

**A meeting of the Inverclyde Council will be held on Thursday 22 September 2022 at 4pm.**

**Members may attend the meeting in person or via remote online access. Webex joining details will be sent to Members and Officers. Members are requested to notify Committee Services by 12 noon on Wednesday 21 September 2022 how they intend to access the meeting.**

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

**Please note that this meeting will be live-streamed via YouTube with the exception of any business which is treated as exempt in terms of the Local Government (Scotland) Act 1973 as amended.**

**Further information relating to the recording and live-streaming of meetings can be found at the end of this notice.**

IAIN STRACHAN  
Head of Legal & Democratic Services

## **BUSINESS**

**\*\*Copy to follow**

1. <b>Apologies and Declarations of Interest</b>	<b>Page</b>
<b>NEW BUSINESS</b>	
2. <b>Her Majesty Queen Elizabeth II – Request by Provost McKenzie</b> Report by Head of Legal & Democratic Services	<b>p</b>
3. <b>Minutes of Meetings of The Inverclyde Council, Committees, Sub-Committees and Boards</b>  Inverclyde Council (30 June 2022) (pp 205-210) General Purposes Board (Special) (20 July 2022) (pp 211) Human Resources Appeals Board (29 July 2022) (pp 212) Planning Board (Special) (3 August 2022) (pp 213-214) Local Review Body (3 August 2022) (pp 215-216) Policy & Resources Committee (9 August 2022) (pp 217-220) Social Work & Social Care Scrutiny Panel (18 August 2022) (pp 221-223) Policy & Resources Executive Sub-Committee (23 August 2022) (pp 224) Environment & Regeneration Committee (25 August 2022) (pp 225-229) Education & Communities Committee (30 August 2022) (pp 230-234) Planning Board (7 September 2022) (pp 235) Local Review Body (7 September 2022) (pp 236) ** Policy & Resources Committee (20 September 2022) (pp ) ** Local Police & Fire Scrutiny Panel (21 September 2022) (pp ) ** General Purposes Board (21 September 2022) (pp )	

4.	<b>Future Delivery of Council Meetings</b> Report by Head of Legal & Democratic Services	p
5.	<b>Flag Flying Protocol</b> Report by Head of Legal & Democratic Services	p
6.	<b>The Cost of Living Emergency – Notice of Motion by Councillor McGuire</b> Report by Head of Legal & Democratic Services	p
7.	<b>Wemyss Bay Station – Request by Councillor Cassidy</b> Report by Head of Legal & Democratic Services	p
<b>REMITTS FROM COMMITTEES</b>		
8.	<b>Treasury Management – Annual Report 2021/22 – Remit from the Policy &amp; Resources Committee</b> Report by Head of Legal & Democratic Services	p
<p><b>The documentation relative to the following item has been treated as exempt information in terms of the Local Government (Scotland) Act 1973 as amended, the nature of the exempt information being that set out in the paragraphs of Part I as detailed in the minute of the relevant Committee, Sub-Committee or Board.</b></p>		
<b>NEW BUSINESS</b>		
9.	<b>Business in the Appendix</b>	
<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> <p>Please note: this meeting may be recorded or live-streamed via YouTube and the Council's internet site, where it will be capable of repeated viewing. At the start of the meeting the Provost/Chair will confirm if all or part of the meeting is being recorded or live-streamed.</p> <p>You should be aware that the Council is a Data Controller under the Data Protection Act 2018. Data collected during any recording or live-streaming will be retained in accordance with the Council's published policy, including, but not limited to, for the purpose of keeping historical records and making those records available via the Council's internet site or YouTube.</p> <p>If you are participating in the meeting, you acknowledge that you may be filmed and that any information pertaining to you contained in the recording or live-stream of the meeting will be used for webcasting or training purposes and for the purpose of keeping historical records and making those records available to the public. In making this use of your information the Council is processing data which is necessary for the performance of a task carried out in the public interest. If you are asked to speak at the meeting then your submission to the committee will be captured as part of the recording or live-stream.</p> <p>If you have any queries regarding this and, in particular, if you believe that use and/or storage of any particular information would cause, or be likely to cause, substantial damage or distress to any individual, please contact the Information Governance team at <a href="mailto:dataprotection@inverclyde.gov.uk">dataprotection@inverclyde.gov.uk</a></p>		

Enquiries to – **Diane Sweeney** – Tel 01475 712147

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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>22 September 2022</b>
<b>Report By:</b>	<b>Head of Legal &amp; Democratic Services</b>	<b>Report No:</b>	<b>LS/83/22</b>
<b>Contact Officer:</b>	<b>Diane Sweeney</b>	<b>Contact No:</b>	<b>01475 712147</b>
<b>Subject:</b>	<b>Her Majesty Queen Elizabeth II – Request by Provost McKenzie</b>		

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## 1.0 PURPOSE AND CONSIDERATIONS

- 1.1 The purpose of this report is to advise the Council of a request received from Provost McKenzie in the following terms:

“On behalf of everyone at Inverclyde Council and the entire Inverclyde community, the Council offers its deepest condolences to the Royal Family, on the news of the sad passing of Queen Elizabeth II.

Throughout her exceptional reign, Queen Elizabeth II was a symbol of strength, compassion and commitment.

We will remember with affection and appreciation, her lifetime of service and we join with people across the country, the Commonwealth and beyond, to mourn the loss of such a deeply respected and inspirational monarch.”

## 2.0 RECOMMENDATION

- 2.1 That the Council considers the request by Provost McKenzie.

**Iain Strachan**  
**Head of Legal & Democratic Services**

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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>22 September 2022</b>
<b>Report By:</b>	<b>Head of Legal &amp; Democratic Services</b>	<b>Report No:</b>	<b>LS/81/22</b>
<b>Contact Officer:</b>	<b>Iain Strachan</b>	<b>Contact No:</b>	<b>01745 271271</b>
<b>Subject:</b>	<b>Future Delivery of Council Meetings</b>		

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## **1.0 PURPOSE AND SUMMARY**

1.1  For Decision  For Information/Noting

1.2 The purpose of this report is to provide the Council with proposals around the future delivery of formal Council/Committee meetings.

1.3 The Council has considered a number of reports in connection with the arrangements for remote and hybrid meetings, given the impact of the Covid-19 pandemic. The last time the Council considered this in detail was at its meeting on 17 February 2022. Given this, the subsequent passage of time and the Council's move towards a more consistent working environment, it is appropriate for the Council to review its current meetings arrangements, and to resolve what they should be going forward, in order to provide Elected Members, officers and the public with clarity around this.

