

**A meeting of the Policy & Resources Committee will be held on Tuesday 25 March 2025 at 3pm.**

**Members may attend the meeting in person 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 Monday 24 March 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

**BUSINESS**

**\*\* Copy to follow**

1.	<b>Apologies, Substitutions and Declarations of Interest</b>	<b>Page</b>
<b>PERFORMANCE MANAGEMENT</b>		
2.	<b>2024/25 Policy &amp; Resources and General Fund Revenue Budget</b> Report by Chief Financial Officer, Corporate Director Education, Communities & Organisational Development and Chief Executive	<b>p</b>
3.	<b>Policy &amp; Resources Capital Budget and Council 2024/28 Capital Programme</b> Report by Chief Financial Officer	<b>p</b>
4.	<b>Corporate Policy and Performance Update: February-March 2025</b> Report by Corporate Director Education, Communities & Organisational Development	<b>p</b>
5.	<b>Policy &amp; Resources Committee Delivery and Improvement Plan 2023/26 Performance Report</b> Report by Chief Executive	<b>p</b>
6.	<b>Data Protection Officer Annual Report 2024</b> Report by Head of Legal, Democratic, Digital & Customer Services	<b>p</b>
<b>NEW BUSINESS</b>		

7.	<b>Capital Strategy 2025-2035 and Treasury Management Strategy Statement &amp; Annual Investment Strategy 2025/26-2027/28</b> Report by Chief Financial Officer	p
8.	<b>Reverting to Standard Policy for Voluntary Severance and Redeployment Arrangements and Update on Voluntary Severance Scheme Releases</b> Report by Report by Head of Organisational Development, Policy & Communications (Note: exempt appendix at agenda item 14)	p
9.	<b>Equality Mainstreaming Report 2025, Progress on Equality Outcomes 2021/25, the Equal Pay Statement 2025 and the Proposed Equality Outcomes 2025/29</b> Report by Head of Organisational Development, Policy & Communications	p
<b>REMITTS FROM COMMITTEES</b>		
<b>ROUTINE DECISIONS AND ITEMS FOR NOTING</b>		
10.	<b>Port Glasgow 250 (PG250) Commemorations Update</b> Report by Corporate Director Education, Communities & Organisational Development	p
11.	<b>Review of Petitions Criteria</b> Report by Head of Legal, Democratic, Digital & Customer Services	p
12.	<b>Records Retention and Disposal Policy Update</b> Report by Head of Legal, Democratic, Digital & Customer Services	p
13.	<b>Unacceptable Actions Policy Update</b> Report by Head of Legal, Democratic, Digital & Customer Services	p
<b>The documentation relative to the following items 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 1 of Part I of Schedule 7(A) of the Act.</b>		
<b>NEW BUSINESS</b>		
14.	<b>Appendix relative to Agenda Item 8 providing additional information on the Voluntary Severance Scheme.</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.

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Enquiries to – **Colin MacDonald** – Tel 01475 712113

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Chief Financial Officer and Corporate Director Education, Communities &amp; Organisational Development and Chief Executive</b>	<b>Report No:</b>	<b>FIN/18/25/AP/AB</b>
<b>Contact Officer:</b>	<b>Alan Puckrin</b>	<b>Contact No:</b>	<b>01475 712090</b>
<b>Subject:</b>	<b>2024/25 Policy &amp; Resources and General Fund Revenue Budget</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 advise the Committee of the projected position of the 2024/25 Policy & Resources Revenue. The report also highlights a projected underspend in the overall General Fund Revenue Budget and the impact this will have on the General Fund Reserve.
- 1.3 The revised 2024/25 Revenue Budget for the Policy and Resources Committee is £22,947,000, which excludes Earmarked Reserves. The latest projection is an underspend of £417,000 (1.8%), mainly due to a £400,000 underspend within the Non Pay Inflation and a reduction in the impact of the 2024/25 Pay award. Overall, this is a reduction in costs of £637,000 since last reported. More details are provided in section 3.3 and the appendices.
- 1.4 The latest projection for the General Fund Budget is an underspend of £137,000, a reduction in costs of £667,000 since last reported, this is mainly due to a reduction in costs of combined inflation contingencies highlighted above. Based on these figures the Council's unallocated Reserves are currently projected to be £1.845million more than the minimum recommended level of £4.0million by 31 March 2025.
- 1.5 This report also includes updates in respect of earmarked reserves spend, Workstream Savings and the Common Good Revenue budget.

## 2.0 RECOMMENDATIONS

It is recommended that the Committee:

- 2.1 Note the current projected underspend in the Committee's Revenue Budget for 2024/25 of £417,000, a reduction in costs of £637,000 since the last report.
- 2.2 Note the projected underspend of £137,000 for the General Fund and the projected reserve balance of £5.845 million as at 31 March 2025.
- 2.3 Note the projected 2024/25 surplus of £12,100 for the Common Good Budget set out in Appendix 5.
- 2.4 Note the update in relation to the Savings Workstream programme set out in Appendix 9.

**Alan Puckrin**  
**Chief Financial Officer**

**Ruth Binks**  
**Corporate Director**  
**Education, Communities & ODHR**

**Louise Long**  
**Chief Executive**

### 3.0 BACKGROUND AND CONTEXT

- 3.1 The purpose of this report is to advise Committee of the current position of the 2024/25 Revenue Budget and to highlight the main variances contributing to the projected underspend of £417,000 for 2024/25.
- 3.2 The revised 2024/25 Revenue Budget for the Policy & Resources Committee is £22,947,000 excluding Earmarked Reserves. This is a decrease of £2,251,000 from the approved budget largely due to both Non Pay and Pay Inflation transferred to Service budgets . Appendix 1 gives more details of this budget movement.
- 3.3 2024/25 Projected Outturn - £417,000 underspend 1.8 %

The main projected variances contributing to the net overspend are listed below –

- (a) Overall committee Employee Costs are projected to underspend by £200,000 due to an over achievement of turnover savings to date. This is an increase in turnover of £100,000 since the last report across the Committee's services
- (b) The Revenues & Benefits section are reporting a £21,000 overspend within postages, this is due to a £12,000 one-off charge for re-billing of the 2024/25 Council Tax notices and additional postages charges relating to an increase in the volume of reminder notices. No change from last committee.
- (c) Statutory Additions Income is projected to be £54,000 under-recovered in line with last year.
- (d) Projecting £90,000 over recovery within Housing Benefits Recoveries income.
- (e) Over-recovery of income within Revenues & Benefits of £68,000, this is mainly due to one-off SWF administration income from the Government with no off-setting costs. Movement of £11,000 since last reported.
- (f) Over-recovery of £30,000 projected within Council Tax Prior Years based on collection rates and previous years outturn.
- (g) Projecting an overall combined overspend of £57,000 within ICT computer software and hardware. Officers from Finance & ICT Services are currently reviewing in detail whether this pressure is time-limited or recurring in order to address prior to 2025/26.
- (h) Projected over-recovery of £32,000 for ICT service recharges for internal maintenance recharges for computer equipment purchased outside of the refresh programme. No change since last reported.
- (i) Legal Capital Recharges under-recovery of £21,000, this is in line with previous years.
- (j) External Licences are currently projecting at an under recovery of £40,000 for liquor and taxi operators. These projections are in line with previous outturns.
- (k) Now projecting £180,000 overspend within the pay inflation contingency. This is a decrease in costs of £70,000 since last reported following the allocation of 2024/25 Pay award costs to services.
- (l) Non Pay Inflation Contingency is projecting an underspend of £400,000 within 2024/25. This is due to a reduction in non pay inflation requests and has been reflected within 2025/26 budget process.

### 3.4 General Fund Budget & Reserves Position

Appendix 6 shows that the General Fund is projecting a £137,000 underspend (excluding Health & Social Care) which represents 0.07% of the net Revenue Budget. The Policy & Resources and Education & Communities are both projecting underspends; Policy & Resources Committee £417,000, and Education & Communities £8,000. Offsetting the overall underspend is a £220,000 overspend within the Environment & Regeneration Committee.

### 3.5 Reserves

Appendix 4 gives an update on the Committee's operational Earmarked Reserves, i.e. excluding strategic funding models. Spend to 31 January 2025 on these operational Earmarked Reserves is £965,000 (12.17% of projected spend), the majority of the earmarked reserve budgets within the Policy & Resources reserves occur at the end of the year. Appendix 7 gives the overall earmarked reserve position which shows £967,000 (22.89%) slippage against phased budget.

Appendix 8 shows the latest position in respect of the General Fund Reserves and shows that the projected balance at 31 March, 2025 is £5.845 million which is £1.845 million above the minimum recommended balance of £4.0 million. A review of reserves was reported to the 23 January Council. The balance of £5.845m includes £1.868m write back to reserves which are noted within Appendix 8 and a further £0.600m use of balances as approved within the December 2024 Financial Strategy. Use of free reserves will be considered as part of the 2025/26 budget setting decisions 6 March 2025.

### 3.6 Workstream Savings

Appendix 9 provides the latest update on the Workstream savings. It can be seen that there remains a projected shortfall of £74,000 against the 2024/25 target. Since report to the last Committee, the Asset Management saving has been rephased over 2026/28. In addition the energy workstream target has been increased and the Teachers target removed.

### 3.7 Virements

None.

## 4.0 PROPOSALS

4.1 The Committee's own revenue budget is showing a £417,000 underspend. The 3 service budgets are showing a projected underspend of £212,000 an improvement of £167,000 since the last report.

## 5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendations 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

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

The Financial Regulations state the responsibility for ensuring Revenue Budgets are not exceeded lies with the Committee and budget holding Chief Officers.

## 5.4 Human Resources

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

## 5.5 Strategic

There are no specific strategic implications arising from this report.

## 6.0 CONSULTATION

6.1 The paper has been jointly prepared by the Chief Financial Officer and the Corporate Director Education, Communities, and Organisational Development and the Chief Executive.

## 7.0 BACKGROUND PAPERS

7.1 There are no background papers for this report.



**Policy & Resources Budget Movement - 2024/25**

Service	Approved Budget 2024/25 £000	Inflation £000	Movements		Transferred to EMR £000	Revised Budget 2024/25 £000
			Virement £000	Supplementary Budgets £000		
Finance	5,634	33	123	426		6,216
Legal, Democratic Digital & Customer Services	5,279	9	264	0		5,552
Organisational Development, Policy & Communications	2,301	0	25	0		2,326
Chief Exec	336	0	12	0		348
Miscellaneous	11,648	(162)	(5,151)	2,470	(300)	8,505
<b>Totals</b>	<b>25,198</b>	<b>(120)</b>	<b>(4,727)</b>	<b>2,896</b>	<b>(300)</b>	<b>22,947</b>

**Supplementary Budget Detail**

£000

Inflation

Miscellaneous - Non Pay Inflation	(162)
Accountancy - Comp Soft Maint (CIVICA PAY)	6
Revs & Bens - DHP	19
ICT - Software Maintenance	9
R&B - Postages (Critiqom)	8
	<u>(120)</u>

Virements

Miscellaneous - Pay Inflation	(5,342)
Legal - Information Governance Monies from Social Work	131
Legal - Members Superann reduction returned to Contingency Fund	(57)
Chief Executive Directorates - Pay Award 24/25	357
Reg - Monies to Finance Creditors Post	(7)
ICT - NWOW Monies from Property Services	40
HR - Employee budget reduction from budget upload error returned to Contingency Fund	(47)
Miscellaneous - HR employee budget returned to Contingency Fund	47
Miscellaneous - Election Superann returned to Contingency Fund	57
Miscellaneous virements	87
Fin- Monies to Finance for Creditors Post	7
R&B - Budget transfer from Council Tax Prior Years to R&B Employee Costs	0
R&B - Budget transfer from R&B Miscellaneous to R&B Employee Costs	0
	<u>(4,727)</u>

Supplementary Budgets

Scottish Welfare Fund	
Pay Offer	426
Teacher Pensions	1,203
	<u>1,267</u>
	<u>2,896</u>

**Total Inflation & Virements****(1,951)**

REVENUE BUDGET MONITORING REPORTSUBJECTIVE ANALYSIS

2023/24 Actual £000	SUBJECTIVE ANALYSIS	Approved Budget 2024/25 £000	Revised Budget 2024/25 £000	Projected Out-turn 2024/25 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
10,153	Employee Costs	8,647	9,099	8,899	(200)	(2.2%)
739	Property Costs	744	744	744	0	-
895	Supplies & Services	915	978	1,052	74	7.6%
2	Transport & Plant	5	5	5	0	-
1,279	Administration Costs	1,331	1,727	1,697	(30)	(1.7%)
28,636	Payments to Other Bodies	38,946	40,845	40,627	(218)	(0.5%)
(28,404)	Income	(25,390)	(30,151)	(30,194)	(43)	0.1%
<b>13,300</b>	<b>TOTAL NET EXPENDITURE</b>	<b>25,198</b>	<b>23,247</b>	<b>22,830</b>	<b>(417)</b>	<b>(1.8%)</b>
	Earmarked reserves		(300)	(300)	0	
<b>13,300</b>	<b>Total Net Expenditure excluding Earmarked Reserves</b>	<b>25,198</b>	<b>22,947</b>	<b>22,530</b>	<b>(417)</b>	

POLICY & RESOURCES COMMITTEEREVENUE BUDGET MONITORING REPORTOBJECTIVE ANALYSIS

2023/24 Actual £000	OBJECTIVE ANALYSIS	Approved Budget 2024/25 £000	Revised Budget 2024/25 £000	Projected Out-turn 2024/25 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
5,793	Finance	5,634	6,216	6,109	(107)	(1.7%)
5,571	Legal, Democratic Digital & Customer Services	5,279	5,552	5,496	(56)	(1.0%)
2,431	Organisational Development, Policy & Communications	2,301	2,326	2,276	(50)	(2.1%)
<b>2,431</b>	<b>Total Net Expenditure Education, Communities &amp; Organisational Development</b>	<b>13,214</b>	<b>14,094</b>	<b>13,881</b>	<b>(213)</b>	<b>(1.5%)</b>
380	Chief Executive	336	348	364	16	4.6%
(875)	Miscellaneous	11,648	8,805	8,585	(220)	(2.5%)
<b>1,936</b>	<b>TOTAL NET EXPENDITURE</b>	<b>25,198</b>	<b>23,247</b>	<b>22,830</b>	<b>(417)</b>	<b>0</b>
	Earmarked reserves		(300)	(300)		
<b>1,936</b>	<b>Total Net Expenditure excluding Earmarked Reserves</b>	<b>25,198</b>	<b>22,947</b>	<b>22,530</b>	<b>(417)</b>	

**POLICY RESOURCES**

**REVENUE BUDGET MONITORING REPORT**

**MATERIAL VARIANCES (EXCLUDING EARMARKED RESERVES)**

**POLICY & RESOURCES COMMITTEE**

Appendix 3

**REVENUE BUDGET MONITORING REPORT**

**MATERIAL VARIANCES**

Outturn 2023/24 £000	Budget Heading	Budget 2024/25 £000	Proportion of Budget £000	Actual to 2024/25 £000	Projection 2024/25 £000	Over/(Under) Budget £000	Percentage Variance %
	<b><u>Finance Services</u></b>						
1,630	Accountancy - Employee Cost	1,542	1,284	1,276	1,545	3	0.2%
1,406	R&B - Employee Cost	1,283	1,069	1,077	1,294	11	0.9%
61	R&B - Postages	56	36	43	77	21	37.5%
(250)	R&B - Statutory Additions	(294)	(212)	(172)	(240)	54	(18.4%)
(23)	R&B - Recoveries	(110)	(83)	(92)	(200)	(90)	81.8%
(64)	R&B - Income	(31)	(31)	(47)	(99)	(68)	219.4%
	R&B Ctax Prior Years	(330)			(360)	(30)	9.1%
	<b><u>Organisational Development, Policy &amp; Communications</u></b>						
2,023	ODHR - Employee Cost	1,959	1,632	1,564	1,880	(79)	(4.0%)
	<b><u>Legal, Democratic Digital &amp; Customer Services</u></b>						
4739	Employee Costs	3,995	3,327	3,198	3,843	(152)	(3.8%)
587	ICT - Supplies - Software Maintenance	710	745	745	760	50	7.0%
(299)	ICT - Admin Costs - Telephone Recharges - offset in Income	333	278	239	304	(29)	(8.7%)
(60)	ICT - Income Costs - Telephone Recharges - offset in Admin	(333)	(278)	(236)	(304)	29	(8.7%)
(49)	ICT - Income - Recharges (5 Year Computer Refresh)	(30)	(25)	(62)	(62)	(32)	106.7%
(7)	Legal - Capital Recharges	(24)	(20)	(2)	(3)	21	(87.5%)
(310)	Legal - Income Licenses	(327)	(273)	(228)	(287)	40	(12.2%)
	<b><u>Miscellaneous Services</u></b>						
	Pay Inflation Contingency	8,426	8,426	8,606	8,606	180	2.1%
	Non Pay Inflation	1,133	733	733	733	(400)	(35.3%)
<b>9,384</b>	<b>TOTAL MATERIAL VARIANCES</b>	<b>17,958</b>	<b>16,608</b>	<b>16,642</b>	<b>17,487</b>	<b>(471)</b>	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Policy & Resources

C a t e g o r y	Project	Lead Officer/ Responsible Manager	Total Funding	Phased Budget 2024/25	2024/25 Spend	Projected Spend	Amount to be Earmarked for 2025/26 & Beyond	Lead Officer Update
			2024/25	2024/25	2024/25	2024/25		
			£000	£000	£000	£000	£000	
B	Early Retiral/Voluntary Severance Reserve	Alan Puckrin	3,127	0	0	700	2,427	Projection for 24/25 based on releases agreed linked to 25/26 savings & workstreams.
C	Equal Pay	Morna Rae	100	0	0	0	100	Balance for equal pay legal fees which is under review on an annual basis
C	Digital Strategy	Louise Long	1,149	310	219	405	744	2024/25 Committed project costs to date; purchases of Schools Cashless Catering System replacement £39K and CRM Replacement systems indicative timeline £16K, Revenue and Benefits Victoria Forms system (est cost £37K), Project Officer Post £39k (29/05/24 for 2 years), ICHRIS upgrade £12K.
C	Welfare Reform - Operational	Alan Puckrin	52	0	0	10	42	Employee Costs £10k in 24/25, £42k uncommitted.
C	Anti-Poverty Fund	Ruth Binks	2,248	112	147	636	1,612	Proposals to utilise £480k of the unallocated balance of £774k agreed at P&R 17 September 2024. Also proposal to terminate the IRISE project early with the balance of funding remaining within the Anti Poverty EMR. The projected spend, and phasing has been adjusted on this basis. Proposed approval P&R Committee on 19 November to utilise up to £600k of this to create a Fuel Poverty Fund, leaves £270k unallocated.
B	Loan Charge Funding Model	Alan Puckrin	3,621	0	0	1,113	2,508	Based on Dec Finance Strategy including a further £2.8million over 2024/27 to the EMR to deliver a recurring saving from 2025/26.
B	2023/26 Budget Funding Reserve	Alan Puckrin	8,466	0	0	2,628	5,838	Per approved 2024/26 Budget (Feb 24). Will be updated for May P&R based on March 2025 Budget decision.
C	ICT Technicians To Support Digital School Inclusion/Covid Recovery	Lynsey Brown	13	13	13	13	0	Completed.
C	New Ways of Working	Stuart Jamieson	258	100	2	188	70	Work on-going on James Watt building for transfer of HSCP staff from HMH.

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Policy & Resources

C a t e g o r y	Project	Lead Officer/ Responsible Manager	Total Funding	Phased Budget 2024/25	2024/25 Spend	Projected Spend	Amount to be Earmarked for 2025/26 & Beyond	Lead Officer Update
			2024/25	2024/25	2024/25	2024/25		
			£000	£000	£000	£000	£000	
C	Project Resource	Louise Long	63	0	17	63	0	Budget set aside to aide the process of difficult to fill posts and certain council memberships/reviews. Projects approved to date; Co-operative Councils membership £5k & Solace assistance to fill CFO post £17k. Unallocated balance of £41k with £20k write back agreed 27/01/25 Full Council.
C	Covid Recovery - Marketing Post & Support for Discover Inverclyde	Morna Rae	44	8	8	44	0	Further development of the 'discover Inverclyde' website and social media as the single trusted source of events and activity for residents and visitors to Inverclyde, local marketing campaigns to support priorities above and local partners and venues, develop trusted and timely marketing data. £8k funds spent in 24/25 for associated prints. Development of facilities and resources to share Inverclyde's Historic Links to Slavery through the Watt Institute.
C	Scottish Welfare Fund	Alan Puckrin	129	0	0	0	129	To Pay for the balance of Scottish Welfare Fund Crisis Grants expenditure as funded by Scottish Government. To be carried forward to 25/26
C	Smoothing Reserve (Service Concession)	Alan Puckrin	490	0	0	201	289	Phasing over 2023/28, per Feb 2023 report.
B	Budget Delivery Reserve	Alan Puckrin	2,771	30	502	1,349	1,422	Allocated costs to date: ASN transport (£400k), HR Review (£88k), Utility Costs (£800k), IL Smoothing Reserve (£200k), Winter Gritting (£150k), Finance Officer (£90k), SWAN contract (£370k) & Catering Review (£30k). £200k write back agreed 23/01/25 at Full Council. £200k write back in 2024/25 and further £500k approved to be written back within 2025/26
C	Student Training Fees	Morna Rae	80	0	2	13	67	The funding is to support professional qualifications and the consequent retention and development of employees. Spend for 24/25 £13k across Revenues & Benefits, Environmental & Legal . Remainder £67k uncommitted.
C	IRI Smoothing Reserve	Alan Puckrin	946	0	0	0	946	Agreed in Dec Finance Strategy, that a further £300k to be added to support model. £7m saving approved 2023/27.
C	Empty Property Relief	Alan Puckrin	80	0	6	6	75	£94k for E&R Business Support transferred to E&R , £5.5k cost EPR software for upcoming EPR changes. Remainder £75k balance to be carried forward to cover any retrospective applications for Empty Property Relief.
C	Elections 2024/27	Lynsey Brown	300	100	50	60	240	Budget approved at 2024/25 budget process for local election costs.
C	Allocation towards Historic Child Abuse settlements	Alan Puckrin	500	0	0	500	0	Add to the Insurance Fund during as part of 2024/25 Year End.. HSCP contribution of £500k due 2025/26.
Total Category A			0	0	0	0	0	
Total Category B			17,985	30	502	5,790	12,195	
Total Category C to E			6,452	643	463	2,139	4,314	

**COMMON GOOD FUND****REVENUE BUDGET MONITORING REPORT 2024/25**

	Final Outturn 2023/24	Approved Budget 2024/25	Budget to Date 2024/25	Actual to Date 2024/25	Projected Outturn 2024/25
	£	£	£	£	£
<b>PROPERTY COSTS</b>	<b>47,219</b>	<b>65,200</b>	<b>46,200</b>	<b>36,200</b>	<b>58,700</b>
Repairs & Maintenance	19,144	17,500	14,600	12,535	17,500
Rates	23,171	23,200	19,300	19,630	23,200
Property Insurance	4,034	8,000	4,000	4,030	8,000
Property Costs	870	16,500	8,300	0	10,000
<b>ADMINISTRATION COSTS</b>	<b>6,200</b>	<b>7,700</b>	<b>800</b>	<b>0</b>	<b>7,700</b>
Sundries	0	1,500	800	0	1,500
Commercial Rent Management Recharge	2,200	2,200	0	0	2,200
Recharge for Accountancy	4,000	4,000	0	0	4,000
<b>OTHER EXPENDITURE</b>	<b>114,192</b>	<b>109,500</b>	<b>102,210</b>	<b>100,210</b>	<b>108,200</b>
Christmas Lights Switch On	10,500	10,500	10,500	10,500	10,500
Christmas Decorations	38,885	44,000	41,470	41,470	42,700
Gourock Highland Games	29,400	29,400	29,400	29,400	29,400
Armistice Service	9,527	8,300	5,540	5,540	8,300
Comet Festival	13,300	13,300	13,300	13,300	13,300
Events	4,000	4,000	2,000	0	4,000
Bad Debt Provision	8,580	0	0	0	0
<b>INCOME</b>	<b>(202,080)</b>	<b>(183,700)</b>	<b>(150,200)</b>	<b>20,740</b>	<b>(186,700)</b>
Property Rental	(228,200)	(234,200)	(195,200)	(195,200)	(234,200)
Void Rents	33,164	54,000	45,000	215,940	54,000
Internal Resources Interest	(7,044)	(3,500)	0	0	(6,500)
<b>NET ANNUAL EXPENDITURE</b>	<b>(34,469)</b>	<b>(1,300)</b>	<b>(990)</b>	<b>157,150</b>	<b>(12,100)</b>
<b>EARMARKED FUNDS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL NET EXPENDITURE</b>	<b>(34,469)</b>	<b>(1,300)</b>	<b>(990)</b>	<b>157,150</b>	<b>(12,100)</b>

Fund Balance as at 31st March 2024	£ 158,037
Projected Outturn 2024/25	12,100
Expenditure on Port Glasgow Burgh 250th Anniversary approved by Policy and Resources Committee on 13th August 2024	(40,000)
Projected Fund Balance as at 31st March 2025	<u><u>130,137</u></u>

## Notes:

**1 Rates (Empty Properties)**

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

**2 Current Empty Properties are:**

12 Bay St	Vacant since:
10 John Wood Street	April 2015, currently being marketed
17 John Wood Street	August 2018
	June 2023

