the Bank Rate until an increase to 1.00% in Quarter 4 of 2020.
 - f. During the period PWLB rates for new borrowing had been expected to see slight increases of up to 0.10%. Rates actually fell, largely by around 0.20% to 0.40% for shorter periods and 0.55% to 0.59% for longer borrowing. The volatility during the 6-month period resulted in spreads between the high and low rates for some loan periods of up to 0.96% (e.g. borrowing rates for 12 years of 1.43% at the end of September had been 1.24% earlier in September and at 2.20% in April).
 - g. On 9 October the PWLB announced an immediate and unexpected 1% increase in interest rates for new borrowing. It is likely that decision will lead to further lenders seeking to provide funding to Councils at lower rates than the PWLB offer or to an increase in short-term borrowing. This decision aside, the Council’s treasury advisers expect PWLB rates to rise very gently during the rest of the year but the extent and speed of increase will depend on economic factors affecting the UK and global markets.
 - h. During the period the Council undertook the following borrowing:
 - a) £2,000,000 from PWLB at 2.21% in April 2019 for 43½ years. The borrowing was at a reduced Local Infrastructure Rate allocated for individual projects approved by HM Treasury, in this case the Extension to Gourock Primary School.
 - b) £3,000,000 of temporary borrowing at 0.80% between April 2019 and May 2019 from an English local authority. The borrowing was for cash flow purposes and has been repaid.
 - c) £20,000,000 from PWLB in September 2019 (£10m at 1.21% for 10 years and £10m at 1.40% for 13 years). This borrowing provided funding for £5m of PWLB debt that matured in July 2019 and £10m that matured in October 2019.

- i. The projection for the remainder of the year includes a further £8,000,000 of borrowing that will only be undertaken if the funds are required and it is prudent to borrow. Any borrowing undertaken will be reported to Committee.
- j. The Council did not undertake any debt restructuring during the first six months of 2019/20 and remained within its Prudential Indicator and Treasury Management limits.
- k. Investment returns were expected to remain relatively low and have remained so during the period.
- l. The Council's investments earned a rate of return of 0.82% during the period and outperformed the benchmark return of 0.66% resulting in additional income to the Council of £15,700.
- m. All investments were in accordance with the Council's investment policy and no institutions with which investments were made had any difficulty in repaying those investments and interest in full during the period.
- n. The Council's investment performance is due to undertaking fixed term investments at interest rates that were above the benchmark with counterparties that have high creditworthiness (the Bank of Scotland and Santander UK) and in accordance with the Council's investment strategy. The outturn is reduced due to having previously used investments to repay maturing debt and thereby saving the Council the cost of borrowing at rates higher than being earned from using investment funds.

5.2 The Council's debt position was as follows:

	At 31 March 2019	At 30 September 2019
	£	£
Total Excluding PPP	196,843,319	213,786,731
PPP Debt	62,483,000	61,628,000
Total Including PPP	259,326,319	275,414,731

Further detail is given in the following table:

	At 31 March 2019		At 30 September 2019		Movement In Period
	Principal	Rate	Principal	Rate	Principal
	£000		£000		£000
Fixed Rate Funding:					
- PWLB	97,260		114,180		16,920
- Market *	56,000		40,000		See * Below
	153,260	3.94%	154,180	3.51%	16,920
Variable Rate Funding:					
- PWLB	0		0		0
- Market *	43,400		59,400		See * Below
- Temporary #	183		207		(26)
	43,583	4.93%	59,607	4.89%	(26)
Total Debt (Excl PPP)	196,843	4.16%	213,787	3.89%	16,894
PPP Debt	62,483		61,628		(855)
Total Debt (Incl PPP)	259,326		275,415		16,039

* - Market Loans are shown as variable when they have less than 1 year to go until their next call date. The total value of Market Loans has not changed between financial years, just the split between fixed and variable.

- Temporary Loans include funds held by the Council on behalf of the Common Good and Trust Funds that are treated as borrowing for Treasury Management purposes.

5.3 The Council's investment position was as follows:

	At 31 March 2019		At 30 September 2019		Movement In Period
	Principal	Return	Principal	Return	Principal
	£000		£000		£000
Investments:					
- Fixed Term Deposits	10,000	1.00%	5,000	0.85%	(5,000)
- Notice Accounts	0	-	5,000	0.95%	5,000
- Deposit Accounts	8,915	0.75%	22,938	0.65%	14,023
Totals	18,915	0.88%	32,938	0.73%	14,023

Maximum level of investments in Period: £41,765,824 on 17 September 2019

Minimum level of investments in Period: £ 7,145,523 on 26 July 2019

Daily average for the period: £19,581,276

An analysis of the above investments is shown in Appendix 1.

In addition to the above cash balances managed in-house, the Council has other transactions/balances required to be treated as investments under Investment Regulation 31. Appendix 2 includes these transactions/balances along with estimates for 2019/20.

5.4 2019/20 Latest Projection Compared to Estimates in 2019/20 Strategy

The latest 2019/20 projection compared to the estimates in the 2019/20 strategy:

	2019/20 Estimate	2019/20 Latest Projection
<u>Borrowing Requirement</u>	£000	£000
New borrowing	5,000	5,000
Alternative financing requirements	0	0
Replacement borrowing	25,000	25,000
TOTAL	30,000	30,000
<u>Prudential/Treasury Management Indicators</u>	£000	£000
Gross external debt including PPP (As at 31 March 2020)	277,456	272,473
Capital financing requirement (As at 31 March 2020)	311,820	301,961
(Under)/over borrowing against CFR	(34,364)	(29,488)
Gross Capital Expenditure	£000 34,226	£000 22,972
Ratio of financing costs (including PPP) to net revenue stream	14.75%	13.91%
Ratio of net debt (debt and PPP less investments) to net revenue stream	137.0%	128.5%

5.5 2019/20 Mid-Year Position Compared to Limits in 2019/20 Strategy

The 2019/20 mid-year position compared to limits in the 2019/20 strategy:

	2019/20 Limits	2019/20 Mid-Year Actual Position		
<u>Prudential/Treasury Management Indicators</u>				
Authorised limit for external debt	£000	£000		
• Borrowing	249,000	213,787		
• Other long term liabilities	63,000	61,628		
	312,000	275,415		
Operational boundary for external debt	£000	£000		
• Borrowing	239,000	213,787		
• Other long term liabilities	63,000	61,628		
	302,000	275,415		
Upper limit on sums invested for periods longer than 365 days (Actual is maximum in period)	£000 10,000	£000 0		
Upper limits on Fixed/Variable borrowing maturing in each period (LOBOs included based on call dates and not maturity dates) at 31 March 2019				
	Fixed	Var.	Fixed	Var.
• Under 12 months	45%	35%	7.1%	27.9%
• 12 months and within 24 months	45%	35%	-	-
• 24 months and within 5 years	45%	35%	11.8%	-
• 5 years and within 10 years	45%	35%	5.3%	-
• 10 years and within 30 years	45%	35%	8.2%	-
• 30 years and within 50 years	45%	35%	21.0%	-
• 50 years and within 70 years	45%	35%	18.7%	-
<u>Council Policy Limits</u>				
Maximum Percentage of Debt Repayable In Year	25%		18.7%	
Maximum Proportion of Debt At Variable Rates	45%		27.9%	
Maximum Percentage of Debt Restructured In Year	30%		0.0%	

5.6 The forecast from the Treasury Advisors in the 2019/20 Strategy for the Bank Rate as at 31 March and the latest forecast for the Bank Rate are:

	Forecast Per 2019/20 Strategy	Latest Forecast
2019/20	1.25%	0.75%
2020/21	1.50%	1.00%
2021/22	2.00%	1.25%

5.7 The Council's investment policy for the year is governed by Scottish Government Investment Regulations, which was implemented in the annual investment strategy approved by the Council on 21 February 2019. This policy sets out the approach for choosing investment categories and counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data such as rating outlooks, credit default swaps, bank share prices etc.

- 5.8 All investments were in accordance with the policy and no institutions with which investments were made had any difficulty in repaying investments and interest in full during the period.

The result of the investment strategy undertaken by the Council in the first six months of 2019/20 is as follows:

Average Investment	Rate of Return (gross of fees)	Benchmark Return (3 month LIBID uncompounded)
£19,581,276	0.82%	0.66%

The Council have outperformed the benchmark by 0.16% resulting in additional income to the Council of £15,700. Opportunities for the Council to out-perform the benchmark rate are becoming fewer due to more standardisation of rates and periods offered.

6.0 LOAN CHARGES REVIEW AND PRUDENTIAL REPAYMENT POLICY

- 6.1 Following Audit Scotland changes to their advice to applying Scottish Government guidance on Loan Charges earlier this year, a review was undertaken of the periods over which previous years' capital expenditure is being written-off to revenue as part of the Loan Charges budget.
- 6.2 The purpose of the review has been:
- To produce a proposed Prudential Repayment policy for capital expenditure for the maximum periods over which that expenditure will be written-off to revenue through Loan Charges. Committee approval is being sought to adopt the policy which is attached as Appendix 3.
 - To identify projects where the write-off periods currently being used should be amended to more closely match the expected life of the assets involved, in line with the proposed Prudential Repayment policy. The projects and changes identified are shown in Appendix 4.
- 6.3 The financial impact of the review is that:
- A £1,400,000 saving has been identified in Loan Charge principal repayments for the period to 31 March 2019. This will be credited to the Loan Charges Earmarked Reserve.
 - There will also be ongoing Loan Charge repayment savings of £400,000 per year from 2019/20 through to 2035/36. After this, the Loan Charge principal repayments will increase as a result of the extension of the write-off periods to bring those periods more in line with the asset lives.
 - The reduction in annual Loan Charge principal repayments means that, compared to now and through to 2035/36, the Council's Capital Financing Requirement and the Council's level of under-borrowing will be higher than would have been the case. The Authorised Limit and Operational Boundary will need to be adjusted accordingly.

7.0 IMPLICATIONS

7.1 Legal

None. Any borrowing or lending is done under the Council's legal powers.