1.4 This report proposes that the Council take certain decisions, as set out at paragraphs 4.5 and 4.8.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Council agrees the following:-

- that meetings of the Council, Committees, Scrutiny Panels, Sub-Committees and quasi-judicial Boards are all held on a hybrid basis moving forward, in accordance with the previously approved Remote and Hybrid Meeting Protocols, the exceptions to this being as agreed by the Council at its meeting on 23 September 2021;
- that public attendance be facilitated by permitting physical attendance and at the same time continuing with the existing arrangements for live streaming of meetings onto You Tube (or such substitute medium as the Council might subsequently use);
- that, as under the current arrangements, given their particular nature, the Council would continue to adopt the position that it does not live stream its quasi-judicial boards, save where required by law;
- that press access to Council meetings continues as it does currently, namely they have the option of attending in person or by being invited to the Webex/Teams meeting;
- that authority is delegated to the Chief Executive, in consultation with the Strategic Leadership Forum, to decide whether any Council meetings should instead be held on a

fully in person or fully remote basis, where that is considered appropriate, for example for public health reasons; and

- that authority be delegated to the Head of Legal & Democratic Services in consultation with the Chair of the General Purposes Board to determine the manner in which a hearing is held in respect of civic licensing matters, in terms of the Coronavirus (Recovery and Reform) (Scotland) Act 2022.

2.2 It is recommended that Council agrees the following:-

- notes the move to Microsoft Teams, and that Council/committee meetings will still use Webex for the time being, but that these will also, in due course, move over to Microsoft Teams; and
- that authority be delegated to the Head of Legal & Democratic Services to update the previously approved Remote and Hybrid Meeting Protocols and replace references to Webex with Microsoft Teams, and any other consequential changes from the move to Microsoft Teams.

**Iain Strachan**  
**Head of Legal and Democratic Services**

### 3.0 BACKGROUND AND CONTEXT

- 3.1 Elected Members have received and considered a number of reports regarding the delivery of Council/Committee and quasi-judicial Board meetings since the outbreak of the Covid-19 Pandemic in March 2020. The approach adopted by the Council has been driven by both UK and Scottish Government regulations and guidance.
- 3.2 The most recent key decisions can be summarised as set out below.
- 3.3 At its meeting on 23 September 2021, the Council agreed that approval should be given to all meetings of the Council, Committees, Sub-Committees and Boards continuing to be held on a hybrid basis except in the following circumstances:
- The Chair/Vice-Chair or Convener/Vice-Convener is unable to attend the meeting in person;
  - Holding a hybrid meeting would be contrary to the legislation, regulations and guidance of the Scottish Government regarding the COVID 19 pandemic with regards to public health and the requirement for social distancing measures.
- <https://www.inverclyde.gov.uk/meetings/meeting/2384>
- 3.4 At its meeting on 23 December 2021, the Policy & Resources Executive Sub-Committee agreed:
- That all meetings of the Council, Committees, Sub-Committees and quasi-judicial Boards would revert to remote online meetings;
  - that public access to remote online Council and Committee meetings would be facilitated by live streaming fully remote meetings via You Tube; and
  - that the arrangements for the continued delivery of the Council, Committees and Council meetings and those of all quasi-judicial Boards would be considered by the Council at its meeting on 17 February 2022.
- <https://www.inverclyde.gov.uk/meetings/meeting/2414>
- 3.5 At its meeting on 17 February 2022, the Council agreed
- that the Council revert to the Hybrid Committee model approved by the 23 September 2021 Council with effect from 1 March 2022; and
  - that public attendance be facilitated via reverting to physical attendance whilst continuing with live streaming of meetings onto You Tube (or such substitute medium as the Council might subsequently use).
- <https://www.inverclyde.gov.uk/meetings/meeting/2429>
- 3.6 The Council has supported these arrangements through the adoption of Remote and Hybrid Meeting Protocols, which have likewise been the subject of updating, approved by Council, including most recently at the 21 April meeting of full Council.
- <https://www.inverclyde.gov.uk/meetings/meeting/2449>
- 3.7 By necessity, the move to remote, and then hybrid, meetings was originally taken quickly, and in response to the pandemic and the changing nature of it, coupled with its impact on the Council and the citizens of Inverclyde. However, what were once thought likely to be short-term and temporary arrangements have now become long-term and more permanent. With the gradual relaxation of UK and Scottish Government Covid-19 related regulations and guidance, and the Council's return to a more normal and consistent way of working, it is suggested that Council now needs to consider and decide what the permanent meeting arrangements should be.

## 4.0 PROPOSALS

### Continuation of Hybrid Meetings

- 4.1 It is the view of the Corporate Management Team that the reversion to hybrid meetings has been successful. This approach has continued to help keep Elected Members, officers and the public safe, whilst enabling meetings to be conducted in an efficient and effective manner. In addition, holding meetings in this way makes for a more efficient use of officer time, which is particularly important given the current challenges around resource capacity. There has been the continued application of appropriate social distancing measures, including offering the choice of remote attendance. Members will also be aware that additional measures have been introduced to improve the ventilation in the Chambers. In particular two air purifiers and a CO2 monitor have been installed within the Chambers whilst the main and side doors have been left open during public business. The CO2 monitor readings have been monitored, and to date there have been no instances where CO2 levels have exceeded acceptable limits, even during warm weather, albeit meetings have generally been of a short duration.
- 4.2 It is noted that a hybrid meeting does deliver a different experience to one where all participants are present, and different again to one where all participants are remote. The perceived advantages and disadvantages of each approach will also vary according to the nature of the meeting in question, and the preferences and personal circumstances of each participant. In respect of the quasi-judicial meetings the Council holds it could be said that, given their nature, the default position is they should be held with all participants physically present. However, it is the opinion of the Corporate Management Team that these can still be held in a suitably effective and efficient manner by a hybrid, or even fully remote, approach. This position is supported by the recently enacted Coronavirus (Recovery and Reform) (Scotland) Act 2022, which confirms that hearings in respect of civic or alcohol licensing matters can be held on a remote or hybrid basis, as well as in person. In respect of that it is to be noted that the General Purposes Board and the Inverclyde Licensing Board will be able to determine the approach that is most suitable for any planned hearing, but by law must also take account of the views of those who are participating.
- 4.3 The adoption of hybrid meetings is also consistent with the Council's approach to flexible workstyles. The Council agreed, as part of the Covid Organisational Recovery plan, to operate a hybrid working pilot, and linked to this in December 2021 Council approved a saving, linked to New Ways of Working, the delivery of which is contingent on reductions in the Council's estate, given that many office based staff will no longer require to be in the office as much as they were before the pandemic. This pilot is ongoing, and an assessment of its effectiveness and the identification of potential savings will be reported to the Policy & Resources Committee in Summer 2023.
- 4.4 There has been the following number of views of the Council meetings through the Council's You Tube channel:-

Date	Committee	Number of Views
7 June 2022	Audit Committee	38
8 June 2022	Health & Social Care Committee	53
14 June 2022	Education & Communities – Communities Business	40
14 June 2022	Education & Communities – Education Business	38
16 June 2022	Environment & Regeneration Committee	82
21 June 2022	Policy & Resources Committee	60
23 June 2022	Local Police & Fire Scrutiny Committee	78

28 June 2022	Audit Committee	24
30 June 2022	Inverclyde Council	128

While the numbers are not large, they do support the continuation of the current streaming arrangements.