## Policy &amp; Resources Committee

## Revenue Budget Monitoring Report 2024/25

Committee	Approved Budget 2024/2025	Revised Budget 2024/2025	Projected Out-turn 2024/2025	Projected Over/(Under) Spend	Percentage Variance
	£,000's	£,000's	£,000's	£,000's	
Policy & Resources	25,198	22,947	22,530	(417)	(1.82%)
Environment & Regeneration	21,394	22,199	22,419	220	0.99%
Education & Communities	116,384	121,135	121,127	(8)	(0.01%)
Health & Social Care	73,714	74,397	74,508	111	0.15%
<b>Committee Sub-Total</b>	<b>236,690</b>	<b>240,678</b>	<b>240,584</b>	<b>(94)</b>	<b>(0.04%)</b>
Loan Charges	16,590	16,590	16,590	0	0.00%
Saving Approved yet to be Allocated ( <b>Note 1</b> )	(100)	(100)	(100)	0	0.00%
Workstream Savings Approved ( <b>Note 2</b> )	(364)	(419)	(345)	74	0.00%
Service Concession Flexibility	(1,650)	(1,650)	(1,650)	0	0.00%
Contribution from Other Funds ( <b>Note 3</b> )	0	(87)	(87)	0	0.00%
Earmarked Reserves	0	1,015	1,015	0	0.00%
<b>Total Expenditure</b>	<b>251,166</b>	<b>256,027</b>	<b>256,007</b>	<b>(20)</b>	<b>(0.01%)</b>
<b>Financed By:</b>					
General Revenue Grant/Non Domestic Rates ( <b>Note 4</b> )	(208,102)	(214,926)	(214,932)	(6)	0.00%
<b>General Revenue Grant - Teachers Hold Back (Note 4)</b>	(2,119)	0	0	0	0.00%
Contribution from General Reserves ( <b>Note 5</b> )	(2,628)	(5,628)	(5,628)	0	100.00%
Council Tax	(38,317)	(35,473)	(35,473)	0	0.00%
Integration Joint Board - Contribution to Reserves	0	0	(111)	(111)	100.00%
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>(137)</b>	<b>(137)</b>	

**Note 1 - Approved savings yet to be allocated**

**Note 2 - Workstream Savings Approved yet to be vired**

**Note 3 - Contribution from Insurance Fund for redress scheme**

**Note 4 - General Revenue Grant - Teachers Hold Back funding now received**

**Note 5 - General Revenue Grant - £1.797m funded from Capital Grant**

**Earmarked Reserves Position Statement**

Appendix 7

**Summary**

<u>Committee</u>	<u>Total Funding 2024/25</u>	<u>Phased Budget</u>	<u>Spend 2024/25</u>	<u>Variance Actual to Phased Budget</u>	<u>Projected Spend 2024/25</u>	<u>Earmarked 2025/26 &amp; Beyond</u>	<u>2024/25 %age Spend Against Projected</u>	<u>2024/25 %age Over/(Under) Spend Against Phased Budget</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>		
Education & Communities	435	133	130	(3)	175	260	74.29%	(2.26%)
Health & Social Care	8,828	2,179	1,163	(1,016)	2,387	6,441	48.72%	(46.63%)
Regeneration & Environment	7,027	1,241	1,001	(240)	1,670	5,357	59.93%	(19.35%)
Policy & Resources	24,437	673	965	292	7,929	16,509	12.17%	43.39%
	40,727	4,226	3,259	(967)	12,161	28,567	26.80%	(22.89%)

**Actual Spend v Phased Budget Behind Phasing = (£967k) (22.89%)**

**Last Update (Period P8) Behind of Phasing = (£237k)**

**Increase in slippage (£730k)**

**Only categories B-E included above excluding HSCP with categories C-E only**



Appendix 8

**GENERAL FUND RESERVE POSITION**  
**2024/25**

	<u>£000</u>	<u>£000</u>
Usable Balance 31/3/24		4470
<u>Available Funding:</u>		
Actuarial Pension Review (2024/26)	9000	
Additional IRI 2023/27	3500	
Reduced Use of Reserves Budget 2024/26	384	
IRI shortfall 2023/26 (£3.5m less £3.144m Actual 2023/24)	356	
Earmarked Reserve required for 2024/25	<u>160</u>	13400
Projected Surplus/(Deficit) 2024/25	<u>137</u>	137
<u>Use of Balances Approved 2024:</u>		
Additional IRI to Loans Charges	(3000)	
Increased support to the Revenue Budget	(6000)	
Increased support to the 2024/28 Capital Programme	<u>(4400)</u>	(13400)
<u>Use of Balances Approved - Fin Stratgey Dec 2024</u>		
Fin Stratgey Dec 2024:		
City Deal	(300)	
Internal Resources Model	(300)	
Full Council January 2025:		
Chief Executive Recruitment	<u>(30)</u>	(630)
<u>Write Backs - Full Council January 2025:</u>		
Budget Delivery Reserve 2025/26	500	
Covid - Business Development Interventions	50	
Covid - Import/Export/Access to stock support	50	
Budget Funding Reserve	534	
CFCR - 24/28 Capital Programme	514	
Project Resource/capacity	20	
Budget Delivery Reserve	<u>200</u>	1868
Projected Reserve Balance		<u><u>5845</u></u>

Policy & Resources Committee

Workstreams Saving Monitoring at March 2025

Saving Title	CMT Lead Officer	Chief Officer Update	Approved Saving	Achieved to Date	Projected Saving	Over achievement/ (Shortfall)	Approved Saving	Achieved to Date	Projected Saving	Total Projected Saving	Over achievement/ (Shortfall)	2026/27	2027/28	Est FTE Impact
			2024/25 £000's	2024/25 £000's	2024/25 £000's	2024/25 £000's								
Income Generation <b>Original Target £700k</b>	A Puckrin	5% increases in fees/charges for both 2024/25 and 2025/26 agreed as part of the 2024/26 Budget. Balance anticipated to come from Inchgreen JV no later than 2025/26. £11k identified for 2025/26 relating to uplift in charges for Building Warrant fees.	250	245	245	(5)	450	256	455	700	0	0	0	0.0
Procurement <b>Original target £600k, then £750k, then £805k (to fund Procurement post) now £945k over 24/27 after £140k New target added.</b> Note 2	S Jamieson	£671k achieved in 2024/25 from the new Residual Waste contract with £80k achieved from the new SWAN contract. This has been phased 50% 24/25 and 50% 25/26 and requires £350k investment from the Budget Delivery emr. CMT have increased the target by £55k in order to help increase capacity within the Procurement Team. Proposal to increase target further developed as part of August 2024 savings exercise by £140k including purchase cards.	710	711	711	1	165	40	164	875	0	70	0	(2.0)
Energy <b>Original Target £500k, now £1250k</b>	A Puckrin	£800k reduction in gas/electricity budgets over 2023/26 approved as part of the 2024/26 Budgets. Increased by £100k (Jan 2025 Council ) and a further £300k (Feb 2025 P&R)and the position will continue to be monitored given the. A £50k reduction in fuel costs was applied from 2024/25 based on 2023/24 out-turn. 2026/27 potential saving and IL saving to be reviewed later in 2025.	250	250	250	0	1000	1000	1,000	1,250	0	0	0	0.0
Asset Management <b>Original Target £400k</b>	S Jamieson	Initial saving will arise from the demolition of Hector McNeil House as part of the Levelling Up Fund project later in 2024. Officers developing a process for the consideration by members of other proposals which will be presented in October. A report will be presented to the Programme Board February 2025 regarding office proposals. Target slipped over 2026/28 per P&R January 2025. FTE reflects HMM cleaning saving.	50	0	0	(50)	50	0	100	100	0	200	100	3.8
Management Restructure Ph3 <b>Original Target £200k</b>	L Long	Update presented to 14.11.24 Programme Board and 19.11.24 P&R Committee agreed to use £104k from the contingency to meet the 31.3.26 projected shortfall. Shortfall updated in line with latest saving proposal, now utilising £65k from contingency balance.	0	0	0	0	200	0	135	135	(65)	12	0	2.5
Digital & Customer Services <b>Original Target £100k</b>	L Long	A number of projects delivering service improvements progressing . Updated via regular reports to Policy & Resources Committee. Update to 14.11.24 Programme Board and 19.11.24 P&R Committee agreed to use £35k from the contingency to meet the 31.3.26 projected shortfall. In line with latest saving proposal, shortfall increased to £41k funded from contingency.	20	0	0	(20)	80	0	59	59	(41)	17	0	2.0
Community Learning & Development- Delivering Differently Review <b>Original Target £180k</b>	R Binks	This saving was agreed at the Education and Communities Committee on 21 January 2025.	40	40	40	0	140	0	140	180	0	0	0	4.3
Schools Catering Review <b>Original Target £120k</b>	R Binks	3.8FTE vacant posts delivering an £80k saving in 25/26 have already been identified and APSE are undertaking a review with the service to identify potential areas for efficiencies. This review takes place in the first months of 2025.	0	0	0	0	100	0	100	100	0	20	0	3.4
Over achievement Contingency <b>Currently £300k</b>	A Puckrin	This reflects the fact that targets exceed the overall allowance in the 2024/26 Budget. Policy & Resources Committee approved the use of £139k on 19.11.24. Phasing updated, £106k required from contingency.	0	0	0	0	(300)	0	(40)	(40)	260	(154)	0	0.0
<b>Totals</b>			<b>1,320</b>	<b>1,246</b>	<b>1,246</b>	<b>(74)</b>	<b>1,885</b>	<b>1296</b>	<b>2113</b>	<b>3359</b>	<b>479</b>	<b>165</b>	<b>100</b>	<b>14.0</b>

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Chief Financial Officer</b>	<b>Report No:</b>	<b>FIN/19/25/AP/MT</b>
<b>Contact Officer:</b>	<b>Matt Thomson</b>	<b>Contact No:</b>	<b>01475 712256</b>
<b>Subject:</b>	<b>Policy &amp; Resources Capital Budget and Council 2024/28 Capital Programme</b>		

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## **1.0 PURPOSE AND SUMMARY**

- 1.1  For Decision  For Information/Noting
- 1.2 The purpose of the report is to provide Committee with the latest position of the Policy & Resources Capital Programme and the 2024/28 Capital Programme.
- 1.3 The Policy & Resources Capital Programme has a capital budget over 2024/28 of £7.337m with total projected spend on budget. The Committee is projecting to spend £0.590m in 2024/25 against an approved budget of £0.668m.
- 1.4 The overall 2024/28 Capital Programme budget is £83.005m with projects totalling £84.895m. This represents a £1.890m (2.28%) over allocation. This is within the agreed 5% tolerance. It should be noted that this is based on a 4-year Capital resource and the over provision will represent approximately 3.76% of the reduced, 3 year, resources of the 2025/28 programme, which remains within acceptable levels. In the current year net slippage of £0.129m, (0.63%) is being reported. The slippage has occurred in the programme within the individual Committees as follows; Health & Social Care (£2.347m) and Policy & Resources (£0.078m) offset with in advancement within Environment & Regeneration (£0.520m advancement) and Education & Communities (£1.776m advancement). A further breakdown of this movement can be seen within the individual breakdown per Committee in paragraph 3.13. Expenditure at 31 January was £13.934m.
- 1.5 The Capital Programme reflects changes made as a result of the Scottish Government Capital Settlement for 2025/26 and the approved 2025/28 Capital Programme will be reported to the next meeting of the Committee.

## **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that the Committee note the current position of the 2024/28 Policy & Resources Capital Budget and the current position of the 2024/28 Capital Programme.

**Alan Puckrin**  
**Chief Financial Officer**

### **3.0 BACKGROUND AND CONTEXT**

3.1 On 6 March 2025 the Council approved the 2025/28 Capital Programme as part of the overall Budget approval. This report shows the revised grant and allocation assumptions for 2025/28 but does not take in to consideration any budget decisions approved on 6 March 2025. This will be reported to the May meeting of the Committee.

#### **2024/28 Policy & Resources Capital Position**

3.2 The Policy & Resources capital budget is £7.337m. The current projection is £7.337m which means total projected spend is on budget.

3.3 The approved budget for 2024/25 is £0.668m and the Committee is projecting to spend £0.590m in 2024/25. The spend at 31 January is £0.368m (55.09%) of the approved budget.

3.4 PC Refresh Programme – The 2024/25 Corporate refresh programme is now complete. A programme replacing the first phase of laptops procured following the pandemic and shortly after has now replaced 660 devices. Of these, 300 laptops have been redeployed into Schools to replace the oldest desktop devices that were remaining in the estate. A further small tranche of 60 devices will be deployed into the schools before the end of the Financial year. A number of Android Smartphones have been identified as no longer in support for security and functionality updates – as a result a refresh programme has been implemented to upgrade and review usage as required.

3.5 Server and Switch Replacement – Several servers are being upgraded in response to security and performance requirements, in response, a range of network and server replacement programmes are being developed. Several device replacements across the network estate to improve service and support the implementation of SWAN2 are now under way. Options for improvements to back-up systems are being developed and the replacement of the file storage system in the school estate is being considered.

3.6 As part of the 2023/26 budget setting process £4m was added to a small existing contingency to meet potential cost increases, fund unforeseen projects and to protect core service delivery from unexpected fluctuations in costs. This budget will be allocated by this Committee following the receipt of relevant reports. To date £2.771m has been allocated by Committee leaving an unallocated balance of £1.329m.

3.7 As part of the 2024/28 Capital Programme approval in February, £3.75million generated from reprofiling loans charges repayments was allocated towards the refreshed asset management strategies. These are due to be completed by March 2026 and this expenditure is phased accordingly.

#### **2024/28 Capital Programme**

3.8 The overall 2024/28 Capital Programme reflects the confirmed 2024/25 capital grant. The 2024/25 allocation is £9.022m, however this includes £0.052m allocation for Coastal Change Adaptions which is passported to the Property Assets budget, £0.188m for Play Parks strategy which is passported to the Environmental budget and £3m which has to be used for the Pay Award. Therefore, available core funding is £5.782m.

3.9 The 2025/26 Capital Grant has now been issued by the Scottish Government and is, £6.851m. The Capital Programme has been updated to reflect the Grant with corresponding expenditure added where appropriate. This has resulted in a decrease in the deficit of £0.630m. An estimate of the 2025/28 Programme, reflecting this settlement and increased estimated Grants in 2026/27 and 2027/28, together with recommendations regarding the use of any available resources were approved by Council on the 6 March 2025.

- 3.10 An over provision of projects against estimated resources of up to 5% is considered acceptable to allow for increased resources and/or cost reductions. Currently the Capital Programme is reporting an over provision of £1.890m which represents 2.28% of the 2024/28 estimated resources. It should be noted that this is based on a 4-year Capital resource and the over provision will represent approximately 3.76% of the reduced, 3 year, resources of the 2025/28 programme.
- 3.11 In terms of the overall Capital Programme, it can be seen from Appendix 2 that at 31 January 2025 expenditure in 2024/25 is currently 68.03% of projected spend. Phasing and projected spend has been reviewed by the budget holders and the relevant Director. The position in respect of each individual Committee is reported in Appendix 2 and in paragraph 3.13 of this report. Overall Committees are projecting to outturn on budget.
- 3.12 In the current year net slippage of £0.129m, (0.63%) is currently being reported. This is largely due to slippage within Health & Social Care (£2.347) and Policy & Resources (£0.078m) offset by advancement within Education and Communities Committee (£1.776m) and Environment & Regeneration Committee (£0.520m).
- 3.13 The position in respect of individual Committees for 2024/25 is as follows:

Policy & Resources

Expenditure at 31 January 2025 is £0.368m against an approved budget of £0.668m. Net slippage of £0.078m (11.68%) is due to slippage within the Capital Programme Contingency line.

Environment & Regeneration

Expenditure at 31 January 2025 is £10.363m against an approved budget of £14.589m. Net advancement of £0.520m (3.56%) and is mainly due to advancement in West Blackhall Street (£1.009m), Greenock Town Hall Roofing, Ventilation & Windows (£0.252m) & Cycling, walking & Safer Roads (£0.193m) offset by slippage in various projects such as Place Based Funding (£0.170m), Town & Village Centre projects (£0.600m) Port Glasgow Town Centre Regeneration (£0.100m) & Vehicle Replacement Programme – Ultra Low Emissions (£0.063m) alongside other minor movements across the committee.

Education & Communities

Expenditure at 31 January 2025 is £2.971m against an approved budget of £1.907m. Net advancement of £1.776m (93.13%) mainly due to advancement within Parklea Branching Out (£0.200m), the New Community Hub at the King George VI Building (£0.322m), complete on site projects (£0.035m) and the Education Lifecycle Fund (£1.219m).

Health & Social Care

Expenditure at 31 January 2025 is £0.232m against an approved budget of £3.447m. There has been slippage in this Committee of £2.347m (68.09%). All the slippage is due to the delayed start of the New Community Hub Project.

## **4.0 PROPOSALS**

- 4.1 The continued annual shortfall between the Councils core asset investment requirement and the level of Capital Grant continues to put pressure on the wider finances of the Council, however, the 2024/28 Capital Programme remains affordable based on current estimates.

## 5.0 IMPLICATIONS

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

<b>SUBJECT</b>	<b>YES</b>	<b>NO</b>
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

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>

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

There are no legal issues to raise as part of this report.

## 5.4 Human Resources

There are no HR matters arising from this report.

## 5.5 Strategic

The overall Capital Programme contains many projects which contribute to the strategic priorities of the Council. As a result, timeous delivery of projects remains a focus for officers.

## 6.0 CONSULTATION

6.1 This report has been prepared based on updates to the relevant Strategic Committees.

## 7.0 BACKGROUND PAPERS

7.1 None.

Project Name	1	2	3	4	5	6	7	8	9
	Est Total Cost	Actual to 31/3/24	Approved Budget 2024/25	Revised Est 2024/25	Actual to 31/01/2025	Est 2025/26	Est 2026/27	Est 2027/28	Future Years
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b><u>Policy &amp; Resources</u></b>									
<b><u>ICT</u></b>									
Storage/Backup Devices/Minor Works and Projects	19	-	0	19	8	0	0	0	0
Rolling Replacement of PC's	365	-	0	365	296	0	0	0	0
Meeting Room, Videoconferencing & Hybrid Working Equipment	5	-	48	5	0	0	0	0	0
Server & Switch Replacement Programme	201	-	0	201	64	0	0	0	0
Home Working Allocation	15	15	10	0	0	0	0	0	0
Annual Allocation	1,653	-	532	0	0	585	534	534	0
<b><u>ICT Total</u></b>	<b>2,258</b>	<b>15</b>	<b>590</b>	<b>590</b>	<b>368</b>	<b>585</b>	<b>534</b>	<b>534</b>	<b>0</b>
<b><u>Miscellaneous</u></b>									
Capital Programme Contingency	1,329	-	78	0	0	968	361	0	0
Asset Management Strategy	3,750	-	0	0	0	0	1,750	2,000	0
<b><u>Miscellaneous Total</u></b>	<b>5,079</b>	<b>0</b>	<b>78</b>	<b>0</b>	<b>0</b>	<b>968</b>	<b>2,111</b>	<b>2,000</b>	<b>0</b>
<b>TOTAL</b>	<b>7,337</b>	<b>15</b>	<b>668</b>	<b>590</b>	<b>368</b>	<b>1,553</b>	<b>2,645</b>	<b>2,534</b>	<b>0</b>

Capital Programme - 2024/25 - 2027/28

	<u>Available Resources</u>					
	A	B	C	D	E	G
	2024/25	2025/26	2026/27	2027/28	Future	Total
	£000	£000	£000	£000	£000	£000
Government Capital Support	9,022	6,851	6,350	6,350	-	28,573
Capital Receipts (Note 1)	434	315	315	315	-	1,379
Capital Grants (Note 2)	6,626	829	300	300	-	8,055
Prudential Funded Projects (Note 3)	3,391	7,650	4,174	2,714	125	18,054
Balance B/F From 23/24	12,513	-	-	-	-	12,513
Capital Funded from Current Revenue	603	4,531	4,864	4,433	-	14,431
	<u>32,589</u>	<u>20,176</u>	<u>16,003</u>	<u>14,112</u>	<u>125</u>	<u>83,005</u>

Overall Position 2024/28

	<u>£000</u>
Available Resources (Appendix 2a, Column A-E)	83,005
Projection (Appendix 2b, Column B-F)	84,895
(Shortfall)/Under Utilisation of Resources	<u>(1,890)</u>
(Shortfall)/Under Utilisation of Resources %	<u>(2.28)%</u>



Note 1 (Capital Receipts)

	2024/25	2025/26	2026/27	2027/28	Future	Total
	£000	£000	£000	£000	£000	£000
Sales	369	315	315	315	-	1,314
Contributions/Recoveries	65	-	-	-	-	65
	<u>434</u>	<u>315</u>	<u>315</u>	<u>315</u>	<u>-</u>	<u>1,379</u>

Note 2 (Capital Grants)

	2024/25	2025/26	2026/27	2027/28	Future	Total
	£000	£000	£000	£000	£000	£000
Government Grant - Place Based Funding	170	-	-	-	-	170
Free School Meals	621	-	-	-	-	621
Watt Institute LED Lighting	41	-	-	-	-	41
Cycling, Walking & Safer Streets	538	341	300	300	-	1,479
Active Travel Transformation Fund (ATTF)	296	-	-	-	-	296
SPT	29	-	-	-	-	29
Climate Emergency	-	488	-	-	-	488
Boglestone Community Centre	500	-	-	-	-	500
Peatland Action Trust	769	-	-	-	-	769
Recycling Improvement Fund	96	-	-	-	-	96
Sustrans	3,566	-	-	-	-	3,566
	<u>6,626</u>	<u>829</u>	<u>300</u>	<u>300</u>	<u>-</u>	<u>8,055</u>

Note 3 (Prudentially Funded Projects)

	2024/25	2025/26	2026/27	2027/28	Future	Total
	£000	£000	£000	£000	£000	£000
Vehicle Replacement Programme	657	1,119	1,214	1,214	-	4,204
Borrowing in lieu of VRP Reduction	-	636	-	-	-	636
Asset Management Plan - Depots	128	50	160	-	-	338
Capital Works on Former Tied Houses	6	-	200	-	125	331
New Community Hub	1,100	4,345	1,100	-	-	6,545
Additional Prudential Borrowing to Fund Capital Programme	1,500	1,500	1,500	1,500	-	6,000
	<u>3,391</u>	<u>7,650</u>	<u>4,174</u>	<u>2,714</u>	<u>125</u>	<u>18,054</u>

Capital Programme - 2024/25 - 2027/28Agreed Projects

Committee	A Prior Years	B 2024/25	C 2025/26	D 2026/27	E 2027/28	F Future	G Total	H Approved Budget	I (Under)/ Over	J 2024/25 Spend To 31/01/2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Policy & Resources	15	590	1,553	2,645	2,534	-	7,337	7,337	-	368
Environment & Regeneration	8,738	15,109	12,766	15,800	8,365	125	60,903	60,903	-	10,363
School Estate	279	2,235	2,000	4,667	5,000	-	14,181	14,181	-	2,031
Education & Communities (Exc School Estate)	1,333	1,448	285	401	120	-	3,587	3,587	-	940
HSCP	655	1,100	6,452	1,700	-	-	9,907	9,907	-	232
<b>Total</b>	<b>11,020</b>	<b>20,482</b>	<b>23,056</b>	<b>25,213</b>	<b>16,019</b>	<b>125</b>	<b>95,915</b>	<b>95,915</b>	<b>-</b>	<b>13,934</b>

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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Corporate Director - Education, Communities and Organisational Development</b>	<b>Report No:</b>	<b>PR/06/25/MR/KM</b>
<b>Contact Officer:</b>	<b>Morna Rae</b>	<b>Contact No:</b>	<b>01475 712146</b>
<b>Subject:</b>	<b>Corporate Policy and Performance Update: February-March 2025</b>		

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## **1.0 PURPOSE AND SUMMARY**

1.1  For Decision  For Information/Noting

1.2 This report provides the Committee with an update on corporate policy and performance matters relating to:

- The review of the Strategic Planning and Performance Management Framework.
- The Best Value Improvement Plan progress report.
- The Inverclyde Strategic Needs Assessment.
- The Local Government Benchmarking Framework.
- VE/VJ 80<sup>th</sup> anniversary commemoration plans 2025

## **2.0 RECOMMENDATION**

2.1 It is recommended that the Committee:

- Note the latest updates relating to corporate policy and performance.

**Ruth Binks**  
**Corporate Director**  
**Education, Communities and Organisational Development**

### **3.0 BACKGROUND AND CONTEXT**

3.1 A corporate policy and performance update report is considered at every meeting of the Policy and Resources Committee; the last such report was submitted to the meeting of the Committee on 4<sup>th</sup> February 2025.

### **3.2 REVIEW OF THE STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT FRAMEWORK**

3.3 In early 2023, the Council implemented a new strategic planning and performance management framework (SPPMF) to better reflect the organisational structure and to strengthen existing arrangements in preparation for the new approach to Best Value audit.

3.4 A post-implementation review of the SPPMF was included as an action within the Policy and Resources Committee Plan 2023/26. This took the form of a survey to capture the views of Elected Members, Service Managers and the Extended Corporate Management Team. The survey ran from mid December 2024 – mid January 2025 and a total of 28 responses were received, including partial responses where at least 1 question was answered.

