

A meeting of the Policy & Resources Committee will be held on Tuesday 17 November 2020 at 3pm.

This meeting is by remote online access only through the videoconferencing facilities which are available to Members and relevant Officers. The joining details will be sent to Members and Officers prior to the meeting.

In the event of connectivity issues, Members are asked to use the *join by phone* number in the Webex invitation.

Please note this meeting will be recorded.

GERARD MALONE
Head of Legal & Property Services

BUSINESS

****Copy to follow**

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REMITTS FROM COMMITTEES		
<p>Please note that because of the current COVID-19 (Coronavirus) emergency, this meeting will not be open to members of the public.</p> <p>The reports are available publicly on the Council’s website and the minute of the meeting will be submitted to the next standing meeting of the Inverclyde Council. The agenda for the meeting of the Inverclyde Council will be available publicly on the Council’s website.</p>		

In terms of Section 50A(3A) of the Local Government (Scotland) Act 1973, as introduced by Schedule 6, Paragraph 13 of the Coronavirus (Scotland) Act 2020, it is necessary to exclude the public from the meetings of the Committee on public health grounds. The Council considers that, if members of the public were to be present, this would create a real or substantial risk to public health, specifically relating to infection or contamination by Coronavirus.	
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Enquiries to – Rona McGhee – Tel 01475 712113
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Report To:	Policy & Resources Committee	Date: 17 November 2020
Report By:	Chief Financial Officer	Report No: FIN/100/20/AP/AE
Contact Officer:	Alan Puckrin	Contact No: 01475 712223
Subject:	2020/21 General Fund Revenue Budget as at 30 September 2020	

1.0 PURPOSE

1.1 The purpose of this report is to advise the Committee of the position of the General Fund Revenue Budget as at 30 September 2020 and to update the Committee in respect of the position of the General Fund Reserves and Earmarked Reserves.

2.0 SUMMARY

2.1 The Council approved the 2020/21 Revenue Budget in March 2020.

2.2 It can be seen from Appendix 1 that as at 30 September 2020 the General Fund is projecting a £469,000 underspend (excluding Health & Social Directorate) which represents 0.2% of the net Revenue Budget. This is mainly due to:

- Projected underspend of non-pay inflation (£300,000)
- Projected underspend of pay inflation (£200,000)

2.3 From Appendix 1 it can be seen that the Policy & Resources Committee and Education & Communities are currently projecting underspends. Both Environment & Regeneration Services and Health and Social Care Partnership are currently projecting overspends excluding any COVID costs. Appendix 1 shows that there is unbudgeted COVID expenditure of £7.540 million and an estimated reduction in Council Tax Income of £0.963m due to COVID, this is detailed within Section 6.

2.4 Appendix 2 shows the latest position in respect of Earmarked Reserves, excluding those relating to Asset Plans and Funding Models, it can be seen that as at 30 September 2020 expenditure totalled £1,034,000 which equates to 14.89% of the planned spend in 2020/21. It can also be seen from Appendix 2 that at 30 September 2020 actual expenditure is £677,000 (40%) less than phased budget.

2.5 Appendix 3 shows the latest position in respect of the General Fund Reserves and shows that the projected balance at 30 September is £4.268 million which is £468,000 more than the minimum recommended balance of £3.8 million. This position reflects the decisions taken at the Policy & Resources Committee on 11 August 2020 where the Committee approved £3.285m write back of Earmarked Reserves to help fund the COVID related budget shortfall.

2.6 Appendix 4 provides the position in respect of extra costs incurred by the Council due to COVID. It can be seen the costs are projected to total £20.5 million of which £13.4 million is estimated to be funded by Government Grants with the balance of £7.1 million either contained in budget underspends or funded from Reserves.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Committee notes the latest position of the 2020/21 Revenue Budget and

General Fund Reserves.

3.2 It recommended that the Committee notes the latest costs in relation to COVID-19.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

4.1 The Council approved the 2020/21 Revenue Budget in March 2020.

5.0 POSITION AS AT 30 SEPTEMBER 2020

5.1 It can be seen from Appendix 1 that as at 30 September 2020 the General Fund is projecting an underspend of £0.469 million which equates to 0.2% of the net General Revenue Fund Budget.

5.2 Appendix 1 shows that the Policy & Resources Committee and Education & Communities are currently projecting underspends. Both Environment & Regeneration Services and Health and Social Care Partnership are currently projecting overspends.

5.3 The main issues relating to the four Service Committees exclude COVID-19 expenditure as will be funded either from specific Scottish Government grants or from Reserves:-

Policy & Resources Committee – Projected underspend of £424,000 (2.58%) mainly due to underspends within the non-pay and pay inflation contingencies.

Environment & Regeneration – Projected overspend of £46,000 (0.20%) mainly due to turnover savings across the Committee due to a delay in filling vacant posts off-set with under-recoveries within Parking and Green Waste permit income.

Education & Communities – Projected underspend of £91,000 (0.10%) mainly due to an overspend on ASN transport partly off-set within underspends for Gas and Biomass Fuel.

Health & Social Care – Projected overspend of £704,000 (1.34%) mainly due to an increased client commitment costs within Learning Disability Service, and Children and Families Service offset by underspends within Older People care home beds and external homecare.

5.4 Appendix 2 shows the latest position in respect of the Earmarked Reserves and provides information on performance against phased budget. The Committee is asked to note that the phasing will not be amended during the year and provides a useful benchmark for Officers and Members to monitor performance against originally envisaged targets. The Earmarked Reserve statement excludes those funds that relate to Assets Plans or Funding Models.

5.5 As at 30 September 2020 the Council has spent £1,034,000 against a phased budget target of £1,711,000. This represents 14.89% of the planned spend and equates to 39.56% behind phased budget to date. Performance in respect of Earmarked Reserves is reviewed by the Corporate Management Team and reported in detail to each Service Committee.

5.6 Appendix 3 shows the latest position in respect of the General Fund Reserves and shows that the projected unallocated balance at 31 March 2020 is £4.268 million which is £0.468 million more than the minimum recommended balance of £3.8 million. This position reflects the decisions taken to date. At the Policy & Resources Council meeting held in August 2020, funding of £3.285m was approved for COVID related expenditure.

6.0 PROJECTED EXCESS REVENUE COVID COSTS 2020/21

6.1 Due to the COVID pandemic £7.540 million unbudgeted revenue costs are projected in 2020/21. This excludes HSCP which is funded through the IJB and Scottish Government grants.

6.2 The make up of the £7.540 million cost is as follows:

Policy & Resources £833,000, Environment & Regeneration £2.498 million, Education & Communities £3.243 million and £924,000 Contingency. These costs are funded through additional Government funding, Committee specific underspends and write back of specific Earmarked Reserves.

6.3 Appendix 4 provides the position in respect of extra costs incurred by the Council due to COVID. It can be seen the costs are projected to total £20.5 million of which £13.4 million is estimated to be funded by Government Grants with the balance of £7.1 million either contained in budget underspend or funded from Reserves.

7.0 CONSULTATION

7.1 This report has been produced utilising the detailed budget reports to each Committee.

8.0 IMPLICATIONS

8.1 Finance

One off Costs

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

Annually Recurring Costs

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

8.2 Legal

There are no legal implications arising from this report.

8.3 Human Resources

There are no HR implications arising from this report.

8.4 Equalities

There are no equality implications arising from this report.

Equalities

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

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
	YES (see attached appendix)

(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

8.5 **Repopulation**

There are no repopulation implications arising from this report.

9.0 **BACKGROUND PAPERS**

9.1 None

Policy & Resources Committee
Revenue Budget Monitoring Report
Position as at 30th September 2020

Committee	Approved Budget 2020/2021	Revised Budget 2020/2021	Projected Out-turn 2020/2021	Projected Over/(Under) Spend	Percentage Variance
	£,000's	£,000's	£,000's	£,000's	
Policy & Resources	16,406	16,416	15,992	(424)	(2.58%)
Environment & Regeneration	23,546	23,176	23,222	46	0.20%
Education & Communities (Note 1)	95,311	91,077	90,986	(91)	(0.10%)
Health & Social Care	52,289	52,352	53,056	704	1.34%
Committee Sub-Total	187,552	183,021	183,256	235	0.13%
Loan Charges (Including SEMP) (Note 2)	11,236	15,444	15,444	0	0.00%
Saving Approved yet to be allocated (Note 3)	(90)	(90)	(90)	0	0.00%
Unbudgeted Covid Expenditure (Note 4)	0	0	7,540	7,540	100.00%
Earmarked Reserves	0	930	930	0	0.00%
Total Expenditure	198,698	199,305	207,080	7,775	3.90%
Financed By:					
General Revenue Grant/Non Domestic Rates	(166,076)	(166,683)	(172,132)	(5,449)	3.27%
Contribution from General Reserves	0	0	(3,054)	(3,054)	100.00%
Council Tax (Note 5)	(32,622)	(32,622)	(31,659)	963	(2.95%)
Integration Joint Board - Contribution to Reserves	0	0	(704)	(704)	100.00%
Net Expenditure	0	0	(469)	(469)	

Note 1 - Reduction reflects loans charges and earmarked reserves.

Note 2 - Loan Charges account reduced by £400,000 to reflect reduction in Interest rates, off-set by £400,000 reduction in Internal Interest within P&R budget.

Note 3 - Corporate insurance saving yet to be allocated to Service budgets.

Note 4 - Additional COVID unbudgeted expenditure, excludes HSCP and is net of Specific Grant Support;

1. Policy & Resources	883
2. Environment & Regeneration	2,498
3. Education & Communities	3,243
4. Contingency	924
5. Unallocated	(8)
	<u>7,540</u>

Note 5 - Council Tax reflects the estimated impact in collection rates due to COVID and **increase in Council Tax Reduction numbers.**

Earmarked Reserves Position Statement

Appendix 2

Summary

<u>Committee</u>	<u>Total Funding 2020/21</u>	<u>Phased Budget to</u>	<u>Actual Spend To 30 Sept 2020</u>	<u>Variance Actual to Phased Budget</u>	<u>Projected Spend 2020/21</u>	<u>Earmarked 2021/22 & Beyond</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Education & Communities	2,705	601	264	(337)	2,471	234
Health & Social Care	3,041	524	492	(32)	2,165	876
Regeneration & Environment	5,013	210	60	(150)	1,627	3,386
Policy & Resources	2,142	376	218	(158)	679	1,463
	12,901	1,711	1,034	(677)	6,942	5,959

<u>2020/21 %age Spend Against Projected</u>	<u>2020/21 %age Over/(Under) Spend Against Phased Budget</u>
10.68%	(56.07%)
22.73%	(6.11%)
3.69%	(71.43%)
32.11%	(42.02%)
14.89%	(39.57%)

Actual Spend v Phased Budget Ahead of Phasing = (£677k) (39.57%)

Last Update (Period 4) Ahead of Phasing = £38k

Movement in spend v Phasing (£715k)

Appendix 3

GENERAL FUND RESERVE POSITION
Position as at 30/09/20

	<u>£000</u>	<u>£000</u>
Unaudited Balance 31/03/20		5305
Projected Surplus/(Deficit) 2020/21	469	
Contribution to/(from) General Fund Reserves Note 1	<u>0</u>	
		469
Earmarked Reserves Write Back - Approved P&R August 2020		3285
<i><u>Approved Use of Reserves (August 2020)</u></i>		
Projected Excess Revenue Covid Costs 2020/21		(3054)
Projected Excess CFCR Covid Costs 2020/22		(1737)
Projected Unallocated Balance 31/03/21		<u><u>4268</u></u>

Minimum Reserve required is £3.8 million

Note 1 No contribution from reserves was required when setting 2020/21 Revenue Budget.

COVID 19 - Main Area Of Expenditure/Income loss to 31 March, 2021- Position 30.9.20 (P5 Monitoring)

Proposal	Estimate £'000
Health & Social Care Partnership - IJB Return	
Fitzgerald Centre - Suspend Day Service. Loss of income	81
Hillend Respite Service- Income Loss	57
Homecare Commissioned Services	350
Homelessness Service - Security Costs	54
Inverclyde Centre	276
43 TFA's	159
Bed & Breakfast Support	160
Care Homes- Extra beds and sustainability payments	284
Care Homes - Sustainability Payments	844
PPE Cots - Council	250
Providers	250
Additional Staffing Costs across Directorate	1,243
3.3% Living Wage uplift on Care at Home Provision	135
Care Provider Costs	1,745
Equipment for working from home	50
Temporary Childrens Unit	66
Criminal Justice Early Release - Rent and Set up costs 18 Flats	66
Other Expenditure Areas	36
Gross Expenditure before Government Grants	6,106
Government Grants to date	(1,969)
Net Expenditure - Integrated Joint Board	4,137
Education, Communities & ODHR	
Inverclyde Leisure	951
Extra Food Purchases to support deliveries/boxes etc	213
Payment of School Meal Grant - Provide families who are entitled to a free School meal with £25 per fortnight.	712
Pilot Food Pantry -Food Fund	60
Food Bank & Food Bags- Food Fund	72
Other Food Fund Projects	100
Balance of Food Fund not allocated	32
Schools Digital Inclusion- Connectivity/WiFi and devices	414
Loss of Lets income	99
Saving in Waivers due to reduced lets	(95)

Comments
Loss of income due to suspension of all day services
6 months
Paying providers on planned hours for 7 months.
Additional security at Inverclyde Centre
12 months loss of rent from 26 flats due to increased voids.Hopefully offset some costs via a Rent Review
One off cost of additional 43 flats.
Based on an extra 7 B&B rooms each night
Purchase of 32 extra beds for 12 weeks
SG Sustainability Scheme including phased reduction to November
£328k of this due 2021/22. £226k unallocated
£135k is additional cost of 1.1% above what was built into budget.
Balance of LMP allowance
4 months
Rental (offset by HB), furniture and minor costs for 18 flats
Extra sessional and increased delivery costs.
£785k (1st £50m), £393k (Share of £25m from 2nd £50m), £200k (Share of £8m), £98k Living Wage 3.3% uplift
Assumed to be funded by Health Directorate and IJB
Based on net income loss of £1.19million to 31.3.21 including £20k to open Gourrock Pool to end of October and £51k for the opening of PG Baths from 6.10.20. Figure is net of contribution from IL reserves.
Funded from Food Grant
To 28.8.20 and funded from additional Scottish Government funding.
Approved 11.8.20 P&R
Approved 1.9.20 E&C
Funded from Food Fund Grant.
Balance of Food Insecurity Funding . Includes £66k virement from Play schemes
£514k approved by Committee with £414k funded from PEF/Attainment Fund . £100k balance no longer needed due to Digital Inclusion Grant
Based on on going reduction for 20/21
Per P3 monitoring

COVID 19 - Main Area Of Expenditure/Income loss to 31 March, 2021- Position 30.9.20 (P5 Monitoring)

Proposal	Estimate £'000
Loss of School Meal Income	350
Lower provision of School Meals	(237)
Loss of Wrapround & Breakfast Club income	96
Loss of Breakfast Club Income	35
Refunds to parents of cancelled School Trips.	20
Additional School Cleaning costs	228
Additional ELC Cleaning costs	80
Allowance for Handsanitiser/PPE - Council Wide	150
Loss of library income	42
Supply Teachers additional costs	243
Public Conveniences	52
Increased media resources to 30.9.20	11
Partner nurseries and childminders	300
Term Time staff working over the summer	165
ELC Foodbags/£25/fortnight payments	85
Extra teachers-20/21	1,296
Transport Safety Costs	17
Homeworking equipment	80
Increased support for Health & Wellbeing of employees	50

Comments
Figures to the end of School term(June 20).
Figures to the end of School term (June 20).
Figures based to the start of new School term.
Assumes 50% income loss.
Net of insurance payouts to date
Covers period to 31.3.21
Fund from 20/21 1140 hrs ELC underspend
FM co-ordinating procurement for services.
Basis of phased reduction in income losses
For 3 months & includes holiday pay.
Extra cleaning/Supervision Costs based on 6 months from August
Funded from ELC underspend in 2019/20
Funded from ELC underspend in 2019/20
Funded from ELC underspend in 2019/20
Funded by SG Grant for period to 30.6.21
Funded by SG Grant
Costs of desks/chairs etc. £15k to ICTfor headsets
Increased staffing and Occupational Health costs

Environment, Regeneration & Resources	
Building Services:	
Reduction in costs due to income reduction	(200)
Reduction in Rev/ Capital income	383
Recovery Plans - Office Works	200
Loss of Property Services Fee Income	200
Increased Cleaning- Non School/ELC Buildings	170
Planning income - reduction in demand	304
2 x Temporary Business Development Officers	120
Clyde Muirshiel Park	25
Humanitarian Aid Centres	
Software Costs	15
Overtime	22
Suspension of Parking Enforcement:	
- Parking Charges	161
- Parking income saving	(47)
- Penalty Notices	183
Suspension of normal Waste Collection procedures - all waste to be collected via Residual Waste.	

3 month reduction in capital work
Minor works, hand sanitising units, furniture removal and £100k Property fees
Figure net of fees earned from recovery plans.
6 months to 31.1.21.
Estimate 3 months with no income then reduced income thereafter
18 month contracts funded from existing Earmarked Reserve
Share(30%) of net loss of income
£5k/month software costs
No income until mid-Januray 2021 at the earliest
No admin, cash handling maintenance
Issuing PCNs commenced mid-September

COVID 19 - Main Area Of Expenditure/Income loss to 31 March, 2021- Position 30.9.20 (P5 Monitoring)

Proposal	Estimate £'000
- Additional Cost of Landfill	506
- Dry Recyclates contract costs	82
- Loss of external income	258
- Social Distancing -Extra Vehicles	39
- Social Distancing - Agency Drivers	103
- Reduced cost of landfill from reduced external income	(138)
Roads Client:	
Reduction in income - Sales Fees and Charges	130
Roads Ops Unit:	
Reduction in costs due to loss of income	(680)
Agency Drivers	55
Reduction in Rev/ Capital and NCI income	1,000
Vehicle Charges	(112)
Increased Burial/Cremation Income	(100)
Early Prisoner Release- Payment to RCH	63
Retain HoS post to co-ordinate Covid response	114
ICT: Additional licences and equipment to support mobile working, staff overtime	300
ICT: Equipment for Homeworking	100
Extra technicians to support School Digital Inclusion	136
Statutory Additions	64
Prior Years Council Tax	0
Scottish Welfare Fund - Crisis Grants	447
Discretionary Housing Payments	72
One off saving in Central Repairs during lockdown	(150)
Reduction in Registrars Income	30
Other minor Expenditure areas	69

Comments
Based on P5 projection Extra costs of retendered service following non-compliance by contractor Based on 3 P5 projection To 31.3.21 To 31.3.21 Based on 3 month impact
Inability to earn full Capital fees and sales income
Materials, vehicles and overtime Covering additional absences, mostly winter maintenance Capital only, largely resurfacing work
Reduction in Fuel and Non routine Maintenance for 3 months Reflects increased number of deaths since March
Based on £3.5k/ property x 18 Based on 12 months to 31.3.21.
£48k Aventail licences plus £40k 12 month Web-ex licence for 200 hosts. Allowance for overtime over the public holidays and £200k laptops.
Docking stations,screens, keyboards , headsets etc 2 posts for 2 years. £110k post 20/21
Based on P6 monitoring On Budget per Q2 analysis.
Funded by increased Scottish Government Grant.
Increased funding to support Private tenancies. Funded by SG grant
Allowance based on buildings being closed and contractors unavailable
Based on P6 monitoring Dongles/Admin costs for Business Grants/ Overtime / Temporary Mortuary prep , Grounds Services costs etc

Corporate Expenditure	
Council Tax, Loss of Income due to reduced collection levels	630
Savings in Loans Charges due to reduction in interest rates	(400)
Reduction in Internal Resources Income due to low interest rates	400
Council Tax Reduction	293
Council Tax - Long Term Empty Income Reduction	40
Flu Jab for all employees	25
Recovery Plan- Short Term Actions	180
Unallocated Contingency	924

Based on a 5% reduction in in-year collection in 2020/21 leading to a 2% increase in Bad Debt.
Offsets cost below
Reduction due to low interest rates .
Projected increase in CTR largely funded by the Government.
Based on policy relaxation to 31.8.20
Approved CMT 3.9.20, includes allowance for wider support
£80k Events, £40k Remembrance, £60k Economic Study
Balancing figure based on approvals and grants to date

COVID 19 - Main Area Of Expenditure/Income loss to 31 March, 2021- Position 30.9.20 (P5 Monitoring)

Proposal	Estimate £'000
Capital - cost of inflation due to delays to Contracts, increases in tendering returns and contract delivery costs .	2,744
Gross Expenditure -	14,381
Government Grant - Food Insecurity Ph1	(565)
Government Grant - Food Insecurity Ph2	(558)
Government Grant - Scottish Welfare Fund	(447)
Government Grants- DHP	(72)
Government Grant - Hardship Fund	(749)
Government Grant - Consequentials £155m	(2,321)
Government Grant - Consequentials £49m	(734)
Government Grant- Income Recovery Scheme	tbc
Government Grant- Registrars Overtime	(9)
Government Grant- Council Tax Reduction	(290)
Government Grant - Public Protection	tbc
Government Grant- School Transport	(17)
Government Grant- Schools Return- Staffing	(1,269)
Government Grant- Schools Return- Operational	(263)
Gross Income	(7,294)
Net Expenditure	7,087
<u>Other Funding</u>	
Early Years Grant Underspend 19/20	(550)
Early Years Grant Underspend 20/21	(80)
Education Flexibilities (PEF/SAC)	(414)
Directorate Resources:	
Schools Budget to fund School Trips	(20)
Summer Playschemes Budget to fund Food Insecurity	(66)
Use of EMR to fund Business Development Posts	(120)
T&S Budget reduction to pay for Web-ex licences	(40)
Corporate Resources	
Capital Programme contribution	(1,007)
Reserves use approved	(4,790)
	(7,087)
Balance to be Funded	0

Comments
Based on restricted working practices, increased length of contract and after allowing for additional fees. Also increased ICT costs by £90k due to demand. Figure post 11.8.20 P&R
Costs to 30.6.20 .Projected spend is £631,000 - GRG
Use of balance to be approved August P&R - Specific Grant
Use of balance to be approved August P&R - GRG
Share of £5million Grant - GRG
Share of £50million Grant - GRG
Share of £155million Grant - GRG
Share of £49million Grant - GRG
Estimated £90 million allowance
Share of £0.6million Grant - GRG
Share of £25million funding -GRG
Share of £2.9million Funding
Share of £1.5million Grant - Capital Grant
Share of £80 million Grant to 30.6.21 - Specific Grant
Share of £20million Grant - GRG
2019/20 Underspend - Approved P&R Exec 16/6.
Fund extra cleaning- To be approved by Nov Committee
Schools Digital Inclusion - Approved P&R Exec 16/6
Approved Emergency Powers July 2020.
Approved P&R Exec June 2020
2 Posts for 18 months funded from Bus. Dev EMR
CMT agreed August, 2020
Approved by 11.8.20 P&R Committee, costs contained in existing allocations
Approved by 11.8.20 P&R Committee £1.505m from Contingency Reserve and £3.285m write back of existing.

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Chief Financial Officer	Report No:	FIN/102/20/AP/MT
Contact Officer:	Matt Thomson	Contact No:	01475 712256
Subject:	2020/23 Capital Programme		

1.0 PURPOSE

- 1.1 The purpose of the report is to provide the Committee with the latest position of the 2020/23 Capital Programme.

2.0 SUMMARY

- 2.1 On March 12 2020 the Council approved the 2020/23 Capital Programme which built on the previously approved 2019/23 Capital Programme.
- 2.2 The Capital Programme reflects the confirmed 2020/21 capital grant and a revised estimate of capital grants for the period 2021/23. The 2020/21 grant was £1.630m less than previously estimated and as such the 2021/22 & 2022/23 estimated grants were also been reduced by £1m to £7.1m per year.
- 2.3 An over provision of projects against estimated resources of up to 5% is considered acceptable to allow for increased resources and/or cost reductions. As a result the Capital Programme is reporting a deficit of £2.306m which represents 3.55% of the 2020/23 resources.
- 2.4 Due to the impact of the Covid pandemic from late March construction work effectively ceased meaning work stopped on existing projects and new projects could not be progressed. In order to allow for meaningful measurement of capital performance during 2020/21 officers reviewed projections in light of the Covid impact and the Policy Resources Committee on 11 August 2020 approved that these revised projections become the revised budget for 2020/21.
- 2.5 In addition to the impact on the timing of delivery of projects officers also estimated the potential cost pressures resulting from the additional site working requirements, increases in the price of materials and general cost increases generated by Covid. The Policy & Resources on 11 August 2020 approved an additional budget of £2.744m to meet these pressures and this is reflected in this report.
- 2.6 It can be seen from Appendix 2 that as at 31 August 2020 expenditure in 2020/21 was 12.8% of projected spend. Phasing and project spend has been reviewed by the budget holders and the relevant Corporate Director. The position in respect of each individual Committee is reported in Appendix 2 and Section 5 of the report. Overall committees are projecting to outturn on budget.
- 2.7 In the current year net advancement 15.02% is currently being reported. This is due to advancement within the Environment & Regeneration Committee (£1.704m) and Education & Communities Committee (£0.297m) offset by slippage within the Policy & Resources Committee (£0.04m).

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Committee notes the current position of the 2020/23 Capital Programme.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 On March 12 2020 the Council approved the 2020/23 Capital Programme which built upon the previously approved 2019/23 Capital Programme.
- 4.2 The Capital Programme reflects the confirmed 2020/21 capital and a revised estimate of capital grants for the period 2021/23. The 2020/21 grant is £1.630m less than previously estimated and as such the 2021/22 & 2022/23 estimated grants have also been reduced by to £7.1m per year.
- 4.3 An over provision of projects against estimated resources of up to 5% is considered acceptable to allow for increased resources and/or cost reductions. As a result the Capital Programme is reporting a deficit of £2.306m which represents 3.55% of the 2020/23 resources.
- 4.4 Due to the impact of the Covid pandemic from late March construction work effectively ceased meaning work stopped on existing projects and new projects could not be progressed. In order to allow for meaningful measurement of capital performance during 2020/21 officers reviewed projections in light of the Covid impact and the Policy Resources Committee on 11 August 2020 approved these revised projections as the formal budget for 2020/21.
- 4.5 In addition to the impact on the timing of delivery of projects officers also estimated the potential cost pressures resulting from Covid, the Policy & Resources Committee on 11 August 2020 approved additional budget of £2.744m to meet these pressures and these are reflected in this report.

5.0 CURRENT POSITION

- 5.1 Appendix 1 shows that over the 2020/23 period the Capital Programme is reporting a £2.306m deficit. This is within an acceptable level of up to 5% over provision.
- 5.2 The position in respect of individual Committees for 2020/21 is as follows:

Health & Social Care

Slippage of £0.040m is being reported within the Rolling Replacement of PC's, with spend to date of £0.010m.

Environment & Regeneration

Expenditure as at 31 August 2020 is £0.945m against a revised budget of £8.621m. Net advancement of £1.704m (19.77%) is being reported mainly due to advancement of the Vehicle Replacement Programme (£1.528m), Core Property Assets (£0.119m) and Scheme of Assistance (£0.090m) offset by slippage of Drumshantie Road Carpark (£0.055m).

Education & Communities

Expenditure as at 31 August 2020 is £0.810m from a restated approved budget of £3.698m. Net advancement of £0.297m (8.03%) is being reported in connection with the lifecycle funding being advanced to address the Kelly Street Site Landscaping project (£0.160m) and the progress on the interactive whiteboard refresh (£0.155m).

Policy & Resources

£40,000 slippage is being reported with spend of £0.163m for the year to date.

- 5.3 Overall in 2020/21 expenditure is 12.8% of projected spend for the year and projected net advancement of the programme is £1.961m (15.02%).

6.0 CONSULTATION

- 6.1 This report reflects the detail reported to Service Committees.

7.0 IMPLICATIONS

Finance

7.1 Financial Implications

All financial implications are shown in detail within the report and in Appendices 1 & 2.

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

7.2 There are no legal implications.

Human Resources

7.3 There are no direct staffing implications in respect of this report and as such the Head of Organisational Development, Policy & Communications has not been consulted.

Equalities

7.4

(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

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

Repopulation

7.5 The Council's continuing significant capital investment levels will have a positive impact on regeneration, job creation and hence repopulation.

8.0 BACKGROUND PAPERS

8.1 None.

Capital Programme - 2020/21 - 2022/23Available Resources

	A	B	C	D	F
	2020/21	2021/22	2022/23	future	Total
	£000	£000	£000	£000	£000
Government Capital Support	6,470	7,100	7,100	-	20,670
Capital Receipts (Note 1)	576	423	95	-	1,094
Capital Grants (Note 2)	3,840	239	-	-	4,079
Prudential Funded Projects (Note 3)	2,175	5,414	4,423	230	12,242
Balance B/F From 19/20	16,051	-	-	-	16,051
Capital Funded from Current Revenue	1,166	10,743	893	-	12,802
	<u>30,278</u>	<u>23,919</u>	<u>12,511</u>	<u>230</u>	<u>66,938</u>

Overall Position 2019/23

Available Resources (Appendix 1, Column G)	<u>£000</u>
Projection (Appendix 2, Column B-F)	66,938
(Shortfall)/Under Utilisation of Resources	<u>69,244</u>
	<u>(2,306)</u>

Notes to Appendix 1Note 1 (Capital Receipts)

	2020/21	2021/22	2022/23	future	Total
	£000	£000	£000	£000	£000
Sales	517	148	95	-	760
Contributions/Recoveries	59	275	-	-	334
	<u>576</u>	<u>423</u>	<u>95</u>	<u>-</u>	<u>1,094</u>

Note 2 (Capital Grants)

	2020/21	2021/22	2022/23	future	Total
	£000	£000	£000	£000	£000
Government Grant - Town Centres 2 Early Years	235	-	-	-	235
Cycling, Walking & Safer Streets	1,500	-	-	-	1,500
SPT	194	150	-	-	344
Spaces for People	1,300	-	-	-	1,300
HES - Watt Complex	585	-	-	-	585
Electric Vehicles	26	-	-	-	26
Sustrans	-	19	-	-	19
	-	70	-	-	70
	<u>3,840</u>	<u>239</u>	<u>-</u>	<u>-</u>	<u>4,079</u>

Notes to Appendix 1Note 3 (Prudentially Funded Projects)

	2020/21	2021/22	2022/23	future	Total
	£000	£000	£000	£000	£000
Vehicle Replacement Programme	1,576	104	863	-	2,543
Asset Management Plan - Offices	-	89	-	-	89
Asset Management Plan - Depots	389	584	-	-	973
Capital Works on Former Tied Houses	-	97	60	230	387
Watt Complex Refurbishment	13	-	-	-	13
CCTV	15	-	-	-	15
Clune Park Regeneration	7	371	-	-	378
Neil Street Childrens Home Replacement - CoS	10	13	-	-	23
Crosshill Childrens Home Replacement	90	331	-	-	421
New Learning Disability Facility	75	3,825	3,500	-	7,400
	<u>2,175</u>	<u>5,414</u>	<u>4,423</u>	<u>230</u>	<u>12,242</u>

Capital Programme - 2020/21 - 2022/23Agreed Projects

Committee	A Prior Years £000	B 2020/21 £000	C 2021/22 £000	D 2022/23 £000	E Future £000	G Total £000	H Approved Budget £000	I (Under)/ Over £000	J 2020/21 Spend To 31/8/2020 £000
Policy & Resources	112	525	553	423	-	1,613	1,313	300	163
Environment & Regeneration	8,566	10,325	17,431	11,520	230	48,072	48,347	(275)	1,215
School Estate	9,179	3,545	8,740	3,125	1,001	25,590	25,590	-	734
Education & Communities (Exc School Estate)	255	450	2,202	780	-	3,687	2,902	785	76
HSCP	1,359	175	4,719	3,500	-	9,753	9,753	-	10
Total	19,471	15,020	33,645	19,348	1,231	88,715	87,905	810	2,198

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Chief Executive, Corporate Director Environment, Regeneration & Resources, Corporate Director Education, Communities & Organisational Development and Chief Financial Officer	Report No:	FIN/99/20/AP/AE
Contact Officer:	Angela Edmiston	Contact No:	01475 712143
Subject:	Policy & Resources Committee 2020/21 Revenue & Capital Budgets – Period 6 to 30 September 2020		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the 2020/21 Revenue and Capital position as at period 6, 30 September 2020.

2.0 SUMMARY

- 2.1 The total revised Committee budget for 2020/21 is £16,416,000. This excludes Earmarked Reserves of £2,102,000.
- 2.2 The latest projection, excluding Earmarked Reserves, is an overspend of £459,000, of which £883,000 relates to the COVID-19 pandemic. The projected outturn excluding these costs is an underspend of £424,000 (2.2%).
- 2.3 The main reasons for this underspend are:
- a) £300,000 projected underspend of non-pay inflation contingency
 - b) £200,000 projected underspend of pay inflation contingency
- 2.4 The Earmarked Reserves for 2020/21 totals £2,102,000 of which £639,000 is projected to be spent in the current financial year. To date expenditure of £218,000 (10.4%) has been incurred which is £158,000 less than the phased budget. The Earmarked Reserves reported in Appendix 4 excludes Earmarked Reserves for Asset Plans and Strategic Funds.
- 2.5 There is a projected underspend in year of £78,630 within the Common Good Fund resulting in a projected surplus fund balance of £95,980 at 31 March 2021. This is largely attributed to a capital receipt received in 2020/21 and the cancellation of 3 events due to lockdown.
- 2.6 The Policy and Resources capital budget is £1,613,000 and the total projected spend is £1,573,000. Expenditure at 30 September 2020 is 31.05% of 2020/21 projected spend. The adjusted approved budget for 2020/21 is £565,000. The Committee is projecting to spend £410,000 with £40,000 slippage being reported at this time.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the 2020/21 Revenue Budget projected underspend of £424,000 as at Period 6, 30 September 2020.

- 3.2 That the Committee notes the projected 2020/21 surplus of £95,980 for the Common Good Fund.
- 3.3 That the Committee approves the utilisation of £70,000 from the Digital Strategy earmarked reserve to expand the use of Electronic Document Management into more Council Services
- 3.4 That the Committee notes the current projected capital position.

Aubrey Fawcett
Chief Executive

Alan Puckrin
Chief Financial Officer

Ruth Binks
Corporate Director
Education, Communities
& Organisational Development

Scott Allan
Corporate Director
Environment, Regeneration &
Resources

4.0 BACKGROUND

4.1 The purpose of this report is to advise the Committee of the current position of the 2020/21 Revenue and Capital budgets and to highlight the main issues contributing to the projected underspend of £424,000 which is an decrease in the net underspend reported to the last Committee of £76,000.

5.0 2020/21 CURRENT REVENUE POSITION

5.1 The current projection for 2020/21 is an overspend of £459,000, of which £883,000 relates to the COVID-19 pandemic. The projected outturn excluding these costs is an underspend of £424,000. The material variances are identified in Appendix 3.

5.2 The following material variances relate to the Environment, Regeneration & Resources Directorate:

Finance - £785,000 overspend (£8,000 overspend net of Covid)

Included in the above overspend are £777,000 of COVID-19 related costs. The net projection excluding these costs is an overspend of £8,000. This is an increase in costs of £90,000 since the last Committee.

Employee Costs: Projecting £1,000 underspend of which £47,000 relate to COVID-19 costs (net £48,000 underspend). Non-COVID underspend of £48,000 mainly relates to additional turnover savings within Finance and Revenues off-set with unachieved turnover target to date within ICT. This is an increase in costs of £14,000 since last reported.

COVID-19 costs relate to two additional ICT technicians and Registrars overtime and is a decrease in costs of £10,000 since last reported to Committee.

Supplies & Services: £98,000 overspend, £106,000 of these costs are COVID-19 related expenses (net £8,000 underspend). Non-COVID underspend of £8,000 is mainly due to one-off contract changes within 2020/21. This is a decrease in underspend of £16,000 since last reported to Committee.

COVID-19 costs are for additional licences and equipment to support mobile working and is a decrease in costs of £7,000 since last reported to Committee.

Administration Costs: Projecting £142,000 underspend. This underspend is mainly due to £103,000 underspend within Legal Expenses which is off-set with an under-recovery within income. In addition, a £32,000 underspend within Line Rental recharges which is off-set with an under-recovery within income. £24,000 increase in costs since last reported to Committee.

Payments to Other Bodies: £525,000 projected overspend, £530,000 of these costs are due to COVID-19 related expenses (net £5,000 underspend). COVID-19 costs relate to Scottish Welfare Fund crisis grants that will be funded through an increase in the Scottish Government grant and a DHP shortfall of £72,000. This is a decrease in COVID related costs of £83,000 since last reported to Committee.

Income: An under-recovery of £305,000 is being projected, £94,000 of this under-recovery is due to COVID-19 related reduced income (net £211,000 under-recovery).

Non-COVID under-recovery of £211,000 is mainly due the following areas: £80,000 under-recovery for HB Subsidy shortfall, £32,000 under-recovery for Line Rental recharges and £103,000 under-recovery within Legal Expenses recoveries as mentioned within Administration costs. £123,000 increase in shortfall from last Committee mainly due to shortfall within HB Subsidy.

COVID-19 under recoveries are as follows: (a) An under-recovery in Statutory Additions income of £64,000, and (b) £30,000 under-recovery within Registrars income due to a reduced service due to current COVID restrictions.

Legal & Property - £43,000 overspend

Employee Costs: Projecting £43,000 overall employee overspend due to turnover target yet to be achieved.

- 5.3 The following material variances relate to the Education, Communities & Organisational Development Directorate:

Organisational Development, Policy & Communications - £117,000 overspend (£11,000 overspend net of Covid)

Included in the £117,000 overspend are £106,000 of COVID-19 related costs. The net projection excluding these costs being an overspend of £11,000. This is a decrease in costs of £9,000 since the last Committee.

Employee Costs: £57,000 projected overspend, £26,000 of these costs due to COVID-19 related expenses (net £31,000 overspend). Non-COVID underspend of £31,000 is mainly due to an unachieved turnover target. Decrease in costs of £9,000 since last reported to Committee.

COVID-19 costs relate to increased media resources (£9,000) and increased support for the Health & Wellbeing of employees (£17,000). This is a decrease in costs since period 4 Committee of £17,000 due to a delay in filling HR Advisor post.

- 5.4 The following material variances relate to the Miscellaneous budget.

Miscellaneous – £500,000 underspend

Non-Pay Inflation Contingency: There is a projected underspend of £300,000 based on current estimated calls on inflation contingency. This is an increase in underspend of £100,000 since last reported to Committee.

Pay Inflation: Currently projecting £200,000 underspend due to a reduced call on contingency in 2020/21.

- 5.5 The following position relates to the Chief Executive budget.

Chief Executive – £14,000 overspend

Projected variances are all below £20,000. No change since the last Committee.

6.0 2020/21 CURRENT CAPITAL POSITION

- 6.1 Appendix 6 details the Capital position at 30 September 2020. Expenditure to date is £163,000 (31.05% of the 2020/21 projected spend).
- 6.2 The current budget for the period to 31 March 2023 is £1,613,000. The current projection is £1,573,000 which means the total projected spend is on budget.
- 6.3 The approved budget for 2020/21 is £565,000. The Committee is projecting to spend £525,000 with £40,000 slippage being reported at this time.
- 6.4 **PC Refresh Programme** – ICT implements a six year desktop and laptop refresh strategy. £115,000 committed spend in 2020/21 is being reported.
- 6.5 **Server and Switch Replacement** – To date in 2020/21 £2,000 has been spent.

6.6 **Storage/Backup Devices/Minor Works and Projects** - To date in 2020/21 £7,000 has been spent.

6.7 **Digital Access Fund** – A major upgrade to the CRM system is nearing completion and once in place it will allow the implementation of various “book and pay” tasks on line. £200,000 extra funding was allocated to the Fund as part of the 2020/21 Budget, projects are being considered around supporting new ways of working and delivering services as a result of learning from the Covid pandemic

7.0 EARMARKED RESERVES

7.1 Appendix 4 gives a detailed breakdown of the current earmarked reserves position. Total funding is £2,102,000 of which £639,000 is projected to be spent in 2020/21 and the remaining balance of £1,463,000 to be carried forward to 2021/22 and beyond. It can be seen that expenditure of £218,000 has been achieved which is £158,000 less than the phased budgeted spend to date and represents 34.12% of the annual projected spend.

7.2 HSCP, Finance & Planning Services currently make good use of Electronic Document Management. With the increase in home/flexible working a business case is being finalised to bring other services into use of the system and this would require £70,000 from the Digital Strategy earmarked reserve.

8.0 VIREMENT

8.1 No virement to be reported.

9.0 COMMON GOOD FUND

9.1 The Common Good Fund is projecting a surplus in 2020/21 of £78,630. Which results in projected surplus fund balance of £95,980 at 31 March 2021.

10.0 IMPLICATIONS

10.1 Finance

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					

10.2 **Legal**

There are no specific legal implications arising from this report.

10.3 **Human Resources**

There are no specific human resources implications arising from this report.

10.4 **Equalities**

(a) 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.

(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

10.5 **Repopulation**

There are no repopulation issues arising from this report.

11.0 **CONSULTATIONS**

11.1 The Chief Executive, Corporate Director Environment, Regeneration & Resources, Corporate Director Education, Communities & Organisational Development and the Chief Financial officer have been consulted in the preparation of this report.

12.0 CONCLUSIONS

12.1 The Committee note the 2020/21 projected underspend of £424,000 for the Policy and Resources Committee as at Period 6, 30 September 2020.

13.0 BACKGROUND PAPERS

13.1 There are no background papers for this report.

Policy & Resources Budget Movement - 2020/21**Period 6: 1st April - 30th September 2020**

Service	Approved Budget	Movements			Revised Budget	
	2020/21 £000	Inflation £000	Virement £000	Supplementary Budgets £000	Transferred to EMR £000	2020/21 £000
Finance	8,016	12	(3)		(300)	7,725
Legal	1,845	17				1,862
Organisational Development, Policy & Communications	2,087		(1)			2,086
Chief Exec	321					321
Miscellaneous	4,135	(113)	400			4,422
Totals	16,404	(84)	396	0	(300)	16,416

Supplementary Budget Detail

£000

Inflation

Finance - Civica software maint.

5

Legal - Councillors Salaries Inflation

17

Miscellaneous:

Non Pay Inflation Contingency

(96)

Pay Inflation Contingency

(17)

(84)Virements

Finance/ICT - Plumbed Water Saving

(3)

Organisational Development, Policy & Communications - Plumber water saving

(1)

Miscellaneous - IRI budget vired to Loan Charges (below the line)

400

396**Total Inflation & Virements****312**

REVENUE BUDGET MONITORING REPORT**CURRENT POSITION****PERIOD 6: 1st April 2020- 30th September 2020**

2019/20 Actual £000	SUBJECTIVE ANALYSIS	Approved Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2021/21 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
9,099	Employee Costs	8,746	8,783	8,896	113	1.3%
534	Property Costs	522	521	521	0	-
671	Supplies & Services	971	973	1,151	178	18.3%
2	Transport & Plant	4	4	4	0	-
1,311	Administration Costs	1,317	1,317	1,170	(147)	(11.2%)
30,192	Payments to Other Bodies	33,845	34,193	34,203	10	0.0%
(28,362)	Income	(29,000)	(29,075)	(28,770)	305	(1.0%)
13,448	TOTAL NET EXPENDITURE	16,404	16,716	17,175	459	2.7%
	Earmarked reserves		(300)	(300)	0	
	Additional Funding Covid-19			(883)	(883)	
13,448	Total Net Expenditure excluding Earmarked Reserves	16,404	16,416	15,992	(424)	

2019/20 Actual £000	OBJECTIVE ANALYSIS	Approved Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2021/21 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
7,568	Finance	8,016	8,025	8,810	785	9.8%
1,754	Legal Services	1,845	1,862	1,904	43	2.3%
9,322	Total Net Expenditure Environment, Regeneration & Resources	9,861	9,887	10,714	828	8.4%
1,996	Organisational Development, Policy & Communications	2,087	2,086	2,203	117	5.6%
1,996	Total Net Expenditure Education, Communities & Organisational Development	2,087	2,086	2,203	117	5.6%
323	Chief Executive	321	321	335	14	4.4%
1,807	Miscellaneous	4,135	4,422	3,922	(500)	(11.3%)
13,448	TOTAL NET EXPENDITURE	16,404	16,716	17,175	459	2.7%
	Earmarked reserves		(300)	(300)	0	
	Additional Funding Covid-19			(883)	(883)	
13,448	Total Net Expenditure excluding Earmarked Reserves	16,404	16,416	15,992	(424)	

	Approved Reserves £000	Revised Reserves £000	20/21 Budget £000	Projected Spend £000	Projected Carry Forward £000
Earmarked Reserves	2,430	2,102	634	639	1,463
Policy & Resources Overall Expenditure	2,430	2,102	634	639	1,463

POLICY & RESOURCES**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES (EXCLUDING EARMARKED RESERVES)****PERIOD 6: 1st April 2020 - 30th September 2020**

Outturn 2019/20 £000	Budget Heading	Budget 2020/21 £000	Proportion of Budget £000	Actual to 30/09/20 £000	Projection 2020/2021 £000	Over/(Under) Budget £000
	Non-COVID 19 Material Variances					
	<u>Finance/ICT</u>					
5,220	Overall Employee Costs	5,370	2,486	2,450	5,322	(48)
289	Admin costs - ICT Line Rental Rechargeable	333	167	176	301	(32)
(320)	Income - ICT Line Rental Recharges	(333)	(167)	(175)	(301)	32
289	Admin costs - CT - Legal Expenses - Sherriff Officer	272	136	42	169	(103)
(284)	Income - CT - Legal Fee Recoveries	(268)	(134)	(42)	(165)	103
(356)	Income - HB Recoveries	(110)	(38)	(39)	(86)	24
(24,040)	Income - Benefits Subsidy	(25,627)	(14,943)	(11,839)	(25,547)	80
	<u>Legal Services</u>					
1,183	Legal Services Employee Costs	1,240	574	588	1,277	37
	<u>Organisational Development, Policy & Communications</u>					
1,746	Overall Employee Costs	1,760	815	820	1,791	31
	<u>Miscellaneous</u>					
	Pay Inflation Contingency	247	17	17	47	(200)
	Non Pay Inflation Contingency	825	58	81	525	(300)
	Total Non-COVID 19 Material Variances					(376)
	COVID 19 Material Variances					
	<u>Organisational Development, Policy & Communications</u>					
	Employee Costs - Covid				26	26
	Supplies & Services - Homeworking furniture and headsets				80	80
	<u>Finance/ICT</u>					
	Employee Costs - Covid				47	47
	Supplies & Services - ICT Computer Software/equipment				106	106
	CT Statutory Additions				64	64
	Registrars Income (Stat & Non-stat)				30	30
	SWF - PTOB				447	447
	DHP - PTOB Funded by SG				72	72
	Total COVID 19 Material Variances				872	872
(16,273)	TOTAL MATERIAL VARIANCES	(16,291)	(11,029)	(7,921)	(14,923)	496

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Policy & Resources

C a t e g o r y	Project	Lead Officer/ Responsible Manager	Total Funding	Phased Budget To Period 6	Actual To Period 6	Projected Spend	Amount to be Earmarked for 2021/22 & Beyond	Lead Officer Update
			2020/21	2020/21	2020/21	2020/21	2020/21	
			£000	£000	£000	£000	£000	
C	Equal Pay	Steven McNab	200	0	0	0	200	Balance for equal pay relates to janitors tied houses and other employee Equal Pay costs and is under review on an annual basis. £621k to be written back to reserves for additional COVID funding.
C	Voluntary Severance Reserve - HR Support	Steven McNab	65	32	31	65	0	Additional support for HR to support Trawls and associated work. Part time HR advisor & Full Time support from 04/11/19 to 31/03/21.
C	Digital Strategy	Alan Puckrin	338	44	28	140	198	KANA upgrade being progressed. Future spend to be linked to increased home/flexible working and development of on line services.
C	Welfare Reform - Operational	Alan Puckrin	186	48	41	76	110	Used for temp enhanced resources in the CSC. £41k uncommitted.
C	Revenue Contingency	Alan Puckrin	63	0	20	45	18	Subject to reports to P&R Committee. £23k remains uncommitted.
C	Anti-Poverty Fund	Alan Puckrin	1,090	246	73	201	889	Approximately £600k uncommitted and being considered as part of future anti poverty proposals.
C	Resilience & Insurance Claims - Training	Steven McNab	25	0	0	25	0	Proposals to be developed.
C	GDPR	Gerry Malone	60	6	0	37	23	Specification for information governance system and corporate training being progressed with proposed implementation by December 2020.
C	Promotion and Tourism (ERR)	George Barbour	50	0	0	25	25	Additional resource in PR team, additional marketing, support for events etc. Report to October Committee.
C	Peter Stanton Trust	Alan Puckrin	25	0	25	25	0	Sums paid to the Peter Stanton Trust.
Total Category C to E			2,102	376	218	639	1,463	

COMMON GOOD FUND**REVENUE BUDGET MONITORING REPORT 2020/21****PERIOD 6 : 1st April 2020 to 30th September 2020**

	Final Outturn 2019/20	Approved Budget 2020/21	Budget to Date 2020/21	Actual to Date 2020/21	Projected Outturn 2020/21
PROPERTY COSTS	32,000	29,000	14,500	0	36,000
Repairs & Maintenance	4,820	9,000	4,500		9,000
Rates	26,090	19,000	9,500		26,000
Property Insurance	1,090	1,000	500		1,000
ADMINISTRATION COSTS	17,110	7,700	800	3,490	12,200
Sundries	10,910	1,500	800	3,490	6,000
Commercial Rent Management Recharge	2,200	2,200	0		2,200
Recharge for Accountancy	4,000	4,000	0		4,000
OTHER EXPENDITURE	70,320	61,500	42,700	520	18,800
Christmas Lights Switch On	10,500	10,500	0		10,500
Gourock Highland Games	29,400	29,400	29,400		0
Armistice Service	6,530	8,300	0	520	8,300
Comet Festival	13,300	13,300	13,300		0
Fireworks	12,600	0	0		0
Bad Debt Provision	(2,010)				0
INCOME	(110,250)	(121,430)	(60,700)	(55,220)	(145,630)
Property Rental	(166,250)	(167,850)	(83,900)	(84,370)	(167,850)
Void Rents	56,150	46,920	23,500	29,180	57,370
Internal Resources Interest	(150)	(500)	(300)	(30)	(150)
Disposal of Land					(35,000)
NET ANNUAL EXPENDITURE	9,180	(23,230)	(2,700)	(51,210)	(78,630)
EARMARKED FUNDS	0	0	0	0	0
TOTAL NET EXPENDITURE	9,180	(23,230)	(2,700)	(51,210)	(78,630)

Fund Balance as at 31st March 2020

17,350

Projected Fund Balance as at 31st March 2021

95,980

Notes:

1 Rates (Empty Properties)

Rates are currently being paid on empty properties, projection reflects current Rates levels however all historic Rates costs are being examined to ensure all appropriate empty property relief has been obtained. Any subsequent credit will be included in future reports.