4.5 As such, it is recommended that the Council agrees the following:-

- that meetings of the Council, Committees, Scrutiny Panels, Sub-Committees and quasi-judicial Boards are all held on a hybrid basis moving forward, in accordance with the previously approved Remote and Hybrid Meeting Protocols, the exceptions to this being as agreed by the Council at its meeting on 23 September 2021 (and summarised at paragraph 3.3 above);
- that public attendance be facilitated by permitting physical attendance and at the same time continuing with the existing arrangements for live streaming of meetings onto You Tube (or such substitute medium as the Council might subsequently use);
- that, as under the current arrangements, given their particular nature, the Council would continue to adopt the position that it does not live stream its quasi-judicial boards, save where required by law;
- that press access to Council meetings continues as it does currently, namely they have the option of attending in person or by being invited to the Webex meeting;
- that authority is delegated to the Chief Executive, in consultation with the Strategic Leadership Forum, to decide whether any Council meetings should instead be held on a fully in person or fully remote basis, where that is considered appropriate, for example for public health reasons; and
- that authority be delegated to the Head of Legal & Democratic Services in consultation with the Chair of the General Purposes Board to determine the manner in which a hearing is held in respect of civic licensing matters, in terms of the Coronavirus (Recovery and Reform) (Scotland) Act 2022.

### **Microsoft Teams/Webex**

4.6 As has been reported elsewhere, the Council is moving to Microsoft 365, with the move expected to be largely completed during the late Summer/early Autumn of 2022. As part of this, Elected Members and officers will be able to organise meetings by way of Microsoft Teams, and will no longer require to use Webex. It is, however, to be noted that the display screen, with integrated camera, that is located in the Chamber and used to support the holding of hybrid meetings is only compatible with Webex. It is proposed that the replacement of the screen is dealt with as part of a wider refurbishment of the Chamber, referred to below. As such, and until such time as alternative Microsoft Teams compatible equipment can be installed, Webex will continue to be used for meetings of the Council, Committees, Scrutiny Panels, Sub-Committees and quasi-judicial Boards.

4.7 A programmed roll out of Microsoft Teams, and associated training and guidance, is expected to commence around mid/late September 2022.

4.8 It is recommended that Council agrees the following:-

- notes the move to Microsoft Teams, and that Council/committee meetings will still use Webex for the time being, but that these will also, in due course, move over to Microsoft Teams; and
- that authority be delegated to the Head of Legal & Democratic Services to update the previously approved Remote and Hybrid Meeting Protocols and replace references to Webex with Microsoft Teams, and any other consequential changes from the move to Microsoft Teams.



**Location of Council/Committee Meetings**

- 4.9 In the period since the Council’s Statutory Meeting on 19 May 2022 all meetings of the Council, Committees, Scrutiny Panels, Sub-Committees and quasi-judicial Boards have (with one exception) been held from the Council Chamber. The Statutory Meeting was held from the Town Hall, as approved by full Council on 21 April 2022. The only exception was the special meeting of the General Purposes Board on 20 July 2022, which was held from Board Room 1, given the Chamber was otherwise unavailable.
- 4.10 As was noted in the above mentioned report of 21 April 2022 there are limitations to the effectiveness of the Chamber as the location for a hybrid meeting, including related to its size, the absence of a suitable video-conferencing system and the lack of ventilation. As such, and recognising the significance of the Chamber, the Council needs to consider and decide where best to hold its formal meetings on a permanent basis going forward, and any investment that might be required to facilitate that.
- 4.11 Officers will undertake further work around this, and bring a proposal back to a future meeting of the Council, including detail on the installation of a suitable video-conferencing/webcasting system and how this might tie in with planned works to Greenock Municipal Buildings.

**5.0 IMPLICATIONS**

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

<b>SUBJECT</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
Financial		X	
Legal/Risk	X		
Human Resources	X		
Strategic (LOIP/Corporate Plan)			X
Equalities & Fairer Scotland Duty			X
Children & Young People’s Rights & Wellbeing			X
Environmental & Sustainability			X
Data Protection			X

**5.2 Finance**

There are no financial implications directly arising from this report and its proposals.

One off Costs

<b>Cost Centre</b>	<b>Budget Heading</b>	<b>Budget Years</b>	<b>Proposed Spend this Report</b>	<b>Virement From</b>	<b>Other Comments</b>
N/a					

Annually Recurring Costs/ (Savings)

<b>Cost Centre</b>	<b>Budget Heading</b>	<b>With Effect from</b>	<b>Annual Net Impact</b>	<b>Virement From (If Applicable)</b>	<b>Other Comments</b>
N/a					

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### 5.3 Legal/Risk

There is a need for the Council to ensure that its meeting are suitably accessible to the public and other stakeholders, and at the same time ensure such meetings are conducted in a manner that complies with the relevant regulations and guidelines that have been introduced as a consequence of the Covid-19 pandemic. The proposals in this report, coupled with ongoing review and regular risk assessments, will ensure these legal requirements are met.

### 5.4 Human Resources

The main implication is the impact on staff of the meeting arrangements that the Council wishes to have, both in terms of administrative and also attendance for the actual meeting. It is assessed that the proposals in this report can be supported by staff, as they are now. In addition, there are health and safety considerations, but they too should be capable of being satisfied. Elected Members should, however, be aware of the additional officer support that is needed for holding and webcasting of remote and hybrid meetings that was not previously required for in person meetings.