7.2 Finance

Through the achievement of exceeding the investment benchmark return rate, the Council has benefited from additional returns of £15,700. The Council utilises Treasury Management as part of the overall Financial Strategy. Officers will continue to

investigate borrowing and investment opportunities to bring financial benefits to the Council, all within the Treasury Management Policy.

7.3 Human Resources

None.

7.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

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

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

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

7.5 Repopulation

None.

8.0 CONSULTATIONS

8.1 This report has been produced based on advice from the Council's treasury advisers (Link Treasury Services Limited).

9.0 LIST OF BACKGROUND PAPERS

- 9.1 CIPFA - Treasury Management in the Public Services – Code of Practice and Cross-Sectoral Guidance Notes – 2017 Edition
Inverclyde Council – Treasury Management Strategy and Annual Investment Strategy 2019/20-2022/23.

**CASH BALANCES MANAGED IN-HOUSE
ACTUAL AS AT 31 MARCH 2019 AND 30 SEPTEMBER 2019**

The following is an analysis of cash balances managed in-house as at 31 March 2019 and at 30 September 2019:

	As At 31 March 2019	As At 30 September 2019
	£	£
<u>Fixed Term Deposits</u>		
Bank of Scotland	10,000,000	5,000,000
Santander UK	0	0
	10,000,000	5,000,000
Average Interest Rate	1.00%	0.85%
<u>Notice Accounts</u>		
Bank of Scotland	0	5,000,000
Santander UK	320	321
	320	5,000,321
Average Interest Rate	0.60%	0.95%
<u>Deposit Accounts</u>		
Bank of Scotland	8,914,400	22,937,200
Santander UK	502	503
	8,914,902	22,937,703
Average Interest Rate	0.75%	0.65%
TOTAL	18,915,222	32,938,024
Average Interest Rate	0.88%	0.73%

**FORECAST OF INVESTMENT BALANCES
ESTIMATE FOR 2019/20 AND ACTUAL AT 30 SEPTEMBER 2019**

Investment Regulation 31 requires the Council to provide forecasts for the level of investments. The estimate for 2019/20 and the actual as at 30 September 2019 are:

	2019/20 Estimate For Year	2019/20 Actual For 1 April 2019 To 30 September 2019
	£000	£000
Cash balances managed in-house		
- At Start of Year	25,000	18,915
- At End of Year/Period	19,426	32,938
- Change in Year/Period	(5,574)	14,023
- Average daily cash balances	22,213	19,581
Holdings of shares, bonds, units (includes local authority owned company)		
- At Start of Year	2	2
- Purchases	0	0
- Sales	0	0
- At End of Year/Period	2	2
Loans to local authority company or other entity to deliver services		
- At Start of Year	483	483
- Advances	0	0
- Repayments	42	19
- At End of Year/Period	441	465
Loans made to third parties (Largely BPRA) #		
- At Start of Year	2,128	2,139
- Advances	0	4
- Repayments	22	13
- At End of Year/Period	2,106	2,129
Total of all investments		
- At Start of Year	27,613	21,539
- At End of Year/Period	21,975	35,534
- Change in Year/Period	(5,638)	13,995

- This includes the £50,000 investment made with the Shared Interest Society Limited in August 2017.

**LOAN CHARGE PRINCIPAL REPAYMENTS
PROPOSED PRUDENTIAL REPAYMENT POLICY**

1. The maximum repayment periods for capital expenditure:
 - a. Computers/Network Equipment
 - Software 5 years
 - PCs 6 years
 - Servers 7 years
 - b. Vehicles
 - 5 years or 7 years depending on type of vehicle
 - c. 3G Pitches
 - Up to 15 years
 - d. Repairs and Renewal Work (e.g. Window Replacement, Reroofing)
 - 20 years
 - e. Roads Carriageway Upgrades
 - 20 to 25 years
 - f. Footway Upgrades
 - 30 years
 - g. Major Refurbishment Work
 - 30 years
 - h. New Buildings (including schools)
 - 40 years
 - i. Major Regeneration Works
 - 60 years
 - j. Purchase of Land
 - 100 years
 - k. Development Sites
 - 100 years
2. The repayment periods for individual items are to be applied on a prudent basis and be based on the expected useful life of the assets/expenditure involved.
3. Repayments are currently calculated using the annuity method (in which repayments increase each year during the write-off period). This method has been used for many years and will be used for calculating repayments on capital expenditure incurred up to 2020/21. For new capital expenditure from 2021/22 onwards, the Council is required to select its calculation method from options set by the Scottish Government. Of those available, it is proposed to use the equal instalment method (where repayments start higher than under the annuity method but do not change during the write-off period).

Finance Services,
October 2019.

**LOAN CHARGE REVIEW
CHANGES TO PERIODS CURRENTLY BEING USED, IN LINE WITH PROPOSED POLICY**

The main projects and changes identified from the Loan Charges review are:

Project	Write-Off Period Adjustment (Years)
a. Depots AMP	From 20 to 40
b. Offices AMP	From 20 to 30
c. Gourock Central Development	From 20 to 60
d. Broomhill Regeneration	From 20 to 60
e. Clune Park Regeneration	From 20 to 100
f. Leisure Strategy	From 30 to 40

These changes are being made to more closely match the expected life of the assets involved, in line with the proposed Prudential Repayment policy.

Report To: Trustees of Council's Charities **Date:** 5 December 2019
Report By: Honorary Treasurer **Report No:** FIN/111/19/AP/MT
Contact Officer: Matt Thomson **Contact No:** 01475 712256
Subject: Trust Funds Annual Accounts 2018-19

1.0 PURPOSE

1.1 The purpose of this report is to ask the trustees:

- a) To adopt the examined Annual Accounts of the Birkmyre Trust and the Watt Institution Trust Fund.
- b) To note the draft Annual Accounts of the McLeod Trust.

2.0 SUMMARY

2.1 It is good practice for trustees to approve the examined Annual Accounts and sign and date the Trustees' Annual Report and Balance Sheet no later than 9 months after the financial year end. These trusts are not registered charities and accordingly do not require to be filed with an external agency. The Independent Examiner has confirmed that the financial statements present fairly the finances of the trusts.

3.0 RECOMMENDATION

3.1 It is recommended that the trustees:

- a) Review and approve the Annual Accounts for the Birkmyre Trust and Watt Institution Trust Fund for the year ended 31 March 2019.
- b) Note the accounts of the McLeod Trust for the year ended 31 March 2019.

Alan Puckrin
Honorary Treasurer

4.0 BACKGROUND

- 4.1 It is good practice for trustees to approve the Annual Accounts and sign and date the Trustees' Annual Report and Balance Sheet no later than 9 months after the financial year end. The financial statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom (the "Code"), the same basis as the Council. These trusts are not registered charities and accordingly do not require to be filed with an external agency.
- 4.2 The two trusts concerned are:
- Birkmyre Trust
 - Watt Institution Trust Fund

5.0 2018/19 ACCOUNTS

- 5.1 The Accounts of the Birkmyre Trust show that the trust's expenditure exceeded income during the year and a deficit of £22,036 was drawn down from the reserves brought forward. £5,295 was added to the Usable Revenue Reserve and £27,331 deducted from the Unusable Reserves.
- 5.2 As at 31st March 2019, the Usable Revenue Reserves, available to support services at the discretion of Trustees, now stands at £91,831. The Unusable Revaluation Reserve holds unrealised gains or losses where the amounts would only become available to provide services if the underlying assets were sold and now stands at £1,430,166. The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction and enhancement of those assets under statutory provision and the balance is (£9,857).
- 5.3 The Accounts of the Watt Institution Trust Fund show that the Trust's expenditure exceeded income during the year and the deficit of £37,781 was deducted from the reserves brought forward. As at 31st March 2019, the Trust has a balance of £40,653 on its Revenue Reserve available to provide services in accordance with the objects of the Trust.
- 5.4 The independent examination of the accounts of the trusts has been completed by Robert Allison CPFA free of charge. In both cases, the certificate will confirm that the financial statements present fairly the finances of the trust for the period.
- 5.5 The financial statements of both trusts continue to be included within the audited Annual Accounts for Inverclyde Council under the Local Authority Accounts (Scotland) Regulations 2014.
- 5.6 The accounts of the McLeod Trust are also included for trustees' information. The independently examined financial statements for 2018-19 have been approved at a meeting of Port Glasgow High School Senior Management Team (which was also the AGM of the trustees) and are attached for information.

6.0 IMPLICATIONS

6.1 Finance

There are no financial implications arising from this report.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (if Applicable)	Other Comments
N/A					

6.2 Legal

There are no legal implications arising from this report.

6.3 Human Resources

There are no human resources implications arising from this report.

6.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

YES

NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

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

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

YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.

NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

NO

6.5 Repopulation

There are no repopulation implications arising from this report.

7.0 CONSULTATIONS

7.1 The Head of Legal and Property Services has been consulted about the matters in this report.

8.0 LIST OF BACKGROUND PAPERS

8.1 None.

Birkmyre Trust

Annual Report and Financial Statements 2018-19



Year ended 31 March 2019

Birkmyre Trust: Table of Contents

Trustees' Annual Report	2
Independent Examiners' Report	9
Income and Expenditure Statement	10
Balance Sheet	11
Movement in Reserves Statement	12
Expenditure & Funding Analysis	13
Notes to Accounts	15
Note 1: Accounting Policies	15
Note 2: Staff Numbers & Costs	16
Note 3: Related Party Disclosures	16
Note 4: Governance Costs.....	16
Note 5: Analysis of Property, Plant & Equipment.....	16
Note 6: Cash & Cash Equivalents.....	16
Note 7: Borrowing	17
Note 8: Payments to Trustees.....	17

Birkmyre Trust Background

Adam Birkmyre (1848-1906) of Shallot, Kilmacolm was a generous benefactor to Kilmacolm and donated to them Birkmyre Park. He also paid for the reading room and the library in the village.

In 1889 he purchased land in the middle of the village to provide a public park for the inhabitants of the Parish of Kilmacolm for their “use, benefit, enjoyment and recreation”.

The following year after work to lay out footpaths, play areas for children and pitches for sports, Birkmyre Park was formally opened to the public. In addition to the parkland, four cottages on the land were donated.