2 Current Empty Properties are:Vacant since:

12 Bay St
6 John Wood Street
10 John Wood Street
15 John Wood Street
16 John Wood Street
17 John Wood Street
74 Port Glasgow Road

April 2015, currently being marketed
January 2019
August 2018
June 2017, currently being marketed
October 2019, currently being marketed
March 2014, currently being marketed
September 2012

3 Disposal of Land

Disposal of Land for £35,000 did not conclude by 31st March and is now expected in 2020/21.

COMMITTEE: POLICY & RESOURCES

<u>Project Name</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
	<u>Est Total Cost</u>	<u>Actual to 31/3/20</u>	<u>Approved Budget 2020/21</u>	<u>Revised Est 2020/21</u>	<u>Actual to 30/09/20</u>	<u>Est 2021/22</u>	<u>Est 2022/23</u>	<u>Future Years</u>
<u>Environment, Regeneration & Resources</u>								
<u>ICT</u>								
Storage/Backup Devices/Minor Works and Projects	20		20	20	7	0	0	
Rolling Replacement of PC's	0		155	0	0	40	0	
Whiteboard/Projector Refresh	90		0	0	0	90	0	
Server & Switch Replacement Programme	8		8	123	2	0	0	
Covid - Extra 355 Laptops (300 Corporate, 55 Schools)	160		160	160	154	0	0	
Covid - Schools Digital Investment - Update Laptops to Council specification	40		40	40	0	0	0	
Covid - Homeworking ICT Equipment	100		100	100	0	0	0	
Annual Allocation	1,072	0	71	71		423	423	
<u>ICT Total</u>	1,490	0	554	514	163	553	423	0
<u>Finance</u>								
Modernisation Fund	123	112	11	11	0	0	0	
<u>Finance Total</u>	123	112	11	11	0	0	0	0
TOTAL	1,613	112	565	525	163	553	423	0

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Chief Financial Officer	Report No:	FIN/96/20/AP/LA
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	Welfare Reform Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to provide the Committee with an update on recent developments regarding Welfare Reform.

2.0 SUMMARY

- 2.1 The DWP's latest published UC caseload data reports that 8,979 people in Inverclyde claim Universal Credit. This is a 39% increase since March, 2020. Easements were introduced in response to the immediate surge of new Universal Credit claims in the first few months of Covid restrictions. A review of these claims is underway which will involve people agreeing claimant commitments with their work coach.
- 2.2 The projected under-spend of £107k of the DHP budget at 30 September 2020 is shown in Appendix 2. In addition there is a further £50k expected as part of a share of an additional £3m Scottish Government allocation and this will support those still to apply. Appendix 3 shows expenditure through the Scottish Welfare Fund of £410k by 30 September 2020 which is 33% of the annual allocation. The expansion of the scheme agreed in August 2020 to meet not only high priority cases but also medium priority has contributed to 54 more applicants being helped during August and September compared with the same period last year with an additional £62k grants being paid.
- 2.3 The Scottish Government has committed to providing a grant of £500 to people required to self-isolate to prevent the spread of COVID-19 who are not able to work from home and where their employer does not cover their normal earnings and are in receipt of certain benefits. Uptake during the first 2 weeks since its launch was low, reflecting the relatively low prevalence of the disease in Inverclyde and the fact that most requiring to self-isolate do not qualify or require the grant.
- 2.4 The last meeting of the Committee asked for the Council Leader to write to Therese Coffey MP regarding claimant conditionality and the need for sensitivity when considering applying conditionality. The letter sent and response are attached as Appendix 4. In addition a letter regarding the end of furlough was sent as requested by the Committee (Appendix 5). To date no reply has been received.
- 2.5 The Scottish Child Payment will open for applications in November 2020, with first payments being made from the end of February 2021. Low-income families with a child under six will be able to apply for £10 per child, per week. Applications can be made online, by phone or post. In addition offices are looking into promoting the scheme via the annual Council Tax billing communication.

2.6 The Child Winter Heating Assistance is a new £200 annual lump sum payment designed to support with winter fuel costs for children and young people up to the age of 18 who are in receipt of the highest rate care component of Disability Living Allowance. Payment is automatic and will be paid to the same bank account as the child or young person's DLA. Those who are entitled will receive notification of the award by 15 December 2020.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Committee notes the updates contained in the report.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 The UK Government Welfare Reforms have been progressing for many years and the impact on the Council and community are the subject of reports to each Policy & Resources Committee.
- 4.2 The Scottish Government launched Social Security Scotland (SSSA) in 2016 and updates on developments are also included in the report.
- 4.3 The Council has an Anti-Poverty Fund earmarked reserve which is overseen by the Committee. Decisions in respect of that Fund are generally included in this report.

5.0 UNIVERSAL CREDIT

- 5.1 The DWP's latest published UC caseload data reports that 8,979 people in Inverclyde claim Universal Credit. This is a 39% increase since March, 2020. Appendix 1 shows that 33% had earnings included in the assessment of their entitlement; these earnings may be the final wage or salary received before the individual is made unemployed. More detailed data published by DWP shows that 27% of UC claimants are currently employed; 33% are searching for work, 29% are not required to find work with the remainder preparing or planning to be able to find work.
- 5.2 Easements were introduced in response to the immediate surge of new Universal Credit claims in the first few months of Covid restrictions. A review of these claims is underway which will involve people agreeing claimant commitments with their work coach. Uncertainty beyond furlough is, not unexpectedly a challenging prospect for people who have not until now claimed benefits and local DWP officers have reassured officers from the Council that appropriate support is provided. Furthermore, a sensitive approach is taken to applying claim conditionality rules and officers are informed that no-one was referred for consideration of sanctions to be applied during Covid restrictions.
- 5.3 DWP launched Kickstart, Grant Funding and Community Funding schemes which have been widely promoted with local employers to encourage and support new employment opportunities. The Greenock Jobcentre Plus office will from the end of November operate extended hours. The office will open on Saturdays as well as being available for longer each day to respond to customers digitally and by phone. 10 new work coaches are being recruited to be based there.
- 5.4 The number of households who receive help with their Council Tax through the Council Tax Reduction scheme continues to increase and now stands at 9,527. The end of the furlough scheme and the less generous replacement is expected to result in more people needing this financial support and so services are prepared and ready to handle enquiries and applications. The Council has received £290k extra funding which represents a significant contribution towards the costs of the increased take up.

6.0 DISCRETIONARY HOUSING PAYMENTS/SCOTTISH WELFARE FUND

- 6.1 The adjustment to the DHP policy agreed in August 2020 supporting those renting in the private sector affected financially by the impact of Covid-19 has resulted in 9 successful applications with payment totalling £10k. Direct promotion commenced in October with those whose Council Tax Reduction records indicate they may qualify. The projected under-spend of £107k of the DHP budget at 30 September 2020 is shown in Appendix 2. In addition there is a further £50k expected as part of a share of an additional £3m Scottish Government allocation and this will support those still to apply. Close monitoring of applications and expenditure will continue.

- 6.2 Appendix 3 shows expenditure through the Scottish Welfare Fund of £410k by 30 September 2020 which is 33% of the annual allocation. The expansion of the scheme agreed in August 2020 to meet not only high priority cases but also medium priority has contributed to 54 more applicants being helped during August and September compared with the same period last year with an additional £62k grants being paid. Officers project that the budget will be sufficient to meet demand during the remainder of the year with any surplus being carried forward to 2021/22. Scottish Welfare Fund continues to be promoted through social media and the Financial Inclusion Partnership to raise awareness with those who need this financial support.
- 6.3 The Scottish Government has committed to providing a grant of £500 to people required to self-isolate to prevent the spread of COVID-19 who are not able to work from home and where their employer does not cover their normal earnings and are in receipt of certain benefits. The grant is designed to provide the financial support they need to meet their basic needs during the 14 day period in which they are unable to work. The Scottish Welfare Fund is the administrative channel and arrangements are in place with Public Health and Advice Services to direct people to the grant. The target timescale for a decision is by the end of next working day of the application and applicants who meet the eligibility criteria will receive the award of £500 paid by BACS. Uptake during the first 2 weeks since its launch was low, reflecting the relatively low prevalence of the disease in Inverclyde and the fact that most requiring to self-isolate do not qualify or require the grant. Officers have fed back initial findings to the Scottish Government including discrete circumstances where the criteria does not provide assistance to those who would otherwise benefit.

7.0 MONEY ADVICE

- 7.1 On 24 September the Chancellor Rishi Sunak unveiled his 'Winter Economy Plan', including details of a Job Support Scheme (JSS) to succeed the Coronavirus Job Retention Scheme as from 1 November 2020. This new scheme will cover a proportion of wage costs where employees are working reduced hours, with a worked minimum of 33 per cent of normal hours. The Government further announced on 9 October 2020 that the JSS will be expanded to pay two-thirds of employee salaries in order to support businesses when required to close their premises as a result of coronavirus lockdown restrictions. A further improvement to the offer was announced on 22 October. The findings from a report, however, produced by the Institute for Public Policy Research, 'The Narrow Corridor', published on 10 October 2020, is that approximately only ten per cent of the 2M viable jobs at risk this winter due to the impact of coronavirus are likely to be saved as a result of the introduction of the JSS.
- 7.2 It should be noted the 24 September statement did not include any changes to social security, or extension of any social security measures the Government introduced in response to the coronavirus crisis. This includes increases to the level of some benefits – claimants of Universal Credit and Working Tax Credit now receiving £20 a week more. This increase is scheduled to expire in April 2021. The Treasury Committee in their report, 'Economic Impact of Coronavirus: The Challenges of Recovery', 11 September 2020, suggested:

“The Government has raised Universal Credit and made it easier to access. However these changes are time-limited for a year. The Government should consider extending the measures increasing the generosity and accessibility of Universal Credit put in place in March 2020.”

- 7.3 The Resolution Foundation in their response dated 25 September 2020, 'The Winter (Economic Plan) Is Coming', to the statement of 24 September 2020, noted:

“As well as the likely rise in unemployment this winter hitting living standards, there is a risk of a further blow in the spring, because on current plans, policy is still set to change from supporting incomes to cutting them. In the early months of the crisis, changes in benefit policy – not least a very welcome £20 a week boost to Tax Credits and UC – meant that the incomes of the poorest were relatively well protected. But this boost is currently only intended to go up to March 2021”.

- 7.4 The last meeting of the Committee asked for the Council Leader to write to Therese Coffey MP regarding claimant conditionality and the need for sensitivity when considering applying conditionality. The letter sent and response are attached as Appendix 4.
- 7.5 With the reintroduction of conditionality Advice Service will look to resume the process of contacting DWP with requests to switch off working seeking requirements for vulnerable clients as a matter of course and look to challenge all DWP sanction decisions where appropriate.
- 7.6 In addition a letter regarding the end of furlough was sent as requested by the Committee (Appendix 5). To date no reply has been received.

8.0 SSSA

- 8.1 The Scottish Child Payment will open for applications in November 2020, with first payments being made from the end of February 2021. Low-income families with a child under six will be able to apply for £10 per child, per week. The payment is for low income families already in receipt of qualifying benefits. The qualifying criteria is wide and there are no limits on the number of eligible children. The Scottish Government remain committed to rolling out this benefit to families with children under 16 years of age by the end of 2022. Engagement has begun with services who work with and support families who may be entitled to claim Scottish Child Payment to prepare them for the application process before it opens. Applications can be made online, by phone or post. In addition offices are looking into promoting the scheme via the annual Council Tax billing communication.
- 8.2 The Child Winter Heating Assistance is a new £200 annual lump sum payment designed to support with winter fuel costs for children and young people up to the age of 18 who are in receipt of the highest rate care component of Disability Living Allowance. Children and young people must have met the qualifying criteria during week beginning Monday 21 September to be eligible. Payment is automatic and will be paid to the same bank account as the child or young person's DLA. Those who are entitled will receive notification of the award by 15 December 2020.

9.0 IMPLICATIONS

9.1 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					

9.2 Legal

There are no legal implications arising from this report.

9.3 Human Resources

There are no HR implications arising from this report.

9.4 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

9.5 Repopulation

Supporting communities and individuals through initiatives and advice will assist retain people within Inverclyde.

10.0 CONSULTATIONS

10.1 No consultations were required.

11.0 BACKGROUND PAPERS

11.1 None

Appendix 1

Universal Credit - Inverclyde Council

	No. of UC claimants	% of UC claimants with earnings	No. of UC claimants with Council Tax Reduction	No. of UC claimants awarded SWF Crisis Grants
Jun-18	5240	32%	2408	135
Jul-18	5397	32%	2526	125
Aug-18	5527	32%	2607	176
Sep-18	5640	33%	2647	156
Oct-18	5718	33%	2657	127
Nov-18	5804	34%	2690	172
Dec-18	5753	35%	2725	118
Jan-19	5768	34%	2800	198
Feb-19	5597	29%	2823	151
Mar-19	5611	28%	2969	148
Apr-19	5680	28%	3098	142
May-19	5707	28%	3155	153
Jun-19	5749	27%	3134	130
Jul-19	5888	28%	3206	134
Aug-19	6021	25%	3316	169
Sep-19	6039	29%	3441	131
Oct-19	n/a	n/a	3491	145
Nov-19	6154	29%	3438	128
Dec-19	6188	29%	3464	142
Jan-20	6179	28%	3456	208
Feb-20	6392	28%	3491	175
Mar-20	6455	27%	3553	263
Apr-20	7829	30%	3748	300
May-20	8492	30%	3748	162
Jun-20	8685	31%	3978	167
Jul-20	8863	32%	4015	129
Aug-20	8979	33%	4028	145

Notes

1. No. of UC claimants is the number of individuals in receipt of Universal Credit either individually or as part of a couple

Discretionary Housing Payments
Position 30.09.20

<u>1/ SSSC (Bedroom Tax)</u>		
Applications Approved	1541	93.45%
Applications Not Eligible/Refused	83	5.03%
Applications Being Assessed	25	1.52%
	<u>1649</u>	
	<u>£</u>	
Paid to Date	1158031	Note 1
2020/21 Budget	1168167	Note 2
(Under)/Overspend	<u>(10136)</u>	
<u>2/ Other DHP Cases</u>		
	<u>£</u>	
2020/21 Budget	247695	Note 3
less : Payments to 30/09/20	140057	
(Under)/Overspend	<u>(107638)</u>	Note 4

Notes

- 1/ Represents 99.29% of those households known to be affected by SSSC.
- 2/ Estimate of liability; Scottish Government will meet expenditure in full.
- 3/ Includes £72k Covid-19 allocation and £20k Anti-Poverty funding
- 4/ Any underspend will be used to fund the SSSC payments and cannot be carried forward.

Finance Services
21/10/2020

Scottish Welfare Fund
30th September 2020

Calls Answered	5727		
Applications	2862		
Applications Granted	1918	67.02%	
Applications Refused	406	14.19%	Note 3
Applications Withdrawn	474	16.56%	
In Progress	64	2.23%	
Referrals to DWP	121		Note 2
	<u>Spend</u>	<u>Budget</u>	<u>Spend</u>
	<u>£000</u>	<u>£000</u>	<u>%</u>
Crisis Grant paid (1434)	145	614	23.62%
Community Care Grants paid (528) (includes 43 applications paying both CCG & CG)	265	614	43.16%
	<u>410</u>	<u>1228</u>	33.39%

Note 1 1st Tier Reviews awaiting decision = 1
 1st Tier Review decisions = 28 (1.20%)
 1st Tier Reviews upheld in customer favour = 20 (71.43%)
 2nd Tier Reviews = 0 (as % of 1st tier decisions: (0%))
 2nd Tier Reviews upheld in customers favour by SPSO = 0 (0%)

Note 2 Referrals to DWP are the number of customers who are awaiting payment of a new claim for Universal Credit from DWP. In these circumstances an application can be made for a UC advance, which is repayable to the DWP.

Note 3 The most common reasons for refusal of claims are, applicants not meeting the eligibility criteria, not being in receipt of a low income or incomplete evidence provided.

Note 4 Core Budget is £1,228,658 of which £447,000 is Covid-19 funding and £60k Welfare Reform recurring budget

Councillor Stephen McCabe
Ward 1 – Inverclyde East
Municipal Buildings
Greenock
PA15 1LX

Inverclyde
council

Leader of the Council

Rt. Honourable Therese Coffey MP
Ministerial Correspondence Team
Caxton House
Tothill Street
LONDON
SW1H 9NA

Direct Line: 01475 712727
Email: stephen.mccabe@inverclyde.gov.uk
Our Ref: SMCc/sc
Your Ref:
Date: 18 September 2020

Dear Secretary of State

Universal Credit – Reintroduction of Claimant Conditionality

It goes without saying that the country, as a whole, has faced unprecedented challenges as a result of the Covid pandemic and firstly I would wish to acknowledge the significant sums of money invested by the Government in schemes to maintain people in employment, support businesses and to relax some of the criteria around Welfare Support.

In addition, I recognise that all these forms of support cannot be sustained indefinitely and that difficult decisions will have to be made regarding the way in which these very large sums of money are managed back and the UK budget moves towards a more sustainable footing in the longer term.

I am, however, writing to you on behalf of Inverclyde Council regarding the specific issue of the reintroduction of Universal Credit claimant conditionality. There is concern within the Council that unless the application of conditionality is applied in a sensitive and fair manner, which recognises the very real difficulties that individuals face, those who we would identify as amongst the most vulnerable in our society will be the ones most affected.

Not only has the availability of jobs been significantly reduced at a time when those looking for work has significantly increased but there are also many individuals who have quite rightly been identified as being vulnerable during the Covid pandemic who will find it difficult to return to the use of public transport and attending face to face meetings. These understandable anxieties that many of the population face should not be a reason for reduction or freezing of benefits.

Therefore, I would seek your assurances that appropriate guidance, training and communication are in place to ensure the continuation and protection of the most vulnerable continues whilst the country recovers from this unprecedented situation.

Yours sincerely

Stephen McCabe
Leader of Inverclyde Council

c.c. Aubrey Fawcett, Chief Executive
Alan Puckrin, Chief Financial Officer





Department
for Work &
Pensions

Ministerial
Correspondence
Caxton House
Tothill Street
LONDON
SW1H 9DA

0207 340 4000

www.gov.uk

ministers@dwp.gov.uk

Your ref: SMcC/sc

Councillor Stephen McCabe
Inverclyde Council
stephen.mccabe@inverclyde.gov.uk

Our ref: MC2020/57457

19 October 2020

Dear Councillor McCabe

Thank you for your letter of 18 September to the Secretary of State about the reintroduction of claimant conditionality. I am replying to you as the Minister for Employment.

Thank you for taking the time to write in raising this issue. I write to you with the latest update and I hope you will find the following comments to be helpful.

As you know, with the outbreak of coronavirus, we took the decision to temporarily suspend the requirement for face-to-face Jobcentre Plus appointments for all claimants in Universal Credit, New Style Jobseeker's Allowance (JSA) and Employment and Support Allowance (ESA), old-style JSA and ESA, and Income Support (IS). Claimants continued to receive benefits as normal and were not sanctioned for not taking part in appointments with Jobcentres.

Claimants were not expected to contact Jobcentre Plus about their commitments whilst this temporary measure was in place, unless they were reporting a change of circumstances or they required support. These measures were intended to be temporary and initially for a three-month period from 30 March and this was for review by 29 June 2020.

The review has now taken place and in line with other Government decisions to ease lockdown measures, it has been agreed that a return to conditionality and expectations of work availability and work-related activity for those who are able and expected to look for and prepare for work is appropriate. As the control and effects of the virus are constantly developing, we will continue to keep the policy changes and their effects under review.

From 30 June, we reinstated conditionality for all claimants. There is a general expectation of claimants returning to appropriate work-related requirements depending on their regime, this may include appropriate work preparation and work-focused interviews.

From 1 July, we reintroduced the requirement for claimants of Universal Credit, and New Style and legacy JSA to accept a Claimant Commitment as part of any new claim and for existing claimants to have an updated one in place. We are managing this in a phased approach to ensure that our Work Coaches can deliver an effective service in a reasonable, measured and safe way.

Once a claimant's new or updated Claimant Commitment is in place, and work-related requirements agreed and accepted, they can again receive a sanction if they fail to meet those requirements without good reason. Work Coaches will work to ensure that commitments made by claimants are tailored and include easements where appropriate, allowing them to continue to adhere to continuing local and national public health advice in regard to coronavirus whilst also doing what they can to engage with the labour market.

It may help if I explain that conditionality has been a feature of benefit entitlement in the UK since the formation of the welfare state. Claimants on work-related benefits are generally expected to undertake certain activities in return for financial support through the benefit system. These activities or requirements help the claimant prepare for, look for and move into work. Sanctions reinforce conditionality by encouraging the claimant to comply with these requirements and are only applied when a claimant fails to do so without good reason.

All conditionality requirements are tailored to the claimant's circumstances so they are reasonable and achievable for the claimant, and are agreed between the claimant and their Work Coach. Those who are in certain circumstances where it is temporarily unreasonable to expect them to meet these requirements can have an easement applied to their claim, for example, if the claimant is sick or is homeless.

Sanctions are only ever used where a claimant has failed to meet one of their requirements without good reason. The Decision Maker will take into account all the claimant's individual circumstances, the external situation, and any evidence of good reason they have provided, before deciding whether a sanction is warranted. Claimants have the right to a Mandatory Reconsideration and appeal should they wish to dispute the decision. Where a sanction is applied, this is calculated with reference to the standard allowance element of Universal Credit. Any other elements the claimant is entitled to, such as help with housing costs, will continue to be in payment throughout the duration of the sanction.

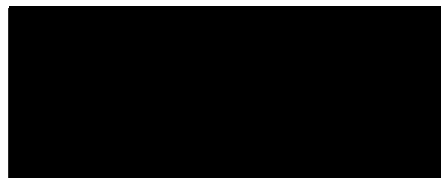
Those who are sanctioned may also apply for hardship payments to ensure they can cover their essential needs.

As you may know, Find a Job is the Government's official job matching service with more than 1.7 million people already registered on the site. It is one of the most consistently used online services on the Government website at www.gov.uk. More than 145,000 private and public sector employers large and small have already signed up, and the service is open to employers and recruitment agencies who recruit on their behalf.

By ensuring we advertise all urgent vacancies on one government-owned service, we shall be able to better direct jobseekers and those who have been furloughed and looking for temporary employment to available vacancies. The Department has also taken immediate action to put in place various digital and communications tools to support jobseekers and those who are furloughed and looking for temporary employment.

We have been promoting Find a Job (www.gov.uk/find-a-job) as the central place for employers to post their vacancies, and as the main channel to match people with vacancies. However, we also recognise that some jobseekers and employers will need additional information to align new and existing skills with current labour market requirements and have therefore launched two new websites: Job Help (<https://jobhelp.campaign.gov.uk>) and Employer Help (<https://employerhelp.dwp.gov.uk>) on 27 April.

These websites promote a range of guidance and advice, including support on identifying transferrable skills. They also promote other gov.uk provision such as the National Careers Service and the new Department for Education online skills training initiative, the Skills Toolkit, which launched on 28 April.



Mims Davies MP

Minister for Employment

Councillor Stephen McCabe
Ward 1 – Inverclyde East
Municipal Buildings
Greenock
PA15 1LX

Inverclyde
council

Leader of the Council

Rt. Hon Rishi Sunak MP
House of Commons
LONDON
SW1A 0AA

Direct Line: 01475 712727
Email: stephen.mccabe@inverclyde.gov.uk
Our Ref: SMCC/sc
Your Ref:
Date: 24 September 2020

Dear Mr. Sunak

UK Government Furlough Scheme

I appreciate that there has been extensive lobbying for an extension to the Furlough Scheme.

At our Council Policy & Resources Committee meeting on 15 September 2020, Elected Members were unanimous in supporting Inverclyde Council's voice to be added to the request for a Furlough Scheme extension. We believe the Furlough Scheme is essential to avoid a significant increase in unemployment with all its implications after the end of October 2020. This is a view also held by a business sector recovery group which advises the Council on economic recovery as we emerge from Covid. We do appreciate that an extended scheme may be more focused at specific sectors in comparison with the current blanket scheme.

I hope you will give this consideration.

Yours sincerely



Stephen McCabe
Leader of Inverclyde Council

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Chief Financial Officer	Report No:	FIN/101/20/AP/KJ
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	Insurance Fund Position as at 30 September 2020		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the position of the Council's Insurance Fund as at 30 September 2020 and to highlight any relevant issues.

2.0 SUMMARY

- 2.1 The number of insurance claims received for 2019/20 was lower than for 2018/19 largely due to a reduction in the number of public liability claims (although these claims can arise after the year in which the incident occurred). Apart from 2017/18, the number of claims has fallen year-on-year over the last 5 years.
- 2.2 As at 30 September 2020 the Insurance Fund had a balance of £4.411m which is £0.645m lower than the previous year. The movement is due to insurance claims paid in year and £1m written-back from the Fund to be used for measures to reduce future claims, offset by the annual contributions from the revenue budget.
- 2.3 Estimated liabilities on claims outstanding at 30 September 2020 are £0.657m with a provision for clawback on Municipal Mutual Insurance (MMI) claims having been made of £0.370m leaving a balance for future claims of £3.383m.
- 2.4 In addition to any impacts on insurance claims, policies, and costs that may arise due to COVID-19, the Insurance Fund will be affected by the following issues from previous years although the impact still remains unclear:
- The removal of the 3 year time bar on claims for child abuse which extended the period for such claims to include abuse suffered on or after 26 September 1964.
 - Following a previous consultation, the Scottish Government introduced a Bill to the Scottish Parliament in August 2020 for a financial redress scheme for survivors of historical child abuse care in Scotland with contributions to the scheme proposed to come from Councils and other organisations.
- 2.5 The Insurance Fund is the subject of an actuarial review every 3 years with the last review taking place in 2019. The review assessed the financial position of the Fund and advised on the level of the annual contribution required to be made based on current and projected claims. Following that review, the Council has reduced the annual contribution to the Fund by £0.1m for the next 10 years and has written-back £1m from the Fund to be used for measures to reduce future claims.

3.0 RECOMMENDATION

- 3.1 It is recommended that the Committee notes the contents of this report and the Insurance Fund position as at 30 September 2020.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 The Council's Insurance Strategy involves purchasing insurance for some types/levels of risks but also self-insuring for other risks by setting aside monies in an Insurance Fund.
- 4.2 The Strategy was approved at the September 2003 meeting of the Corporate Business Committee following a review of available options by the officers of the Council and also on advice from the Council's Insurance Brokers. This approach has delivered significant savings in both external premiums and internal recharges.

5.0 2019/20 PERFORMANCE

- 5.1 The overall insurance picture for 2019/20 has, so far, seen a decrease in the number of claims received compared to 2018/19. As can be seen in Appendix A, the Council has so far received 116 claims for the 12 month period which is a 20.5% decrease on claims received for insurance year 2018/19. The decrease is largely due to fewer public liability claims (possibly due to COVID-19) although it should be noted that claims relating to a year can be made in future years.
- 5.2 Last year the report showed 868 claims for the previous 5 insurance years (2014/15-2018/19) whereas Appendix A shows 787 claims when the position is moved forward a year (for 2015/16-2019/20), showing a reduction of 81 claims or 9.3% on the 5 year rolling basis.
- 5.3 The Fund balance reduced by £0.645m during the year to 30 September 2020 due to insurance claims paid in year and £1m written-back from the Fund to be used for measures to reduce future claims, offset by the annual contributions from the revenue budget. The estimated outstanding liabilities have reduced from £0.722m last year to £0.657m this year.
- 5.4 In addition, part of the Fund has been set aside as a provision for the potential future clawback of claims relating to MMI. Further background to this issue is given in paragraph 6.4. When the estimated liabilities and the provision for the MMI clawback are taken into consideration, there is a balance of £3.383m in the Fund for future claims as at 30 September 2020.
- 5.5 The Fund is the subject of an actuarial review every 3 years with the last review taking place in 2019. The review assessed the financial position of the Fund and advised on the level of the annual contribution required to be made based on current and projected claims. Following that review, the Council has reduced the annual contribution to the Fund by £0.1m for the next 10 years and has written-back £1m from the Fund to be used for measures to reduce future claims.
- 5.6 As advised above, the Committee should note that some insurance claims may appear several years after the period to which they relate and that the claims paid in a year do not relate solely to the claims arising in that year but also cover some claims arising for previous years. The current balance on the Fund ensures that the self-insurance position remains the correct approach.

5.7 Appendix B shows that payments made by the Council's External Insurers continue to be significantly less than the premium paid with estimated outstanding liabilities to be borne by the Insurers of around £59,200 relating to ongoing claims.

Factors affecting the premiums charged and the claims payments by Insurers include:

- (a) For Property Insurance the Insurers are effectively providing cover for the loss of a major asset and it is hoped by both parties that the Insurer will never be asked to pay out against this policy.
- (b) For Liability Insurance the Insurers deal with the longer-tailed claims such as Employer's Liability and Public Liability claims that take longer to be generated and finalised.
- (c) An element of the premium will be due to global events and resultant insurance claims. This was certainly a factor in the 2020/21 renewal which has been influenced by natural disasters and COVID-19.

5.8 High volume, low value claims for public liability continue to be dealt with in-house, whilst the Insurers deal with all other claims.

5.9 One area of particular interest relates to claims arising from road or pathway defects. The claim statistics for the last 3 insurance years are as follows:

Insurance Year	No. of Claims	% of Total Claims For Year	Claims Rejected/ Dropped	Claims Paid		Claims Outstanding	
				No. of Claims	Actual Cost of Claims	No. of Claims	Amounts Claimed **
					£000		£000
2017/18	76	46.1%	54	17	47	5	85
2018/19	59	40.4%	38	12	12	9	105
2019/20	52	44.8%	22	5	1	25	110

** These amounts are subject to review as claims progress through the insurance process but are likely to reduce.

It should be noted that, whilst some claims can be resolved relatively quickly, the legal processes for dealing with claims can result in some claims taking some time to resolve.

6.0 OTHER ISSUES

6.1 There are ongoing issues on 4 areas affecting the Council's insurance position:

- a. COVID-19
- b. Pleural Plaques
- c. Municipal Mutual Insurance (MMI)
- d. Child Abuse Claims.

6.2 COVID-19

The main insurance impact noticed so far in relation to COVID-19 has been on School Journey insurances where the insurers were not paying any claims for trips cancelled due to COVID-19 but are now reviewing claims on a case-by-case basis. The insurers have, however, amended their wording to exclude claims for future cancellations due to COVID-19.

In addition, there may be other insurance impacts arising from COVID-19 including on insurance claims, policies, and costs. The position is being monitored to identify any impact on the Council.

6.3 Pleural Plaques

The Damages (Asbestos-related Conditions) (Scotland) Act 2009 provides that asbestos-related and certain other asymptomatic asbestos-related conditions are compensable in Scotland if it can be established that the conditions were caused by negligent asbestos exposure. The Council and its insurers are currently dealing with 5 claims relating to pleural plaques.

6.4 MMI

MMI is a former insurer which provided insurance primarily to local authorities. As a result of financial difficulties, MMI ceased to write new insurance business in September 1992 and “went into run-off” i.e. it continues but only to pay any claims that were outstanding or any claims that have arisen/may arise.

This “run-off” involved the establishment of a “Scheme of Arrangement” under which each local authority involved essentially assumed an element of mutual ownership of the company to manage the transition. When the Scheme was established it was believed that the company had sufficient resources to meet all existing liabilities and potentially provide a final distribution to participating local authorities of any residual surplus.

MMI do not have sufficient funds to meet the cost of any new claims so, from 1 January 2014, they are only paying a percentage of the cost of claims and any claims paid prior to that date under the Scheme of Arrangement are subject to clawback (there being no underwriting or reinsurance to cover this situation). The balance of the cost of claims and the amount of the clawback is impacting on a large number of local authorities throughout the UK, including Inverclyde, who are part of the Scheme of Arrangement.

The percentage of claims being paid by MMI is unchanged this year at 75% (with 25% payable by the Council). The Council has included an allowance for these claims and any clawback and continues to monitor and revise the allowance using the latest information from MMI.

6.5 Child Abuse Claims

On 4 October 2017, the Limitation (Childhood Abuse) (Scotland) Act 2017 came into effect. The Act removed the 3 year time bar on claims for child abuse meaning that claims can be made for abuse suffered on or after 26 September 1964.

It remains unclear how many claims will be forthcoming, the cost of those claims, and who will bear those costs (whether former insurers/their successors or current local authorities/organisations as successors to authorities/organisations who provided child care services from 1964 onwards).

Given the uncertainties, there could be an impact on the Insurance Fund (and also on costs to be borne by the insurers) although the extent of any impact is unknown. A small number of claims have been received, none of which have any values attached.

In August 2020 and following a consultation, the Scottish Government introduced a Bill to the Scottish Parliament for a financial redress scheme for survivors of historical child abuse care in Scotland with contributions to the scheme proposed to come from Councils and other organisations. The level of contribution expected and the impact of the Bill on insurance claims and the Insurance Fund is still to be determined but will be reported to Committee when more detail becomes available.

7.0 THE YEAR AHEAD

- 7.1 Officers within Finance Services will continue to monitor the performance of the Insurance Strategy closely and will continue to present reports to Committee no less frequently than annually.
- 7.2 Following a tendering exercise, the Council's existing Insurance Brokers were appointed to provide insurance broking services for the 4 years to 31 March 2024. The costs of these services are borne by the Council through its Insurance budget.

8.0 IMPLICATIONS

8.1 Legal

None.

8.2 Financial

The Fund balance as at 30 September 2020 was £4.411m which is £0.645m lower than the previous year.

One off Costs:

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement from	Other Comments
None					

Annually Recurring Costs/(Savings):

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement from	Other Comments
None					

8.3 Human Resources

None.

8.4 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

9.0 CONSULTATIONS

9.1 None.

10.0 LIST OF BACKGROUND PAPERS

10.1 None.

Appendix A

Insurance Fund Financial Summary - Insurance Years 2018/19 - 2019/20

	Insurance Years		
	2018/2019 (1 Oct 2018 - 30 Sept 2019) £	2019/2020 (1 Oct 2019 - 30 Sept 2020) £	
Fund Income in Year			
Total Contributed to/(Deducted from) the Fund	610,000.00	(485,000.00)	
Internal Resources Interest	31,451.61	17,854.71	
	641,451.61	(467,145.29)	A
Fund Expenditure in Year			
Risk Management	5,000.00	5,000.00	
Actuarial/Property Revaluation Costs	0.00	7,450.00	
	5,000.00	12,450.00	
Incurred Charges to the Fund in Year	233,866.90	165,148.85	
	238,866.90	177,598.85	B
Net Surplus/(Deficit) on Fund in Year	402,584.71	(644,744.14)	C=A-B
<hr/>			
Fund Balance			
Balance As At Start of Year	4,653,033.04	5,055,617.75	D
Add:			
Net Surplus/(Deficit) on Fund in Year	402,584.71	(644,744.14)	C
Actual Fund Balance At End of Year	5,055,617.75	4,410,873.61	E=D+C
Less:			
Estimated Outstanding Charges on Fund	721,777.78	656,943.14	F
Provision for Clawback for MMI Claims	296,797.00	370,492.00	G
Balance for Future Years Claims At End of Year	4,037,042.97	3,383,438.47	H=E-F-G

Claims Information For Last 5 Insurance Years

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

	No. of Claims Received For Year	No. of Claims Settled/Resolved	No. of Claims Outstanding	Estimated Outstanding Charges On Insurance Fund £
2015/16	203	200	3	34,290.01
2016/17	157	153	4	52,872.00
2017/18	165	152	13	191,040.00
2018/19	146	129	17	179,184.20
2019/20	116	56	60	135,599.93
	787	690	97	592,986.14
Claims Pre-2015/16			14	63,957.00
TOTALS			111	656,943.14

Of the claims outstanding:

- a) 19 are Motor Vehicle claims, none of which are payable by the Insurance Fund.
- b) 13 are Employer's Liability claims relating to Pleural Plaques and are included net of amounts payable by Municipal Mutual Insurance (MMI).

Insurance Premiums/Payments By Insurers

	Insurer	Policy Excess 2019/2020	Responsibility for Policy Excess	Insurance Year 2019/2020		Insurance Year 2018/2019		Insurance Year 2017/2018		Insurance Year 2016/2017		Insurance Year 2015/2016	
				Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)	Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)	Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)	Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)	Payments Made By Insurer For Claims	Premium Paid To Insurer (Incl. IPT)
Property Policies				£	£	£	£	£	£	£	£	£	£
General Properties	Travelers	}	Note 1	}									
Education Properties	Travelers	}	Note 1	}									
Professional Fees (First Loss)	Travelers	}	Note 1	}									
Removal of Debris (First Loss)	Travelers	} £1m	Note 1	}	8,824.74	119,675.42	9,611.46	154,596.96	16,151.94	144,448.74	78,869.76	139,507.82	7,323.75
Business Interruption:-	Travelers	}		}									
- Gross Revenue	Travelers	}	Note 1	}									
- Additional Expenditure	Travelers	}	Note 1	}									
Money	Travelers	£500	Note 2	}									
All Risks	Travelers	£10,000	Note 1	}									
Industrial/Commercial Property	Travelers	£250/ £1,000 for subsidence	Note 2	}									
Work In Progress (Cont. All Risks)	Travelers	£1,000	Note 2	}									
Contractors Plant	Travelers	£500	Note 2	}									
Museum & Fine Art	Axa	£1,000	Note 3		0.00	13,700.97	0.00	13,700.97	0.00	11,538.50	0.00	14,234.67	1,150.00
													14,866.58
Casualty Policies (Excl Claims Handling)													
Public Liability	RMP/QBE	}	Note 3	}									
Employers Liability	RMP/QBE	} £55,000	Note 3	}	63,787.51	187,979.68	14,654.00	154,596.96	48,536.96	256,657.93	0.00	229,735.33	7,554.90
Officials Indemnity	RMP/QBE	}	Note 3	}									
Libel & Slander	RMP/QBE	---	Note 3	}									
Public Health Act	RMP/QBE	---	---	}									
Hirers Liability	RMP/QBE	£100	Note 2	}									
Professional Negligence	RMP/QBE	Various	---	}	0.00	3,920.00	0.00	3,920.00	0.00	7,579.60	0.00	7,444.25	0.00
													7,173.55
Other Policies													
Motor (Excl Claims Handling)	RMP/QBE	£50,000	Note 4		18,397.02	100,679.04	50,434.21	60,480.00	34,957.69	98,461.44	17,330.18	86,328.00	41,830.82
Fidelity Guarantee	RMP/QBE	£50,000	Note 3		0.00	14,526.40	0.00	14,000.00	0.00	25,028.64	0.00	24,581.70	0.00
Engineering Insurance	RMP/HSB	---	---		0.00	3,432.00	0.00	3,524.58	0.00	3,486.04	0.00	3,423.79	0.00
Computer	RMP/HSB	£5,000	Note 5		0.00	7,099.59	0.00	7,258.89	0.00	7,099.59	0.00	6,655.30	0.00
School Journey	AIG Europe	Various	Note 2		53,121.80	6,068.72	1,789.00	6,190.46	3,804.48	6,651.96	851.69	6,533.18	2,917.55
Business Travel/PA	AIG Europe	Various	Note 2		0.00	6,872.32	0.00	6,872.32	0.00	5,932.27	0.00	5,839.20	0.00
													5,742.56
					144,131.07	463,954.14	76,488.67	425,141.14	103,451.07	566,884.71	97,051.63	524,283.24	60,777.02
													489,754.38

Estimated Outstanding Insurers' Liabilities for Current Claims:

£
59,214.75

Notes

Note 1 - Insurance Fund (except for first £1,000 which is met by Service).

Note 2 - Excess is met direct by Service.

Note 3 - Insurance Fund.

Note 4 - Insurance Fund (except for first £2,500 which is met by Service). Excess is £NIL for Third Party Claims.

Note 5 - Service pays excess of £1,000.

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Chief Financial Officer	Report No:	FIN/95/20/KJ
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	TREASURY MANAGEMENT – MID-YEAR REPORT 2020/21		

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 2020/21 as required under the terms of Treasury Management Practice 6 ("TMP6") on "Reporting Requirements and Management Information Arrangements".

2.0 SUMMARY

- 2.1 The COVID-19 emergency has impacted the Council's treasury management position with additional cash flows in from advanced grants/funding for COVID-19 and out for grant funding to businesses and additional costs from COVID-19. There has also been reduced capital expenditure due to lockdown. There is continued economic uncertainty with the UK Bank Rate at a historically low 0.10% and investment rates at levels close to zero.
- 2.2 As at 30 September 2020 the Council had gross external debt (including PPP) of £268,547,578 and investments (cash balances managed in house) of £49,640,851. This compares to gross external debt (including PPP) of £274,392,487 and investments of £29,655,497 at 31 March 2020.
- 2.3 The Council is projected to be underborrowed by £30,620,000 compared to its Capital Financing Requirement as at 31 March 2021. This is an increase of £5,337,000 from the estimate of £25,283,000 in the 2020/21 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.
- 2.4 The Council has not borrowed this year. The 2020/21 Treasury Management Strategy includes £10m of replacement borrowing but the current projection for the remainder of the year does not anticipate additional borrowing. Borrowing may, however, be undertaken if funds are required and if it is prudent to borrow.
- 2.5 The average rate of return achieved on investments during the first six months of 2020/21 was 0.20% which exceeds the benchmark return rate for the period of 0.11% by 0.09% and resulted in £17,400 of additional interest on investments for the Council.
- 2.6 During the first six months of 2020/21 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.
- 2.7 In October 2019 the PWLB added 1% to their interest rates for new borrowing. They have now undertaken a consultation on their future lending terms which is expected to result in their lending rates for new borrowing being reduced at some future date which reinforces the strategy of minimising new borrowing at this time.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the contents of the Mid-Year Report on Treasury Management for 2020/21 and the ongoing work to ensure the delivery of financial benefits for the Council.
- 3.2 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 2020/21.
- 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 2020/21 include issues from the COVID-19 emergency:
 - a. The Council’s debt (including PPP) has reduced during the period by £5,844,909 due largely to PWLB debt that matured in July and for which the Council has not re-borrowed.
 - b. The Council’s investments have increased by £19,985,354 due to additional net cash flows into the Council from advanced grants/funding for COVID-19 and other spending and the impact of reduced capital expenditure due to lockdown.
 - c. As at 31 March 2020 the Council had under borrowed against its capital financing requirement by £27,840,000. The latest projection is for the under borrowing to increase to £30,620,000 as at 31 March 2021. 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. The COVID-19 emergency has added to the ongoing financial market volatility and economic uncertainty in the UK and around the world. In March 2020 the UK Bank Rate was cut twice in 8 days at emergency meetings, firstly by 0.50% to 0.25% and then down to 0.10% - the lowest Bank Rate ever in the UK - and a further £200bn of Quantitative Easing was added at the second emergency meeting with another £100bn in June.
 - e. The latest forecast from the Council’s treasury advisers (produced in August) is for the Bank Rate to remain at 0.10% through to at least March 2023.
 - f. During the period PWLB rates for new borrowing had been expected to see slight increases of up to 0.10%. Rates for short periods fell by around 0.15% for shorter periods but increased by the same amount for longer periods. The volatility during the 6-month period resulted in spreads between the high and low rates for some loan periods of up to 0.56% (e.g. borrowing rates for 42 years of 2.58% at the end of September had been at 2.17% in April and at 2.73% in August).
 - g. In October 2019 the PWLB added 1% to their interest rates for new borrowing. They have now undertaken a consultation on their future lending terms which is expected to result in their lending rates for new borrowing being reduced although the date for any change is unknown. Aside from this, 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 the economic and other factors affecting the UK and global markets.
 - h. During the period the Council has not undertaken any borrowing. The Treasury Management Strategy includes £10m of replacement borrowing but the current projection for the remainder of the year does not anticipate additional borrowing. Borrowing may, however, be undertaken if funds are required and if it is prudent to borrow. Any borrowing undertaken will be reported to Committee.
 - i. The Council did not undertake any debt restructuring during the first six months of 2020/21 and remained within its Prudential Indicator and Treasury Management limits.

- j. The cuts to the Bank Rate in March down to 0.10% means that investment rates and returns have also fallen with many rates close to zero, including for fixed term deposits.
- k. The Council's investments earned a rate of return of 0.20% during the period and outperformed the benchmark return of 0.11% resulting in additional income to the Council of £17,400.
- l. 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.
- m. 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.

5.2 The Council's debt position was as follows:

	At 31 March 2020	At 30 September 2020
	£	£
Total Excluding PPP	213,699,487	208,726,578
PPP Debt	60,693,000	59,821,000
Total Including PPP	274,392,487	268,547,578

Further detail is given in the following table:

	At 31 March 2020		At 30 September 2020		Movement In Period
	Principal	Rate	Principal	Rate	Principal
	£000		£000		£000
Fixed Rate Funding:					
- PWLB	114,117		109,065		(5,052)
- Market *	55,000		71,000		See * Below
	169,117	3.55%	180,065	3.69%	(5,052)
Variable Rate Funding:					
- PWLB	0		0		0
- Market *	44,400		28,400		See * Below
- Temporary #	182		262		80
	44,582	4.86%	28,662	4.87%	80
Total Debt (Excl PPP)	213,699	3.82%	208,727	3.85%	(4,972)
PPP Debt	60,693		59,821		(872)
Total Debt (Incl PPP)	274,392		268,548		(5,844)

* - 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 2020		At 30 September 2020		Movement In Period
	Principal	Return	Principal	Return	Principal
	£000		£000		£000
Investments:					
- Fixed Term Deposits	0	0.00%	15,000	0.32%	15,000
- Notice Accounts	10,036	0.25%	14,506	0.36%	4,470
- Deposit Accounts	19,619	0.10%	20,135	0.10%	516
Totals	29,655	0.15%	49,641	0.24%	19,986

Maximum level of investments in Period: £52,249,182 on 18 August 2020

Minimum level of investments in Period: £28,111,705 on 2 June 2020

Daily average for the period: £38,745,431

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 2020/21.

