

A meeting of the Inverclyde Council will be held on Thursday 27 February 2025 at 4pm.

Members may attend the meeting in person at Greenock Municipal Buildings or via remote online access. Webex joining details will be sent to Members and Officers prior to the meeting. Members are requested to notify Committee Services by 12 noon on Wednesday 26 February 2025 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.

Lynsey Brown
Head of Legal, Democratic, Digital & Customer Services

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NEW BUSINESS	
<p>2. Minutes of Meetings of The Inverclyde Council, Committees, Sub-Committees, Panels and Boards</p> <p>Local Review Body (4 December 2024) 330-335 Inverclyde Council (5 December 2024) 336-347 Audit Committee (7 January 2025) 1-2 Social Work & Social Care Scrutiny Panel (14 January 2025) 3-5 Environment & Regeneration Committee (16 January 2025) 6-9 Education & Communities Committee (21 January 2025) 10-16 Inverclyde Council (Special) (23 January 2025) 17-21 Petitions Committee (30 January 2025) 22-23 Policy & Resources Committee (4 February 2025) 24-27 Planning Board (5 February 2025) 28-31 Local Review Body (5 February 2025) 32 Local Police & Fire Scrutiny Panel (6 February 2025) 33-35 General Purposes Board (12 February 2025) 36-37 Inverclyde Council (Special) 13 February 2025 38-39</p>	
NEW BUSINESS	
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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 of Schedule 7A of the Act as detailed in the minute of the relevant Committee, Sub-Committee or Board.

NEW BUSINESS

7. **Business in the Appendix**

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.

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

Report To:	Inverclyde Council	Date:	27 February 2025
Report By:	Head of Legal, Democratic, Digital & Customer Services	Report No:	LS/011/25
Contact Officer:	Lynsey Brown	Contact No:	01475 712710
Subject:	Council Representation on the Board of River Clyde Homes		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 River Clyde Homes' ("RCH") Articles of Association allow for up to two persons nominated by the Council to sit on the board of River Clyde Homes.
- 1.3 Councillors Brooks and Curley were appointed to the board of RCH on 19 May 2022. On 15 October 2024 Councillor Curley tendered his resignation from this appointment. On 5 December 2024, a report was presented to Council recommending that the Council appoints a new member to the RCH Board and nominations to this post were invited. No such nominations were received at the meeting of the Council or in the period thereafter. Consequently, since October 2024, the Council has only been able to nominate one person to the RCH Board.
- 1.4 This report requests Council to consider formalising current arrangements by agreeing to the nomination of a single Council board member to the RCH Board either in perpetuity or until the date of the next Council election.

2.0 RECOMMENDATION

- 2.1 It is recommended that Council notes the current position, considers the options set out at Section 4 of this report and decides to proceed on the basis of Option 2. Thereafter, it is recommended that Council authorises the Chief Executive to notify RCH of the option that Council decides upon and authorises the Head of Legal, Democratic, Digital and Customer Services to sign formal agreement(s) giving effect to any agreed change.

Lynsey Brown
Head of Legal, Democratic, Digital & Customer Services

3.0 BACKGROUND AND CONTEXT

3.1 The Council's Housing Stock Transfer in December 2007 established River Clyde Homes as Inverclyde's largest registered social landlord ("RSL"). Council staff TUPE transferred to RCH and initially RCH's governance arrangements made provision for up to four Council nominated board members. In February 2019, as a result of [The Regulation of Social Housing \(Influence of Local Authorities\) \(Scotland\) Regulations 2018](#), the number of Council board members was reduced from four to the current number of two representatives.