## 6.0 CONSULTATION

6.1 The Corporate Management Team and the Strategic Leadership Forum have been consulted on this report.

## 7.0 BACKGROUND PAPERS

7.1 None.

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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>22 September 2022</b>
<b>Report By:</b>	<b>Head of Legal &amp; Democratic Services</b>	<b>Report No:</b>	<b>LS/82/22</b>
<b>Contact Officer:</b>	<b>Iain Strachan</b>	<b>Contact No:</b>	<b>01745 271 271</b>
<b>Subject:</b>	<b>Flag Flying Protocol</b>		

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## **1.0 PURPOSE AND SUMMARY**

1.1  For Decision  For Information/Noting

1.2 The purpose of this report is to provide the Council with a proposed Flag Flying Protocol, further to the 17 February 2022 meeting of the Council.

1.3 The Council does not have a formal approved position on all the different flags that it flies and when. Instead, the Council's approach has developed over the years, based upon custom and practice, and some specific Council decisions. Given this, and the sensitivities that can be associated with flag flying, it is proposed that the Council approves a specific Flag Flying Protocol, to provide elected members, officers and the public with clarity around this. In accordance with existing practice, the Flag Flying Protocol includes the birthday of His Majesty the King, and the Official Celebration of this which traditionally takes place on a separate day.

1.4 Following a health & safety assessment it is recommended that officers, in consultation with Ward 5 councillors, examine alternative locations for a flag pole within Gourrock.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Council agrees the following:-

2.1.1 that the Council approves the Flag Flying Protocol appended to this report;

2.1.2 that authority is delegated to the Chief Executive to update the Flag Flying Protocol with the date of the Official Celebration of the birthday His Majesty the King, once known;

2.1.3 that the Council continues to fly the Ukrainian flag from Greenock Municipal Buildings, other than on occasions when the Flag Flying Protocol decrees another flag is to be flown, with it being delegated to the Chief Executive to keep this under review, in consultation with the Provost and the Leader of the Council, including to review the matter in 6 months' time; and

2.1.4 that officers consult with Ward 5 Councillors and Community Councils and report back to a future Council meeting regarding a possible alternative location for the Gourrock Municipal Buildings flag pole.

**Iain Strachan, Head of Legal & Democratic Services**

### **3.0 BACKGROUND AND CONTEXT**

- 3.1 Inverclyde Council recognises a number of events and anniversaries by the flying of certain flags on certain days.
- 3.2 The Scottish Government has issued its own [guidance for the flying of flags](#), which is ordinarily updated every January. This guidance does not apply to local authorities, albeit the Council could choose to follow some or all of it, if it so wished.
- 3.3 The Council does not have a formal approved position on all the different flags that it flies and when. Instead, its approach has developed over the years, based upon custom and practice, and some specific Council decisions. Examples of specific decisions include the following:-
  - The decision of full Council on 21 February 2019 around the flying of the Pride flag; and
  - The decision of full Council on 17 February 2021 around the flying of a flag for National Care Day and Care Week.
- 3.4 For ease of reference a list has been compiled and is set out in the Annexation to this report. All the flags listed are ones that are flown annually, on a recurring basis. The Council will, however, be aware that the Council is also currently flying the Ukrainian flag from Greenock Municipal Buildings, to show solidarity with the Ukrainian people, given the current conflict and humanitarian crisis the country is suffering.
- 3.5 The Council's Health & Safety team have recently undertaken an assessment of the main flag poles used by the Council and identified that the location of flag pole currently within Gourrock Municipal Buildings needs to change.

### **4.0 PROPOSALS**

- 4.1 The flying of flags can be a sensitive topic, and potentially contentious. As such, in order to provide members, officers and the public with clarity around what flags will be flown, and when, and the approval needed for additional flags to be flown, or other changes made to existing practice, it is recommended that the Council adopts a Flag Flying Protocol.
- 4.2 Following the passing of Queen Elizabeth II, and with the accession to the throne of His Majesty the King, King Charles III, the Flag Flying Protocol includes 14<sup>th</sup> November as the date of His Majesty's Birthday. It is expected that there will be an alternate date confirmed as the date for the Official Celebration of His Majesty's birthday, and it is recommended that authority is delegated to the Chief Executive to update the Protocol once details around this are confirmed.
- 4.3 Given that, as noted above, the Ukrainian flag is currently being flown, a decision will have to be made as to whether or not the Council continues to fly this flag. This flag is not included in the draft protocol, given the specific circumstances relating to it being flown. A possible decision could be for the Council to continue to fly this flag, other than when the protocol decrees another flag is flown from Greenock Municipal Buildings to mark a special occasion, with it being delegated to the Chief Executive to keep this under review, in consultation with the Provost and the Leader, including to review the matter in 6 months' time.
- 4.4 It is proposed that officers consult with Ward 5 Councillors and Community Councils regarding a possible alternative location for the Gourrock Municipal Buildings flag pole.

### **5.0 IMPLICATIONS**

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

<b>SUBJECT</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
Financial		X	
Legal/Risk	X		
Human Resources	X		
Strategic (LOIP/Corporate Plan)			X
Equalities & Fairer Scotland Duty			X
Children & Young People's Rights & Wellbeing			X
Environmental & Sustainability			X
Data Protection			X

## 5.2 Finance

None, other than the officer resources involved in flying flags from different Council buildings. However, to date, all this has been contained within existing budgets. This includes the cost of BSU raising and lowering flags at Gourock Municipal Buildings, the cost of which is approximately £150 for each flag.

One off Costs

<b>Cost Centre</b>	<b>Budget Heading</b>	<b>Budget Years</b>	<b>Proposed Spend this Report</b>	<b>Virement From</b>	<b>Other Comments</b>
N/a					

Annually Recurring Costs/ (Savings)

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

## 5.3 Legal/Risk

None, other than potential health and safety considerations around the continued use of the flagpole at Gourock Municipal Buildings.

## 5.4 Human Resources

None, other than the officer resources involved in flying flags from different Council buildings.

## 6.0 CONSULTATION

6.1 The Corporate Management Team and Strategic Leadership Forum have been consulted on this report.

## 7.0 BACKGROUND PAPERS

7.1 None.

## **Appendix Draft Inverclyde Council Flag Flying Protocol**

Inverclyde Council recognises a number of events and anniversaries by the flying of certain flags on certain days.

The Scottish Government has issued its own [guidance for the flying of flags](#), which is ordinarily updated every January. This guidance does not apply to local authorities, albeit the Council could choose to follow some or all of it, if it so wished.

The Council has over time developed a list of flags that will be flown on certain days. For ease of reference that list has been compiled and is set out in the Annexation to this Protocol. The approval of Inverclyde Council is required to make any permanent alterations to this list.

In the event that at any time more than one flag is due to be flown from the same flagpole on the same date, then authority is delegated to the Council's Chief Executive to resolve the matter and decide, in consultation with the Provost and the Leader of the Council, which flag will be flown.