3.5 Overall, the feedback indicated that the original SPPMF objectives are largely being met, particularly with regard to supporting the role of Elected Members in monitoring performance. The CMT has reviewed all the feedback and identified the following areas for improvement:

- Implementation of an annual briefing on the Council Plan 2023/28.
- Develop new ways to communicate and promote the Council Plan 2023/28.
- Ensure that strategic plans and performance reports are clear and easy to understand.

3.6 The review of the SPPMF demonstrates the Council's commitment to continuous improvement. The Committee Plans 2023/26 are due to begin the final year in their planning cycle, following which new three-year plans will be implemented. This will provide a further opportunity to evaluate the SPPMF arrangements.

### **3.7 PROGRESS REPORT ON THE BEST VALUE IMPROVEMENT PLAN**

3.8 The Inverclyde Council Annual Audit Report 2022/23 included a recommendation that the Council should implement a process for reporting on the overall achievement and delivery of Best Value. To address this, the CMT agreed to conduct a corporate self-assessment focusing on Best Value performance.

3.9 The development of an Improvement Plan following the self-assessment was noted by the Policy and Resources Committee on 13 August 2024. The Improvement Plan focuses on seven areas with a number of actions and deadlines for each. A progress report is provided for the Committee in Appendix 1.

3.10 As at February 2025, 4 actions were complete, 15 were in progress, and 3 were yet to start, with the due date falling into 2026 or 2027. A change in approach has been approved by this Committee for one Best Value action, i.e. the development of a Digital and Customer Services Strategy.

3.11 Overall, good progress has been made in the delivering the Best Value Improvement Plan. Progress will continue to be monitored, with a further performance report brought to this Committee in six months.

### **3.12 INVERCLYDE STRATEGIC NEEDS ASSESSMENT**

3.13 The Inverclyde Strategic Needs Assessment (SNA) was originally developed in 2017 to support the development of Inverclyde Alliance and Inverclyde Council strategic plans. It brings together a range of data on the local population, economy, local deprivation, health and the environment and is updated at least every two years.

3.14 The most recent update to the SNA was carried out towards the end of 2024 and incorporates data from the Census 2024. It is available to download on the Inverclyde Council website: <https://www.inverclyde.gov.uk/council-and-government/community-planning-partnership/inverclyde-outcome-improvement-plan>

3.15 A briefing session will be arranged to provide an opportunity for the Alliance Board, Elected Members and senior managers to have a more detailed discussion on what the SNA highlights as a key issue for Inverclyde.

### **3.16 LOCAL GOVERNMENT BENCHMARKING FRAMEWORK (LGBF) REFRESH**

3.17 The Improvement Service's national LGBF report 2023/24 is due to be published in early April 2025. The Committee will be informed of its key messages in the next LGBF performance report 2023/24. In the meantime, the latest LGBF performance data can be found in the online data dashboard which is updated by the Improvement Service throughout the year: <https://www.improvementservice.org.uk/benchmarking/explore-the-data>.

### **3.18 VE/VJ DAY 80<sup>TH</sup> ANNIVERSARY COMMEMORATION PLANS 2025**

3.19 Following on from the success of D-Day 80 on 6th June 2024, there is an opportunity to join the national celebration of the 80th Anniversary of VE Day, which marked the end of the war in Europe and WWII on 8th May 1945.

3.20 The 80th anniversary of VJ Day is on 15<sup>th</sup> August 2025.

3.21 A series of local events are planned for 8<sup>th</sup> May 2025:

- the raising of a unique VE Day flag at 9am, further to the appropriate approvals.
- the ringing of church bells at 6.30pm.
- lighting up of the Lyle Fountain in Greenock, the Cross of Lorraine at Lyle Hill and the Ship Builders sculptures in Port Glasgow.

3.22 Discussions are also underway regarding Gourock faith leaders holding a dedicated service on Thursday 8 May 2025. A similar event is being considered in Port Glasgow for VJ Day commemorations, with the aim of holding it on a suitable date in August to enable local school children to attend. Elected Members will also be invited.

3.23 In addition, there may an opportunity for the Cultural Partnership, Inverclyde Veterans Network and Heritage Network to be allocated space at the Gourock Highland Games for some VE/VJ Day programming. This is currently being reviewed by the Corporate Communications team.

## 4.0 PROPOSAL

4.1 The Committee is asked to note the latest updates in relation to corporate policy and performance.

## 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>
Financial		X
Legal/Risk		X
Human Resources		X
Strategic (Inverclyde Alliance Partnership Plan 2023/33/Council Plan 2023/28)	X	
Equalities, Fairer Scotland Duty and Children/Young People's Rights and Wellbeing		X
Environmental and Sustainability		X
Data Protection		X

## 5.2 Finance

There are no financial implications arising from this report.

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

There are no direct legal implications arising from this report.

## 5.4 Human Resources

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

## 5.5 Strategic

The matters referred to in this report are of relevance to the following Council Plan 2023/28 Theme 3: Performance

- High quality and innovative services are provided, giving value for money.



## **6.0 CONSULTATION**

6.1 None.




## **7.0 BACKGROUND PAPERS**






7.1 None.






## Best Value Improvement Plan Progress Report







Reference	Improvement area	How will this be delivered?	Due Date	CMT Lead Owner	Status	Progress as at February 2025
BV001 Communication & Engagement	Strengthen employee communication and engagement.	Explore the most effective means of communication with employees, particularly employees with a protected characteristic(s) (PC).	30-Sep-2024	Louise Long	 Complete	<p>It was decided the initial focus would be to gauge employee interest in a forum for those with protected characteristics. The following steps were taken to progress this.</p> <ul style="list-style-type: none"> <li>• A news item was published on ICON on 5 December 2024 publicising the new forums/groups, inviting interest from staff.</li> <li>• An email was circulated to the members of the Corporate Equalities Group and the Staff Disability Forum asking if they, or someone they know, would like to take part.</li> <li>• Information was shared with colleagues who do not have access to email and/or Icon.</li> <li>• Consultation with the Trades Union Liaison Group.</li> </ul> <p>The Corporate Equalities Group reviewed the interest received at its meeting on 7<sup>th</sup> February 2025. It was agreed that there was insufficient interest to justify setting up another group in addition to the established Disability Forum. Direct contact was made with the individual employees who expressed an interest to discuss any particular issues that they wished to raise.</p> <p>The 2025 Employee Survey will include questions on employee communication methods.</p>
		Establish a schedule of meetings with managers (3rd tier) to discuss key issues; promote the work of the Council and highlight opportunities for collaborative working.	31-Dec-2024	Louise Long	 Complete	<p>A cross-service meeting for third tier managers took place in 2024, with a focus on the Council Plan and Partnership Plan. Further meetings with third tier managers have been set for March 2025 and September 2025.</p>




Reference	Improvement area	How will this be delivered?	Due Date	CMT Lead Owner	Status	Progress as at February 2025
		Explore the introduction of a Chief Executive Employee Briefing.	30-Sep-2025	Louise Long	 Complete	A Chief Executive's quarterly update / newsletter is in place, commencing from September 2024.
BV002 Improving the customer experience	Improving the customer experience	Develop and implement a Digital & Customer Service Strategy.	31-Oct-2024	Lynsey Brown	New approach agreed, as per comment.	At its meeting on 19 <sup>th</sup> November 2024, the Policy and Resources Committee approved the adoption of a phased approach to creating a combined new Digital and Customer Services Strategy. The Committee also approved Phase 1 of the Strategy. This revised approach was agreed in response to wider developments relating to transformation, including a new Audit Scotland report on the subject, and the related recommendations within the Inverclyde Council Annual Audit Report 2023/24.
		Explore opportunities to integrate current systems via the work of the Digital Modernisation Group.	31-Mar-2025	Louise Long	 In progress	The Digital Modernisation Group continues to oversee the Digital Modernisation Programme. Recent developments include the approval of the procurement of Engage Process, a system which will help with mapping and recording processes and outputs. It also approved the implementation of electronic forms for Council Tax and Non-Domestic Rates. More detailed updates are provided separately to the Policy and Resources Committee on a regular basis.
		Continue to upskill our employees, with particular regard to digital skills.	31-Mar-2025	Lynsey Brown	 In progress	A corporate training matrix has been developed to support employees and managers in identifying the appropriate training needs of employees. Courses focusing on developing digital skills have been provided by West College Scotland. Online learning events are shared via internal officer networks / corporate groups.

Reference	Improvement area	How will this be delivered?	Due Date	CMT Lead Owner	Status	Progress as at February 2025
		Assess the potential to use the CONSUL platform as a single community engagement platform across all Services.	31-Mar-2025	Ruth Binks	 In progress	CONSUL is in use and has been used by the CLD Service for a number of pieces of engagement. Consultation on Port Glasgow 250 is also being carried out on this platform. A phased approach to the roll-out is being taken to utilise it across all Services.
		Develop our use of social media / communications for customers, informed by customer preferences.	31-Mar-2025	Ruth Binks	 In progress	This action is related to a wider review of the media and social media protocol. The CMT has approved the conclusion of the review by June 2025. This will include a social media audit to inform our digital direction for communications.
BV003 Systems, data and research.	Enhance the use of systems, data and research.	Establish a network of data analysts to support improvements in use of systems, data and research.	31-Dec-2024	Morna Rae	 Complete	A Data Analyst Network is established and comprises of representatives from the Council and the HSCP.
		Dissemination of research and best practice across the Council and HSCP.	Ongoing	Morna Rae	 In progress	Research and best practice are standing items on the agenda of the Data Analyst Network. Details of national events e.g. hosted by the IS, ONS or the Census team are shared across internal groups / networks to develop learning where possible. This will remain ongoing.
		Increase the usage of Ideagen Risk to support performance management.	Ongoing	Morna Rae	 In progress	Ideagen Risk continues to be promoted across the Council with increased usage noted since the development of the Risk module is used to manage the Council Risk Registers. In addition, the HSCP is developing its use of the 'Action' module to support the management of key strategies. Individual teams within Services are also increasing their use of the system to monitor KPI performance and action plans.

Reference	Improvement area	How will this be delivered?	Due Date	CMT Lead Owner	Status	Progress as at February 2025
BV004 Governance Processes	Deliver refresher training to senior officers on key Governance areas.	Deliver refresher training on key governance areas such as Finance, Legal and Procurement.	31-Mar-2025	Lynsey Brown; Stuart Jamieson; Alan Puckrin	 In progress	Finance training has been delivered to all DMTs.  Legal and Procurement training still to be scheduled.
BV005 Costed Asset Plans	Development of costed Asset Plans.	Assess asset condition and establish realistic costs to meet investment needs.	31-Jul-2025	Stuart Jamieson	 In progress	A new Corporate Asset Management Strategy was approved by the Environment & Regeneration Committee in May 2024. As part of this it was agreed to refresh the individual asset sub-groups to develop longer term costed asset plans.  The procurement of consultants to carry out the next 5 yearly external condition surveys is underway. This will inform the projects that are brought forward throughout the year as part of the ongoing review and prioritisation of the allocation of lifecycle funding which is based on the property condition survey data.
		Artificial Pitches Asset Plan Review	30-Jun-2025	Stuart Jamieson	 In progress	Review commenced, data collection on-going.
		Roads Asset Management Strategy Review	31-Aug-2025	Stuart Jamieson	 In progress	Report drafted, data check and Officer review on-going.
		Develop Options for Elected Members, followed by the prioritisation of resources / projects including the identification of potential funding models and risks associated with volatility of costs and funding sources.	31-Dec-2026	Stuart Jamieson	 Not yet started	This will follow on from the actions above.

Reference	Improvement area	How will this be delivered?	Due Date	CMT Lead Owner	Status	Progress as at February 2025
BV006 Alignment of assets with delivery expectations	Alignment of assets and resources with service delivery expectations.	Proposals to be development alongside the refreshed Asset Management Plans.	31-Mar-2027	Stuart Jamieson	 Not yet started	This will follow on from the costed Asset Management Plan action outlined above.
		Elected Members are aware of how budget reductions align with service delivery and performance.	31-Mar-2027	Stuart Jamieson	 Not yet started	This will follow on from the first action.
BV007 Promotion of the sustainability agenda	Increased promotion of the sustainability agenda.	Continue to implement, monitor and publicly report on the progress made in the delivery of the Net Zero Strategy and Action Plan.	31-Mar-2025	Stuart Jamieson	 In progress	The Net Zero Action Plan Annual Progress report was presented to the Environment and Regeneration Committee on 16th May 2024. In addition, the Environment and Regeneration Committee receives updates on matters within the net zero action plan that relate to Property as part of a capital programme report at every meeting.
		Continue to ensure that new builds are energy efficient.	Ongoing	Stuart Jamieson	 In progress	Energy efficiency is at the forefront of new build design e.g. the design of the new support hub for people with learning disabilities incorporates enhanced energy efficiencies and a low operational carbon footprint.
		Delivery of sustainability training for Council employees.	Ongoing	Stuart Jamieson	 In progress	The Council's induction modules have been updated and includes 7 modules around carbon efficiency behaviours, including modules on 'How to Stop Climate Change: Personal Action' and 'Tackling the Climate Emergency: What is the Council doing?'
		Awareness raising on sustainability issues carried out within local communities.	Ongoing	Stuart Jamieson	 In progress	This work will be taken forward by the Inverclyde Alliance 'Place' thematic group which the Net Zero sub-group report into. The Net Zero action plan contains a range of actions associated with awareness raising, with updates provided to the Environment & Regeneration Committee.

Reference	Improvement area	How will this be delivered?	Due Date	CMT Lead Owner	Status	Progress as at February 2025
		Build capacity within communities to support sustainable development initiatives.	Ongoing	Stuart Jamieson	 In progress	As per update above.

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Chief Executive</b>	<b>Report No:</b>	<b>PR/05/25/RB/KM</b>
<b>Contact Officer:</b>	<b>Louise Long</b>	<b>Contact No:</b>	<b>01475 712146</b>
<b>Subject:</b>	<b>Policy &amp; Resources Committee Delivery and Improvement Plan 2023/26 Performance Report</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 Committee with an update on the progress made in the delivery of the Policy and Resources Committee Delivery and Improvement Plan 2023/26.
- 1.3 This is the second progress report on year two of the Plan to be presented to the Committee. It includes details of the progress that has been made in the delivery of the Action Plan and the latest performance data for KPIs, where this information is available.

## **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that the Committee consider the progress made in the delivery of the Policy and Resources Committee Delivery and Improvement Plan 2023/26.
- 2.2 The Committee is asked to note that a refreshed Committee Delivery and Improvement Plan, for reporting year 2025/26, will be presented to the next meeting.

**Louise Long**  
**Chief Executive**

### **3.0 BACKGROUND AND CONTEXT**

3.1 Committee Delivery and Improvement Plans 2023/26 are a key component of the Council's refreshed strategic planning and performance management framework. The Committee Plan enables scrutiny of:

- Strategic activity within the Committee remit; and
- How the Committee is supporting the delivery of the Council Plan outcomes.

3.2 The Policy and Resources Committee Delivery and Improvement Plan 2023/26 was approved on 23<sup>rd</sup> May 2023, with the annual refresh of the Plan approved on 4<sup>th</sup> June 2024. Elected Members were invited to a dedicated briefing on the refreshed Committee Plan, held on 26<sup>th</sup> June 2024 and again on 15<sup>th</sup> August 2024.

3.3 Committee Delivery and Improvement Plans have also been approved by the Education and Communities Committee and the Environment and Regeneration Committee.

### **3.4 PERFORMANCE OVERVIEW**

3.5 This is the second performance report on year two of the Committee Plan and covers the reporting period October 2024 - February 2025. It includes an update on the status of the action plan and quarterly KPI performance. A summary of performance is provided below with the full performance report provided in the Appendix.

#### Delivery and Improvement Action Plan 2023/26

3.6 The following actions / sub-actions are now complete:

- The Partnership Plan 2023/33 governance and delivery framework, including supporting action plans and a new locality planning model are now in place.
- The review of the strategic planning and performance management framework, including the refresh of the Strategic Needs Assessment and a review of performance management arrangements is complete.
- The Pride of Inverclyde Employee Awards took place on 14 June 2024.
- Service Plans 2024/25 have been developed and reviewed by the CMT.
- A review of the new performance appraisal process (Positive Conversations) has been carried out and a report considered by the CMT.
- All scheduled policy updates due in 2024/25 have been completed and related procedures and guidance has been updated and shared across the Council.
- Support for managers to improve the use of absence monitoring reporting is in place.
- A project plan is in place for the upgrade of the Human Resources and Payroll system.
- A review of the ICT and Digital Strategies has been carried out to inform the development of a new Digital and Customer Services Strategy.
- The review of the Communication and Engagement Strategy has been carried out and new actions identified.

3.7 There has been slippage in the following actions/ sub-action:

- Preparatory work relating to the scope of the review of the Conditions of Service and Pay and Grading Structure is underway, however resource issues means that this will continue beyond 31 March 2025.
- As previously reported to the Committee, it has been agreed to move the timescale for the upgrade to the Human Resources and Payroll System to summer 2025. This has also had an impact on the delivery of training and user guides.

- Process mapping and improvements relating to HR&OD and Payroll processes has slightly slipped due to other commitments and resource issues. Resource pressures have also resulted in a delay in maximising the use of Talentlink for contracts.

3.8 A new, phased approach to developing a Digital and Customer Service Strategy, originally due in October 2024, was agreed by this Committee at its meeting on 19 November 2024. This was in light of the publication of an Accounts Commission report on the subject of Transformation and the recommendations contained within the Annual Audit Report 2023/24. Phase 1 of the Strategy was approved at the same meeting.

### 3.9 KPI Performance

Since the last Committee Plan performance report, the Improvement Service has updated the national Local Government Benchmarking Framework (LGBF) data dashboard and benchmarking data 2023/24 (the latest available) is provided in Appendix 2 for the following measures:

- Total useable reserves as a % of Council annual budgeted income.
- Uncommitted General Fund Balance as a % of annual budgeted net revenue.
- Ratio of Financing Costs to Net Revenue Stream.
- Actual outturn as a % of budgeted expenditure.

Appendix 2 also provides the Committee with a range of quarterly performance data for KPIs that relate to service delivery. Service performance in the quarter was 5% or more adrift of target (red status) for the following measures:

- Days lost due to sickness absence.
- The number of Data Breaches notified to the Information Commissioners Office.

Sickness absence is closely monitored by the CMT, with the reasons for absence constantly reviewed. Rising sickness absence is an issue across all Scottish local authorities and Local Government Benchmarking Framework data shows that Inverclyde consistently performs better than the national and Family Group average. A pro-active approach to support services to effectively manage absences is underway and going forward, an action plan will be developed to address the issue. Managing sickness absence will continue to be a focus in the refreshed Policy and Resources Committee Plan 2025/26.

Performance was on or above target (green status) for the following measure:

- The percentage of invoices paid within 30 days.
- The number of corporate training courses attended.
- The percentage of Freedom of Information and Environmental Information Regulations requests responded to on time.
- The number of complaints received, per 1,000 population.
- The overall accessibility score awarded to the Council website.

### 3.10 Managing Key Risks

The effective management of risk is key in helping the Council successfully deliver its objectives and as such, the Committee Plan includes a Risk Register which details the strategic risks. The Policy and Resources Committee Risk Register will be reviewed as part of the wider Committee Plan annual refresh and presented to the next meeting of this Committee.



#### 4.0 PROPOSALS

4.1 The Committee is asked to note the progress that has been achieved in delivering the Policy and Resources Committee Delivery and Improvement Plan 2023/26 in year two.

#### 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

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

There are no legal implications associated with this report, whilst the key Committee risks are highlighted within the full Committee Plan 2023/26.

#### 5.4 Human Resources

There are no human resources implications associated with this report.

#### 5.5 Strategic

The Policy and Resources Committee Delivery and Improvement Plan 2023/26 directly supports the delivery of the Council Plan 2023/28, with the action plan aligned to the delivery of the Council Plan outcomes.








## **6.0 CONSULTATION**

6.1 None.

## **7.0 BACKGROUND PAPERS**



7.1 None.

## Appendix 1: Committee Delivery and Improvement Plan Action Plan







Strategic Theme: People					
Code & Title	Action	Sub-action	Due Date	Current Status	Progress Commentary
<b>CMTE/ PR001 Partnership Plan 2023/33</b>	Embed the Partnership Plan 2023/33 governance, delivery and reporting framework across the Alliance partners.	Development of the Partnership Action Plans and key performance indicators to support the delivery of the Partnership Plan.	31-Oct-2024	 Complete	All Partnership Action Plans and KPIs are in place.
		New/ refreshed delivery groups established, and regular progress reports provided to the Alliance Board.	31-Mar-2025	 On track	Options for review have been considered, with final options due to be presented to the Alliance Board at its meeting in March 2025.
		Publish an annual report on progress made against the Partnership Plan.	31-Oct-2024	 Complete	The Annual Report 2023/24 was approved by the Alliance Board at its meeting in December 2024, with publication on 16 Dec 2025.
		Implement the new Locality Planning model, with updated local priorities and engagement processes in place.	31-Dec-2024	 Complete	The new locality planning model was approved by the Alliance Board in March 2024, followed by approval of the six new Locality Plans. Community Choices consultations carried out in late 2024 and early 2025.
<b>CMTE/ PR002 Strategic Planning</b>	Further embed the new strategic planning and performance management arrangements to support the delivery of the Council Plan 2023/28.	Update the Inverclyde Strategic Needs Assessment.	30-Sep-2024	 Complete	The Strategic Needs Assessment has been updated with a range of data published in 2024, including the latest Census data. It is available on the Inverclyde Council website.
		Development of Service Plans for each Head of Service for reporting year 2024/25.	30-Jun-2024	 Complete	The CMT has reviewed and approved a Service Plan for each Head of Service. Service Plan 'performance portals' have been created on Pentana.
		With the CMT conduct a review of the performance management arrangements introduced in 2023/24.	30-Sep-2024	 Complete	The review was carried out December 2024- January 2025. A report was considered by the CMT in February 2025 and details of the outcome of the review contained within the Corporate Policy update report, due to be considered by the P&R Committee at its meeting on 25 March 2025.

## Appendix 1: Committee Delivery and Improvement Plan Action Plan







### Strategic Theme: Place

Code & Title	Action	Sub-action	Due Date	Current Status	Progress Commentary
<b>CMTE/ PR003 Community Councils</b>	Support the development of the newly established Community Councils and monitor arrangements in those areas where no Community Council has been established.	Review developments of Community Council activity, within 12 months of the Community Council elections.	31-Mar-2025	 On track	Officers have provided an initial review of Community Council activity since the last elections. Officers are supporting recruitment for Greenock West and Cardwell Bay by way of an interim election, nominations closing on 28 February 2025. Further comment sought to feed into report to future meeting of Inverclyde Council.
		Following the review, development of recommendations and report to full Council.	31-Mar-2025	 On track	Drafting of a report to Inverclyde Council is underway. This will involve input from Community Learning and Development team.

## Appendix 1: Committee Delivery and Improvement Plan Action Plan





Strategic Theme: Performance 2023/24					
Code & Title	Action	Sub-action	Due Date	Current Status	Progress Commentary
<b>CMTE/ PR004 Budget 2025/26</b>	Development of a Revenue Budget for 2025/26.	Development of a Revenue Budget for 2025/26.	31-Mar-2025	 On track	Regular Members Budget Working Group, Joint Budget Working Group and Programme Board meetings continue to take place. Settlement detail has been reviewed and a report presented to a special Council meeting on 23 January 2025. A Council Budget meeting took place on 6 March 2025.
<b>CMTE/ PR005 Options Appraisal for FMS</b>	Report options for the replacement of the current Finance System, due to become unsupported from 31 March 2028.	Develop options for Committee to consider including estimated financial implications.	30-Sep-2025	 On track	Information received from two other Councils is being reviewed and potential resource requirements and high-level costings are being scoped. A decision on the procurement route required by autumn 2025, with funding to be allocated as part of the 2026/27 Budget.
<b>CMTE/ PR006 People &amp; OD Strategy 2024/27</b>	Delivery of the Year 1 actions within the People and Organisational Development Strategy 2024/27.	Deliver the Pride of Inverclyde Employee Awards.	30-Jun-2024	 Complete	The Employee Awards 2024 were held on 14 June 2024.
		Support the achievement of professional qualifications within the workforce and implement an improved approach to mandatory training courses.	31-Mar-2025	 On track	Two cohorts of employees have commenced professional qualifications with a third cohort planned before the end of the financial year. Training matrix agreed by CMT and promoted. Ongoing research into methods for recording and reporting on training participation.
		Review the performance appraisal process (Positive Conversations).	30-Sep-2024	 Complete	The CMT considered a report on the review of the performance appraisal process at its meeting on 9 October 2024.
		Support managers to improve the use of absence monitoring reporting.	30-Jun-2024	 Complete	Updates to the reporting function on CHRIS 21 are complete and guidance / reminders sent to services. Monthly absence reports are issued to Heads of Service. HR Operations team is identifying absence 'hot spots' and addressing these with managers.