3.2 The RCH Articles of Association (included in the background papers to this report are set out in the Annex) state at Article 42:

"

(a) *Subject to Article 32, the Council shall have the power from time to time and at any time to nominate up to two persons as Council Board Members and to remove from office any such Council Board Member.*

(b) *Appointment or removal pursuant to Article 42(a) shall be effected by an instrument in writing signed by the Council and shall take effect upon lodgement at the registered office of the Company or such later date as may be specified in the instrument."*

Article 32 states:

"The Board shall consist of not less than seven persons nor more than 12 persons...and shall comprise:

(a) *up to two Council Board Members (provided the total number of Council Board Members does not exceed 24% of the total number of Board Members at any one time); and*

(b) *up to 10 Board Members who may be Community Board Members, Customer Board Members or Executive Board Members (in any combination)"*

"Council Board Members" is defined within the Articles as meaning *"the two persons nominated by the Council pursuant to Article 42(a) to sit on the Board, who will be deemed to be Members for the duration of their nomination"*.

3.3 Since the statutory meeting of the Council in May 2022, Councillors Brooks and Curley were appointed to the board of RCH. Councillor Curley resigned from this appointment in October 2024 and on 5 December 2024, a report was presented to Council recommending that the Council appoints a new member to the RCH Board and inviting nominations. As no nominations were received at the meeting of the Council or in the period thereafter, the Council has only been able to nominate one person to the RCH Board since October 2024.

3.4 As the Council's current arrangement with RCH means that, despite having only one current board member, it is able to take up its full nomination of two board members at any time, RCH is unable to fill the vacancy in a way that provides any stability for a potential new board member or for RCH. This could make it difficult for RCH to attract quality board members and/or mean that a vacancy in board members is carried for a significant period. Each of these outcomes could lead to an impact upon board outcomes and decision-making. This has the potential to impact upon all stakeholders including tenants.

- 3.5 Consequently, the Council is asked to consider whether it could make the current arrangement, whereby there is one nominated Council board member, more long term or, indeed, permanent. If the Council was able to provide certainty in relation to its requirement to appoint board members this would facilitate RCH in appointing another board member of sufficient calibre with the potential of strengthening its board. The more long-term or, indeed, permanent such certainty can be given for, the greater the chance of realising these benefits.
- 3.6 For context, the table below summarises the position of some other local authorities regarding representation on RSL boards post- housing stock-transfer:

Name of RSL	Relevant Local Authority	No. of Council Representatives permitted on RSL Board
Argyll Community Housing Association	Argyll & Bute	Not more than 2 (min 7, max 12 on Board)
Hebridean Housing Partnership Ltd	Western Isles Council	Up to 3
Scottish Borders Housing Association	Scottish Borders	None stipulated
Glasgow Housing Association Ltd	Glasgow City Council	Up to 2
Wheatley Homes South Ltd (formerly Dumfries and Galloway Housing Partnership)	Dumfries & Galloway	None stipulated

4.0 PROPOSALS

- 4.1 There are three options currently available to the Council. These are as follows:

Option 1 - Council decides to agree to reduce the number of board members on RCH's board to up to one member permanently;

Option 2 – Council decides to agree to reduce the number of board members on RCH's board to up to one on a temporary but fixed basis until the earlier of 7th May 2027 or the actual date of the next council elections; and

Option 3 – Council decides to take no action at this time and to retain the ability to nominate up to 2 members to RCH's board notwithstanding the fact that there is currently only one nominated member. As part of this option the Council can keep the position regarding nominees under review on a regular basis and may reconsider the options in this report at some time in the future if required.

- 4.2 RCH continues to be a key partner of the Council in delivering the Strategic Housing Investment Plan (SHIP) and it is considered that regularising and clarifying the position with RCH regarding the number of Council board members will foster effective co-operation and be conducive to RCH's ability to maintain a strong and impactful board.

- 4.3 For this reason, officers' recommendation is that **Option 2** is followed as this option gives some certainty to RCH whilst retaining the ability for the Council to consider reactivating its right to nominate up to 2 members to the RCH board at the beginning of the next Council term.
- 4.4 It is also proposed that Council authorises the Chief Executive to notify RCH of the option that Council decides upon and authorises the Head of Legal, Democratic, Digital and Customer Services to sign formal agreement(s) giving effect to any agreed change.