The cottages were subsequently converted into what became known as the Pavilion. A feature of this building was the decoration of the Birkmyre name and family emblem on its end walls. The Pavilion served various purposes over the years including a children’s nursery and accommodation for the park keepers.

By the turn of the Millennium, and after over 100 years of service, the Pavilion was in need of renovation. Starting in 2005, capital improvements were made to the Pavilion and its’ surroundings by the local authority.

In 2009, with financial assistance from the council, a further programme of very extensive refurbishment to the Pavilion was successfully completed. The building now houses modern leisure facilities.

The trust for the Birkmyre Park was established under the trust disposition of Adam Birkmyre to the Parish of Kilmacolm in 1897.

As the successor local authority Inverclyde Council is the sole trustee. The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council’s financial affairs and, as part of that responsibility, administers the trust and reports to Council.

Chair

- Provost Martin Brennan

Honorary Secretary

- Role fulfilled by officers in Inverclyde Council's Legal and Property Services

Honorary Treasurer

- Role fulfilled by Alan Puckrin CPFA, Chief Financial Officer (Section 95 Officer)

Bankers

- All monies are held and managed by Inverclyde Council.

Independent Examiner

- Bert Allison CPFA, Glasgow G43 2DF

Structure, Governance and Management Governing Document

The legal name of the charity is Birkmyre Trust. It is an unincorporated trust governed on the basis of the available evidence of its constitution. The trust was established in terms of a disposition granted by Adam Birkmyre on 1 November 1897 and recorded in 1908.

In this deed, he conveyed to himself and others, including the Parish Council of Kilmacolm, as trustees of the trust, an area of ground known as Birkmyre Park, four cottages known as the Park Cottages and some related areas of ground. After his death, Mr. Birkmyre's testamentary trustees conveyed further ground to the trustees of the trust in terms of two further dispositions recorded in 1908 and 1916 respectively. The terms of the trust have been amended by court approved *cy pres* schemes in 1995 and in 2005.

Appointment of Trustees

The councillors of Inverclyde Council are assumed as trustees on their appointment to the Council. Councillors receive training on the responsibilities of being a trustee and the accounts of the trust.

Organisational Structure

The trustees meet to consider applications for support and that sufficient funding is available. At a special annual meeting of the Council, trustees consider the income and expenditure levels during the financial year and that suitable arrangements are in place to manage the funds of the trust.

The trustees, in order to discharge their responsibilities, rely on the advice and expertise of the officers of Inverclyde Council. The Council provides all administrative support to the trust including financial, legal and secretarial support. The Council also administers the payments from the trust.

The Council makes a charge for these services as agreed by the trustees at the

meeting of 4 October 2012. There are no other costs in connection with governance.

Related Parties

Trustees hold this position because they are elected councillors of Inverclyde Council. Inverclyde Council provides support services to the trust.

Risk Management

The Council has assessed the major risks to which the trust is exposed, in particular those related to its operation and finances, and is satisfied that the systems are in place to mitigate the exposure to the major risk.

Management of Funds and Investment Policy

The trustees rely upon the expertise of officers of Inverclyde Council to manage the investments to ensure the maximum return at least risk to the trust. In this way, the income stream for the future benefit of the charity is protected while allowing income for the current year's expenditure.

The funds of the trust are deposited with Inverclyde Council and receive interest at the average market rate for the short-term borrowing. The interest received from Inverclyde Council is shown in the Income and Expenditure Statement.

Objective and Activities

Objective

Its purpose is

"the said park . . shall be kept open and free (except as mentioned) every day Sundays and holidays included for the use, benefit, enjoyment and recreation of the public for all time coming.

The area of the park so far as not occupied by walks, trees, buildings and other fixtures shall be devoted to the purpose of games and the inhabitants of the Parish of Kilmacolm shall have the sole use of the said area for that purpose"

The end of the financial year is 31 March 2019.

Activities

The trust meets the costs of the Park and its buildings not otherwise defrayed by the Council, and receives income from chargeable activities. The balance of funds is invested with the Council.

Performance and Achievements

Birkmyre Park Fitness Gym continues to offer a state-of-the-art Fitness Gym with the latest Technogym equipment with the Mywellness system, gym-based Group Fitness classes, Birkmyre Cafe by Nardini and a treatment room which hosts Judi Holmes Remedial and Sports Massage, all set in the lovely Birkmyre Park, Kilmacolm. Judi Holmes was a great addition to the site last year and has continued her lease for 2019/20. The gym was officially opened to the public in June 2008 and it had a full equipment refurbishment on the 30th of September 2015. As such, Birkmyre Fitness Gym celebrated its 10 year Birthday Party at Kilmacolm Golf Club, where over 100 of our members attended.

The gym has 60+ gym stations and 21 gym-based classes per week in the facility at Birkmyre. As part of the Inverclyde Leisure membership packages, the IL Fitness+ and IL Group Fitness, our members and the public also have the option of attending Group Fitness classes at KNCC.

On site, the gym has 3 external personal trainers. Two have been at the site for a number of years, and one is a new addition for the coming year having joined late 2018/19.

The Technogym equipment with the Mywellness system has been successful and 931 accounts had been verified by year end of 2018/19. This technology is used as a tool to help motivate and encourage people to "get active, be active and stay active" for longer by enabling users to track their activity. Staff are able to update programmes and offer advice in text or video form that the members can access through their MyWellness accounts at the gym, or on their

mobile phone or laptop/PC wherever they are in the world. This system has and will continue to play a key role in retention at Birkmyre Park Fitness Gym and ensuring everyone is training towards their goals.

During the year of 2018/19, Birkmyre Gym saw an increase in members hitting a peak of 559 which was a site record. As such, staff now have more active engagement with the members and in turn can support them every step of the journey, and with the increased gym members saw another increase in gym usage hours. The gym had 26,327 (hours) visits to the gym during 2017/18, this was increased by 339 hours to 26,666 (hours) in 2018/19. This does show a steady progression at the site as it previously increased from 2016/17 figure of 22,187 in the year prior.

Birkmyre Park Fitness Gym works in partnership with Birkmyre Rugby Club, St Columbas School, Live Active, Kilmacolm Primary School and local voluntary groups such as the walking group that meet every Thursday come rain, hail or shine. During the last year we also started working closely with Kilmacolm Golf Club and now sponsor the 2nd Hole.

Inverclyde Leisure host the annual Inverclyde Leisure Excellence Awards and Birkmyre Gym was the proud winner of the Highest Average Quality Award and Highest Health and Safety Audit Award. Birkmyre Fitness Gym also won an external award from The Retention People. Birkmyre Fitness Gym was the 2018 winner for Best Customer Experience. This is a highly prestigious award and we beat off competition from over 500 sites around the UK, Ireland, Australia, USA and Canada.

Inverclyde Leisure and Birkmyre Park Fitness Gym also hosted the annual Kilmacolm Running Festival. The 2018 event was on Sunday 9th of September. Over 400 people registered for the event which included a Toddle Woddle, family 3k, 10k and Half Marathon. The event was well attended by

families and local residents showing their support and the start and finish line. There was quite a bit of all weathers on the day, however, this didn't dampen any spirits.

The BBQ provided by The Birkmyre Cafe by Nardini was a big hit with racers and spectators. 2018 was the first year that Scottish Athletics kindly officially measured the event, and is now an affiliated race.

Financial Review

Income and Expenditure for the Year ended 31 March 2019

The Income and Expenditure Statement on page 10 provides an analysis of the income and expenditure for the twelve months from 1 April 2018 to 31 March 2019.

The trust incurred expenditure of £41,418 (2017/18: £41,662) covering insurance £744 (2017/18: £703), loan interest £3,349 (2017/18: £3,634), governance costs £334 (2017/18: £334) and annual depreciation charge £36,991 (2017/18: £36,991). Income of £19,382 (2017/18: £19,936) was received; £18,762 from rents and pitch hires (2017/18: £19,530) and £620 (2017/18: £406) from interest on short-term deposits with Inverclyde Council.

The deficit for the year of £22,036 (2017/18: £21,726) was deducted from the reserves brought forward: £5,295 was added to the Usable Revenue Reserves (2017/18: £6,010 deducted) £27,331 was deducted from the Unusable Reserves (2017/18: £27,736 deducted). In 2018/19 the Council donated assets valued at £327,922 to the Trust relating to pitch improvements, the value of which have been added to the Revaluation Reserve.

Assets and Liabilities at 31 March 2019

The balance sheet on page 11 provides an analysis for the trust of the assets and liabilities as at 31 March 2019.

The reserves of the trust are £1,512,139 (2017/18: £1,206,253). Usable revenue reserves are £91,831 (2017/18: £86,536), the unusable Revaluation Reserve stands at

£1,430,166 (2017/18: £1,136,963) and the unusable Capital Adjustment Account balance is (£9,858) (2017/18: (£17,246)).

The carrying value of the land and buildings held by the trust is £1,502,287 (2017/18: £1,211,356). Within the year, £327,922 of additions were added to the land and buildings held (2017/18: £0). Inverclyde Council holds cash of £91,831 (2017/18: £86,536) on behalf of the trust. The trust has borrowings for capital investment of £81,979 (2017/18: £91,639) advanced by Inverclyde Council of which £10,082 (2017/18: £9,660) is repayable in the next financial year.

Reserves Policy

The trust has been in existence for some time and the trustees consider that its reserves are sufficient.

The trust has always maintained a healthy balance of revenue reserves and as such there had been to-date no requirement to adopt a formal reserves policy. The free reserves at the financial year-end were £91,831 (2017/18: £86,536).

Future Plans

The Birkmyre Trust will continue to work in partnership with the local authority to support the continued operation of the parkland and buildings in the Park.

Conclusion

The trust's expenditure exceeded income during the reporting period and the deficit of £22,036 (2017/18: £21,726) has been deducted from the reserves brought forward.

The trustees look forward with some confidence. The trust has a balance of £91,831 (2017/18: £86,536) of usable revenue reserves. Funding is in place for the future with income from rents. The buildings have been extensively refurbished and house modern nursery and leisure facilities to serve the local community.

Approved by the trustees on 5th December 2019 and signed on behalf of all trustees.

Provost Martin Brennan
Chair of the trustees

This Trustees' Report is also counter-signed by the Chief Financial Officer of Inverclyde Council in his capacity as the Honorary Treasurer.