## Appendix 1: Committee Delivery and Improvement Plan Action Plan







Code & Title	Action	Sub-action	Due Date	Current Status	Progress Commentary
		Implement the Mentoring Scheme and evaluate its impact.	31-Mar-2025	 On track	The mentoring scheme continues to run, with an evaluation process underway.
		Provide guidance on the implementation of new / updated policies.	31-Mar-2025	 Complete	All scheduled policy updates 2024/25 have been completed and presented to this Committee. The related procedures and guidance has also been updated and shared across the Council. The updated content is reflected in corporate training activity.
		Commence a review of the Conditions of Service and Pay and Grading structure, including identification of implications.	31-Mar-2025	 Slippage	There has been preparatory work to better understand the scope of a review and the resources required to support this. A reduction in staffing in the related team has impacted progress. This will continue in the new calendar year.
<b>CMTE/ PR007 HR &amp; HR Payroll System</b>	Implement an upgrade to the Human Resources and Payroll system.	Development of a project plan.	30-Sep-2024	 Complete	This is complete and currently being implemented.
		Implement upgrade and associated testing.	31-Dec-24*	 Slippage	An update on the anticipated implementation date of the upgrade was provided to Committee in November 2024. This has been changed to Summer 2025 based on the availability of the provider, external colleagues and internal resource.
		Develop training and user guides.	31-Dec-2024	 Slippage	This will follow on from the above, with a revised due date of summer 2025.

\* As previously reported to the Committee, the deadline for this action has been reviewed by the Digital Modernisation Board and a new due date of end August 2025 has been approved.

## Appendix 1: Committee Delivery and Improvement Plan Action Plan





Code & Title	Action	Sub-action	Due date	Current Status	Progress Commentary
CMTE/ PR008 HR & OD Payroll Processes	Update and improve Human Resources, Organisational Development and Payroll processes	Monitor the effectiveness of automatic of processes through Victoria Forms.	31-Mar-2025	 Complete	All actions associated with the Business Case are complete. The following forms are now live: sickness notification, change to personal details, change of circumstances, termination, bank mandate and Scheme of Delegation/vacancy management. An Absence Management E-form has also been produced and is ready for testing.
		Undertake process mapping and identify and implement related improvements.	31-Mar-2025	 Slippage	Work on this commenced in January. The slight slippage in starting is due to other work commitments and the requirement for training on a new process mapping tool, <i>Engage</i> . This will continue as an action within the refreshed Committee Plan.
		Maximise use of Talentlink system in relation to contacts.	31-Dec-2024	 Slippage	This has been delayed due to constraints in availability from an external organisation, shortage in internal staff resources and other work pressures. This will continue as an action within the refreshed Committee Plan.
CMTE/ PR009 Modernisati on of the Council	Continue to progress projects that support the modernisation of the Council.	Report on the progress against the actions identified in the ICT and Digital strategies.	31-Jul-2024	 Complete	The 2021 - 2024 Digital Strategy Action Plans are now concluded.
		Develop a Digital and Customer Service Strategy.	31-Oct-2024	See commentary	On 19 November 2024, the Policy and Resources Committee approved the adoption of a phased approach to creating a combined Digital and Customer Services Strategy. This was agreed in response to wider developments relating to transformation, including a new Accounts Commission report, and related recommendations within the Council's Annual Audit Report 2023/24. The Committee also approved Phase 1 of the Strategy at this meeting.  This will continue as an action in the refreshed 2025/26 Policy & Resources Committee Plan.

## Appendix 1: Committee Delivery and Improvement Plan Action Plan

Code & Title	Action	Sub-action	Due date	Current Status	Progress Commentary
		Carry out a Digital Maturity exercise to benchmark the Council's position against peer authorities.	31-Mar-2025	 On track	Engagement with suppliers to provide Digital Maturity assessment underway. Scoping and outcomes discussion ongoing. A proposal to rejoin Scottish Local Government Digital Office to assist with the assessment is to be decided by Committee.
		Consider options to optimise use of Council buildings.	31-Mar-2025	 On track	This is an ongoing action with reports to the Programme Board and the CMT on the rationalisation of Council assets. Upcoming milestones include: <ul style="list-style-type: none"> <li>• A presentation on office rationalisation will be delivered to Elected Members in February 2025.</li> <li>• A presentation on community and leisure rationalisation will be delivered to Elected Members in June 2024.</li> <li>• Hector McNeil House relocation – Spring 2025.</li> </ul>
<b>CMTE/ PR010 Governance Documents</b>	Refresh the key Inverclyde Council governance documents.	Renewal of the Financial Regulations.	31-Mar-2026	 Not yet started	This will commence later in 2025.
		Renewal of the Standing Orders for contracts.	31-Mar-2026	 Not yet started	This will commence later in 2025.
<b>CMTE/ PR011 Communication and Engagement Strategy</b>	Review, prioritise and deliver key actions within the Communication and Engagement Strategy.	Analyse performance against strategy.	30-Jun-2024	 Complete	A review of the Strategy has been carried out and shared with the Head of Service.
		Review Strategy, identify priority actions for delivery in 2024/25 and progress delivery, including: <ul style="list-style-type: none"> <li>• review of templates for Service use in graphic design</li> <li>• Confirm corporate approach to tourism.</li> <li>• Creation of basic dashboards and monitoring.</li> </ul>	31-Mar-2025	 Complete	The review of Corporate Communications Strategy and action plans from 2023 and 2024 is now complete. A draft set of new actions for reporting year 2025-26 is being finalised.



## Appendix 1: Committee Delivery and Improvement Plan Action Plan

Action Status	
	Cancelled / not delivered
	Not started
	Slippage
	On track
	Complete

## Appendix 2: POLICY AND RESOURCES KPI SCORECARD

The refreshed Committee Plan KPI scorecard provided information on 2023/24 performance where it was available, however data for a number of LGBF measures that are published annually was not available at that time.

### Local Government Benchmarking Framework

Since the last Policy and Resources Committee Plan performance report was considered, new Local Government Benchmarking Framework data has been published for the following KPIs. Information on the Council's performance ranking, relative to all 32 Scottish Councils, is shown in the LGBF ranking column in the table below.

Title	2021/22 Value	2022/23 Value	2023/24 Value	2023/24 Target	Status	Short Trend	Long Trend	LGBF ranking	Latest Note
Total useable reserves as a % of Council annual budgeted income	23.7%	17%	20.8%	27%				18	Family group performance = 24.9% National average = 23.9%.
Uncommitted General Fund Balance as a % of annual budgeted net revenue	2.3%	3.5%	2%	2%				25	Family group performance = 1.6% National average = 2.3%.
Ratio of Financing Costs to Net Revenue Stream	10.2%	9.7%	0.4%	9.55%				1	Family group performance = 4.1% National average = 5.8%.
Actual outturn as a % of budgeted expenditure	99.4%	98%	100.4%	99.5%				9	Family group performance = 99.7% National average = 99.6%.

## Service Performance Indicators

The following service performance measures are reported quarterly to the Committee.

Title	Q4 2023/24 Value	Q1 2024/25 Value	Q2 2024/25 Value	Q3 2024/25 Value	Status	Latest Note
Number of properties in receipt of Empty Property Relief	240	87	135	187		These KPIs are both 'data only' as performance is influenced by wider economic conditions that are outwith the control of the Council.
Value (£) of Empty Property Relief	£308,508	£ 346,532	£383,443	£480,523		

Title	Q4 2023/24 Value	Q1 2024/25 Value	Q2 2024/25 Value	Q3 2024/25 Value	Quarter				Latest Note
					Target	Status	Short Trend	Long Trend	
Council tax in year collection level	94.7%	27.7%	53%	80.2%	Year end 94.7%		-	↓	Short trend arrow refers to comparison with Q3 2023/24, where performance = 80.2%
Percentage of invoices paid within 30 days (%)	94.16%	97.19%	94.38%	97.06%	95.5%	✓	↑	↑	
Total days lost due to sickness absence	3.6 days	3.4 days	2.5days	3.2days	2.25 days	⊘	↓	↓	The annual target for the year is 9 days.
Employee Turnover (%)	2.66%	2.52%	4.8%	3.1%	3%	⚠	↑	↓	The annual target for the year is 12%.
Corporate Training Courses Attended	180	94	104	159	125	✓	↑	↓	The overall annual target for the year is 500.
SOCITM Accessibility Score (website overall accessibility score)	95	93	93.3	95.3	95	✓	↑	↑	
No. of complaints received (per 1,000 population)	1.082	0.996	0.728	0.7	1	✓	↑	↑	The overall target for the year is 4 or less complaints per 100,000 population. Population is based on mid-year population estimate 2023.
The number of Data Breaches notified to the Information Commissioners Office	1	1	1	1	2024/25 2	⊘	-	↓	The overall target for the full year is 2. As at the end of quarter 3 this had not been achieved.

Title	Q4 2023/24 Value	Q1 2024/25 Value	Q2 2024/25 Value	Q3 2024/25 Value	Quarter				Latest Note
					Target	Status	Short Trend	Long Trend	
Percentage of FOIs and EIRs responded to on time	94.58%	91.58%	92.66%	95.58%	92%				
Digital transactions via the CSC Portal	79%	70%	43%	72%	75%				

PI Status	
	Alert
	Warning
	OK
	Unknown
	Data Only

Long Term Trends	
	Improving
	No Change
	Getting Worse

Short Term Trends	
	Improving
	No Change
	Getting Worse

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital &amp; Customer Services</b>	<b>Report No:</b>	<b>LS/014/25</b>
<b>Contact Officer:</b>	<b>Vicky Pollock</b>	<b>Contact No:</b>	<b>01475 712180</b>
<b>Subject:</b>	<b>Data Protection Officer Annual Report 2024</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 Policy & Resources Committee with the Data Protection Officer's Annual Report which sets out a note of the Council's data protection performance over the past year, together with the Data Protection Officer's assessment of Inverclyde Council's compliance with data protection legislation.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Policy and Resources Committee notes the Data Protection Officer's Annual Report 2024 as set out at Appendix 1.

**Lynsey Brown**  
**Head of Legal, Democratic, Digital and Customer Services**

### **3.0 BACKGROUND AND CONTEXT**

- 3.1 Data protection legislation changed significantly with the introduction of the Data Protection Act 2018 on 23 May 2018 and the EU General Data Protection Regulation on 25 May 2018. The UK GDPR, which replicates the EU GDPR into UK law, came into force on 1st January 2021. The data protection legislation increased organisational data protection obligations and accountability, as well as enhancing individual's data protection rights. Processes and working practices across the Council have since been adapted to ensure compliance.
- 3.2 The Data Protection Officer's Annual Report – attached at Appendix 1 – summarises the analysis of the Council's data protection compliance since January 2021. The 2024 report covers the period from 1 January 2024 to 31 December 2024 and provides comparative data from 2021. The next annual report will be presented to Committee in March 2026.
- 3.3 In terms of the UK GDPR, there is a requirement that the Data Protection Officer shall report to the highest management level of their organisation. This report fulfils that obligation.
- 3.4 In 2023 64.96% of subject access requests (SARs) were responded to within the timescales set by legislation. Although this has improved in 2024, sitting at 78.26%, there is a continued need for further improvement. The Council has been working with the Information Commissioner over 2024 to monitor compliance rates. As stated in the 2023 Annual Report, the ICO would like to see a compliance rate of 90% at a minimum. It has been noted that there has been a significant increase in the number and complexity of SARs being received by the HSCP in 2024.
- 3.5 The number of confirmed data breaches has slightly decreased in 2024, from 34 to 26, a welcome 23.5% decrease from 2023. As highlighted in the report, most data breaches are of a minor nature as a result of human error and lack of due care and attention. Services should continue to remind staff of the need to take appropriate care when processing personal data and to take particular care when sending emails.
- 3.6 It is critical that all Council staff understand the importance of dealing with the Council's information appropriately, safely and securely. Getting it right means the personal information the Council holds about customers and citizens, and the Council's own information, is protected. In the 2023 Annual Report, Committee was advised that the Information Governance Team was developing a training programme for all relevant staff for delivery in late 2023/early 2024. As a result of resource issues within the Information Governance Team in 2024, this action was put on hold. However, now that the team has expanded and has a full resource, there is more capacity in the team to be able to progress this outstanding action in 2025.
- 3.7 In addition to formal training, awareness-raising is also a valuable way of keeping staff appraised of information governance matters. There are various mechanisms available to facilitate this, including: publishing information governance advice and guidance on the Council's intranet, which is updated on a regular basis. The Council's cross-service Information Governance Steering Group has a standing agenda item on data protection matters, which also helps the sharing of good practice on data protection matters and highlighting of emerging themes and issues.
- 3.8 The Data (Use and Access) Bill was introduced by the UK Government in October 2024 and is currently working its way through Parliament. This legislation will not make as many material changes to data protection law as envisaged by the Data Protection and Digital Information Bill (which lapsed under the previous UK Government) but will seek to build on and clarify existing data protection legislation. Updates will be provided to this Committee as required.
- 3.9 In summary, the Data Protection Officer is of the view that the Council is generally complying with data protection legislation and has noted some welcome performance improvement, however

there are some areas where there scope for further improvement which are highlighted above and in the annual report.

#### 4.0 PROPOSALS

4.1 Policy and Resources Committee are asked to note the contents of the Data Protection Officer's Annual Report at Appendix 1.

#### 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 arising from this report.

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

Article 39 of the UK GDPR sets out the tasks of the DPO. The Council, not the DPO, is responsible for implementing appropriate technical and organisational measures to ensure that it is in compliance with the UK GDPR (Articles 24 and 28). The Council risks regulatory action from the Information Commissioner's Officer if it fails to comply with its obligations under data protection legislation

#### 5.4 Human Resources

There are no human resource implications arising from this report.

#### 5.5 Strategic

This report will help deliver the outcomes in the Council Plan Theme 3 – Performance - high quality and innovative services are provided giving value for money.

#### 5.8 Data Protection

The data protection implications are as highlighted throughout this report and its appendix.

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 Corporate Management Team has been consulted on this report.

#### 7.0 BACKGROUND PAPERS

7.1 None.





# **DATA PROTECTION OFFICER'S ANNUAL REPORT 2024**

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## Foreword

Since January 2021, the provisions of the EU GDPR have been incorporated directly into UK law as the UK GDPR. In practice, there is little change to the core data protection principles, rights and obligations, which have now been fully embedded into working practices across the Council.

There continues to be good evidence of data protection compliance in general throughout the Council and some improvements have been made in relation to previously raised concerns. However, there are some areas for improvement which the Council should address in order to further improve the level of compliance.

The previous annual report covered the Council's data protection performance for a part year from 1 January 2023 to 22 October 2023. This report covers the period from 1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2024, with complete full year data now included for the whole of 2023 together with comparative data from 2021 and 2022.

While there has been improvement in responding to subject access requests (SARs) on time, there remains ongoing room for improvement as the percentage of late responses is still fairly high. 22% of SARs were responded to outside of the timescales set by legislation. This level of late responses could potentially result in regulatory action being taken by the regulator, the Information Commissioner (ICO). However, as part of the ICO's revised approach to public sector enforcement, the ICO has been working with the Council to monitor its SAR compliance rates, which has assisted with the improvement in compliance in 2024. As advised in the 2023 annual report, the ICO has indicated that ideally, they would like to see a compliance rate of 90% at a minimum. While there is currently no requirement to submit performance statistics to the ICO, the ICO has been reviewing the Council's statistics on a quarterly basis since 2023. They have been pleased to see that the Council's overall compliance has been increasing over the course of 2024 which has resulted in the Council being moved to half yearly statistical reporting. The ICO will take a decision in April 2025 as to whether the regular reporting should continue or not. Some strain has been noted within the HSCP in relation to SAR compliance and the DPO is continuing to work with the HSCP to further improve performance in this area.

There has been a 23.5% decrease in the number of confirmed data breaches reported to the DPO in 2024. Most data breaches are of a minor nature resulting from lack of due care when sending emails or hard copies of correspondence. The number of serious data breaches requiring to be reported to the ICO continues to be low.

The Data (Use and Access) Bill (the DUAB) was introduced by the UK Government in October 2024 and is currently making its way through Parliament. The DUAB proposes a number of amendments to data protection law, which are not as wide ranging as the changes that were proposed by the previous Government in the Data Protection and Digital Information Bill. Many of the changes that are being proposed seek to clarify rather than reform existing data protection law. Updates will be provided to the Council as required.

The use of Artificial Intelligence (AI) enabled technology is increasing rapidly. It is essential that the Council is aware of such developments and the benefits and risks of the use of AI. Services considering the use of AI enabled technologies must engage with the DPO and IT services at the earliest opportunity so that data protection, privacy and information security implications and impacts can be properly addressed.

It is important for the Council to continue to pay sufficient regard to Data Protection not only to ensure individuals' rights are upheld but also due to the fact that the ICO has various enforcement powers, including the power to levy a fine of up to £17,500,000 or up to 4% of annual global turnover, whichever is larger. The ICO has continued with their revised approach to public sector enforcement with fines only issued in the most serious of cases and has been working more closely with the public sector over the past couple of years to encourage compliance with data protection law and prevent harms before they happen.

Vicky Pollock  
Data Protection Officer

## The Role of the DPO

The UK General Data Protection Regulation (UK GDPR) requires all public authority data controllers to designate a Data Protection Officer (DPO). The DPO must be designated based on professional qualities and expert knowledge of data protection law and practices, and the ability to fulfil the statutory tasks set out in the UK GDPR.

The designated DPO must directly report to the highest management level, must not receive instructions regarding the exercising of statutory tasks, and shall not be penalised or dismissed for performing those tasks. The Council must support the DPO in performing their tasks by providing resources necessary to carry out those tasks and access to personal data and processing operations.

Since April 2021, Vicky Pollock has been appointed as the permanent designated DPO as required by Article 37 of the UK GDPR.

Please note that reference to the DPO in this report includes the Information Governance Team.

## Data Protection Queries and Advice

One of the key tasks of the DPO is to inform and advise the Council and its services about their obligations to comply with the UK GDPR and other data protection laws. This is a requirement under Article 39 of the UK GDPR.

The DPO receives a wide range of queries on data protection matters. This involves both providing advice, guidance and supporting various internal processes. Advice is provided on intricate aspects of the law supporting Council services in applying data protection in practice. The DPO also assists with various internal data protection practices such as the review of privacy documentation, monitoring of Data Protection Impact Assessments and the Information Asset Register.

Areas on which advice is being provided include:

- Data Sharing Agreements
- Data Processing Agreements
- Understanding the role of the Council as a Data Controller and its implications
- Understanding the role of external agencies as Data Processors and its implications
- Application of the data protection principles
- Understanding the lawful bases for processing personal data
- Data Protection Impact Assessments
- Data protection risks
- Disapplication of the data protection provisions (exemptions)
- Data protection breaches

There continues to be a good level of engagement from Council services on various data protection issues. Advice is sought from the DPO on data processing at different

stages. The DPO is also a member of the Council’s cross-service Information Governance Steering Group which has a standing agenda item on data protection matters, which in turn helps the sharing of good practice on data protection matters and highlighting of emerging themes and issues.

### Data Protection Policy

The Council’s Data Protection Policy was reviewed and updated to ensure that it remains relevant and accurate and was approved by the Policy and Resources Committee on 23 May 2023. The policy will be reviewed again in April 2026.

### Data Protection Awareness

Data Protection training and awareness has been incorporated into a data protection specific e-learning module which is mandatory for all employees who have access to a computer and process personal data. All employees are also required to undertake regular refresher training. Training continues to be monitored by the Information Governance Steering Group and further training is provided on a needs basis.

Targeted training has been provided to various services throughout 2024. A more extensive training programme will be developed for delivery in 2025.

### Information Rights

Under the UK GDPR, individuals have several rights including the right to be informed, the right to make an access request, the right to rectification, the right to erasure (the right to be forgotten), the right to restriction of processing, and the right of data portability. Individuals’ rights are covered within the Council’s Data Protection Policy.

Number of valid requests received during 1 January 2021 to 31 December 2021

<b>Right</b>	<b>Number Received</b>	<b>Number of responses issued on time</b>	<b>Percentage of responses issued on time</b>
Access Requests	55	n/a*	n/a*
Rectification Requests	1	1	100%
Erasure Requests	1	1	100%
Restriction of Processing Request	0	0	n/a
Data Portability Request	0	0	n/a

\*Information not recorded until 2022 once Workpro implemented.

Number of valid requests received during 1 January 2022 to 31 December 2022

<b>Right</b>	<b>Number Received</b>	<b>Number of responses issued on time</b>	<b>Percentage of responses issued on time</b>
Access Requests	82	47	57%
Rectification Requests	1	1	100%
Erasure Requests	1	1	100%
Restriction of Processing Request	0	0	n/a
Data Portability Request	0	0	n/a

Number of valid requests received during 1 January 2023 to 31 December 2023

<b>Right</b>	<b>Number Received</b>	<b>Number of responses issued on time</b>	<b>Percentage of responses issued on time</b>
Access Requests	137	89	64.96%
Rectification Requests	0	0	n/a
Erasure Requests	0	0	n/a
Restriction of Processing Request	5	0	n/a
Data Portability Request	0	0	n/a

Number of valid requests received during 1 January 2024 to 31 December 2024

<b>Right</b>	<b>Number Received</b>	<b>Number of responses issued on time</b>	<b>Percentage of responses issued on time</b>
Access Requests	138	108	78.26%
Rectification Requests	0	0	n/a
Erasure Requests	6	2	33.3%
Restriction of Processing Request	0	0	n/a
Data Portability Request	0	0	n/a

Although the performance in 2024 has again improved, the percentage of SAR responses issued on time continues to be below the ICO's expected minimum compliance rate of 90% and so there is further room for improvement. Services must take action to address late SAR responses, which actions should include having appropriate resources in place to meet statutory timescales. Given the continued interest in the Council's SAR statistics from the ICO and their comments that they expect a 90% SAR compliance rate, compliance levels should continue to be addressed within services.

While the number of SARs being submitted to the Council remains steady and most services are seeing the usual level of SARs, in 2024 the HSCP has seen a continued

increase in the number, size and complexity of SARs being received. In 2024, 98 out of 138 SARs received in total (71%) were for the HSCP. In 2023 61 out of the 137 SARs received in total were for the HSCP (44.53%), so there has been a significant increase in the number of SARs being received by the HSCP in 2024. As stated in the 2023 report, it is not possible to quantify how many requests received relate to the Financial Redress Scheme or the Scottish Child Abuse Inquiry. The purpose of individual requests is not recorded as this is not always provided by requestors. However, evidence suggests that the nature of the SARs being received by the HSCP relate to historic social work involvement and complex children and families' cases, so it can be presumed that the requirements of the Financial Redress Scheme and the Scottish Child Abuse Inquiry are continuing to have an impact. This impact is being felt by all Scottish Local Authorities who are also seeing a large increase in the number of SARs being submitted, putting pressure on compliance rates.

As well as processing requests received from members of the public and staff, the Council also processes requests made under Schedule 2 of the Data Protection Act 2018. These requests are mainly from Police Scotland who are usually seeking information to assist with the prevention and detection of crime and the apprehension and prosecution of offenders. The number of valid Schedule 2 requests received has increased again in the past year. This may again be due to improved awareness and more accurate recording of requests received. Services are reminded that if they receive such a request, it should be passed to the DPO to be logged.

Number of valid Schedule 2 requests received by year

<b>Year</b>	<b>Number of requests received</b>
2021	3
2022	4
2023	6
2024	9

## Data Breaches

A personal data breach means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. This includes breaches that are the result of both accidental and deliberate causes.

A personal data breach can be broadly defined as a security incident that has affected the confidentiality, integrity or availability of personal data. In short, there will be a personal data breach whenever any personal data is accidentally lost, destroyed, corrupted or disclosed; if someone accesses the data or passes it on without proper authorisation; or if the data is made unavailable and this unavailability has a significant negative effect on individuals.



The Council has in place a Data Breach Management Protocol which has been fully embedded into the Council’s data protection processes and procedures.

The ICO will only be notified of a breach when it is deemed to be a ‘risk’ to the rights and freedoms of affected individuals. Breaches which need to be reported must be reported without undue delay, but not later than 72 hours after becoming aware of it. The obligation to notify the affected data subject only arises when the breach is deemed to be a ‘high risk’ to the rights and freedoms of affected individuals. The affected data subject(s) should be informed without undue delay.

Number of confirmed data breaches reported by year

<b>Year</b>	<b>Number of confirmed data breaches</b>
2021	21
2022	36
2023	34
2024	26

There has been a 23.5% decrease in the number of confirmed data breaches reported to the DPO which is a positive improvement. Almost all data breaches are as a result of human error and lack of due care and attention. Employee error and disclosure in error account for 80.8% of confirmed data breaches in 2024.

Data breaches by breach type

<b>Data Breach by Type</b>	<b>No. of confirmed breaches 2021</b>	<b>No. of confirmed breaches 2022</b>	<b>No. of confirmed breaches 2023</b>	<b>No. of confirmed breaches 2024</b>
Employee Error	17	18	12	7
Loss of Equipment	0	1	3	4
Confidentiality Breach/Deliberate Misuse	2	1	1	0
Theft of Data (Physical Equipment, Papers etc.)	0	0	0	1
Loss of Data	0	0	0	0
Technical Fault	0	0	0	0
Disclosure In Error	2	16	18	14

Data breaches arising by service:

<b>Service Area</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Culture & Communities	1	0	0	0
Education	8	19	13	8
Environmental Services	0	0	0	1
Public Protection	2	3	1	2
Finance	4	3	2	1
Legal & Democratic Services	2	2	8	2

Organisational Development, Policy & Communications	0	0	3	1
Regeneration & Planning	0	0	0	0
HSCP - Health & Community Services	1	5	4	6
HSCP - Children's Services & Criminal Justice	1	2	2	2
HSCP - Strategy & Support Services	0	1	1	0
HSCP - Health Addictions and Homelessness	2	1	0	2
HSCP	0	0	0	1

While the total number of data breaches has decreased in 2024, approximately 38% of breaches have occurred within Education Services and 42.3% within the HSCP. While these figures are higher in comparison with other services, the figures are proportionate as these services processes personal data at a much larger scale in comparison to other services and taking into account the number of education establishments and HSCP services.