5.4 2020/21 Latest Projection Compared to Estimates in 2020/21 Strategy

The latest 2020/21 projection compared to the estimates in the 2020/21 strategy:

	2020/21 Estimate	2020/21 Latest Projection
<u>Borrowing Requirement</u>	£000	£000
New borrowing	0	0
Alternative financing requirements	0	0
Replacement borrowing	10,000	0
TOTAL	10,000	0
<u>Prudential/Treasury Management Indicators</u>	£000	£000
Gross external debt including PPP (As at 31 March 2021)	267,694	257,595
Capital financing requirement (As at 31 March 2021)	292,977	288,215
(Under)/over borrowing against CFR	(25,283)	(30,620)
	£000	£000
Gross Capital Expenditure	18,420	12,283
Ratio of financing costs (including PPP) to net revenue stream	13.86%	13.50%
Ratio of net debt (debt and PPP less investments) to net revenue stream	124.1%	112.6%

5.5 2020/21 Mid-Year Position Compared to Limits in 2020/21 Strategy

The 2020/21 mid-year position compared to limits in the 2020/21 strategy:

	2020/21 Limits	2020/21 Mid-Year Actual Position		
<u>Prudential/Treasury Management Indicators</u>				
Authorised limit for external debt	£000	£000		
• Borrowing	241,000	208,727		
• Other long term liabilities	61,000	59,821		
	302,000	268,548		
Operational boundary for external debt	£000	£000		
• Borrowing	241,000	208,727		
• Other long term liabilities	61,000	59,821		
	302,000	268,548		
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 2021				
	Fixed	Var.	Fixed	Var.
• Under 12 months	45%	35%	4.8%	13.7%
• 12 months and within 24 months	45%	35%	12.0%	-
• 24 months and within 5 years	45%	35%	14.9%	-
• 5 years and within 10 years	45%	35%	5.4%	-
• 10 years and within 30 years	45%	35%	8.4%	-
• 30 years and within 50 years	45%	35%	21.6%	-
• 50 years and within 70 years	45%	35%	19.2%	-
<u>Council Policy Limits</u>				
Maximum Percentage of Debt Repayable In Year	25%		19.2%	
Maximum Proportion of Debt At Variable Rates	45%		13.7%	
Maximum Percentage of Debt Restructured In Year	30%		0.0%	

5.6 The January 2020 forecast from the Treasury Advisors included in the 2020/21 Strategy for the Bank Rate as at 31 March each year and the latest forecast for the Bank Rate are:

	Forecast Per 2020/21 Strategy	Latest Forecast
2020/21	0.75%	0.10%
2021/22	1.00%	0.10%
2022/23	1.25%	0.10%

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. 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 2020/21 is as follows:

Average Investment	Rate of Return (gross of fees)	Benchmark Return (3 month LIBID uncompounded)
£38,745,431	0.20%	0.11%

The Council have outperformed the benchmark by 0.09% resulting in additional income to the Council of £17,400. Opportunities for the Council to out-perform the benchmark rate are becoming fewer due to more standardisation of rates and periods offered.

6.0 IMPLICATIONS

6.1 Finance

Through the achievement of exceeding the investment benchmark return rate, the Council has benefited from additional returns of £17,400. 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.

6.2 Legal

None. Any borrowing or lending is done under the Council's legal powers.

6.3 Human Resources

None.

6.4 Equalities

Equalities

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

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
	YES (see attached appendix)

(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

None.

7.0 CONSULTATIONS

7.1 This report has been produced based on advice from the Council's treasury advisers (Link Treasury Services Limited).

8.0 LIST OF BACKGROUND PAPERS

8.1 CIPFA - Treasury Management in the Public Services – Code of Practice and Cross-Sectoral Guidance Notes – 2017 Edition
Inverclyde Council – Capital Strategy 2020/30 and Treasury Management Strategy Statement and Annual Investment Strategy 2020/21-2023/24.

**CASH BALANCES MANAGED IN-HOUSE
ACTUAL AS AT 31 MARCH 2020 AND 30 SEPTEMBER 2020**

The following is an analysis of cash balances managed in-house as at 31 March 2020 and at 30 September 2020:

	As At 31 March 2020	As At 30 September 2020
	£	£
<u>Fixed Term Deposits</u>		
Bank of Scotland	0	10,000,000
Santander UK	0	5,000,000
	0	15,000,000
Average Interest Rate	0.00%	0.32%
<u>Notice Accounts</u>		
Bank of Scotland	10,036,393	5,000,137
Santander UK	0	9,506,209
	10,036,393	14,506,346
Average Interest Rate	0.25%	0.36%
<u>Deposit Accounts</u>		
Bank of Scotland	19,618,600	20,134,000
Santander UK	504	505
	19,619,104	20,134,505
Average Interest Rate	0.10%	0.10%
TOTAL	29,655,497	49,640,851
Average Interest Rate	0.15%	0.24%

**FORECAST OF INVESTMENT BALANCES
ESTIMATE FOR 2020/21 AND ACTUAL AT 30 SEPTEMBER 2020**

Investment Regulation 31 requires the Council to provide forecasts for the level of investments. The estimate for 2020/21 and the actual as at 30 September 2020 are:

	2020/21	2020/21
	Estimate For Year	Actual For 1 April 2020 To 30 September 2020
	£000	£000
Cash balances managed in-house		
- At Start of Year	20,000	29,655
- At End of Year/Period	22,838	49,641
- Change in Year/Period	2,838	19,986
- Average daily cash balances	21,419	38,745
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	442	442
- Advances	0	0
- Repayments	43	21
- At End of Year/Period	399	421
Loans made to third parties (Largely BPRA) #		
- At Start of Year	2,117	2,117
- Advances	4	0
- Repayments ##	720	21
- At End of Year/Period	1,401	2,109
Total of all investments		
- At Start of Year	22,561	32,216
- At End of Year/Period	24,640	52,173
- Change in Year/Period	2,079	19,957

- This includes the £50,000 investment made with the Shared Interest Society Limited in August 2017.

- The main part of the repayments are for the BPRA and are due in March 2021.

Report To:	Policy & Resources Committee	Date:	17 NOVEMBER 2020
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	LP/109/20
Contact Officer:	Emma Peacock	Contact No:	01475 712115
Subject:	Contract Awards – 1 April 2020 to 30 September 2020		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of contracts awarded for the supply of goods or materials, provision of services and execution of works during the period 1 April 2020 to 30 September 2020.

2.0 SUMMARY

- 2.1 The Policy & Resources Committee at the meeting held on 20 May 2014 agreed that six monthly reports on contract awards be submitted to the Committee by the Head of Legal & Property Services (min ref 2014 para 371(2)).
- 2.2 Appendix 1 provides details of contracts awarded for the period 1 April 2020 to 30 September 2020.
- 2.3 Appendix 1 has been updated to include details of the size of the supplier who has been awarded the contract.
- 2.4 Appendix 1 has been updated to include details of the number of local companies who submitted a tender for each contract awarded.
- 2.5 Appendix 2 includes, for the period 1 April 2020 to 30 September 2020, the outcome of any blacklisting protocol applications.

3.0 RECOMMENDATION

- 3.1 That the Committee notes the contracts awarded by the Council during the period 1 April 2020 to 30 September 2020.

Gerard Malone
Head of Legal & Property Services

4.0 BACKGROUND

4.1 The Policy & Resources Committee of 20 May 2014 agreed that six monthly reports on contract awards be submitted to the Committee by the Head of Legal & Property Services (min ref 2014 para 371(2)).

4.2 Appendix 1 provides details of those contracts not otherwise reported to the relevant committee awarded during the period 1 April 2020 to 30 September 2020 for:

- the supply of goods or materials where the estimated price of the contract exceeds £25,000 and within the £500,000 limit
- the provision of services where the estimated price of the contract exceeds £25,000 and within the £500,000 limit
- the execution of works where the estimated price of the contract exceeds £100,000 and within the £500,000 limit
- collaborative purchasing contracts secured through collaborative purchasing (in terms of Contract Standing Order Clause 6.6) where the estimated price of the contract exceeds £25,000 for the supply of goods/materials/services and exceeds £100,000 for the execution of works

in accordance with the thresholds set out in Contract Standing Order 6.1 and the £500,000 limit set out in Contract Standing Order 17.3(i).

4.3 Appendix 2 provides the outcome of any blacklisting protocol applications during the period 1 April 2020 to 30 September 2020, as requested by the Committee at its meeting on 17 May 2016.

5.0 IMPLICATIONS

Finance

5.1 There are no direct financial implications arising as a result of this report however the financial implications in respect of each of the contract awards detailed in Appendix 1 are reported to the appropriate service committee as necessary.

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					

Legal

5.2 There are no legal implications arising as a result of this report. Any legal implications in respect of each of the contract awards will be reported to the relevant service Committee.

Human Resources

5.3 There are no direct human resources implications arising as a result of this report.

5.4 Equalities

Equalities

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

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

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

Repopulation

5.5 While there are no direct repopulation implications arising as a result of this report many of the contracts awarded will enhance the area or facilities provided and operated by the Council which may help to stabilise and grow the population of Inverclyde.

6.0 CONSULTATIONS

6.1 The Corporate Procurement Manager was consulted during the preparation of this report.

7.0 LIST OF BACKGROUND PAPERS

7.1 None.

DATE OF AWARD	TITLE	NAME OF SUCCESSFUL TENDERER	LOCATION OF SUCCESSFUL TENDERER	CONTRACT AMOUNT	SME YES/NO	PROCUREMENT STRATEGY AIMS MET - YES/NO	NUMBER OF LOCAL COMPANIES WHO SUBMITTED A TENDER	CONTRACT LOTTED YES/NO
17-Apr-20	CP0370/PLA Provision of a Port Glasgow Eastern Gateway Development Strategy	GL Hearn Limited	Edinburgh	26,500	Yes	Yes	0	No
28-Apr-20	CP0360/HSCP Provision of a Technology Enabled Care Call Handling Service	Bield Housing & Care	Edinburgh	Schedule of Rates	No	Yes	0	No
08-Jun-20	ENV0393 Scotland Excel Dynamic Purchasing System 27-17 Treatment and Disposal of Recyclable and Residual Waste Mini Competition under Lot 3 Treatment of Glass (separate and/or mixed)	Viridor Waste Management Limited	Exeter	Schedule of Rates	No	Yes	0	No
19-Jun-20	ENV0399 Scotland Excel Dynamic Purchasing System 27-17 Treatment and Disposal of Recyclable and Residual Waste Mini Competition under Lot 10 Treatment and Recycling of MRF Outputs	Regen Waste Limited	Newry, Co Down	Schedule of Rates	Yes	Yes	0	No
25-Jun-20	ENV0392 Scotland Excel Dynamic Purchasing System 27-17 Treatment and Disposal of Recyclable and Residual Waste Mini Competition under Lot 6 Treatment of Mixed Rigid Plastics	Lowmac Alloys Limited	Irvine	Schedule of Rates	Yes	Yes	0	No
22-Jul-20	ENV0400 Supply and Delivery of Coated Roadstone Materials under Lot 1 of the Scotland Excel Framework Roadstone 28-17	Hillhouse Quarry Group Ltd	Troon	Schedule of Rates	Yes	Yes	0	No
27-Jul-20	Direct Award for Clune Park, Port Glasgow Tolerable Standard and Economic Assessment	David Adamson and Partners Limited	Edinburgh	Schedule of Rates	Yes	Yes	0	No
30-Jul-20	ENV0397 Mini-Competition via Scotland Excel Framework for Engineering and Technical Consultancy Services 06-16 Lot 1 Roads and Structures Principal Inspections 2020	Amey OW Limited	Edinburgh	22,063.88	Yes	Yes	0	No
26-Aug-20	Rainbow Family Centre (Park Farm) Extension	Hub West Scotland	Glasgow	2,267,798.00	No	Yes	0	No
07-Sep-20	ENV0402 Mini-Competition via Scotland Excel Framework for Engineering and Technical Consultancy Services 06-16 Lot 5 Drainage and Flooding Glenmosston Wildlife Reserve Flood Attenuation	Stantec UK Limited	Glasgow	22,780.70	No	Yes	0	No
11-Sep-20	PRO0832 Mini-Competition under Scotland Excel Framework 0618 – Audio Visual Supply, Delivery & Installation of Active Panels	AVMI Kinly Ltd	Perth	208,780.00	Yes	Yes	0	No
21-Sep-20	CP0359/HSCP Provision of a Community Equipment Stores Management System	by Ethical Technology Limited (t/a Ethitec)	Leicester	42,405.00 + Schedule of Rates	Yes	Yes	0	No

23-Sep-20	PRO0829 Rejuvenation of Pitches St Columba's High School, Gourrock & Port Glasgow Joint Campus	DOE SPORT (NORTH) LIMITED	Fife	103,234.18	Yes	Yes	0	No
24-Sep-20	PRO0827 Lot 1 Inspection, Servicing and Testing of Wood Dust Extraction Systems & Technical Equipment and Lot 2 Inspection, Servicing and Testing of Fume Cupboards	Scotmech Engineering Limited trading as Flamefast Scotmech	Paisley	Lot 1 - 20,292 Lot 2-4,722	Yes	Yes	0	Yes
25-Sep-20	ENV0407 - Scotland Excel Dynamic Purchasing System 27-17 Treatment and Disposal of Recyclable and Residual Waste Mini Competition under Lot 13 Treatment of Inert Wastes and Rubble	J. & M. Murdoch & Son Limited	Glasgow	Schedule of Rates	Yes	Yes	0	No
30-Sep-20	ENV0403 Mini-Competition via Scotland Excel Framework Scotland Excel Framework 0215 Outdoor Play Equipment and Artificial Surfaces Lot 6 Installation of Accessible Play Park Equipment	Hawthorn Heights Limited	Derry	109,931.00	Yes	Yes	0	No

Report To:	Policy and Resources Committee	Date:	17 November 2020
Report By:	Steven McNab Head of Organisational Development, Policy & Communications	Report No:	PR/42/20/KM
Contact Officer:	Amanda Coulthard Shared Services Manager, Corporate Policy, Performance and Partnership	Contact No:	2042
Subject:	Statutory and Key Performance Indicators Annual Report 2019/20		

1.0 PURPOSE

1.1 The purpose of this report is to present the Committee with the Council's Statutory and Key Performance Indicators Annual Report 2019/20. The report details the progress made in the last year towards the achievement of our performance targets.

2.0 SUMMARY

2.1 Inverclyde Council has a statutory duty to publish data on how it is performing across a range of service areas. The range of information that councils are expected to publish is set out in the Accounts Commission SPI Direction 2018.

2.2 This is the second year of reporting on a revised suite of indicators aligned to the Corporate Plan organisational priorities. However, for the reporting year 2019/20 data for a significant number of the performance measures is currently unavailable. This is in part due to the impact of Covid-19, and means performance comparison with the previous reporting year is not possible. Performance measures affected include:

- Those PIs sourced from the Citizens' Panel, as a result of the spring 2020 survey being postponed
- School leaver attainment data have been delayed due to an issue with Insight, the national benchmarking tool
- Attainment data relating to literacy and numeracy, based on teacher judgement, which was not able to be gathered in March/April as standard

2.3 In total, there are 13 indicators where data for reporting year 2019/20 is either delayed, (5 indicators), or unavailable (8 indicators). Two of the eight indicators reported as unavailable will not be available going forward as the national data source for these is no longer published. These will be replaced with appropriate indicators for reporting in 2020/21 onwards. Full details on all performance indicators can be found in appendix 1.

2.4 A summary of performance achieved is shown below for those indicators where a RAG status is available.

2019/20	Green – target met or exceeded	Amber – target not achieved but performance is within set tolerance level	Red – performance is below set tolerance level
	13 (48%)	9 (33%)	5 (19%)

- 2.5 Due to the nature of the service being provided, there are nine indicators with no set performance target and therefore no RAG status.
- 2.6 As a result of the Covid-19 pandemic, many Council services have had to move to new and innovative ways of working in order to continue to meet the needs of their service users. However, delivering services under the range of restrictions which have been put in place means that there will be an unavoidable impact on service performance in some areas. In view of this, performance targets for 2020/21 have been reviewed and some targets have been adjusted accordingly. Where targets have been changed, this has been noted in the appendix. Whilst targets continue to be challenging, they now better reflect the current climate in which services are operating.
- 2.7 Another element of the Council's statutory performance reporting is the Local Government Benchmarking Framework (LGBF), which is due to be published by the Improvement Service in January 2021. A full report detailing Inverclyde Council's LGBF performance and ranking relative to other Scottish councils will be brought to this Committee on 23 March 2021.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee:
- a. Notes the Statutory and Key Performance Indicator data for financial year 2019/20; and
 - b. Notes that a separate report on the LGBF indicators will be brought to the Committee, setting out details of Inverclyde Council's performance relative to other Scottish local authorities, once this data is published.

Steven McNab
Head of Organisational Development, Policy and Communications

4.0 BACKGROUND

- 4.1 Inverclyde Council has a statutory duty under the Local Government (Scotland) Act 1992 to publish data on how it is performing across a range of service areas. The range of information that councils are expected to report on is set out in the Accounts Commission SPI Direction 2018.
- 4.2 The SPI Direction places a strong emphasis on councils' responsibilities in relation to public performance reporting, which should be fair, balanced and engaging.
- 4.3 The main platform used by Inverclyde Council to report on performance to the public is via the performance page of the Council website, which can be viewed here: <https://www.inverclyde.gov.uk/council-and-government/performance>
- 4.4 The performance information contained within this report has been extracted from the Council's performance management system, Inverclyde Performs. The system uses a balanced scorecard approach and allocates each performance indicator a RAG (red / amber / green) status based on two sets of values, a target and alarm. The target is the point at which the status of the indicator turns green, indicating the desired level of performance has been achieved and the alarm is the point where the status will turn red, indicating that performance has declined by more than the set tolerable amount. Any value that falls in between these two parameters is designated as amber (i.e. below target but remaining within tolerance).

5.0 STATUTORY AND KEY PERFORMANCE INDICATOR ANNUAL REPORT 2019/20

- 5.1 This Annual Report forms one aspect of the Council's public performance reporting. Other aspects include, but are not limited to, the Best Value Assurance Report Improvement Plan progress reports, Inverclyde Outcomes Improvement Plan Annual Report, the Inverclyde Council Corporate Plan Annual Report, the Local Government Benchmarking Framework (LGBF) and the CDIP performance reports that are considered at every second Committee meeting.
- 5.2 The data for a significant number of the performance measures is currently unavailable, in part due to Covid-19, which means that a full comparison with performance in 2018/19 is not possible. Some of the performance measures affected include:
- Those PIs sourced from the Citizens' Panel, as a result of the spring 2020 survey being postponed
 - School leaver attainment data have been delayed due to an issue with Insight, the national benchmarking tool
 - Attainment data relating to literacy and numeracy, based on teacher judgement, which was not able to be gathered in March/April as standard
- 5.3 In total, there are 13 indicators where data for reporting year 2019/20 is either delayed, (5 indicators), or unavailable (8 indicators). Two of the eight indicators reported as unavailable will not be available going forward as the national data source for these is no longer published. These will be replaced with appropriate indicators for reporting in 2020/21 onwards. Full detail on all performance indicators can be found in appendix 1.

	Green – target met or exceeded	Amber – target not achieved but within set tolerance level	Red – performance is below set tolerance level
2019/20	13 (48%)	9 (33%)	5 (19%)

- 5.4 Due to the nature of the service being provided, there are nine indicators with no set performance target and therefore no RAG status.

5.5 Indicators which achieved maximum performance in the 2019/20 reporting year are as follows:

- The percentage of children issued with a new supervision requirement seen by a Supervising Officer within timescale
- The percentage of Category 1 potholes made safe within 24 hours of notification

Strong performance was also reported for the percentage of cases where the calculation of Benefit due was correct (99.3%) and the percentage of pest control service requests attended within 5 working days (98.8%)

5.6 48% (13) of all indicators had a green status in 2019/20, including:

- The number of Inverclyde adults achieving a core skills qualification
- Total CO₂ emissions that are within the scope and influence of the local authority
- Benefits administration (gross cost per case)
- The percentage of customer transactions with the Council that were digital
- The number of abandoned calls made to the Customer Service Centre (i) revenues and benefits enquiries (ii) other Council services

In addition, performance for both the percentage of building warrants assessed within 20 working days of registration and the percentage of performance appraisals completed in the year and development plans agreed were both within 1% of their target.

5.7 19% (5) indicators have a red status in 2019/20. A summary of the red status indicators and the reasons for this is provided below.

- **The percentage of high priority public health complaints that were attended by the next working day**

Performance has been affected by the relatively low number of complaints received. 20 out of 23 complaints were responded by the next working day, with the timeframe not achieved for 3 complaints. Performance also needs to be considered in the context of the overall number of public health complaints received, in 2019/20, Inverclyde Council received 689 public health complaints, 89% of which were responded to within 5 working days.

- **The percentage of consumer complaints completed within 14 days**

In 2019/20 the service received 123 consumer complaints, 110 of which were responded to within the 14 day timescale. The main reason for the fall in performance is due to staffing issues and the service experiencing difficulties in filling vacant posts. The difficulty in recruiting suitable qualified staff is an issue at a national level as well as locally.

- **The percentage of looked after children with a permanence plan within 6 months of being accommodated**

This PI was established prior to a 'Test of Change' being implemented as a result of the service joining the CELCIS PACE (Permanence and Care Excellence) programme. Following completion of the 'Test of Change' the service decided not to fully implement PACE and this measure will be reviewed to ensure it remains appropriate. Nonetheless, a number of improvement actions have been identified by the service and are being implemented.

- **The percentage of carers who feel supported to continue in their caring role**

This information for this PI is taken from the Health and Care Experience Survey, which is a random, voluntary survey and, as such, response rates and results are subject to variation year on year. The percentage of positive responses in Inverclyde is higher than the Scottish average and it should also be noted that 40% of respondents provided a neutral response. The priorities for developing support networks for those that provide unpaid caring responsibilities is set out in the Inverclyde Carer and Young Carer Strategy 2017-22.

- **Responses to completion certificates within 10 working days**

In 2019/20, the Council received 438 requests for a completion certificate, 334 of which were responded to within 10 days. It was highlighted in the SPI Annual Report 2018/19 that recruitment difficulties in this service area had led to a fall in performance and these recruitment difficulties continued in 2019/20. The service has a Continuous Improvement Plan in place that is subject to monitoring and reporting on a quarterly basis.

5.8 Full detail of performance, including an explanation where targets have not been achieved, is provided in Appendix 1.

5.9 As a result of the Covid-19 pandemic, many Council services have had to move to new and innovative ways of working in order to continue to meet the needs of their service users. However, delivering services under the range of restrictions which have been put in place means that there will be an unavoidable impact on service performance in some areas. In view of this, performance targets for 2020/21 have been reviewed and some targets have been adjusted accordingly. Where targets have been changed, this has been noted in the appendix. Whilst targets continue to be challenging, they now better reflect the current climate in which services are operating.

6.0 IMPLICATIONS

6.1 Finance

There are no financial implications associated with this report.

Financial Implications:

One off costs

Cost Centre	Budget Heading	Budget Year	Proposed spend from this report	Virement from	Other Comments
N/A					

Financial implications: Annually recurring costs

Cost Centre	Budget Heading	Budget Year	Proposed spend from this report	Virement from	Other Comments
N/A					

6.2 Legal

The Council has a statutory obligation under the Local Government (Scotland) Act 1992 to report a range of performance information that demonstrates the delivery of Best Value. The performance information provided in this report has been developed with due recognition to the Audit Scotland SPI Direction, published in December 2018.

6.3 Human Resources

There are no direct human resource implication 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

The provision of services that are subject to close scrutiny with the aim of delivering continuous improvement for current and potential citizens of Inverclyde supports the Council's priority of retaining and enhancing the local population.

7.0 CONSULTATION

7.1 The commentaries on service performance in the appendices have been provided by the appropriate service.

8.0 LIST OF BACKGROUND PAPERS

8.1 There are no background papers relative to this report.

Inverclyde Council's Statutory and Key Performance Indicators Annual Report 2019/20

Inverclyde Council has a statutory duty to capture and record how well it is performing and publish this information for the public. In early 2019, the council reviewed its set of statutory and key performance indicators to ensure that its performance reporting met the requirements of the Audit Scotland SPI Direction, published in December 2018. This is the second year of reporting on the refreshed indicator set.

In publishing our performance information, we aim to ensure that stakeholders and the public can access a range of information that is balanced; that provides an understanding of how services provided by the council are performing; any changes in performance over time; and whether the council is helping to deliver better outcomes for the residents of Inverclyde.

Each performance indicator has been allocated a status, depending on performance in 2019/20. Due to Covid-19 the performance data for some indicators is unfortunately not available this year, however a range of additional performance information is available on the council's website. The status column indicates whether performance is considered to be:

<i>green – the target has been met or exceeded</i>	<i>amber – the target has not been achieved but is within the set tolerance level</i>	<i>red – the target has not been achieved and performance is below the set tolerance level</i>
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This report is one element of the council's approach to the reporting of its Statutory Performance Indicators. Another element is the Local Government Benchmarking Framework, which will be published nationally in January 2021. More detail on the LGBF is provided in Appendix 2.

Our SPI framework is aligned to the delivery of our Corporate Plan 2018/22 organisational priorities, shown below:

Organisational Priority 1: To promote Inverclyde to both residents and visitors alike, as a great place to live, work, study and visit
Organisational Priority 2: To work collaboratively to enable strong, connected and empowered communities, particularly in areas of deprivation, so that residents have influence and control over the things that matter to them
Organisational Priority 3: To grow the local economy in a way that creates opportunities for all our residents including access to good quality jobs and lifelong learning
Organisational Priority 4: To reduce the prevalence of poverty and in particular child poverty, in our communities
Organisational Priority 5: To safeguard, support and meet the needs of our most vulnerable families and residents
Organisational Priority 6: To improve the health and wellbeing of residents so that people live well for longer
Organisational Priority 7: To protect and enhance our natural and built environment

Organisational Priority 8:	To preserve, nurture and promote Inverclyde's unique culture and heritage
Organisational Priority 9:	To deliver services that are responsive to community needs and underpinned by a culture of innovation, continuous improvement and effective management of resources
Organisational Priority 10:	To develop motivated, trained and qualified employees who deliver quality services that meet current and anticipated service needs

You can also find information on how the council is performing in the delivery of its Best Value Improvement Plan, its Corporate Plan 2018/22 and the Corporate Directorate Improvement Plans 2019/22 on the performance page of the council's website: <https://www.inverclyde.gov.uk/council-and-government/performance>

Performance Summary

Performance Summary		Status	
Corporate Plan Organisational Priority 1	To promote Inverclyde to both residents and visitors alike, as a great place to live, work, study and visit		
Percentage of residents satisfied or very satisfied with their neighbourhood as a place to live	Delayed		
Percentage of school leavers achieving 1 or more awards at SCQF level 6 or better	●	Green - improved performance, target achieved	
Percentage of school leavers achieving 5 or more awards at SCQF level 6 or better	●	Green - improved performance, target achieved	
Percentage of school leavers achieving SCQF level 5 or better in literacy	Delayed		
Percentage of school leavers achieving SCQF level 5 or better in numeracy	Delayed		

1a. Indicator detail: Resident satisfaction

Percentage of Inverclyde residents satisfied or very satisfied with their neighbourhood as a place to live			
2016	2018	2020	Target
81%	86%	Delayed	84

What the data tells us: The data for this performance measure is obtained from the Inverclyde Citizens' Panel and is asked of panel members every two years. Due to Covid-19, the Citizens' Panel survey scheduled to take place in spring 2020 could not be carried out and as a result, no new data is available. This question will be asked of panel members in the first survey of 2021 and reported in the SPI/KPI Annual Report 2020/21.

Further information: Citizens' Panel questionnaires are distributed to a representative sample of 1,000 Inverclyde residents. Questions are repeated periodically to allow the council to assess whether improvement has been achieved and whether positive outcomes are being delivered. Satisfaction with the local neighbourhood as a place to live has an important influence on the overall quality of our lives, feelings of wellbeing and happiness. The council aims to continue to increase the number of residents that are satisfied or very satisfied with their local neighbourhood linked to the wider aim of encouraging residents to remain in Inverclyde. As part of the work focusing on stemming population decline, the council and its partners in the Inverclyde Alliance have approved a Repopulation Strategy and Action Plan, with a range of actions that aim to promote Inverclyde as a great place to live, work, study and visit. More information on the work of the Inverclyde Alliance Population Partnership

can be found here: <https://www.inverclyde.gov.uk/council-and-government/community-planning-partnership/inverclyde-alliance-board-papers/inverclyde-alliance-board-papers-2020>

1b. Indicator detail: School leaver attainment

Percentage of school leavers achieving 1 or more awards at SCQF level 6 or better				
2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target
68%	72%	75%	70%	70%

Percentage of school leavers achieving 5 or more awards at SCQF level 6 or better				
2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target
35.6%	35.6%	38.5%	36%	36%

% of leavers achieving SCQF level 5 or better in literacy				
2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target
83.2%	84.9%	Delayed	86%	86%

% of leavers achieving SCQF level 5 or better in numeracy				
2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target
73.9%	73.5%	Delayed	76%	76%

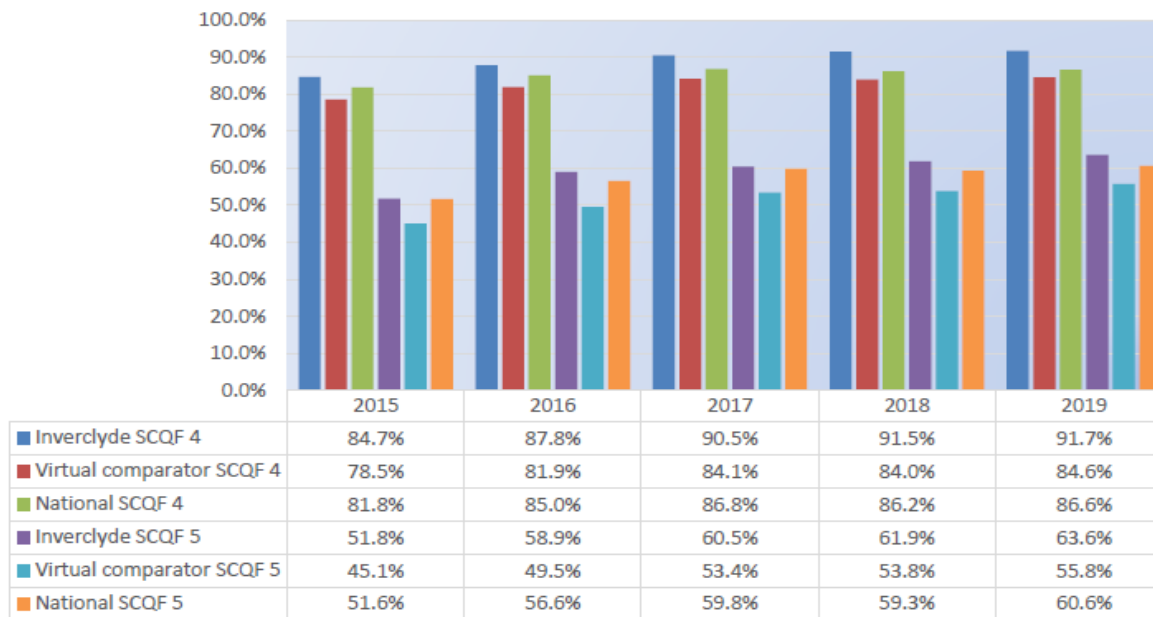
What the data tells us: The data for the first two indicators, which has been extracted from SEEMIS, shows that there has been an improvement in the percentage of school leavers achieving 1 or more awards at SCQF level 5 or better and also level 6 or better. The data for the two SCQF measures relating to literacy and numeracy is currently not available. This source for this data is Insight, which is a benchmarking tool designed to help bring about improvements for learners in the senior phase (S4 to S6). The system is updated twice annually, around September for attainment results, and February for school leavers' data. An update to Insight was scheduled to go live in September 2020, however, as a result of the changes to the awarding methodology, the update was not able to be processed in time. Additionally, the changes

resulting from the different methodology has raised concerns and uncertainties about the validity and implications of some of the Insight measures and methodology, which is particularly important since the purpose of Insight is of presenting comparisons and monitoring improvement over time. In order to fully assess the impacts of including the 2019-20 attainment data in Insight, the 'September update' has been delayed.

Further information: In the senior phase, SQA results continue to rise, are positive overall and better than virtual comparators across many key measures. Year groups in Inverclyde often attain above both the national average and schools serving similar catchment areas (virtual comparators).

As part of the Inverclyde Literacy and Numeracy strategies, ambitious targets have been set for the percentage of pupils leaving school with National 5 in English and Mathematic. Although 2019/20 data is not currently available, trend data shows that overall literacy and numeracy performance improved between 2014/15 and 2018/19. The graph below shows the overall performance in literacy and numeracy for cohort pupils between 2014/15 and 2018/19. There has been a 7% increase at SCQF level 4 and 11.8% increase at SCQF Level 5. There was a slight decrease in Level 5 over 2016/17 but this improved again in the following two years. Performance has been consistently higher than our virtual comparator, and the national average, at both levels over the 5 year period.

Improving attainment in literacy and numeracy: Percentage of candidates attaining literacy and numeracy (average % across stages S4, S5 and S6)



Source: Education Services Standards and Quality Report 2019/20

		Status	
Corporate Plan Organisational Priority 2	To work collaboratively to enable strong, connected and empowered communities, particularly in areas of deprivation, so that residents influence and control over the things that matter to them		
Number of adults improving their literacies		●	Amber – performance declined, target not achieved
Percentage of residents that agree that the Council works with them to solve problems		Delayed	
Percentage of respondents reporting a reduction in anti-social behaviour in behaviour in the last 12 months		Delayed	
Attendance rates in Inverclyde schools: a) Primary b) Secondary c) ASN		●	Amber – small decrease across all 3 sectors, targets not achieved

2a. Indicator detail: Adult literacy

Number of adults improving their literacies				
2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target
616	750	421	457	120*

What the data tells us: The data shows that the number of adults that improved their literacies via the council's CLD service decreased by 329 in 2019/20. The decrease in numbers meant that the target for the year was not achieved. The target for this performance indicator in 2019/20 was reduced in direct correlation to a reduction in funding.

*The target for 2020/21 may be subject to further revision depending on access to appropriate ICT/ approved on-line learning platform, the options for which are currently being considered. The Community Learning and Development Service is currently piloting 1 to 1 learning face-to-face with adults (socially distancing) round digital learning for those with no, or basic, skills. These learners will progress onto blended /on-line learning, accessing the laptop loan scheme if needed, subject to an Inverclyde Council ICT approved on-line learning platform being in place.

Further information: Short-term staffing issues (reduction) has resulted in a slight underperformance of 36 in relation to the target. The performance figure of 421 reflects all literacies learners who received customised one to one support and an Individual Learning Plan outlining a

specifically tailored curriculum to suit individuals' needs. The service also strengthened literacies support across adult learning in groups, which is not reflected in the target/numbers for this measure.

Recognising that improved literacy supports increased educational attainment, employability skills and sustainable communities, the council's CLD service has included improvement actions focusing on raising attainment and achievement and developing literacies to support people into, or back to the labour market, within its 3 year plan (2018/21) for Inverclyde. The CLD 3 year plan is available here: <https://www.inverclyde.gov.uk/community-life-and-leisure/community-learning-development>

2b. Indicator detail: Working with communities

Percentage of residents that agree that the council works with them to solve problems			
2016	2018	2020	Target
46%	46%	Delayed	48%

What the data tells us: The data for this performance measure is obtained from the Inverclyde Citizens' Panel and is asked of panel members every two years. Due to Covid-19, the Citizens' Panel survey scheduled to take place in spring had to be postponed and as a result, new data for 2020 is currently not available. This question will be asked of panel members in the first survey of 2021 and reported in the SPI/KPI Annual Report 2020/21.

From the data that is available, it is shown that the percentage of residents that agree that the council works with them to solve problem remained steady in 2018. The target however was not achieved. It is worth noting that of the other responses to this question, 38% of respondents had no opinion whilst a smaller proportion 17% of respondents disagreed with the statement.

Further information: The Community Empowerment (S) Act 2018 is aimed at helping communities do more for themselves and having more say in the decisions that affect them. The Best Value Assurance Report on Inverclyde Council found that the council has good examples of actively seeking the views of the community and involving the community in decision making. The council is currently building on this strong foundation to ensure that we are meeting the more demanding requirements of the Act.

The council, with its partners in the Inverclyde Alliance has sought to strengthen its links with Inverclyde's communities via a series of engagement events during August and September 2019. These events called 'Celebrate the Present, Shape the Future' provided an opportunity for local communities to provide feedback on the issues that matter most to them. Over 700 people attended the six events that took place

across Inverclyde’s six localities – Kilmacolm and Quarriers, Port Glasgow, Greenock East and Central, Greenock South and South West, Greenock West and Gourock and Inverkip and Wemyss Bay and the feedback obtained from the events was used to inform the development of Locality Action Plans for each of Inverclyde’s localities.

In addition, during 2019/20 Communication and Engagement Groups were established in Port Glasgow, Kilmacolm and Quarriers Village, Greenock East and Central, Greenock South and South West and Inverkip and Wemyss Bay. The establishment of a group in Greenock West and Gourock was postponed due to the Covid-19 crisis but work has been undertaken to recruit members and the group will begin meeting as soon as it is safe to do so. These groups are community led and their purpose is to ensure that local people can contribute to the planning, design and delivery of local services by giving them a voice.

2c. Indicator detail: Reducing anti-social behaviour

Percentage of residents reporting a reduction in anti-social behaviour in the previous 12 months			
2016	2018	2020	Target
33%	10%	Delayed	35%

What the data tells us: The data for this performance measure is obtained from the Inverclyde Citizens’ Panel and is asked of panel members every two years. Due to Covid-19 the Panel survey scheduled to take place in spring could not be carried out and as a result, new data for 2020 is currently not available. This question will be asked of panel members in the first survey of 2021 and reported in the SPI/KPI Annual Report 2020/21.

Further information: The council recognises that anti-social behaviour affects the quality of life of individuals, families and communities and works with partners to continue to tackle and promote the anti-social behaviour helpline as well as wider services, such as community mediation and environmental enforcement. The data available shows that following a large increase in positive responses between 2014 and 2016, the 2018 response rate of 10% is in line with that in 2014, taking into account that the survey has a margin of error of +/-5%. It should be noted however that almost half, 49%, of respondents replied that anti-social behaviour is not an issue in their neighbourhood. More information on how to report anti-social behaviour is available here: <https://www.inverclyde.gov.uk/community-life-and-leisure/antisocial-behaviour>

2d. Indicator detail: School attendance

School attendance rate					
	2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target *
Primary	93.8%	94.2%	92.3%	95%	90%
Secondary	89.6%	89.8%	89.4%	92%	85%
Additional Support Needs	91.8%	91.5%	89.2%	92%	80%

* of school days open

What the data tells us: The data shows that there has been a small decrease in attendance across all three sectors; primary, secondary and additional support needs. The attendance data is up to Friday, 20th March 2020, after which the national lockdown came into effect.

Further information: Inverclyde Council strives to improve the attendance of all pupils in Inverclyde. Research has shown that high levels of school attendance is not only linked to academic success, but is also important in helping children feel more connected to their community, as well as helping develop important social skills and friendships which helps to set them up in the future.

Attendance is monitored across all schools and establishments, with particular monitoring of attendance levels linked to deprivation, looked after children and barriers to learning. Schools are supported to increase attendance by improving their capacity to support families, with a particular focus on secondary pupils and looked after children. An Attendance Policy is in place and schools proactively take steps to monitor and follow up attendance and a review of the policy is planned for 2021 in response to feedback from Head Teachers. More information on school attendance and the work of Education Services in relation to this can be found in the Education Services Standards and Quality Report 2019/20 and Improvement Plan 2020/21, which you can find here: <https://www.inverclyde.gov.uk/education-and-learning>

It is anticipated that there will be a decrease in attendance in all educational establishment in 2020/21 due to Covid-19 and the target for attendance has been reviewed in light of this.

		Status	
Corporate Plan Organisational Priority 3	To grow the local economy in a way that creates opportunities for all our residents, including access to good quality jobs and lifelong learning		
Number of adults achieving core skills qualifications		●	Green - improved performance, target achieved
Number of business / property assists		●	Amber – performance declined, target not achieved
Number of employability clients who gain a partial/ full vocational qualification		●	Amber – performance declined, target not achieved

3a. Indicator detail: Adults achieving core skills qualifications

Number of adult learners achieving core skills qualifications				
2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target
246	261	314	186	93*

What the data tells us: The data shows that there was a further increase in the number of adults achieving a core skills qualification in Inverclyde in 2019/20, with 53 more people gaining a core skills qualification in 2019/20 than in 2018/19, taking the total number to 314. The target was adjusted in 2019/20 to reflect other modes of delivery.

* The target for 2020/21 may be increased or reduced depending on access to appropriate ICT/ approved on-line learning platform. The options for this are currently being considered. The service is currently piloting 1:1 learning face to face with adults (socially distancing) round digital learning for those with no or basic skills. These learners will progress onto blended/ on-line learning, accessing the laptop loan scheme if needed, subject to an Inverclyde Council ICT approved on-line learning platform being in place. Remote assessment is also challenging but innovative solutions to this are being trialled in consultation with SQA.

Further information: Core skills are the skills considered to be essential if individuals are to meet their personal needs and the needs of society. These skills are important because they help learners to be effective in almost everything that they do helps to improve career prospects. Inverclyde Council's CLD service offers a wide range of accredited learning opportunities to all learners and all qualifications offered to learners

are mapped to the Scottish Credit and Qualification Framework (SCQF). Core skills accreditation is the most popular qualification within the adult groups.

The target for 2019/20 was exceeded by almost 69%. The service targeted a range of the most vulnerable individuals and families, most of whom gained qualifications for the first time, helping them go onto further learning, college and gaining employment. A broader range of flexible qualifications at SCQF levels 1-3 were offered, breaking down barriers to participation and making it easier for adults to learn and achieve.

3b. Indicator detail: Business / Property Assists

Number of business property assists				
2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target
27	27	16	25	16

What the data tells us: The data shows that the number of business and property assists in 2019/20 fell from 27 to 16, which meant that the target for the year was not achieved.

Further information: The council provides integrated support to small and medium size businesses in Inverclyde ranging from advice on business development, property and marketing through to financial assistance in the form of grants and loans. During 2019/20 the small Business Property Grant Scheme “Property Assists” budget of £45,760 was full committed on 16 projects. The geographical spread of the support covered Greenock, Gourock and Port Glasgow. The types of projects supported includes expansion and refurbishment works, shop front replacements, signage and security upgrades. The reduction in the number of businesses supported via the scheme compared to previous years is due to a higher than average intervention level being provided to the 16 supported projects during the year. The target for 2020/21 has been reviewed in light of Covid-19 and the service’s new target is to achieve the same level of performance as in 2019/20.

More information on the Council’s Business Development Service can be found here: <https://www.inverclyde.gov.uk/business-and-trade/business-development>

3c. Indicator detail: Employability clients gaining a qualification

Number of employability clients who gained a partial/full qualification				
2017/18	2018/19	2019/20	Target	2020/21 Post Covid-19 Target
447	366	354	360	300

What the data tells us: The number of employability clients gaining a qualification in 2019/20 fell by 12 in 2019/20, which meant that the target for the year was not achieved.

Further information: The Inverclyde Employability Pipeline provides a range of employability support to local residents looking for work, or looking to improve their employment situation. The reference to “qualification” is a formal outcome of an assessment and validation process which is obtained when a competent body determines that an individual has achieved learning outcomes to given standards. The attainment of accredited qualifications is one way for unemployed or underemployed clients to improve their employment prospects.

Due to the restrictions of COVID19, the reduction in face to face learning is likely to have an impact on the length of time someone takes to complete a qualification, particularly vocational courses that require some workplace presence in order to complete the qualification. The target for this indicator has been reviewed and a new target of 300 has been set for 2020/21 to reflect the reduction in face to face learning.

		Status	
Corporate Plan Organisational Priority 4	To reduce the prevalence of poverty and in particular child poverty in our communities		
Percentage of primary pupils (P1,P4 and P7 combined) achieving expected levels or better in literacy (based on reading, writing and talking and listening)		Not available	-
Percentage of primary pupils (P1,P4 and P& combined) achieving expected levels or better in numeracy		Not available	-
Percentage of S3 pupils achieving third level or better in literacy (based on reading, writing and talking and listening)		Not available	-
Percentage of S3 pupils achieving third level or better in numeracy		Not available	-
Percentage of S3 pupils achieving fourth or better in literacy (based on reading, writing and talking and listening)		Not available	-
Percentage of S3 pupils achieving fourth or better in numeracy		Not available	-

4a. Indicator detail: Achievement of Curriculum for Excellence Benchmarks

% of Primary pupils (P1, P4 and P7 combined) achieving expected levels or better in literacy (based on reading, writing and talking and listening)			
2017/18	2018/19	2019/20	Target
73.5%	72.4%	Not available	75%

% of Primary pupils (P1, P4 and P7 combined) achieving expected levels or better in numeracy			
2017/18	2018/19	2019/20	Target
80%	78.9%	Not available	82%

% of S3 pupils achieving the 3rd level or better in literacy (based on reading, writing and talking and listening)			
2017/18	2018/19	2019/20	Target
90.5%	91.2%	Not available	91%

% of S3 pupils achieving the 3 rd level or better in numeracy			
2017/18	2018/19	2019/20	Target
85.6%%	91.9%	Not available	89%

% of S3 pupils achieving the 4 th level or better in literacy (based on reading, writing and talking and listening)			
2017/18	2018/19	2019/20	Target
42.8%	38%	Not available	45%

% of S3 pupils achieving the 4 th level or better in numeracy			
2017/18	2018/19	2019/20	Target
42.2%	50.3%	Not available	45%

What the data tells us: The data is based on teacher judgements of pupils achieving Curriculum for Excellence levels and the assessment is made towards the end of the school year. Due to Covid-19 and the nationwide closure of schools the teacher assessments could not be carried out as scheduled in 2020.

Further information: It has been recognised nationally that there is a clear and persistent gap in attainment between pupils living in Scotland's most and least deprived areas. Educational attainment affects employment prospects later in life and in turn, the risk of future poverty. Improving educational attainment is therefore a key element in the drive to reduce child poverty, hence the inclusion of these indicators within the council's SPI Annual Report. Closing the poverty related attainment gap is just one of the ways in which the council is trying to reduce child poverty, for the full range of measures relating to poverty and details of the projects and initiatives being delivered by the council and its partners,

please refer to the Inverclyde Local Child Poverty Action Report 2019/20 which is available here: <https://www.inverclyde.gov.uk/council-and-government/community-planning-partnership/every-child-every-chance>

The literacy and numeracy performance measures set out above are reported on by all councils in the West Partnership Regional Improvement Collaborative (referred to as the West Partnership) to assess the impact of its work. The West Partnership comprises of 8 councils in the West of Scotland who are working together to enhance and support educational improvement through collaborative working.

The data is subject to fluctuations as it is based on teacher judgements of pupils achieving Curriculum for Excellence levels. To help ensure consistency the roll out of professional development learning opportunities to all staff continued in 2019/20 as well as working with colleagues within the West Partnership to develop a shared understanding of standards and expectations. 18 teachers have participated in the Improving Our Classrooms programme, led by Glasgow City Council. Additional improvement activity in the past year includes:-

- Effective feedback has been included in training packages to continue to raise attainment in Literacy, Numeracy and Health & Wellbeing
- Training in approaches to Differentiation in learning has been developed to meet the needs of all pupils across all areas of the curriculum.
- School staff have been involved in training to create High quality Assessments in numeracy and mathematics.
- The Word Aware project is now being rolled out to more early years' establishments in partnership with Speech and Language therapy to improve language and vocabulary.
- Active Literacy continues to be delivered ensuring consistency and progression in the upper stages of primary.
- Secondary support staff have been trained in the Fresh start programme as an intervention for targeted pupils to improve skills in reading and writing.
- Staff from different departments within the secondary sector have engaged in training for Literacy across Learning
- An increasing number of sessions in 'Reading for Pleasure' were delivered by library staff, in partnership with school staff promoting reading for enjoyment.
- Collaborative working with colleagues across the West Partnership to improve learning and teaching in Literacy, Numeracy and Health and Wellbeing.
- A Numeracy and Maths Working Group has been established with a draft Numeracy Strategy and action plan in place to drive forward improvement.

It should also be noted that within Inverclyde, the assessment of progress includes a range of evidence on what children learn and achieve throughout their school career including Curriculum for Excellence levels, skills, qualifications and other awards.

		Status	
Corporate Plan Organisational Priority 5	To safeguard, support and meet the needs of our most vulnerable families and residents		
Percentage of looked after children with a permanence plan within 6 months of being accommodated	●	Red- target not achieved	
Percentage of Child Protection review case conferences taking place within the first 3 months of registration	●	Amber – improved performance but target not achieved	
Percentage of children issued with a new supervision requirement seen by a supervising officer within timescale	●	Green – target achieved	
Percentage of criminal justice interviews whose induction / first meeting with a supervising officer took place within 5 working days	●	Amber – performance declined, target not achieved	
Percentage of Criminal Justice work placements within 7 working days	●	Green – target achieved	
Total percentage of carers who feel supported to continue in their caring role	●	Red- target not achieved	
Percentage of homelessness cases (Housing Options) that progressed to a full homelessness assessment	No target has been set for these indicators		
Homelessness: average time in weeks between presentation and completion of duty by the council for cases assessed as unintentionally homeless or unintentionally homeless			
Exclusions from school: primary schools pupils	No target has been set for these indicators		
Exclusions from school: secondary schools			
Exclusions from school: pupils with additional support needs			

5a. Indicator detail: Looked after children with a permanence plan

% of Looked after children who have a permanence plan within 6 months of being accommodated			
2017/18	2018/19	2019/20	Target
Not available	Not available	9%	80% (May 2020)

What the data tells us: This indicator was introduced to the SPI framework and 2019/20 is the first full year of reporting. The target for the year was not achieved.