Alan Puckrin CPFA
Honorary Treasurer

Independent Examiner's Report to the Trustees of the Birkmyre Trust

I report on the accounts of the Trust for the year ended 31 March 2019 which are set out on pages 10 to 17.

Respective Responsibilities of Trustees and Examiner

The trustees are responsible for the preparation of the accounts in accordance with applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union, and interpreted and adopted by the Code of Practice on local authority accounting in the United Kingdom 2018-19 (The "Code"). The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council's financial affairs and, as part of that responsibility, administers the trust and reports to trustees. On the advice of the Honorary Treasurer, the trustees have determined that an independent examination be conducted. My responsibility is to examine the accounts as requested and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination includes a review of the accounting records kept by the trust and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material aspect the requirements:

- To keep accounting records, and
- To prepare accounts which accord with the accounting records have not been met, or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Bert Allison CPFA



Birkmyre Trust

Income and Expenditure Statement for the Year ended 31 March 2019

This statement shows the cost of the operations of the trust in accordance with accounting standards. It shows the movement in the year on the two reserves held by the trust; usable reserves that can be applied to fund expenditure, and unusable reserves, the unrealised gains on the revaluation of the trust's land and buildings.

Total 2017-18		Note	Total 2018-19
£			£
703	Insurance Costs	3	744
0	Property Repairs		0
334	Governance Costs	4	334
36,991	Annual Depreciation Charge	5	36,991
38,028	Gross Expenditure		38,069
(4,823)	Hire of Pitches		(4,055)
(2,707)	Rental for Nursery School		(2,707)
(12,000)	Rental for Leisure Centre	3	(12,000)
(19,530)	Gross Income		(18,762)
18,498	Cost of Services		19,307
3,634	Interest Paid	3	3,349
(406)	Interest Received	3	(620)
3,228			2,729
21,726	(Surplus) or Deficit on the Provision of Services		22,036
21,726	Net (Increase) or Decrease before Transfers		22,036

Birkmyre Trust

Balance Sheet as at 31 March 2019

The balance sheet is a snapshot of the value at the reporting date of the assets and liabilities recognised by the trust. The net assets of the trust (assets less liabilities) are matched by the reserves held by the trust. Reserves are reported in two categories. The first category of reserves is usable reserves i.e. those reserves that the trust may use to provide services. The second category of reserves is those that the trust is not able to use to provide services. This category of reserves holds unrealised gains or losses where the amounts would only become available to provide services if the underlying assets are sold (in for example the Revaluation Reserve) and timing differences (as detailed in the Movement in Reserves Statement).

31 March 2018	Note	31 March 2019
£		£
Non-current Assets		
1,211,356	Property, Plant and Equipment 5	1,502,287
Current Assets		
86,536	Cash and Cash Equivalents 6	91,831
Current Liabilities		
(9,660)	Short-term Borrowing 7	(10,082)
Long-term Liabilities		
(81,979)	Long-term Borrowing 7	(71,897)
1,206,253	Net Assets	1,512,139
Reserves		
86,536	Usable Reserves	91,831
1,119,717	Unusable Reserves	1,420,308
1,206,253	Total Reserves	1,512,139
<p>The notes on pages 13 to 17 form part of the accounts. Approved by the trustees on 5th December 2019 and signed on their behalf by:</p>		
<p>Provost Martin Brennan Chair of the Trustees</p>		<p>Alan Puckrin CPFA Honorary Treasurer</p>

Birkmyre Trust

Movement in Reserves Statement

For the Year ended 31 March 2019

This statement shows the movement in the year on the different reserves held by the Trust, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and 'unusable reserves'. The Movement in reserves Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and statutory adjustments required to return to amounts chargeable to the fund balance for the year. The net Increase/(Decrease) line shows the statutory Fund Balance movement in the year following those adjustments.

Year ended 31 March 2019

	Fund Balance (£)	Revaluation Reserve (£)	Capital Adjustment Account (£)	Total Reserves (£)
Balance at 1 April	86,536	1,136,963	(17,246)	1,206,253
Movement in reserves in the year				
Total Comprehensive income and expenditure	(22,036)	0	0	(22,036)
Charges for depreciation of non-current assets	36,991	0	(36,991)	0
Addition/Enhancement to Fixed Assets	0	327,922		327,922
Statutory provision for the principal repayment of loan charges	(9,660)	0	9,660	0
Total adjustments between accounting basis and funding basis under regulations	27,331	327,922	(27,331)	327,922
Net increase or (decrease) before Transfers to other Statutory Reserves	5,295	327,922	(27,331)	305,886
Difference between fair value depreciation and historical cost depreciation written off to Capital Adjustment Account	0	(34,719)	34,719	0
Balance at 31 March carried forward	91,831	1,430,166	(9,858)	1,512,139

Comparative Figures for Year ended 31 March 2018

	Fund Balance (£)	Revaluation Reserve (£)	Capital Adjustment Account (£)	Total Reserves (£)
Balance at 1 April	80,526	1,171,682	(24,229)	1,227,979
Movement in reserves in the year				
Total Comprehensive income and expenditure	(21,726)	0	0	(21,726)
Charges for depreciation of non-current assets	36,991	0	(36,991)	0
Statutory provision for the principal repayment of loan charges	(9,255)	0	9,255	0
Total adjustments between accounting basis and funding basis under regulations	27,736	0	(27,736)	0
Net increase or (decrease) before Transfers to other Statutory Reserves	6,010	0	(27,736)	(21,726)
Difference between fair value depreciation and historical cost depreciation written off to Capital Adjustment Account	0	(34,719)	34,719	0
Balance at 31 March carried forward	86,536	1,136,963	(17,246)	1,206,253

Birkmyre Trust

Expenditure and Funding Analysis For the Year ended 31 March 2019

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources by the Trust in comparison with those resources consumed or earned by the Trust in accordance with generally accepted accounting practices. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Expenditure and Funding Analysis 2018-19

	Expenditure chargeable to the Fund balance (£)	Adjustment between the Funding and Accounting Basis (£)	Net Expenditure in the Comprehensive Income and expenditure Statement (£)
Net Cost of Service – Trust	(19,307)	36,991	19,307
Financing and Investment (income) and Expenditure	12,389	(9,660)	2,729
(Surplus) or Deficit on the Provision of Service	(5,295)	27,331	22,036
Opening Fund Balance at 1 April	86,536		
Surplus/(Deficit) on Fund Balance in the year	5,295		
Closing Fund Balance at 31 March	91,831		

Note

	Adjustments for Capital purposes (£)	Other Differences (£)	Total Adjustments (£)
Net Cost of Service – Trust	36,991		36,991
Financing and Investment (income) and Expenditure		(9,660)	(9,660)
Difference between General Fund (Surplus)/Deficit and Comprehensive Income & Expenditure Statement (Surplus)/Deficit on the Provision of Service	36,991	(9,660)	27,331

Comparative Figures for 2017-18

	Expenditure chargeable to the Fund balance (£)	Adjustment between the Funding and Accounting Basis (£)	Net Expenditure in the Comprehensive Income and Expenditure Statement (£)
Net Cost of Service – Trust	(18,493)	36,991	18,498
Financing and Investment (income) and Expenditure	12,483	(9,255)	3,228
(Surplus) or Deficit on the Provision of Service	(6,010)	27,736	21,726
Opening Fund Balance at 1 April	80,526		
Surplus/(Deficit) on Fund Balance in the year	6,010		
Closing Fund Balance at 31 March	86,536		

Note

	Adjustments for Capital purposes (£)	Other Differences (£)	Total Adjustments (£)
Net Cost of Service – Trust	36,991		36,991
Financing and Investment (income) and Expenditure		(9,255)	(9,255)
Difference between General Fund (Surplus)/Deficit and Comprehensive Income & Expenditure Statement (Surplus)/Deficit on the Provision of Service	36,991	(9,255)	27,736

Birkmyre Trust

Notes to the Accounts

Note 1 Accounting Policies:

Basis of Preparation

The financial statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018-19 (the "Code"). The Code is based on International Financial Reporting Standards with interpretation appropriate to the public sector. The principal policies adopted in the preparation of the financial statements are set out below.

Going Concern

The accounts have been prepared on a "going concern" basis as it is expected revenue reserves will provide sufficient resources to finance future liabilities.

Incoming Resources

All incoming resources are included in the Income and Expenditure Account when the trust is entitled to the income. All incoming resources are applied to usable reserves funds. Interest is included when receivable.

Resources Expended

All expenditure is included in the Income and Expenditure Statement on an accruals basis and is recognised when there is a legal or constructive obligation to pay.

Charges to Revenue for Non-current Assets

Depreciation, revaluation and impairment losses are charged to record the cost of holding fixed assets during the year. Depreciation is charged on a straight-line basis over the useful life of the assets, assessed as 15 years for the recent refurbishment work to the Pavilion building and 10 years for the improvements to the nursery school area. No depreciation is charged in the year of acquisition; a full year's depreciation is charged in the year of disposal.

Cash and Cash Equivalents

Cash is represented by deposits with the Council repayable immediately. The trust has no cash equivalents. The Council acts as the banker for the trust and all transactions are made via the Council's accounts.

Debtors

Debtors are recognised at the settlement amount due.

Borrowing

The amounts presented on the balance sheet are the outstanding principal repayable plus any accrued interest. The interest chargeable to the Income and Expenditure Statement is the amount payable for the year.

Property, Plant and Equipment

Assets that have physical substance and are held for use in the supply of services, for rental to others or for administrative purposes and that are expected to be used for more than one financial year are classified as Property Plant and Equipment. Assets, including donated assets are included at fair value (that would be paid for the asset in its existing use) and are revalued sufficiently regularly to ensure their carrying value is not materially different from their fair value at the year-end (but as minimum every five years) by external independent professional valuers. The last valuation was conducted at 31 March 2016. Increases in valuation are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Reserves

The trust has two reserve funds. The Usable Reserves (Revenue) is a fund available to support services at the discretion of Trustees. The Unusable Reserves (Revaluation) holds unrealised gains or losses where the amounts would only become available to provide services if the underlying assets are sold and the Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

Comparative Figures and Taxation

Figures for 2017-18 are shown as appropriate for purposes of comparison. Irrecoverable tax is included in the expense or income to which it refers.