5.0 IMPLICATIONS

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

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

5.2 Finance

There are no 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					

5.3 Legal/Risk

As mentioned in paragraph 3.7, the Transfer Agreement does not contain any requirements or stipulations regarding RCH's internal governance arrangements (such as its articles of association), therefore the Transfer Agreement is unaffected by this proposal. Depending upon the option Council decides to follow, there may be a requirement for the Council to enter into legal agreement(s) formalising the position.

5.4 Human Resources

There are no human resources implications

5.5 Strategic

This report helps deliver Council Plan Theme 2 – Place – outcome - Our strategic housing function is robust by assisting our strategic housing partner attain optimum governance arrangements

5.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
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, assessed as not relevant and no EqIA 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 – Assessed as not relevant under the Fairer Scotland Duty.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

5.7 Environmental/Sustainability

Summarise any environmental / climate change impacts, positive or negative, which relate to this report.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

5.8 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 – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

6.0 CONSULTATION

6.1 The Head of Legal, Democratic, Digital & Customer Services has consulted with RCH's Governance Manager who is receptive to the proposals of this report.

7.0 BACKGROUND PAPERS

7.1 Annex - RCH's Articles of Association

Report To:	Inverclyde Council	Date:	27 February 2025
Report By:	Head of Legal, Democratic, Digital & Customer Services	Report No:	LS/012/25
Contact Officer:	Lynsey Brown	Contact No:	01475 712710
Subject:	Implementation of SLARC Report's Recommendations		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 The purpose of this report is to (i) request that the Council notes the outcome of the report by the Scottish Local Authorities Remuneration Committee's (the SLARC Report) relating to remuneration of elected members of local authorities in Scotland and the forthcoming implementation by legislation from 1 April 2025 of some of the recommendations in that report including updated salaries for elected members; (ii) noting that, at its statutory meeting in May 2022, the Council decided to pay the Provost the maximum amount permitted by the regulations in force at that time, to recommend that the Council confirms that it will continue to pay the maximum as updated by the legislation; (iii) noting that the legislation allows the Council to designate a maximum of 10 Senior Councillors and provides discretion on the salaries payable to such Senior Councillors subject to a prescribed maximum, to request Council to consider whether to increase the number of Councillors which will be designated as Senior Councillors and the remuneration to be paid to Senior Councillors, taking into account the recommendation of officers set out in the report.

1.3 The SLARC Report recommended a number of changes to be made to the banding arrangements and remuneration applying to elected members throughout Scotland. The Scottish Government has advised that the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025 (the 2025 Regulations) will come into force to bring these changes into effect from 1 April 2025.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Council:

1. notes the recommendations of the SLARC Report and the forthcoming implementation by the 2025 Regulations of the report's recommendations relating to pay and banding;
2. notes the remuneration to be paid to the Council's Leader and elected members who are not Senior Councillors from 1 April 2025;

3. considers the options presented in paragraph 3.14 in respect of the number and remuneration of Senior Councillors and decides to follow Option 2; and
4. confirms the level of remuneration payable to the Civic Head of the Council in terms of the 2025 Regulations (up to a maximum of £37,458 per annum), and that the same will be paid to the Provost of the Council.

Lynsey Brown
Head of Legal, Democratic, Digital & Customer Services

3.0 BACKGROUND AND CONTEXT

3.1 Having last issued a report in 2011, the Scottish Local Authorities' Remuneration Committee (SLARC) was reconvened in April 2023 to undertake an independent review of Councillor remuneration. Its remit was set by the Scottish Government and COSLA.

Key Recommendations

3.2 The outcome of the review was published in February 2024. The full report can be found by following the following link: [Councillors' remuneration and expenses: recommendations - gov.scot](https://www.gov.scot). The key recommendations which are relevant to remuneration of the Council's elected members are as follows:

- all councils currently within Band A (including Inverclyde Council) should move into Band B;
- all bandings are to be reviewed by SLARC in advance of each Council election;
- a proportionate link to median public sector salaries in Scotland is accepted as the methodology on which councillor salaries are established and, as such, that the salaries of councillors be set at 80% of the median salary for all employees in the public sector in Scotland as published in the Annual Survey of Hours and Earnings (ASHE);
- the salaries of Council Leaders in the combined Bands A and B (including Inverclyde Council) will be set at 70% of the salary of Leader in Band D councils; and
- the salaries of Civic Heads and Senior Councillors continue to be set at up to a maximum of 75% of the salary of their Council Leader.