The decision to fly any flags that are not listed in the Annexation, and/or any permanent alterations to this list, requires the approval of Inverclyde Council. However, where the approval of Inverclyde Council would be required in respect of a flag that is proposed to be flown and there is no scheduled meeting in advance of the date proposed for flying, then authority is delegated to the Council's Chief Executive, in consultation with the Provost and the Leader of the Council, to decide the matter in question.

In addition to flag flying, on the death of the Sovereign the Union Flag will also be flown at half-mast (that being flown two-thirds up the flagpole) from the flag poles at Greenock Municipal Buildings, Clyde Square, Port Glasgow Town Hall and the Gourock Municipal Buildings, taking account of any further guidance that may be issued by the Scottish Government at that time. The decision to fly the flag at half-mast on any other occasions, including the death of any other significant public figure, is delegated to the Council's Chief Executive, in consultation with the Provost and the Leader of the Council.

This Protocol was approved by Inverclyde Council at its meeting of [TBC] 2022.

## Inverclyde Council Flag Flying

Listed below are the dates/occasions when certain flags are to be flown from certain Inverclyde buildings. These flags are to be flown from the Council's Greenock Municipal Buildings at Clyde Square, save where otherwise noted (\*).

In addition, under a decision of Inverclyde Council on 17 February 2022, the Saltire will be flown from all three Town Buildings all year round, with the exception of days it is agreed, or accepted practice, that other flags should be flown.

<b>Date</b>	<b>Occasion</b>	<b>Flag</b>
*25 <sup>th</sup> January	Robert Burns' Birthday	St Andrew's Cross
1 <sup>st</sup> February	Lesbian Gay Bisexual and Transgender (LGBT) Month	Pride (Rainbow) Flag
8 <sup>th</sup> February	International Women's Day	Official Women's Day Flag
18 <sup>th</sup> February	National Care Day	Proud2Care Flag
9 <sup>th</sup> March	Commonwealth Day	Commonwealth Day Flag
9 <sup>th</sup> May	Council of Europe	Council of Europe Flag
17 <sup>th</sup> May	International Day against Homophobia, Biphobia and Transphobia	Pride (Rainbow) Flag
24 <sup>th</sup> May	Empire Day	Union Flag
*TBC (date variable)	Official Celebration of His Majesty's Birthday	Union Flag
*June (date variable)	Armed Forces Day	Armed Forces Flag
13 to 14 July (dates variable)	Glasgow Pride Weekend	Pride (Rainbow) Flag
3 <sup>rd</sup> September	Merchant Navy Day	Red Ensign
October (dates variable)	Care Week	Proud2Care Flag
24 <sup>th</sup> October	United Nations Day	United Nations Flag
*2 <sup>nd</sup> Sunday in November	Remembrance Sunday	Union Flag
*11 <sup>th</sup> November	Armistice Day (Remembrance Day)	Union Flag
*14 <sup>th</sup> November	Birthday of His Majesty the King	Union Flag
*30 <sup>th</sup> November	St Andrew's Day	St Andrew's Cross
1 <sup>st</sup> December	World AIDS Day	Aids Flag (Red/White)
3 <sup>rd</sup> December	International Day of Persons with Disabilities	Purple Flag

Use of \* means the Flag is to be flown within the three Town Buildings in Inverclyde, being the Greenock Municipal Buildings, the Port Glasgow Town Hall and the Gourock Municipal Buildings.

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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>22 September 2022</b>
<b>Report By:</b>	<b>Head of Legal &amp; Democratic Services</b>	<b>Report No:</b>	<b>LS/079/22/CM</b>
<b>Contact Officer:</b>	<b>Colin MacDonald</b>	<b>Contact No:</b>	<b>01475 712113</b>
<b>Subject:</b>	<b>The Cost of Living Emergency – Notice of Motion by Councillor McGuire</b>		

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to advise the Council of the receipt of a Notice of Motion by Councillor McGuire, countersigned by Councillor Clocherty, relative to the cost of living emergency in terms of Standing Order 22.
- 1.2 The terms of the Notice of Motion are set out in appendix 1 to the report.

## **2.0 RECOMMENDATION**

- 2.1 The Council is asked to consider the Notice of Motion by Councillor McGuire.

**Iain Strachan**  
**Head of Legal & Democratic Services**



## The Cost of Living Emergency

## Appendix 1

Inverclyde Council recognises there is a cost of living emergency.

Council notes that the cost of living has increased markedly over the past year driven by the increase in the wholesale cost of oil and gas, the increase in demand following the public health emergency, market failure in the energy market and the ongoing impacts of Brexit and the war in Ukraine.

We have seen record highs and increases in the everyday essentials our constituents need. Inflation has hit a 40 year high of 10.1%; grocery prices have increased 8.8% since July; energy prices increased 54% in April - the price cap has just been increased from £1,971 to £3,549 (in October); fuel prices have increased, on average 36.5p per litre year-on-year; wages are, in real terms, 3% lower. People in Inverclyde have never had such pressure on their day-day living costs.

Inverclyde already had some of the worst poverty rates in Scotland before the current crisis began. This has never been okay but we are now facing the worst financial crisis for individuals in over 40 years. Action is needed now. Without action, people will starve or freeze to death.

The cost of living crisis is not only impacting on local households, it is also impacting significantly on the Council directly, Inverclyde Leisure, local businesses, third sector organisations and community groups.

Council notes that while the UK and Scottish Governments, and the Council itself, have been taking measures to address the impact of the cost of living more needs to be done.

With the Council facing around £15m of cuts over the next two years our capacity to support the local community is extremely limited. The Council calls upon Scottish Government to ensure a real terms increase in their funding to enable the provision of lifeline community services.

Nevertheless Council instructs officers to bring forward proposals to the Policy and Resources Committee and other relevant committees as a matter of urgency on what more the Council and the Health and Social Care Partnership can do to support our community through this crisis including looking at having a 'cost of living hubs' on their websites and promote this on the Inverclyde Council and HSCP websites.

Further the Council requests that the Leaders/Spokesperson of each political group agree to write jointly to the new Prime Minister and the First Minister to highlight our concerns and to ask both Governments to take immediate and decisive action to ease the cost of living impact on the Inverclyde community including reviewing the local government settlement and energy price cap.