Taxation

The Birkmyre Trust is included by HMRC as part of Inverclyde Council. The trust is not liable to income tax or capital gains tax. VAT is recovered by Inverclyde Council.

Note 2 Staff Numbers and Costs:

The Birkmyre Trust has no staff. All support functions are provided by Inverclyde Council.

Note 3 Related Party Disclosures:

During the year, Inverclyde Council recharged insurance premiums of £744 to the trust (2017/18: £703). Interest of £620 was received from, and interest of £3,349 was paid to, Inverclyde Council (2017/18: £406 and £3,634). As at 31 March 2019, Inverclyde Council held £91,831 for the trust (2017/18: £86,536). The trust owed £81,979 to Inverclyde Council (2017/18: £91,639).

The trust received a rental of £12,000 (2017/18: £12,000) from Inverclyde Leisure as independently determined by the District Valuer. The leisure company is responsible for all running and maintenance costs under the lease.

Note 4 Governance Costs:

Inverclyde Council provides management services to the trust at £334 (2017/18: £334). The independent examination has been conducted on a "no-charge" basis and accordingly no accrual has been made for the examiner's fees.

Note 5 Analysis of Property Plant and Equipment:

The figure in the balance sheet on page 11 reflects the depreciated current value of the land and buildings of the trust.

In 2018-19 additions included £327,922 of pitch improvements donated to the Trust by the Council.

2017 - 2018		2018 - 2019
£		£
	Valuation	
1,285,339	01-Apr	1,285,339
0	Additions in year	327,922
0	Disposals in year	0
0	Other Adjustments/Transfers	(337)
1,285,339	At 31 March	1,612,924
	Depreciation and Impairment	
36,992	At 1 April	73,983
36,991	Depreciation charge for the year	36,991
0	Other Adjustments/Transfers	(377)
73,983	At 31 March	110,637
1,211,356	Balance Sheet as at 31 March 2019	1,502,287

Note 6 Cash and Cash Equivalents

The Council acts as the banker for the trust and all transactions incoming and outgoing are made via the Council's accounts. The balance is repayable on demand. Interest is paid on balances.

2017 - 2018		2018 - 2019	
£		£	
80,526	Balance at 1 April 2018		86,536
Net Cash Inflow from Operating Activities			
(18,498)	Net surplus/(deficit) on the cost of services	(19,307)	
36,991	Adjustments for non-cash movements	36,991	17,684
Net Cash Outflow from Investing Activities			
0	Expenditure on property, plant & equipment	0	
406	Interest received	620	620
Net Cash Inflow from Financing Activities			
0	Receipts of long-term borrowing	0	
(9,255)	Repayment of long-term borrowing	(9,660)	
(3,634)	Interest paid on borrowing	(3,349)	(13,009)
86,536	Balance at 31 March 2019		91,831

Note 7 Borrowing

The trust has secured long-term borrowing to fund capital investment on the buildings. The borrowing was undertaken in the two financial years 2011 and 2012 and is repayable over a period of 15 years. The fair value is shown in the table below, assessed on inputs that are observable for the liability.

2017-18		2018-19	
£		£	
Amounts due within 12 Months			
8,496	At 1 April 2018		9,660
0	New Borrowings		0
10,419	Transfer from Debt over 12 Months		10,082
(9,255)	Repayments to Inverclyde Council		(9,660)
9,660	Balance at 31 March 2019		10,082
Amounts due over 12 Months			
92,398	At 1 April 2018		81,979
0	New Borrowings		0
(10,419)	Transfer to Debt under 12 Months		(10,082)
81,979	Balance at 31 March 2019		71,897

Note 8 Payments to Trustees

No trustee, or any people related to a trustee, were remunerated during the year. Nor was there any requirement for any expenses to be paid.



Inverclyde
council

Finance Services, Municipal Buildings, Greenock PA15 1LY

Tel: 01475 712090 Fax: 01475 712202 www.inverclyde.gov.uk

Watt Institution Trust Fund

Annual Report and Financial Statements 2018-2019



Year ended 31 March 2019

Watt Institution Trust Fund Contents

Trustees Annual Report	.....	3
Independent Examiner’s Report	.....	9
Income and Expenditure Statement	.....	10
Balance Sheet	.....	11
Notes to the Accounts	.....	12-13

Greenock Corporation took over responsibility for running the Watt Library, McLean Museum, Art Gallery and Watt Hall (known collectively as the Watt Institution) from the Watt Trust in 1973.

In July 1984, the existing trustees of three bodies - the Committee of Management of the Greenock Library; the Committee of Management of the Watt Hall and Museum and Greenock Art Gallery; and the James McLean Trust - were discharged from their relative trust obligations and the whole trust estate was invested in the former Inverclyde District Council.

The Court of Session, at that time, declared a Scheme of Administration for the future management and use of the assets and funds invested in the trust and all of the land and buildings and moveable assets transferred to the Council at that time.

The Council is responsible for holding the land and buildings in trust as a memorial to the late James Watt LLD and to use it as a library, museum and hall for the benefit of the inhabitants of Greenock.

Additionally, the Council is to hold and apply the whole of the moveable property the investments from time to time

representing the same and the income thereof in trust for the maintenance, preservation, repair, improvement and furnishing of the land and buildings and of the fixtures and fittings and for the provision, safekeeping and repair of suitable books and objects for the Library and Museum.

The Watt Institution Trust Fund has its own funds which are to be used for similar purposes and any expenditure from this Fund must meet the conditions listed above.

As the successor local authority Inverclyde Council is the sole trustee. The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council’s financial affairs and, as part of that responsibility, administers the Trust and reports to Council.

Watt Institution Trust Fund
Trustees' Annual Report
For the Year ended 31 March 2019

The trustees present their report together with the financial statements and the Independent Examiner's report for the year ended 31 March 2019.

Trustees

- Councillor Ronnie Ahfeld
- Councillor Martin Brennan
- Councillor Graeme Brooks
- Councillor Jim Clocherty
- Councillor John Crowther
- Councillor Christopher Curley
- Councillor Gerry Dorrian
- Councillor Colin Jackson
- Councillor Jim MacLeod
- Councillor Stephen McCabe
- Councillor Michael McCormick
- Councillor Chris McEleny
- Councillor Jim McEleny
- Councillor Drew McKenzie
- Councillor Tommy McVey
- Councillor Robert Moran
- Councillor Natasha Murphy
- Councillor Innes Nelson
- Councillor Lynne Quinn
- Councillor Luciano Rebecchi
- Councillor Elizabeth Robertson
- Councillor David Wilson

Chair

- Provost Martin Brennan

Honorary Secretary

- Role fulfilled by officers in Inverclyde Council's Legal and Property Services

Honorary Treasurer

- Role fulfilled by Alan Puckrin CPFA, Chief Financial Officer (Section 95 Officer).

Bankers

- All monies are held and managed by Inverclyde Council.

Independent Examiner

- Bert Allison CPFA, Glasgow G43 2DF

Structure, Governance and Management

Structure

The name of the trust is the Watt Institution Trust Fund. The Trust is an unincorporated trust governed on the basis of the available evidence of its constitution. The trust in its current form was established under a court approved *cy pres* scheme in July 1984.

Appointment of Trustees

The councillors of Inverclyde Council are assumed as trustees on their appointment to the Council. Councillors receive training on the responsibilities of being a trustee and the accounts of the trust.

Organisational Structure

The trustees meet to consider applications for support and that sufficient funding is available. At a special annual meeting of the Council, trustees consider the income and expenditure levels during the financial year and that suitable arrangements are in place to manage the funds of the trust.

The trustees, in order to discharge their responsibilities, rely on the advice and expertise of the officers of Inverclyde Council. The Council provides all administrative support to the trust including financial, legal and secretarial support. The Council also administers the payments from the trust.

The Council makes a charge for these services as agreed by the trustees at the meeting of 4 October 2012. There are no other costs in connection with governance.

Related Parties

Trustees hold this position because they are elected councillors of Inverclyde Council. Inverclyde Council provides support services to the trust.

Management of Funds and Investment Policy

The trustees rely upon the expertise of officers of Inverclyde Council to manage the investments to ensure the maximum return at least risk to the trust.

The funds of the Trust are deposited with Inverclyde Council and receive interest at the

average market rate for the short-term borrowing. The interest received from Inverclyde Council is shown in the Comprehensive Income and Expenditure Statement.

Objectives and Activities

Objectives

Its purpose is to hold and apply the investments and income thereof for the maintenance, preservation, repair, improvement and furnishing of the land and buildings and of the fixtures and fittings and for the provision, safekeeping and repair of suitable books and objects for the Library and Museum.

Activities

The Trust meets the costs of the Watt Institution not otherwise defrayed by the Council and invests the balance of funds with the Council.

Performance and Achievements

In line with policy adopted by the Council and the terms of the Trust, the Watt Institution Trust Fund supported the continued operation of the museum, art gallery and library in the Watt Institution in partnership with the local authority.

The McLean Museum and Watt Library were closed to the public for the whole of 2018-19 to allow an extensive programme of fabric repairs to the building complex to continue. The annual lecture programme of the Greenock Philosophical Society was held at the Central Library.

Museum Performance

57,076 web sessions in total were recorded for the McLean Museum and Art Gallery from the Museum collections pages on the Inverclyde Council website, combined with the Collections Online site and the Museum's art collection records on the Art UK website.

Museum Achievements

The main work of the Museum service in 2018-19 has been to facilitate the major repair works in the Watt Institution, now concluded, and provide curatorial assistance to commercial removers tasked with moving exhibits and cases at different stages of the contract. Museum staff members contributed to regular meetings with

the Consultant Architect, the contractor and colleagues from the Property Department of Inverclyde Council. The artworks and ship models which had been decanted to an external specialist art store were returned at the end of the contract and Museum staff members have started to refresh and reinstate the displays.

Overhead lights in the art galleries were upgraded to modern LED lighting by the Property Department of the Council.