3.3 The Scottish Government has introduced the 2025 Regulations to implement the pay and banding related changes recommended by SLARC with effect from 1 April 2025.

Remuneration

3.4 Current councillor remuneration is governed by Local Government (Scotland) Act 2004 (Remuneration) Amendment Regulations 2022 and the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007. The 2007 regulations will be amended by the 2025 Regulations which enshrine the SLARC Report's recommendations relating to pay and banding and come into force on 1 April 2025. Salaries to be paid from 1 April 2025 will be those recommended in the SLARC Report but uplifted to reflect the normal annual uplift that would have been paid if the new salaries had been introduced from April 2024. This will result in the following remuneration to be paid to Inverclyde Council's elected members. The current remuneration paid in respect of each role is stated in brackets for reference.

- Leader of the Council - £50,063 (current - £35,585)
- Councillors who are not Senior Councillors - £25,982 (current - £21,345)

See below in respect of the remuneration payable to Senior Councillors and the Provost.

3.5 In respect of Senior Councillors (which are councillors designated as such by the Council – see further below), the 2025 Regulations specify that the maximum salary that can be paid to each Senior Councillor is the lower amount of £37,458 (please note that it has been flagged to and agreed by Scottish Government that this may not be the correct calculation and the figure might be closer to £37,547, an update to the legislation is expected) and an amount calculated by

reference to the total amount payable for all Senior Councillors (see paragraph 3.6 below) but provide that each council shall determine the remuneration to be paid to its Senior Councillors within this limit.

- 3.6 A formula is provided to calculate the maximum total amount payable for all Senior Councillors in each council. For Inverclyde Council that figure is £317,646.25. Consequently, as there are currently 9 Senior Councillors, the maximum salary of £35,294 is payable to Senior Councillors in Inverclyde Council. If the Council decides to amend the number of Senior Councillors to 10 as described in paragraphs 3.12 and 3.13 below then this figure will be £31,765.
- 3.7 The Council can decide whether the maximum salary or some other lesser amount will be paid to Senior Councillors. For context, the current salary paid to Senior Councillors is £24,015.
- 3.8 In respect of the Provost, as the Council's Civic Head, each local authority can determine the level of remuneration to be paid up to a to a maximum of £37,458 (please note that it has been flagged to and agreed by Scottish Government that this may not be the correct calculation and the figure might be closer to £37,547, an update to the legislation is expected). The Provost's current salary is £26,685. Council decided at its statutory meeting in May 2022 that the maximum amount should be paid and it is proposed that Council should confirm that that should continue based on the new maximum amount.

Number of Senior Councillors

- 3.9 The SLARC Report recommended that all 10 councils currently within Band A (including Inverclyde Council) should be funded to enable the appointment of up to a maximum of 10 Senior Councillors.
- 3.10 The Scottish Government accepted this recommendation in principle and reflected it within the 2025 Regulations whilst highlighting that, as councils are responsible for paying councillor salaries from their existing annual budgets, the costs of increasing the number of senior councillors would need to be met from existing allocations.
- 3.11 Current legislation provides that the maximum number of Senior Councillors in Inverclyde Council is 9. Senior Councillors are defined as "*for the purpose of payment of remuneration, a councillor who is designated as such by the local authority of which that person is an elected member*". At the Statutory Meeting of the Council of 19 May 2022 the following positions were designated by the Council as Senior Councillors:
- (a) Leader of the Largest Non-Administrative Group
 - (b) Convenor – Audit Committee
 - (c) Depute Leader
 - (d) Convenor – Education & Communities Committee
 - (e) Convenor – Environment & Regeneration Committee
 - (f) Convenor – Health & Social Care Committee (now Social Work and Social Care Scrutiny Panel)
 - (g) Chair – Inverclyde Licensing Board
 - (h) Chair – General Purposes Board
 - (i) Chair – Planning Board
- 3.12 The 2025 Regulations provide that the Council can now designate a **maximum** of 10 Senior Councillors. It is not mandated or recommended that there should be 10 Senior Councillors. This is a matter for the Council to consider having regard to its particular constitution, committee structure and budget.