Further information: This indicator tells us how many children have a clear plan regarding their permanent future (whether that is to - return home, adoption, kinship care, long term foster care or long term residential care) within 6 months of the first day they became looked after away from home. Due to the small numbers of children involved it is not possible to go into the detail of performance for this measure as there is a risk of identifying the children.

In May 2019, Inverclyde joined the CELCIS PACE (Permanence and Care Excellence) programme which is sponsored by the Scottish Government and the Inverclyde PACE team put in place the following improvement aim: *“By May 2020, 80% of children accommodated after 31 May 2019 will have a recommendation for permanence (from a statutory LAC review) within 31 weeks of becoming looked after”*. Following the ‘tests of change’ that were put in place the service reached the decision not to fully implement PACE. Prior to PACE, the service reported on the number of children registered for permanence out with their birth family in the year 2019/20, under which the 6 month timescale would have been achieved for 50% of children. This performance measure will be reviewed by the service to ensure it remains appropriate for the purposes of future performance reporting in view of the decision not to proceed with PACE following the ‘test of change’. A range of improvement actions have been identified by the service:

- Looked after Children (LAC) Reviewing Officers have taken responsibility for addressing drift and delay by taking on the reviewing responsibility for all children in care including those in Kinship placements.
- Reviewing Officers now lead the LAC tracking meeting, last held on 06/02/2020 before lock down, which requires Senior Social Workers and Social Work practitioners to present cases and offers the opportunity to reset timescales where drift and delay is becoming apparent.
- Parenting Assessments are being established when children first appear to be on the edge of care; for example when they are looked after at home or subjects of Child Protection plans.
- A communication strategy has been established to assist practitioners to understand and fully implement the new looked after processes introduced in the second half of 2019.

5b. Indicator detail: Child Protection Case Conferences

% of Child protection review case conferences taking place within the first 110 days of registration			
2017/18	2018/19	2019/20	Target
New indicator	35%	61%	80%

What the data tells us: The data shows that the 110 day timescale that has been set was not achieved in 2019/20.

Further information: The service has undertaken a review of the timeframe for the initial conference in line with the National Guidance. At least 14 weeks (98 days) is required to complete the Child Protection Process which requires three core groups scheduled at four weekly intervals between the reviews. Some flexibility is required with the timescales to ensure that the service can meet all the stipulations of the child protection guidelines and taking into account weekends, school holidays and the availability of family and key agencies etc. A timescale of 110 days has been agreed as appropriate by the service taking into account these issues whilst ensuring all stipulations from the child protection guidance are met.

The service recognises that this is an area of improvement. It should also be noted that the number of children on the child protection register has continued to increase over the last 12 months and this has put increased pressure on scheduling of conferences given the small number of conference chairs.

5c. Indicator detail: Children’s supervision requirements

% of children issued with a new supervision requirement seen by a Supervising Officer within timescale			
2017/18	2018/19	2019/20	Target
84.4%	100%	100%	95%

What the data tells us: The data shows that for the second year in a row maximum performance was achieved in the percentage of children issued with a new supervision requirement being seen by a Supervising Officer within timescale.

Further information: This indicator is a measure of how quickly a child is seen by a social worker following a decision at a children’s hearing to place the child on a statutory Supervision Order. Performance is affected by the small number of new Supervision Requirements. With maximum performance being achieved, it shows that social workers are routinely ensuring that children subject to new Compulsory Supervision requirements are seen following a hearing. The purpose of this visit is to go over the support plan and engagement required under the order. This is a standard that the service will aim to continue to prioritise and maintain.

5d. Indicator detail: Criminal justice

% of Service users who had a criminal justice interview whose induction/first meeting with a Supervising Officer took place within 5 working days				
2017/18	2018/19	2019/20	Target	Post Covid-19 Target
83%	85%	80%	85%	75%

% Service users who began their first work placement within 7 working days of imposition of court order				
2017/18	2018/19	2019/20	Target	Post Covid-19 Target
85%	86%	85.4%	85%	Please refer to narrative*

What the data tells us: The measure of performance pertaining to inductions/first meetings which took place within five working days of the Order being made relates to both Supervision and Unpaid Work Requirements which can form part of a CPO, either individually or combined. Performance in 2020/21 is 18%, which is down 5% on the previous year. This figure has been impacted both by staff vacancies and latterly the covid-19 pandemic.

Performance pertaining to the commencement of work placements within seven working days of the Order being imposed was 85.4%, which is a slight reduction on the 2018/19 performance. This figure has been impacted by both performance pertaining to commencement of staffing considerations (vacancies and staffing issues) and latterly the covid-19 pandemic. Notwithstanding this, performance still exceeded the local target of 85%.

Further information:

The data forms part of the Community Payback Order annual return to the Scottish Government. A total of 262 Community Payback Orders (CPOs) were made during 2019/20, approximately 19% (up from 16.9% last year) of which were imposed by Courts out with Inverclyde. In addition 7 CPOs were also transferred into Inverclyde from other Local Authority areas.

Performance can be impacted by factors both within and out with the Service's control; an example of the former would be staff availability and the latter non-attendance by the individual as a result of non-compliance. Notably in less than 1% of cases this year, were the circumstances which gave rise to the late induction or commencing placement within the Service's control.

The above performance data also requires to be considered within the context of approximately 80% of individuals on community sentences, within Inverclyde, currently having first-hand experience of among the highest levels of deprivation in Scotland. This constitutes a significant issue for the delivery of Criminal Justice Social Work Services as these individuals are likely to be in greater need in terms of the support they require both in commencing and successfully completing their Court Orders.

The Service is committed to ensuring that addressing the impact of poverty and its associated health inequalities are a core part of the offer to those on community sentences and in particular that such issues are not barriers to individuals completing their sentence. This proactive approach and the engagement with partners to help deliver a range of positive outcomes for individuals was independently recognised by the Care Inspectorate in their December 2019 report, following an inspection of the service's delivery of Community Payback Orders.

* It is not currently possible for the service to set a meaningful 2020/21 target for service users beginning work placements due to the significant impact of covid-19 on this aspect of operational delivery. Following the implementation of national lockdown measures on 24th March 2020 the Service temporarily paused its unpaid work placement activity and only recommenced this on 27th July 2020. However, the social distancing measures required to keep both staff and service users' safe has significantly reduced our capacity in this regard. This is replicated across the country. Covid-19 has also impacted on Court business which during the emergency period was only able to focus on essential business, resulting in case backlog. Thus there is the potential post-pandemic to see uptake in community sentencing which could result in additional pressures for the Service. This is being monitored locally and nationally.

5e. Indicator detail: Carers

Total combined % of carers who feel supported to continue in their caring role			
2015/16	2017/18	2019/20	Target
43%	40%	39%	85%

What the data tells us: The data for this performance measure is taken from the national Health and Care Experience Survey, the survey was late being published in 2020 due to Covid-19. The latest data show no statistical difference in the results between 2017/18 and 2019/20, however positive responses are below target. It is worth noting that in response to the survey question ‘I feel supported to continue caring’ 40% of respondents in Inverclyde provided a neutral response, whilst 21% responded negatively to the question.

Further information: The performance figure is obtained from a randomly selected sample of people who were registered with a GP in Scotland and asks about people’s experiences of caring responsibilities and related support. There were 368 responses from Inverclyde residents to this question. The comparable figure for Scotland in 2020 was 34%, which was a 3% decrease from the previous survey and lower than the 39% positive response rate reported for Inverclyde.

An Inverclyde Carer and Young Carer Strategy 2017-22 has been developed with the purpose of identifying the priorities for developing support networks and options for carers who provide unpaid caring responsibilities to family, relatives, friends or neighbours regardless of age. More information on support for carers and the Inverclyde Carer and Young Carer Strategy 2017-22 can be found here: <https://www.inverclyde.gov.uk/health-and-social-care/support-for-carers>

Whilst HACE is a nationally commissioned survey, locally, members of the Inverclyde Citizens’ Panel were also asked about their caring experience in the Citizens’ Panel Winter 2018/19 survey. 30% of panel respondents said that they were a carer and of this number, 55% of respondents agreed that they received enough support in their caring role.

5f. Indicator detail: Homelessness

Homelessness: % of prevention cases (Housing Options) that progressed to a full homelessness assessment			
2017/18	2018/19	2019/20	Target
New indicator	28.1%	36.5%	-

Homelessness: average time in weeks between presentation and completion of duty by the Council for cases assessed as unintentionally homeless or unintentionally threatened by homelessness			
2017/18	2018/19	2019/20	Target
22.18 weeks	27.8 weeks	28.9 weeks	-

What the data tells us: In 2019/20, of the 699 number of households that approached the Service for assistance (prevention work), 255 (36.5% of all approaches) then progressed to a fuller homelessness assessment. This move can be either assessed as appropriate by the worker (Assessment Support Officers) or can be requested by the Service User under the homelessness legislation.

For all full assessment cases completed during the financial year 2019/20, the average time in weeks between presentation and completion of duty by the council for cases assessed as ‘unintentionally homeless’ or ‘unintentionally threatened with homelessness’ increased by just over 1 week from 2018/19 and is now a further 7 weeks from the 2017/18 average, reflecting the complexity and challenges that continue to be faced by Service Users.

Further information: Emphasis remains on the prevention of homelessness and the Housing Options approach which is an information and advice process that the Homelessness Service use when someone approaches them with a housing problem. It aims to prevent homelessness wherever possible and has done so in 63.5% of cases. A target has not been set for the average time between presentation and completion of duty because the type of services provided and assistance offered is dependent upon the household’s housing need at the time of approach and the category of homelessness they are determined to have. Resolving homelessness is complex and often involves a multi-agency approach to ensure that someone is ‘tenancy ready’ and this can cause significant delays in re-housing people. Of these specific cases, 137, completed during the year, 21 (15.3%) were open for at least 1 year and 90 (65.7%) were open for less than 6 months.

5g. Indicator detail: School exclusions

Exclusions from school: Primary (rate per 1,000 pupils)				
	2017/18	2018/19	2019/20	Target
All primary pupils	5.0	3.2	0.4	-

Exclusions from school: Secondary (rate per 1,000 pupils)				
	2017/18	2018/19	2019/20	Target
All secondary pupils	45.6	40.0	34.6	-



Exclusions from school: Additional Support Needs (rate per 1,000 pupils)				
	2017/18	2018/19	2019/20	Target
All ASN pupils	12.1	96	37.2	-

What the data tells us: The data shows that there was an improvement in the exclusion rate across primary, secondary and ASN sectors. In particular the exclusion rate for ASN pupils has more than halved. Whilst no target has been set for these indicators, the aim is to achieve a downward trend in the exclusion rate.

Further information: Significant improvements in exclusion rates have been achieved through a strong ethos of support, the use of restorative practice and the promotion of positive behaviour in all educational establishments. The exclusion rates in Inverclyde can be compared with that of the Scottish average using data published by the Scottish Government, however this data is only published every two years. The most recent data was published on 31 March 2020 for the school year 2018/19 and a summary is provided in the table below. The exclusion rate for primary and looked after children in Inverclyde was lower than the Scottish average whilst the exclusion rate for secondary schools was on a par with the Scottish average. The exclusion rate for ASN pupils was higher than the Scottish average in 2018/19, however there had been a large increase in that year which was well above previous years exclusion rates and 2019/20 has seen a significant decrease once again.

Exclusion rate per 1,000 pupils		
Sector	Inverclyde 2018/19	Scotland 2018/19
Primary	3.2	8.1
Secondary	40	39.6
Additional Support Needs	96	61.6
Looked after children	141	152

Full details of the exclusion rates of all council areas in Scotland can be found here: <https://www.gov.scot/publications/school-exclusion-statistics/>

		Status	
Corporate Plan Organisational Priority 6	To improve the health and wellbeing of residents so that people live well for longer		
Delayed discharge from hospital: bed days occupied by delayed discharge patients aged 75+ per 1,000 population	No target has been set for these indicators		
Average length of stay in care homes			
Number of adults in long term care as at 31 March			
Number of clients with a self-directed support package (split by options)			
Percentage of clients waiting no longer than 3 weeks from referral to receive appropriate drug or alcohol treatment that supports their recovery		Amber - improved performance, but target not achieved	
High priority public health complaints: percentage attended by the next working day		Red – performance declined, target not achieved	
Food hygiene inspections: percentage of premises broadly compliant	Data no longer available from LEAMS		

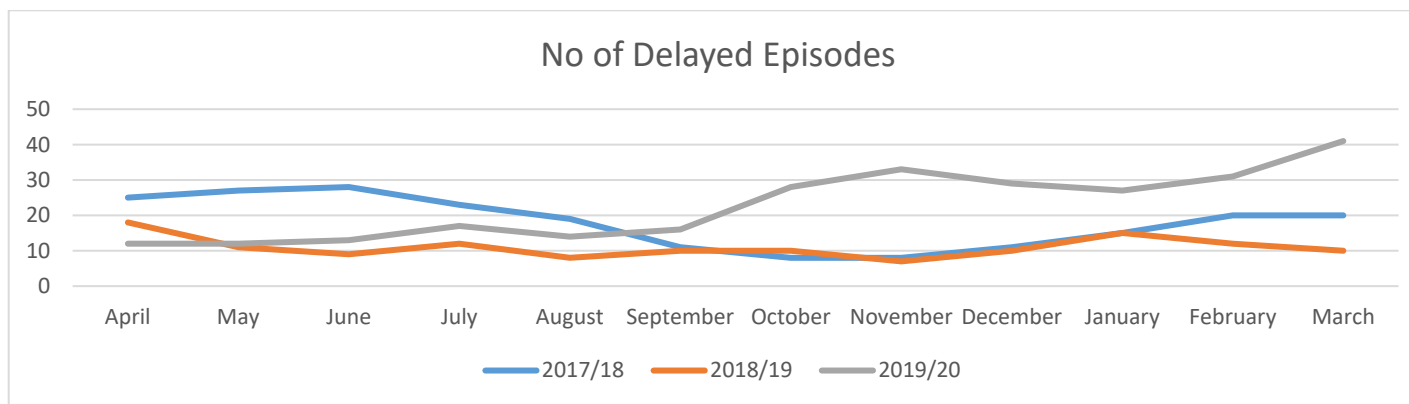
6a. Indicator detail: Delayed Discharge

Delayed discharges: bed days occupied by delayed discharge patients aged 75+ per 1,000 population			
2017/18	2018/19	2019/20	Target
172.1	87	162	-

What the data tells us: The data shows that the rate of those patients who become delayed and who are 75 and over (per 1000 population) almost doubled between 2018/19 and 2019/20.

Further information: This indicators shows proportion of all hospital beds occupied by delayed discharges and the delayed discharge bed day rate per 1,000 population aged 75 and over. A delayed discharge occurs when a hospital patient who is clinically ready for discharge from inpatient hospital care continues to occupy a hospital bed beyond the date they are ready for discharge.

The chart below shows the number of delayed episodes from 2017/18 until 2019/20, which increased substantially from September 2019 until March 2020. In 2018/19 the number of delayed episodes from September to March was 64, the number for the same period in 2019/20 was nearly three-fold at 182. This substantial rise in episodes increased pressure on HSCP services as a result. It should be noted however, that Inverclyde still managed to meet its obligations to the MSG target of 2070 bed days lost to delayed discharge (all age groups) in 2019/20, with a bed day's count of 1,499.



6b. Indicator detail: Residential Care

Average length of stay in care homes			
2017/18	2018/19	2019/20	Target
2.65 years	2.62 years	1.82 years	-

Number of adults aged 65+ in long term care as at 31 March			
2017/18	2018/19	2019/22	Target
544	561	560	-

What the data tells us: There has been a reduction in the average length of stay in care homes, reducing by 0.8 years in 2019/20.

The number of clients aged 65+ in Long Term Care reduced only very slightly in 2019/20. This can partly attributed to the substantial increase in Delayed Episodes from September 2019 until March 2020. It would not be appropriate to set a target for either of these indicators due to the nature of the service provided. Instead, the Service is working on achieving a downward trend in the number of clients requiring residential support.

Further information: In terms of the average length of stay, which has seen quite a stark reduction from 2018/19 to 2019/20, this is in part due to a change in the process/system, where a requirement for financial reasons affected the way this can be measure can be calculated.

The HSCP Home 1st Strategy ensure clients who are able to, can live as independently as possible in their own homes with the support of HSCP services. The Average Length of Stay indicator illustrates the average length of stay in Long Term Care, with the aim of reducing this figure. The number of clients aged 65+ in Long Term Care denotes those aged 65+ in Long Term Care as at 31/03/2020. The aim of the HSCP is to also reduce this number.

6c. Indicator detail: Self-directed Support

Self-directed support: number of clients in receipt of a self-directed support package				
	2017/18	2018/19	2019/20	Target
One option	2,797	2,806	2653	-
Combination of options	131	95	114	-

What the data tells us: There was a decrease of 153 in the number of clients in receipt of one SDS option, whilst the number of clients in receipt of a combination of option increased by 19 in 2019/20. It would not be appropriate to set a target for this measure due to the nature of the service provided.

Further information: The Social Care (Self-Directed Support) (Scotland) Act 2013 imposes a duty on local authorities to offer greater choice and control over the support package provided for the cared-for person. The data tells us about the choice of how care is provided for the cared for person during the previous three years.

There was a change in providers available to service users and to the Home Care contract which had an impact on the figures in 2019/20. The combined Option figure refers to service users who have chosen a combination of how they are supported and evidences that service users are exercising greater choice and control. Four options are available to clients:

- Option 1 Direct payment
- Option 2 Individual Service Fund
- Option 3 Service arranged and provided by the local authority
- Option 4 Combination of all of the above.

A performance indicator regarding self-directed support spend is published in the Local Government Benchmarking Framework. You can find more information on the LGBF here: <http://www.improvementservice.org.uk/benchmarking/explore-the-data.html>

6d. Indicator detail: Drug or alcohol treatment services

% of clients waiting no longer than 3 weeks from referral to receive appropriate drug or alcohol treatment that supports their recovery			
2017/18	2018/19	2019/20	Target
75%	81%	87%	90%

What the data tells us: Inverclyde’s performance of 87% in 2019/20 which is just below the national JHEAT standard target of 90% needs to be considered against a backdrop of Inverclyde having the highest prevalence rates for problematic drug misuse in Scotland and some of the highest rates for alcohol related. Waiting times have however significantly improved across the entire service in the twelve months and are now within the 90% target (from October 2019) for both drugs and alcohol service users.

Further information: Inverclyde Alcohol and Drug services redesign has continued during the year with the new service model ensuring those affected by alcohol and drugs are fully supported by an appropriate recovery orientated system of care which includes prevention; care and treatment; and recovery delivered by a range of statutory and 3rd sector partners. The HSCP Addictions Services have come together into one integrated service across both alcohol and drugs renamed 'Inverclyde Alcohol and Drug Recovery Service' (ADRS). The service is working with other partners to deliver alcohol and drug services and has commissioned appropriate support services to support service users throughout their pathway in recovery.

The redesign facilitated a review to look at the different screening and allocation processes within the two teams, resulting in one robust single point of access for ADRS, with updated associated service pathway processes to ensure appropriate and timely access to services. Alongside this, an in-depth analysis of waiting times data within the service was carried out, this identified inconsistencies in recording across both services which has been addressed as part of the overall review. This has resulted in significantly improved performance in quarters 3 and 4 of 2019/20, which has continued into 2020/21 as shown in the table below:

2019/20				2020/21	
Apr- Jun	Jul- Sept	Oct - Dec	Jan – Mar	Apr - Jun	Jul- Sept
86.5%	77.6%	96.9%	92.7%	93.4%	99.3%

6e. Indicator detail: Public Health

Public health complaints: % of high priority service requests attended by the next working day			
2017/18	2018/19	2019/20	2019/20 Target
94.4%	100%	87%	95%

What the data tells us: In 2019/20, there was a decrease in the percentage of public health high priority service requests that were attended by the next working day in 2019/20, down 13% from 2018/19. The target was not achieved.

Further information: In 2019/20, the council received 23 high priority public health complaints which required attendance by the next working day, of which 20 were responded to on time. In total, Inverclyde council received 689 public health complaints, 89% of which were responded to within 5 working days. Inverclyde Council has a duty to investigate and take necessary action on any situation which may result in a statutory

nuisance. Complaints about nuisances are investigated via the powers in The Environmental Protection Act 1990. More information on public health nuisances can be found here: <https://www.inverclyde.gov.uk/environment/environmental-health/public-health-and-housing>

6f. Indicator detail: Food Hygiene Inspections

Food safety hygiene inspections: % of premises which are broadly compliant			
2017/18	2018/19	2019/20	Target
84.4%	86.2%	National data no longer available	85%

What the data tells us: Early in 2019/20, the risk rating for the Local Authority Enforcement Monitoring System (LAEMS) inspection programme changed and data for this indicator is no longer available. The service is currently reviewing performance data with a view to identifying an appropriate replacement for future performance reports.

		Status	
Corporate Plan Organisational Priority 7	To protect and enhance our natural and built environment		
Total CO ₂ emissions within the scope and influence of the council		●	Green – performance improved, target achieved
Percentage of building warrants assessed within 20 working days of registration		●	Amber – small decline in performance, target not achieved
Responses to completion certificates within 10 working days		●	Red – performance declined, target not achieved
Percentage of category 1 potholes made safe within 24 hours of notification		●	Green – maximum performance maintained, target achieved

7a. Indicator detail: Inverclyde’s ‘area-wide’ carbon emissions

SPI 022K	CO ₂ emissions within the scope of influence of the local authority, per capita, in CO ₂ tonnes		
2016	2017	2018	2018 Target
4.2t	4.1t	4.0t	4.0t

What the data tells us: Inverclyde’s ‘area-wide’ emissions decreased by 0.1 tonnes per capita between 2017 and 2018 (2018 is the most recent data available), which means that the target for this measure has been achieved. There has been a steady decrease in CO₂ emissions within the scope and influence of the local authority since 2012. This data is subject to a time lag which means that that 2018 data is the most recent available.

Further details: This indicator is a calculation of the emissions from the use of gas, electricity and other fuels by the industrial and commercial, agricultural and domestic sectors, along with emissions from the transport sector. Scotland wide emissions has come down over the same period, however the level of emissions in Inverclyde’s has been consistently lower than the Scottish average since 2005.

CO ₂ emissions within the scope of influence of the local authority, per capita, in CO ₂ tonnes				
Year	Inverclyde total	Scotland total	Difference	Inverclyde population estimate used in calculation
2016	4.2	5.2	-1.0	79,160
2017	4.1	5.0	-0.9	78,760
2018	4.0	4.9	-0.9	78,200

More information and additional data on 'area wide' emissions can be found here: <https://www.gov.uk/government/statistics/uk-local-authority-and-regional-carbon-dioxide-emissions-national-statistics-2005-to-2018>

7b &c. Indicator detail: Planning

Building warrants: % assessed within 20 working days of registration			
2017/18	2018/19	2019/20	2019/20 Target
96.7%	95.2%	94.4%	95%

Completion certificates: responses to requests within 10 working days			
2017/18	2018/19	2019/20	2019/20 Target
91%	85.1%	76.3%	85%

What the data tells us: There was a small decrease (0.8%) in the percentage of building warrants assessed within 20 working days of registration. This meant that the target of 95% was very narrowly missed by 0.6%.

The percentage of completion certificates responded to within 10 day fell by 8.1% in 2019/20 and again the target was not achieved.

Further details: In 2019/20, the council received 66 building warrant applications, 62 of which were assessed within the timescale of 20 working days. In respect of completion certificates, in 2019/20, the council received 438 requests for a completion certificate and 334 of these were responded to within 10 days.

The challenges of recruitment continued to impact on performance in 2019-20, however the Council's short-term partnership with Argyll and Bute, which continued up to 31 December 2019 assisted greatly in the plan checking of building warrants. In the first three quarters of 2019-20 the overall time taken to determine a building warrant was on average 86 working days, of which on average 34 days were taken up by Inverclyde Council in registering, assessing and issuing the warrant. 61% of the total time to issue a building warrant was taken up by the Council awaiting corrections or additional information being provided by the applicant. Only 9% of all warrants were able to be issued without any need for amendment. On appointment of a full complement of professional Building Standards staff the aim is to minimise the time taken by the Council as part of the overall determination time when issuing a building warrant whilst maintaining high standards of verification.

7d. Indicator detail: Roads

% of Category 1 potholes made safe within 24 hours of notification				
2017/18	2018/19	2019/20	2019/20 Target	2020/21 Target (Post Covid-19)
100%	100%	100%	90%	90%

What the data tells us: The data shows that for the third consecutive year, the Council achieved maximum performance in terms of the number of Category 1 potholes that were made safe within 24 hours of notification.

Further information: A category 1 pothole refers to emergency defects that should be corrected or made safe at the time of inspection, where this is practicable. In 2019/20, there were 44 Category 1 potholes in the area, all of which were made safe within 24 hours of the council being notified. This is a large increase on 2018/19 levels when there were just 9 Category 1 potholes,

Inverclyde Council's is responsible for the maintenance of approximately 369km of carriageway. Significant investment has been made in the roads network in recent years which has resulted in an improvement in the roads carriageway condition. 2019/20 performance figures for the roads network show that 37.3% of Inverclyde's roads network should be considered for maintenance treatment, compared to 49% in 2012/13.

		Status
Corporate Plan Organisational Priority 8	To preserve, nurture and promote Inverclyde's unique culture and heritage	
The SPI / KPI performance indicators for the number of visits to the Museum and Libraries are reported through the LGBF performance figures contained in Appendix 2.		

		Status
Corporate Plan Organisational Priority 9	To deliver services that are responsive to community needs and underpinned by a culture of innovation, continuous improvement and effective management of resources	
Benefits administration: gross cost per case (£)	●	Green – performance improved, target achieved
Accuracy of benefits processing	●	Green – very high performance maintained, target achieved
Digital transactions: % of digital transactions	●	Green – target achieved
Rating of the Council's website	SOCITM data not available	
PCIP score	●	Green – target achieved
The percentage of pest control service requests attended within 5 working days	●	Green – target achieved
The percentage of consumer complaints completed within 14 days	●	Red- performance declined, target not achieved

9a&b: Indicator detail: Benefits processing

Benefits: gross administration cost per case in £			
2017/18	2018/19	2019/20	2019/20 Target
£45.37	£37.77	£37.16	£45.00

Benefits: accuracy of processing - % of cases where the calculation of Benefit due was correct			
2017/18	2018/19	2019/20	2019/20 Target
99.6%	100%	99.3%	99%

What the data tells us: The data shows that the gross administration cost per benefit case in 2019/20 fell by 61p.

There was a very small decrease 0.7% in the percentage of cases where the calculation of benefit was correct. Performance across the period however remains high and the target was once again achieved in 2019/20.

Further information: The gross administration cost per benefits case is at its lowest amount since 2012/13. The 61p decrease in costs achieved in 2019/20 follows a larger decrease in 2018/19 which was due to staffing reductions arising from approved savings which outstripped the decreasing case load. Other costs are out with the control of the Benefits service and recharges such as accommodation charges have an impact on costs. The Benefits service does, however, have controls in place to ensure controllable costs are kept to a minimum.

Achieving accuracy in benefits processing is a priority for the council. The council is committed to paying the right benefit, to the right person, every time. The consistently high level of accuracy of Benefits payments reflects the robust quality assurance measures in place within the Benefits service; this is an example of the effective management and hard work delivered by the service.

9c. Indicator detail: Digital Access and Channel Shift

The percentage of transactions that are digital (as a percentage of all transactions)			
2017	2018	2019	2019 Target
New indicator	6.5%	13.9%	10%

What the data tells us: In 2019, 13.9% of transactions with Inverclyde Council were made via the Inverclyde Council mobile app or website. This is the second year of reporting this indicator via the SPI / KPI Annual Report. The 2018 data provided the baseline from which the performance target for 2019 was set. The target of 10% was exceeded by the end of the year.

Further information: There is a demand for faster, easier contact as ways of working and communicating and as such, Channel Shift is a key priority for the Council. Progress is tracked through the Digital Strategy Action Plan which is reported to Committee three times a year.

Currently, the 3 primary methods of contacting the council are by telephone, face to face and by email. Whilst the percentage of transactions made digitally has more than doubled in 2019, the percentage of transactions that were face to face fell by just over 7% from 23% to 15.7% whilst the percentage of interactions that were made via phone calls remained steady at 70%. The following activity is planned to help deliver channel shift:

- Work with suppliers to fully enable the functionality for customers to book and pay for bookable and transactional services
- Enhance the range of services available via Web self-service,
- Review and revise the range of services available via mobile devices to provide a wider choice

9d. Indicator detail: Rating of the council's website

Website accessibility: BetterConnected+ website score			
2018	2019	2020	2020/21 Target (Post Covid-19)
-	4.6	Not available	Baseline data 2018/19

What the data tells us: The data for this indicator was previously provided by SOCITM (Society for innovation, technology and modernisation)

In early 2020 however SOCITM changed suppliers and adopted a new assessment method which involves a change in the way councils websites are scored and also the frequency of scoring, this means that there is no comparable data for 2020. Scoring is now marked out of 100 on a monthly basis and is mainly based on accessibility. Inverclyde Council's score in September 2020 was 78.8/100. An appropriate alternative indicator, supported by robust data, will be identified for future performance reports.

9e: Indicator detail: PCIP score

PCIP score			
2015	2016	2018	2020 Target
Not available	66%	70%	72%

What the above data tells us: The data shows the council's PCIP score improved by 4% between 2016 and 2018, meaning that the target was exceeded. The council's score of 70% means that performance falls into banding F1, which is the highest performance band.

Further information: The former Procurement Capability Assessment (PCA) was replaced in 2016 with the Procurement and Commercial Improvement Programme (PCIP) which has a different criteria and scoring mechanism. Under the new PCIP framework the organisations are assessed every two years, covering leadership and governance; development and tender; contract; and purchasing processes.

The second audit of the Council's procurement service under the PCIP was carried out on late in 2018 by Scotland Excel, the Centre for Procurement Expertise for Scotland. Inverclyde Council's performance compares favourably with other local authorities. The next PCIP assessment, which was due to be carried out in late 2020, has been delayed due to Covid-19 and is now expected to be carried out in early 2021. The new performance data will be reported as part of the SPI/ KPI Annual Report 2020/21. You can find more information on procurement in Inverclyde Council here: <https://www.inverclyde.gov.uk/business-and-trade/procurement>

9f. Indicator detail: Pest control

Pest control: service requests - % attended within 5 working days			
2017/18	2018/19	2019/20	2019/20 Target
99.8%	99.3%	98.8%	95%

What the data tells us: Between 2018/19 and 2019/20, there was a very small decrease (of 0.5%) in the percentage of pest control service requests that were attended within five working days. Despite this, performance remains very high and above target.

Further information: In 2019/20, the council received 512 pest control service requests which required attendance within five working days, only six of which were not responded to within that timescale.

Public health relates to the health and well-being of the whole community and is a key area of commitment for Inverclyde Council. The Council has a duty to investigate and take necessary action on situations which may result in a statutory nuisance. Complaints about pests are investigated under powers included in The Environmental Protection Act 1990. To find out more about the Council's pest control service visit: <https://www.inverclyde.gov.uk/environment/environmental-health/pest-control>

9g. Indicator detail: Trading Standards

Trading standards: % of consumer complaints completed within 14 days			
2017/18	2018/19	2019/20	2019/20 Target
92.1%	90.9%	89.4%	95%

What the data tells us: There was a decrease in the percentage of trading standards complaints completed within 14 days in 2019/20, down 1.5% from 2018/19. The target was not achieved.

Further information: In 2019/20, there were 123 consumer complaints received; 110 of which were completed within 14 days. Performance in this area has been affected by staffing issues due to difficulties in filling vacant posts. This is an issue that has affected councils nationally, not only in Inverclyde.

All consumer advice for Inverclyde residents is given by Advice Direct Scotland (ADS). Complaints from the CAS are categorised as *notifications* and *referrals*. The bulk of customer complaints come to Trading Standards as *notifications* i.e. the CAS has provided advice and there is no further action required; these are not included in the performance indicators but are monitored for any underlying trends. *Referrals*, usually where there is a suspicion of illegal trading, form the basis of these performance indicators. In these cases, Trading Standards Officers will investigate further. You can find more information on trading standards here: <https://www.inverclyde.gov.uk/business-and-trade/trading-standards>

		Status	
Corporate Plan Organisational Priority 10	To develop motivated, trained and qualified employees who deliver quality services that meet current and anticipated service needs		
The number of abandoned calls made to the Customer Service Centre (i) revenues and benefits enquiries (ii) other council services		●	Green – performance improved, targets achieved
The percentage of performance appraisals completed in the year and individual development plans agreed		●	Amber – decline in performance, target not achieved

10a. Indicator detail: Customer Service Centre calls

Customer Service Centre: % of abandoned calls – Revenue and Benefits enquiries					
	2017/18	2018/19	2019/20	2019/20 Target	2020/21 Target (Post Covid-19)
Revenues and Benefits	25%	18%	6%	20%	26%
Other council services	7%	6%	3%	7%	10%

What the data tells us: The percentage of calls made to the council's Customer Contact Centre that were 'abandoned' reduced in 2019/20 for both revenues and benefits and other council services, representing an improvement in performance. For the revenues and benefits service in particular, a significant reduction of 12% was achieved in the year. The target for both measures was achieved.

Further information: The number of calls to revenues and benefits and other council services decreased by 23% and 8% respectively between 2018/19 and 2019/20. The total number of contacts to both also decreased over the same period. The reduction in the percentage of abandoned calls is an impressive achievement given the high turnover of staff in the Revenues and Benefits team. The continued fall in the housing benefit caseload, with a reduction of 8% in 2019/20, continued to assist in improved output. There has also been increased access to DWP data and increased automated updates for housing benefit and council tax reduction claim maintenance, reducing the need for customer contact.

The unavoidable impact of Covid-19 has meant that targets for 2020/21 have had to be revisited to reflect the changes in service delivery. The Customer Service Centre is operating with limited footfall and clients are encouraged to engage with the council, where possible, via other contact methods.

10b. Indicator detail: Performance Appraisal

% of performance appraisals completed in the year and individual development plans agreed				
2017/18	2018/19	2019/20	2019/20 Target	2020/21 Target (Post Covid-19)
94%	97%	92%	93%	90%

What the data tells us: The data shows that there has been a drop in the percentage of performance appraisals carried out in 2019/20. The fall from 97% to 92% means that the performance target of 93% was not achieved.

Further information: Performance appraisal data is normally collated from the beginning of April each year, however this year due to COVID-19, the deadline for the return of information was extended to September 2020. Despite the extension to the deadline, the number of performance appraisals has still fallen slightly.

Inverclyde Council is focused on having and developing a workforce which is skilled and driven to deliver excellent services, as well as being satisfied at work. This can partly be achieved by working with employees to ensure that their performance is recognised, rewarded and developed over time and performance appraisals are part of a wider plan to ensure this happens. The appraisals are an opportunity for employees and their managers to consider how they carry out their work against agreed core competencies which reflect current and future council priorities, with the aim of identifying what they do well, as well as areas of their work which may benefit from development.

A key part of the performance appraisal process is to identify training needs now and for the future and the creation of individual development plans to meet these needs. Refresher training is available for employees and managers and guidance has been issued and promoted to ensure our performance appraisal process is as effective as possible and supports succession planning across the council.

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Gerard Malone, Head of Legal and Property Service	Report No:	LPS/114/20
Contact Officer:	Carol Craig-McDonald, Information Governance & Complaint Officer	Contact No:	01475 712725
Subject:	Inverclyde Council Annual Complaint Handling Report 1 April 2019 – 31 March 2020		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Policy & Resources Committee of the annual performance of all complaints received and handled by Inverclyde Council, Health and Social Care Partnership (HSCP), and both Arms-Length Organisations (ALEOs), Inverclyde Leisure and Riverside Inverclyde between 1 April 2019 and 31 March 2020.
- 1.2 The Scottish Public Services Ombudsman (SPSO) requires Inverclyde Council to include ALEOs and HSCP complaint statistical information in the quarterly and annual reports. It should be noted that oversight and day-to-day matters relating to complaints are supported separately.

2.0 SUMMARY

- 2.1 This is the annual complaint handling statistical report (Appendix 1) for the period 1 April 2019 to 31 March 2020 from the Information Governance Team. The report provides the following information:
 - i. Performance Information
 - ii. Analysis of complaint activity
 - iii. Update on learning from complaints
- 2.2 The performance has been summarised within the report on key performance indicators that are monitored over the period for the Council, HSCP, Riverside Inverclyde and Inverclyde Leisure.
- 2.3 The SPSO has provided statistical information on the Council's complaint handling and the one case investigated is contained in appendices 2 – 4.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the annual performance of Inverclyde Council's complaint procedure.

4.0 BACKGROUND

- 4.1 In April 2013 the Council introduced a revised complaints handling procedure moving from a three stage to a two stage process in line with the guidance by the Scottish Public Services Ombudsman. At the same time a new corporate wide system for recording complaints through Lagan was rolled out across the Council.
- 4.2 In 2015 an audit was undertaken to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding a number of key risks faced by both the Council and Inverclyde HSCP regarding complaints. There was a requirement to improve on a number of areas.
- 4.3 A corporate working group was established following the audit with representation across all services and chaired by a Corporate Director. The purpose of the working group was to address areas in the Council's complaint handling.
- 4.4 The Council's internal objectives to address issues that were identified in historic complaint handling were agreed to ensure that the Council has a robust approach to complaint handling. The complaint officer post has strengthened the robustness of the Council's complaint handling approach in the following areas:
 - Increased awareness of the Council's complaint handling procedures.
 - Ensuring training needs of staff with responsibility for complaint handling are identified and addressed.
 - Improved corporate oversight of the complaints process.
 - Improved monitoring of complaints.
 - Regular review of the Council's complaint handling procedures for effectiveness.
- 4.5 The local authority complaint handler network (LACHN) is a national forum for local authority complaint handlers to meet quarterly to assist in the development of professional practice in relation to complaint handling. Inverclyde Council are represented at this forum by the complaint officer alongside representatives from 32 Scottish Local Authorities. The Scottish Public Service Ombudsman (SPSO) attend these meetings to support the ongoing development of complaint handling within local authorities and to achieve consistency in approach.
- 4.6 The SPSO through the LACHN network issued a survey to all local authorities to complete regarding complaint handling reporting being submitted to the network to review prior to formal reporting being issued to SPSO. The survey questions highlighted the requirements for Councils to report complaint handling performance for ALEOs. Inverclyde Council have two ALEO's, they are Inverclyde Leisure and Riverside Inverclyde and they are required to adhere to reporting on complaints handled although they were not included at the time of the implementing the model complaint procedure. Actions have been taken to address this and Inverclyde Council are now adhering to the reporting requirements set out by the SPSO.
- 4.7 Following the results of the survey that was completed by all of the local authorities, the SPSO confirmed that they would be moving to a quarterly submission of complaint handling statistical data from all Councils. This was intended to ease the collation of management information on annual basis. Inverclyde Council agreed to supply this statistical data each quarter, as it is currently prepared for the CMT on a quarterly and annual basis. The draft report is issued to the LACHN for discussion at the network meeting and any inconsistencies in data interpretation and analysis is resolved before the formal annual submission to the SPSO each year.

5.0 ANNUAL PERFORMANCE

5.1 The purpose of this report is to inform the Policy and Resources Committee of the annual performance of Inverclyde Council, HSCP and both ALEOs, Inverclyde Leisure and Riverside Inverclyde.

5.2 The report contains:

Annual Performance of Frontline Resolution & Investigated Complaints
 Analysis of Complaints
 Learning from complaints

5.3 Inverclyde Council, Inverclyde Leisure, Riverside Inverclyde and the HSCP received and handled 389 complaints in the period and closed 358 complaints within this period. The statistics show an increase in the number of complaints received in Inverclyde Council, the HSCP and Inverclyde Leisure. It also reflects a full year of accurate reporting in each area which can be used to benchmark future year's performance.

5.4 The performance of complaints handled at stage one of the complaint handling procedure has been summarised in the table below.

Stage 1 Complaints	Indicators 2019/20		Trend when comparing to 2018/19
No of complaints closed	289		an increase of 17 complaints
% of complaints closed on time within 5 days (inc time extn cases)	83.6%		an improvement by 3%
Average number of days taken to close complaint	3.7 days		an improvement by 0.4 days
No of complaints upheld & as % of all complaints	81 cases	28%	a reduction by 4 complaints
No of complaints partially upheld & as % of all complaints	50 cases	17%	a reduction by 2 complaints

5.5 The performance of complaints handled at stage two of the complaint handling procedure has been summarised in the table below.

Stage 2 Complaints	Indicators 2019/20		Trend when comparing to 2018/19
No of complaints closed	47		an increase of 16 complaints
% of complaints closed on time within 20 days & where we applied time extension	76.6%		an improvement by 9%
Average number of days taken to close complaint	18 days		No change
No of complaints upheld & as % of all complaints	10 cases	21.2%	No change
No of complaints partially upheld & as % of all complaints	12 cases	25.5%	a reduction of 5 complaints

5.6 The performance of complaints handled at escalated stage two of the complaint handling procedure has been summarised in the table below.

Escalated Stage 2 Complaints	Indicators		Trend when comparing to 2018/19
No of complaints closed	24		an increase of 11 complaints
% of complaints closed on time within 20 days & where we applied time extension	78.3%		a reduction of 21.7 %
Average number of days taken to close complaint	18.3 days		an increase of 4 days
No of complaints upheld & as % of all complaints	7 cases	30.4%	an increase of 5 cases
No of complaints partially upheld & as % of all complaints	3 cases	13%	an increase of 4 cases

- 5.7 The breakdown of complaint volumes per service remains relatively low within some services however reflects proportionately higher in those services that have historically received higher volumes based on the nature of work undertaken.
- 5.8 Service improvement recording commenced in November 2016 and has been embedded within Services and is reported quarterly to the Corporate Management Team. The HSCP requires to implement this process within their complaint handling process. A small selection of improvements and learnings are contained within Appendix 1.
- 5.9 Both Inverclyde Leisure and Riverside Inverclyde have implemented the complaint handling procedure and their statistical information has been included in the quarterly statistical reports since.
- 5.10 The SPSO has recommended that all Local Authorities should be completing customer satisfaction surveys regularly to gain true insight on how well they are handling complaints. They are creating a model satisfaction survey which we are looking to introduce as part of our ongoing quality assurance of complaint handling. This will provide valuable insight on how well we are managing our complaints and highlight opportunities to strengthen our approach. Implementation was postponed by the SPSO and will be revisited later in the year.
- 5.11 The tables contained in appendix 2 set out the number of complaints received for the 32 Scottish local authorities by the SPSO and the outcomes following the SPSO's handling of the complaints. These contain the comparable data for the periods 2019-20 and 2018-19.
- 5.12 The tables contained in appendix 3 contain the complaints received by the SPSO for Inverclyde Council. Of these complaints, 4 complaints were for advice, 10 complaints were dealt with at early resolution stage and 1 complaint was investigated. Appendix 4 contains the one case that was investigated and not upheld by the SPSO.

6.0 COMPLAINTS HANDLING BY ALEOS

- 6.1 Inverclyde Council uses Inverclyde Leisure to deliver council services in the leisure sector and Riverside Inverclyde for urban regeneration within the area. While these organisations are separate to the Council they are subject to its control and the Council is responsible for ensuring the services provided meet the required standards and adhere to the complaint handling procedure. In doing this we must establish mechanisms to identify and act on complaint handling performance issues found.

6.2 Inverclyde Leisure implemented the complaint handling procedure in March 2017. They experienced a loss of data for quarter four covering the period 1 January 2018 to 31 March 2018. Inverclyde Leisure confirmed the volumes were low however they cannot be quantified.

6.3 Riverside Inverclyde implemented the complaint handling procedure for quarter one 1 April 2018 – 30 June 2018.

7.0 IMPLICATIONS

7.1 Finance

Financial Implications

None

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					

7.2 Legal Implications

None

7.3 Human Resources

None

7.4 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

None

8.0 CONSULTATIONS

8.1 None

9.0 BACKGROUND PAPERS

9.1 None

**Inverclyde Council
Annual Complaints Report
1 April 2019 – 31 March 2020**

CONTENTS

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1. Background

In April 2013 the Council introduced a revised complaints handling procedure moving from a three stage to a two stage process in line with the guidance by the Scottish Public Services Ombudsman (SPSO). At the same time a new corporate wide system for recording complaints through LAGAN was rolled out across the Council.

In 2015 an audit was undertaken to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding a number of key risks faced by both the Council and Inverclyde HSCP regarding complaints. There was a requirement to improve on a number of areas.

A corporate working group was established following the audit with representation across all services and chaired by a Corporate Director. The purpose of the working group was to address areas in the Council's complaint handling.

The Council's internal objectives to address issues that were identified in historic complaint handling were agreed to ensure that the Council has a robust approach to complaint handling. The complaint officer post has strengthened the robustness of the Council's complaint handling approach in the following areas:

- Increased awareness of the Council's complaint handling procedures.
- Ensuring training needs of staff with responsibility for complaint handling are identified and addressed.
- Improved corporate oversight of the complaints process.
- Improved monitoring of complaints.
- Regular review of the Council's complaint handling procedures for effectiveness.

The local authority complaint handler network (LACHN) is a national forum for local authority complaint handlers to meet quarterly to assist in the development of professional practice in relation to complaint handling. Inverclyde Council are represented at this forum by the complaint officer alongside representatives from 32 Scottish Local Authorities. The SPSO attend these meetings to support the ongoing development of complaint handling within local authorities and to achieve consistency in approach.

Inverclyde Council uses Inverclyde Leisure to deliver council services in the leisure industry and Riverside Inverclyde for urban regeneration within the area. While these organisations are separate to the Council they are subject to its control and the Council is responsible for ensuring the services provided meet the required standards and adhere to the complaint handling procedure. In doing this we must establish mechanisms to identify and act on complaint handling performance issues found.

The SPSO through LACHN network issued a survey to all local authorities to complete regarding complaint handling reporting being submitted to the network to review prior to formal reporting being issued to SPSO. The survey questions highlighted the requirements for Council's to report complaint handling performance for ALEOs. Inverclyde Council have two ALEO's they are Inverclyde Leisure and Riverside Inverclyde and they are required to adhere to reporting on complaints handled although they were not included at the time of the implementing the model complaint procedure.

Actions have been taken to address this and Inverclyde Council are now adhering to the reporting requirements set out by the SPSO.

Following the results of the survey that was completed by all of the local authorities, the SPSO confirmed that they would be moving to a quarterly submission of complaint handling statistical data from all Councils. This was intended to ease the collation of management information on annual basis. Inverclyde Council agreed to supply this statistical data each quarter, as it is currently prepared for the CMT on a quarterly and annual basis. The draft report is issued to the LACHN for discussion at the network meeting and any inconsistencies in data interpretation and analysis is resolved before the formal annual submission to the SPSO each year.

1.2 Current Procedures

Inverclyde Council co-ordinates the reporting of complaints to the SPSO this includes the HSCP, ALEOs, Inverclyde Leisure and Riverside Inverclyde. Each area is responsible for recording their complaints and providing their management information to Inverclyde Council to enable the consolidated statistical report to be produced quarterly and annually.

Inverclyde Council, the HSCP and both ALEOs, Inverclyde Leisure and Riverside Inverclyde follow the Model Complaint Handling procedure although there are slight differences between the health and social work complaints, the procedure provides a quick, simple, streamlined process with a strong focus on local, early resolution. This enables issues or concerns dealt with close to the event which gave rise to the complainant making the complaint.

As far as possible the complainant should be actively and positively engaged with the process from the outset.

Frontline resolution stage one: Frontline resolution should be attempted where there are straightforward issues potentially easily resolved with little or no investigation. This should be completed within 5 working days.

Investigation stage two: Where complaints cannot be resolved at the frontline stage or those which are complex, serious or high risk, a thorough investigation will be undertaken. This typically requires more thorough examination in order to establish facts prior to reaching conclusion. This should be completed within 20 working days.

Escalated investigation stage two: Where the complainant remains dissatisfied with the way the Council dealt with their complaint at frontline resolution, the complainant can request a detailed investigation under stage two of our complaints handling procedure. This must be undertaken before the complainant can take their complaint to the SPSO to review.

Scottish Public Service Ombudsman: Appeals of complaint outcomes are reviewed by the SPSO.