Almost all data breaches fall below the threshold for reporting to the ICO. In 2024, three data breaches were deemed by the DPO to require reporting to the ICO. No further action was taken by the ICO in connection with these breaches.

Services should continue to remind staff, on an ongoing basis, of the need to take appropriate care when processing personal data – including sending emails and hard copy correspondence.

### Data Protection Complaints

The DPO deals with data protection complaints from individuals regarding the Council's data protection practices, which mostly relate to the Council's handling of SAR requests.

Number of formal complaints received by the DPO

Year	Number of complaints received
2021	2
2022	7
2023	5
2024	2

The decrease in the number of formal data protection complaints received is positive. It should be noted that no complaints have been received from the ICO in any of the years specified in respect of the Council's data protection practices.

### Data Protection Impact Assessments

The GDPR introduced a requirement for Data Controllers to undertake a Data Protection Impact Assessment (DPIA) to help identify and minimise data protection risk where processing is likely to result in a high risk to individuals.

### Number of DPIAs completed

	2021	2022	2023	2024
DPIAs completed	20	24	11	12

All services must continue to ensure that DPIAs are undertaken as necessary in terms of the Council's established DPIA guidance.

### Privacy Notices

A privacy notice is a document which must be provided to individuals to explain how their personal data is processed.

It has two aims:

- to promote transparency; and
- to give individuals more control over the way their data is collected and used.

Transparency is a key principle of the UK GDPR, as it prevents organisations from processing personal data without data subjects' knowledge or approval.

When personal data is being collected directly from data subjects, it is a legal obligation to provide a privacy notice at the time of collection from the data subject.

The Council has a suite of privacy notices for all service areas which are regularly reviewed and updated, the last review having taken place in 2023.

### Information Asset Registers

The Council holds a corporate information asset register (IAR) that records assets, systems and applications used for processing or storing personal data across the organisation. The IAR holds details of all information assets, including asset owners, asset location, retention periods and security measures deployed.

The Council is required to review its IAR periodically to ensure that it is kept up to date and accurate at all times.

An annual review is progressed each year, with each service area asked to review and update the assets they hold.

### Working Groups

The DPO continues to be an active participant in several working groups.

SOLAR Data Protection/FOI Working Group – a working group consisting of Data Protection and Freedom of Information representatives from the 32 Scottish Local Authorities. This is a very useful group which discusses matters of shared concern and which is also used to share knowledge and experience so that all 32 Scottish Local Authorities are consistent in their approach to data protection matters.

Information Governance Steering Group – this is an internal group which includes representatives from all Council services. The overall purpose of the group is:

- To support and drive the broader information governance agenda across the Council
- To ensure the effective management of all information governance risks
- To provide assurance to the Corporate Management Team (CMT) that appropriate frameworks, workstreams and initiatives are in place to support, co-ordinate, promote, monitor and assure the development and delivery of effective information governance

### Contact the DPO

If you would like to find out more about this annual report, or provide any feedback, please contact the Data Protection Officer.

Phone: 01475 712180

Email: [dataprotection@inverclyde.gov.uk](mailto:dataprotection@inverclyde.gov.uk)

In writing to:

Data Protection Officer

Municipal Buildings

Clyde Square

Greenock

PA15 1LX

Visit: [Data Protection and Freedom of Information - Inverclyde Council](#)

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Chief Financial Officer</b>	<b>Report No:</b>	<b>FIN/20/25/AP</b>
<b>Contact Officer:</b>	<b>Alan Puckrin</b>	<b>Contact No:</b>	<b>01475 712223</b>
<b>Subject:</b>	<b>Capital Strategy 2025-2035 and Treasury Management Strategy Statement &amp; Annual Investment Strategy 2025/26-2027/28</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 request that the Committee remits to the Inverclyde Council, for the approval, the 2025-35 Capital Strategy and the Treasury Management and Annual Investment Strategy 2025/26- 2027/28 and specifically the following:

- a) Prudential Indicators and Treasury Management Indicators, Authorised Limits for 2025/28 and Treasury Policy Limits (Section 2 of Appendix 2)
- b) Policy on Environmental, Social & Governance issues for investments (paragraphs 3.12 and 3.13 of Appendix 2)
- c) List of Permitted Investments (including those for the Common Good Fund) (paragraph 3.17 and Appendix A of Appendix 2)
- d) Policy on repayment of Loans Fund advances (Section 4 of Appendix 2).

1.3 In line with previous years, the Capital Strategy highlights the significant challenges the Council faces to continue to fund the maintenance of the existing asset base whilst meeting targets in relation to Net Zero, especially after taking into account the projected capital resources available to the Scottish Government in the medium term. The Strategy clearly identifies that robust action is needed in the short term to address this to ensure limited resources are directed to the areas of highest policy priority and any dis-investment is managed sensitively.

1.4 The Treasury Management Strategy covers a shorter period and is based on decisions already incorporated into the medium-term Financial Strategy. Longer term levels of Loans Fund debt are likely to be understated and are expected to increase once the Council takes decisions in future years based on the updated Asset Management Plans.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee review the Capital Strategy 2025-35 in Appendix 1, note the significant financial challenges the Council faces in maintaining the existing asset base and thereafter remits the Capital Strategy to the Full Council for approval.

2.2 It is recommended that the Committee considers the contents of the report, the Treasury Management and Investment Strategy set out in the Appendix 2 and remits the report and Treasury Management and Investment Strategy to the Full Council for approval.

**Alan Puckrin**  
**Chief Financial Officer**

### **3.0 BACKGROUND AND CONTEXT**

#### **3.1 Capital Strategy**

The production of a Capital Strategy which is reviewed annually is a requirement of the CIPFA Prudential Code. The document requires to be considered along with the Treasury Strategy and thereafter approved by the Inverclyde Council. It is viewed as being one of the key strategic financial documents along with the Council's Financial Strategy which help govern the strategic direction for the Council's financial planning.

3.2 Over the last 15 years the Council has undertaken a significant amount of work on Asset Management Planning (AMP) and has used a combination of internal expertise and external peer review in the development of these AMPs. Once created, the AMPs are embedded within the Council's Committee Development Improvement Plans (CDIPs) and ensure the Capital Programme formulation process has a strong alignment with the Council Plan priorities.

3.3 The Capital Strategy emphasises the need for the Council to take a strategic approach when arriving at decisions around capital investment and specifically to ensure that investment plans are appropriate and financially sustainable in the longer term. The annual production and updating of the Capital Strategy allied to the Treasury Strategy, Capital Programme approval and Financial Strategy all ensure that the Elected Members take Capital investment decisions in the knowledge of these long-term implications.

3.4 On 31 March 2024 the Council owned property plant and equipment assets valued at £480 million net of accumulated depreciation. Once PPP Assets and Managed Properties are included then the value of this Asset Base increased to £574 million. The maintenance of such a large asset base in the context of core Capital Grant from the Scottish Government of £6.5million is not sustainable and this has been flagged during recent budget processes.

3.5 Whilst officers will continue to access capital support/grants from the Scottish Government and partner agencies, these are often unable to fund core asset maintenance. Therefore, Elected Members face a choice of either significantly increasing the level of revenue resources to fund increased prudential borrowing against the backdrop of the considerable revenue budget pressures, or reducing the asset base.

3.6 Officers have advised on several occasions of the unsustainability of the status quo and this plus the requirements of the Net Zero agenda needs to act as a catalyst for a fundamental review of the Council's asset base. The £400,000 net Savings Workstream target phased over 2025/28 has set an initial target and work needs to continue over 2025/26 to ensure this sum is realised, if not exceeded.

#### **3.7 Treasury Management & Investment Strategy**

CIPFA revised the CIPFA Prudential Code and the CIPFA Code of Practice on Treasury Management in December 2021. Inverclyde Council have adopted the Code of Practice on Treasury Management and comply with the Prudential Code.

The revised codes had an immediate requirement that Councils must not borrow to invest primarily for financial return with the following main changes implemented from financial year 2023/24:

- a. All investments are to be attributed to either Treasury Management, Service Purposes or Commercial Purposes.
- b. The risks associated with investments for Service or Commercial Purposes should be proportionate to the Council's financial capacity.
- c. Councils must not borrow to invest for the primary Commercial purpose of financial return. Where financial returns arise from a project, they should be incidental to its primary purpose.
- d. An annual review should be conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt (Inverclyde Council has no commercial investments).
- e. A new prudential indicator is required for the net income from commercial and service investments as a proportion of the net revenue stream.
- f. A new treasury indicator known as the Liability Benchmark is required.

- g. The monitoring and reporting of all forward-looking prudential indicators is required at least quarterly, and any significant deviations must be highlighted (this will be done as part of the regular Finance Service reporting to the Policy & Resources Committee)
  - h. The knowledge and skills required by Officers and by Elected Members is to be proportionate to the size and complexity of the treasury management conducted by the Council.
  - i. The Council must create new Investment Management Practices (IMP) to manage risks associated with non-treasury investments (similar to the current Treasury Management Practices - TMPs).
  - j. Environmental, social and governance (ESG) issues are to be addressed within the Council's treasury management policies and practices (including in TMP1).
- 3.8 The Local Government in Scotland Act 2003 and supporting regulations (the Act) require the Council to 'have regard to' the CIPFA Prudential Code (the Prudential Code) and the CIPFA Code of Practice on Treasury Management (the Code) to set Prudential and Treasury Indicators for at least the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- 3.9 The Act and supporting regulations require the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 3.10 It is a statutory requirement for the Council to produce a balanced budget. A local authority must calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue are affordable within the projected income of the Council for the foreseeable future. The projected revenue impact of the 2025/28 Capital Programme was built into the approved 2025/26 Revenue Budget.

## 4.0 PROPOSALS

### 4.1 Capital Strategy

It is proposed that the Committee review the contents of the Capital Strategy 2025-2035 as contained in Appendix 1 and thereafter remit the Strategy to the Full Council for approval.

### 4.2 Treasury Management Strategy and Annual Investment Strategy

The proposed Treasury Management Strategy and Annual Investment Strategy is attached as Appendix 2 and includes:

- a. Prudential Indicators and Treasury Management Indicators, Authorised Limits for 2025/28, and Treasury Policy Limits (paragraphs 2.1 to 2.15)
- b. Policy on ESG issues for investments (paragraph 3.12 & 3.13)
- c. List of Permitted Investments (including those for the Common Good Fund) (paragraph 3.17 and Appendix A).

The Council will be requested to approve the Treasury Management Strategy and Annual Investment Strategy including indicators, policies, limits, and permitted investments.

## 5.0 IMPLICATIONS

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

SUBJECT	YES	NO
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
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## 5.2 Finance

Whilst there are no direct financial implications arising from approving the two strategies it is clear how the Council maintains and funds the current asset base will be a prime consideration as part of future budget rounds.

The Council utilises Treasury Management as part of the overall Financial Strategy. Officers will continue to investigate borrowing and investment opportunities to bring financial benefits to the Council, all within the Treasury Management Policy.

### 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

Any borrowing or lending is done under the Council's legal powers.

The monitoring and management of risks on treasury activities (including borrowing, investments, and cash flow) is undertaken on a daily and ongoing basis in line with the Treasury Management Policy Statement approved by the Full Council and with Treasury Management Practices (TMPs) and Investment Management Practices (IMPs) produced and kept under review.

The Council has a Creditworthiness Policy (in Appendix 2) that is used to determine the types of permitted treasury investments and the criteria for investments and periods. The policy sets out the risks from each investment type (credit/counterparty risk, liquidity risk, market risk, interest rate risk, and legal and regulatory risk) and is submitted for Elected Member approval each year as part of the Treasury Strategy and Investments Strategy report.

## 5.4 Human Resources

None.

## 5.5 Strategic

None.

## 6.0 CONSULTATION

6.1 This Treasury Strategy in appendix 2 includes the latest advice from the Council's treasury consultants (MUFG Corporate Markets).

## 7.0 BACKGROUND PAPERS

7.1 None





## **Capital Strategy**

**2025 – 2035**

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**1.0 INTRODUCTION**

- 1.1 The production of a Capital Strategy which is reviewed annually is a requirement of the CIPFA Prudential Code. The document requires to be considered along with the Treasury Strategy and thereafter approved by the Inverclyde Council. It is viewed as being one of the key strategic financial documents along with the Council’s Financial Strategy which help govern the strategic direction for the Council’s financial planning.
- 1.2 The traditional focus of Local Government budgeting tends to be on the Revenue Budget with the annual cycle of Grant settlements from the Scottish Government, the identification of savings and investment plans and the approval of the budget along with Council Tax in February/March. As part of this the Council will generally approve a three year Capital Programme. In recent years the capital budget has been a less contentious issue for Elected Members with the Council approving significant amounts of prudential borrowing as well as contributions from Revenue Reserves in order to deliver an ambitious Capital Programme
- 1.3 Details of the Council’s asset base, borrowing and debt are included within the audited financial accounts considered by Members and attracts far less attention than the Revenue Budget and Reserve position. At the 31<sup>st</sup> March 2024 the Council owned property plant and equipment assets valued at £479.7million net of accumulated depreciation. Once PPP Assets and Managed Properties are included then the value of this Asset Base increased to £575.4million. Much of the investment in this Asset Base has been funded by borrowing over preceding decades. The Council’s external borrowing as at 28<sup>th</sup> February 2025 was:-

PWLB Debt	£106.4 million
LOBO Debt	£ 24.5 million
Market Debt	<u>£ 40.4 million</u>
	<u>£171.3 million</u>

The bulk of this debt is due to be repaid at the point that the loan matures with some £61.4 million of the PWLB Debt due to be repaid by 31<sup>st</sup> March 2035 after refinancing of short-term borrowing undertaken in 2023/24 and 2024/25.

- 1.4 Allied to this the Council maintains a Loan Charges record which is an internal record of investment and is currently written down on annuity basis using the expected life span of the asset created/work carried out. For example a new school will generally be written off over 45 years (extended from 40 years per approval at Inverclyde Council, 29<sup>th</sup> February 2024) whereas a roads resurfacing contract will be written off over 25 years. As at the 31<sup>st</sup> March 2025 the expected value of the Council’s internal loan debt is £216.2 million. The repayment costs in 2024/25 are projected to be £17.8 million and these repayments include both Capital and Interest and are referred to as Loan Charges. It is Loan Charges which are funded by the Council’s Revenue Budget.
- 1.5 Over the last 10-15 years the Council has undertaken a significant amount of work on Asset Management Planning. The first Asset Management Plan related to the School Estate (the SEMP) which resulted in an ambitious and comprehensive new build and upgrade programme for the full School Estate. Thereafter asset plans were created in respect of the main leisure facilities, the roads assets, office and depot assets, ICT assets and most recently, open spaces. All Asset Management Plans are linked to the Committee Delivery Improvement Plans (CDIPs) with delivery reported throughout the year as part of the cyclical Capital Programme updates.
- 1.6 Asset Management Plans take into account the number, type and condition of the assets to which the plan relates and thereafter looks ahead to future investment needs with associated financial implications to be factored into future years Capital Programmes. Delivery of an Asset Management Plan may require decisions from Members regarding a whole estate investment approach which will potentially identify assets which the Council should no longer retain. This will lead to investment

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in fewer assets but to a higher quality. This has certainly been the case in respect of schools, offices and depots where the Council's property footprint has reduced considerably over the last 15 years with the sums saved from buildings no longer in existence reinvested in the remaining buildings and resulted in an improved estate.

- 1.7 In view of the further reduction in the Council's asset base as well as more efficient use of existing assets, an ongoing revenue saving has been assumed for budgeting purposes in the form of an Asset Management workstream with an initial target of £0.4m in recurring savings. The proposed reduction in the Clyde Square Campus resulting from the Levelling Up Fund project will contribute initially to this with further proposals identified as Asset Management Plans are refreshed.
- 1.8 A significant benefit of having long term Asset Management Plans is that it allows longer term Capital Planning and the Capital Strategy includes Investment Plans for the next 10 years. This allows the Council to identify whether it's longer term Capital Investment Plans are affordable and sustainable and provides time for corrective action to be taken.
- 1.9 The Council is coming to the end of a period of ambitious investment. This has seen a significant increase in the Council's Loan Fund Debt over the last 15 years and projections indicate that the Loan Fund Debt will peak at approximately £224.8 million in 2026/27. On the basis of limited prudential borrowing in future years the Loan Fund debt could reduce to around £164 million by 2034/35. If this level of reduction occurs, there needs to be a correlation between the reduction in the Council's internal loan debt and the repayment of the Council's external borrowing to the PWLB. This is covered in more detail in the Treasury Strategy.
- 1.10 One issue which the Capital Strategy and Treasury Strategy require to demonstrate is the affordability and sustainability of the Council's Asset Management Plans, to enable Members to see the longer term financial implications of policy and investment decisions.
- 1.11 Much of the affordability assessment depends on the Council's Treasury Strategy and this is also presented to the Policy & Resources Committee annually prior to the 31<sup>st</sup> March each year. The main indicators in the Treasury Strategy cover a three year period and the Capital Strategy will better align the timescales for the Treasury Strategy, Investment Strategy and Capital Programme. Based on the projected trajectory of the Council's loans fund and external borrowing then the Treasury Strategy is currently to borrow on a short term basis due to the projected reduction in borrowing rates in the medium term. The latest possible maturity date for the market loans varies from 2066-2071 although, dependent on macroeconomic changes there is always the possibility that lenders may wish to trigger repayment of their loans with the Council or allow the Council to repay early allowing refinancing at lower interest rates, as happened once in 2023 and once in 2024.
- 1.12 The Chief Financial Officer is supported in monitoring the Council's Capital, Treasury and Investment position by both internal officers and also the Council's Treasury Advisor with whom he meets three times per year. This external support is a vital check and balance in ensuring the Council is receiving the best possible advice and support in managing the Council's considerable asset base, borrowings and future investment plans. This enables the Chief Financial Officer to provide regular reports to the Policy & Resources Committee and the Inverclyde Council on the Council's Treasury Strategy, Treasury Annual Report and Mid-Year Report as well as frequent updates on the Capital Programme.
- 1.13 The Capital Strategy pulls all these aspects together and aims to provide a valuable contribution to Elected Members overall understanding of the Council's finances and the wider impacts on policy choices in coming years.

## 2.0 GOVERNANCE AND REGULATORY FRAMEWORK

### Legal and Regulatory Framework

- 2.1 The legal framework under which treasury management operates mainly involves:
- the Local Government (Scotland) Act 1973
  - the Local Government (Scotland) Act 1975
  - the Local Government etc. (Scotland) Act 1994
  - the Local Government in Scotland Act 2003
- and
- Regulations and statutory guidance issued under powers in the above Acts.
- 2.2 In addition, CIPFA issued the Prudential Code for Capital Finance in Local Authorities and the Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes, both of which were last revised in December 2021.

The Prudential Code requires Councils to ensure that capital expenditure and investment plans are affordable, that borrowing and other long-term liabilities are prudent and at sustainable levels, and that treasury management and investment decisions are taken in accordance with professional good practice. The Code requires the production and monitoring of Prudential Indicators.

The Treasury Management Code includes requirements for Councils to consider the objectives of their treasury management activities and the effective risk management of those activities. The Code requires the production of a Treasury Management Practices document which sets out how the Council will seek to achieve its treasury management policies and objectives and how it will manage and control its treasury management activities. The Code also requires that, as a minimum, the following reports be submitted to the Council each year: a treasury management strategy, a mid-year review, and an annual report after the year-end.

- 2.3 The main regulations and statutory guidance that apply are:
- a) Local Government Capital Expenditure Limits (Scotland) Regulations 2004  
These require that Councils “have regard” to the Prudential Code when determining “the maximum amount which a local authority can afford to allocate to capital expenditure”.
  - b) Local Government Investments (Scotland) Regulations 2010  
Scottish Government Finance Circular 5/2010 was issued under these Regulations and requires the approval of annual Investment Strategies and Permitted Investments by Members as well as an Annual Report on Investments to Members within 6 months of the financial year-end.
  - c) The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016  
Scottish Government Local Government Finance Circular 7/2016 was issued under these Regulations and replaced provisions for local authority borrowing, lending and loans funds that were in the Local Government (Scotland) Act 1975. The Circular includes requirements in relation to the prudent annual charging against the Revenue Budget for the cost of capital projects (Loan Charges) and permitted methods of calculating those charges.

Changes are being made to these Regulations from 1 April 2024 under which the maximum write-off period for these annual charges for individual projects will normally be 50 years and any changes to write-off periods for individual projects will no longer be able to be applied to prior years.

Other changes to the Regulations were proposed by the Scottish Government in November 2023 and included the removal or restriction of use of the annuity method for calculating these annual charges. These proposals have now been deferred for further discussion with changes now being proposed from 1 April 2027 at the earliest.

- d) Scottish Government Local Government Finance Circular 7/2018  
This Guidance replaces a Finance Circular issued in 2007 that was issued under powers in the Local Government in Scotland Act 2003. The Guidance permits accounting adjustments for some types of treasury management activities, including where Councils have incurred premiums or received discounts when refinancing PWLB loans taken out by the Council.
  
- e) Scottish Government Local Government Finance Circular 10/2022  
This Guidance replaces a Finance Circular issued in 2010 that was issued to address accounting arrangements for PFI and similar arrangements. It allows a change to the accounting treatment whereby the cost of the PFI arrangement can be accounted for over the anticipated useful life of the asset rather than the contract life.

**Governance**

- 2.4 The Capital Expenditure budget is approved by the Council and monitored by the Policy & Resources Committee with oversight of individual projects by the Strategic Committees.
  
- 2.5 For Treasury Management, officers prepare a Treasury Management and Investment Strategy for each year (including Permitted Investments for the year, the Authorised Limit for External Debt, and the Treasury Management Policy Statement), a Mid-Year Report, and an Annual Report. These reports are submitted to the Policy & Resources Committee for review and thereafter remitted to the Full Council for formal approval, in line with the regulatory requirements above. Where the Council undertakes debt rescheduling, this is reported to the Policy & Resources Committee and the Full Council in line with agreed policy.
  
- 2.6 The cost of Treasury Management activity is included in the Revenue Budget and Budget reports to Committee as Loan Charges. Loan Charges are comprised of the annual charges for the write-off of the cost of capital projects over an appropriate period along with the interest and expenses costs from borrowing and the Treasury Management activities.
  
- 2.7 The Chief Financial Officer has delegated authority to make the necessary arrangements for authorised borrowing, the temporary investment of funds, and specified changes to the Treasury Management Practices. This authority is also delegated to each of the 3 Finance Managers where the Chief Finance Officer is absent (as approved by the Council on 30 November 2017). Treasury Management requirements are also included in the Council’s Financial Regulations.
  
- 2.8 The Treasury Management Practices (“TMPs”) is an operational document that is updated at least every 3 years and that set-out the main principles under the Treasury Management Code and how the Council will comply with those principles. The TMPs were last updated in February 2023.

**Risk**

- 2.9 Given the long timescales involved in capital investment and treasury decisions, risk is a fundamental consideration for consideration. Within the Capital Strategy, Appendix A summarises the main risks identified by officers whilst a separate analysis of Treasury Management & Investment risks is included in that document.

### 3.0 ASSET MANAGEMENT PLANS

- 3.1 A number of years ago the Council identified the need to align capital investment against the policy priorities of the Council. This resulted in the creation of a number of comprehensive Asset Management Plans (AMPs). The first Asset Management Plan related to the School Estate (the SEMP) which resulted in an ambitious and comprehensive new build and upgrade programme for the full School Estate. Thereafter asset plans were created in respect of the main leisure facilities, the roads assets, office and depot assets, ICT assets and most recently, open spaces.
- 3.2 Over the last 15 years the Council has undertaken a significant amount of work on Asset Management Planning and has used a combination of internal expertise and external peer review in their development. Once created the AMPs are embedded within the CDIPs and Capital Programme formulation process to ensure that there is a strong alignment between the Council's overarching Priorities and capital investment decisions. Work is ongoing to refresh Asset Management Strategies to optimise the efficient and effective use of Council assets monitored via the Environment & Regeneration Committee Delivery and Improvement Plan and due for completion during 2026.
- 3.3 The Asset Management Plans not only document and quantify all the assets held and their assessed condition but also create a sustainable investment plan which can then be factored into future years Capital Programmes. In addition the creation of the Asset Management Plan will lead to Members considering a whole estate investment approach which will potentially identify assets which the Council should no longer retain.
- 3.4 A significant benefit of having long term Asset Management Plans is that it allows longer term Capital Investment Plans for a minimum of the next five years but the capability to project this forward for a further period of time. This allows the Council to identify whether it's longer term Capital Investment Plans are affordable and sustainable and provides time for corrective action to be taken. The next part of this section provides an overview of the current position of the Asset Management Plans being progressed by the Council.