- 3.13 The cost of the introduction of a new Senior Councillor position would require to be met from the total maximum amount payable to all of the Council's Senior Councillors together as set out in paragraph 3.6. This would mean that the maximum amount payable to each individual Senior Councillor would require to be £31,765. If the Council decides to pay less than the maximum to Senior Councillors, the introduction of a new additional Senior Councillor would result in an additional cost to the Council.

Options in respect of Senior Councillors

- 3.14 It is considered by officers that there are five options available to the Council in respect of Senior Councillors as follows:

Option 1 - Keep the number of Senior Councillors at 9 and decide to pay the maximum amount based on 9 Senior Councillors of £35,294 from 1 April 2025. This would result in no contingency being kept for an additional Senior Councillor so if Council decides at some point in the future to increase the number of Senior Councillors to 10 then salaries of all existing Senior Councillors would need to reduce to £31,765.

Option 2 - Keep the number of Senior Councillors at 9 but decide to pay the maximum salary based on 10 Senior Councillors of £31,765 from 1 April 2025. This would mean that a contingency would be retained for any future changes to the number of Senior Councillors and would avoid the need for salaries for existing Senior Councillors to reduce.

Option 3 - Keep the number of Senior Councillors at 9 but decide to pay those Senior Councillors some other amount which is below the maximum referred to above. The financial impact of this would have to be calculated by officers when a figure was suggested.

Option 4 - Increase the number of Senior Councillors to 10 and decide to pay those Senior Councillors the maximum salary of £31,765 from 1 April 2025.

Option 5 - Increase the number of Senior Councillors to 10 and some other decide to pay those Senior Councillors some other amount which is below the maximum referred to above. The financial impact of this would have to be calculated by officers when a figure was suggested.

- 3.15 It is not considered by officers that there is a requirement to increase the number of Senior Councillors at the current point. If the Council was to decide not to increase the number of Senior Councillors so designated, this position can be reviewed at any time, if it were considered that a new Senior Councillor position would be appropriate in light of the Council's committee structure and/or constitution from time to time.

- 3.16 Officers also consider that it would be prudent to build in a contingency to accommodate a possible future increase to the number of Senior Councillors without adversely impacting upon the salaries of the existing Senior Councillors who may have accounted for their higher salary by that point. Officers consider that it would be beneficial for future consideration on the need for an additional Senior Councillor to be uninfluenced by considerations of the financial impact upon other elected members.

- 3.17 Consequently, officers' recommendation is that Council adopts **Option 2**, so that the number of Senior Councillors remains at 9 and that there are paid £31,765 so that a contingency is build in for an additional Senior Councillor to be added in the future within minimal impact. However this is entirely a matter for Council to consider and decide upon.

4.0 IMPLEMENTATION

4.1 The updated salaries will be payable from 1 April 2025. Based on the options present in paragraph 3.14, the cost to the Council of the uplifted salaries per year from 2025/26 would be as follows:

- Option 1 - £236,000
- Option 2 - £197,000
- Option 4 - £204,000

The cost of Options 3 and 5 would require to be calculated when amounts were proposed.

5.0 PROPOSALS

It is proposed that:

- 5.1 the Council notes :(i) the recommendations in the SLARC Report relating to banding and remuneration of elected members and the introduction of the legislation which will come into force on 1 April 2025 to give effect to some of these recommendations; and (ii) the new salaries that will be payable to the Leader and Councillors who are not Senior Councillors from 1 April 2025;
- 5.2 In respect of the Provost’s remuneration, the Council confirms that the maximum amount as set out in the 2025 Regulations should be paid.
- 5.3 In respect of Senior Councillors, the Council considers and decides which option it will adopt from those set out in paragraph 3.14 above, noting the recommendation by officers in paragraph 3.17.