The Council webpages have been updated with a listing of the addresses, derived from the street directories, for 'Artists living and working in Inverclyde from 1836 until ca. 1911' and 'A Lexicon of Inverclyde Artists 1800-1939' has been posted online. Out of date documents on the Museum's network drive have been deleted and administration folders migrated to a new server.

The Curator attended meetings of the Events Group supporting Inverclyde tourism and the James Watt Steering Group organising commemorative events to celebrate the achievements of the Greenock-born engineer, James Watt, in recognition of the 200th anniversary of his death in 2019. The Curator gave a presentation about James Watt to the whole of Kilmacolm Primary School in November to tie in with the school's involvement with the World of Walking website's James Watt Walk launch, supported by the Great Place Scheme. A newsroom style presentation about Watt featuring selected primary 7 pupils from Kilmacolm Primary was filmed by students at West College Scotland for the website and the film was projected on to the Municipal Buildings in January to mark the date of Watt's birth.

New acquisitions were catalogued and digitised including Clyde Pottery wares and an Italian watercolour painting of a Scotts' steam yacht, and a stained glass window designed and constructed by the artist Alec Galloway commemorating Inverclyde's involvement in the Dardanelles campaign of WW1 was installed in the upper bay window in the Museum, presented by the Greenock Dardanelles Memorial Fund.

Owing to the quality of its collections the McLean Museum is a significant partner in the National Museums of Scotland's current Ancient Egypt and East Asia Programme. The Curator was filmed in December for a National Museums of Scotland presentation aimed at adult learners relating to the Museum's excellent Ancient Egyptian collection.

A selection of images of works in the McLean's sculpture collection has been transferred to the database for Art UK's national sculpture project and an extension to the loan of the Museum's bust of Robert Thom to the Clyde Muirshiel Regional Park has been agreed.

A painting from the Caird Art Collection, Still Life with Pomegranates by Mary Armour, was loaned to Kirkudbright Galleries for the Stars of Scotland Exhibition.

The Curator collated a leaflet with text by David Nowell Smith to commemorate the centenary of the Greenock-born poet WS Graham in November, 2018 as part of the Famous People of Inverclyde Series.

Archives and Heritage

Following from last year's update about the Inverclyde Heritage Hub which opened in August 2017, this temporary service continued until the end of 2018 by allowing a single point of access for service users allowing for a more streamlined experience and access to local history book collections, archives and social history collections. Following the closure, a temporary service has been set up at Central Library to allow visitors to access the collections prior to the reopening of the Watt Institution at which point a public service will resume there.

Senior staff participated in a working group responsible for implementing the new GDPR legislation, contributed to an update on Archive and Transfer arrangements to the Keeper of the Records of Scotland, organised files to comply with required legislation for the new Business Classification System and were heavily involved in responding to two Section 21 notices which

required access and research of information held in the Archive collection. The second S21 request resulted in a large scale transfer of records from within Inverclyde Council from the Social Work Department to Inverclyde Archives consisting of 100 boxes of records relating to the former Balrossie Residential School in Kilmacolm. This collection has now been catalogued to fonds level but remains restricted due to the sensitive nature of the material contained within.

A number of smaller scale donations were received over the last year, with two notable larger donations of records from the former Inverclyde Academy and a collection of glass plate slides of images taken by Mr Kennedy, a local photographer who sadly passed away. The Inverclyde Academy collection included (amongst other things) a number of physical photographs and images, which the depositor kindly digitised and passed on the copyright of the digital objects along with the physical objects to the collection. The Kennedy collection of photographic slides have now been digitised by one of the current Archive Volunteers, and are a wonderful record of Greenock in the 1970's. Both of these accessions are sure to provide a great deal of local interest and engagement. The Archivist has aimed to obtain local material through getting in touch with organisations which are closing or renovating local buildings in an attempt to save and preserve archive material which may otherwise be lost or destroyed. Following from a visit to the Greenock Arts Guild, unfortunately there was no material which could be saved, but photographs were taken to document the building as it is due to be demolished. Similarly, two plaques were saved from the former Ravenscraig hospital which is also due to suffer the same fate. A visit to the Mansion House on Ardgowan Square was more fruitful; the former Ardgowan Estate Offices are being refurbished and the Archivist was able to save some records found languishing in a basement room after successful contact with the current owners.

Many events took place at the Heritage Hub over the last year including the launch of Inverclyde Tourist Group's "Historic Quarter" publication which aims to highlight the importance of historical sites within Greenock's town centre

and use this to increase tourism and boost the economy of the area. Additionally, the Heritage Hub hosted a week long exhibition on local social housing called "tower blocks" which consisted of material loaned from researchers at Edinburgh University. This exhibition included a couple of drop-in events to collect information from locals with memories of living or working in social housing and to collect photographs to be added to the archive collections with an afternoon of talks from researchers at Edinburgh University, Historic Environment Scotland and Hub senior staff. The "Sugaropolis" project which is an ongoing collaboration between Inverclyde Council's heritage services, Abertay University, Edinburgh University and St Andrew's University continues with researchers from these three organisations making regular research trips to access and study the collections in Inverclyde. Two workshops took place during the summer of 2018 where the public were invited to attend a drop in event to share reminiscences and taste sugary treats based on historic recipes. Additionally there was a local history talk focusing on the wives of local men involved in the Sugar Trade organised to coincide with one of the week long research visits. Further workshops are being planned for later in 2019.

11th June saw the 150th anniversary of the "Greenock Stowaways" which was reported on the STV news programme and on the BBC news website. Seven local boys stowed away on a cargo ship called the Arran bound for Quebec and were subjected to horrendous abuse and mistreatment, subsequently being left to the elements of Newfoundland. The Heritage Hub staff organised a get together for the descendants of some of the boys from the fateful voyage and to commemorate the event to coincide with a visit from a descendant who now lives in Australia facilitating a meeting between people who were related and had never met one another before.

Work continued on the ongoing Wikipedia Editathon project where volunteers were invited to come along and update Wikipedia pages along with support from the Wikimedian in Residence. The volunteers were paired up with one having historical and research knowledge and the other

being more digitally literate, which proved to be very successful. The aim of Wikipedia is to benefit readers by providing a reliable source of encyclopaedic knowledge which is freely available, and this is done by crowdsourcing with individuals contributing to create online content.

The 'friends' group Inverclyde Heritage Network which has been set up to support Inverclyde Council's heritage services was formally constituted and is now in early days of operating. The IHN helped to run a drop in event on 18th June 2018 at the Heritage Hub to help encourage interested parties to volunteer and engage with the Archive and Heritage departments. The Archive service already has 12 volunteers who regularly work on various tasks such as research, transcribing and digitising the collections. The drop-in event proved popular with 9 additional expressions of interest; however due to factors such as the impending closure of the Heritage Hub and lack of space to accommodate volunteers, this had to be put in abeyance for the time being. Some of the current Archives volunteers worked on a local history project called "Matron, Medicine and Mayhem" which consisted of collecting oral and written testimonies from those who previously worked in healthcare in Inverclyde. The project participants were thanked with afternoon tea to coincide with and celebrate the 70th anniversary of the NHS. In addition to this, NHS70 was celebrated by staff and volunteers who were invited to have a display at Orchard View in the grounds of Inverclyde Royal Hospital during their garden party on 5th July 2018. Photos and information about the project were displayed and prompted many memories for attendees.

The Heritage Hub also hosted an event where a memorial plaque from the gravestone of Captain Brotchie was presented to the collections. This was reported in the local and national press. The funerary plaque was stolen and recovered by local Police and was repaired having been dreadfully damaged. It is now being safeguarded in the custody of the collections.

Financial Review

Income and Expenditure for the Year ended 31 March 2019

The Income and Expenditure Statement on page 10 provides an analysis for the Trust of the income and expenditure for the twelve months from 1 April 2018 to 31 March 2019.

Running costs in 2018/19 were limited to £37,881 (2017/18: £39,148) storage charges and £333 (2017/18: £333) on governance costs. Income of £433 (2017/18: £347) was received from interest on short-term deposits with Inverclyde Council.

The deficit of £37,781 (2017/18: £39,134) was deducted from the reserves of £78,434 to give a carry forward balance of £40,653.

Assets and Liabilities at 31 March 2019

The balance sheet on page 11 provides an analysis for the Trust of the assets and liabilities as at 31 March 2019.

The reserves of the Trust are £40,653 (2017/18: £78,434) and are all held by Inverclyde Council.

Reserves Policy

The Trust has been in existence for some time and the trustees consider that its reserves are sufficient.

The Trust has always maintained a healthy balance of Revenue Reserves and as such there had been to-date no requirement to adopt a formal reserves policy. The free reserves at the financial year-end were £40,653 (2017/18: £78,434).

Future Plans

The Watt Institution Trust Fund will continue to work in partnership with the local authority to support the operations of the museum, art gallery and library in the Watt Institution.

Conclusion

The Trust's expenditure exceeded income during the reporting period and the deficit of £37,781 (2017/18: £39,134) has been deducted from the reserves brought forward. The Watt Institution Trust Fund has a healthy balance of £40,653 (2017/18: £78,434) of Revenue Reserves.

Approved by the trustees on 5th December 2019
and signed on behalf of all trustees.

Provost Martin Brennan
Current Chair of the Trustees

This Trustees' Report is also counter-signed by
the Chief Financial Officer of Inverclyde Council
in his capacity as the Honorary Treasurer.

Alan Puckrin CPFA
Honorary Treasurer

Independent Examiner's Report to the Trustees of the Watt Institution Trust Fund

I report on the accounts of the Trust for the year ended 31 March 2019 which are set out on pages 10 to 13.

Respective Responsibilities of Trustees and Examiner

The trustees are responsible for the preparation of the accounts in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and interpreted and adopted by the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (The CODE). The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council's financial affairs and, as part of that responsibility, administers the trust and reports to trustees. On the advice of the Honorary Treasurer, the trustees have determined that an independent examination be conducted. My responsibility is to examine the accounts as requested and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination includes a review of the accounting records kept by the trust and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material aspect the requirements:

- To keep accounting records, and
- To prepare accounts which accord with the accounting records have not been met, or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

Bert Allison CPFA

A thick black horizontal bar is positioned above a solid black square, both used to redact the signature and name of the examiner.