### 3.5 Net Zero

In alignment with National targets, the Council approved the Net Zero Strategy 2021-2045 in 2021 which sets out Inverclyde Council's route map to achieving net zero greenhouse gas emissions by 2045. The Net Zero Action Plan 2022-2027 was approved in 2022 and this sought to capture and collate current activities that are funded from existing budgets and to also identify new actions which will require additional funding and/or resources. An allocation of £3.3m for 2023/26 was approved as part of the 2023/24 budget setting process to allow a focus on the following areas of activity:

- Reducing energy use in buildings through improved data collection, controls and targeted energy audits;
- Reducing energy demand in buildings through increased building based renewable generation;
- Introduction of low/zero carbon heating within smaller scale assets e.g. Early Years Establishments;
- Offsetting (insetting) via local peatland restoration projects;
- Fleet decarbonisation through car and light commercial vehicle transition to ULEV including expansion of charge point provision.

The Council has been successful in securing external funding support for a number of Net Zero related projects including £0.873m for two peatland restoration projects, work at Dowries farm has recently been completed with phase 2 of the 3 year Hardridge Farm project nearing completion. Funding support has also been secured from Museums Galleries Scotland and the Scottish Football Association for LED lighting projects at the Watt Institute and for floodlighting upgrades across pitches in Inverclyde.

In terms of the impact on existing assets, it is recognised that the 2045 targets for Net Zero will

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involve circa 80% of the buildings currently in use. Retrofitting the existing building stock is a colossal challenge in transitioning the built environment to net zero. The sheer scale of the task has been expressed in UK wide studies which indicate that it would require one building being retrofitted every 35 seconds between 2020 and 2050 in the UK.

The current Net Zero Action Plan noted that actions towards the end of the initial five-year period include low / zero carbon heating for larger facilities such as primary schools with the current market and available technology limiting the options for heat decarbonisation. It also noted that any heat decarbonisation projects require to be considered in tandem with the action plan item dealing with feasibility studies on deep retrofit which will address the core building fabric performance and associated heat demand beyond the basic decarbonisation of the heating systems. Costs associated with retrofit and fabric upgrades are currently not included in the action plan and will be subject to further detailed feasibility studies and reports. To date there have been retrofit studies undertaken on three primary school buildings, one secondary school building, two office buildings and four leisure/community estate assets with work in this area also being undertaken through a Net Zero Collaboration Group in partnership with hub West Scotland and Built Environment Smarter Transformation (BE-ST) to maximise knowledge sharing and pooling of resources in the retrofit challenge workstream.

The Council published its Local Heat and Energy Efficiency Strategy and associated Delivery Plan following public consultation in March 2024. The evolving legislation in the area of Net Zero including the Scottish Government proposed Heat in Buildings Bill will affect the approach to achieving minimum energy efficiency standards and way we heat our homes, workplaces and other buildings.

There are significant technical, financial and operational considerations / barriers involved in the transition to net zero emissions for each and every retained building / asset. The significant investment the Council has made across the vast majority of the estate over the last 15 years means that the performance gap is likely to be less when assessing what may be required in terms of retrofit, particularly for recently constructed / comprehensively refurbished assets. However, it is also recognised that the 'in use' performance of assets compared to the designed performance has been an industry wide issue with a current renewed focus on construction quality initiatives and development of Net Zero Public Building Standard guidance including a move towards passivhaus construction. Heat networks are also likely to play a significant part in the overall approach to Net Zero however it remains to be seen how these can be progressed at the scale and pace required to align with National targets.

**3.6 School Estate Management Plan & Expansion of Early Learning & Childcare**

The Council has invested in excess of £270m on its school estate over the life of the School Estate Management Plan. The rationalisation of the estate was completed by the end of 2013. Over the period of the programme there has been a net reduction of 12 primary schools (from 32 to 20) and a net reduction of 2 secondary schools (from 8 to 6) with 2 of the remaining 6 secondary schools co-located within a shared community campus.

Significant progress has been made since 2004 in addressing the number of Condition category C (Poor) and D (Bad) rated schools from 7 Secondary Schools and 21 Primary Schools at the start of the programme to all schools across all sectors rated A (Good) or B (Satisfactory) by 2016. In terms of Suitability there has also been significant progress made in ratings through the programme of comprehensive refurbishment and new build.

The plan prior to the COVID-19 lockdown would have seen all major projects completed in 2020 reflecting the approval of the acceleration of the School Estate Management Plan agreed as part of the budget setting process in March 2016. The St Mary's Primary School project was completed in October 2020 with completion of the final project at Gourrock Primary School in December 2022. The demolition of the last remaining decant facility, the former Sacred Heart Primary School, was completed in June 2022.



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Additional expenditure was approved in March 2016 to address works required to improve asset condition and suitability across the stand-alone facilities within the Early Years estate. The Council funded elements of the Early Years estate plan were completed with the final project to refurbish Hillend Children's Centre operational as of October 2021.

The increase in entitlement to early learning and childcare from 600 hours to 1140 hours required substantial levels of investment in workforce and infrastructure to support the expansion. All core 1140 hours expansion projects were completed and operational as of November 2021.

The Scottish Government has previously confirmed capital funding allocations to support the phased expansion of free school meals to primary school children to be used to support initial investment in school infrastructure, including school catering and dining. The Education & Communities Committee approved the early adoption of Universal Free School Meals in Primary Schools across Inverclyde from August 2023. A programme of works across fourteen primary schools was delivered during June 2023 and over the summer holiday period to support the implementation.

The Education Capital programme includes a lifecycle fund designed to address maintaining the condition and suitability of the revitalised estate. The fund allocation is currently £3m per annum. The lifecycle works address the on-going requirement for investment in the estate to maintain the overall condition of the assets at a good/satisfactory level. The allocation of this funding is based on annual review of the externally procured condition surveys and physical inspection of the various properties by the Council's Property Service. The most recent external condition surveys were undertaken via Aecom during 4th Quarter 2019 and are due for renewal. These surveys and Property Services assessment inform the allocation of future lifecycle funding across the estate and this is becoming increasingly important, particularly for the properties that were included early in the original programme.

The Council also has a Public Private Partnership contract covering four schools (2 secondary and 2 primary) which is operated through a Special Purpose Vehicle (SPV) and Facilities Management Provider. The regular maintenance and lifecycle requirement of those assets are addressed through the contract which extends to 2040 when the assets will be handed back to the Council.

A wider Learning Estate Review and strategy is now required as part of the Corporate Asset Management Strategy workstream to address the next 10+ years and future of the Learning Estate. Work has commenced on this in respect of roll projection analysis and assessment of the possible impacts of the new Local Development Plan and potential new housing provision. The strategy will require to consider the Condition of the estate from external surveys and Property Services reviews. A full review of all suitability surveys was completed in conjunction with Education Services and Heads of each establishment and this information was reflected in the 2021 Core Facts return. The strategy will also consider the 2021/28 Education Services Digital Learning Strategy. Energy efficiency and the implications of the Inverclyde Net Zero Strategy and associated 2022/27 Action Plan including the continued focus on adoption of a Net Zero Public Sector Buildings Standard and imminent legislation such as the Heat in Buildings Bill, will all have to be considered as far as practicable in future asset strategies.

The Council has undertaken a comprehensive assessment of its estate to identify the presence of Reinforced Aerated Autoclaved Concrete (RAAC). It has been confirmed that one school (St Michael's Primary School in Port Glasgow) has RAAC present and in line with industry guidance, a management strategy has been implemented. Options for permanent remediation are currently being investigated and will represent a funding pressure in the context of the available limited capital funding resources available for estate lifecycle investment.

**3.7 Office AMP**

The Council's Office rationalisation proposals included the development of a Customer Service Centre within Greenock Municipal Buildings designed to transform the way the Council communicates with its customers. The programme was part of a wider programme to modernise the

Council's operations and working practices which included initiatives such as mobile and flexible working, electronic document management (EDRMS) and greater use of technology. The Offices Asset Management Plan (AMP) was taken forward on the premise that fewer desks than employees would be provided with the final projects within the Offices AMP completed in Autumn/Winter 2017. The Office Rationalisation programme resulted in a reduction of circa 40% of occupied floor space and circa 28% in terms of desk numbers with an increased potential desk space ratio through more efficient use of space across the same number of retained properties.

With the completion of the Office rationalisation programme, the majority of the Council's Operational Office space is now contained within the Greenock Municipal Buildings Campus. This is comprised of the main Municipal Buildings (including the refurbished/renovated former District Court offices), the Wallace Place Building, the James Watt Building and Hector McNeil House. Property Services had undertaken studies across the Campus at the end of 2019, both internally and through external specialist space planning consultants, with a view to identifying where possibilities exist for more efficient use of space and to address improvements where existing space is less suitable for current use and/or in poorer condition. The challenges posed by COVID-19 necessitated a shift to different agile working delivery models including increased flexible, mobile and homeworking arrangements. As part of the COVID-19 Organisational Recovery Plan the Council reviewed its agile working and other key policies resulting in the development of a Hybrid Working Strategy which has now been embedded within a new Flexible Working Policy following the completion of a 12 month pilot. As part of the Council's Delivering Differently Programme, a New Ways of Working project was also established to examine the changes to the ways offices are being used within and out with the Campus including changes in the use of technology and the potential for increased use of Electronic Document Management processes. The previously completed space studies are being revisited as part of this work stream to assess the potential property / ICT investment implications connected with new ways of working. This workstream also involved the mothballing of the James Watt building from early 2023/24 facilitated through minor works undertaken across various assets to enable the relocation of staff. The successful Levelling-up Funding bid and project will result in the demolition of the Hector McNeil House building with the staff to be relocated across the James Watt building and the Greenock Municipal buildings campus in conjunction with other minor works and staff relocations.

The future maintenance and lifecycle requirements of this element of the Council's estate strategy are contained / addressed within the Operational Properties portfolio and the allowances for statutory and planned maintenance / lifecycle works funded from the annual £2.4m General Property Service capital allocation monitored through the Environment & Regeneration Committee.

**3.8 Depot AMP**

The Council's Depot rationalisation has involved the centralisation of Grounds, Waste and Transport at Pottery Street in Greenock with a Gourock Civic Amenity site and the Building Service Unit (BSU) workshop at Devol in Port Glasgow. The original Depot Asset Management Plan budget of £13m was reduced by £2.8m through a review of phasing and scope with the development of the masterplan and a refinement of the strategy / proposals. The majority of projects were completed by mid-2019 incorporating the phased works at Pottery Street including the salt barn, civic amenity site, vehicle maintenance facility / offices, fuel and vehicle wash facilities, and the refurbishment of the corner depot building / offices. The final element of the Depot AMP involving the Gourock Civic Amenity facility has been partially completed with the existing Kirn Drive Civic Amenity facility closed at the end of January 2022 and temporarily relocated to Craigmuschat Quarry. The demolition of the existing Kirn Drive Depot building and removal of fuel tanks was completed in June 2022. The future provision in Gourock has been considered as part of recent budget setting processes and has not been taken forward as a saving to date, there remains a requirement to review the temporary provision at Craigmuschat and seek direction on the position regarding future provision.

**3.9 Leisure AMP**

The Council undertook a review of its key Leisure Sites prior to 2009 which included reports covering a review of strategic sites and a pitches strategy, with a view to modernisation and reconfiguration

of leisure provision within Inverclyde. Consultation was also undertaken with SportsScotland who allocated £1m in facilities grants, part funding specific projects at Parklea and Ravenscraig. A planned investment profile was presented to Committee in September 2009 with an initial implementation timescale of August 2012. Following the implementation of the original Leisure Strategy above, a number of further projects were taken forward (Ravenscraig Activity Centre / Inverclyde Indoor Bowling / Lady Octavia Sports Centre / Boglestone Community Centre) through joint Council / Inverclyde Leisure funded projects.

In 2018 the Council agreed to allocate £0.12m annually to supplement the funding in the Leisure Repairs and Renewals Fund to meet the life cycle costs associated with the large 3G Pitch estate. The on-going requirements for major maintenance and lifecycle replacement of sports pitches across the Leisure Estate are addressed through the Leisure Pitches Strategy Asset Management Plan and capital allocations monitored through the Education & Communities Committee. Condition surveys were undertaken via external specialists in late 2019 across the Leisure and School Estate pitches to inform a review of the Asset Management Plans and lifecycle replacement allowances. This information together with data on individual pitches hours of use from Inverclyde Leisure formed the basis of a revised asset plan which was approved by the September 2020 Education & Communities Committee. A programme of rejuvenation and carpet replacement works commenced in 4<sup>th</sup> Quarter 2020 with the majority of assets now either having had a full carpet replacement or rejuvenation. The artificial pitch asset management plan requires to be reviewed as part of the various strands of the Corporate Asset Management Strategy which will confirm the position with the current Repairs and Renewals Fund balance and budget pressures.

The major maintenance and lifecycle replacement requirements of the buildings for the Leisure Estate remains with the Council and this element of the Council's estate strategy is addressed within the Operational Properties portfolio and the allowances for statutory and planned maintenance / lifecycle works funded from the annual £2.4m General Property Service capital allocation monitored through the Environment & Regeneration Committee. Minor day to day maintenance and 'consumables' are the responsibility of Inverclyde Leisure in accordance with the Service Level Agreement which regulates access, standards of maintenance and division of responsibilities. The allocations through this fund will be vital in the coming years to address significant elemental renewal of ageing assets.

As part of the Council's Delivering Differently Programme, the Council and Inverclyde Leisure completed a strategic review of all indoor, outdoor and community leisure facilities in Inverclyde. This activity was aligned with the 2023/25 Budget recognising the Inverclyde Leisure business model pressures such as shortfalls in income, increases in utilities, and other inflationary pressures such as pay. A report was submitted to the November 2022 Education and Communities Committee outlining proposals to reduce the funding pressure addressing a potential major reduction in the Inverclyde Leisure managed estate. The proposals were subject to public consultation and were considered as part of the previous budget setting process, however, no decisions in respect of a reduction in Leisure estate assets were taken. The Corporate Asset Strategy workstream will also revisit the strategic review of Leisure facilities.

**3.10 Roads AMP**

The Roads Asset Management Plan sets out the Council's strategy for maintaining the road network and its associated assets. Asset Management uses lifecycle planning to make best use of the available resources for the long term-term benefit of the asset. The Asset Management approach ensures an appropriate prioritisation of works in line with available budgets.

Investment is allocated to prioritise the delivery of corporate objectives and to provide best value to Inverclyde Council and its customers. Asset Management provides a framework for this process by identifying and prioritising needs across the network. Lifecycle planning is used to minimise whole life costs to ensure efficient and effective use of resources.

Through the identified asset management plan, Inverclyde Council will make best use of available resources in maintaining its road network and associated infrastructure.

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The Council approved a comprehensive Roads Asset Management Strategy (RAMS) which was then utilised to develop the Roads Asset Management Plan (RAMP) and funding model in August 2012. A total of £29m was allocated over the period April 2013 to March 2018 to improve the roads infrastructure – carriageways, footways, lighting columns and structures, this included road and pavement resurfacing works, an extensive road patching and pothole repairs programme, street lighting replacement works and improvements to bridges and roads structures.

Further to this investment, a second phase of RAMP funding was allocated to the value of £15m for the period April 2018 to March 2023. The latest RAMS 2024 - 2029 has been completed with the final issue subject to review ahead of formally reporting to Committee. The current programme is being progressed on the basis of an annual budget allocation of £2.86 million to continue with the prioritised capital network programme.

The RAMP has resulted in a reduction in the number of Inverclyde’s roads, footways, streetlights, and road structures which require costly ongoing defect repair treatments while providing increased future lifespan. The continued pressure on budgets and inflationary impact of rising material and labour costs means that the current annual allocation is unlikely to result in a steady state and this is reflected in the most recent Road Condition Indicator survey data for 2022/24 which shows an increase for the first time since 2012/14.

**3.11 Vehicle AMP**

The purpose of the Vehicle AMP is to provide the Council with an efficient, flexible method of procuring and operating fleet items that reflects industry standard best practice and a cyclical programmed replacement of fleet assets over a 7 year cycle taking advantage of public sector collaborative procurement frameworks. A review of the replacement policy was undertaken to reflect the budgetary position taking cognisance of the increased costs of vehicles, and requirement to move towards Ultra Low Emission Vehicles (ULEVs).

In addition, it led to the introduction of a dedicated Fleet Management System and Fleet Tracking System. The system provides accurate and real time data on vehicle costs, utilisation and telematics, management information is provided to service users and can be tailored to their requirements. Without a fleet asset management plan the Council would be at risk of undertaking the works in an inefficient manner, increasing fleet downtime, incurring costs to “spot” hire vehicles, increased workshop staff levels and an increase in both material and sub-contractor costs. The service have recently adapted the telematics and can now provide detailed reports for Refuse Collection through Webfleets Looking to the future the Vehicle AMP will continue taking advantage of the latest technological advances both in terms of vehicle and management/telematics systems driving forward efficiencies within the fleet asset management plan.

The Council have previously taken advantage of bridge funding from Transport Scotland and technological advances allowing greater battery range has allowed a significant increase in the number of ULEVs on the Council fleet. In terms of cars and vans, the Council will be compliant by the end of 2025 meeting the Scottish Governments 1<sup>st</sup> phase transition plans. The Council will require to identify funding for replacement ULEVs to continue to comply with the Scottish Government target of ending the sale of new petrol or diesel cars and light vans in Scotland by 2032. This will be considered as part of the Council’s Net Zero Strategy.

The technology to further introduce ULEVs into the medium and heavy commercial fleet continues to evolve and the continued funding of the Vehicle AMP will allow the Council to take advantage of these new technologies when established. In conjunction with this, consideration will require to be given to significant infrastructure requirements given the power requirements to charge large commercial vehicles, particularly when being charged at the same time in one central hub such as the Pottery Street depot. This is included within the Councils overall Service Delivery Plan.

**3.12 Open Spaces AMP**

The Council has also developed an initial Open Space AMP which incorporates Burial Grounds and

the Crematorium. The wide range and nature of the assets covered and legacy works required in some areas makes the preparation of a systematic and cyclical detailed AMP challenging. Focus has been on the maintenance of existing infrastructure.

In 2023/24 funding from the Nature Restoration Fund (NRF) has allowed the development of future “shovel ready” projects. Unfortunately funding from NRF was withdrawn in 2024/24 as part of the annual pay negotiation, although it has been reinstated in 2025/26. Much of this funding was replaced through Shared Prosperity and Placed Based Investment funding albeit much more focussed on priority projects.

Maintaining a focus on naturalisation, tree growing and biodiverse rich projects will support the Council’s Net Zero ambitions. Additional ongoing maintenance however will become an issue in later years with revenue pressures on facilities as they age. The development of a Tree Strategy will inform much of the policy around future planting schemes and plans which remain largely reliant on external funding.

Based on the information to date an annual capital sum of £200,000 is allocated for general lifecycle maintenance.

Works on expanding the Burial Grounds provision at Knocknairshill and replacing the Council’s cremators in 23/24 will ensure some capacity within our Burial Grounds and Crematorium. The expansion of Knocknairshill is currently at the draft design stage with drawings having previously been produced and now being refined. This will require to be built into future Capital projects pressures taking into account 24 to 36 months to develop and expand the cemetery.

**3.13 ICT Asset Plan**

The ICT Asset Management Programme intends to provide a modern ICT infrastructure providing the most appropriate level of equipment, at best value to the Council across all of Inverclyde Council’s Offices and Schools. It aims to allow staff to undertake their roles and responsibilities in as efficient and flexible a manner as possible and provide teachers and pupils with modern and sustainable learning technologies. The ICT AMP has an annual budget of £0.534m, a reduction from £0.594k due to budget savings.

In line with the best practices for ICT Asset Management, the physical lifecycle of an ICT Asset has two distinct phases:

- Planning & Procurement
- Lifecycle & Disposal

The Council has adopted a policy of deploying laptops as the default device for officers and students unless there is a technological or configuration requirement that would require a desktop. This has resulted in over 700 fewer desktops now being deployed in the school estate with a comparable increase in laptops.

The 2024/25 Corporate refresh programme replaced the first phase of laptops procured following the pandemic and shortly after. The programme replaced 660 devices. Of these, 300 of the original laptops have been redeployed into Schools to replace the oldest desktop devices that were remaining in the estate. A further small tranche of 60 devices will be deployed into the schools before the end of the April 2025. A number of Android Smartphones have been identified as no longer in support for security and functionality updates – as a result a refresh programme has been implemented to upgrade and review usage as required.

A consequence of the move from desktop to laptop devices in the schools has identified a requirement for Laptop Trolley and Caddy charging solutions to allow easy management and administration of the devices. Consideration is being given to allocating Capital funding in 2025/26 to a procurement project for this purpose on a one-off basis. This will impact on the refresh programme in the schools.

The total number of devices in the programme is 6969.

	Desktop PCs	Notebook PCs	Tablet PCs	Total
<b>Schools</b>	1234	4043	23	5300
<b>Corporate</b>	172	1487	10	1669
<b>Total</b>	1406	5530	33	6969

The programme also includes provision for replacement of core ICT equipment such as network storage, servers and infrastructure and the procurement and implementation of other services to support Hybrid working such as videoconferencing equipment.

**3.14 Scheme of Assistance**

Section 72 of the Housing (Scotland) Act 2006 requires Local Authorities to prepare and make publicly available a statement which sets out the Council’s approach to providing householders with advice and/or assistance on how to repair, improve, maintain or adapt their home. The 2006 Act paves the way for applications for assistance with adaptations to be treated separately from applications for assistance with repairs and includes a general duty to provide financial assistance to make a house suitable for a disabled person. All eligible adaptation works will receive a minimum of 80% grant assistance or, at the discretion of the Council, 100% grant can be awarded.

The Scheme of Assistance also funds the provision of a Care and Repair/Small Repairs Service who assist eligible applicants with the grant process and progression of adaptation works. Care and Repair also operate a small repairs service for plumbing, electrical, joinery and general household jobs. The services are available to homeowners and tenants in the private sector who are either disabled or are over 60 years of age.

Year	Number of Homes Adapted	Small Repairs Provided
15/16	174	1705
16/17	181	1587
17/18	171	1701
18/19	19	1582
19/20	169	1620
20/21	133	582
21/22	162	1818
22/23	128	1204
23/24	147	704
24/25*	139	895

\* Projected

The average cost of adaptations has been significantly higher since the pandemic resulting in overall pressure on the Scheme of Assistance budget. The service is demand led however and any rationing approach would be likely to lead to excessive costs elsewhere if people were unable to remain in their own homes.

It should be noted that the Scheme of Assistance budget was increased to £0.806m from 2023/24 to address inflationary pressure, the final outturn for 24/25 is likely to be in the region of £0.895m.

**3.15 HSCP Asset Management**

A number of shared service offices were addressed as part of the Offices Asset Management plan and consolidation within the Hector McNeil House building completed in 2014. The ongoing work associated with The Greenock Town Centre Levelling Up Fund will involve the relocation of HSCP

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staff and the demolition of the Hector McNeil House building. Two further major HSCP projects were delivered with Scottish Government funding support, the Adult and Older People Complex Care Beds facility (Orchard View) opened in summer 2017, and the Greenock Health and Care Centre became operational in March 2021.

Further asset areas were addressed via the phased re-provisioning of Inverclyde's Children's Residential Services with one unit (Kylemore) completed in March 2013, a further unit (Cardross – 'the View') completed in January 2018, and the final unit (Crosshill) completed in October 2022 following delays experienced through a combination of the insolvency of the original main contractor and COVID-19.

The Strategic Review of Services for Adults with Learning Disabilities in Inverclyde was signed off by the Integration Joint Board in December 2016. As part of the Service redesign, a number of properties historically used by the service were decommissioned and flats at Lynedoch Street and Hope Street vacated and released back to the relevant Registered Social Landlords. Golf Road was vacated in June 2018 and the McPherson Centre decommissioned in September 2018 with full integration into the Fitzgerald Centre following work within the Fitzgerald Centre to upgrade personal care facilities, storage and sensory areas undertaken over summer 2018. The longer term plan remains for a new Inverclyde Community Hub with business case approved in February 2020. The progression of the project has been delayed through COVID and has also involved the approval of additional funding and a fundamental review of the design proposals to address the overall affordability of the project including the adoption of a low carbon design approach with the support of external grant funding through the Low Carbon Fund / Vacant and Derelict Land Investment Programme (VDLIP). The project achieved financial close and commenced on site in December 2024 with completion expected in April 2026.

The homelessness service has implemented a change programme to drive forward a full-service redesign in response to recommendations made by The Homelessness and Rough Sleeping Action Group which includes the development of a Rapid Rehousing Transition Plan (RRTP). The rebranding of the service as a Housing Options and Homelessness Advice Service was a major milestone with the cross-sector partnership and early intervention involved in this approach fundamental to reducing the need for temporary accommodation by preventing homelessness. A review of the estate and accommodation requirements are an integral part of the ongoing change programme / service redesign with recent confirmation that the Inverclyde Centre will be decommissioned.

Other specific property issues remain for Health & Social Care around the future of the Centre for Independent Living store, the continued lease of the Unpaid Work Unit at Kingston Industrial Estate and there is a need to review provision at the Wellpark Centre and the Hillend Centre.

Day to day investment in the HSCP buildings is funded from the general Property AMP but the funding for transformational change in service delivery requires to be funded elsewhere. For the Children's Units, funding came from a combination of prudential borrowing funded by service savings, reserves and core capital grant. The new Inverclyde Community Hub will also be funded largely by prudential borrowing.

In addition to the internal review of HSCP properties to identify opportunities for reconfiguration of services that support co-location, work has been undertaken across the NHS Greater Glasgow & Clyde area to develop a Primary Care Property Strategy which seeks to better understand the current utilisation of property and its suitability for existing and future service provision which will inform future board infrastructure investment decisions.