**Moved:** Councillor Natasha McGuire

**Seconded:** Councillor Clocherty

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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>22 September 2022</b>
<b>Report By:</b>	<b>Head of Legal &amp; Democratic Services</b>	<b>Report No:</b>	<b>LS/80/22</b>
<b>Contact Officer:</b>	<b>Diane Sweeney</b>	<b>Contact No:</b>	<b>01475 712147</b>
<b>Subject:</b>	<b>Wemyss Bay Station – Request by Councillor Cassidy</b>		

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## **1.0 PURPOSE AND CONSIDERATIONS**

- 1.1 The purpose of this report is to advise the Council of a request received from Councillor Cassidy relative to Wemyss Bay Station.
- 1.2 The terms of Councillor Cassidy's request are set out in appendix 1 to the report.

## **2.0 RECOMMENDATION**

- 2.1 That the Council considers the request by Councillor Cassidy.

**Iain Strachan**  
**Head of Legal & Democratic Services**

## WEMYSS BAY STATION NAMED ONE OF THE MOST BEAUTIFUL IN THE WORLD

The Council is asked to:

- (1) Welcome the news that Wemyss Bay Railway Station has been named one of the most beautiful train stations in the world, by the House & Garden List.
- (2) Notes that the station claimed 34<sup>th</sup> place out of 37 stations recognised for their architecture, that it was the only station in Scotland to feature on the list, where it was listed alongside internationally famous stations such as Amsterdam Central, New York Grand Central Station, and Kings Cross.
- (3) Understand that the Edwardian Grade A Listed building was designed by James Miller and opened in 1865 with it being completely rebuilt in 1903 by Caledonia Railway to accommodate the growing number of travellers, that between 2014-2016 a major refurbishment was carried out by Network Rail and Inverclyde Council to ensure it continued use into the future.
- (4) Further note that this award recognises the hard work that volunteer group Friends of Wemyss Bay Station and ScotRail station staff put into keeping the building maintained and recognises that this significant achievement will only help to increase tourism to Inverclyde by putting the area onto the world stage.

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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>22 September 2022</b>
<b>Report By:</b>	<b>Head of Legal &amp; Democratic Services</b>	<b>Report No:</b>	<b>LS/77/23</b>
<b>Contact Officer:</b>	<b>Diane Sweeney</b>	<b>Contact No:</b>	<b>01475 712147</b>
<b>Subject:</b>	<b>Treasury Management – Annual Report 2021/22 – Remit from the Policy &amp; Resources Committee</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to request the Council consider a remit from the Policy & Resources Committee.

## 2.0 SUMMARY

- 2.1 The Policy & Resources Committee at its meeting on 9 August 2022 considered a report by the Interim Director Finance & Corporate Governance (1) advising of the operation of the treasury function and its activities for 2021/22 as required under the terms of the Treasury Management Practice 6 (TMP6) on 'Reporting Requirements and Management Information Arrangements', and (2) requesting that the report be remitted to the Inverclyde Council for approval. A copy of the report to the Policy & Resources Committee is attached as appendix 1.
- 2.2 The Policy & Resources Committee decided the following:
- (1) that (a) the contents of the annual report on Treasury Management for 2021/22 be noted; and (b) the ongoing work seeking to ensure the delivery of financial benefits for the Council during the current uncertainty and beyond be noted;
  - (2) that the report be remitted to the Inverclyde Council for approval; and
  - (3) that it be noted that an Elected member training session on Treasury Management has been arranged for 6 September 2022.

## 3.0 RECOMMENDATION

- 3.1 The Council is asked to approve the operation of the treasury function and its activities for 2021/22 as required under the terms of the Treasury Management Practice 6 (TMP6) on 'Reporting Requirements and Management Information Arrangements'.

**Iain Strachan**  
**Head of Legal & Democratic Services**

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>9 August 2022</b>
<b>Report By:</b>	<b>Interim Director Finance &amp; Corporate Governance</b>	<b>Report No:</b>	<b>FIN/45/22/KJ/AP</b>
<b>Contact Officer:</b>	<b>Alan Puckrin</b>	<b>Contact No:</b>	<b>01475 712223</b>
<b>Subject:</b>	<b>Treasury Management – Annual Report 2021/22</b>		

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## 1.0 PURPOSE AND SUMMARY

1.1  For Decision  For Information/Noting

1.2 The purpose of this report is:

- a. To advise the Committee of the operation of the treasury function and its activities for 2021/22 as required under the terms of Treasury Management Practice 6 (“TMP6”) on “Reporting Requirements and Management Information Arrangements”.
- b. To request that the Committee remits the report to the Full Council for their approval.

1.3 As at 31 March 2022 the Council had gross external debt (including PPP) of £246,163,995 and investments of £34,338,655. This compares to gross external debt (including PPP) of £257,757,141 and investments of £39,905,732 at 31 March 2021.

1.4 The Council 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.

## 2.0 RECOMMENDATIONS

2.1 It is recommended that the Committee notes the contents of the annual report on Treasury Management for 2021/22 and the ongoing work to seek to ensure the delivery of financial benefits for the Council during the current uncertainty and beyond.

2.2 It is requested that the Committee remits the report to the Full Council for approval.

2.3 It is recommended that the Committee notes that a Member training session on Treasury Management has been arranged for 6 September.

**Alan Puckrin**  
**Interim Director Finance & Corporate Governance**

### 3.0 BACKGROUND AND CONTEXT

- 3.1 The Council is required by regulations issued under the Local Government in Scotland Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2021/22.
- 3.2 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.”
- 3.3 This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code). Paragraphs 3.16 to 3.18 of the report include information on Loan Fund Advances required by regulations that came into effect on 1 April 2016.
- 3.4 The treasury management issues arising during the year were:
- a. The Council’s debt (including PPP) reduced during the year by £11.593m whilst Council investments reduced by £5.567m. The reduction in debt was due to repaying maturing debt without undertaking new borrowing.
  - b. The Council remained within its Prudential Indicator and Treasury Management limits during 2021/22.
  - c. As at 31 March 2022 the Council had under borrowed against its capital financing requirement by £39.016m. This under borrowing is £4.941m higher than at the end of 2020/21.
  - d. In February 2021 the Treasury Consultants forecast that the Bank Rate would remain at the historic low of 0.10% through to at least March 2024 but concerns over inflation led the Bank of England to increase the rate to 0.25% in December 2021, 0.50% in February 2022, 0.75% in March and with further increases to 1.00% and then 1.25% in May and June. Further increases are forecast during 2022/23.
  - e. PWLB rates for new borrowing were expected to increase by 0.30% during the year. Rates for short-term loans increased by up to 1.24% with the level of increase tapering down to 0.38% for some long-term loans. Much of the increase in short-term rates comes from market concerns on inflation.
  - f. Rates for investments were low for much of the year due to the 0.10% Bank Rate but are now higher and increasing following the Bank Rate increases since December.
  - g. The Council’s investments earned a rate of return of 0.244% during the year and outperformed the benchmark return of 0.171% resulting in additional income to the Council of £30,000.
  - h. 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 year.
  - i. The Council’s investment performance is due to undertaking fixed term and notice account investments at interest rates that were above the benchmark with counterparties which have high creditworthiness (the Bank of Scotland, Santander UK, and Nationwide Building Society) and in accordance with the Council’s investment strategy.
- 3.5 The Covid-19 crisis continued to cause economic uncertainty in the UK and around the world during 2021/22 with additional uncertainty and concerns later in the financial year from inflation and the conflict in Ukraine.