**Watt Institution Trust Fund
Income and Expenditure Statement
for the Year ended 31 March 2019**

This statement shows the costs of the operations of the trust in accordance with accounting standards. It shows the movement in the year on the reserves held by the trust that can be applied to fund expenditure.

Usable Reserves : Revenue 2017-18	Note	Usable Reserves: Revenue 2018-19
£		£
	Expenditure	
39,148	Supplies and Services 5	37,881
333	Governance Costs 6	333
(0)	Income	(0)
39,481	Cost of Services	38,214
	Financing and Investment Income and Expenditure	
0	Interest paid	0
(347)	Interest received 2	(433)
39,134	(Surplus) or Deficit on the Provision of Services	37,781
0	Other Income and Expenditure	0
39,134	(Increase) or Decrease in the Year	37,781
(117,568)	Balance at 1 April	(78,434)
(78,434)	Balance at 31 March Carried Forward	(40,653)
<p>The Watt Institution Trust Fund has no recognised gains or losses other than the results for the year as set out above. All of the activities of the fund are classed as continuing. The notes on pages 12 to 13 form part of these financial statements.</p>		

Watt Institution Trust Fund

Notes to the Accounts

Note 1 Accounting Policies

Basis of Preparation

The financial statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018-19 (The "Code"). The "Code" is based on International Financial Reporting Standards with interpretation appropriate to the public sector. The principal policies adopted in the preparation of the financial statements are set out below.

Going Concern

The accounts have been prepared on a "going concern" basis as it is expected that future revenue reserves will provide sufficient resources to finance future liabilities.

Incoming Resources

All incoming resources are included in the Income and Expenditure Statement when the trust is entitled to the income. All incoming resources are applied to usable reserves funds. Interest is included when receivable.

Resources Expended

All expenditure is included in the Income and Expenditure Statement on an accruals basis and is recognised when there is a legal or constructive obligation to pay.

Cash and Cash Equivalents

Cash is represented by deposits with the Council repayable on demand. The trust has no cash equivalents.

Reserves

The trust has a single reserve fund. The Usable Reserves (Revenue) is a fund available to support services at the discretion of Trustees.

Comparative Figures

Figures for 2017-18 are shown as appropriate for purposes of comparison.

Taxation

Watt Institution Trust Fund is included by HMRC as part of Inverclyde Council. The trust is not liable to income tax or capital gains tax. VAT is recovered by Inverclyde Council.

Note 2 Related Party Disclosures

Interest of £433 was received from the local authority (2017/18: £347). As at 31 March 2019, Inverclyde Council held £40,653 for the trust (31 March 2018: £78,434).

As part of the management arrangements of the Scheme of Administration, Inverclyde Council remains responsible for all costs and any income relating to the Watt Institution and is entitled to the unrestricted use of its assets.

Under accounting standards and the associated guidance, arrangements that convey the right to use an asset require to be accounted for as a lease even where they do not have the legal form of a lease. The local authority has assumed the risks and rewards of ownership and the arrangements have the substance of a finance lease. The Watt Institution and its collections require to be disclosed on the balance sheet of the local authority and accordingly are not included in the trust fund's accounts. The holding value of these assets in the Council's Annual Accounts is £4.4 million (2017/18: £4.3 million) for the buildings and £17.8 million (2017/18: £17.8 million) for its collections of heritage assets.

Note 3 Staff Numbers and Costs

The trust does not employ any staff (see note 6).

Note 4 Payments to Trustees

No trustee or any connected person was remunerated during the year, nor was there any requirement for any expenses to be paid.

Note 5 Supplies and Services

Expenditure of £37,881 (2017/18: £39,148) was incurred to store high value paintings and artefacts while the museum undergoes refurbishment and decant them back to the museum.

Note 6 Governance Costs

Inverclyde Council provides support services to the trust at a fee of £333 (2017/18: £333). The independent examination has been conducted on a “no-charge” basis and accordingly no accrual has been made for the examiner’s fees.

Note 7 Cash and Cash Equivalents

The Council acts as the banker for the trust and all transactions incoming and outgoing are made via the Council’s bank accounts. The balance is repayable on demand. Interest is paid on balances.

2017-18 £		2018-19 £
117,568	Balance at 1 April 2018	80,095
	Net Cash (Outflow) from Operating Activities	
(39,481)	Net surplus/(deficit) on the cost of services	(38,214)
1,661	Adjustments for non-cash movements	18,127
	Net Cash Inflow from Investing Activities	
347	Interest Received	433
0	Net Cash Inflow from Financing Activities	0
80,095	Balance at 31 March 2019	60,441

Note 8 Creditors

An accrual has been made for £19,788 (2017/18: 1,661) which is removal services to move the collection back to the museum relating to 2018/19.



Inverclyde
council

Finance Services, Municipal Buildings, Greenock PA15 1LY
Tel: 01475 712090 Fax: 01475 712202 www.inverclyde.gov.uk

McLeod Trust

Annual Report and Financial Statements 2018-19



Year ended 31 March 2019



McLeod Trust Contents

Trustees' Annual Report	.....	3-6
Independent Examiner's Report	.....	7
Income and Expenditure Statement	.....	8
Balance Sheet	.....	9
Notes to the Accounts	.....	10-12

The McLeod Trust was established by two donations from Mr George F. McLeod of Wyomissing, Berks County, Pennsylvania United States, a former pupil of Port Glasgow High School, to provide scholarships for further education to pupils of Port Glasgow High School from disadvantaged backgrounds or from families of no history of further education.

to apply for financial assistance, then application forms can be obtained by contacting the Head Teacher at McLeod Trust, Port Glasgow High School, Port Glasgow Community Campus, Kilmacolm Road, Port Glasgow PA14 6PP, Tel: 01475-715200 or e-mail: information@portglasgow.inverclyde.sch.uk.

The trust fund was established under a Deed of Trust on 18 September 2003. The trust provides for financial and other assistance and support to assist with the costs of further education.

The trust funds are invested in global and UK equity funds and in strategic and investment grade bonds, managed by a firm of stockbrokers and investment managers under a discretionary agreement. Interest and dividend income is used to provide three and four year scholarships to former pupils to assist with the costs of their further education.

Normally, four or five awards are made each year. Awards were made to two new students in September 2018.

The Trustees are: the Head Teacher; two Depute Head Teachers; the School Business Officer and a member of the Parent Council.

If you wish to apply for financial assistance, or you are aware of a person who may wish



On behalf of the Trustees, I am pleased to present the 2019 Annual Report for the McLeod Trust.

We have been able to use the funds at our disposal to make awards to assist five of our students who have gone on to further education where they will have the opportunity to maximise their undoubted potential to the benefit of themselves and our community.

Structure, Governance and Management Governing Document

The McLeod Trust is an unincorporated trust governed on the basis its constitution in the Deed of Trust of 18 September 2003.

Appointment of Trustees

The trust deeds provide for up to five trustees. Three of the Trustees are assumed on their appointment to one of the designated posts in the Trust Deeds – the Head Teacher, a nominated member of the Senior Management Team and the Finance Officer. The Trust Deeds provide for the appointment of up to two other persons and these appointments are decided by the Trustees. There is no set term of office.

Organisational Structure

At a special annual meeting, Trustees consider the income and expenditure levels during the financial year and ensure that expenditure remains within available resources and to maintain reasonable levels of reserves.

The School and Inverclyde Council provide support services to the trust. Neither the School nor Inverclyde Council makes any charge to the Trust. There are no other costs in connection with governance.

Related Parties

Four of the trustees hold this position because they are senior teaching or administrative support staff of the school.

Risk Management

The Trustees have assessed the major risks to which the trust is exposed, in particular those related to its operation and finances, and are satisfied that systems are in place to mitigate the exposure to the major risks.

Management of Funds and Investment Policy

The Trustees have appointed a firm of external stockbrokers and investment managers to manage the capital funds of the trust. These funds are invested in bonds and shares. Under accounting standards, these investments are disclosed at market value (and not the historic cost value).

The Trustees conducted a periodic review of the trust's exposure to financial risk in August 2017, with assistance from the investment managers, and confirmed the investment approach as low risk/cautious with the primary objectives of capital growth and income for awards. In this way, the capital and income stream for the future benefit of the trust is protected. The investment gains and losses in the financial year are shown in the Income and Expenditure Statement.

The revenue funds of the Trust are deposited with the school funds, with the investment managers as income cash balances and with Inverclyde Council as on-call deposits. Cash deposits with the stockbrokers receive bank interest. The deposits with Inverclyde Council receive interest at the average market rate for the Council's short-term borrowing.

Objectives and Activities

Its purpose is "for the relief of poverty, suffering and stress and the advancement of education by providing further assistance for the University education of former pupils of Port Glasgow High School . . . who by reason of poverty, could not otherwise attain the benefit of a University education."

Activities

The Trust makes educational scholarships in accordance with its purposes to former pupils of the school and invests its funds with the primary objectives of capital growth and income for awards.

The trust deeds provide a number of powers to trustees, key of which are:

- “to advance funds to former pupils of Port Glasgow High school to assist in the furtherance of their university education, the terms, extent and provision of such assistance to be determined by my Trustees in their sole discretion, subject always to the terms of the Trust. Generally, the Trustees should provide annual advances of funds, each installment being dependent upon written confirmation from the appropriate university of the successful completion of all assessments from the previous year of study.”
- “to invest any funds which are not immediately required for the administration of the Trust or for the Trust’s activities, in such investments as may be considered appropriate (and to dispose of and vary such investments)

Achievements and Performance

In line with policy adopted by the Council and the terms of the Trust, at its meeting in 17th September 2018 the McLeod Trust made awards to five former pupils of the school to assist with the costs of their University education. These covered a diverse range of courses of study including Medicine, Chemistry, Journalism, Languages and Psychology.

Two awards were in respect of new applicants to assist with their first year of Languages and Psychology at University. The other three awards were for continuing support to permit students

already in receipt of awards for previous years to progress with their course of study in the 2018/19 academic year.

Financial Review

Income and Expenditure for the Year ended 31 March 2019

The Income and Expenditure Statement on page 8 provides an analysis for the Trust of the income and expenditure for the twelve months from 1 April 2018 to 31 March 2019.