1.3 Governance Arrangements

Governance arrangements are in place to report and analyse complaints within Inverclyde Council as follows:

Heads of Service Meetings
 Service Review Meetings
 Corporate Management Team Meetings

Inverclyde Council log their complaints into LAGAN system. The Health and social work complaints are logged in two systems – datix for health complaints and their complaint log for social work complaints. Inverclyde Leisure and Riverside Inverclyde record their complaints on a complaint log spreadsheet.

This is supported by the Information Governance and Complaint Officer who promotes the complaint handling procedure and provides strategic direction for complaint handling to ensure a responsive, efficient and improved complaint handling service which meets the regulatory standards. Oversight and monitoring of complaint handling performance is undertaken to ensure the feedback mechanism is delivering continuous improvement. Quarterly recommendations on improvement areas are discussed with the Corporate Management Team.

2. Summary of Performance

2.1 Number of complaint received and closed

In the reporting period 1 April 2019 – 31 March 2020 Inverclyde Council, Inverclyde Leisure and the HSCP received and handled **389** complaints in the period and closed **358** complaints within this period.

The SPSO requires Inverclyde Council to include ALEOs and HSCP complaint statistical information in the quarterly and annual reports. It should be noted that oversight and day to day matters relating to complaints are supported separately.

This is the second year that the Council have reported a collective report on complaint handling performance that includes Inverclyde Council, HSCP, Inverclyde Leisure and Riverside Inverclyde.

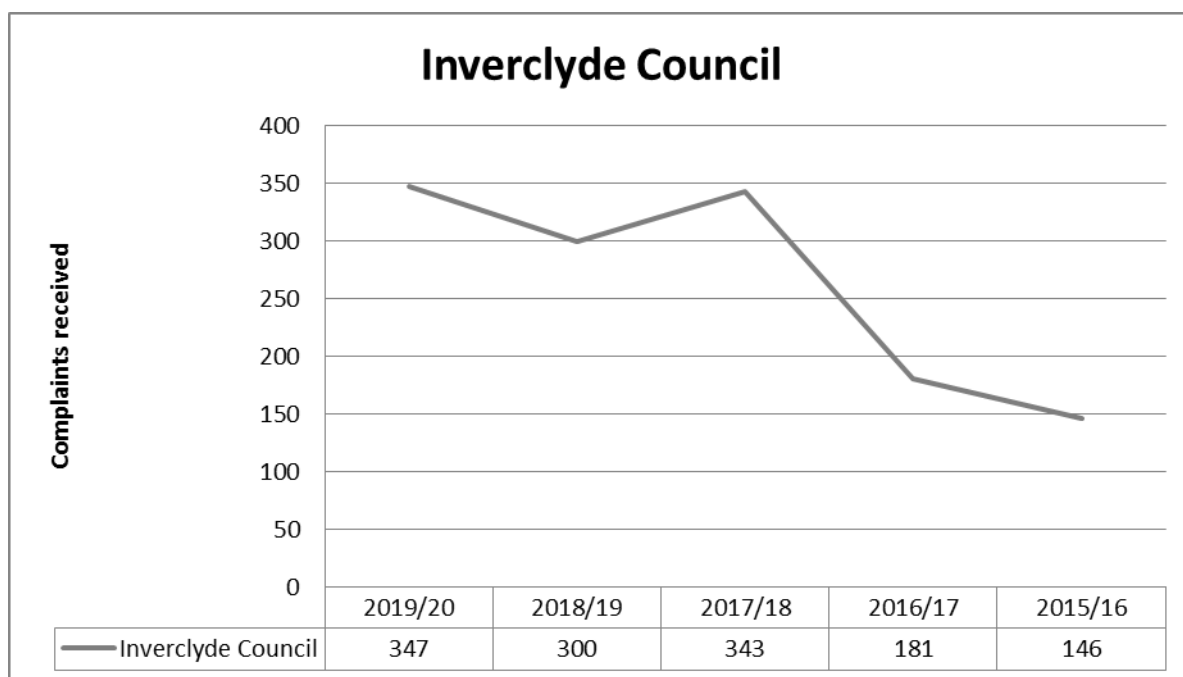
The statistics show an increase in the number of complaint received in Inverclyde Council, the HSCP and Inverclyde Leisure. It also reflects a full year of accurate reporting in each which can be used to benchmark future years performance.

	Number complaints received				
	2019/20	2018/19	2017/18	2016/17	2015/16
Inverclyde Council	274	256	288	181*	146
HSCP	73	44	55		
Inverclyde Leisure	40	29**	8		
Riverside Inverclyde	2	13			

*Members are reminded that essential changes were made to the LAGAN in order to improve the complaint management system in preparation for it to be adopted as the universal complaint recording system for the Council. During this process closed complaint data was lost which impacts on the extent of complaints finally recorded in 2016.

** Inverclyde Leisure had a loss of data for the data covering the period 1 January 2018 to 31 March 2018 which will have impacted the extent of complaints finally recorded in 2018/19 the collective reporting of complaints.

Inverclyde Council's and the HSCP's complaints received volumes have increased when comparing to the complaint data for 2019/20, 2018/19 and 2017/18 as outlined in the graph below. The period 2019/20 reflects a full year of accurate recording of complaints which will support accurate benchmarking of future years. This could not be compared



The tables below outlines closed complaint breakdown by investigation stage and comparable data volumes for the periods in 2019/18 to 2016/17 inclusive.

	No of frontline resolution stage 1				No of complaint investigations stage 2			
	2019/20	2018/19	2017/18	2016/17	2019/20	2018/19	2017/18	2016/17
Inverclyde Council	220	214	225	121	20	8	17	23
HSCP	39	17	33	31	27	22	26	25
Inverclyde Leisure	40	29	7		0	0	0	
Riverside Inverclyde	2	12			0	1		

	No of complaint escalated			
	2019/20	2018/19	2017/18	2016/17
Inverclyde Council	21	13	21	7
HSCP	3	0	0	0
Inverclyde Leisure	0	0	0	
Riverside Inverclyde	0	0		

In respect of the complaints received there are occasions where they partially investigated and either withdrawn or are found not be appropriate for the complaint handling procedure and removed from the overall numbers. These are noted in the table below which is largely evidential in the Council's handling of complaints.

	Service requests				Withdrawn			
	2019/20	2018/19	2017/18	2016/17	2019/20	2018/19	2017/18	2016/17
Inverclyde Council	3	7	6	8	15	19	25	8
HSCP	0	0	0	0	0	0	0	0
Inverclyde Leisure	0	0	0		0	0	0	
Riverside Inverclyde	0	0			0	0		

	Not Council related / Invalid			
	2019/20	2018/19	2017/18	2016/17
Inverclyde Council	3	10	4	13
HSCP	0	0	0	
Inverclyde Leisure	0	0	0	
Riverside Inverclyde	0	0		

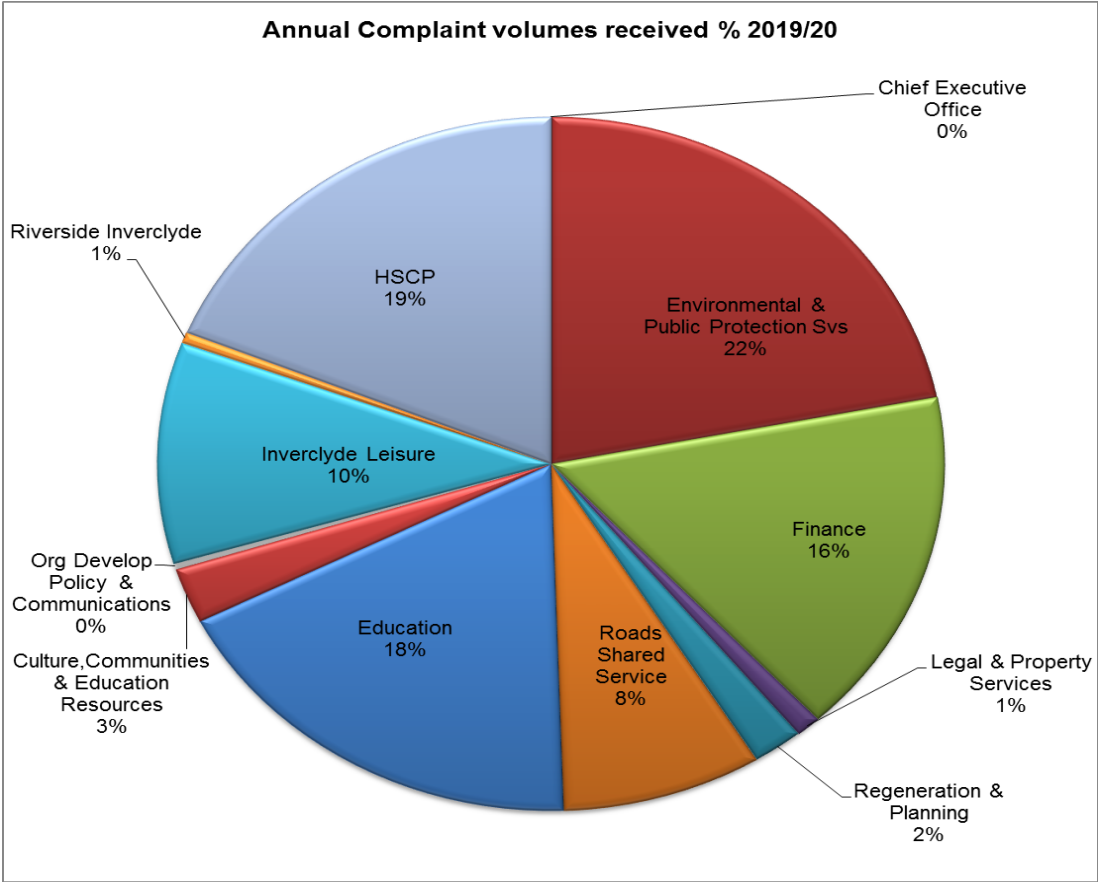
2.2 Complaint Trends

The table below provides a monthly breakdown of complaints received within each service over the period 1 April 2019 to 31 March 2020. For Inverclyde Leisure, Riverside Inverclyde and HSCP the breakdown is only provided for the annualised volumes.

	April 19	May 19	June 19	July 19	Aug 19	Sept 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Totals
Chief Executive Office	0	0	0	0	0	0	0	0	0	0	0	0	0
Environmental & Public Protection Services	4	7	3	6	15	7	6	5	3	7	14	8	85
Finance	5	5	5	4	6	8	5	3	0	12	6	4	63
Legal & Property Services	0	1	0	0	0	0	0	0	1	1	0	1	4
Regeneration & Planning	2	1	0	1	0	1	1	0	0	1	1	0	8
Roads Shared Service	2	1	0	4	3	1	0	5	3	2	3	8	32
Education	1	8	9	1	3	8	7	3	8	4	7	11	70
Culture, Communities and Educational Resources	0	1	1	0	0	0	2	2	0	0	4	0	10
Org Develop Policy & Communications	0	0	0	0	1	0	0	0	0	0	0	0	1
Inverclyde Leisure													40
Riverside Inverclyde													2
HSCP													73

Following the restructuring within Services in the early months of 2018 which brought the Environment and Commercial Service and the Public Protection Service under the one Service which altered the number of accumulated complaints received for the service. The Roads Shared Service has also been reported on their own. Therefore this will be the first year showing the overall true percentage of complaints received within each of the services following this restructure. Comparable data analysis will be available in the coming year 2020/21 to enable trends on incoming volumes to be tracked and compared for Inverclyde Council, HSCP and both ALEOs, Inverclyde Leisure and Riverside Inverclyde.

Outlined in the chart overleaf is the percentage of complaints received by each service compared against the total number of complaints received. The Chief Executive office and the Organisational development, Policy and Communications did not receive any complaints in the period



2.3 Timescales

The Council aim to resolve complaints quickly and close to where we provided the service. Where appropriate this could mean an on-spot-apology and explanation if something has clearly gone wrong and immediate action to resolve a problem. We have 5 working days to respond to your complaint within the stage one process.

Sometimes we will have to make some enquiries before we can respond to complaints if we cannot resolve the complaint at this stage, we will explain why, we may decide it is appropriate to extend the time to deal with the complaint by a further five days or we will move the complaint to stage two investigation if this is felt to be appropriate. In either scenario we will keep you informed and manage your expectations on timescales.

Stage two deals with two types of complaint: those that have not been resolved at stage one and those that are complex and require a more detailed investigation.

Where you have escalated your complaint to stage two because you remain dissatisfied with the outcome of our handling of your complaint, we refer to this as Escalated Investigation.

When handling a complaint using stage two we will

- Acknowledge receipt of your complaint within three working days;
- Where appropriate, discuss your complaint with you to understand why you remain dissatisfied and seek clarification on what outcome your looking for; and
- Provide you a full written response to your complaint as soon as possible and within 20 working days.

If our investigation is likely to take longer than 20 working days, we will agree revised time limits with you and keep you updated on progress.

Investigating officers are advised of the required dates for timescales on receipt of the complaint. Additional reminders are in place to support timely completion.

The table below outlines the Inverclyde Council's collective performance measures on timescales management across all stages of the complaint procedure.

Performance measures	Collective Inverclyde Council 2019/20
No of complaints – closed at stage 1 within 5 days	229
No of complaints – closed at stage 1 within 10 days (time extended)	11
% Complaints Meeting timescale incl those time extended within timescale	83.6%
Ave working days taken stage 1 complaints	3.7 days
Stage 2	
No of complaints – closed at stage 2 within 20 days	34
No of complaints – closed at stage 2 within 25 days (time extended)	2
% Complaints Meeting timescale inc those time extended within timescale	76.7%
Ave working days taken stage 2 complaints	18 days
Escalated Stage 2	
No of complaints – closed at escalated stage 2 within 20 days	14
No of complaints – closed at stage 2 within 25 days (time extended)	4
% Complaints Meeting timescale includes those time extended within timescale	75%
Ave working days taken escalated stage 2 complaints	18.3days

The table below outlines the management of complaints within the prescribed timescale broken down by each areas complaint. The comparable data is not available for Inverclyde Leisure as they have adopted the reporting of complaints within the period 2017/18.

Inverclyde Council Consolidated				
Stage	Performance Area	2019/20	2018/19	2017/18
1 Frontline resolution	No of complaints – closed at stage 1 within 5 days	229	222	214
	% Complaints Meeting timescale including those time extended	83.6 %	82%	81%
	Ave working days taken stage 1	3.7	4.1	4.4
	Stage 2			
2 Investigation	No of complaints – closed at stage 2 within 20 days	34	21	31
	% Complaints Meeting timescale including those time extended	76.7 %	68%	76.6%
	Ave working days taken stage 2	18 days	18.1	15.5
Escalated Stage 2				
2 Escalated Investigation	No of complaints – closed at esc stage 2 within 20 days	14	13	18
	% Complaints Meeting timescale including those time extended	75%	100%	85.7%
	Ave working days taken esc stage 2	18.3 days	14.0	13.8

		Inverclyde Council Only				HSCP				
Stage	1	Performance Area	2019/20	2018 /19	2017 /18	2016 /17	2019/20	2018 /19	2017 /18	2016 /17
Stage Frontline resolution		No of complaints – closed at stage 1 within 5 days	172	171	182*	104	39	12	22	30
		% Complaints Meeting timescale inc those time extended	87%	80%	78%	86%	72%	71%	88%	96%
		Ave working days taken stage 1	3.9	4.4	3.8	3	5.3	7.5	4.1	N/A
Stage Investigation	2	No of complaints – closed at stage 2 within 20 days	14	7	9**	20	27	13	18	15
		% Complaints Meeting timescale inc those time extended	80%	88%	90%	86%	74%	59%	79%	60%
		Ave working days taken stage 2	16.1	18.4	16.3	11.7	19.5	18.2	18.2	N/A
Stage Escalated Investigation	2	No of complaints – closed at esc stage 2 within 20 days	14	13	18	0	3	0	0	0
		% Complaints Meeting timescale inc those time extended	81.8%	100%	86%	0	0%	0	N/A	0
		Ave working days taken esc stage 2	15.7	14	13.8	0	31	0	0	N/A

*One complaint has been included within stage one resolution as time extension was granted allowing 10 days for the complaint to be resolved and reported within timescales.

** Two complaints have been included in the stage two resolutions as time extension was granted allowing 25 days for the complaint to be resolved and reported within timescales

		Inverclyde Leisure***			Riverside Inverclyde****		
Stage	1	Performance Area	2019/20	2018 /19	2017 /18	2019/20	2018/19
Stage Frontline resolution		No of complaints – closed at stage 1 within 5 days	40	29	5	2	12
		% Complaints Meeting timescale	100%	100%	83%	2	100%
		Ave working days taken stage 1	1	1	3		1.6
Stage Investigation	2	No of complaints – closed at stage 2 within 20 days	0	0	2	0	1
		% Complaints Meeting timescale	0	0	67%	0	100%
		Ave working days taken stage 2	0	0	13.3	0	14
Stage Escalated Investigation	2	No of complaints – closed at esc stage 2 within 20 days	0	0	0	0	0
		% Complaints Meeting timescale	0	0	N/A	0	0
		Ave working days taken esc stage 2	0	0	0	0	0

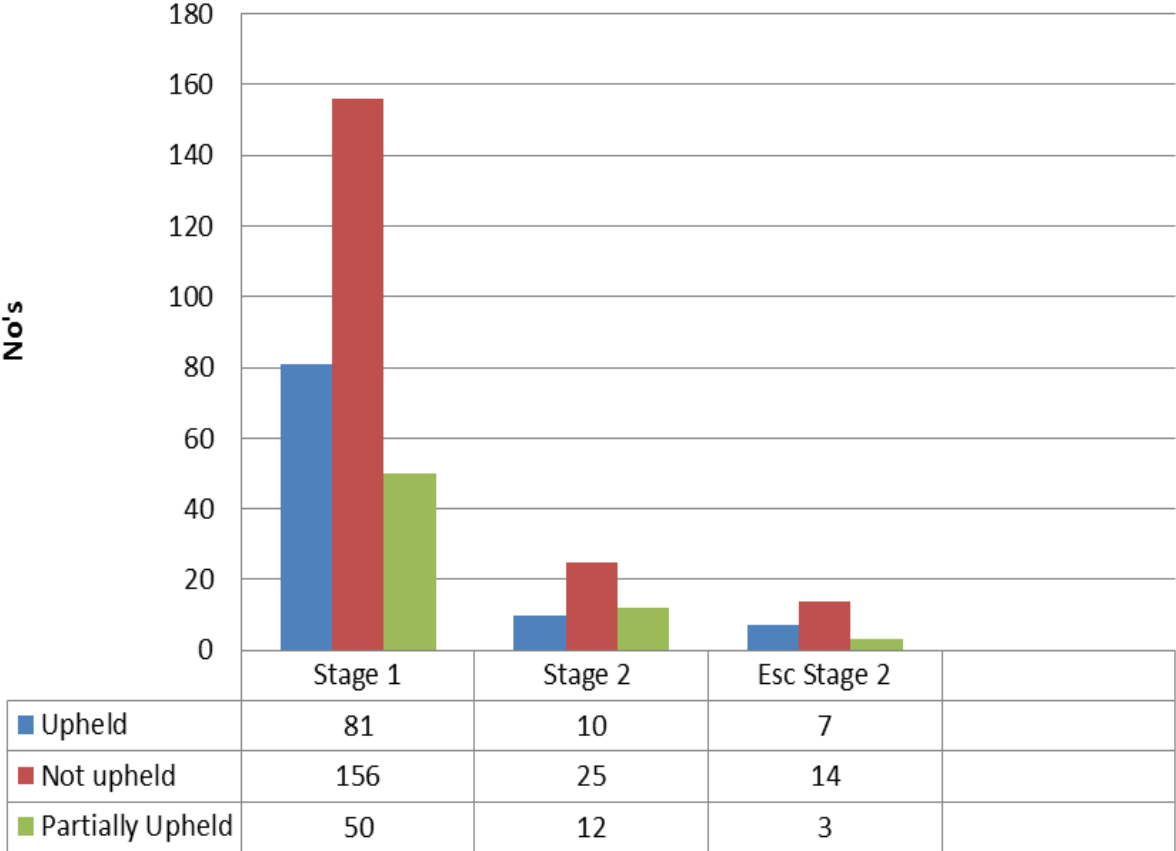
*** Inverclyde Leisure data only available from the period 2017/18

****Riverside Inverclyde data only available from the period 2018/19

Services must maintain focus on ensuring complaints received are recorded and that the complaint handling procedure is followed by officers, in particular with regards to timescales to resolve complaints at stage one and stage two. When comparing in isolation Inverclyde Council's complaint handling performance we have seen timescales to resolve complaints increase in all stages which impacts the average days. The averages days to resolve complaints in all stages of the complaint procedure has increased in HSCP's which was impacted by management resources available which will be an area for focus in the coming year.

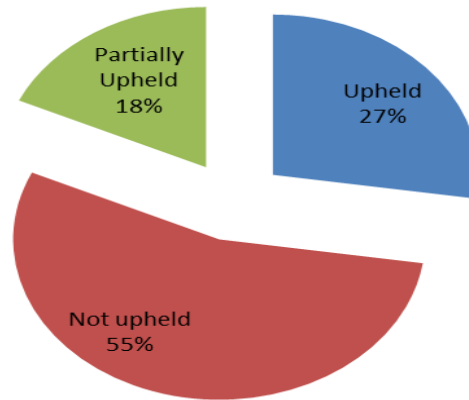
2.4 Complaint Outcomes

The graph below outlines the outcomes of investigations of all collective complaints following complaint investigation at each of the 3 stages a complaint may be taken through.



The pie chart below outlines the collective outcomes of all complaint investigations as a percentage of all complaints received.

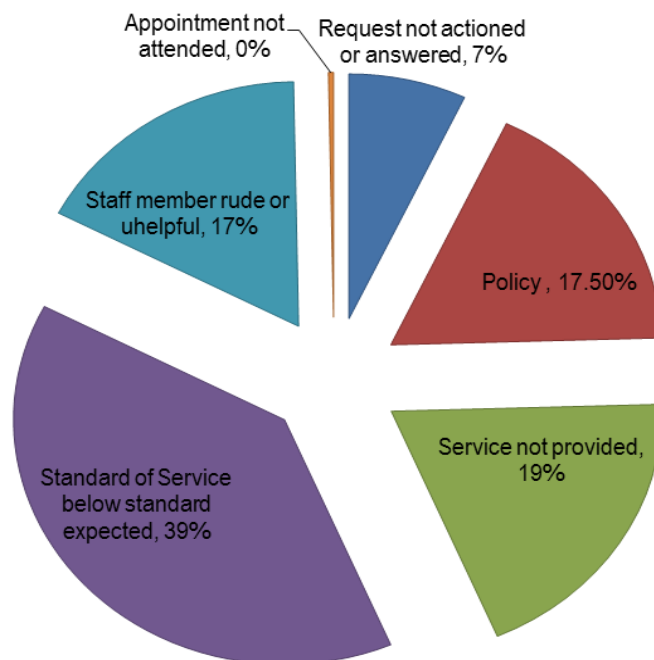
Collective Outcome % of Complaint Investigations



2.5 Complaint themes

Of the complaints which were upheld or partially upheld, they were examined for key themes. In some situations the complexity of some complaints were multi faceted although the true root cause was used to define this into a single theme. In doing this we have only included the complaints from Inverclyde Council only, as this level of information is recorded in the complaint handling system.

The top complaint theme was for these complaints was where the service delivered was below the expected standards at 39% of all complaints received. This has increased when comparing the complaint themes against the followin year.



2.6 Learning from complaints

Inverclyde Council is committed to reflecting on occasions when we may not get it right in order to highlight opportunities for improvement. As such, where a complaint has been upheld or partially upheld, the service determines what actions are required to support continuous improvement and prevent a repeat of circumstances that led to the complaint.

Service improvement recording commenced in November 2016 for Inverclyde Council only. Service improvement tracking requires to be developed for the HSCP as this is not currently in place. Inverclyde Leisure implemented their service improvement tracking in January 2020 which is reflective in the improvements seen in the last quarter of the year.

The Service Improvement table overleaf provides a selection of complaints across Services on the type of complaints received together with a update on the service improvements that have been implemented during the reporting period.

Service	Improvements Made
Education	<p>A complaint was received from parents who were arranging a meeting with the school. The meeting arrangements were to be confirmed with the parents although due to an oversight the arrangements were not confirmed which created some challenges for the parents on the day of the meeting.</p> <p>An apology was issued and the staff members were reminded of the importance of confirming appointments with parents.</p>
Roads	<p>A complaint was received from a service user who highlighted that there were communication issues in relation to modifications that were being made to parking arrangements at their property. The service user provided recommended guidance for the Council to consider when making these modifications to comply with legislation.</p> <p>An apology was provided for the communication issues that were encountered. On reviewing the recommended guidance the Council recognised that the proposed modifications were not suitable. Therefore, arrangements were made in line with the recommended guidelines for the modifications to be made.</p>
Finance	<p>A complaint was received from a service user who was upset following receipt of correspondence which detailed her late husband's name on the form and stating that he was liable for Council Tax.</p> <p>Prior to issuing the form, the council tax assessor should have ensured the form produced was issued to the current liable parties, which is held within the Council's electronic document management system. However this was not completed and resulted in the form being issued with the incorrect liable parties being noted on it.</p> <p>An apology was provided and changes have been made to the record to correct the details held for future correspondence being issued. Reminders were issued to appropriate staff to remind them of the</p>

	<p>importance of this check. A change has also been made to the document management system to ensure that this does not happen again.</p>
Finance	<p>A complaint was received about an error with the processing of a Direct Debit for payment of Council Tax.</p> <p>As a consequence of the error the complainant was not issued with an adjusted council tax notice to reflect the instalments and no direct debit payments requested from the complainants bank account this resulted in a reminder notice being issued to household.</p> <p>The corrections were made to reflect the correct instalments and the Direct Debit was set up. An apology was provided and coaching was provided to the officers involved.</p>
Environmental and Public Protection	<p>A complaint was received as the officer scheduled to attend the property to undertake a pest control visit did not arrive.</p> <p>The Council have established that the Service failed to make the appointment therefore an apology was provided.</p> <p>Learnings have been taken from the complaint. Where possible if a scheduled appointment cannot be kept the service will aim to notify the user.</p>
Roads	<p>A complaint was received from a service user about the lack of response and action following a report which was made about the condition of the pavement at the complainants' property.</p> <p>Further investigation into the matter found that the repair had not been made to the pavement or manhole as a result of an administration error.</p> <p>An apology was provided and the repair was scheduled. BT was responsible for the repair to the area around the manhole therefore the matter was transferred to them for action.</p>
Environmental and Public Protection	<p>A complaint was received about noise related issues being experienced by the complainant at their property.</p> <p>The Council investigated the initial complaint and updated the complainant although further noise issues were raised for investigation which the officer agreed to investigate.</p> <p>The officer did not update the complainant timely on the findings of the other issues that were raised which resulted in the complaint being made.</p> <p>An apology was provided and an update on all findings and actions that could be taken was issued to the complainant</p>
Roads	<p>A complaint was received from a service user about the street light directly outside his property which was removed and the time it would take to replace the light. Concerns were raised about the location and</p>

	<p>it being extremely dark for residents. Other residents had raised concerns and complaints about this with the Council</p> <p>The service user wants the light installation to be scheduled earlier than suggested in light of the concerns raised.</p> <p>An apology was provided and it was recognised that the time to resolve this and to have a permanent power supply was excessive. A solution was put in place to have a temporary power supply in the interim until such times that Scottish Power can put a permanent power supply in place.</p>
Inverclyde Leisure	<p>A Complaint was received from a customer about the pool temperature, cleanliness & wave machine not working at the Leisure Centre.</p> <p>An apology was issued for the matters that were complained about.</p> <p>The Pool Manager notified all staff that cleaning procedures must be adhered to. The cleaning schedules daily sheets must be signed off and checked by Shift leader to ensure standards are maintained. The staff were reminded that reactive maintenance procedure should be followed to report faults.</p>
Finance	<p>A complaint was received as the photographs supplied to support an application for an unoccupied/unfurnished exemption and zero occupancy discount for a property were misplaced and the direct debit mandate was not issued as requested.</p> <p>The internal quality control check failed to identify that the photographs had been scanned without the reference number and the processing team did not highlight the omission.</p> <p>An apology was given to the complainant and the direct debit mandate was issued to the complainant. Reminders were issued to the teams involved to remind them of the quality control check requirements to prevent the same error occurring.</p>
Environmental & Public Protection	<p>A complaint was received about the introduction of charges for the collection of garden waste and the payment methods available to elderly householders who are not technically conversant with online processes.</p> <p>An explanation was provided in relation to the rationale for introducing charges for this service.</p> <p>Payment options have been expanded to permit payments to be made by cheque when submitted along with a Garden Waste Permit Application form.</p>

It is important that a robust stage two investigation is completed by the complaint handler and that the complainant is provided with all of the relevant information before they are referred to the SPSO to investigate their complaint. This will ensure timely reviews of cases that are referred to the Ombudsman Whilst Inverclyde Council have

not had any complaints this year where this this has been an issue with our approach it is an important reminder. It is equally important, to ensure that when the SPSO requests information at the investigation stage of the complaint that they are provided with full information at his point rather than waiting to provide this at the provisional decision stage.

The SPSO has also highlighted that it is important that the Council responds to provisional decisions, if only to say we have no comments to add, as it can make a difference to the outcome and wording of the SPSO’s final decision. In circumstances where a complaint is upheld, the SPSO has reminded the Council to confirm to the SPSO whether it has agreed with its final recommendations as this will be reflected in their final decision. Not only does it demonstrate positive outcomes and approaches, it also helps the Council to display its commitment to learning from complaints.

2.7. Scottish Public Services Ombudsman right to appeal

Following a stage two investigation and written response, if a complainant remains dissatisfied with the outcome they have the right to appeal that decision with the Scottish Public Services Ombudsman (SPSO).

The table below outlines the number complaints received at the SPSO for Inverclyde Council and HSCP. The numbers have remained the same for Inverclyde Council. It is noted that the HSCP have seen an increase of 5 more complaints received in the period.

		Complaints received at the SPSO			
		2019/20	2018/19	2017/18	2017/16
Inverclyde Council		15	15	15	21
HSCP		11	6		

2.7.1 SPSO Reviews

The Ombudsman investigated one complaints for Inverclyde Council during the period 2018/19.

There were 10 complaints that were taken forward at the Early Resolution stage and 4 at the Advice stage. The outcomes reached on these are noted below. Only one case progressed to an Invesitgation and the SPSO did not uphold the complaint. The standard of the investigation was recognised as being to a high standard and would be an example for future complaint handling.

Please refer to Appendix 1 for Terms of Reference explanations that are used by the SPSO to assist you with the statistics that feature in the undernoted tables.

Stage	Outcome of Group	Inverclyde Council 2019/20	Inverclyde Council 2018/19
Advice	Not duly Made or withdrawn	3	4
	Out of jurisdiction (discretionary)	0	0
	Out of jurisdiction (discretionary)	1	0
	Outcome Not achievable	0	0
	Premature	0	4
	Total	4	8
Early Resolution	Not duly made or withdrawn	0	0
	Out of jurisdiction (discretionary)	1	1
	Out of jurisdiction (non-discretionary)	1	1
	Outcome not achievable	1	2
	Premature	0	0
	Proportionality	7	3
	Resolved	0	0
Total	10	7	
Investigation	Fully upheld	0	0
	Some Upheld	0	0
	Not Upheld	1	0
	Resolved	0	0
	Total	1	0
Total Complaints		15	15

The Ombudsman reviewed three complaints for the HSCP. One complaint was fully upheld, one complaint was upheld on some parts and one complaint was not upheld.

There were 6 complaints that were taken forward at the Early Resolution stage and 2 at the Advice stage. The decisions reached on these are noted below and did not progress to a full investigation following SPSO's review of the complaint.

Stage	Outcome of Group	HSCP 2019/20	HSCP 2018/19
Advice	Not duly Made or withdrawn	1	3
	Premature	1	0
	Total	2	3
Early Resolution	Not duly made or withdrawn	1	0
	Out of jurisdiction (discretionary)	2	0
	Out of jurisdiction (non-discretionary)	0	0
	Premature	0	0
	Proportionality	2	2
	Resolved	1	0
	Total	6	2
Investigation	Fully upheld	1	0
	Some upheld	1	0
	Not upheld	1	1
	Not duly made or withdrawn	0	0
	Total	3	1
Total Complaints	11	6	

3.0 Developments

The changes in practice that were introduced by the SPSO last year in respect of the way decisions on cases are reviewed and dealt with by the SPSO have been embedded although the volumes that we receive are relatively low. Therefore it will continue to be an area of focus for the Council to ensure it comments on the draft preliminary decisions before a final decision is issued.

Additionally the new Support & Intervention Policy was introduced in April 2019 which was to encourage learning and support for all Local Authorities. The policy aims to address issues arising with complaint handling, engagement with the SPSO and the Scottish Welfare Fund Independent Review Service.

Whilst the SPSO has recommended that all Local Authorities should be completing customer satisfaction surveys regularly to gain true insight on how well they are handling complaints. The standardised approach was delayed this year to allow the work on Model Complaint Handling Procedures to be progressed and this will follow later in the year to ensure there is consistency in the approach adopted by Council.

The SPSO made changes to the format of the decision letter and the issuing of anonymised “decision notices”. These changes were as a result of feedback from local authorities on the changes introduced earlier this year. This move to decision notices removes personal data from the decision itself and supports the “privacy by design” approach in line with Data Protection legislation.

The complaint handling procedure was implemented into the Council’s Educational Establishments on 21 October 2019. In preparation for this, training has been undertaken for staff members investigating complaints and for the support staff who will be responsible for the administration of the complaints using the complaint handling procedure. The Education establishments will be handling the stage one complaints and any stage two complaint investigations will continue to be handled by Education Headquarters.

The SPSO issued the revised model complaint handling procedure which brings some changes to the current practices and reporting that this is provided.

The Council has been preparing for the implementation of the revised of the Model Complaint Handling Procedure (MCHP) although delayed its roll out as a result of the impact of Covid-19 on the Council’s Services. The changes that the (MCHP) will introduce will require to be in place by 1 April 2021 and the Council are preparing for this.

The changes are to the core text of the revised (MCHP), which is consistent across local authorities and all sectors except NHS. Outlined below is the over of the key changes that the MCHP will introduce

Structure and presentation

- The core text is standardised across all local authorities and sectors (with additional sector-specific text and examples in each version)
- It is presented in five parts to make relevant information easier to find
- The HSCP and Local Authority MCHPs have been combined

Resolving complaints

- The Council may **resolve** a complaint by agreeing any action to be taken with the customer, without making a decision on whether to uphold / not uphold.
- Therefore there must be a clear record of the resolution agreed and signposting to next stage of the procedure if this approach is adopted.

Agreeing complaint and outcome sought at stage 2

- The Council must agree the points of complaint and outcome sought with the complainant at the start of stage 2 (investigation)
- Where the points of complaint and outcome sought are clear, this can be done by setting these out in the complaint acknowledgement letter

Time limit for making complaints

- The six-month timeframe to make a complaint also now applies where the customer wishes to escalate to Stage 2 because they are unhappy with the Stage 1 response

Supporting staff

- The Council must share relevant parts of the complaint and response with any staff members complained about
- At stage 2, staff members must be given information about the complaint process and support available, and kept updated on any timeframe extensions

Equality and accessibility

- The Council should set out what kind of actions staff may take to support equal access to the complaints process (including for vulnerable groups)
- Organisations will customise this section to reflect local context

Complaints on social media (and other digital platforms)

- As a minimum, organisations must respond to complaints on the organisation's own social media channels by signposting to the complaint process and support available
- The Council will customise this section to reflect local policy and approach

Contact from MPs/MSPs

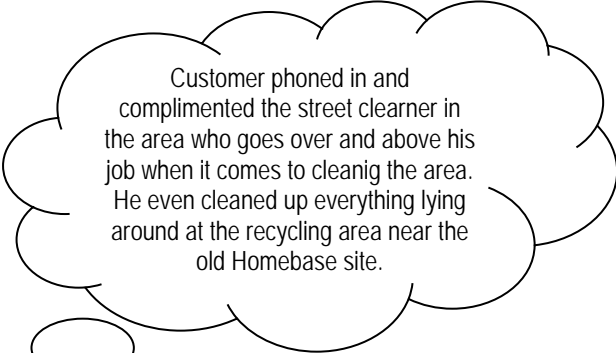
- The Council can set out details of local procedures but must ensure they comply with relevant legislation
- Where a complaint is brought by an MP/MSP, the organisation must handle it in line with the CHP and ensure they do not operate a two-tier system

Performance indicators


- The Council will report and publish on complaint statistics in line with performance indicators published by the SPSO
- These are currently being developed, and will include core performance indicators applicable to all sectors (similar to those released in the draft MCHP)
- Additional performance indicators to support benchmarking is being developed in consultation with Local Authority complaint handling networks

4.0 Positive Comments

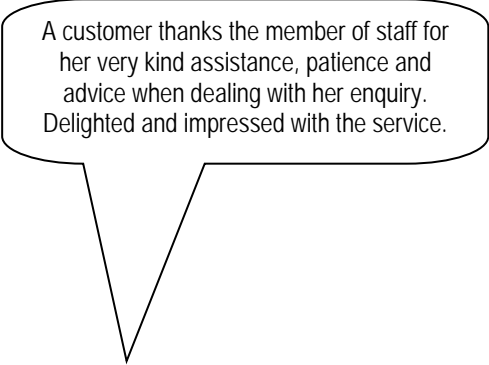
A selection of positive comments and compliments that the Council has received from Service User across Services are noted below. This reflects the positive gratitude that service users have expressed from their experience with Council staff in the delivery of services.



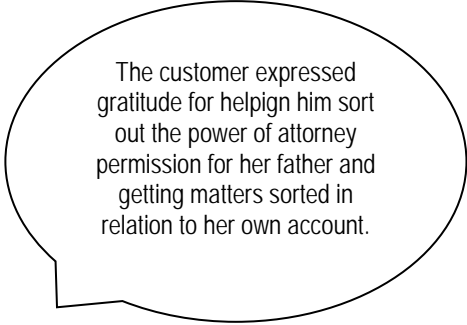
Customer phoned in and complimented the street cleaner in the area who goes over and above his job when it comes to cleaning the area. He even cleaned up everything lying around at the recycling area near the old Homebase site.




A customer complimented the CSC for how straightforward the service have been in sorting matters relating to her mothers Council Tax..




A customer thanks the member of staff for her very kind assistance, patience and advice when dealing with her enquiry. Delighted and impressed with the service.



The customer expressed gratitude for helpign him sort out the power of attorney permission for her father and getting matters sorted in relation to her own account.



The customer expressed their thanks to the Street Cleaning Team for the clean-up of Mackie Avenue in Port Glasnow.



Customer thanked member of staff for their incredible service. Super appreciated.

5.0 Conclusion

Inverclyde Council is committed to investigating, learning from and taking action as a result of individual complaints where it is found that standards have fallen below the level we expect and where services could be improved. By listening to the views of service users who make a complaint, we can improve our services.

The coming year will see work on embedding the new changes that are being introduced and we will endeavour to ensure this is achieved to ensure the service user experience is positively impacted as a result of these changes.

Appendix 1 – Terms of Reference for the Stages in the Scottish Public Services Ombudsman’s Process

Stages in the SPSO Process

Assessment

This is the initial receipt stage where the SPSO check if they have enough information about the complaint, that the complainant has first complained to the relevant organisation, that the complaint is mature (i/e – that it has completed the relevant organisation’s complaints process) and that the matter is one the SPSO are allowed to look at.

Early resolution

This is where the SPSO confirm that the matter is one they are allowed to look at and is in jurisdiction and start gathering the information that they will need for an investigation. Some cases that could be investigated are closed at this stage if the SPSO are able to resolve them with the organisation, or if they consider there would be no significant benefit, or achievable outcome, from a full investigation. Prior to 1 April 2016, this stage was called ‘Early Resolution 1

Investigation

This is where the SPSO conduct the investigation and reach a decision on the complaint. This stage includes everything that, prior to 1 April 2016, was referred to as Early Resolution 2, Investigation 1 and Investigation 2.

Enquiries

Enquiries are a mix of telephone and online contacts. In responding to these, the SPSO’s advice team provide information and support and where appropriate refer people to other organisations that may be better placed to help.

Premature

This is an enquiry or a complaint that has been sent to the SPSO too early – i.e. before it has completed the relevant organisation’s complaints process. Prior to April 2016, the

SPSO recorded premature complaints received by phone as advice stage complaints. From April 2016, a number of these (the very quickly resolved ones) would be logged as signposting enquiries and not included in the premature rate calculation.

Out of jurisdiction

Some enquiries or complaints are about an organisation or a subject that the law says the SPSO cannot investigate. Sometimes there are complex technical or legal issues involved. If so, it can take time to check whether the SPSO can investigate. Where the SPSP find the law says they cannot take a complaint, the SPSO provide advice, where possible, about who might be able to look at it.

Complaints 'fit for SPSO'

These are complaints that the SPSO are able to investigate. This normally means that they have gone through the complaints process of a relevant organisation, and are about something that the SPSO can look at by law (the Scottish Public Services Ombudsman Act 2002).

Not duly made or withdrawn

Sometimes people choose not to pursue their complaint. This may be for personal reasons or because of a change in circumstances. Sometimes complainants do not give the SPSO all of the information that they need to take things further, or they may simply stop contacting the SPSO. Sometimes the organisation concerned have resolved the complaint to the person's satisfaction.

Outcome not achievable

This refers to the situation where the SPSO have not taken a complaint forward because it is not possible for the SPSO to achieve what the person wants them to do as a result of their complaint. An example of this would be where the person tells us that the only outcome they want is for a member of staff to be sacked. As disciplinary matters are for the organisation concerned to decide on, the SPSO cannot have a person sacked and so the outcome the complainant said they wanted would be unachievable. The SPSO do not often record this kind of outcome as, normally, when the SPSO explain that they cannot achieve something, they also then discuss what alternative outcome might be appropriate as a result of the complaint.

Complaints are more likely to be withdrawn before investigation has begun, but sometimes they are withdrawn during the investigation. If this happens when a case is close to completion and the Ombudsman feels it is in the public interest to publish her findings, she is entitled to do so. This course of action, however, is rare and before doing so the SPSO always consider the complainant's reasons for wishing to withdraw a complaint.

Resolved

In some cases, the SPSO receive complaints where it appears that we may be able to achieve the outcome being sought by the person complaining without carrying out an investigation. In these cases, the SPSO may contact both parties in order to try and resolve the case. If, following our intervention, an organisation offers a resolution which

is acceptable to the individual, or where the SPSO consider that the resolution offered is appropriate and addresses any outstanding injustice, the SPSO may close the case as resolved. Before doing so they SPSO would always consider whether it would be in the public interest to carry out an investigation, even where a satisfactory outcome has been achieved for the individual who has complained.

Proportionality

In some cases, the SPSO will decide that, even where a complaint is one that they could investigate, it would not be proportionate for the SPSO to do so given the need to use public resources effectively. The circumstances where we may make this decision include:

- Where the evidence suggests that the organisation being complained about (or another scrutiny body) has already carried out a thorough investigation into the complaints and steps have been taken to remedy the injustice. In these cases a review by the SPSO would serve no useful purpose.
- Where the sole outcome being sought by the person is not one the SPSO can achieve by investigating and making recommendations (for example where the complainant wants disciplinary action against staff) and there is no public interest in investigating further.
- Where the matter has already been investigated thoroughly by another public scrutiny body and the outcomes are similar to those that SPSO could achieve, then the complaint should be closed without investigation, unless there is public interest in investigating.
- Where investigating a complaint would not achieve any practical benefit for the person complaining, the organisation concerned or the public generally, because the injustices suffered are insignificant and have little or no practical consequences for the individual.
- Where it appears that an organisation has failed to respond to the complaint in line with their complaints procedure (for example where they have not addressed the complaints made to them) the SPSO may refer the case back to them to re-investigate. This reinforces the principle that they are responsible for providing proper responses to complaints and helps improve complaints handling standards.

Upheld complaint

Complaints where the outcome was ‘upheld’ or ‘some upheld’ are those where the SPSO investigated, and found that something went wrong. To recognise the validity of the complainant’s experience, the SPSO uphold complaints wherever they find fault, even if this has already been recognised by the organisation. People come to us for an external, independent judgement and if the SPSO find something went wrong it is important for the complainant that the SPSO acknowledge this. The SPSO also include how the organisation responded to the complaint and any action that they took to put things right. Where an organisation responded well, the SPSO may also commend them for acknowledging the mistakes and the action they took to resolve this for the complainant.

All these complaints were 'fit for SPSO', and the SPSO gave a decision on them at the investigation stage of our process. Some of these result in the SPSO sending the organisation and the complainant a decision letter. The SPSO also publish a short summary of most of these complaints and their outcomes on the SPSO's website. Complaints that meet our public interest criteria are published in full.

Partially upheld and discontinued (obsolete outcomes)

The SPSO no longer use 'partially upheld' as an outcome. Many complaints have a number of aspects. We give a separate finding on each of these, the SPSO use the overall term 'some upheld'. This identifies where they have investigated a number of individual aspects, and have upheld one or some of these.] Cases were normally 'discontinued' when something happened that meant it was no longer appropriate to pursue the matter. This is now covered by other outcomes above

APPENDIX 2

Inverclyde Council closed 2019-20

Stage	Outcome Group	Inverclyde Council	Total
Advice	Complaint - Not duly made or withdrawn	3	248
	Complaint - Out of jurisdiction (discretionary)	0	1
	Complaint - Out of jurisdiction (non-discretionary)	1	8
	Complaint - Outcome not achievable	0	1
	Complaint - Premature	0	233
	Total	4	491
Early Resolution	Not duly made or withdrawn	0	42
	Out of jurisdiction (discretionary)	1	49
	Out of jurisdiction (non-discretionary)	1	44
	Outcome not achievable	1	29
	Premature	0	34
	Proportionality	7	462
	Resolved	0	13
	Total	10	673
Investigation	Fully upheld	0	29
	Not upheld	1	30
	Resolved	0	1
	Some upheld	0	25
	Total	1	85
Total Complaints		15	1249

Local Authority Complaints Determined 2018/19

		Inverclyde Council	
Stage	Outcome Group	Inverclyde Council	Local Authority
Advice	Not duly made or withdrawn	4	252
	Out of jurisdiction (discretionary)	0	2
	Out of jurisdiction (non-discretionary)	0	0
	Premature	4	244
Total		8	498
Early resolution	Not duly made or withdrawn	0	43
	Out of jurisdiction (discretionary)	1	70
	Out of jurisdiction (non-discretionary)	1	45
	Outcome not achievable	2	70
	Premature	0	53
	Proportionality	3	350
	Resolved	0	26
Total		7	657
Investigation	Fully upheld	0	34
	Some upheld	0	23
	Not upheld	0	40
	Not duly made or withdrawn	0	0
	Resolved	0	1
Total		0	98
Total Complaints		15	1,253

<i>Premature Rate</i>	26.0%	23.0%
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<i>Total Investigation Decisions</i>	98
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<i>Total Upholds</i>	57
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<i>Uphold Rate</i>	58.1%
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6. Local Authority Complaints Determined 2019-20

Note: includes social work (also delivered by joint health & social care partnerships)

Stage	Outcome Group	Councils																									Total								
		A Council Unknown	Aberdeen City Council	Aberdeenshire Council	Angus Council	Argyll and Bute Council	Clackmannanshire Council	Comhairle nan Eilean Siar	Dumfries and Galloway Council	Dundee City Council	East Ayrshire Council	East Dunbartonshire Council	East Lothian Council	East Renfrewshire Council	Falkirk Council	Fife Council	Glasgow City Council	Inverclyde Council	Midlothian Council	North Ayrshire Council	North Lanarkshire Council	Orkney Islands Council	Perth and Kinross Council	Renfrewshire Council	Scottish Borders Council	Shetland Islands Council		South Ayrshire Council	South Lanarkshire Council	Stirling Council	The City of Edinburgh Council	The Highland Council	The Moray Council	West Dunbartonshire Council	West Lothian Council
Advice	Not duly made or withdrawn	2	11	14	4	1	1	0	2	5	4	1	6	5	12	17	29	3	3	8	15	0	17	11	7	1	7	10	5	16	6	3	6	16	248
	Out of jurisdiction (discretionary)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	Out of jurisdiction (non-discretionary)	0	1	0	0	1	0	0	0	0	0	1	0	0	0	0	3	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8
	Outcome not achievable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1
	Premature	0	7	4	5	4	1	1	1	4	5	2	2	1	6	14	35	0	5	6	13	0	4	12	5	1	5	10	4	38	10	1	5	21	232
	Total	2	19	18	9	6	2	1	3	9	9	4	8	6	18	31	68	4	8	15	28	0	21	23	12	2	12	20	9	55	16	4	11	37	490
Early Resolution	Not duly made or withdrawn	0	6	2	2	0	0	1	2	0	0	3	0	0	1	4	2	0	1	2	1	0	0	0	2	0	1	0	1	5	3	0	3	0	42
	Out of jurisdiction (discretionary)	0	3	2	1	2	0	1	4	1	0	1	0	2	1	3	3	1	0	0	1	0	2	1	3	0	2	3	0	5	1	1	2	2	48
	Out of jurisdiction (non-discretionary)	0	2	3	0	0	0	0	1	2	0	1	0	0	0	5	1	1	1	1	0	2	3	4	0	0	1	0	2	6	1	1	1	1	40
	Outcome not achievable	0	0	1	1	2	1	0	0	1	1	0	1	0	4	0	1	1	0	0	1	0	2	0	2	0	0	2	0	3	0	2	0	1	27
	Premature	0	1	2	1	0	0	1	0	0	1	0	0	1	4	1	5	0	0	0	1	0	5	1	0	0	0	2	0	3	1	1	1	2	34
	Proportionality	0	20	25	10	6	2	3	7	11	3	12	12	5	28	26	30	7	14	8	35	3	17	19	13	6	9	16	11	38	23	11	7	16	453
	Resolved	0	1	0	0	0	0	0	1	0	2	0	0	0	0	0	3	0	0	1	0	0	1	0	1	0	1	0	1	0	0	0	0	0	13
	Total	0	33	35	15	10	3	6	13	15	7	18	14	8	38	39	45	10	16	12	40	3	29	24	25	6	13	24	13	57	34	16	14	22	657
Investigation	Fully upheld	0	2	2	1	1	1	0	4	0	1	0	0	0	2	3	0	0	2	5	0	1	0	0	0	0	1	2	0	1	0	0	0	29	
	Some upheld	0	0	1	0	0	0	0	2	0	2	2	0	0	3	1	0	1	0	2	0	0	0	0	1	5	1	2	0	1	1	0	0	25	
	Not upheld	0	0	1	0	0	2	0	1	0	0	4	0	0	1	1	0	1	1	4	0	1	0	1	0	1	2	0	2	1	0	0	3	28	
	Resolved	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	
	Total	0	2	5	1	1	3	0	5	2	1	6	2	0	1	6	4	1	2	3	11	0	2	0	1	1	6	4	4	2	3	1	0	3	83
Total Complaints	2	54	58	25	17	8	7	21	26	17	28	24	14	57	76	117	15	26	30	79	3	52	47	38	9	31	48	26	114	53	21	25	62	1,230	

APPENDIX 4

SPSO decision report



Case: 201804942, Inverclyde Council
Sector: local government
Subject: parking
Decision: not upheld, no recommendations

Summary

Mr C complained that the council had taken an unreasonable amount of time to mark an advisory disabled parking space at his home, and that the councils handling of his complaint was unreasonable.