6.0 IMPLICATIONS

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

SUBJECT	YES	NO
Financial	X	
Legal/Risk	X	
Human Resources	X	
Strategic (Partnership Plan/Council Plan)		X
Equalities, Fairer Scotland Duty & Children/Young People’s Rights & Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

6.2 Finance

One off Costs

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

Annually Recurring Costs/ (Savings) Based on **Option 2**

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
Services to Members	Remuneration	2025/26	£0.197m		Reflects option 2 and is factored into the draft 2025/26 Budget

6.3 **Legal/Risk**

The 2025 Regulations give effect to the SLARC report's recommendations regarding remuneration of councillors and, as such, the Council is legally obliged to implement them.

6.4 **Human Resources**

Changes to payroll will be required to reflect the uplift in remuneration which will be set out in legislation.

6.5 **Strategic**

There are no strategic plan implications.

7.0 **CONSULTATION**

7.1 N/A

8.0 **BACKGROUND PAPERS**

8.1 N/A

Report To:	Inverclyde Council	Date:	27 February 2025
Report By:	Chief Executive	Report No:	IC/03/25/LL
Contact Officer:	Louise Long	Contact No:	01475 712701
Subject:	Management Structure – Phase 3		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 The current Chief Executive is leaving to join NHS Lanarkshire on 5th May 2025. Given the Chief Executive's recruitment process is underway, it is proposed to pause phase 3 of the management review until the new Chief Executive is in place.
- 1.3 The Council report on 1st December 2022 outlined three phases to the Senior Management Team restructure. Phase 1 reverted to two Directors and approved recruitment for the Director of Environment and Regeneration. The report also moved the line management responsibility of the Chief Financial Officer and the Head of Legal, Democratic, Digital and Customer Services, to the Chief Executive.
- 1.4 Phase 2 of the management structure was based on savings approved as part of the 2023/25 Budget and the review of shared services with West Dunbartonshire Council. The report on 4th May 2023 dissolved the shared services arrangements for Roads, Grounds, Waste & Fleet, effective from 1st June 2023.
- 1.5 The final phase of the management review (phase 3) was to be undertaken once the Council had clarity over the proposals for a National Care Service. The Scottish Government confirmed on 14th November 2024 that the National Care Service Bill would not progress in its current form. A key strand of Phase 3 Management review was to be linked to savings taken from front lines services however a small saving of £135,000 for 2025/26 has been made as part of the management workstream.
- 1.6 The Council agreed on 23rd January 2025 to set aside £255,000 within the pressures allowance to increase senior officers' capacity, in acknowledgement that more capacity is required to deliver transformational change as well as support elected members.
- 1.7 The Council withdrew from the Digital Office in 2020. However, given the increased use of digital technology across local government to support transformation, the Council is recommended to consider rejoining the Digital Office to increase the Council's capacity to deliver the digital aspects of transformational change.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Council agrees:

- a) To pause phase 3 management review and agree that a further report with recommendations for the management structure be brought forward to a future meeting of the Inverclyde Council once the new Chief Executive is in place.
- b) To fund the Digital Office to increase the Council's capacity to deliver digital transformation at a cost of £32,484 per year.