Revenue Reserves: The Trust made awards totalling £3,500 (2017/18: £3,500) and incurred investment management fees of £480 (2017/18: £564). On the income side, the Trust received £2,897 (2017/18: £2,806) from interest and dividends, and £2 income in interest from Inverclyde Council (2017/18 £2).

A transfer of £2,000 was made between the Investment Capital Account held with Speirs & Jeffrey Ltd and the Revenue Reserve.

The deficit of £1,081 (2017/18: £1,256) was deducted from the revenue reserves of giving a balance of £1,291 carried forward (2017/18: £2,547).

Capital Reserves: A decrease of £891 (2017/18: £2,671 decrease) in the value of investments at 31 March 2019 was recorded, and a withdrawal from the investment capital account of £2,000 (2017/18: £0) was made during the year. As such, £2,891 has been deducted from the capital reserves giving a balance of £67,111 carried forward (2017/18: £69,782).

Assets and Liabilities at 31 March 2019

The Balance Sheet on page 9 provides an analysis for the trust of the assets and liabilities as at 31 March 2019.

The total reserves of the trust are £66,430 (2017/18: £68,402); £2,210 (2017/18: £1,291) held in Revenue Reserves and £64,220 (2017/18: £67,111) in Capital Reserves.

The Capital Reserves are invested in bonds and shares using an external firm of stockbrokers and investment managers. The Trust bears all market risks and rewards.

The Revenue Reserves of the trust are deposited with the school funds, with the investment managers as income cash balances and with Inverclyde Council as on-call deposits.

Reserves Policy

The Trust has two reserve funds, both available to support the objectives of the trust. The Revenue Reserves is a fund available to make awards. The Capital Reserves are for capital growth and to provide for income. Both reserves may be used at the discretion of Trustees.

The trust has been in existence for some time and the Trustees consider that its reserves are sufficient.

Future Plans

The McLeod Trust will continue to provide scholarships in accordance with the terms of the trust.

Conclusion

We have been able to use the funds at our disposal to make significant awards to five students in the current year during challenging economic conditions, for income generation, while protecting our reserves to safeguard funding for the future.

Net outgoing resources exceeded income during the reporting period and the deficit of £1,972 (2017/18: £3,927 deficit) has been deducted from the reserves brought forward.

The trust has a healthy reserve balance of £66,430 (2017/18: £68,402) for the future benefit of students of Port Glasgow High School.

Approved by the Trustees on 21 October 2019 and signed on behalf of all Trustees.

Stuart Clark
Chair of the Trustees

Independent Examiner's Report to the Trustees of McLeod Trust

I report on the accounts of the Trust for the year ended 31 March 2019 which are set out on pages 8 to 12.

Respective Responsibilities of Trustees and Examiner

The trustees are responsible for the preparation of the accounts in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and interpreted and adopted by The Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (The CODE). On the advice of the Chief Financial Officer of Inverclyde Council, the trustees have determined that an independent examination be conducted. My responsibility is to examine the accounts as requested and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination includes a review of the accounting records kept by the trust and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material aspect the requirements:

- To keep accounting records, and
- To prepare accounts which accord with the accounting records have not been met, or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Bert Allison



McLeod Trust
Income and Expenditure Statement
for the Year ended 31 March 2019
(Incorporating Movement in Reserves Statement)

This statement shows the cost of the operations of the Trust in accordance with accounting standards. It shows the movement in the year on the two reserves held by the Trust; the Revenue Reserves that provide the funding of awards and the Capital Reserves that are for capital growth and to provide for income.

Total 2017/18		Note	Revenue Reserves	Capital Reserves	Total 2018/19
£			£	£	£
3,500	Awards	4	3,500	0	3,500
3,500	Gross expenditure		3,500	0	3,500
0	Gross income		0	0	0
3,500	Cost of services		3,500	0	3,500
	Financing and investment income and expenditure				
(1,045)	Interest received		(1,120)	0	(1,120)
(1,763)	Dividends received		(1,779)	0	(1,779)
564	Investment management fees		480	0	480
(2,244)			(2,419)	0	(2,419)
1,256	(Surplus) or deficit on the provision of services		1,081	0	1,081
0	Transfers between reserves		(2,000)	2,000	0
2,671	Other income and expenditure (Gains) and losses on investments	7	0	891	891
3,927	(Increase) or decrease in the year		(919)	2,891	1,972
(72,329)	Balance at 1 April		(1,291)	(67,111)	(68,402)
(68,402)	Balance at 31 March carried forward		(2,210)	(64,220)	(66,430)
<p>The McLeod Trust has no recognised gains or losses other than the results for the year as set out above. All of the activities of the fund are classed as continuing. The notes on pages 10 to 12 form part of these financial statements.</p>					

McLeod Trust

Notes to the Accounts

Note 1 Accounting Policies

Basis of Preparation

The financial statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (The CODE). The CODE is based on International Financial Reporting Standards with interpretation appropriate to the public sector. The principal policies adopted in the preparation of the financial statements are set out below.

The figures in the Accounts have been prepared from the transactions and balances held for the Trust in the financial records in the School Funds, the corporate financial systems of Inverclyde Council and the nominee statements of the stockbrokers.

Going Concern

The accounts have been prepared on a “going concern” basis as it is expected revenue reserves should be as it is expected capital and revenue reserves to be.

Incoming Resources

All incoming resources are included in the Income and Expenditure Statement when the Trust is entitled to the income. All incoming resources are applied to usable reserves funds. Dividends and Interest are included when receivable.

Resources Expended

All expenditure is included in the Income and Expenditure Statement on an accruals basis and is recognised when there is a legal or constructive obligation to pay.

Investments

Stocks and shares held by the trust are measured and carried at fair value i.e. quoted market price. The last valuation was carried out on 5th April 2019, but is not materially different from the value at 31 March 2019. The capital cash balances held by the Stockbrokers are for capital growth and are classified as part of long-term investments.

Changes in holding value are recognised in other comprehensive income and expenditure and the gain or loss is taken to the Capital Reserves.

Cash and Cash Equivalents

Cash is represented by the aggregate of earmarked balances within school funds, income cash balances held by the stockbrokers on behalf of the trust and deposits with the Council. All cash is payable on demand and the Trust has no cash equivalents.

Reserves

The Trust has two reserve funds, both available to support the objectives of the trust. The Revenue Reserves is a fund available to make awards. The Capital Reserves are for capital growth and to provide for income. Both reserves may be used at the discretion of Trustees.

Comparative Figures and Taxation

Figures for 2017/18 are shown as appropriate for purposes of comparison. Irrecoverable tax is included in the income or expense to which it relates.

Contingent Assets and Liabilities

A contingent asset or liability arises where an event has taken place that gives the Trust a possible benefit or obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Trust. Contingent assets or liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable an inflow/outflow of resources will be required or the amount of the benefit/obligation cannot be measured reliably.

Contingent assets and liabilities are not recognised on the Balance Sheet but disclosed as a Note to the Accounts where they are deemed material.

Note 2 Staff Numbers and Costs

The McLeod Trust has no staff. All support functions are provided by the School or by Inverclyde Council.

Note 3 Payments to Trustees

No remuneration or expenses were paid during the year to any Trustees or person connected to a Trustee.

Note 4 Awards

Awards were made in the year to five former pupils for three or four year scholarships to assist with the costs of further education.

Note 5 Governance Costs

Port Glasgow High School and Inverclyde Council provide administrative services to the Trust at no charge. The independent examination has been conducted on a “no-charge” basis and accordingly no accrual has been made for the examiner’s fees.

Note 6 Related Party Disclosures

Interest of £0 was received from Inverclyde Council (2017/18: £2). As at 31 March 2019, Inverclyde Council held £2 for the Trust (2017/18: £2). The School Funds held £227 (2017/18: £8).

Note 7 Long-term Investments

The McLeod Trust has investments managed under a discretionary agreement by a firm of stockbrokers and investment managers. The investments are held in investment and strategic bond funds and in UK and global equity funds. The market values at the year-end were as follows:

2017/18		2018/19	
£		£	%
	Portfolio		
0	UK Equities	0	0.0
34,329	Equity Funds, UK and Global	33,605	52.3
0	UK Government Bonds	0	0.0
16,485	Investment Grade Bond Funds	16,464	25.6
15,697	Strategic Bond	7,618	11.9
600	Capital Cash Balance with Stockbrokers	862	1.3
0	High Yield Bond Trust	5,671	8.9
67,111	Balance at 31 March	64,220	100.0
(2,671)	Gains and (losses) on investments	(891)	

The portfolio was reviewed in November 2017 by the investment managers. Holdings in direct equity and short-dated gilts were sold and the funds reinvested in high yield corporate bonds and equity funds. It is anticipated that this will provide an income boost and reduce the stock-specific risk within the portfolio. Some rebalancing of the portfolio was carried out during the year, with stock being sold to provide income for awards.

Note 8 Cash and Cash Equivalents

The McLeod Trust has earmarked balances within school funds, income cash balances held by the investment managers on behalf of the trust and deposits with Inverclyde Council. The change in the year is as follows:

2017/18 £		2018/19 £
2,547	Balance at 1 April 2018	1,291
927	Short-term Deposits with Inverclyde Council	2
1,608	Income Cash Balances with Stockbrokers	1,281
12	Earmarked Balances in School Funds	8
(3,500)	Net Cash (Outflow) from Operating Activities	(3,500)
(3,500)	Cost of Services	(3,500)
2,244	Net Cash Inflow from Investing Activities	4,419
2,808	Interest and Dividends Received	2,899
(564)	Investment Managers Fees	(480)
0	Withdrawal from Capital Account	2,000
0	Net Cash Inflow from Financing Activities	0
1,291	Balance at 31 March 2019	2,210
2	Short-term Deposits with Inverclyde Council	2
1,281	Income Cash Balances with Investment Managers	1,981
8	Earmarked Balances in School Funds	227

Note 9 Contingent Liabilities

The Trust has a potential tax liability for income tax due on dividend and interest income received.



Port Glasgow High School, Port Glasgow Campus, Kilmacolm Road, Port Glasgow PA14 6PP
Tel: 01475 715200 Fax: 01475 715201 portglasgow.inverclyde.sch.uk