We found that the councils handling of both matters was reasonable and we did not uphold the complaint.

Report To:	Policy & Resources Committee	Date:	17 November, 2020
Report By:	Chief Financial Officer	Report No:	FIN/94/20/AP
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	Governance of External Organisations – Annual Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to provide the annual update in respect of the governance of external organisations.

2.0 SUMMARY

- 2.1 In May 2011, the Council approved a risk based approach to the governance of those external organisations with whom the Council had a significant financial relationship. The Accounts Commission has published reports which highlight good practice and governance when delivering services through Arm's Length External Organisations and the Council has extended this to other organisations which meet certain criteria.
- 2.2 As part of the Council's approved framework, reports for relevant organisations are presented to the relevant Service Committee each year giving updates and assurances in terms of performance and governance whilst an annual report is presented to the Policy & Resources Committee summarising progress and highlighting any areas where the agreed governance actions have not been delivered.
- 2.3 Overall, the Council's approach to the governance of external organisations is operating well with regular detailed reports going to the HSCP Committee combining both qualitative and governance issues, whilst annual reports are presented to the Education & Communities and Environment & Regeneration Committees. The organisations which were subject to this process in 2019/20 are shown in Appendix 1.
- 2.4 The usual governance processes have been severely impacted by the Covid pandemic and the set piece Governance meetings have not taken place in the usual manner. However, due to the pivotal role many of these organisations have played in supporting the Council throughout 2020 there has been very regular contact around the finances and sustainability of the organisations. As a result for this year the Meeting Requirement criteria set out in Appendix 2 has not been applied.
- 2.5 The list of external organisations that are proposed will form part of this framework for the next 12 months are shown in Appendix 3. Based on last year's expenditure, over £43 million was allocated to/spent with these 78 organisations in 2019/20.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the update on the last 12 months' governance of external organisations as shown in Appendix 1 and the impact that the Covid pandemic has had on the usual governance process.

- 3.2 It is recommended that the Committee approves the list of external organisations that will form part of this framework for the period November 2020 – September 2021 as shown in Appendix 3.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 In May 2011, the Committee approved a framework for monitoring the governance of key external organisations with whom the Council has a significant financial relationship.
- 4.2 The purpose of this framework was to provide a formal mechanism for feeding back to the relevant Committee on the organisations' performance and to highlight any issues in respect of governance, financial stability or overall performance. This approach was recognised by the Council's External Auditors at the time as being an example of good practice.
- 4.3 The Corporate Management Team recognises that as resources become more scarce it is even more important than ever that officers monitor those organisations which are reliant on Council funding and which provide vital services to the Council.

5.0 CURRENT POSITION

- 5.1 Appendix 1 shows the organisations agreed to form part of the 2019/20 Governance process. The usual governance processes have been severely impacted by the Covid pandemic and the set piece Governance meetings have not taken place in the usual manner. However, due to the pivotal role many of these organisations have played in supporting the Council throughout 2020 there has been very regular contact around the finances and sustainability of the organisations. As a result, for this year, the Meeting Requirement criteria set out in Appendix 2 has not been applied.
- 5.2 Accounts have been reviewed for all organisations and discussions are on-going with one provider to clarify any underlying risk from their parent organisation. It is encouraging that this year none of the organisations in Appendix 1 have ceased trading during the period albeit it is appreciated that there are a number who will be in a more financially vulnerable position than 12 months ago.
- 5.3 The process continues to have a positive impact on the relationship between organisations and the Council and in particular strengthening the relationships between Care Providers and the Council. This will further support the alternative delivery models available to the community and the Health and Social Care Partnership (HSCP).
- 5.4 Whilst the lower threshold to meet the qualifying criteria is £30,000, where officers become aware of potential problems with an organisation, appropriate governance oversight and support will take place irrespective of this threshold. Appendix 3 lists the 78 organisations proposed for inclusion in the 12 month period starting November 2020.
- 5.5 As the Council's service delivery landscape becomes more complex, the need for sound governance processes to manage quality and monitor signs of potential financial stress becomes more important and this was also picked up as part of the 2018 Best Value Audit. It is clear that a number of organisations are finding the current financial environment challenging and officers will continue to positively support organisations where financial difficulties become apparent.

6.0 IMPLICATIONS

6.1 Financial Implications:

The Council has allocated £200,000 from the Anti-Poverty monies to assist community based organisations which require short term one off funding to get through the Covid period. Proposal on the use of this fund are considered by the Education & Communities Committee.

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 HR implications arising from this report.

6.4 **Equalities**

There are no equalities implications arising from this report.

(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.
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X	NO
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6.5 **Repopulation**

Whilst there are no direct impacts in respect of repopulation, the Council's approach to the governance of external organisations should provide early warnings of problems within organisations and therefore provide greater stability to these organisations with a resultant impact on job security.

7.0 **CONSULTATION**

7.1 The report has been approved by the Corporate Management Team.

8.0 **BACKGROUND PAPERS**

8.1 None

Governance of External Organisations for 19/20

Appendix 1

Supplier / Provider	Payments	Service	Last or Planned Governance Monitoring Date	Date Reported to Committee	Nature of Payments	Total
1 INVERCLYDE LEISURE	£1,845,106.55	E&C	Sep-20	Feb-20	Commissioned no tender	24
2 ICDT LTD	£1,814,562.22	E&R	09/10/2020	Oct-19	Tendered	24
3 KEY HOUSING ASSOCIATION LTD	£1,879,528.38	HSCP	06/11/2019	22-Oct-20	Commissioned no tender	24
4 ALT-NA-CRAIG LIMITED	£967,699.80	HSCP	04/02/2020	22-Oct-20	Commissioned no tender	24
5 CARE CONCERN LIMITED	£946,357.57	HSCP	23/04/2020	22-Oct-20	Commissioned no tender	24
6 EVERGREEN HOME SUPPORT	£515,675.32	HSCP	02/12/2019	22-Oct-20	Tendered	24
7 SIR GABRIEL WOOD'S MARINERS HOME	£445,983.74	HSCP	30/10/2019	22-Oct-20	Commissioned no tender	24
8 MUIRSHIEL CENTRE	£332,050.00	HSCP	01/11/2019	22-Oct-20	Tendered	24
9 YOUR VOICE	£307,011.84	HSCP	24/01/2020	22-Oct-20	Commissioned no tender	24
10 INVERCLYDE CARERS CENTRE LTD	£215,280.00	HSCP	16/01/2020	22-Oct-20	Grant no SLA	24
11 PARKLEA BRANCHING OUT	£171,292.50	HSCP	01/05/2020	22-Oct-20	Commissioned no tender	24
12 YOUTH CONNECTIONS	£132,100.00	E&C	Feb-20	Feb-20	Grant no SLA	24
13 BRANCHTON COMMUNITY CENTRE	£118,611.00	E&C	Jan-20	Feb-20	Grant no SLA	24
14 CRAIGEND RESOURCE CENTRE	£118,338.07	E&C	Feb-20	Feb-20	Grant - no SLA	24
15 INVERCLYDE VOLUNTARY COUNCIL	£112,865.37	HSCP	20/08/2019	22-Oct-20	Grant no SLA	24
16 THE KILMACOLM NEW COMMUNITY CENTRE COMPANY LIMITED	£69,293.00	E&C	Sep-19	Feb-20	Grant no SLA	24
17 GIBSHILL COMMUNITY CENTRE	£32,015.00	E&C	Dec-20	Feb-20	Grant - no SLA	24
18 THE BEACON	£402,592.48	E&C	Aug-20	Feb-20	Commissioned no tender	24
19 INVERCLYDE ASSOC FOR MENTAL HEALTH	£374,327.01	HSCP	18/02/2020	22-Oct-20	Tendered	22
20 DRIVE DEVILBISS HEALTHCARE LTD	£120,879.43	HSCP	N/A	22-Oct-20	Commissioned no tender	22
21 INVERKIP COMMUNITY INITIATIVE	£57,830.00	E&C	Jan-20	Feb-20	Commissioned no tender	22
22 WELLINGTON PLAYGROUP	£56,336.57	E&C	Oct-20	Feb-20	Commissioned no tender	22
23 RIVER CLYDE HOMES	£890,750.21	HSCP	06/02/2020	22-Oct-20	Grant with SLA	20
24 CIRCLES NETWORK	£108,340.00	HSCP	04/11/2019	22-Oct-20	Tendered	20
25 MADEIRA NURSERY	£45,532.59	E&C	Oct-20	Feb-20	Commissioned no tender	20

26	BALCLUTHA COURT	£2,125,796.83	HSCP	22/10/2019	22-Oct-20	Commissioned no tender	18
27	FLAGSHIP TOWER (GREENOCK) LIMITED	£2,735,793.31	HSCP	21/02/2020	22-Oct-20	Commissioned no tender	18
28	SILVERLINE CARE CALEDONIA LTD	£2,254,090.41	HSCP	05/11/2019	22-Oct-20	Commissioned no tender	18
29	KINCAID HOUSE	£2,046,727.36	HSCP	19/11/2019	22-Oct-20	Commissioned no tender	18
30	GREENOCK MEDICAL AID SOCIETY	£1,294,099.23	HSCP	24/04/2020	22-Oct-20	Commissioned no tender	18
31	HC ONE LIMITED	£1,169,665.60	HSCP	24/04/2020	22-Oct-20	Commissioned no tender	18
32	BARNARDOS	£1,118,274.13	HSCP	05/05/2020	22-Oct-20	Commissioned no tender	18
33	MEALLMORE LODGE LIMITED	£1,055,254.66	HSCP	19/11/2019	22-Oct-20	Commissioned no tender	18
34	MARGARET BLACKWOOD HOUSING ASS	£1,023,823.19	HSCP	14/09/2019	22-Oct-20	Commissioned no tender	18
35	LITTLE SISTERS OF THE POOR	£596,291.98	HSCP	Sep-19	22-Oct-20	Commissioned no tender	18
36	CORA FOUNDATION	£563,473.54	HSCP	N/A	22-Oct-20	Commissioned no tender	18
37	IN-WORK LTD	£393,996.59	HSCP	18/02/2020	22-Oct-20	Commissioned no tender	18
38	CONFIDENT CARE LTD	£337,161.72	HSCP	02/12/2019	22-Oct-20	Tendered	18
39	SPARK OF GENIUS	£334,051.26	HSCP	20/06/2020	22-Oct-20	Commissioned no tender	18
40	ALZHEIMERS SCOTLAND	£295,844.80	HSCP	05/10/2020	22-Oct-20	Commissioned no tender	18
41	CAPABILITY SCOTLAND	£269,556.26	HSCP	N/A	22-Oct-20	Commissioned no tender	18
42	TRUST HOUSING ASSOCIATION LIMITED	£257,269.88	HSCP	04/03/2020	22-Oct-20	Commissioned no tender	18
43	STEPWELL CONSULTANCY LIMITED	£216,052.64	E&R	09/10/2020	Oct-19	Tendered	18
44	FINANCIAL FITNESS	£99,403.48	HSCP	16/01/2020	22-Oct-20	Grant - no SLA	18
45	THE ABBEYFIELD STRATHGRYFFE SOC LTD	£95,325.30	HSCP	12/12/2019	22-Oct-20	Commissioned no tender	18
46	ANGEL CARE SERVICES SCOTLAND LTD	£87,099.60	HSCP	13/02/2020	22-Oct-20	Tendered	18
47	CVS INVERCLYDE	£81,853.44	HSCP	27/10/20 Scheduled	22-Oct-20	Grant - no SLA	18
48	MIND MOSAIC	£40,000.00	E&C	Oct-20	Feb-20	Commissioned no tender	18
49	TURNING POINT SCOTLAND	£2,535,619.98	HSCP	21/10/2019	22-Oct-20	Tendered	16
50	THE RICHMOND FELLOWSHIP SCTLND	£2,352,512.90	HSCP	24/09/2020	22-Oct-20	Tendered	16
51	KARMA HEALTHCARE	£1,678,783.26	HSCP	05/12/2019	22-Oct-20	Tendered	16
52	ALLIED HEALTHCARE GROUP LIMITED	£894,615.86	HSCP	05/12/2019	22-Oct-20	Tendered	16
53	SCOTT ASSOC FOR MENTAL HEALTH	£708,178.76	HSCP	11/02/2020	22-Oct-20	Tendered	16
54	CARE VISIONS RESIDENTIAL SERVICES	£231,391.35	HSCP	24/02/2020	22-Oct-20	Commissioned no tender	16
55	ERSKINE HOSPITAL	£225,782.53	HSCP	19/10/20 Scheduled	22-Oct-20	Commissioned no tender	16
56	COTTAGE CARE SERVICES SCOTLAND LTD	£224,547.77	HSCP	01/07/2020	22-Oct-20	Tendered	16
57	KIBBLE EDUCATION AND CARE CENTRE	£218,206.00	HSCP	22/02/2020	22-Oct-20	Commissioned no tender	16
58	SCOTTISH MASONIC HOMES LIMITED	£212,679.27	HSCP	24/04/2020	22-Oct-20	Commissioned no tender	16
59	OCHIL TOWER SCHOOL	£202,179.00	HSCP	24/09/2020	22-Oct-20	Commissioned no tender	16
60	INVERCLYDE ASS FOR MENTAL HEALTH	£191,841.70	HSCP	18/02/2020	22-Oct-20	Tendered	16
61	INVERCLYDE WOMENS AID	£163,561.16	HSCP	04/04/2020	22-Oct-20	Commissioned no tender	16
62	ENCHANTED FOREST NURSERY	£159,535.13	E&C	Oct-20	Feb-20	Commissioned no tender	16
63	HILLSIDE SCHOOL (ABERDOUR) LTD	£125,884.61	HSCP	20/09/2020	22-Oct-20	Commissioned no tender	16
64	CAREWATCH (INVER & NTH AYRSH)	£103,105.45	HSCP	06/12/2019	22-Oct-20	Tendered	16
65	UNITY ENTERPRISE	£87,279.06	HSCP	10/01/2020	22-Oct-20	Commissioned no tender	16
66	WOODSIDE CARE	£86,311.72	HSCP	N/A	22-Oct-20	Commissioned no tender	16

67	THISTLE HEALTHCARE LTD	£85,620.21	HSCP	21/10/20 Scheduled	22-Oct-20	Commissioed no tender	16
68	INVERCLYDE ADVICE & EMPLOYMENT RIGHTS	£78,274.92	E&R	09/10/2020	Oct-19	Commissioned no tender	16
69	MOVING ON (INVERCLYDE)	£71,500.00	HSCP	04/02/2019	22-Oct-20	Commissioned no tender	16
70	SCOTTISH MARRIAGE CARE	£64,500.00	HSCP	N/A	22-Oct-20	Commissioned no tender	16
71	ENABLE SCOTLAND	£57,151.75	HSCP	20/01/2020	22-Oct-20	Commissioned no tender	16
72	MARINER SUPPORT ASSOCIATES LTD	£55,845.00	HSCP	15/11/2019	22-Oct-20	Commissioned no tender	16
73	PACIFIC CARE	£55,700.29	HSCP	06/11/2009	22-Oct-20	Commissioned no tender	16
74	EMBRACE (COMBINED) LIMITED	£52,912.91	HSCP	01/07/2020	22-Oct-20	Commissioned no tender	16
75	LIVING AMBITIONS	£50,558.40	HSCP	N/A	22-Oct-20	Commissioned no tender	16
76	GREENOCK MORTON COMMUNITY TRUST	£32,395.76	E&C	Oct-20	Feb-20	Grant - no SLA	16
77	RIVERSIDE INVERCLYDE	£1,050,200.00	E&R	13/08/2020	Aug-20	Single Operating Plan	24
		£42,627,938.61					

External Organisations Governance

Matrix

1/	<u>Annual Payment to the Organisation (Ex-Vat)</u>	<u>Points</u>
	Payment over £250,000	6
	Payment £50,000 to £250,000	4
	Payment £30,000 to £49,999	2
	Payment £29,999 and below	Exclude
2/	<u>Proportion of turnover funded by Council</u>	<u>Points</u>
	51% to 100%	8
	26% to 50%	6
	10% to 25%	4
	Below 10%	2
3/	<u>Nature of Payment to Organisation</u>	<u>Points</u>
	Grant – No SLA	8
	Grant – With SLA	6
	Commissioned – No Tender	6
	Tendered	4
4/	<u>Council Representation at Meetings</u>	<u>Points</u>
	Member on Board	6
	No Council Presence	4
	Officer's attendance allowed	2

Note –

Formal Council Arms Length External Organisations, (ALEOs) are part of this Framework irrespective of the points scored.

Governance Oversight

Points

22 plus

- a) Annual Accounts received by Service and reviewed by Finance.
- b) Briefing prepared where appropriate for Council Board Member in advance of any Board Meetings.
- c) Minutes circulated by attendee to Corporate Director, Head of Service, Finance and Procurement.
- d) Half yearly documented Governance meetings with organisations.
- e) Annual Committee report covering performance and quality issues.
- f) The Council identify, review and monitor specific governance, finance and performance indicators which will give early warning of any potential problems and acts accordingly.
- g) Evidence that risks associated with these organisations are considered as part of the Service/Directorate risk register.
- h) Contingency Plans are in place within the service to ensure continuity of service delivery if the agreement ends.
- i) Where services are delivered through ALEOs, the Council has well-developed and sound based strategy for the delivery of services which is linked to the wider Council's strategic objective and priorities

20 - 16

- a) As above
- b) Optional
- c) Optional
- d) Annual documented Governance meetings
- e) As above
- f) As above
- g) Optional
- h) As above
- i) Not Applicable

Under 16

- a) No action

Note: 1. The above are the minimum requirements however Services may decide on more frequent meetings / reporting based on specific risks / intelligence.

Appendix 3

Supplier/Prover	Payments	Services	Payment Points	Proportion of Turnover	Contract Arrangement	Nature of Payments	Council Representation at meetings	Total
ICDT LTD	£1,891,824.87	E&R	6	8	Tendered	4	6	24
ALT-NA-CRAIG LIMITED	£949,013.04	HSCP	6	8	Commissioned no tender	6	4	24
CARE CONCERN LIMITED	£924,375.92	HSCP	6	8	Commissioned no tender	6	4	24
INVERCLYDE ASSOC FOR MENTAL HEALTH	£516,966.18	HSCP	6	8	Tendered	6	4	24
INVERCARE SERVICES LTD	£376,403.52	HSCP	6	8	Tendered	6	4	24
CVS INVERCLYDE	£352,908.95	HSCP	6	8	Commissioned no tender	6	4	24
CROSSREACH	£319,841.12	HSCP	6	8	Commissioned no tender	6	4	24
INVERCLYDE LEISURE	£1,512,199.14	E&C	6	6	Commissioned no tender	6	6	24
KEY HOUSING ASSOCIATION LTD	£1,805,836.20	HSCP	6	8	Tendered	6	4	24
YOUR VOICE	£360,396.36	HSCP	6	8	Commissioned no tender	6	4	24
RIVERSIDE INVERCLYDE	£1,267,882.16	E&R	6	6	Commissioned no tender	6	6	24
INVERCLYDE VOLUNTARY COUNCIL	£120,113.59	HSCP	4	8	Commissioned no tender	6	6	24
BRANCHTON COMMUNITY CENTRE	£128,191.00	E&C	4	8	Grant - SLA	6	4	22
THE KILMACOLM NEW COMMUNITY CENTRE COMPANY LIMITED	£76,320.00	E&C	4	8	Grant- SLA	6	4	22
ENCHANTED FOREST NURSERY	£190,460.73	E&C	4	8	Commissioned no tender	6	4	22
CRAIGEND RESOURCE CENTRE	£158,991.24	E&C	4	8	Grant-SLA	6	4	22
FINANCIAL FITNESS	£87,436.67	HSCP	4	8	Commissioned no tender	6	4	22
INVERCLYDE ADVICE & EMPLOYMENT RIGHTS	£69,196.53	E&R	4	8	Commissioned no tender	6	4	22
RIVER CLYDE HOMES	£980,612.81	HSCP	6	4	Commissioned no tender	6	6	22
MUIRSHIEL CENTRE	£255,462.20	HSCP	6	8	Tendered	4	4	22
PARKLEA BRANCHING OUT	£155,863.18	HSCP	4	8	Commissioned no tender	6	4	22
MOVING ON (INVERCLYDE)	£106,875.00	HSCP	4	8	Commissioned no tender	6	4	22
INVERCLYDE WOMENS AID	£163,465.88	HSCP	4	8	Commissioned no tender	6	4	22
GIBSHILL COMMUNITY CENTRE	£32,775.00	E&C	2	8	Grant- SLA	6	6	22
INVERKIP COMMUNITY INITIATIVE	£55,574.69	E&C	4	6	Grant-SLA	6	6	22
THE BEACON	£167,374.53	E&C	4	6	Grant-SLA	6	4	20
ANGEL CARE SERVICES SCOTLAND LTD	£116,408.24	HSCP	4	8	Tendered	4	4	20
HILLEND VIEW CARE HOME	£49,787.32	HSCP	2	8	Commissioned no tender	6	4	20
FOSTER CARE CONNECT	£45,442.82	HSCP	2	8	Commissioned no tender	6	4	20
TRUST HOUSING ASSOCIATION LIMITED	£339,538.44	HSCP	6	2	Commissioned no tender	6	4	18
SILVERLINE CARE CALEDONIA LTD	£1,553,210.42	HSCP	6	2	Commissioned no tender	6	4	18
SIR GABRIEL WOOD'S MARINERS HOME	£483,393.45	HSCP	6	2	Commissioned no tender	6	4	18
MEALLMORE LODGE LIMITED	£1,120,786.65	HSCP	6	2	Commissioned no tender	6	4	18
QUARRIERS	£2,681,944.33	HSCP	6	2	Commissioned no tender	6	4	18
CONFIDENT CARE LTD	£344,373.85	HSCP	6	4	Tendered	4	4	18
COTTAGE CARE SERVICES SCOTLAND LTD	£218,426.84	HSCP	4	4	Commissioned no tender	6	4	18
FLAGSHIP TOWER (GREENOCK) LIMITED	£2,189,030.06	HSCP	6	2	Commissioned no tender	6	4	18
GREENOCK MEDICAL AID SOCIETY	£1,255,328.87	HSCP	6	2	Commissioned no tender	6	4	18
HC ONE LIMITED	£1,241,181.11	HSCP	6	2	Commissioned no tender	6	4	18

KINCAID HOUSE	£1,909,933.92	HSCP	6	2	Commissioned no tender	6	4	18
BALCLUTHA COURT	£1,631,871.23	HSCP	6	2	Commissioned no tender	6	4	18
BARNARDOS	£1,276,954.14	HSCP	6	2	Commissioned no tender	6	4	18
MARGARET BLACKWOOD HOUSING ASS	£860,218.78	HSCP	6	2	Commissioned no tender	6	4	18
LITTLE SISTERS OF THE POOR	£402,619.95	HSCP	6	2	Commissioned no tender	6	4	18
LOCHWYND LTD	£269,290.32	HSCP	6	2	Commissioned no tender	6	4	18
ALZHEIMERS SCOTLAND	£265,797.59	HSCP	6	2	Commissioned no tender	6	4	18
IN-WORKS ENTERPRISES LTD	£253,552.64	HSCP	6	2	Commissioned no tender	6	4	18
CAPABILITY SCOTLAND	£215,432.21	HSCP	6	2	Commissioned no tender	6	4	18
INVERCLYDE CARERS CENTRE LTD	£205,643.30	HSCP	4	2	Commissioned no tender	6	6	18
THE RICHMOND FELLOWSHIP SCOTLAND	£2,715,301.55	HSCP	6	2	Tendered	4	4	16
KARMA HEALTHCARE	£1,983,606.42	HSCP	6	2	Tendered	4	4	16
WELLINGTON PLAYGROUP	£125,616.49	E&C	4	2	Commissioned no tender	6	4	16
UNITY ENTERPRISE	£94,399.33	HSCP	4	2	Commissioned no tender	6	4	16
THE ABBEYFIELD STRATHGRYFFE SOC LTD	£68,811.43	HSCP	4	2	Commissioned no tender	6	4	16
THISTLE HEALTHCARE LTD	£64,688.62	HSCP	4	2	Commissioned no tender	6	4	16
WHO CARES (SCOTLAND)	£58,586.00	HSCP	4	2	Commissioned no tender	6	4	16
YOUTH CONNECTIONS	£114,249.94	E&C	4	2	Grant-SLA	6	4	16
TURNING POINT SCOTLAND	£2,246,329.49	HSCP	6	2	Tendered	4	4	16
SPARK OF GENIUS	£524,755.09	HSCP	6	2	Tendered	4	4	16
CAREWATCH (INVER & NTH AYRSH)	£76,047.01	HSCP	4	4	Tendered	4	4	16
SCOTT ASSOC FOR MENTAL HEALTH	£696,347.89	HSCP	6	2	Tendered	4	4	16
SCOTTISH MASONIC HOMES LIMITED	£192,574.40	HSCP	4	2	Commissioned no tender	6	4	16
SALVATION ARMY TERRITORIAL HEADQUARTERS	£155,428.92	HSCP	4	2	Tendered	6	4	16
NAS SERVICES LTD	£151,038.68	HSCP	4	2	Commissioned no tender	6	4	16
OCHIL TOWER SCHOOL	£127,531.54	HSCP	4	2	Commissioned no tender	6	4	16
PACIFIC CARE	£69,429.94	HSCP	4	2	Commissioned no tender	6	4	16
OAK TREE HOUSING ASSOCIATION	£69,385.70	HSCP	4	2	Commissioned no tender	6	4	16
MARINER SUPPORT ASSOCIATES LTD	£67,647.20	HSCP	4	2	Commissioned no tender	6	4	16
REAL LIFE OPTIONS	£66,842.65	HSCP	4	2	Commissioned no tender	6	4	16
HILLSIDE SCHOOL (ABERDOUR) LTD	£146,719.29	HSCP	4	2	Commissioned no tender	6	4	16
HANSEL ALLIANCE	£58,453.95	HSCP	4	2	Commissioned no tender	6	4	16
ERSKINE HOSPITAL	£223,584.01	HSCP	4	2	Commissioned no tender	6	4	16
ENABLE SCOTLAND	£197,937.21	HSCP	4	2	Commissioned no tender	6	4	16
CORA FOUNDATION	£131,194.14	HSCP	4	2	Commissioned no tender	6	4	16
ALLIED HEALTHCARE GROUP LIMITED	£592,100.08	HSCP	6	2	Tendered	4	4	16
KIBBLE EDUCATION AND CARE CENTRE	£237,295.86	HSCP	4	2	Commissioned no tender	6	4	16
MADEIRA NURSERY	£54,253.18	E&C	4	2	Commissioned no tender	6	4	16
STEPWELL CONSULTANCY LIMITED	£181,212.76	E&R	4	2	Tendered	6	4	16

Total £43,447,896

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Aubrey Fawcett, Chief Executive	Report No:	FIN/85/20/AP/LA
Contact Officer:	Chief Financial Officer	Contact No:	01475 712223
Subject:	Delivering Differently in Inverclyde - Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to present to the Committee the annual update on the Delivering Differently programme.

2.0 SUMMARY

- 2.1 The Committee received a comprehensive report in January 2017 setting out the progress made in terms of Transformation to date and the plans for the future. This future programme of work was called "Delivering Differently".
- 2.2 There are 3 Directorate Change Boards which meet monthly to monitor progress in the delivery of savings and projects which involve approved or potential changes in service delivery. Every 2 months the CMT reviews progress using a RAG status approach. The areas where there is the greatest potential change in service delivery are collated into a Delivering Differently programme which is reported annually to the Policy & Resources Committee.
- 2.3 Given that many of the Delivering Differently projects will impact on the workforce, progress on the programme is discussed with the Trades Unions at the Joint Budget Group supported by Trades Union liaison at individual project level.
- 2.4 During the last 12 months progress on many of the Change Board projects has been affected by Covid-19 due to senior officer resources being significantly dedicated to tackling the pandemic and this can be seen in the progress updates provided. The Committee is asked to note that given the projected increase in Covid numbers over the winter and spring it is likely that a number of Change Board projects will continue to be delayed due to officers managing the impact of the pandemic.
- 2.5 Appendix 1 summarises the current status of the 25 projects which currently make up the Delivering Differently programme. Potential savings and employee impacts plus reporting timescales are shown. From Appendix 1, it can be seen that 3 of the projects have been completed during the last 12 months and will therefore be dropped from future updates.
- 2.6 The Committee will also note that all of the projects where savings are currently shown have been agreed as part of the current or previous budgets. Officers are working to identify potential savings in other projects in order that they can be reported for potential inclusion in future budgets. The Committee should note however that some of the projects will not deliver savings but, rather, are aimed at reducing cost pressures. It is also proposed to amend the focus of the Terms and Conditions review and Committee approval for this proposal is sought.
- 2.7 The CMT has reviewed the current Change Board projects and would recommend that three other projects of strategic importance to the Council be included in the Delivering Differently programme prior to reporting to the relevant Committee. These projects are listed in Appendix 2. The Committee is asked to agree that these be added to the programme.

- 2.8 In order to inform the development of some of the proposals within Appendix 2 it would be useful to gather intelligence on employee intentions where reductions in numbers may be required to deliver the proposals being developed. In line with a similar approval granted in the last two years, the Committee is asked to grant delegated powers to the Chief Executive to conduct Voluntary Early Release Trawls where required for these projects but on the proviso that no decisions are taken without a report to the relevant Committee.
- 2.9 Over and above the projects listed in Appendices 1 and 2 progress has been made in relation to other significant Council priorities aligned with this programme. An update is provided in the body of the report.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Policy and Resources Committee:
- a) Notes the progress made to date on the Delivering Differently programme and the impact which the Covid Pandemic is having on some delivery timescales.
 - b) Agrees that delegated powers are given to the Chief Executive to conduct Voluntary Early Release Trawls where required for those projects in Appendix 2 but on the proviso that no decisions are taken without a report to the relevant Committee.
 - c) Agrees the change to the scope of the Terms and Conditions review and that the projects listed in Appendix 2 be added to the Delivering Differently programme.

Aubrey Fawcett
Chief Executive

4.0 BACKGROUND

- 4.1 Audit Scotland, in their 'Overview of local government in Scotland 2016' report, highlighted that local authorities have depended on incremental changes to services, increasing charges and reducing employee numbers in order to make savings. Audit Scotland views that these are neither sufficient nor sustainable solutions to the challenges facing councils. They set out that what is required is a more strategic approach, longer term planning and a greater openness to alternative forms of service delivery.
- 4.2 The Committee received a comprehensive report in January 2017 setting out the progress made in terms of Transformation to date and the plans for the future. The programme of work was called "Delivering Differently" and this report provides an update on progress.

5.0 CURRENT POSITION AND PROGRESS TO OCTOBER, 2020

- 5.1 There are 3 Directorate Change Boards which meet monthly to monitor progress in the delivery of savings and projects which involve changes in service delivery. Every 2 months the CMT reviews progress using a RAG status approach. The areas where there is the greatest potential change in service delivery are collated into the Delivering Differently programme which is attached as Appendix 1.
- 5.2 During the last 12 months progress on many of the Change Board projects has been affected by Covid-19 due to senior officer resources being significantly dedicated to tackling the pandemic. The DMTs and CMT have reviewed all projects classified as "Amber" and have agreed which require to be prioritised.
- 5.3 Appendix 1 summarises the current status of the 25 projects which currently make up the Delivering Differently programme. Potential savings and employee impacts plus reporting timescales are shown. From Appendix 1, it can be seen that 3 of the projects has been completed during the last 12 months and will be dropped from future updates.
- 5.4 The Committee will also note that all of the projects where savings are currently shown have been agreed as part of the current or previous budgets. Officers are working to identify potential savings in other projects in order that they can be reported for potential inclusion in future budgets. The Committee should note however that some of the projects will not deliver savings but, rather, are aimed at reducing cost pressures. It is also proposed to amend the focus of the Terms and Conditions review project.
- 5.5 The main achievements in those areas included within or which support the Delivering Differently programme over the last 12 months include:
 - Revenue Budget – The Council approved the 2020/21 Revenue Budget without the use of reserves in March, 2020. As part of the Budget the Council created a recurring £1million Anti-Poverty Budget with decisions on the initial use of the budget taken at the August Policy & Resources Committee.
 - Digital Strategy – Progress in the delivery of the 3 year Strategy 2017/20 is reported to every second Policy & Resources Committee. The development of on line services has been progressing with on line access to many Council Tax services being launched early 2020 and the Garden Waste permit system being fully operated on line and the sale of over 10,600 permits bought in 2020. A new Strategy will be developed taking account of learning from service delivery during the Covid period and is due for consideration by Committee in the spring of 2021.

- The redesign of the Learning Disability Service and its day provision has continued. The two centres have moved to one, achieving significant saving and delivering improved outcomes for people using the service whilst a site for the new build facility has been identified with a Hub Group established.
- Shared Services opportunities continue to be developed with opportunities in place within the existing Roads Shared Service and Environmental Services from April, 2020. In addition a Shared Management approach for Internal Audit has also been agreed with West Dunbartonshire Council and will commence in January, 2020. In addition, joint collaboration opportunities with West Dunbartonshire Council around the role of Service Manager – Corporate Policy, Performance and Partnership has been explored and agreed to be trialled for a period of six months up to 31 March 2021.
- In February 2020 the Policy and Resources Committee approved the Council's People and Organisational Development Strategy 2020-2023 and noted the achievements in relation to the delivery of the 2017-2020 People and Organisational Development Strategy. This report highlighted the variety of workforce planning actions delivered or being progressed to address the projected funding gap and support the progression of projects under the Delivering Differently programme. Detailed workforce profiling has been undertaken in areas under review and service workforce and succession plans have been developed which support services to take the necessary steps to ensure they have a workforce to meet future service delivery challenges. These plans support the delivering differently programmes and cover key areas of organisational development, leadership & employee skills development and recruitment & retention.
- The Council's Workforce Planning & Development Group will continue to contribute to the development and monitoring of the key actions outlined above and within the wider People and Organisational Development Strategy. Progress reports will continue to be brought to the Corporate Management Team and the Policy and Resources Committee.

6.0 GOING FORWARD – DELIVERING DIFFERENTLY IN INVERCLYDE

- 6.1 The CMT has identified several proposals where it would recommend that these should be included in the Delivering Differently programme in order to allow close scrutiny of proposals prior to reporting to the relevant Committee. These projects are listed in Appendix 2. The Committee is asked to agree that these be added to the programme
- 6.2 Transformation can be used to ameliorate the impact of service cuts, and develop services that still meet the needs of the local population. All opportunities should be explored to attempt to mitigate any service reduction. The challenge going forward is how to keep the pace of change going in a context where there continues to be reductions in officer capacity driven by the reduction in resources.

7.0 IMPLICATIONS

7.1 Finance

Whilst it is believed that savings can be made by continuing and expanding the Delivery Differently Programme, including areas such as sharing services and working alongside our communities to deliver services, this will not be sufficient to close the medium term funding gap.

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					

7.2 Legal

None at present.

7.3 Human Resources

In order to inform the development of some of the proposals it would be useful to gather intelligence on employee intentions were reductions in numbers required. To this end, the Committee is asked to give delegated powers to the Chief Executive to conduct Voluntary Early Release Trawls where required to the projects identified in Appendix 2 but on the proviso that no decisions are taken without a report to the relevant Committee

7.4 Equalities

(a) 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.

(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?

x

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

NO

7.5 Repopulation

None at present.

8.0 CONSULTATIONS

8.1 The CMT has endorsed this update to the Committee and the Delivering Differently programme is discussed with the Trades Unions on a regular basis at the Joint Budget Group.

9.0 LIST OF BACKGROUND PAPERS

9.1 None

Delivering Differently - 30 September, 2020

Proposal		Directorate	Current Position - 30.9.20	Key Milestones	Potential Savings/(Costs) £000	Estimated FTE Impact	TU Contact
1/	On line School Payments expansion.	ECOD	Primary Schools are live for cashless payments from August 2019. Debt write off process finalised. Report back on implementation of cashless catering in Secondary Schools to be taken to Education and Communities committee in January 21. Project delayed from August, 2020 by Covid.	Primary Schools to become cashless- Aug 2019. Report to Education and Communities on Secondary Schools -Jan 2021	None expected	N/A	Robin Taggart
2/	1140 hours delivery - Workforce and Buildings	ECOD	1140 delivery on target and reported to September E&C Committee. Slippage in delivery of aspects of the Capital Programme. Projected £2million underspend in 2020/21 has been largely reallocated, review of funding levels from 2022/23 being undertaken by Scottish Government and Councils. Information gathering has commenced on the impact of Scottish Government potential Deferred Entry regulations. Officers considering implications	Next update to Committee Jan-21 Revised 2022/23 funding due to be announced - Summer 2021	Funded by SG Grant	N/A	Robin Taggart & Suzanne McCall
3/	Participatory Budgeting	ECOD	Updated approach approved by Committee March,2020. Covid has had an impact on this project. Indications are that this initiative will be delayed by the Scottish Government for 12 months due to Covid	Further update to CMT before the end of 2020. Approach to be adopted during 21/22.	None expected	N/A	Calum McLellan
4/	Revisions to DMR process	ECOD	Working groups set up to look at devolved school management guidelines for schools and management structures in secondary schools. Limited progress due to other priorities	Working group re-established and work has recommenced on this. The aim is to complete this for August 2021.	None expected	N/A	Robin Taggart & Paula McEwen
5/	School Transport	ECOD	Education & Communities Committee approved the Transport Policy in September 2019 which included Free Transport for Secondary School pupils who live between 1-2 miles from their school. The cost of this estimated to be around £70k/year. Funding approved by P&R Committee. All aspects implemented except the provision of bus passes for public transport which will be delayed until safe to proceed.	Implementation was August,2020. Use of public transport is currently under review and will be driven by Covid restrictions.	(238)	N/A	N/A
6/	Terms & Conditions Review	ECOD	It is proposed to change the focus of the review from looking at potential changes which could generate savings to reviewing Terms & Conditions in light of changes to working practices highlighted by the Covid period.	Conclude review by April 2021	tbc	N/A	TU reps on the JBG

7/	ASL/Classroom Assistants Review	ECOD	Vacant posts and £211k from Scottish Government funding to be used for service redesign and delivery of a saving	Review to be concluded early 2021 for implementation by June-2021	tbc	tbc	Robin Taggart
8/	Shared Janitorial Resource	ECOD	It was proposed to pilot the sharing of janitorial resource between 2 pairs of Primary Schools and the results of the pilot reported back to Committee thereafter. Delayed by Covid and proposed to move the focus of the project into carrying out a service review.	Original timescale was to conclude the pilot by June 2021. Draft Service review by June, 2021	20	1.0	Stuart Graham/Bobby Pyott
9/	Digital Access/ Modernisation	ERR	Citizens Access Revenues (CAR) and KANA developments went live late January, launch to the public planned early February. £200k investment approved by members as part of the 20/21 Budget and proposals being developed with an emphasis on supporting new ways of working post Covid.	Upgarde of KANA October 2020. Funding for EDRMS Business Case to be considered late 2020	Contain in existing Budgets	Tbc	Calum McLellan
10/	Clyde Muirshiel Park Review	ERR	Renfrewshire & Inverclyde Councils approved in principle the continuation of the Park but with the Joint Committee being wound up and each Council managing their own aspects. Potential TUPE of 3 Renfrewshire employees and asset disaggregation proposals being progressed before final approval early 2021	Report to E&R Cttee-August 2020 Final decision to be taken early 2021. Commencement of new arrangements April,2021	0	-3.0	Robin Taggart
11/	Environmental Shared Services	ERR	Wider Environmental Shared Service proposal approved by E&R Committee August 2019 based on an implementation by April 2020. Manager shared from April,2020. Next phase was due October , 2020 but now due January, 2021	Implement Manager arrangements from April, 2020. Next phase was due October 2020 but now January, 2021	91	1.5	Stuart Graham/Robin Taggart
12/	Property Services Fee Reduction Restructure	ERR	Significant drop off in fee income identified from 2021. Need to match capital programme projects and timescales to potential reduction in Property staffing resources. VER trawl identified a number of potential releases. Delayed due to Covid. Potential shared resources discussions taking place with West Dunbartonshire Council.	CMT Report- November, 2020 and E&R Committee, January, 2021	None expected	tbc	Robin Taggart
13/	Implementation of Green Waste Charges	ERR	Saving to be implemented 2020/21. On line sale of permits launched January, 2020. Complete	Take payments from Januray,2020. First uplifts, March,2020	237	-1.0	Robin Taggart
14/	Revised Parking Charges	ERR	Report approved by E&R Committee August 2019. April 2020 date was not achieved due to Covid and complexity of the process. TRO process recommenced September,2020, any objections will delay implementation by 6 months.	April, 2021 if no maintained objections received	100	N/A	N/A

15/	IL Estate AMP	ERR	Condition survey of IL properties was progressed and aligned with the IL 3 Year Plan. Report prepared pre Covid requires to be revisited in light of the impact on the IL Business Model.	IL Business Plan due December,2020 Budget decisions due March,2021	tbc	tbc	N/A
16/	Shared Services (Other Areas)	ERR	Chief Internal Auditor transferred to West Dunbartonshire Council from January, 2020, balance of approved saving to be progressed.Further areas being discussed with W Dun Council and 6 month trial of the Policy Manager post approved September,2020.	Audit Ph2 saving due April, 2021 Review of Policy Manager arrangement due March,2021	60	1.0	TU Reps JBG
17/	Office Campus Review	ERR	Review of the main Campus office accommodation incorporating a utilities invest to save project.CMT reviewed initial report December, 2019 however significantly impacted by increased home/flexible working brought about by Covid. Further review on going for consideration as part of the 2021/23 Budget	Revised proposal - CMT December, 2020 P&R Committee February,2021	tbc	tbc	Robin Taggart
18/	Learning Disabilities Service Review- New Build	HSCP	Following an options appraisal it was agreed as part of the 20/21 Budget to develop the former Hector McNeil Baths site. Hub Group established.	Tenders to be issued June2021 Site start January,2022	Running costs to be contained by HSCP	tbc	Robin Taggart
19/	Social Transport Review	HSCP	Phase 1 has looked at Learning Disabilities and delivered an £11k saving. Work on going reviewing external providers and overlaps with internal service. Draft HSCP transport policy developed presented to the CMT. Work on hold due to Covid	TBC	11	N/A	Brian Gallagher & Willie Bell
20/	SWIFT System Replacement	HSCP	Council agreed to provide £600k direct funding and loan of £243k to replace the system. Request to September IJB to progress the enhanced option at a cost of an extra £369k to be funded by IJB Reserves. Tender due to be progressed December 2020	Report CMT on Business Case December 2019 Go to tender for new system December,2020	Maintenance costs contained within existing budgets. Council Capital contribution £600k	2.0	Robin Taggart
21/	Homelessness Service Review	HSCP	RRTP V3 submitted to the Scottish Government. Progressing with Housing 1st. No plans to change current service delivery model.	Presentation to CMT- October, 2020	tbc	tbc	Veronica Rasmussen, Stuart Graham
22/	Continuing Care	HSCP	Developing proposals for a delivery of a model of continuing care that is sustainable. Proposals approved by the CMT December,2019.Cosla have identified Continuing Care as a national pressure. Extra posts and funding route agreed. Complete	Report to CMT- December 2019 H&SC Committee January, 2020	HSCP to contain costs of the 9 new posts	-9.0	Robin Taggart
23/	Criminal Justice Grant Reduction 2020/22	HSCP	Service and budget reconfiguration to ensure it is within Scottish Government Grant. Concerns around funding the pay award from within the reducing Grant. Final administration saving to be clarified	Final CMT report- October,2020	tbc	tbc	Veronica Rasmussen

24/	Alcohol & Drugs Recovery Service Review	HSCP	Review of the resource requirements for the Alcohol & Drugs Recovery Service. The resulting proposals reported to the Health & Social Care Committee. Sessional saving delivered. Complete	CMT report January,2020 Complete Review March,2020	40	sessional hours	Robin Taggart
25/	Mental Health Officer Service Review	HSCP	The Health & Social Care Committee approved an external review of the Mental Health Officers Service. Work largely completed but delayed by moritorium on reviews by Health Service during Covid pandemic	Review commended December,2019. Report eas due April,2020. Completion delayed by Covid	None expected	tbc	Robin Taggart
					321	-7.5	

Delivering Differently
Proposed Additions

Directorate	Summary of proposed review
ECOD	<p><u>Workforce Refresh Scheme</u></p> <p>Project with the twin aims of providing local employment opportunities targeted at specific demographic groups whilst also beginning to address the age profile in certain Council services. To be considered as part of the 2021/23 Budget and Covid Recovery Plan.</p>
ERR	<p><u>Waste Disposal</u></p> <p>The requirement to divert all biodegradable waste from landfill will require a significant change in procurement/delivery approach. Allied to this Members have asked for officers to carry out an option appraisal of reinstating a Council run MRF at Ingleston to provide local employment opportunities</p>
ERR	<p><u>Cloud Technology</u></p> <p>Forming part of the ICT Strategy, the requirement for the Council to move to Cloud technologies has been highlighted by the changing market place and to support changes in working practices highlighted by Covid. This will require a phased approach with some significant financial and operational implications.</p>

AP
12/10/20

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Chief Financial Officer	Report No:	FIN/105/20/AP/LA
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	Anti-Poverty Fund - Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to update the Committee regarding the latest position of the anti-poverty related initiatives and funding and to seek decisions on future initiatives for the period to 31 March 2021.