The economic situation continues to be closely monitored.

3.6 The Council's Year End debt position was as follows:

	At 31 March 2021	At 31 March 2022
	£	£
Total Excluding PPP	198,761,141	188,748,995
PPP Debt	58,996,000	57,415,000
Total Including PPP	257,757,141	246,163,995

Further detail is given in the following table:

	At 31 March 2021		At 31 March 2022		Movement 2021/22
	Principal	Rate	Principal	Rate	Principal
	£000		£000		£000
Fixed Rate Funding:					
- PWLB	99,065		89,029		(10,036)
- Market *	56,000		71,000		15,000
	155,065	3.67%	160,029	3.84%	4,964
Variable Rate Funding:					
- PWLB	0		0		0
- Market *	43,400		28,400		(15,000)
- Temporary #	296		320		24
	43,696	4.91%	28,720	4.87%	(14,976)
Total Debt (Excl PPP)	198,761	3.94%	188,749	4.00%	(10,012)
PPP Debt	58,996		57,415		(1,581)
Total Debt (Incl PPP)	257,757		246,164		(11,593)

\* - 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 includes funds held by the Council on behalf of the Common Good and Trust Funds and that are to be treated as borrowing for Treasury Management purposes under Scottish Government requirements.

3.7 The Council's cash balances investment position was as follows:

	At 31 March 2021		At 31 March 2022		Movement 2021/22
	Principal	Return	Principal	Return	Principal
	£000		£000		£000
Investments:					
- Fixed Term Deposits	10,000	0.25%	0	0.00%	(10,000)
- Notice Accounts	14,534	0.40%	14,594	0.55%	60
- Deposit Accounts	15,372	0.01%	19,745	0.66%	4,373
Totals	39,906	0.21%	34,339	0.61%	(5,567)

Investments as at 31 March 2022: £34,338,655  
 Maximum level of investments in 2021/22: £60,355,118 on 17 August 2021  
 Minimum level of investments in 2021/22: £21,611,755 on 14 March 2022  
 Daily average for the year 2021/22: £41,039,742

The Council's forecast and actual Investment Balances for 2021/22 for "investments" as defined in the Investment Regulations (including loans/holdings not managed under the treasury function) are shown in Appendix 1.

### 3.8 2021/22 Outturn Compared to Estimates in 2021/22 Strategy

The 2021/22 outturn compared to the estimates in the 2021/22 strategy:

	2021/22 Estimate	2021/22 Outturn
<u>Borrowing Requirement</u>	£000	£000
New borrowing	0	0
Alternative financing requirements	0	0
Replacement borrowing	7,500	0
TOTAL	7,500	0
<u>Prudential/Treasury Management Indicators</u>	£000	£000
Gross external debt including PPP (As at 31 March 2022)	255,357	246,164
Capital financing requirement (CFR) (As at 31 March 2022)	285,800	285,180
(Under)/over borrowing against CFR	(30,443)	(39,016)
	£000	£000
Gross capital expenditure	18,072	21,602
Ratio of financing costs (including PPP) to net revenue stream	11.27%	10.16%
Ratio of net debt (debt and PPP less investments) to net revenue stream	111.5%	97.1%

3.9 The table in paragraph 3.8 above shows that as at 31 March 2022 the Council had under borrowed against its capital financing requirement by £39.016m. Under borrowing means that the Council is using cash it already has (e.g. in earmarked reserves and other balances) to cash flow capital expenditure and maturing debt rather than bringing in new funds from borrowing. The level of under borrowing is considered manageable but is kept under review in light of Council capital financing and other funding requirements.

### 3.10 2021/22 Outturn Compared to Limits in 2021/22 Strategy

The 2021/22 outturn compared to limits in the 2021/22 strategy:

	2021/22 Limits	2021/22 Outturn
<u>Prudential/Treasury Management Indicators</u>		
Authorised limit for external debt	£000	£000
• Borrowing	232,000	188,749
• Other long term liabilities	61,000	57,415
	293,000	246,164



Operational boundary for external debt

- Borrowing
- Other long term liabilities

Upper limit on sums invested for periods longer than 365 days (Actual is maximum in period)

Limits on fixed and variable rate borrowing maturing in each period at 31 March 2022 (LOBOs included based on call dates and not maturity dates)

- Under 12 months
- 12 months and within 24 months
- 24 months and within 5 years
- 5 years and within 10 years
- 10 years and within 30 years
- 30 years and within 50 years
- 50 years and within 70 years

Council Policy Limits

Maximum Percentage of Debt Repayable In Any Year (Actual is as at 31 March 2022 and relates to Financial Year 2077/78)

Maximum Proportion of Debt At Variable Rates (Actual is as at 31 March 2022)

Maximum Percentage of Debt Restructured In Year (Actual is as at 31 March 2022)

2021/22 Limits		2021/22 Outturn	
£000		£000	
214,000		188,749	
61,000		57,415	
275,000		246,164	
£000		£000	
10,000		0	
Fixed	Var.	Fixed	Var.
45%	35%	4.0%	15.2%
45%	35%	20.4%	0%
45%	35%	0.0%	0%
45%	35%	6.0%	0%
45%	35%	9.3%	0%
45%	35%	23.9%	0%
45%	35%	21.2%	0%
25%		21.2%	
45%		15.2%	
30%		0%	

3.11 The Prudential Code requires that the Council states how interest rate exposure is managed and monitored.

The position in 2021/22 was that all of the Council's PWLB debt was at fixed rates. The Market debt contained some debt at fixed rates, some small elements at variable rates and some where the rates could change (but none did). The Council's investments, which were all for less than 1 year, were all variable or regarded as variable under the treasury management rules.

During 2021/22, these interest rate exposures were managed and monitored by the Council through management reports on treasury management that were received and reviewed by the Interim Director Finance & Corporate Governance.