**3.16 Coastal Assets**

Provision was made in the 2020/21 budget to address the progression of surveys and mapping of Council coastal assets i.e. sea walls and other coastal defence installations/structures to establish condition and any current/future capital project works required. A number of surveys have been undertaken through external specialist consultants with priority marine side remedial works at the

Greenock Waterfront area taken forward. Surveys of the Newark to Kelburn walkway were undertaken in first quarter 2023 with a condition report completed which identified a need for periodic reinspection, and that significant remedial works are likely to be required in the medium term to ensure the existing coastal walkway protection measures remain effective. A survey of the sea wall and defences at Gourrock Outdoor Pool was completed in October 2023 with condition report received and recommendations which include short term and medium term considerations for protection of the asset. The work in this area will continue as part of the wider Corporate Asset Management strategy and activity and will be aligned with Coastal Change Adaptation workstream. of available internal resources which are being prioritised on delivery of the wider capital programme. Coastal assets condition and effectiveness represent a funding pressure in the context of the available limited capital funding resources available for asset lifecycle investment.

**3.17 City Deal**

Although not a specific Asset Management Plan the Council does have major investment plans in relation to the Glasgow Region City Deal which has a £1.13 billion Capital Infrastructure investment programme covering the 8 Local Authorities in the Glasgow City region. Inverclyde Council currently has 3 projects in various stages of development with an estimated total Capital cost of £33.7million, £22million of which is funded through the City Deal investment and Council contribution with the balance funded by external partners. The past year has seen the Greenock Ocean Terminal continue with its success in operation with 75 cruise ships coming to Greenock. Inchgreen reached its completion and Inverkip FBC was approved in November with works starting in March. In addition to the original City Deal projects, the Council is progressing with Commercial Space project which is being funded through re-programming funding from the Glasgow City Deal, and could result in further significant investment within Inverclyde.

The Scottish and UK Government investment is due to be paid over a 20 year period ending in 2035. Due to the timing difference between the Council incurring expenditure by 2025 and the receipt of grant, the Council will require to finance the cashflow implications as well as loan charges in relation to the Council's projected £1.3 million contribution. The funding for this has been allowed for in the Council's recurring Revenue Budget and forms a specific appendix within the Financial Strategy.

**3.18 Levelling Up Fund**

Again, whilst not a specific Asset Management Plan the Council has recently received confirmation of £19.39m Levelling Up Fund grant towards a £21.6m project to redevelop Greenock Town Centre. The project will see the transformation of the town centre with demolition of the elevated A78 dual-carrageway along with Hector McNeill House and 40% of the existing Oak Mall retail centre resulting in easier access to the area for residents and visitors, with the resultant additional space having the potential for a new college campus, town centre housing and new cultural opportunities. The last year has seen the appointment of project management consultants and the entering into a pre-construction services agreement with the contractor which has progressed the design to stage 3, and the submission of market tested prices. In addition, the planning application and building warrant stage 2 have been approved for Oak Mall façade and demolition. At present officers are working with the Council's project management team to analyse price and programme information to determine next steps for the project and the design process continues towards construction design in 25/26.

**3.19 Greenock Towns Fund**

In September 2023, the UK Government Department for Levelling Up, Housing and Communities announced that Greenock was one of 7 areas in Scotland to be allocated funding for the UK government's Long Term Plan for Towns. Greenock will receive a 10-year endowment-style fund with £19.5million of funding split between Revenue (RDEL) of £4.6m and Capital (CDEL) of £14.9m support released over a 10 year period from 2024/25 to 2033/24, with a light touch assurance from DLUHC. The Town Board was set up by the 1<sup>st</sup> of April and since then 5 board meetings have taken place. With the general election the previous deadlines and guidance for submission of the investment plan were to be revised. Government commitment to the long-term plan for Towns was



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continued with the November budget however they have not yet set a date for submission of the investment plan. The government has stated that further guidance will be published in early 2025. Information engagement took place in July and survey consultation took place at the end of November with an online survey or in-person surveys at key location throughout the town. The revised Towns Fund prospectus has just been issued with initial suggestions that investment plans will be required by November 2025. The new prospectus is being considered by officers and will be reported to the Town Fund Board in due course.

**4.0 THE CAPITAL PROGRAMME**

- 4.1 The Council traditionally approves a rolling three year Capital Programme each budget cycle. The March 2025 budget saw the approval of a 3 year Capital Programme covering 2025/28 which takes the programme to the end of the current Council.
- 4.2 Annual capital budget allocations are provided for investment in the core assets identified via the Asset Management Plans with these allocations intended to maintain the existing assets to acceptable standards. The allowances do not generally allow for expansion or replacement of existing assets which would normally be addressed through specific investment proposals.
- 4.3 The UK exit from the EU, the impact of COVID, increased global demand for materials and most recently the impact of the conflict in Ukraine had a significant impact on the delivery of the capital programme. These issues have inevitably led to both cost pressures and project delays. As a result a £4 million cost pressure allowance was included in the 2023/26 budget to help address these pressures. In addition a further £4.4million was allocated from Reserves to ensure the 2024/28 Capital Programme stayed within funding parameters.
- 4.4 Current annual allocations amount to £10.998m (see table below) This amount includes the reductions applied to ICT and Zero Waste as part of the 2024/28 Budget.

Recurring annual Grant Allocations:

ICT	£0.534m
Roads (RAMP)	£2.750m
Zero Waste Fund	£0.045m
Parks & Open Spaces	£0.200m
Property	£2.400m
Scheme of Assistance****	£0.573m
Leisure Pitches	£0.120m
School Estate	£3.000m
Nature Restoration Fund*	£0.157m
Coastal Change Management*	£0.077m
Climate Emergency***	£0.487m
Cycling, Walking, Safer Routes*	£0.341m
Play Areas**	£0.314m
Total Annual allocations	£10.998m

General Capital Grant in 2025/26 £7.680m

\* Specific elements of General Capital Grant which can vary year on year, while these are not strictly Ring-Fenced the Scottish government do require some assurance regarding relevant expenditure

\*\* 2025/26 is the final year of 5 year Scottish Government Play Area investment

\*\*\* Specific funding for Climate Emergency, it is unclear whether this funding will be ongoing

\*\*\*\* Further £0.233m funding from Revenue bringing total SOA allocation to £0.806m

Officers have assumed a continuation of the current level of Capital Grant £6.65m, ie after removing Climate Emergency and Play Area funding to 2027/28. The General Capital Grant in 2025/26 then is approximately £3.3million short of the current allocations which in turn have been frozen at 2023/24 levels resulting in real terms funding reductions. The current Financial Strategy

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assumes that the Council will prudentially fund £1.5 million of capital investment annually to 2030/31 which will partially address this pressure for the next 6 years. The remaining shortfall of approximately £1.8m per year will require to be funded from either capital receipts, revenue reserves and prudential borrowing or reductions in the asset base.

- 4.5 Other investment includes the Vehicle Replacement Programme however this is funded via ongoing prudential borrowing and is not reliant on the General Capital Grant. In addition, specific investment proposals are considered either as part of the budget setting process or via reports to Strategic Committees. Any such proposals would require to be funded by way of prudential borrowing and/or one-off allocations from reserves.
- 4.6 In addition to the core capital grant the Council receives Specific Capital Grant awards from the Scottish Government although these are increasingly included in the core grant plus can apply for grants from other bodies such as Strathclyde Passenger Transport and Sustrans.
- 4.7 The Council has undertaken a comprehensive assessment of its estate to identify the presence of Reinforced Aerated Autoclaved Concrete (RAAC). It has been confirmed that one school (St Michael's Primary School, Port Glasgow) and one office (Princess Street House, Port Glasgow) have RAAC present and in line with industry guidance, a management strategy has been implemented. Options for the permanent remediation are currently being investigated and will represent a funding pressure in the context of the limited capital resources available for estate lifecycle investment. The Council continues to work in close partnership with the Scottish Government on this matter and to follow their guidance and that of other authoritative bodies.
- 4.8 In recognition of potential increase in resources or cost reductions the Council will overprovide by up to 5% against available resources. It needs to be borne in mind that if extra resources or cost reductions do not occur then savings will be required.
- 4.9 A summary of the proposed 2025/28 Capital Programme is shown below. This was approved by the Council in March 2025 The longer term affordability of the capital investment requirements are covered in more detail in section 6 of the Strategy.

**Proposed Capital Programme 2024/2028**

<u>Expenditure/Projects by Committee</u>	<u>2025/26</u> £m	<u>2026/27</u> £m	<u>2027/28</u> £m	<u>Totals</u> £m
Policy & Resources	1.475	3.645	2.534	7.654
Environment & Regeneration	12.830	15.877	8.365	46.350
School Estate	2.200	4.667	5.000	11.867
Education & Communities	0.305	0.401	0.120	0.826
HSCP	6.452	1.700	0	8.152
	23.262	26.290	16.019	65.571
 <u>Financed By</u>				
Government Grant	7.680	6.650	6.650	20.980
Sales/Contributions	0.315	0.315	0.315	1.260
Revenue	4.531	4.864	4.433	13.828
Prudential Borrowing	7.796	4.174	2.714	14.684
Resources Carried Forward	12.244	0	0	12.244
	32.566	16.003	14.112	62.681
Shortfall in Resources				2.890
Recommended maximum overcommitment (5% of Resources)				3.134
Flexibility				0.244

**5.0 DEBT AND FIXED ASSETS**

- 5.1 One objective of the Capital Strategy is to demonstrate the sustainability and affordability of its capital expenditure and investment plans. Much of the affordability assessment depends on the Council’s Treasury Strategy. The period of the Treasury Strategy is currently three years and one positive development arising from the creation of a Capital Strategy will be to align the timescales for the Treasury Strategy, Investment Strategy and Capital Programme.
- 5.2 A key requirement of the Treasury Strategy is to set the Prudential Indicators which will determine limits around borrowing, investment and affordability and thereafter feeds directly into the Revenue Budget process. The Treasury Strategy is considered by the Policy & Resources Committee in March and thereafter the Council.
- 5.3 There are 3 distinct areas where it is important that the inter relationships are highlighted as these are at the heart of understanding the Council’s overall approach to capital investment and long term financial planning.

**Loan Charges/Loan Fund Debt** – Loan Charges records are the Council’s internal record of capital investment. Sums incurred are currently written down on annuity basis using the expected life span of the asset created/work carried out. The Loan Charges records allocate the capital incurred against the asset created/improved.

Loan Charges are an internal calculation and no money leaves the Council but it is Loan Charges which form the charge to the Revenue Budget as a proxy for depreciation.

**External Debt-** To fund capital works the Council will in many cases have to borrow funds. The traditional route for local government remains to borrow from the Public Works Loan Board (PWLb) but a significant amount of borrowing has also been carried out from other lenders and this is referred to as Market Debt. Interest is paid on these loans throughout the year and these costs form the basis of the calculation of the loan charges interest rate.

**Balance Sheet Fixed Assets** - As part of the statutory Annual Accounts the Council prepares a Balance Sheet and the largest sum within this is the value of assets held by the Council. Assets are revalued on a rolling basis every 5 years although adjustments can be made in the interim in the event of a material impact on the assets value. Depreciation is applied to the assets prior to inclusion on the Balance Sheet. Depreciation does not form part of the revenue budget and is reversed out of the accounts when calculating the Council’s available Usable Reserves.

The financial position of these three areas is explained further in the following paragraphs.

**5.4 Loan Fund Debt**

The Council has recently concluded a significant period of ambitious investment in the School Estate, Leisure Estate, Roads Assets plus the rationalisation of the Office and Depot Estate. This has seen a significant increase in the Council’s Loan Debt over the last ten years and projections indicate that the Loan debt will peak at approximately £225 million in 2026/27 but on the basis of limited prudential borrowing in future years the loan debt could reduce to around £173 million by 2033/34. Thereafter the debt gradually reduces and by 2043 there is only £99 million of the current debt outstanding. Given the current shortfall between Government Grant and annual capital requirements highlighted in section 4, it is likely that Prudential Borrowing and hence debt will need to substantially increase over this period with the resultant increase in pressure on the Council’s Revenue Budget.

**5.5 External Debt**

The Council’s external borrowing as at 28<sup>th</sup> February 2025 was:-

PWLB Debt	£106.4 million
LOBO Debt	£ 24.5 million
Market Debt	<u>£ 40.4 million</u>
	<u>£171.3 million</u>

The bulk of these loans are Maturity Loans i.e.: principal is due to be repaid at the point that the loan matures, with some £61.4 million of the PWLB Debt due to be repaid by 31<sup>st</sup> March 2035 after refinancing of short-term borrowing in 2023/24. Thereafter however there is a 20 year period where only £7 million is due to mature unless called in by the market lenders or the Council restructures its PWLB debt.

Taking 5.4 and 5.5 together then by 2039, on the basis of the Capital Expenditure plans outlined in this Strategy, the External Debt will exceed Loans Fund Debt. By 2044 the amount of External Debt would exceed Loan Charges Debt by £33 million if nothing else changes. However, given the significant gap between Scottish Government Capital Grant and basic investment requirements, officers do not believe that the above scenario will occur due to the Council’s requirement to increase the level of prudential borrowing significantly over the medium/longer term. .

**5.6 Balance Sheet Fixed Assets**

At the 31<sup>st</sup> March 2024 the Council owned property plant and equipment assets valued at £479.7million net of accumulated depreciation. Once PPP Assets and Managed Properties are included then the value of this Asset Base increased to £575.4million.

The average Asset Life Outstanding as at 31<sup>st</sup> March 2024 for the different category of assets is shown in the undernoted table. From this it can be seen that for the 3 main non-PPP asset categories, the average remaining life is approximately 21.0 years.

	Average	
	Asset Life	Asset Life Outstanding
AUC	58.46	53.15
Community Assets	36.88	26.99
Infrastructure	30.79	16.69
OLB	28.68	19.24
PPP	34.93	25.43
VPE	5.76	1.06

It should be noted that the Asset Life Outstanding is reviewed at each valuation and provided the Council is undertaking appropriate maintenance and investment then the life will be extended thus ensuring that Asset values continue to exceed Long Term Borrowing in the Balance Sheet. In tandem with this the Policy & Resources Committee approved a Loan Charges repayment Policy in 2019 which extended the write off period for some classes of capital work. The net effect has been to spread loan charge payments over a longer period.

5.7 On 16<sup>th</sup> February 2023 the Council approved the use of the flexibility offered under Finance Circular 10/2022 with regards the accounting treatment of Service Concession Arrangements, ie the Council’s Schools PPP contract, from 2023/24. This in effect extends the PPP debt from 30 years to 45 years, ie to 2053/54 with the asset life being amended accordingly. It should be noted that

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while this is reflected in the Asset Life above some components of the asset, such as Plant & Equipment, have a shorter life, resulting in a weighted average life for the PPP assets of 34.93 years, less than the 45 years noted.

- 5.8 In summary therefore, for the Council to maintain its considerable asset base, it will need to undertake capital investment over and above the projected Scottish Government Grant/Capital Receipts. This will require future borrowing whilst ensuring that the Council achieves a closer correlation between Loans Fund Debt and External Debt in the longer term. This will be achieved by ensuring that the majority of new borrowing from 2025 will be carried out for short to medium term periods i.e. up to 10-25 years.

## 6.0 LONGER TERM INVESTMENT PLANS

- 6.1 It can be seen from Section 4 of the Capital Strategy that it is unlikely that Government Grant and estimated Capital receipts will be sufficient to meet the required investment levels for the Council to maintain its current asset base. The current Financial Strategy assumes that the Council will prudentially fund £1.5 million of capital investment annually to 2030/31. Any prudential borrowing will need to be funded from savings delivered by the investment or revenue savings. This will require the Council takes a conscious decision to disinvest in certain assets, reduce the number of assets it holds or cut day to day services.
- 6.2 The Government Capital Grant allocation for 2025/26 includes an allowance for Climate Emergency of £0.487m however other than this funding there has been no allowance for the transition to Net Zero. A allocation of £3.3m from Council reserves was approved for 2023/26 to allow a focus on reducing energy use in existing buildings, decarbonisation of the Council fleet and offsetting and the Council has been successful in attracting grants to assist with peatland restoration however there is no allowance for retrofitting the existing building stock. Such retrofitting will be technically and operationally challenging and will involve significant additional capital investment in the period to 2045, funding will require to be identified to address this.
- 6.3 It should be noted that this level of investment takes no account of inflation or any one off Capital investment requirements not included in the core life cycle maintenance allocations. Any such investment requirements will be flagged up in the relevant Asset Management Plans and following consideration as part of the normal governance processes would be factored into future Capital Strategy reports.
- 6.4 All the above indicates the unprecedented pressures on the Council's capital investment resources. These pressures are being contained at present via the use of one-off reserves and maintenance requirements being suppressed by the high levels of capital investment over the last 15 years. As assets created/refurbished at that time get older and investment requirements increase then the current asset base/ funding approach is simply unsustainable.
- 6.5 To begin to address this the Council has approved the creation of an Asset Management savings workstream which began to be progressed during 2024/25. Whilst this has a £400,000 net revenue savings target a secondary and potentially larger saving will be in future capital investment requirements. To achieve recurring savings of this order will require clear prioritisation and a longer term view from Elected Members informed by the Asset Management Plans developed to support this Strategy.
- 6.6 Appendices B and C show the impact of the level of currently planned capital investment on the Loan Charges earmarked reserve, loan charges and loan debt over the long term. From Appendix C it can be seen that projected Loan Charges would drop by £1 million between 2025/26 and 2034/35 whilst over the same period the Loan Debt will drop by £55.1 million. All of this however would require a major reduction in current investment levels and this in turn would require a significant reduction in the number of assets owned and operated by the Council.
- 6.7 Despite the ongoing need for prudential borrowing the Council will see a reduction in the proportion of its Revenue Stream which is spent on servicing loan charges and also a significant reduction in the ratio of loan debt to Revenue Stream. From Appendix C it can be seen that the Loan Debt as a percentage of Revenue Stream drops by 22.2% over the 2025/35 period, whilst the % of the Revenue Stream spent on Loan Charges drops by 0.54% to 5.88%.



**7.0 CONCLUSIONS**

7.1 The Capital Strategy provides an opportunity for a number of related aspects of the Council’s overall finances to be pulled together into a summarised document. From this it can be seen that:

- a) The Council is well advanced in its Asset Management Plan delivery with major investment in all aspects of its asset estate over the last 15 years or more and has commenced the refresh of a number of these plans.
- b) The Council keeps a long term view of its long term borrowing and funding and this informs the current Treasury Strategy.
- c) The Council has a robust governance process via the Financial Regulations, Prudential Code, Risk Management and Budget Process to ensure that Asset Management Plans and the Capital Strategy are affordable in the medium to longer term.

The current proposals within the Capital Strategy are affordable and can be met from the current Loan Charges allocation without further cost to the Council Tax payer.

It should be noted however that, as can be seen in section 4, the current capital allocations are anticipated to be approximately £3.3m in excess of the annual capital grant going forward, while this has been addressed in the 3 year budget to 2027/28 in the longer term the shortfall will require to be funded from either capital receipts, revenue reserves and prudential borrowing or reductions in the asset base.

7.2 The Capital Strategy emphasises the need for the Council to take a long term view when taking decisions around Capital investment and specifically to ensure that investment plans are appropriate and financially sustainable in the longer term. The annual production and updating of the Capital Strategy allied to the Treasury Strategy, Capital Programme approval and Financial Strategy will all ensure that the Council are able to take Capital investment decisions in the knowledge of the long term implications.

**Appendix A**

The area of Treasury and Capital investment requires risks to be continually managed and monitored. Part of this is covered in the Governance Section (Section 2), however the following paragraphs list other risks and how the Council manages these. The risks are shown in bold with the mitigation in normal typeface.

**1/ The Capital Strategy does not reflect the objectives set out in other strategic plans of the Council.**

The Capital Strategy provides a high level overview of the various Asset Management Plans, Financial Strategy and Treasury Strategy all of which closely link to the plans the Council has signed up to. It is acknowledged that there will inevitably be other financial investment requirements over the next 20 years not quantified at this point in time however the Capital Strategy will be updated as further information becomes available regarding these strategic plans.

**2/ The Council does not have adequate funding to fully address the Net Zero Strategy**

The Net Zero Action Plan 2022-2027 collates existing activities and seeks to identify actions which will require additional funding/resources required to fully address the Net Zero Strategy 2021-2045. While funding has been allocated as part of the 2023/24 budget process to address the Action Plan no further funding is currently available to implement the Strategy. This will involve a significant level of investment over the period to 2045, funding for which will require to be in addition to current capital allocations and is currently not identified.

**3/ The directorate planning process will identify a range of additional budget pressures over and above those currently considered in this Financial Strategy.**

The Directorate Planning Guidance identifies that Committee Development Improvement Plans (CDIP) should reflect the resources allocated – the need for additional resources to achieve a particular priority should be specifically identified via the Council’s approved governance processes prior to the preparation of the CDIP.

**4/ Forecasts within the Capital Strategy are not accurately determined or reviewed on a regular basis.**

The Capital Strategy will set out the expected levels of expenditure and income for the future. The forecasts are arrived at through careful consideration of historic trends and current AMP investment levels plus advice on interest rates and borrowing costs from the Council’s Treasury Advisors.

Throughout the financial year, the Council regularly monitors its financial performance against its capital and treasury budgets and will revise projections and/or take action where necessary.

**5/ The Council has insufficient capital resources to sustain capital commitments.**

The combination of reduced funding and the economic position mean that the Council has to focus on maintaining key infrastructure whilst utilising prudential borrowing for specific capital projects. To support this process an Asset Management saving workstream has been approved to take place over 2025/28

Regular review of existing Asset Management Plans and Policy Priorities ensures that the Council’s investment plans remain affordable. The Council is in regular contact with its Treasury Advisors to identify opportunities to reduce Treasury costs within the parameters of the Prudential Indicators.

**6/ Given the major Global Economic uncertainty the Council is exposed to major fluctuations in the financial markets**

The Council’ Treasury and Investment Strategy supported by the associated Treasury Management Policies and Prudential Indicators provides a robust framework within which officers operate to ensure that the Council is not materially exposed to short term fluctuations in the financial markets.

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**Finance Strategy**  
**Loan Charges**

		2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000	2032/33 £'000	2033/34 £'000	2034/35 £'000
<b>Balance B/fwd</b>		821	595	786	1,136	1,180	28	(660)	(742)	(591)	123	869
Projected Loan Charges	a	17,816	16,990	16,931	17,137	17,433	17,069	16,563	16,330	15,767	15,735	15,934
Available Budget	b	16,590	16,181	16,281	16,381	16,281	16,381	16,481	16,481	16,481	16,481	16,481
Loan Charge Surplus/(Deficit)		(1,226)	(809)	(650)	(756)	(1,152)	(688)	(82)	151	714	746	547
<b>Other Adjustments:</b>												
Transfer from Reserves	c	1,000	1,000	1,000	0	0	0	0	0	0	0	0
Contribution from Capital Fund	d	0	0	0	800	0	0	0	0	0	0	0
		1,000	1,000	1,000	800	0	0	0	0	0	0	0
<b>Balance at Year End</b>		<b>595</b>	<b>786</b>	<b>1,136</b>	<b>1,180</b>	<b>28</b>	<b>(660)</b>	<b>(742)</b>	<b>(591)</b>	<b>123</b>	<b>869</b>	<b>1,416</b>
Interest Rate (Assumed):		4.62%	4.19%	4.02%	3.87%	3.91%	3.90%	3.78%	3.77%	3.72%	3.84%	3.95%

## Notes

Revised projections as at February 2025 and excludes Loan Charges relating to City Deal and Birkmyre Trust.  
General capital grant is applied to core allocations only and not to individually funded models.

- a Includes loan charges for new LD Centre based on spend between 2021/22 to 2025/26.  
£100k annual cost increase from 2023/24 to reflect prudential borrowing of £1.5m to 2030/31 (June 2023 Finance Strategy).  
Projected principal repayments on new projects are calculated on annuity basis.
- b Adjustments to Available Budget:  
For 2025/26  
Budget reduced by £500k from 2025/26 onwards (December 2023 Council).  
Budget reduced by £9k for 2025/26 onwards for school transport saving.
- For 2028/29  
Budget reduced by £200k from 2028/29 onwards in light of reduced interest rates.
- c £3m agreed December 2023, allocated £1m each year 2024/25 to 2026/27.
- d Proposed contribution from Capital Fund in 2027/28.