2.0 SUMMARY

- 2.1 As part of the 2020/21 Revenue Budget process the Council and the IJB agreed to allocated £1 million towards anti-poverty initiatives on a recurring basis. Proposals on the use of the £1 million were agreed by the Policy & Resources Committee on 11 August 2020.
- 2.2 As part of the response to the Covid-19 pandemic, the Scottish Government has utilised elements of the UK Government consequentials to fund a number of national initiatives which have supplemented, and in some cases duplicated, areas where the Council had already allocated funding. Within the Anti-Poverty monies this has occurred in relation to free school meals over the holiday period.
- 2.3 In late October the Scottish Government announced £30 million funding to tackle financial insecurity including the provision of free school meals over the October, Christmas, February half term and Easter holiday periods. At the time of writing the report the Councils share of this funding has to be confirmed but it is expected to be in the order of £450,000 to £500,000 which has to be spent by 31 March, 2021 with the exception of the Easter holiday free school meal funding.
- 2.4 In light of the need to spend the money by 31 March 2021 the Corporate Management Team has recommended a number of initiatives to utilise the Scottish Government funding and this in turn will result in an underspend in 2020/21 Anti-Poverty monies. In order to ensure that this funding remains allocated to meeting the undoubted need within the Inverclyde Community it is proposed that any underspend in the £1 million recurring Anti-Poverty budget be allocated to the already existing Anti-Poverty Earmarked Reserve at the year end.
- 2.5 On the basis that the Committee approves the proposals then Officers will liaise with relevant parties to ensure the distribution of funding as quickly as possible.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Policy & Resources Committee considers the proposals set out in Section 6 of the report and, if approved, remits it to Officers to implement the distribution of funding prior to 31 March 2021.
- 3.2 It is recommended that the Committee agrees that any underspend on the recurring Anti-Poverty Revenue Budget be added to the Anti-Poverty Earmarked Reserve at the year end and carried forward into 2021/22.

4.0 BACKGROUND

- 4.1 As part of the 2020/21 Revenue Budget the Council and the IJB allocated £1 million on a recurring basis to progress sustainable initiatives to reduce poverty and deprivation within Inverclyde. The creation of this budget was partially informed by the SMID data which was released in February 2020 which showed that Inverclyde had the most deprived data zone in Scotland and the second highest number of data zones in the bottom 20% behind Glasgow.
- 4.2 On 11 August the Policy & Resources Committee agreed a number of initiatives around employability, food insecurity, digital inclusion and strengthening the Community/third sector base. Officers are progressing the relevant projects with an update on progress attached as Appendix 1.

5.0 CURRENT POSITION

- 5.1 As part of its response to the Covid-19 pandemic, the Scottish Government has allocated significant sums towards specific initiatives around food insecurity, financial insecurity and supporting the Community. In a number of cases these initiatives have duplicated actions already taken by the Council and to which funding has been allocated.
- 5.2 The Scottish Government funding is largely ring fenced and time limited and as such Officers would strongly advise that this money be utilised first and that the relevant Council funding be utilised to either continue the initiative beyond the Scottish Government end date or that it be returned to specific reserves on which Members would take decisions at a later date.
- 5.3 Specifically in this regard on 23 October the Scottish Government wrote to Councils advising of a £30 million Financial Insecurity Fund. The Fund has been split by the Scottish Government with £10 million to provide free school meals over the October/Christmas/February half term and Easter holidays with the remaining £20 million to be spent flexibly by Councils in tackling financial insecurity. The suggestions within the Government letter for utilisation of the funding are to supplement the Scottish Welfare Fund, to provide cash based support to tackle food insecurity or alternative provision where this is more appropriate, support to meet fuel costs and further funding for Discretionary Housing Payments.
- 5.4 Based on existing funding levels and activity experienced to date, Officers would not recommend any further allocation of funding at this time to the Scottish Welfare Fund or Discretionary Housing Payments. Updates on both these areas are provided in the regular Welfare Reform report which is earlier in the agenda.
- 5.5 The Council had already allocated £150,000 from the £1 million Anti-Poverty budget to provide a £40 per pupil payment for those in receipt of free school meals over the Christmas period. Clearly the Scottish Government funding duplicates this albeit at a lower funding level and as such it is proposed that the £150,000 now be scored against the Scottish Government funding.
- 5.6 In view of the need to spend the Financial Insecurity Funding by 31 March 2021 (with the exception of the Easter holiday free school meal funding), the Corporate Management Team is recommending proposals to utilise the estimated funding which the Council can expect to receive from the £30 million fund. The proposals are set out in Section 6.
- 5.7 In order to deliver the proposals there will require to be close liaison with certain key partners and therefore an early decision from the Policy & Resources Committee on the allocation of the funding is required to ensure the funds can be allocated by 31 March 2021.

6.0 PROPOSED USE OF THE FINANCIAL INSECURITY GRANT

6.1 School Meals over the Holiday Periods – Cost £ 320,000

The Council had already allocated £150,000 from the Anti-Poverty budget to make a £40 payment at Christmas for each child in receipt of Free School Meals. This was to cover the October and Christmas breaks at the previously agreed £25/fortnight rate. It is proposed to meet this cost from the Financial Insecurity Grant and to increase this payment to £50 in recognition of the specific pressures over the Festive Period in 2020 in particular. Cost £188,000.

Thereafter, it is proposed to allocate a further £35/child in Easter to cover the February Half-Term and Easter breaks. Based on previous up take this will cost £132,000.

6.2 Older Persons Support – Cost £130,000

The Council and the IJB usually organise a Christmas lunch event/voucher scheme for the elderly. This year it will not be possible to hold the Christmas lunches but with the assistance of Your Voice it is proposed to provide a voucher for £15 to each elderly applicant. This is estimated to cost around £30,000.

In addition the Council has provided has provided iHeat with £40,000 from the Welfare Reform monies for many years to provide advice and grants to qualifying older persons with the financial support being £75. For 2020 it is proposed to increase the support to £150/person to recognise the fact that with fewer opportunities to leave the home to visit friends and family or go to day centres/cafes/restaurants etc, then it is likely utility bills will be higher. If agreed, officers will liaise with iHeat to finalise proposals and to ensure the money is fully spent by the end of March. Extra cost £100,000.

6.3 Other Supports – Cost £50,000

Starter Packs - Starter Packs have been a long standing partner funded via the Welfare Reform monies. Demand for support is as high as ever and it is proposed that one off funding of £15,000 will help support families and individuals access essential goods for setting up a home.

Belville Gardens - The organisation has an outstanding £18,000 invoice for the provision of connectivity “dongles” for the 300 laptop devices which they allocated out over the Covid period.

Contingency – The estimated balance of £17,000 would be allocated to meet any increase in costs or to support relevant projects/bodies.

6.4 In the event there was an overspend on the above proposals, the costs would be allocated against the Anti-Poverty £1million budget in 2020/21.

7.0 IMPLICATIONS

7.1 Finance

The Council already has an Anti-Poverty Fund Earmarked Reserve which was created a number of years ago as part of the Welfare Reform response. It is proposed that any underspend in the £1 million recurring Anti-Poverty Fund be allocated to this earmarked reserve at 31 March,2021 and the uses of this earmarked reserve be decided by the Policy & Resources Committee.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Covid	Financial Insecurity	20/21	£500,000		SG funding level to be confirmed.

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments

7.2 Legal

There are no legal implications arising from this report.

7.3 Human Resources

There are no HR implications arising from this report.

7.4 Equalities

Equalities

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

<input type="checkbox"/>	YES (see attached appendix)
<input checked="" type="checkbox"/>	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?

<input type="checkbox"/>	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
<input checked="" type="checkbox"/>	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

<input type="checkbox"/>	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
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X	NO
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7.5 **Repopulation**

The provision of appropriate support to many of the most vulnerable in our community will assist with the Council's repopulation agenda by encouraging families and individuals to stay within the area.

8.0 **CONSULTATIONS**

8.1 The proposals in this report have been developed by the Senior Officer Anti-Poverty Group and endorsed by the Corporate Management Team.

9.0 **BACKGROUND PAPERS**

9.1 None

Anti-Poverty Fund – Actions Update

Appendix1

	Issue	Lead	Update – 27/1020
(a)	<u>Employability £657,000</u> – Develop proposals for 2021/23 in line with Covid Recovery Plan Budget.	Scott/Stuart	The new apprentice opportunities for Cohort 1 are being rolled out and will be deployed by January. Cohort 2 is fully populated and the former apprentices have all commenced their temporary contracts. The Inverclyde furlough scheme remains a source of funding which Inverclyde will support businesses who cannot access mainstream interventions.
(b)	<u>Holiday Hunger £150,000</u> - £40/child to be paid by Christmas 2020.	Ruth/Louise M	Systems ready to make the payments but funding route and amount to be clarified following Scottish Government funding announcement.
(c)	<u>Digital Connectivity £60,000</u> – Devices and connectivity to help address Digital Exclusion	Ruth/Louise M	<p>Multi Agency Working group is meeting 6 weekly sessions to share information on funding opportunities. The strategy will continue to be driven forward and monitored as part of the 3 year Community Learning and Development Strategy and Action Plan.</p> <p>The working group has identified that target groups who will receive digital support provision from this funding source is people over the age of 16 years not in school, lone parents, people with disabilities and people who have English as a second language and are engaged in further learning, training or employability, but do not have access to online or internet provision.</p> <p>This funding will purchase approximately 150 laptops with built in WIFI connectivity linked to support from Community Learning and</p>

	Issue	Lead	Update – 27/1020
			<p>Development officers to improve knowledge and capacity. These laptops will be purchased through Inverclyde Council ICT services.</p> <p>The client/customer will be identified through the many public, community and business sector organisations who require access to digital kits, which will be loaned to them throughout the period of their learning, training or employability programme.</p>
(f)	<p><u>Strengthening Community Base £200,000</u> – Application and allocation process approved at the September E&C Committee</p>	Ruth	<p>Process approved and first application submitted to the E&C Committee for approval. Officers liaising with other organisations on potential support.</p>

Report To: Policy and Resources Committee **Date:** 17 November 2020

Report By: Steven McNab,
Head of Organisational
Development, Policy and
Communications **Report No:** PR/44/20/KM

Contact Officer: Amanda Coulthard,
Shared Services Manager
Corporate Policy, Performance
and Partnership **Contact No:** 01475 712042

Subject: Accounts Commission 'Local Government in Scotland Overview 2020' Report

1.0 PURPOSE

- 1.1 The purpose of this report is to bring to the Committee's attention the publication of the annual Accounts Commission Local Government Overview report, highlight relevant matters and seek approval for improvement actions arising.

2.0 SUMMARY

- 2.1 The Accounts Commission published its annual report covering the challenges and performance issues faced by councils on 23 June 2020. The report, "[Local Government in Scotland Overview 2020](#)", aims to support Councillors and senior Council officers in their respective roles. Whilst the report was prepared before the Covid-19 pandemic hit, the Commission advise that it contains messages that will be useful for public bodies to consider in the recovery process.
- 2.2 The report focuses on three areas: (i) the challenging and complex landscape in which councils operate (ii) the need for councils to do things differently to meet the needs of communities into the future and (iii) a case study examining how the challenges facing councils have affected their Planning Service and how this service is responding to these challenges.
- 2.3 The Accounts Commission presents a number of key messages and challenges for councils, summarised in sections 5 and 6 below. The report also includes a number of questions for Councils to consider aligned to the key messages. To ensure a comprehensive self-assessment of the Inverclyde Council position against each question area, potential evidence areas were provided by the CMT to inform a focused development session for Elected Members on 27 October 2020. The table in Appendix 1 details the position against each question area with suggested improvement activity as required.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Committee:

- Notes the publication of the Accounts Commission 'Local Government in Scotland Overview 2020' report and the self-assessment activity carried out in relation to the Council position on each of the Commission's key messages.
- Agrees suggested improvement areas for alignment to the relevant CDIPs and corporate planning and performance arrangements

Steven McNab

Head of Organisational Development, Policy and Communications

4.0 BACKGROUND

- 4.1 The Accounts Commission's report, 'Local Government in Scotland Overview 2020', is the Commission's annual summary of the key challenges and performance issues faced across Councils.
- 4.2 The report provides an independent overview of the challenges facing Councils in Scotland; detailing how Councils are responding to tightening budgets and how this affects the services that are provided to communities. The report aims to inform and support Councillors and senior Council officers to deliver improvements in a complex and demanding context. It also provides the Council with the opportunity to explore good practice and areas for improvement, based on the overview provided.

5.0 ACCOUNTS COMMISSION KEY MESSAGES

- 5.1 The Accounts Commission details five key messages in the report, summarised below:

1) Councils are working hard to deliver services in an increasingly uncertain and complex context. Social change is creating demand for services whilst the strain on budgets continues to intensify and national policy commitments are increasing. The numerous pressures on councils are beginning to show across service performance and use of financial reserves.

2) Medium term funding levels are uncertain, making continued use of reserves to manage the funding gap unsustainable. Long term financial planning is not well enough developed in many councils and IJBs. Medium and long term financial planning are important tools for making well-informed decisions and to effectively manage continuing financial challenges.

3) The scale and complexity of the challenges for Councils and IJBs will continue to grow. Change is needed in how communities are served to be able to respond to needs and improve outcomes in the most efficient and effective ways. More radical thinking is needed for longer term solutions, requiring investment of time and capacity by political and management leaders.

4) The full potential of collaborative working with partner organisations and communities is not yet being realised and more progress is needed. Councils need to demonstrate strong leadership and collaborate with partners if they are to make the best use of local resources, including the workforce, and demonstrate Best Value.

5) Workforce planning is fundamental to ensure that Councils have the staff, skills and leaders they need to deliver change. Some progress has been made to improve workforce planning, but much more needs to be done.

6.0 THE CHALLENGES

- 6.1 The report describes the challenging and complex landscape that currently contributes to the pressures facing Councils. 4 main challenges are identified:

Political and economic – the current landscape involves some particularly significant unknowns which make forecasting issues and planning for the medium and longer terms more difficult. This includes the impact of Covid-19; the impact of withdrawal from the EU; Scottish Parliament elections in spring 2021; the outcome of the Local Governance

Review and the impact of Scotland's economic performance on public finances.

Community needs – population pressures nationally are growing, affecting the need for and demands on local government services. This includes the population growth expected in over 75s and a decrease in the number of children, increasing levels of poverty and child poverty and the impact on Covid-19 on our communities. Inverclyde is referenced several times in this section in relation to depopulation and in particular as a Council that will need to plan its response to dealing with increasingly complex local issues with less funding due to a declining population.

Policy – the implementation of national policies and initiatives will bring further challenges as Councils and Integration Joint Boards respond to these with local priorities. Challenges include: Health and Social Care Integration; climate change; welfare reform; early learning and childcare expansion; additional support for learning, the Planning (Scotland) Act 2019 and the Fairer Scotland Duty.

Financial – the range of financial challenges facing Councils is explored in more detail and the Covid-19 pandemic will bring further pressures and demands on local government services and budgets. The level of future Scottish Government funding is uncertain and the flexibility in how Councils can use this funding is reducing. The use of reserves to manage funding gaps, which is an approach adopted by some Councils is not sustainable.

7.0 SUMMARY OF REPORT RECOMMENDATIONS

7.1 Part 2 of the report focuses on the need for Councils to do things differently to meet the needs of communities into the future. The Accounts Commission identifies 5 key areas that it considers essential to making good progress in this area:

- Leadership
- Change and improvement
- Workforce planning
- Partnership working
- Community empowerment and engagement

7.2 The Commission makes a number of recommendations directly linked to these 5 areas to help Councils respond to the challenges they face, deliver local priorities and improve outcomes for their communities. These recommendations are summarised below:

Governance

- Invest leadership capacity in analysing the challenges and planning for the future
- Monitor and report on the delivery of local priorities and outcomes while improving public performance reporting (PPR)

Collaboration

- Maximise the full potential of collaborative working by (i) improving CPPs so that they have a clearer strategic direction and take a more active role in leading partnership working and (ii) engage with partners and communities in developing plans to improve service delivery
- Increase the opportunity for communities to influence or take control of local decision making and demonstrate how communities are supported to help design or deliver local services and improve outcomes

Capacity and skills

- Develop leadership capacity and workforce planning arrangements. This includes effective succession planning; uptake of learning and development opportunities by Councillors; improving the quality and range of workforce data; prioritise staff development and building a learning culture

7.3 The Accounts Commission pose questions within the report to help Elected Members and Officers assess the effectiveness of their current arrangements. To ensure a comprehensive self-assessment of the Inverclyde Council position against each question area, potential evidence areas were provided by the CMT to inform a focused development session for Elected Members on 27 October 2020. The table in Appendix 1 details the position against each question area with suggested improvement activity as required.

7.4 Improvement areas and activity identified through this process will be aligned and incorporated in to the existing CDIPs and corporate planning and performance arrangements.

8.0 SERVICE CASE STUDY – PLANNING

8.1 The final section of the report focuses on a service specific case study, to illustrate how the challenges for local government have affected this service area and how it is responding. The 2020 report focuses on the Planning Service, which faces particular challenges relating to demographic change; the introduction of the Planning (Scotland) Act 2019 and working with a reducing budget and increased service demand.

8.2 In addition to the broad recommendations set out for Councils and IJBs through the report, the Accounts Commission also highlights the following specific recommendations for Planning Services:

- ensure that the role of the Chief Planning Officer is positioned to contribute at a strategic level to corporate level discussion and planning
- develop detailed workforce planning and strategies that will respond to the changing skills set of the service
- provide effective leadership to staff for the cultural change needed to respond to a shift in service
- implement changes to how the service works to improve the level of partnership working and community engagement

8.3 These recommendations will be progressed with the service and linked to CDIPs and corporate planning and performance arrangements as relevant.

9.0 IMPLICATIONS

9.1 Financial Implications:

One off costs

Cost Centre	Budget Heading	Budget Year	Proposed spend from this report	Virement from	Other Comments
N/A					

Financial implications: Annually recurring costs

Cost Centre	Budget Heading	Budget Year	Proposed spend from this report	Virement from	Other Comments
N/A					

9.2 **Legal**

There are no direct legal implications arising from this report.

9.3 **Human Resources**

There are no HR implications associated with this report.

9.4 **Equalities**

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

<input type="checkbox"/>	YES
<input checked="" type="checkbox"/>	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?

<input type="checkbox"/>	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
<input checked="" type="checkbox"/>	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

<input type="checkbox"/>	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
<input checked="" type="checkbox"/>	NO

9.5 Repopulation

Population pressures are identified in the report as a key challenge for Councils and Inverclyde is specifically mentioned in this regard. Inverclyde Council and partners will

need to ensure that there is an appropriate planned response to dealing with the complex local issues with less funding available due to a declining population.

10.0 CONSULTATION

10.1 Both the CMT and Elected Members have been involved in the self-assessment that has been carried out based on the Account Commission key messages.

11.0 LIST OF BACKGROUND PAPERS

11.1 None.

Inverclyde Council Self-Assessment 2020

Capacity & Skills

Issues raised for consideration	Potential evidence areas	Improvement Activity
<p>Am I aware what succession planning and leadership development arrangements are in place for the corporate management team? Am I satisfied that these are appropriate?</p>	<ul style="list-style-type: none"> • People and OD strategy details key priorities • Work stream on 'planning for the future' • HSCP people plan & learning & development group • Annual reports to committee on succession planning, performance appraisals and leadership 	<ul style="list-style-type: none"> • Further develop succession planning to ensure organisational knowledge is developed and maintained throughout workforce
<p>Do I know what issues I need to develop my knowledge or understanding of? How do I plan to get the appropriate training?</p> <ul style="list-style-type: none"> - Do I have access to training and learning materials that meet my needs? - Do I have plans in place for training, learning and development that will assist me to be as effective as possible in my role? 	<ul style="list-style-type: none"> • Elected Members induction programme • Training needs are identified through Personal Development Plans • Regular training opportunities, follow up training and briefing / seminar sessions • Information workbooks provided • Access to external training, follow up training and All Member Briefings 	<ul style="list-style-type: none"> • Provide Elected Members with access to the wide range of training and development offered by Inverclyde Council
<p>Do we have detailed corporate and service level workforce planning?</p> <ul style="list-style-type: none"> - How clearly do they set out the current and future staff capacity and skills required and how will this be managed? - How am I involved in scrutinising the effectiveness of workforce planning? - Do I know how the council is 	<ul style="list-style-type: none"> • Overarching People and OD strategy • Annual reports to committee on service level workforce plans • Services receive detailed quarterly Workforce Information and Activity Reports 	<ul style="list-style-type: none"> • Develop longer term workforce profiling predictions to support workforce planning and recruitment • Explore options for extending flexible working options

Capacity & Skills		
Issues raised for consideration	Potential evidence areas	Improvement Activity
addressing any specific issues with the workforce age profile or skills gaps in services		

Governance		
Issues raised for consideration	Potential evidence areas	Improvement Activity
How effectively do the council's medium and long term financial plans reflect the population projections for my area and the resulting need for services and infrastructure?	<ul style="list-style-type: none"> • Finance and Capital Strategies are prepared taking into account the latest demographic projections • HSCP also has a medium / long terms financial plans in place, which reflect the impact of depopulation 	<ul style="list-style-type: none"> • Ensure focused capital plan seminars are developed and delivered for Elected Members on a regular basis
How clear are my council's plans for the changes needed so that outcomes for communities are improved alongside managing the financial and demand pressures?	<ul style="list-style-type: none"> • Corporate Plan 2018/22 supports the delivery of the Inverclyde Alliance's 3 strategic priorities • All localities now have a Locality Actions Plan • Annual reports on delivery of priorities 	<ul style="list-style-type: none"> • Explore options for providing more focus on impact and success measures through strategic planning documents
How do I know my council is delivering on the outcomes it has committed to achieve for local communities	<ul style="list-style-type: none"> • Corporate Plan Annual Report • LOIP Annual Report • CDIP performance reports submitted to appropriate Committee • 6 Locality Action Plans published 	<ul style="list-style-type: none"> • Ensure our approach to locality planning recognises and reflects the varying needs of all Inverclyde communities
Do I receive clear, timely and sufficiently detailed performance information to effectively scrutinise service and corporate performance?	<ul style="list-style-type: none"> • Regular reports on the CDIPs considered at Committee • Annual SPI/KPI report is submitted to 	<ul style="list-style-type: none"> • Ensure that performance reports are relevant, concise and focused on reporting improvement

Governance		
Issues raised for consideration	Potential evidence areas	Improvement Activity
	<ul style="list-style-type: none"> Committee every autumn • LGBF report in spring • Performance reports contain 3 years of data, a red / amber / green status of performance against targets and a service performance commentary • HSCP reports on performance separately to the IJB and Health and Social Care Committee 	<ul style="list-style-type: none"> • Explore options for reducing the volume of performance data in committee reports • Explore options from providing more background and contextual performance data in different formats
<p>Is my council systematically using self-evaluation approaches corporately and in services to inform improvement? How am I involved or informed in the results and monitoring of improvement plans</p>	<ul style="list-style-type: none"> • CDIPs list range of formal and informal self-evaluation techniques employed by services • Services that do not have a national service specific framework use the PSIF, which is a rolling 3 year programme for services • Strategic actions arising from PSIF self-evaluation are included in the CDIPs • National body external inspections are reported to the appropriate committee along with Improvement Plans • Employee Survey is carried out every 3 years and improvement actions are identified from the survey 	<ul style="list-style-type: none"> • Ensure the Inverclyde approach to self-evaluation draws from the wider range of self-assessment, inspection and evaluation activity underway
<p>How well is my council providing clear, balanced and accessible information to the public about how well it is performing, what needs to improve and how it is addressing this?</p>	<ul style="list-style-type: none"> • Range of public performance information published • This include details of performance against targets and a service commentary on performance 	<ul style="list-style-type: none"> • Explore different and more 'easy read' formats for presenting performance information • Develop greater use of social media in reporting information to the public

Governance		
Issues raised for consideration	Potential evidence areas	Improvement Activity
	<ul style="list-style-type: none"> • Data are published in several formats, including infographic • LOIP Annual Report available on the council's website 	

Collaboration		
Issues raised for consideration	Potential evidence areas	Improvement Activity
<p>How well do I understand the partnership arrangements of my council?</p> <ul style="list-style-type: none"> - How effectively is my council working with partners to deliver services better and / or save money? - What steps is the council taking to ensure partnership arrangements meet their full potential? 	<ul style="list-style-type: none"> • Inverclyde Alliance meets 4 times a year • Improvement workshops are held twice a year • Partnership Action Groups taking forward the priority outcomes of the Alliance LOIP • 6 localities and each have a Locality Action Plan 	<ul style="list-style-type: none"> • Explore opportunities for wider Alliance Board to members to increase participation and voice in meetings • Review the Alliance Board agenda and forward planner to focus on 'added value' and collaborative business • Develop opportunities for Alliance Board members to input on their contribution to improving outcomes in the local area
<p>What obstacles are facing our area's IJB? Am I aware of the steps taken to identify and address these obstacles</p>	<ul style="list-style-type: none"> • Demand for services has continued to increase while finance is at a standstill position 	<ul style="list-style-type: none"> • Continue to build opportunities for service redesign and alignment of priority areas to the Inverclyde

Collaboration		
Issues raised for consideration	Potential evidence areas	Improvement Activity
and to improve the pace of integration	<ul style="list-style-type: none"> • Limited opportunity for redesign • Officers from across the council and HSCP are members of a wide range of professional networks which allows the performance to be benchmarked 	Outcome Improvement Plan
What do I know about the purpose and aims of participatory budgeting? What do I know about my council's approach to participatory budgeting and how effectively is it in using this to empower communities?	<ul style="list-style-type: none"> • Work was undertaken to allocate money to communities through phase 1 of the PB process • This process was evaluated and phase 2 designed based on evaluation 	<ul style="list-style-type: none"> • Ensure that the lessons learned from PB phase 1 are reflected in Phase 2 • Build on the learning that has been gained as a result of our communities response to Covid -19

Report To:	Policy and Resources Committee	Date:	17 November 2020
Report By:	Steven McNab Head of Organisational Development, Policy and Communications	Report No:	PR/41/20/KM
Contact Officer:	Amanda Coulthard, Shared Services Manager, Corporate Policy, Performance and Partnership	Contact No:	2042
Subject:	National Records of Scotland 'Life Expectancy in Scotland 2017-19'		

1.0 PURPOSE

- 1.1 The purpose of this report is to provide the Committee with details of the National Records of Scotland (NRS) recent publication, 'Life Expectancy in Scotland 2017-19' and to highlight the data relating to Inverclyde.

2.0 SUMMARY

- 2.1 The NRS published new statistics on life expectancy estimates for Scotland, council areas and health boards on 24 September 2020. The latest estimates are based on data collated over the three year period 2017 to 2019.
- 2.2 Life expectancy in Scotland has remained virtually unchanged since 2012-14, as shown in appendix 1. Scotland has the lowest life expectancy at birth in both Western Europe and the UK. In 2017-2019, life expectancy at birth for Scottish males was 77.1 years and 81.1 years for Scottish females, compared to 79.4 years for males and 83.1 years for females in the UK.
- 2.3 Life expectancy varies considerably across Scotland. Female life expectancy at birth is highest in East Renfrewshire (84 years) and lowest in Glasgow City (78.5 years). Male life expectancy at birth is highest in East Dunbartonshire (80.5 years) and lowest in Glasgow City (73.6 years). Appendix 2 shows the variation in life expectancy at birth across all Scottish council areas.
- 2.4 The extent to which life expectancy varies across Scotland shows that deprivation continues to have a highly detrimental impact. In Scotland, life expectancy for females living in the least deprived SIMD decile is 10 years more than those living in the most deprived decile (85.6 years compared to 75.6 years). For males, the difference increases to 13.3 years (82.8 years compared to 69.5 years). New data on the estimated life expectancy in each SIMD decile for all council areas is due to be published in December 2020, alongside data on healthy life expectancy.
- 2.5 Related statistics on life expectancy in Scottish Council areas split by deprivation quintile will be published by NRS in December 2020 alongside Healthy Life Expectancy. Once published these statistics will be analysed to identify the data zones in Inverclyde where the greatest inequalities in life expectancy and healthy life expectancy exist. A report detailing the findings of this analysis will thereafter be brought to this Committee.
- 2.6 In Inverclyde, life expectancy at birth for males is 74.87 years, this is 2.29 years below the Scottish average and the third lowest life expectancy in Scotland, with only Glasgow and Dundee males having a lower life expectancy at birth at 73.6 years and 73.92 years respectively.

- 2.7 Life expectancy at birth for females in Inverclyde is 79.01 years, this is 2.13 years below the Scottish average and the second lowest in Scotland, with only Glasgow females having a lower life expectancy at 78.6 years.
- 2.8 Whilst the majority of council areas have experienced a slow-down or a stall in life expectancy growth since 2012-2014, there are also areas in Scotland where life expectancy is decreasing. Inverclyde is one of seven councils in Scotland where there has been negative growth in both male and female life expectancy between 2012/14 and 2017/19. Over this period, Inverclyde had the largest rate of decline in female life expectancy and the third largest rate of decline in male life expectancy of all Scottish council areas.
- 2.9 Appendix 3 shows how life expectancy in Inverclyde for both males and females compares with that of Scotland over the period 1991-93 to 2017-19. The data shows that there has been a greater fluctuation in life expectancy for both males and females in Inverclyde than has occurred nationally. Despite female life expectancy in Inverclyde almost being on a par with the Scottish average at several points over the period, the gap between the two has widened again in recent years. The chart also shows that while there has been a significant improvement in male life expectancy over the period, the gap here is also beginning to widen.
- 2.10 The life expectancy statistics are derived from data on the number of deaths and death rates. Appendix 4 provides an overview of deaths by age group as a proportion of all deaths in Inverclyde and Scotland in 2019. The most notable difference is in the age range 60-69 years where the proportion of deaths in this group is higher in Inverclyde than in Scotland, whilst the proportion of deaths that are in the 70-79 age group is lower than in Scotland as a whole. A higher proportion of deaths at a younger age will contribute to Inverclyde's life expectancy rates being lower than the national average.
- 2.11 Appendix 5 shows a slight increase in the annual number of deaths in Inverclyde as a proportion of the population since 2011. The overall impact of this however is amplified due to a decreasing population. The Committee will be aware that the biggest driver of Inverclyde's population decline is negative natural change (more deaths than births). The combination of an increasing number of deaths proportionate to the size of the population; a falling birth rate and a decrease in life expectancy highlight the scale of the challenge in stemming Inverclyde's depopulation. It should also be noted that the data does not take into account the impact of the Covid-19 pandemic, which is expected to result in a decrease in life expectancy globally, with a disproportionate effect on those living in deprivation.
- 2.12 The Scottish Public Health Observatory (ScotPHO) has analysed recent mortality trends and found that a wide range of causes of death are responsible for the changes in life expectancy growth. As such, it is unlikely that any single factor provides a sufficient explanation for the changes e.g. the increase in mortality from dementia and Alzheimer's disease has been attributed to a number of factors, including: people living longer and surviving other illnesses; increased awareness of dementia and policies encouraging dementia diagnosis.
- 2.13 The slowdown in life expectancy nationally has affected both men and women, almost every age group and almost every cause of death. Previous life expectancy gains that were due to improvements in mortality from circulatory causes, which most benefited those aged 55-84 years, have more than halved since 2012-14. This is of particular relevance to Inverclyde as heart disease was the leading cause of death for males in 2018 and the third leading cause of death in females (dementia and Alzheimer's disease being the leading cause). Prior to 2012-14, reductions in circulatory deaths had been the principal means through which life expectancy had been improving.
- 2.14 A national increase in drug related deaths is of particular importance in explaining increasing mortality amongst those aged 35-54 years and the generational effect such that people who were young adults in the 1980s are at much higher risk now of such deaths. Drug related deaths within Inverclyde increased from 23 in 2017 to 24 in 2018 with the average age at death being 46. Whilst Inverclyde did not see the dramatic increase in drug deaths compared to other areas in 2018, it did have the third highest rate of drug deaths in Scotland.

- 2.15 ScotPHO also cite research that links austerity with negative health impacts, with a reduction in the real value of benefits since 2010 contributing to poorer health outcomes. A slower rate of improvement in mortality has also been found in those countries that implemented greater austerity measures.
- 2.16 These new statistics, which show a decrease in life expectancy at birth for males and females in Inverclyde, will potentially have a detrimental impact on the effectiveness of the Inverclyde Alliance's repopulation activity and as such, will require to be considered by the Inverclyde Alliance and the LOIP Population Partnership and any next steps agreed in line with the approved Repopulation Strategy and Action Plan.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Committee:

- Notes the publication of the new NRS statistics on estimated life expectancy;
- Notes that a further report on life expectancy split by deprivation quintile and healthy life expectancy will be brought to this Committee following publication in December 2020;
- Agrees that this report be submitted for the consideration of the Inverclyde Alliance Board on 7 December 2020; and
- Remits it to the Population Partnership to consider and agree any additional actions arising from this new data.

Steven McNab

Head of Organisational Development, Policy and Communications

4.0 BACKGROUND

- 4.1 The National Records of Scotland (NRS) is the responsible agency of the Scottish Government that handles all matters relating to population and household statistics, including the Census and mid-year population estimates. On 24 September it published a report, 'Life Expectancy in Scotland 2017-19', detailing life expectancy estimates for Scotland and comparisons with estimates for the rest of the UK. It also includes life expectancy estimates for councils, health boards and other areas within Scotland.
- 4.2 The figures are calculated from the mid-year population estimates and the number of deaths registered in Scotland during 2017, 2018 and 2019. Life expectancy for Scotland is calculated for each year of age, and represents the average number of years that someone of that age could expect to live if death rates for each age group remained constant. A three year average is taken, produced by combining deaths and population data for the three year period. Three years of data is needed to provide a large enough sample size to make these figures accurate and also to lessen the effect of very 'good' or 'bad' years. The methodology for calculating life expectancy for areas within Scotland is very similar, although there are some differences.
- 4.3 Stemming and ultimately reversing population decline is a key priority for the Council and the Inverclyde Alliance. Previous reports on population have highlighted that negative natural change due to deaths out-numbering births is a major driver in population decline in Inverclyde, therefore improving healthy life expectancy is an important strand of the work focusing on stemming population decline.

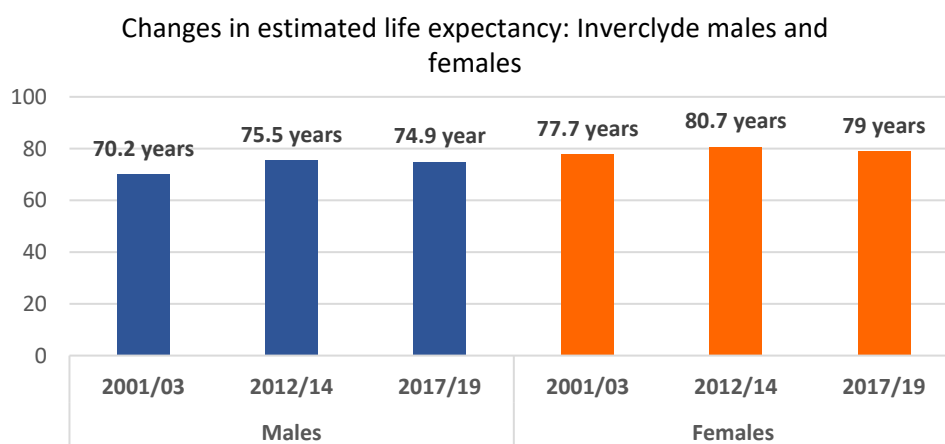
5.0 LIFE EXPECTANCY AT BIRTH IN SCOTLAND

- 5.1 Life expectancy at birth is a useful indicator of mortality conditions across a population at a particular point in time. Whilst life expectancy in Scotland increased from the early 1980s, it has remained virtually unchanged since 2012-2014, as shown in appendix 1. Looking ahead however, life expectancy is still projected to grow, increasing to 80.6 years for males and 83.8 years for females by 2043.
- 5.2 Scotland has the lowest life expectancy at birth in Western Europe and of all UK countries. In Scotland in 2017-2019, life expectancy at birth was 77.1 years for males and 81.1 years for females. This is a small increase of around 0.1 years for both males and females from the previously published figures (2016-2018). Average life expectancy in the UK was 79.4 years for males and 83.1 years for females.
- 5.3 Female life expectancy at birth was highest in East Renfrewshire (84.0 years) and lowest in Glasgow City (78.5 years). Male life expectancy at birth was highest in East Dunbartonshire (80.5 years) and lowest in Glasgow City (73.6 years). Appendix 2 shows how male and female life expectancy at birth compares across all Scottish council areas.
- 5.4 The majority of Scotland's council areas have experienced a slow-down or a stall in life expectancy growth since 2012-2014 and many areas, including Inverclyde, now have decreasing life expectancy according to the new statistics.
- 5.5 Poverty and deprivation continue to be highly detrimental to life expectancy. Life expectancy for females is 10 years more in the least deprived SIMD decile compared to the most deprived decile in Scotland (85.6 years compared to 75.6 years). For males, the difference increases to 13.3 years (82.8 years compared to 69.5 years).

6.0 LIFE EXPECTANCY AT BIRTH IN INVERCLYDE

- 6.1 Life expectancy at birth for males in Inverclyde is 74.87 years, this is 2.29 years below the Scottish average and the third lowest in Scotland, with only Glasgow and Dundee males having a lower life expectancy at 73.6 years and 73.92 years respectively.

- 6.2 Life expectancy at birth for females in Inverclyde is 79.01 years, this is 2.13 years below the Scottish average and the second lowest in Scotland, with only Glasgow females having a lower life expectancy at 78.6 years.
- 6.3 While the stall in life expectancy has occurred across the whole of Scotland, some council areas have experienced greater change than others. Inverclyde and Dundee City Councils are highlighted in the report as two areas where the rate of growth has fallen dramatically from before 2012-14 to after 2012-14
- 6.4 The chart below shows how the life expectancy of males and females in Inverclyde has changed over the period 2001/03, 2012/14 and 2017/19. Between 2012/14 and 2017/19 the rate of growth in life expectancy in Inverclyde became negative, with female life expectancy falling at a greater rate than male life expectancy. Overall, seven councils in Scotland experienced negative growth in both male and female life expectancy between 2012/14 and 2017/19, resulting in a decrease in life expectancy. Inverclyde had the largest rate of decline in female life expectancy (-18 weeks/year) and the third largest rate of decline in male life expectancy (-6.3 weeks/year) in Scotland over this period.



- 6.5 Appendix 3 shows how life expectancy in Inverclyde for both males and females compares with that of Scotland over the period 1991-93 to 2017-19. The data shows that there has been a greater fluctuation in life expectancy for both males and females in Inverclyde than has been the case nationally. Female life expectancy in Inverclyde has come close to the Scottish average at several points over the period, however the gap between female life expectancy in Inverclyde compared to Scotland appears in recent years to be widening again. The chart also shows that while there has been a significant improvement in male life expectancy over the period, the gap between Inverclyde and Scotland is also beginning to increase.
- 6.6 The life expectancy statistics are derived from data on the number of deaths and the death rate in an area. Appendix 4 provides an overview of deaths by age group as a proportion of all deaths in Inverclyde and Scotland in 2019. The most notable difference is in the age range 60-69 years where the proportion of deaths in this group is higher in Inverclyde than in Scotland, while the proportion of deaths that are in the 70-79 age group is lower than in Scotland as a whole. A higher proportion of deaths at a younger age will contribute to Inverclyde's life expectancy rates being lower than the national average.
- 6.7 Appendix 5 shows that there has been a slight increase in the annual number of deaths in Inverclyde as a proportion of the population since 2011. The overall impact of this however is amplified due to a decreasing population. The Committee will be aware that the biggest driver of population decline locally is negative natural change i.e. more deaths than births and that this is projected to continue. The combination of an increasing number of deaths proportionate to the size of the population; a falling birth rate and a decrease in life expectancy highlight the scale of the challenge in stemming Inverclyde's depopulation. It should also be noted that the data does

not take into account the impact of the Covid-19 pandemic on life expectancy, which is expected to result in a decrease in life expectancy globally, with a disproportionate effect on those affected by deprivation.

- 6.8 Related statistics on life expectancy in Scottish Council areas split by deprivation quintile will be published by NRS in December 2020 alongside Healthy Life Expectancy. Following publication, an analysis will be carried out to identify the data zones in Inverclyde where the greatest inequalities in life expectancy and healthy life expectancy exist. A report on this will thereafter be brought to this Committee.

7.0 MORTALITY TRENDS AND LIFE EXPECTANCY

- 7.1 The Scottish Public Health Observatory (ScotPHO) has analysed recent mortality trends and found that a wide range of causes of death are responsible for the changes in life expectancy growth. As such, it is unlikely that any single factor provides a sufficient explanation for the changes e.g. the increase in mortality from dementia and Alzheimer’s disease has been attributed to a number of factors, including: people living longer and surviving other illnesses; increased awareness of dementia and NHS policies encouraging dementia diagnosis.
- 7.2 The slowdown in life expectancy nationally has affected both men and women, almost every age group and almost every cause of death. Previous life expectancy gains that were due to improvements in mortality from circulatory causes, which most benefited those aged 55-84 years, have more than halved since 2012-14. This is of particular relevance to Inverclyde because heart disease was the leading cause of death for males in 2018 and the third leading cause of death in females (dementia and Alzheimer’s disease being the leading cause). Prior to 2012-14, reductions in circulatory deaths had been the principal means through which life expectancy had been improving.
- 7.3 The national increase in drug related deaths is of particular importance in explaining increasing mortality amongst those aged 35-54 years and the generational effect such that people who were young adults in the 1980s are at much higher risk now of such deaths. Drug related deaths within Inverclyde increased from 23 in 2017 to 24 in 2018 with the average age at death being 46. Whilst Inverclyde did not see the dramatic increase in drug deaths compared to other areas in 2018, the area had the third highest rate of drug death in Scotland. The data for 2019 is due in December 2020.
- 7.4 ScotPHO also cite research that links austerity with negative health impacts, with a reduction in the real value of benefits since 2010 contributing to poorer health outcomes. A slower rate of improvement in mortality has also been found in those countries that implemented greater austerity measures.
- 7.5 Earlier this year the Committee considered two NRS publications focusing on the Mid-year Population Estimates 2019 and Population Projections (2018 based). It was highlighted at that time that the biggest driver of population decline in Inverclyde in recent years has been negative natural change i.e. more deaths than births and that this is projected to continue. These latest statistics, which show a decrease in life expectancy at birth in Inverclyde, will potentially have a detrimental impact on the effectiveness of the Inverclyde Alliance’s repopulation activity and as such, will require to be considered by the Inverclyde Alliance and the LOIP Population Partnership.

8.0 IMPLICATIONS

- 8.1 Financial Implications - One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
n/a					

Financial Implications - Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments
n/a					

8.2 Human Resources: none at present

8.3 Legal: none at present

8.4 Equalities

There are no direct equalities implications arising from this report,

(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

8.5 Repopulation

The new statistics show a reversal in the growth in life expectancy with the result that Inverclyde has experienced a decrease in life expectancy for both males and females over the period 2017-19. This is a cause for concern as previous reports on population have highlighted that negative natural change due to deaths out-numbering births is a major drive in population decline in Inverclyde, therefore increasing life expectancy is an important strand of the work focusing on stemming population decline.