3.12 The forecast from the Treasury Consultants in the Strategy for the Bank Rate as at 31 March and the latest forecast (produced on 21 June 2022) are:

	Forecast Per 2021/22 Strategy	Actual/ Latest Forecast
2021/22	0.10%	0.75% (Actual)
2022/23	0.10%	2.75% (Forecast)
2023/24	0.10%	2.50% (Forecast)

3.13 The Council's Loans Fund Pool Rate for Interest is used to allocate interest charges to the General Fund and reflects the actual cost of the Council's Treasury activities. The rates for the last 5 years (excluding expenses) are as follows:

Year	Loans Fund Pool Rate
2017/18	3.557%
2018/19	3.608%
2019/20	3.436%
2020/21	3.362%
2021/22	3.363%

It is expected that there will be a further small increase in the Pool Rate in the medium term.

3.14 The Council's investment policy for the year is governed by Scottish Government Investment Regulations and was implemented in the annual investment strategy approved by the Council on 22 April 2021 (after review by the Policy & Resources Committee on 23 March 2021). The 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.

All investments in 2021/22 and 2022/23 to date were in accordance with the policy and no institutions with which investments were made had any difficulty in repaying investments and interest in full.

3.15 The result of the investment strategy undertaken by the Council in 2021/22 is as follows:

Average Investment	Rate of Return (gross of fees)	Benchmark Return (3 month LIBID un compounded)
£41,039,742	0.244%	0.171%

The Council has outperformed the benchmark by 0.073% resulting in additional income to the Council of £30,000.

3.16 Where capital expenditure is funded by borrowing (referred to as loans fund advances), the debt financing costs are paid from the Revenue Budget as loan charges comprised of the repayments of debt along with interest and expenses costs on the borrowing.

The Council is required to set out its policy for the repayment of loans fund advances.

- a. For loans fund advances made before 1 April 2016 the policy will be to maintain the practice of previous years and use the Statutory Method (option 1) with annual principal repayments being calculated using the annuity method.
- b. The same method was used for loans fund advances made after 1 April 2016 for the permitted 5 year transitional period to the end of 2020/21. In applying the annuity method to new advances in any year, the interest rate used in the annuity calculation is the Council's loans fund pool rate for the year (including expenses) as rounded up to the nearest 0.01%.
- c. Of the options available for new capital expenditure from 1 April 2021 onwards, it was approved by the Full Council on 22 April 2021 to maintain the use of the annuity method as set out in option b. above.

3.17 The outstanding loans fund advances (representing capital expenditure still to be repaid from the Revenue Budget) are:

	2021/22
	Actual
	£000
Balance As At 1 April	232,386
Add: Advances For The Year	2,918
Less: Repayments For The Year	8,275
Balance As At 31 March	227,029

3.18 For the loans fund advances outstanding as at 31 March 2022, the liability to make future repayments (excluding debt interest and expenses) is as follows:

	£000
Year 1	8,181
Years 2-5	31,640
Years 6-10	40,482
Years 11-15	39,253
Years 16-20	34,619
Years 21-25	34,477
Years 26-30	21,682
Years 31-35	9,552
Years 36-40	3,192
Years 41-45	1,142
Years 46-50	1,090
Years 51-55	1,001
Years 56-60	158
Years 61-65	39
Years 66-70	47
Years 71-75	56
Years 76-80	67
Years 81-85	79
Years 86-90	95
Years 91-95	113
Years 96-100	64
TOTAL	227,029

## 4.0 PROPOSALS

- 4.1 It is proposed that the Committee consider the contents of Section 3 of the report, seek any assurances from Officers, and thereafter remit the Annual Report to the Council for approval.
- 4.2 An all Member training session on Treasury Management has been arranged for 6 September. The session will be delivered by Link Treasury Services Ltd.

## 5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendations are agreed:

SUBJECT	YES	NO	N/A
Financial		X	
Legal/Risk		X	
Human Resources			X
Strategic (LOIP/Corporate Plan)			X
Equalities & Fairer Scotland Duty			X
Children & Young People's Rights & Wellbeing			X
Environmental & Sustainability			X
Data Protection			X

## 5.2 Finance

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					

## 5.3 Legal/Risk

None.

## 5.4 Human Resources

None.

## 6.0 CONSULTATION

- 6.1 This report includes the latest advice from the Council's treasury consultants (Link Treasury Services Limited).

## **7.0 BACKGROUND PAPERS**

- 7.1 CIPFA - Treasury Management in the Public Services – Code of Practice and Cross-Sectoral Guidance Notes – 2021 Edition
- Inverclyde Council – Treasury Management Strategy Statement and Annual Investment Strategy 2021/22-2024/25.

**FORECAST OF INVESTMENT BALANCES  
ESTIMATE FOR 2021/22 AND ACTUAL AT 31 MARCH 2022**

Investment Regulation 31 requires the Council to provide forecasts for the level of investments. The estimate for 2021/22 and the actual as at 31 March 2022 are:

	<b>2021/22 Estimate</b>	<b>2021/22 Actual At 31 March 2022</b>
	£000	£000
Cash balances managed in-house		
- At 1 April 2021	40,000	39,906
- At 31 March 2022	31,337	34,339
- Change in year	(8,663)	(5,567)
- Average daily cash balances	35,669	41,040
Holdings of shares, bonds, units (includes local authority owned company)		
- At 1 April 2021	2	2
- Purchases	0	0
- Sales	0	0
- At 31 March 2022	2	2
Loans to local authority company or other entity to deliver services		
- At 1 April 2021	442	398
- Advances	0	0
- Repayments	43	45
- At 31 March 2022	399	353
Loans made to third parties		
- At 1 April 2021	1,402	1,409
- Advances	0	10
- Repayments	1,290	1,298
- At 31 March 2022	112	121
Total of all investments		
- At 1 April 2021	41,846	41,715
- At 31 March 2022	31,850	34,815
- Change in year	(9,996)	(6,900)

The movements in the forecast investment balances shown above are due largely to ongoing treasury management activity in accordance with the Council's treasury management strategy or, for loans made to third parties, in accordance with Council decisions made in respect of such loans.

All of the Council's cash balances are managed in-house with no funds managed by external fund managers.

The "holdings of shares, bonds, units (includes authority owned company)" are historic and relate to the Common Good.

The Loans made to third parties includes a £50,000 loan to Shared Interest Society Limited ("Shared Interest") as approved by the Policy & Resources Committee in August 2017, Shared Interest being a company that uses funds invested by individuals and organisations to allow it to provide loans to fair trade businesses around the world.