Louise Long
Chief Executive

3.0 BACKGROUND AND CONTEXT

- 3.1 The Senior Management Structure was reviewed in February 2018. At that time, the Council also amended its committee structure. The restructure delivered a reduction of 10fte management in senior posts and a saving of £675,000. This resulted in a significant reduction in senior management capacity.
- 3.2 In December 2022, the phase 1 Management Structure was agreed, this reverted to two directors and approved recruitment for the Director of Environment and Regeneration. The report also moved the line management responsibility of the Chief Financial Officer and the Head of Legal, Democratic, Digital and Customer Services, to the Chief Executive.
- 3.3 In May 2023, the Council considered phase 2 of the management review and agreed to dissolve the shared arrangements between Inverclyde Council and West Dunbartonshire Council for Grounds, Roads, Waste & Fleet on 1st June 2023.
- 3.4 Originally, the final phase (Phase 3) of the Senior Management Structure Review was linked to the National Care Service proposals and expected cuts from the 2024/26 Budget process therefore allowing a reduction in middle management.
- 3.5 The Scottish Government initially announced that the first stage of the Bill was paused, but in November 2024 the Government stated an intention to move away from key features of the original Bill, towards a model which retains IJBs, and creates a National Care Service Board. The newly proposed National Care Board will not impact the management structure within the Council and should therefore not be an influence on phase 3 of the management review.
- 3.6 The 2024/2026 elected members were expected to make significant budget cuts to services which would result in reductions in middle management which would lead to savings of £200k in Phase 3 of the Management Review. However minimum cuts were made, and high levels of reserves were used to manage the budget therefore middle management reduction was not possible, the workstream for management review has been able to achieve £135,000 of saving for 2025/26.
- 3.7 In October 2023 Audit Scotland published the Transformation in Councils report, which outlined that Councils need to reform to mitigate the acute challenges with councils' finances and workforce. The report outlines that councils and key partners must significantly increase the pace and scale of major changes if they are to protect vital public services.
- 3.8 The Council agreed on 23rd January 2025 to set aside £255,000 to increase senior capacity to support elected members and provide additional resilience. It is suggested that some of these resources should be used for transformation.

4.0 PROPOSAL

- 4.1 The current Chief Executive is leaving to join NHS Lanarkshire on 5th May 2025. Given the new Chief Executive's recruitment process is underway the proposal is to pause Phase 3 management review until the new Chief Executive is in place.
- 4.2 The Council acknowledges more development needs to take place to transform and redesign Council services. Digital plays a significant role in supporting transformation. To gain visibility of practices across local authorities in Scotland and support the developments in digital it is considered useful for the Council to rejoin the Digital Office currently hosted by COSLA as it offers expertise and support and a network of peer authorities.
- 4.3 The Digital Office has an annual reoccurring fee which local authorities in Scotland contribute to Inverclyde's contribution would be £32,484 on a reoccurring basis.

- 4.4 The collaborative nature of the Digital Office allows councils across Scotland to work together and share best practices across a range of areas. The Digital Office also facilitates useful services, including a Digital Maturity Assessment offer that would align with the Council's Digital Strategy.
- 4.5 There are several ongoing collaborative initiatives that the Council can either contribute to or access to the outcomes and recommendations, including:
- Engage Process Community co-led with West Lothian Council, co-authoring and collectively mapping processes for a shared library. The Council has recently started to use the Engage Process to map processes across a range of areas.
 - National Power Platform Community – co-led with Perth and Kinross Council (PKC).
 - AI Community – co-led with CEC, PKC and Renfrewshire, partnered with The Alan Turing Institute,
 - Digital Champions – co-led with SCVO
 - Inclusion Champions – co-led with Aberdeenshire, CEC, Renfrewshire and Fife Councils
 - Digital Leadership Forum. Regular meeting of all Council CTO, Digital and ICT Leaders
- 4.6 The model of the Digital Office requires input from its member councils to deliver these initiatives, therefore the Council would need to commit appropriate resources to support any initiative it wishes to participate in.

5.0 IMPLICATIONS

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

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

5.2 Finance

If this proposal is approved, it will leave approximately £222,000 within the approved Management Capacity Budget.

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
ICT	Payments to Other Bodies	2025/26	£32,484		Funded from the £255,000 senior management capacity budget.

5.3 Legal/Risk

There is a risk in delaying additional capacity to support transformational work in the Council however the new Chief Executive will have a view on how they wish to progress transformation within the Council.

5.4 Human Resources

No human resource implications.

5.5 Strategic

The recommendations in this report will support the progression of the Council's strategic objectives.

5.6 Equalities and Fairer Scotland Duty

6.0 CONSULTATION

6.1 CMT has been consulted.

7.0 BACKGROUND PAPERS

7.1 None.