9.0 CONSULTATION

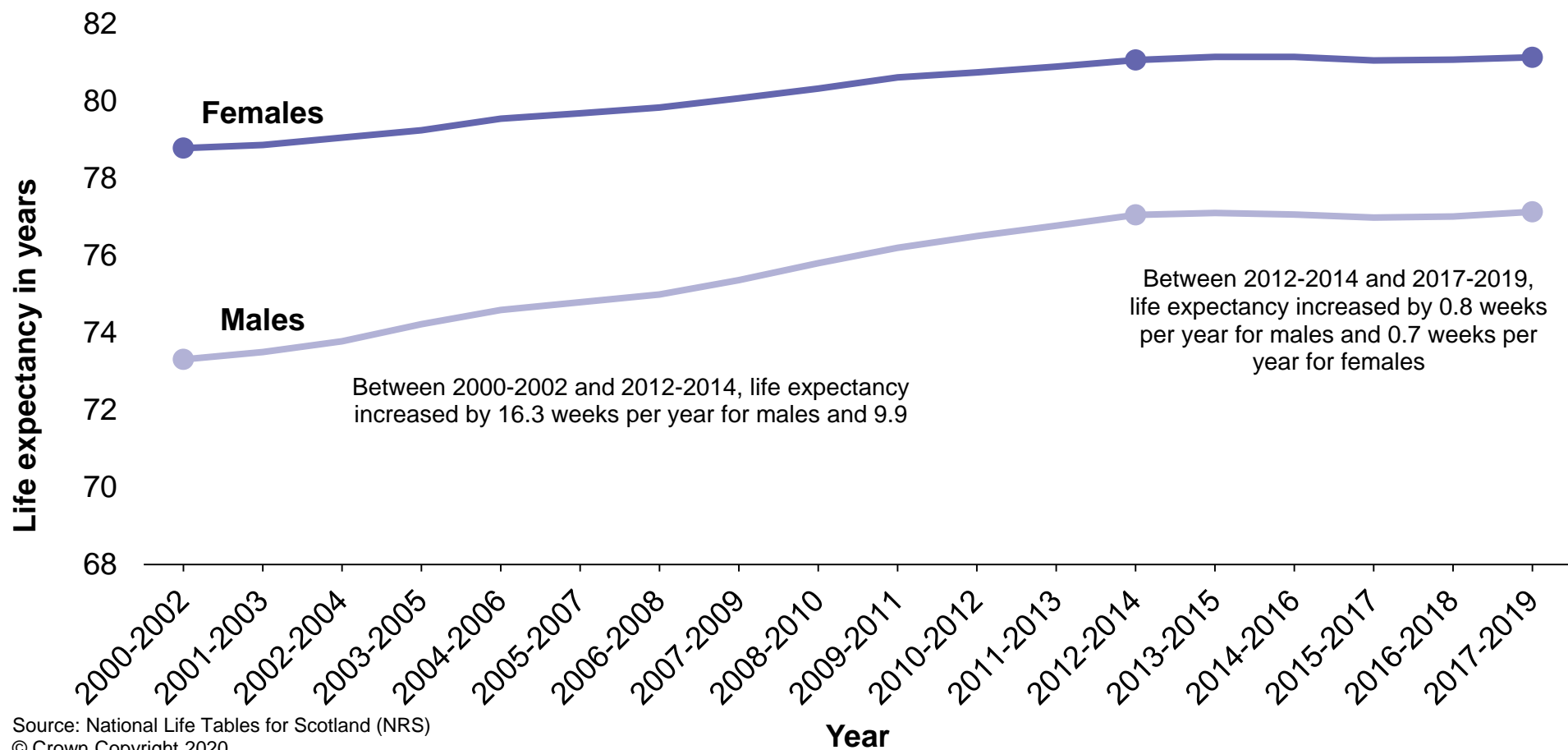
9.1 None

10.0 LIST OF BACKGROUND PAPERS

10.1 None

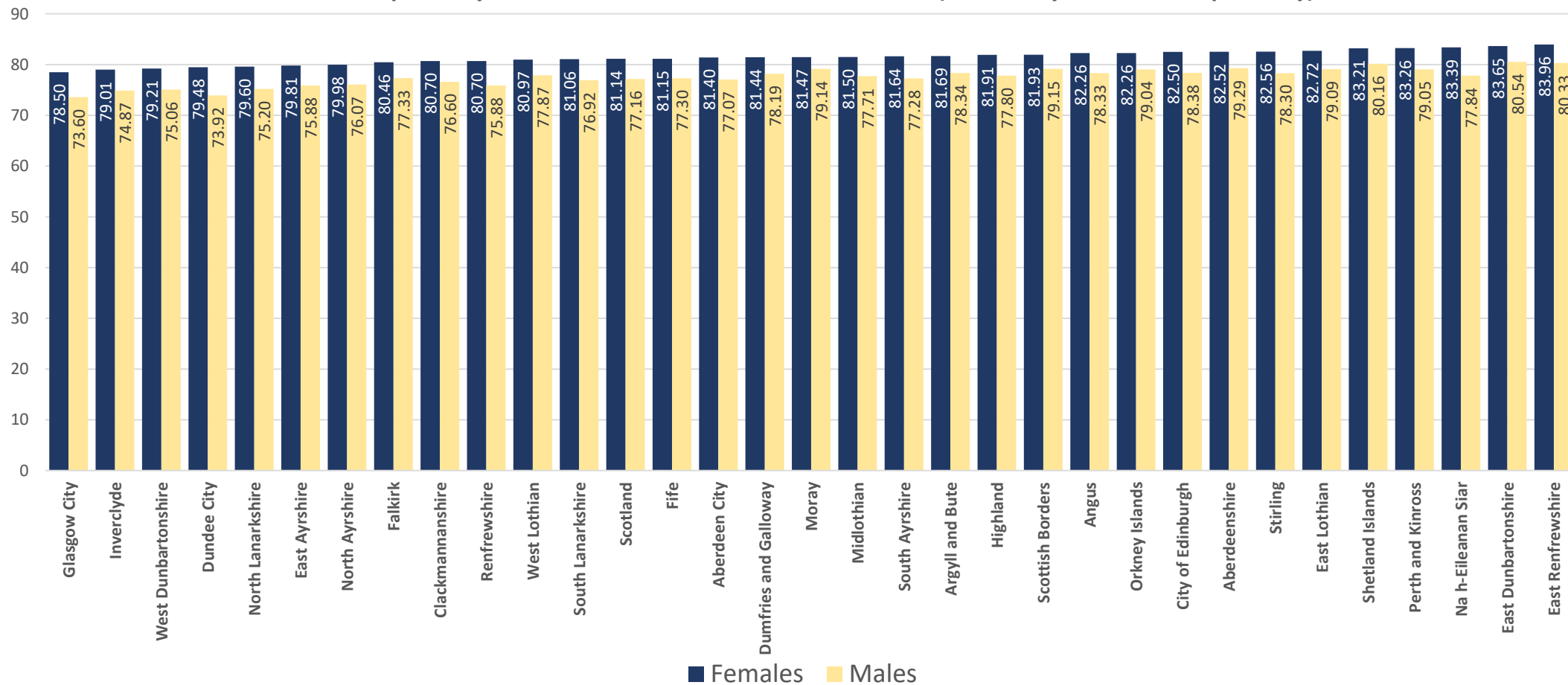
Appendix 1: The slowing rate of improvement to life expectancy in Scotland

The slowing rate of improvement to life expectancy in Scotland, 2000-2002 to 2017-2019

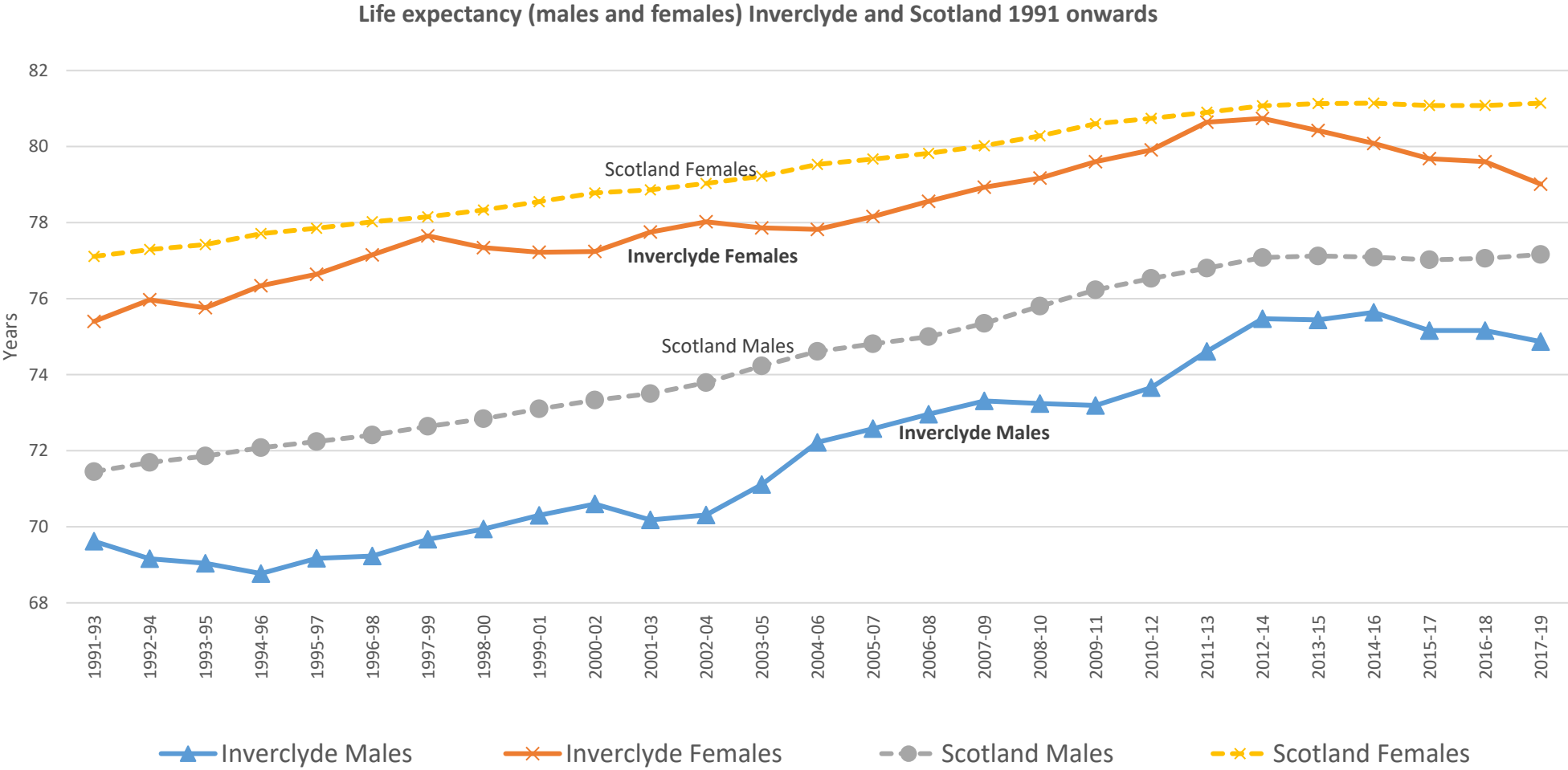


Appendix 2: Life expectancy at birth for males and females all council areas in Scotland

Life Expectancy at birth 2017-19 all Scottish council areas (ordered by female life expectancy)

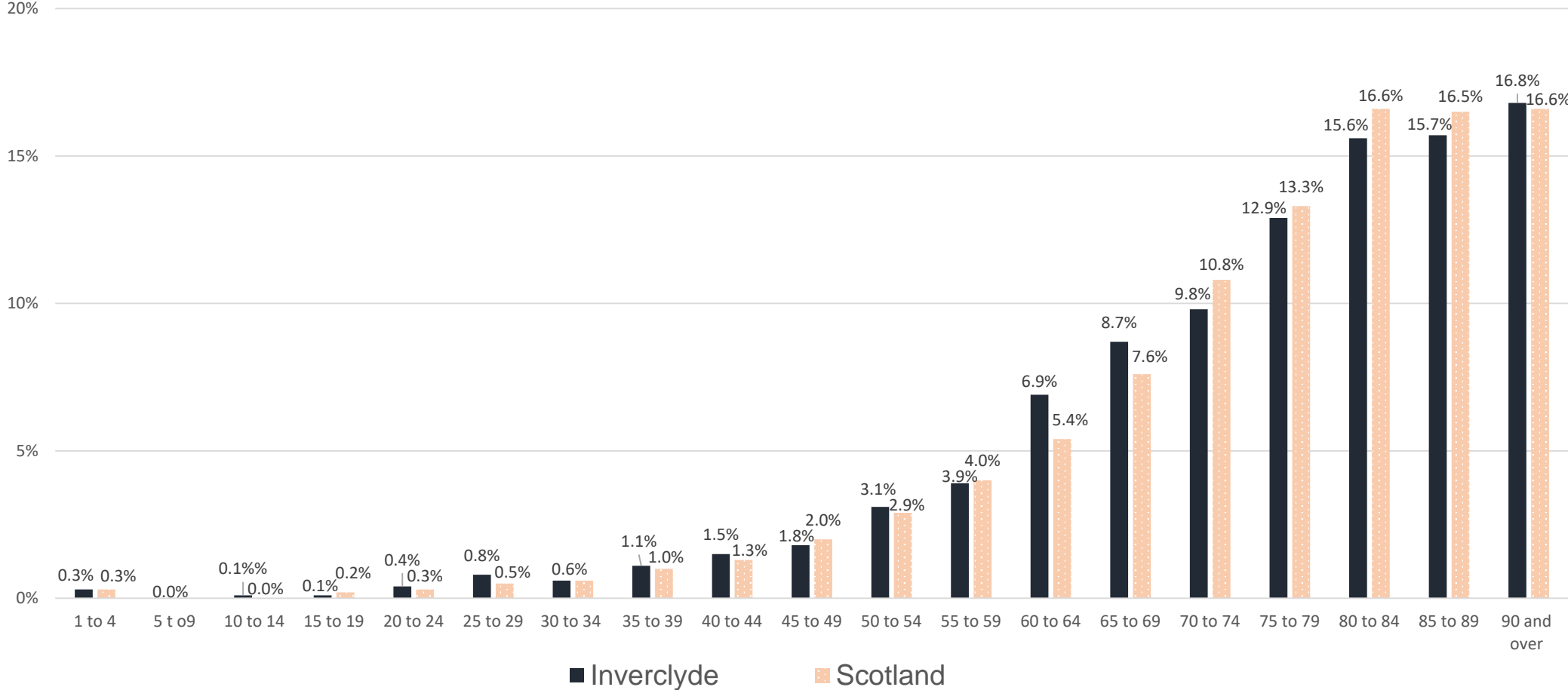


Appendix 3: Life Expectancy at birth 1991 onwards (Inverclyde and Scotland)

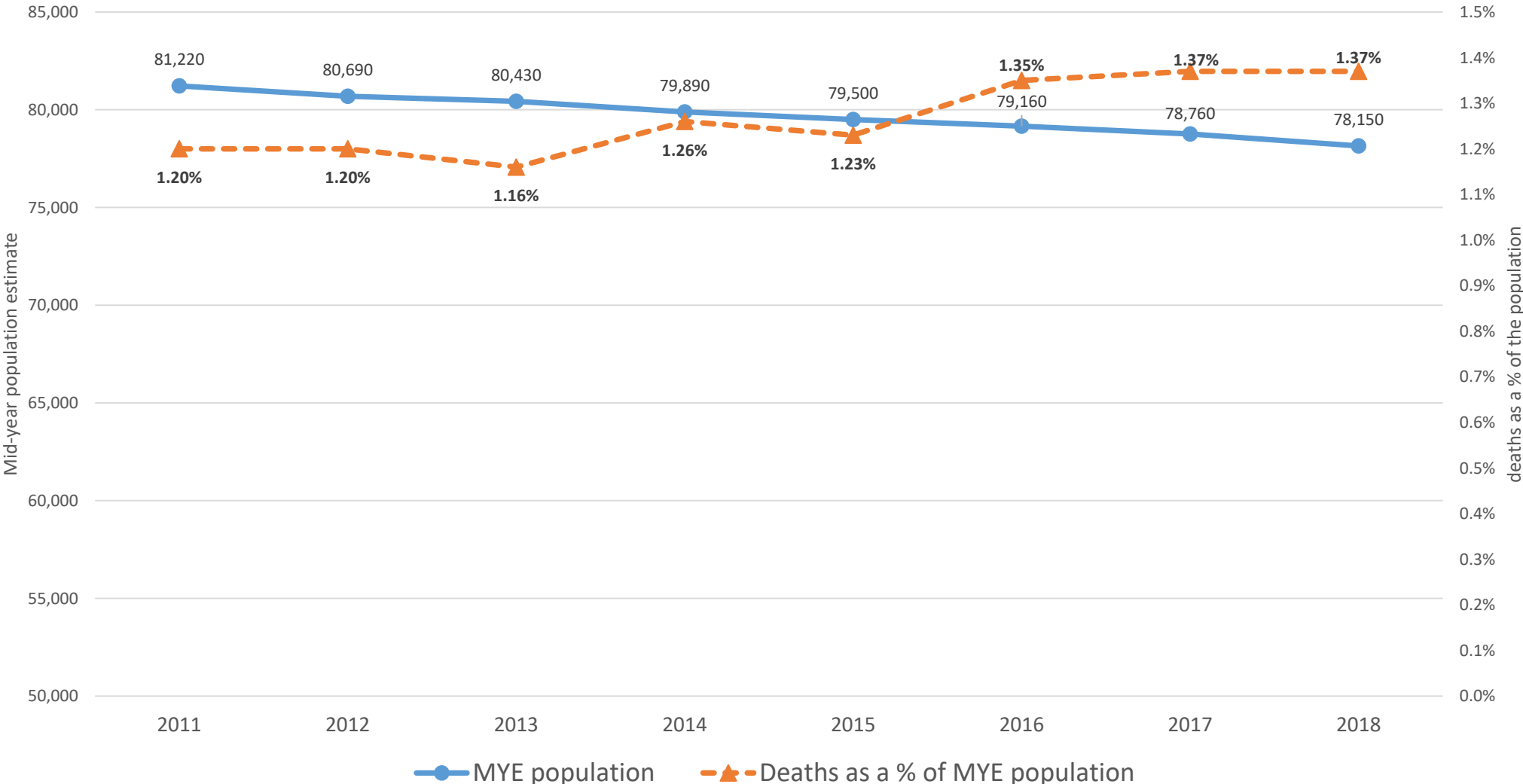


Appendix 4: Deaths by age group as a % of all deaths in Inverclyde and Scotland 2019

Deaths by age group as a % of all deaths in Inverclyde and Scotland, 2019



Appendix 5: Inverclyde mid-year population estimate and total number of deaths as a proportion of the population



Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	PR/43/20/SA
Contact Officer:	Scott Allan	Contact No:	01475 712762
Subject:	Programme for Government 2020-21		

1.0 PURPOSE

- 1.1 To advise the Committee of the Scottish Government's Programme for Government publication and the potential implication and opportunities for Inverclyde.

2.0 SUMMARY

- 2.1 On 1 September 2020 the Scottish Government published its Programme for Government 2020-21 titled 'Protecting Scotland, Renewing Scotland'. The focus of the document is on the economic, health and social recovery from the coronavirus pandemic.
- 2.2 The document focuses on the four objectives of:
- A national mission to help create new jobs, good jobs and green jobs.
 - Promoting lifelong health and wellbeing.
 - Promoting equality and helping our young people grasp their potential.
 - Putting equality and human rights at the heart of our approach.
- 2.3 Proposed actions and spend are listed against each objective. Some have been well publicised such as the proposed review of the social care system and the embedding of digital tools in health care to provide quicker and more efficient support.
- 2.4 There are significant lists of new actions with associated budgets across apprenticeships, training, job support, economic growth, additional support to schools and young people, support to health and social care workers etc. Of significance is the £1.6 billion to be invested in heat and energy efficiency programmes. Specific mention is made of funding for Clyde Mission.
- 2.5 For Inverclyde, there are potentially significant opportunities. As an area blighted by deprivation and reducing in population there is a clear case for prioritisation of spend and support. It is recommended that senior officers continue dialogue with the Scottish Government, Scottish Enterprise, Community Planning Partners and Glasgow City Region to explore opportunities and influence funding priorities. Of particular interest will be support for training and employment, investment in the green economy including decarbonising houses and buildings, investment in the industrial and manufacturing sectors, inward investment opportunities and support for the Council's waste collections and processing.
- 2.6 Officers will bring a further report to this Committee as discussions progress with Scottish Government officials. It is also proposed that the Scottish Government publication of the 'Programme for Government' be an annual agenda item.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee mandates officers to engage with the Scottish Government, Scottish Enterprise, Community Planning Partners and Glasgow City Region and establish opportunities for Inverclyde in respect of the 'Programme for Government 2020-21'.

Scott Allan
Corporate Director
Environment, Regeneration and Resources

4.0 BACKGROUND

4.1 The Programme for Government 2020-21 titled 'Protecting Scotland, Renewing Scotland' was published on 1 September 2020 and presents the Scottish Government's programme of action for the year ahead. The focus is on Scotland's economic, health and social recovery from the coronavirus pandemic.

4.2 For convenience, the key actions from the First Minister's foreword are reproduced below:

- Launch our proximity tracing app, Protect Scotland, later this month to enhance and support our Test and Protect programme.
- Introduce a National Transition Training Fund to provide support to 10,000 people facing redundancy and unemployment.
- Introduce the Scottish Youth Guarantee to ensure every young person has the opportunity of work, education, or training.
- Set out the first tranche of our £2 billion Low Carbon Fund, including: helping to secure investment of £1.6 billion over the next Parliament in heat and energy efficiency in our homes and buildings, delivering a £100 million Green Jobs Fund, and providing £60 million for industrial decarbonisation.
- Put in place an Inward Investment Plan to create 100,000 high value jobs over the next decade and boost GDP.
- Establish an Independent Review of adult social care.
- Expand digital access to health care to ensure more people can get the treatment they need.
- Improve access to community based health services through the launch of Pharmacy First, accelerating the rollout of our Community Treatment and Assessment Centres, and of our Covid-19 hubs.
- Open applications for our new Scottish Child Payment in November 2020, with the first payments made in February 2021.
- Complete the delivery of 50,000 affordable homes as quickly as it is safe to do so, and set out a 20 year vision for energy efficient, zero carbon housing, with access to outdoor space, transport links, digital connectivity and community services.
- Deliver a revolution in children's rights by incorporating the UNCRC into Scots law by the end of this parliament.
- Lock in the positive changes in active travel by committing £500 million for transformational infrastructure.
- Bring 50,000 people into the digital world through Connecting Scotland and create a World-Class Digital Eco-system in Scotland.
- Provide £135 million additional investment to ensure our young people catch-up on any lost education due to Covid-19. This will include funding to recruit 1400 additional teachers and 200 support staff.

4.3 The document focuses on the four objectives of:

- A national mission to help create new jobs, good jobs and green jobs.
- Promoting lifelong health and wellbeing.
- Promoting equality and helping our young people grasp their potential.
- Putting equality and human rights at the heart of our approach.

Proposed actions and spend are listed against each objective. Some have been well publicised such as the proposed review of the social care system and the embedding of digital tools in health care to provide quicker and more efficient support.

4.4 The actions span many initiatives designed to support training and apprenticeships, economic regeneration, support for Health & Social Care and Education etc. Specific mention is made of the Clyde Mission Fund which involved £10 million for this financial year and £25 million for future years. It should be noted that Inverclyde Council has made a bid against the £10 million

fund in respect of Inchgreen and has been successful to the Stage 2 process.

- 4.5 Very significantly, £1.6 million is identified for investment in heat and energy efficiency programmes. This is an area where there are significant opportunities for Inverclyde to attract investment, decarbonise Council services and attract low carbon technology business.
- 4.6 A key issue for Inverclyde is how the Council capitalises on the opportunities which will arise from the Programme for Government. As an area of depopulation and deprivation it is reasonable to expect prioritisation.
- 4.7 It is recommended that senior officers engage with the Scottish Government, Scottish Enterprise, Community Planning Partners and Glasgow City Region and establish opportunities for Inverclyde in respect of the 'Programme for Government 2020-21'.

5.0 IMPLICATIONS

5.1 Finance

Financial Implications:

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.					

5.2 Legal

There are no legal implications other than as noted within this report.

5.3 Human Resources

N/A.

5.4 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 –
✓	NO - This report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

5.5 **Repopulation**

N/A.

6.0 **CONSULTATION**

6.1 N/A.

7.0 **BACKGROUND PAPERS**

7.1 N/A.

Report To:	Policy & Resources Committee	Date:	17 November 2020
Report By:	Corporate Director Environment, Regeneration and Resources	Report No:	PR/44/20/MM
Contact Officer:	Martin McNab	Contact No:	01475 714246
Subject:	Freeports		

1.0 PURPOSE

- 1.1 The purpose of this report is to update Members on a letter received from the Minister for Trade, Investment and Innovation on the Scottish Government approach to Freeports and the imminent commencement of the bidding process for Freeports in England.

2.0 SUMMARY

- 2.1 On 15 October 2020 the Council received a letter from the Minister for Trade, Investment and Innovation updating on the Scottish Government's approach to Freeports. The letter is attached at Appendix 1. There is not a settled position on this however the letter makes clear that any process for selecting Freeports will be a joint undertaking between the Scottish and UK Governments.
- 2.2 Separately the UK Government has published further information on the process in England with sea, air and rail ports in England to be invited to bid for Freeport status in a process to open by the end of 2020. The UK government envisages the first Freeports being open before the end of 2021.
- 2.3 The UK Government has further stated that it will work with the devolved administrations to seek to establish at least one Freeport in each nation of the UK. Members should be aware that high level discussions have taken place regarding the feasibility of a wider Clyde based application potentially including the Inverclyde and Glasgow seaports together with Glasgow Airport.

3.0 RECOMMENDATIONS

- 3.1 That the Committee notes that the application process for Freeports will shortly open in England;
- 3.2 That the Committee notes that a process for applications in Scotland has yet to be agreed between the Scottish and United Kingdom Governments;
- 3.3 That the Committee grants authority to the Corporate Director Environment, Regeneration & Resources to reaffirm to the Scottish and UK Governments the desire that the Clyde should be considered as a potential Freeport; and
- 3.4 That a report is brought back to Committee as and when the process for application is clear.

4.0 BACKGROUND

- 4.1 The UK Government is seeking to establish a network of Freeports in the UK including at least one in each of the devolved nations. The policy will introduce different customs rules in the areas of the Freeports allowing potentially import, processing and re-export of goods without the need for tariffs. The UK Government has also stated that there will be a package of tax reliefs for businesses investing in Freeports together with measures on planning rules in Freeport areas.
- 4.2 In February this year, the UK Government commenced a consultation on Freeports. This concluded on 13 July 2020. Local Authorities were not invited to comment and it is fair to say that most local authorities and many private companies were wholly engaged with managing the implications of the Pandemic during this period. Officers engaged with the Scottish Government, which was consulted and a copy of the response from Scottish Government to the UK Government is attached to this report at Appendix 2 for information. Officers have flagged to the Scottish Government that Inverclyde wishes to be part of any process associated with selecting a Freeport location in Scotland.
- 4.3 High level discussions have taken place around the possibility of a Freeport application being made on a joint basis to cover the port facilities and wider areas in Greenock and Glasgow together with Glasgow Airport. Officers will report back prior to any formal application being made however it would be helpful if the Committee were to delegate authority to the Corporate Director to reaffirm to the Scottish and UK Governments our potential interest in such an approach.

5.0 IMPLICATIONS

5.1 Finance

There are no immediate financial implications arising from this report.

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	Other Comments
N/A					

5.2 Legal

There are no immediate legal issues arising from this report.

5.3 Human Resources

There are no HR issues arising from this report.

5.4 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

5.5 Repopulation

There are no impacts on repopulation arising from this report.

6.0 CONSULTATIONS

6.1 None

7.0 BACKGROUND PAPERS

7.1 None

T: 0300 244 4000
E: scottish.ministers@gov.scot

15 October 2020

Update on the Scottish Government approach to Freeports

I am writing to thank you for the valuable contribution you have made to the discussion on the potential of Freeports in Scotland to drive inclusive growth. As you will be aware my officials and I have conducted extensive engagement with Scottish stakeholders including four recent 'roundtable' calls with key sectors. We have also engaged with local authorities and our enterprise agencies. Those discussions identified a number of potential opportunities, and some risks, around the adoption of this policy, along with a number of questions around the specifics of how Freeports would be supported and operated. I felt it helpful to take this opportunity to write to update you on the current situation and to keep you abreast of the Scottish Government perspective on this policy.

As you will be aware the Scottish Government has extensive engagement with the UK Government on this issue since the Freeports policy was first announced. I recently spoke with the Chief Secretary to the Treasury, Steve Barclay MP, to discuss the policy and the implications for Scotland and we read with interest the UK Government's [response](#) to its public consultation on Freeports. Officials have held regular discussions with their UK Government counterparts to ensure we are abreast of the most up to date information available. We do find ourselves unfortunately in the position where key information we have requested, including on economic modelling and the specific tax, finance and regulatory levers the UK Government intends to apply, has yet to be shared. As a result we are unable to make a full assessment of the risks and opportunities of the policy for Scotland, or to calculate the likely impact on Scotland's economy and finances at the current time.

Last week, I attended the UK Parliament's International Trade Select Committee session on UK Freeports to give evidence on behalf of the Scottish Government. I made it clear to the Select Committee that the Scottish Government has not yet taken a decision on Freeports. I stressed that we are open to exploring the policy and its potential benefits further, while also being cognisant of potential detriments such as economic displacement, which was also highlighted as a concern by many at the four roundtable stakeholder sessions.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

St Andrew's House, Regent Road, Edinburgh EH1 3DG
www.gov.scot

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In the UK Government's response to its consultation, it notes that Scotland and the other devolved nations will not be included in the forthcoming competitive bidding process, likely to be launched by the end of this year. As soon as we receive the necessary details of the Freeports offer from HM Treasury, we will take a view on our approach to the policy in Scotland. The UK Government have made clear to us that any process for selecting Freeports in Scotland would be agreed upon and undertaken jointly by both the UK and Scottish Governments. This would allow for a process that is better suited to the particular needs and geography of Scotland than a UK-wide process.

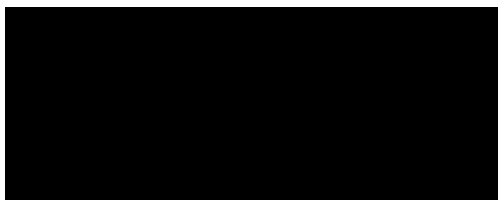
In the meantime we will continue to engage with stakeholders and I would invite you to continue to share your views and the evidence you have on the opportunities and risks attached to Freeports.

The Scottish Government's primary focus remains navigating our way through the global pandemic. Our [Programme for Government](#), published last month, sets out the actions we are taking to ensure Scotland's economic and social recovery. It sets out a range of measures towards building a stronger, more resilient and sustainable economy with a clear focus on creating new, good and green jobs.

The Scottish Government's opposes a damaging hard Brexit and we are clear that Freeports will not undo the damage caused to Scotland's economy by the UK Government's decision to take us out of the world's biggest single market.

Finally, let me assure you that the Scottish Government is entirely focused on delivering sustainable, inclusive economic growth in Scotland and driving forward a green recovery.

Yours sincerely,



IVAN McKEE

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Minister for Trade, Investment and Innovation
Ivan McKee MSP



Scottish Government
Riaghaltas na h-Alba
gov.scot

T: 0300 244 4000
E: scottish.ministers@gov.scot

The Rt Hon Steve Barclay MP
Chief Secretary to the Treasury
1 Horse Guards Road London SW1A 2HQ
Action.CST@hmtreasury.gov.uk

CC:
Ken Skates MS
Minister for Economy and Transport
Correspondence.Ken.Skates@gov.wales

Diane Dodds MLA
Economy Minister
private.office@economy-ni.gov.uk

10 June 2020

Dear Steve,

I write to you with regard to the UK Government consultation on Free Ports, due to close on 13 July. Naturally, the primary focus of both the Scottish and UK Governments at the current time is addressing the COVID-19 public health emergency and the economic impact arising.

I can confirm that the Scottish Government is willing to continue a dialogue aimed at establishing whether the introduction of Free Ports in Scotland can help drive long term inclusive and sustainable growth. However, designation of any Free Ports in Scotland would be contingent on Scottish Ministers being confident that they would play an impactful role part in securing economic resilience and recovery in the medium to long term.

While the Scottish Government is happy to examine the potential of Free Ports, we remain of the opinion that the best interests of Scottish businesses and the promotion of international trade are best served by close alignment with the EU.

In taking forward a dialogue, I would highlight the following points as important to the Scottish Government:

- Potential design and implementation of Free Ports in Scotland must feature maximum devolution to Scotland in terms of decision making regarding number, location, design and implementation in order that they best align with the Scottish economy and our wider policy context;
- Any Free ports in Scotland should be designated in a manner that is complementary to our trading ambitions with the EU, our largest export market;
- Economic benefit to the Scottish economy from Free Port designation in Scotland would need to be additional, avoiding harmful displacement effects in other regions of Scotland; and,
- It is vital that the introduction of Free Ports would not dilute employee rights or compromise environmental standards and our climate change ambitions.

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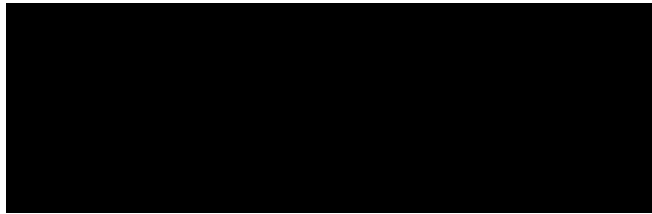
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In general terms, the Scottish Government requires more compelling evidence of the potential economic benefits arising from Free Ports, including the powers they offer. The consultation was relatively under-developed in that sense. However, I would be happy for our respective officials to discuss strengthening the evidence base as part of their wider collaborative discussion. Part of this must be a granular examination of how the anticipated tax incentives associated with Free Ports would affect overall revenue income in the Scottish context.

My officials will also continue a dialogue with business and other stakeholders in Scotland, with a view to ensuring that as wide a spectrum of opinion is considered. I have copied this letter to Ministerial colleagues in Wales and Northern Ireland.

I look forward to hearing from you.



IVAN McKEE

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Report To:	Policy and Resources Committee	Date:	17 November 2020
Report By:	Corporate Director Environment, Regeneration and Resources	Report No:	P+R/20/11/01/SJ
Contact Officer:	Steven McNab/Stuart Jamieson	Contact No:	01475 712402
Subject:	Employability Interventions – Inverclyde Jobs Recovery Plan		

1.0 PURPOSE

1.1 The purpose of this report is to set out the impact of COVID-19 on the economy, provide an update on the recent UK and Scottish Government announcements on employment support in response to the impact on the labour market from COVID-19, and to propose a range of additional employability interventions for Inverclyde in response to COVID-19.

2.0 SUMMARY

- 2.1 The UK's economy has now contracted by an approximate 22.1% in the first 6 months of 2020, slightly below the percentage decrease experienced in Spain (-22.7%), but larger than the decreases experienced in France (-18.9%), Germany (-11.9%), and the USA (-10.6%). The Quarter 2 fall of 20.4% was the largest quarterly percentage decrease recorded since records began in 1955.
- 2.2 The latest official labour market statistics released by the Office for National Statistics shows that Scotland's unemployment rate rose to 4.3%. Scotland's employment rate fell to 74.1%, with a total of 2,642,000 people in work. The Claimant Count rate has risen slightly over the last month to 7.7% in June. The Claimant Count in Inverclyde increased by just over 46% to 3,305 in the period between February and July, which equates to 6.8%.
- 2.3 Scottish Government analysis indicates that unemployment levels across the country could average around 10% and modelling suggests that Inverclyde's level could reach 11%.
- 2.4 The UK and Scottish Governments have introduced a number of support measures to mitigate the impact of COVID-19 on the labour market. These are set out in paragraph 4.10.
- 2.5 Analysis has been carried out on these national interventions, as well as Inverclyde's existing employability support measures, and a suite of additional complementary employability measures have been developed to minimise the impact of COVID-19 on Inverclyde, which are set out in Section 5, with a summary of the interventions provided below:-

Employability Initiatives - Summary

Proposals	Posts Proposed	Extra Cost Per Post	Post Type	Total Cost £000
Apprenticeship Level 7/8	10	100	Temp - 4 years	1000
Apprenticeship Level 5/6 - Grade 1	10	23	Temp - 1 year	230
Graduates	14	42	Temp - 18 months	588
Wage subsidy graduates	15	12	Temp - 12 months	180
Wage subsidy living wage	20	13.5	Temp - 12 months	270
Wage subsidy minimum wage	30	10	Temp - 12 months	300
Business start up grant	20	10	Permanent	200
Council Rrefresh (Note 1)	60	40	Permanent	2400
Kickstart	30	16.5	Temp - 12 Months	495
Total Job Opportunities created	209			5663
Council Support - Employees	3		Temp- 2 years	260
- Training				50

3.0 RECOMMENDATIONS

3.1 It is recommended that the Committee:-

- a) Notes the impact of COVID-19 on the economy;
- b) Recognises the UK and Scottish Government labour market interventions;
- c) Considers the range of measures identified to support the labour market in Inverclyde;
- d) Agrees that one off funding to support the initiatives be incorporated in the 2021/23 Budget Strategy; and
- e) Agrees that regular monitoring reports be submitted to the Environment and Regeneration Committee in the event of the budget being approved.

4.0 BACKGROUND

- 4.1 The impact of COVID-19 on the UK economy has been stark. The economic contractions experienced in April and May mean that for Quarter 2 (April-June) Gross Domestic Product fell by a record 20.4%. The UK's economy has now contracted by an approximate 22.1% in the first 6 months of 2020, slightly below the percentage decrease experienced in Spain (-22.7%), but larger than the decreases experienced in France (-18.9%), Germany (-11.9%), and the USA (-10.6%).
- 4.2 Production and construction industries declined by 16.9% and 35.0% respectively. The UK's production industry quarterly decline was exacerbated by a 20.4% decline in April 2020, driven by a fall in manufacturing output. The decline in manufacturing output (20.2%) can be directly linked to the consequences of the COVID-19 outbreak, as weak domestic and global demand, labour shortages, and company closures occurred in the sector.
- 4.3 The Scottish Government published their latest estimates of Scottish and UK labour market statistics that cover the three months to July 2020. Comparisons have been provided with the previous quarter (February to April 2020) and the previous year (May to July 2020).

Unemployment Rate (%)	May-Jul 19	Feb-Apr 20	May-Jul 20
Scotland	3.9	4.5	4.6
United Kingdom	3.8	3.9	4.1
Employment Rate (%)	May-Jul 19	Feb-Apr 20	May-Jul 20
Scotland	74.9	74.2	74.3
United Kingdom	76.1	76.4	76.5
Economic Inactivity Rate (%)	May-Jul 19	Feb-Apr 20	May-Jul 20
Scotland	21.9	22.1	22
United Kingdom	20.8	20.5	20.2

- 4.4 Scotland's unemployment rate increased by approximately 1,000 individuals over the last quarter to reach a rate of 4.6%. Scotland has a larger unemployment than England (4.1%), Wales (3.1%), and Northern Ireland (2.9%).
- 4.5 The 0.6% point change in Scotland's employment rate over the last year was the largest percentage point decrease recorded amongst the UK countries. Approximately 19,000 individuals are no longer in employment in Scotland compared to the same time period last year.
- 4.6 In addition the latest information from HMRC shows a total of 779,500 employments were furloughed in Scotland to 30 June 2020, 32% of Scottish employees and 155,000 of eligible self-employed people in Scotland made claims to the Self-Employed Income Support Scheme. The Job Retention scheme will finish at the end of October. The Job Retention Scheme take up has been highest for Accommodation and food services with 77% of jobs furloughed, Construction at 73% and with Arts, entertainment and recreation at 72%. The figures for Inverclyde show the third lowest percentage in Scotland at 26% or 8,700 people.
- 4.7 The Office for National Statistics produced their latest experimental estimates of the Claimant Count, covering the time period to July 2020, which quantifies the number of individuals claiming Jobseeker's Allowance and Universal Credit principally for the reason of being unemployed. In July 2020 the Glasgow City Region had approximately 88,700 individuals on the Claimant Count, a 94.1% increase from the 46,700 claimants in February 2020 before the

COVID-19 outbreak and subsequent economic restrictions were felt. The Glasgow City Region's working-age (16-64) Claimant Count rate has now increased from 3.8% in July 2019 to 7.4% in July 2020. The Claimant Count in Inverclyde increased by just over 46% in the period between February and July. For the region as a whole, the number of youth claimants doubled, increasing by 111.7% in comparison to the 90.1% increase for aged 30-49 claimants and 83.4% increase for aged 50+ claimants. The Claimant Count for 16-24 years olds is currently 9.5% in Inverclyde, this compares with 11.7% in North Ayrshire and 4.7% in Orkney.

4.8 In August the Office for National Statistics published a statistical release that mapped the location and characteristics of high streets in Great Britain between 2015 and 2018, working with experimental Ordnance Survey High Street geography and Office for National Statistics data.

In the Glasgow City Region:

- Retail jobs on the High Street dropped by 7%
- Retail jobs as % of High Street jobs dropped by 3% (from 29% to 26%)
- The % of retail jobs on the High Street as opposed to elsewhere remains pretty steady at around 35%
- Recent Fraser of Allander analysis noted that a shift in retail can be attributed to online shopping. By the end of 2019, £1 in £5 of sales was online, double the 2013 share. In May 2020 that rose to £1 in £3
- 53.4% of High Street addresses are residential
- 13.1% of the region's population live around the High Street – although this is mainly driven by Glasgow

4.9 The Centre for Cities have also produced a recovery tracker for high streets throughout the UK. The tracker shows how quickly high streets in the UK's largest cities and towns are returning to their previous levels of activity, and the drivers behind it. The tracker uses anonymised mobile phone data from Locomizer and is updated monthly. Covering the period February to September the tracker provides data for the Glasgow Primary Urban Area (East Dunbartonshire, East Renfrewshire, Glasgow City, Renfrewshire, West Dunbartonshire):

- There has been an 84% reduction of workers were during the daytime on weekdays in September compared to February.
- Visitors to the city centre in the daytime at weekends have recovered to 93% of the pre-lockdown total in late-August.
- Visitors to the city centre at night during Fridays and Saturdays only recovered to 58% of the pre-lockdown total in late-August.
- Offline sales in the city centre have recovered to 94% of pre-lockdown estimates in late-August.

4.10 The UK and Scottish Governments have introduced a number of key interventions to support the labour market, The Coronavirus Job Retention Scheme will be replaced by the job support scheme. The Scottish Government's focus going forward is centred around initiatives such as:-

- Partnership Action for Continuing Employment (PACE) - The Scottish Government's initiative for responding to redundancy situations through providing skills development and employability support. It is expected that, from the additional £5m to be made available, resource will be provided to the National Helpline and it is anticipated that £3m will be routed via Local Government for locally based support.
- Transition Training Fund - A new investment of £25m will be focused on helping individuals in sectors where there is the greatest risk of job losses. This new offer will help people gain the skills they need to transition into new jobs in key growth sectors. Full details have still to be provided but it is likely that it will be delivered through Skills Development Scotland via contracted providers.
- Fair Start Scotland - This is the devolved employment support service launched in April 2018, delivered by contracted providers across 9 contract package areas and it has now been extended for 2 years with the last start to the programme in March

2023. This provides support for unemployed people with disabilities, health conditions and other barriers annual expenditure £20m. Delivery is through existing contracted providers.

- Young Person's Guarantee - £60m fund which recognises the importance of local flexibility and the critical role of colleges in delivering meaningful opportunities for young people. From the £60m, £30m to local authorities to deliver flexible local responses through local partnerships, which can help keep people in work and support young people and local employers; £10m to create additional opportunities in colleges; £10m to support pre-apprenticeship activity with Skills Development Scotland and colleges; and £10m to build on the successful Developing the Young Workforce (DYW) infrastructure.
- Kickstart Scotland - This is a 6 month paid work experience at NMW for age for 25 hours per week for 6 months for 18-24 year olds in receipt of UC deemed to be at risk of long term unemployment. This is a UK wide initiative with an open bidding process with a minimum bid of 30 opportunities providing placements with public, private and third sector employers.
- Parental Employment Support Fund – a £12m fund across Scotland to provide help to parents' barriers to work, which might include health support, money advice and motivational support as well help meeting the challenges of in work poverty.
- Parental Support Fund Boost – £7m of additional investment across the 32 local authorities to enhance the links between local employability services and the expansion of Early Learning and Childcare.

4.11 Analysis of these interventions has been undertaken by staff within Regeneration and Planning. A critical appraisal of our existing employment programmes has been carried out and proposals have been developed to promote positive activity within Inverclyde's labour market. The analysis of the interventions has highlighted that capacity of host organisations to offer placements/jobs within lock down scenarios could be a limiting factor. It is acknowledged that whilst there will be a focus on younger people, support needs to be available for all.

4.12 In the current situation it is essential that we continue to provide support to local businesses in order that jobs remain protected.

4.13 Historical trends in Inverclyde indicate that as well as young people finding themselves unemployed in times of recession, unemployment affects all age groups and geographies. Whilst it is likely that a large percentage of our unemployed may come from SIMD areas it is important that our interventions are available for all, regardless of postcode.

4.14 As well as the Council's core budget and earmarked reserves for employability interventions, further support was recently made through anti-poverty monies providing support to young people and local businesses.

5.0 PROPOSALS

Apprentices

5.1 Current data continues to show that apprenticeships offer quality learning and work experience across at least 70 Apprenticeship Frameworks, all of which have been developed with industry input, making the vocational qualifications relevant to current employer needs. Since 2013 the Council has directly employed 125 apprentices in a wide range of vocational disciplines. Our current apprentices are within Business Administration, Childcare, Electrical Engineering, Waste Management and Life Science.

5.2 It is suggested that funding should be made to offer ten technical/professional and Trade Apprenticeships, internally and/or with local public sector/third sector organisations. These would be across a range of disciplines, where formal Apprentice frameworks are available at SCQF Level 7/8 or above. The apprenticeships would be take 4 years to complete, with pay

rates rising as per sector pay scales, and would cost approximately £100,000 per apprentice for the 4 year period, with some variance due to training costs that can only be determined on an annual basis (and affected by availability of national apprenticeship training funding).

Calls for Expressions of Interest across the Council and partner organisations should see possible opportunities in:-

Surveying; Civil Engineering; Environmental Resource; Paralegal; Construction & Built Environment.

It is proposed to seek funding for 10 MA's over 4 years approx. $£100,000 \times 10 = £1,000,000$.

- 5.3 The Council has ten apprentices currently located in Education HQ, Internal Audit, Port Glasgow High School, HSCP Children & Families, HSCP Inverclyde Centre for Independent Living, Environmental Services – Ingleston/Pottery Street, Customer Contact Centre, HSCP Finance, Finance – Creditors, Finance – Revenue & Benefits. It is suggested that funding should be sought to offer the apprentices a 1 year post at Grade 1, providing them with work experience and longer time to complete their qualification (where necessary) given the disruptions caused by COVID.

$£18,108 + 27\% \text{ on-costs} \times 10 \text{ people} = £229,980$.

Graduates

- 5.4 In the last 10 years the Council has supported 100 graduates either internally, via other public/third sector organisations or within the private sector. Ninety percent have remained within/moved on to relevant employment at the end of the programme. Greenock DWP have indicated a recent rise in the number of local Graduates on Universal Credit. Evidence suggests that local graduates are in work which does not utilise their qualification, and that graduates often leave the area to find work that allows them to gain relevant experience. Our current programme pays £18,000 pa.

- 5.5 It is suggested that funding should be sought to offer 14 graduates 18 months of work experience at £22,000 pa (plus on-costs)

$£22,000 \text{ Pa} + 27\% \text{ on-costs} \times 18 \text{ months} = £27,940 \times 14 \text{ places} = £588,000$.

Employer Wage Subsidies

- 5.6 Over the last 2 years the Council has supported 98 posts within 75 local employers. Since July this year we have supported a further 62 jobs within 42 local employers at a cost of just under £400,000. It is advantageous to be able to continue to offer financial support to as many local employers as possible who find themselves able to increase their workforce in these unprecedented times, by providing a wage subsidy that is flexible to the employers' needs and is not curtailed by unnecessary eligibility restrictions. Whilst the payment of the Living Wage is a priority not all employers can afford to meet this.

- 5.7 It is suggested that funding should be sought to offer the following interventions:-

1. Graduate Wage Subsidy for Local Employers paid at 50% of actual hourly rate to max subsidy of £16,000. $\times 15 \text{ places} = £180,000$.
2. Wage Subsidy to Employers Paying Living Wage – paid at 50% of actual hourly rate to max subsidy of £13,500. $\times 20 \text{ places} = £270,000$.
3. Wage Subsidy to Employers Paying National Minimum Wage or above but not as much as the Living Wage – paid at 50% of actual hourly rate to a max subsidy of £10,000. $\times 30 \text{ places} = £300,000$.

Council Refresh Programme

- 5.8 The Council employs 4,109 employees (3367.99 FTE), 83% of whom live within the Inverclyde area.

- 5.9 Twenty nine percent of our employees are aged over 56 years old compared to 5% aged under 25 years old – this is typical of the sector but we have seen a 2% increase in

employees aged over 56 years.

- 5.10 In order to create opportunities for local people in appropriate posts within the Council, it is proposed to develop a scheme to create headroom in vacancies, by allowing employees to leave the Council with up to three added years with early access to their pension. The Council refresh programme would be promoted as a new policy and time-limited to cover the financial period 2021/2023.
- 5.11 Examples of the type of post would be roadworkers, catering or lower grade administration jobs. Engagement has been undertaken with the Corporate Directors on the type of post which may be suitable for consideration in this intervention and whilst the majority of posts for local people may be Grade 5 or less, there may be opportunities to consider posts for people with more experience and therefore it is appropriate to include up to Grade 9 in exceptional circumstances, subject to the net cost of release being less than £40,000 after a 3 year period.
- 5.12 A redundancy payment would not be made as the post is not being deleted. It focuses on the post being filled in a more efficient way or as we have undertaken in the past to create employment opportunities and help reduce the number of unemployed.
- 5.13 Eligible employees invited to express their interest would be active members of the pension scheme and have attained the age of 55 or over (50 – 54 years if a pension member prior to 6 April 2006). A redundancy payment would not be made as no post is being deleted.
- 5.14 Development of this scheme requires consultation with a number of both regulatory and interested parties including the unions.
- 5.15 To allow assessment of workforce planning implications any release of employees would be within the financial year 2021/23.
- 5.16 As the Council's value for money criteria is unlikely to be met (as no post deleted), consideration will be required as to the criteria to be used in selecting employees for release, particularly if there is a high number of interest in a particular area. It is proposed the criteria to be used is the employee with the least cost to the Council along with the impact on workforce planning and service delivery implications.
- 5.17 A detailed Equality Impact Assessment would be required to identify any risks to the Council. Whilst promoting the proposed refresh programme the opportunity will be used to promote the Council's Work-Life Balance and Flexible Retirement Scheme.
- 5.18 The posts linked to the Workforce Refresh Programme would be advertised as permanent. Promoted posts would be filled internally, unless justification is provided by the Head of Service for advertising externally, and that any substantive entry level clerical vacancies that arise are recruited in the first instance from our current modern apprentices. Resultant entry level posts would be advertised externally with the aim of filling these posts from the local population. The Committee is asked to note that our current temporary workforce will be attracted to permanently advertised posts and may be successful.
- 5.19 It is likely that the cost of creating an estimated 60 posts for local people in Inverclyde using this programme would be of the order of £2.53m and it is suggested that funding be sought for this. This figure allows for HR resources to support the programme for a period of two years and has £50,000 built in to provide training and development of new employees who may have been unemployed long-term and need additional support training.

Kickstart Inverclyde

- 5.20 In July the UK Government announced the Kickstart Scheme, an employment programme for 16 – 24 year olds on Universal Credit who are at risk of becoming long-term unemployed.
- 5.21 Businesses (any size), local authorities and third sector organisations are encouraged to employ people through the Kickstart Scheme, which pays the employer the National Minimum

Wage age rate for a 25 hour post for 26 weeks (plus on-costs).

- 5.22 The jobs created with Kickstart funding must be new jobs. They must not replace existing or planned vacancies or cause existing employees or contractors to lose or reduce their employment.
- 5.23 Kickstart participants should also be given support to look for long-term work, including career advice and setting goals; support with CV and interview preparations; and be provided with support for basic skills, such as attendance, timekeeping and teamwork.
- 5.24 The type of posts Inverclyde Council could potentially provide which may be suitable for a 16 – 24 year old Kickstart client could be:-

Clerical/Administrative Assistant
Customer Service Assistant
Facilities Assistant
Catering Assistant
Social Care Support Assistant (Supported Living and Residential)
Homecare Assistant*
Community Alarm Assistant
Fraud Assistant
Grounds Maintenance Assistant
Recycling Operative
Trading Standards Assistant
Enforcement Officer Assistant
Roadworker
Cemetery/Crematorium Assistant
Learning assistant

These posts will be contingent on a suitable supervisory structure being in place in respect of any lockdown scenario.

- 5.25 It is proposed that the Council register for this programme for thirty participants through contracted terms and then, within the parameters of the scheme, enhance the opportunity by offering the living wage over 37 hours and for a period of 52 weeks.
- 5.26 It is suggested that funding should be sought for the additional cost of implementation - £493,230.

Business Support

- 5.27 Maintaining people in jobs is fundamental to the success of our programme. Provision has been made for business development officers already, however to complement this activity with a particular focus on clients from SIMD areas it is proposed to support up to 20 businesses with a start up grant of £10,000. This will be met from the existing business development earmarked reserve.
- 5.28 The future of our town centres is uncertain at this time so to support our town centre business base we propose to create a business development officer (town centres) post which will be funded for a period of two years.
- 5.29 It is suggested that funding should be sought for the additional cost of implementation - £200,000.
- 5.30 In order to manage the programmes there will be a requirement for additional staff over a two year period, HR resources will be funded from the refresh programme, and within Regeneration and Planning one database monitoring officer and additional responsibilities for an existing member of staff, these posts will be funded from the employability earmarked reserve.

6.0 IMPLICATIONS

6.1 Finance

The one off costs are considerable and if approved will be factored into the 2021/23 Budget Strategy.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Reserves	Jobs Scheme	2021/23	£5973k		Per Table in Section 2 of which £100k would be funded from the Employability EMR and £200k from the Business Support EMR

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 issues associated with this report.

6.3 Human Resources

There are no personnel implications associated with this report.

6.4 Equalities

Equalities

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

X	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.
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

The creation of more successful and prosperous businesses and communities within Inverclyde would make it a more attractive place to live, invest and do business.

7.0 CONSULTATIONS

7.1 No consultation has been undertaken in the preparation of this report.

8.0 BACKGROUND PAPERS

8.1 None