**LONG TERM LOANS FUND PROJECTIONS BASED ON CAPITAL STRATEGY**

	Loans Fund Debt End of Year	Total Loan Charges	Assumed Interest Rate	Revenue Stream	% of Loans Fund Debt to Revenue Stream	% of Loan Charges to Revenue Stream
	£000	£000	£000	£000		
2025/26	219,236	17,004	4.19%	264,926	82.75%	6.42%
2026/27	224,848	16,933	4.02%	264,926	84.87%	6.39%
2027/28	221,123	17,137	3.87%	264,926	83.47%	6.47%
2028/29	213,866	17,433	3.91%	264,926	80.73%	6.58%
2029/30	206,666	17,069	3.90%	265,926	77.72%	6.42%
2030/31	199,444	16,563	3.78%	266,926	74.72%	6.21%
2031/32	190,633	16,330	3.77%	267,926	71.15%	6.09%
2032/33	181,958	15,767	3.72%	268,926	67.66%	5.86%
2033/34	173,210	15,735	3.84%	269,926	64.17%	5.83%
2034/35	164,119	15,934	3.95%	270,926	60.58%	5.88%
2035/36	155,235	16,009	4.11%	271,926	57.09%	5.89%
2036/37	147,144	14,642	4.22%	272,926	53.91%	5.36%
2037/38	139,342	14,026	4.23%	273,926	50.87%	5.12%
2038/39	131,502	13,707	4.21%	274,926	47.83%	4.99%
2039/40	123,556	13,732	4.40%	275,926	44.78%	4.98%
2040/41	115,364	13,875	4.60%	276,926	41.66%	5.01%
2041/42	107,058	13,959	4.90%	277,926	38.52%	5.02%
2042/43	98,650	13,826	5.06%	278,926	35.37%	4.96%
2043/44	90,315	13,711	5.45%	279,926	32.26%	4.90%
2044/45	82,330	13,359	5.95%	280,926	29.31%	4.76%

## Notes:

1. The Revenue Stream is an estimate of GRG/NDRI plus Council Tax.
2. The Total Loan Charges excludes cash flow interest charged for City Deal projects.
3. The % of Loan Charges to Revenue Stream above excludes debt charges on PPP assets and so is not comparable with the Ratio of Financing Costs to Net Revenue Stream included in the Treasury Strategy.



**Treasury Management Strategy**  
**and**  
**Annual Investment Strategy**  
**2025/26 – 2027/28**

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**1.0 INTRODUCTION**

- 1.1 CIPFA revised the CIPFA Prudential Code and the CIPFA Code of Practice on Treasury Management in December 2021. Inverclyde Council have adopted the Code of Practice on Treasury Management and comply with the Prudential Code.
- 1.2 The Local Government in Scotland Act 2003 and supporting regulations (the Act) require the Council to 'have regard to' the CIPFA Prudential Code (the Prudential Code) and the CIPFA Code of Practice on Treasury Management (the Code) to set Prudential and Treasury Indicators for at least the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- 1.3 The Act and supporting regulations require the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act) which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 1.4 It is a statutory requirement for the Council to produce a balanced budget. In particular, a local authority must calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue are affordable within the projected income of the Council for the foreseeable future. The projected revenue impact of the 2025/28 Capital Programme was built into the approved 2025/26 Revenue Budget.

**2.0 CAPITAL/TREASURY MANAGEMENT POSITION, PRUDENTIAL INDICATORS, TREASURY MANAGEMENT INDICATORS AND POLICY LIMITS****Current Treasury Management Position**

- 2.1 The Council's treasury management position at 19 February 2025 comprised:

	<b>Principal</b>		<b>Average Rate</b>
	£000	£000	
<b><u>DEBT</u></b>			
Fixed Rate funding	PWLB 106,378		
	LOBO 16,000		
	Market 40,000	162,378	4.15%
Variable Rate funding	PWLB 0		
	LOBO 8,500		
	Market 333	8,833	4.86%
		171,211	4.19%
Other Long-Term Liabilities (PPP)		51,014	---
<b>TOTAL DEBT</b>		<b>222,225</b>	
<b><u>INVESTMENTS</u></b>			
Call Accounts		10,641	4.34%
Notice Accounts		55	4.49%
Fixed Term Deposits		0	---
<b>TOTAL INVESTMENTS</b>		<b>10,696</b>	4.34%

The Investments above are for treasury management cash balances only and exclude balances treated as investments under Investment Regulation 31 (see Appendix 3 for categories).

**Capital Expenditure and Borrowing**

2.2 The Council's Gross Capital Expenditure is estimated as:

	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
	<b>Projected</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	£000	£000	£000	£000
Capital Programme (Excluding Levelling-Up Project)	19,107	22,775	25,290	16,019

2.3 The Council's borrowing requirement (which takes account of the estimated Capital Expenditure, borrowing maturing and requiring to be refinanced and estimated future Council investment balances) is as follows:

	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
	<b>Projected</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	£000	£000	£000	£000
New borrowing	10,000	17,000	18,000	10,000
Alternative financing arrangements	0	0	0	0
Replacement borrowing	12,500	25,000	22,000	22,000
<b>TOTAL</b>	<b>22,500</b>	<b>42,000</b>	<b>40,000</b>	<b>32,000</b>

The projected replacement borrowing is to replace borrowing that was required by the Council but that was borrowed for shorter periods than required to allow the Council to refinance in the next few years when rates are expected to be lower.

2.4 The Capital Financing Requirement is the amount of capital expenditure to be funded from borrowing that has not yet been repaid by the Revenue Budget as part of the loan charges and PPP.

The Council's Gross External Debt compared to the Capital Financing Requirement as at each year-end (including the effect of the proposed borrowing in paragraph 2.3) is as follows:

	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
	<b>Projected</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	£000	£000	£000	£000
Capital Financing Requirement (CFR)	295,765	297,871	302,515	297,763
External Debt (Including PPP)	231,972	246,227	258,637	264,986
Under/(Over) Against CFR	63,793	51,644	43,878	32,777

The above table shows that the Council expects to be under borrowed each year. 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 rather than bringing in new funds from borrowing. The projected level of under borrowing is considered reasonable but the position is kept under review in light of Council capital financing and other funding requirements.



**Debt Limits**

2.5 The Council's Authorised Limit is a control on the maximum level of external debt whilst the Operational Boundary is a limit that external debt is not normally expected to exceed. It is proposed that the limits are:

	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
	<b>Limit</b>	<b>Limit</b>	<b>Limit</b>	<b>Limit</b>
<b>Authorised limit for external debt</b>	£000	£000	£000	£000
Borrowing	243,000	243,000	249,000	257,000
Other Long-Term Liabilities (PPP)	54,000	51,000	49,000	46,000
<b>TOTAL</b>	<b>297,000</b>	<b>294,000</b>	<b>298,000</b>	<b>303,000</b>
<b>Operational boundary for external debt</b>	£000	£000	£000	£000
Borrowing	228,000	228,000	234,000	242,000
Other Long-Term Liabilities (PPP)	54,000	51,000	49,000	46,000
<b>TOTAL</b>	<b>282,000</b>	<b>279,000</b>	<b>283,000</b>	<b>288,000</b>

Approval is being sought for the Authorised Limits for 2025/26 to 2027/28.

2.6 The Council sets limits on the maturity of fixed rate and variable rate borrowing for the coming financial year. The limits proposed for 2025/26 are:

<b>Maturity Structure</b>	<b>Fixed Rate</b>		<b>Variable Rate</b>	
	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>Upper Limit</b>	<b>Lower Limit</b>
Under 12 months	45%	0%	35%	0%
12 months and within 24 months	45%	0%	35%	0%
24 months and within 5 years	45%	0%	35%	0%
5 years and within 10 years	45%	0%	35%	0%
10 years and within 30 years	45%	0%	35%	0%
30 years and within 50 years	45%	0%	35%	0%
50 years and within 70 years	45%	0%	35%	0%

The proposed limits are the same as set in 2024. They reflect the requirement that the Council's LOBO debt is treated based not on when the debt is due to mature but on when the lender could request an increase in the interest rate (when the Council could accept the increase or repay the debt).

2.7 The Council sets limits relating to the management of debt. The limits proposed are:

	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2024/25</b>
	<b>Limit</b>	<b>Limit</b>	<b>Limit</b>	<b>Projected Outturn at Year-End</b>
Maximum percentage of debt repayable in any year	25%	25%	25%	22.08% (Repayable in 2077/78)
Maximum proportion of debt at variable rates	45%	45%	45%	4.88%
Maximum percentage of debt restructured in any year	30%	30%	30%	2.76%

The proposed limits are the same as set in 2024.

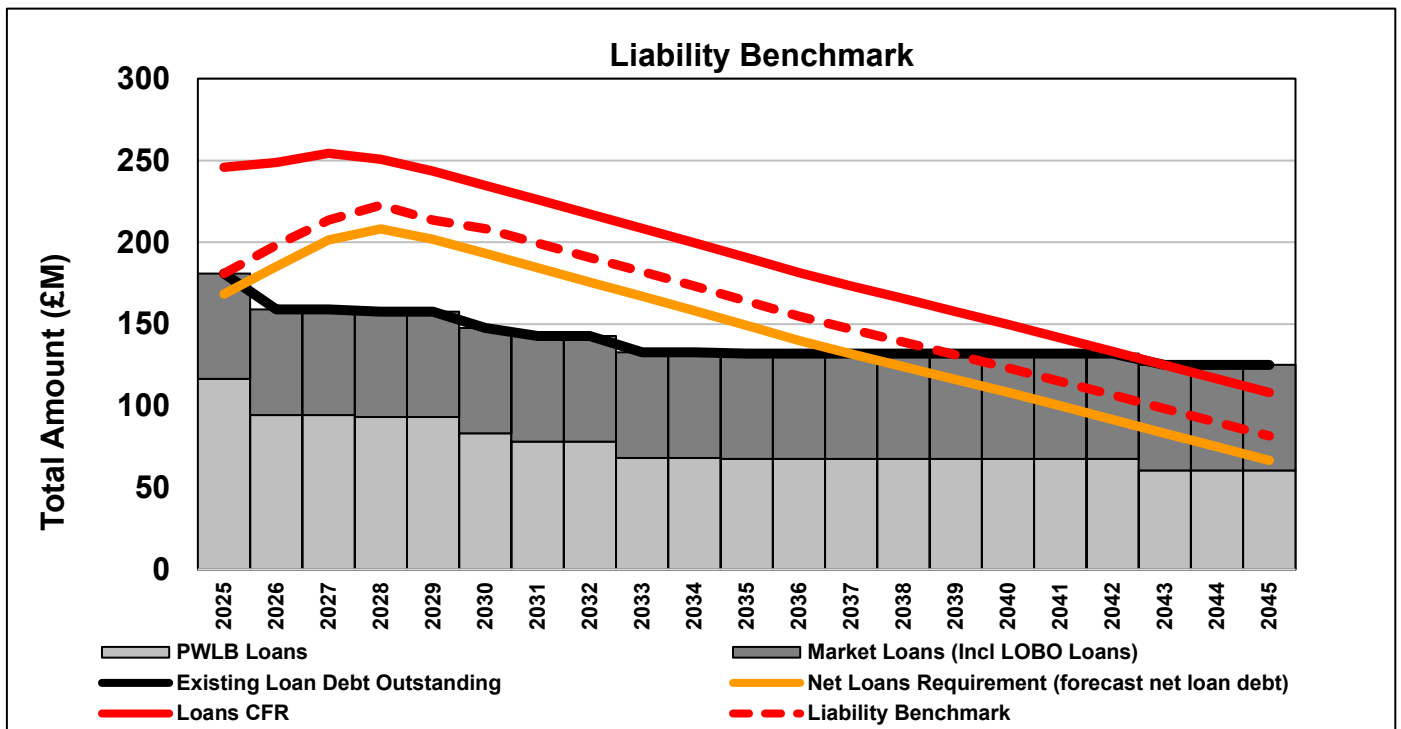
2.8 The Prudential Code requires that the Council states how interest rate exposure is managed and monitored:

All of the Council’s PWLB debt is currently at fixed rates. The LOBO and Market debt contains some debt at fixed rates, some small elements at variable rates and some (the LOBOs) where the rates can change (subject to the terms of the debt contract). The Council’s investments, which are all for less than 1 year, are all variable or regarded as variable under the treasury management rules.

These interest rate exposures are managed and monitored by the Council through management reports on treasury management that are received and reviewed by the Chief Financial Officer.

**Liability Benchmark**

2.9 The Liability Benchmark is a requirement in the revised Treasury Management Code. It is calculated from the Council’s treasury management debt less investments plus an amount for cash flow/liquidity requirements and is shown in the graph below (the dashed line) with the existing loan debt (PWLB and Market and LOBO Loans), the Loans CFR (Capital Financing Requirement excluding PPP), and the forecast net loan debt position.



The following points should be noted:

- The graph shows the current Liability Benchmark for 2024/25 plus 20 years (longer than the minimum recommended by CIPFA) but the Council’s treasury management debt runs beyond that period.
- The graph includes the impact of the current position plus the approved capital programme (including prudential borrowing) which covers the years up to 2027/28. It does not include any projected additional borrowing or requirement beyond that (albeit that borrowing may well be required depending on plans at the time).
- Where loans outstanding are currently projected to be less than the Liability Benchmark above, this indicates a borrowing requirement where the Council is underborrowed and exposed to interest rate, liquidity and refinancing risks. Where loans outstanding are projected to be greater than the Liability Benchmark, this indicates where the Council is overborrowed and exposed to credit and reinvestment risks and a possible cost of carry due to different debt and investment interest rates.

Classification : Official

### Affordability

- 2.10 In relation to affordability, the ratio of financing costs (including for PPP) to the Council's net revenue stream is estimated as:

	2024/25	2025/26	2026/27	2027/28
	Projected	Estimate	Estimate	Estimate
Ratio of financing costs (including PPP) to net revenue stream	7.82%	7.79%	8.00%	8.19%

The Council's financing costs are affordable and fully funded from the Council's Revenue Budget and reflect the costs of the significant capital programme works and improvements undertaken by the Council on the School Estate and other assets.

- 2.11 The ratio of net debt to the Council's net revenue stream is estimated as:

	2024/25	2025/26	2026/27	2027/28
	Projected	Estimate	Estimate	Estimate
Ratio of net external debt (external debt and PPP less investments) to net revenue stream	86.2%	88.0%	93.0%	94.5%

- 2.12 The ratio of net income from commercial and service investments to the Council's net revenue stream is estimated as NIL, as follows:

	2024/25	2025/26	2026/27	2027/28
	Projected	Estimate	Estimate	Estimate
Ratio of net income from commercial and service investments to net revenue stream	0.00%	0.00%	0.00%	0.00%

### Investments

- 2.13 The Council's estimated investments position (after the proposed borrowing in paragraph 2.3) is shown in Appendix B and includes transactions treated as investments under the Investment Regulations. Included in Appendix B (as Cash balances managed in house) are the following estimated Bank Deposits:

	2025/26	2026/27	2027/28
	Estimate	Estimate	Estimate
<b>Cash balances managed in house</b>	£000	£000	£000
1 April	12,555	13,052	12,126
31 March	13,052	12,126	14,501
Change in year	497	(926)	2,375

- 2.14 The Council sets upper limits for the total investments invested for over 365 days. The proposed limits are as follows:

	2024/25	2025/26	2026/27	2027/28
	Limit	Limit	Limit	Limit
Upper limit for total principal sums invested for over 365 days	£000 10,000	£000 10,000	£000 10,000	£000 10,000

The Council has not entered into any investments of more than 365 days during the year to date and does not expect to do so during the remainder of the year.

### Accounting Changes – Leases

- 2.15 As of 31 March 2025, the accounting treatment of operating leases is planned to change and the value of those leases must be added to the Council’s debt and assets. The values for the leases are being determined to comply with the changes to the accounting treatment. Any impact on the indicators and limits above will be included in future reports on Treasury Management activities.

## 3.0 PROPOSED TREASURY STRATEGY AND INVESTMENT STRATEGY

### Interest Rate Forecasts

- 3.1 The Council has appointed MUFG Corporate Markets Treasury Limited (previously known as Link Treasury Services Limited) as treasury advisers with part of their service being to assist the Council to formulate a view on interest rates. MUFG’s latest interest rate forecasts (as at 10 February 2025) are:

As At	Bank Rate	Investment Rates			PWLB Borrowing Rates			
		3 month	6 month	1 year	5 year	10 year	25 year	50 year
	%	%	%	%	%	%	%	%
March 2025	4.50	4.50	4.40	4.40	5.00	5.30	5.80	5.50
June 2025	4.25	4.30	4.20	4.20	4.90	5.20	5.70	5.40
Sept 2025	↓	↓	↓	↓	4.80	5.10	5.60	5.30
Dec 2025	4.00	4.00	3.90	3.90	4.70	5.00	5.50	5.20
March 2026	3.75	3.80	3.70	3.70	4.60	4.90	5.40	5.10
June 2026	↓	↓	↓	↓	4.50	4.80	5.30	5.00
Sept 2026	↓	3.50	3.50	3.50	4.40	4.70	5.20	4.90
Dec 2026	3.50	↓	↓	↓	↓	↓	5.10	4.80
March 2027	↓	↓	↓	↓	4.30	4.60	5.00	4.70
June 2027	↓	↓	↓	↓	4.20	4.50	↓	↓
Sept 2027	↓	↓	↓	↓	↓	↓	4.90	4.60
Dec 2027	↓	↓	↓	↓	4.10	4.40	↓	↓
March 2028	↓	↓	↓	↓	4.00	4.40	4.80	4.50

- 3.2 The UK Bank rate was cut from 4.75% to 4.50% in February 2025, the third rate cut in 2024/25. As shown above, the forecast is for fall to 4.25% by June 2025, to 4.00% by December 2025, to 3.75% by March 2026 and to 3.50% by December 2026 then remain steady thereafter to March 2028 at least at 3.50%.

### Treasury Strategy – Borrowing

- 3.3 The proposed borrowing is as shown in paragraph 2.3 whilst the proposed authorised limit for 2025/26 is shown in paragraph 2.5.

The projected replacement borrowing is to replace borrowing that was required by the Council but that was borrowed for shorter periods than required to allow the Council to refinance in the next few years when rates are expected to be lower (see the forecasts in paragraph 3.1 above).

- 3.4 Any borrowing will depend on an assessment by the Chief Financial Officer based on the Council’s requirements and financial position, adopting a cautious but pragmatic approach and after seeking advice and interest rate/economic forecasts from the Council’s treasury advisers.

Any borrowing undertaken will be reported to the Policy & Resources Committee.



### 3.5 Policy on Borrowing in Advance of Need

The Council does not and will not borrow more than its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

In determining whether borrowing will be undertaken in advance of need the Council will:

- Consider the definition of such borrowing within the Code on the Investment of Money By Scottish Local Authorities
- Ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need
- Ensure the ongoing revenue liabilities created, and the implications for the future plans and for the budgets have been considered
- Evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- Consider the merits and demerits of alternative forms of funding
- Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use
- Consider the impact of borrowing in advance on temporarily (until required to finance capital expenditure) increasing investment cash balances and the consequent increase in exposure to counterparty risk and other risks and the level of such risks given the controls in place to minimise them.

The maximum extent to which borrowing in advance would be undertaken by this Council is the borrowing requirement identified in paragraph 2.3 above for 2025/2028.

### **Treasury Strategy - Debt Rescheduling**

- 3.6 PWLB-to-PWLB debt restructuring would normally give rise to large premiums unless, as has been the case since the autumn of 2022, rates increased to levels at which some loans could be repaid either for low premiums payable by the Council or discounts receivable by the Council.
- 3.7 As short-term borrowing rates are expected to be cheaper than longer term rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of their short-term nature and the likely cost of refinancing those short-term loans, once they mature, compared to the current rates of longer term debt in the existing debt portfolio.
- 3.8 The Council is keeping investment balances low as short-term rates on investments are expected to continue to be around or lower than the rates paid on the debt currently held (albeit that the differential is expected to be lower than for some years).
- 3.9 The reasons for any rescheduling to take place will include:
- The generation of cash savings and/or discounted cash flow savings but at minimum risk;
  - Helping to fulfil the strategy outlined above; and
  - Enhancing the balance of the portfolio (amending the maturity profile and/or the balance of volatility).
- 3.10 Any debt rescheduling will be reported to the Policy & Resources Committee and the Full Council and will be within the Treasury Policy Limits.

## **Investments – Policies/Strategy**

### 3.11 Investment Policy

The Council will have regard to the Local Government Investment (Scotland) Regulations 2010 and accompanying finance circular and the revised CIPFA Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes (“the CIPFA TM Code”). The Council’s investment priorities are:

- (a) The security of capital  
and
- (b) The liquidity of its investments.

The Council will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity (i.e. Council’s investment priorities for treasury investments will consider security then liquidity and then yield/return). The risk appetite of this Council is low in order to give priority to the security of its investments.

3.12 The Treasury Management code revised in December 2021 requires that “The organisation’s credit and counterparty policies should set out its policy and practices relating to environmental, social and governance (ESG) investment considerations. This is a developing area, and it is not implied that the organisation’s ESG policy will currently include ESG scoring or other real-time ESG criteria at individual investment level.”

3.13 The policy agreed in 2023 for ESG considerations is as follows:

“This Council will seek to bring ESG (environmental, social and governance) factors into the decision-making process for investments.

For short term investments with counterparties, this Council utilises the ratings provided by Fitch, Moody’s and Standard & Poor’s to assess creditworthiness, which include analysis of ESG factors when assigning ratings. The Council will continue to evaluate additional ESG-related metrics and assessment processes that it could incorporate into its investment process and will update accordingly.”

3.14 The borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.

3.15 Counterparty limits will be as set through the Council’s Treasury Management Practices.

3.16 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

### 3.17 Permitted Investment Types

There are many investment instruments that the Council could use, each having different features and risks.

The list of investment instruments proposed for possible use by the Council (including those for the Common Good Fund) and for which Council approval is being sought are listed in Appendix A along with details of the risks from each type of investment.

The list of proposed investments reflects a low risk appetite and approach to investments by the Council.

**There are no changes to the proposed Permitted Investments from those agreed in 2024.**

Classification : Official

### 3.18 Creditworthiness Policy

The Council's proposed Creditworthiness Policy for 2025/26, as follows, is unchanged from that agreed in 2024.

3.19 The Council uses the creditworthiness service provided by MUFG Corporate Markets Treasury Limited. This service uses a sophisticated modelling approach using credit ratings from the three main rating agencies - Fitch, Moody's, and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- Credit watches and credit outlooks from credit rating agencies (indicating the likelihood of ratings changes for a counterparty or the expected direction of ratings for a counterparty)
- Credit Default Swap ("CDS") spreads to give early warning of likely changes in credit ratings
- Sovereign ratings to select counterparties from only the most creditworthy countries.

3.20 This modelling approach combines credit ratings, credit watches and credit outlooks in a risk weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are also used by the Council to determine the duration for investments.

The approach is reviewed by MUFG as required in light of banking system and regulatory changes e.g. as happened with the reduction in importance of support ratings for individual banks due to the removal of implied government support to banks.

3.21 The Council will use counterparties within the following durational bands and with the following limits per counterparty (bands and limits as set through the Council's Treasury Management Practices):

Colour Category	Maximum Period for Individual Investments	Current Limit for Total Investments with Individual Counterparty
Purple	2 Years	£15m
Blue (Nationalised or Semi-Nationalised UK Banks)	1 Year	£15m
Orange	1 Year	£15m
Red	6 Months	£15m
Green	100 Days	£10m
No Colour	Not To Be Used	£NIL

The maximum period for individual investments with the Council's own bankers will be as in accordance with the above table whilst the limit for total investments with them will be £50m or as agreed by Committee or Full Council. The limit for any other group of counterparties will be £30m or as agreed by Committee or Full Council.

Members should note that these are the maximum periods for which any investment with a counterparty meeting the criteria would take place but subject to the Council's policy on Permitted Investments and instruments.

3.22 The MUFG creditworthiness service uses a wider array of information than just primary ratings and, by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

Typically, the minimum credit ratings criteria the Council use will be a short-term rating (Fitch or equivalents) of Short-Term rating of F1 and a Long-Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.



Classification : Official

- 3.23 All credit ratings are monitored on an ongoing basis. The Council is alerted to changes to ratings of all three agencies through its use of the MUFG creditworthiness service.
- If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
  - In addition to the use of Credit Ratings the Council will be advised of information in movements in Credit Default Swap spreads against the iTraxx European Senior Financials benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. The Council also uses (where available) market data, market information and information on external support for banks.

- 3.24 It is proposed that the Council will only use approved counterparties:
- a. from the UK
  - or
  - b. from countries with a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies if not issued by Fitch).

Countries currently meeting this criterion (as at 14 February 2025) include Australia, Canada, France, Germany, Sweden, the USA, and the UK.

- 3.25 Investment Strategy  
Appendix B includes forecasts of investment balances.

- 3.26 The Bank Rate was cut from 5.25% to 5.00% in August 2024 then to 4.75% in November 2024 and to 4.50% in February 2025. MUFG's forecast is for the rate to fall to 4.25% by June 2025 then 4.00% by December 2025 and to 3.75% by March 2026. A further cut is expected in the fourth quarter of 2026 with the rate to remain steady thereafter at 3.50%. Their Bank Rate forecasts for financial year ends (March) are as follows:
- 2025/26 3.75%
  - 2026/27 3.50%
  - 2027/28 3.50%.

- 3.27 MUFG advise that, for 2025/26, clients should budget for an investment return of 4.10% on investments placed during the financial year for periods of up to 100 days.

- 3.28 The Council uses an investment benchmark to assess the performance of its investments. The benchmark being used is the 3-month SONIA compounded interest rate. This replaced LIBID rates which, for all periods, stopped being produced at the end of 2021.

- 3.29 The Council will avoid locking into longer term deals unless attractive rates are available with counterparties of particularly high creditworthiness which make longer term deals worthwhile and within the risk parameters set by this Council.

#### **Policy on Use of External Service Providers**

- 3.30 The Council uses MUFG Corporate Markets Treasury Limited (previously known as Link Treasury Services Limited) as its external treasury management advisers and uses the services of brokers for investment deals as required.
- 3.31 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon external service providers. All decisions will be undertaken with regards to all available information including, but not solely, the treasury advisers.

Classification : Official

- 3.32 The Council also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

### **Policy on Scrutiny, Monitoring and Change of Investment Policies and Practices**

- 3.33 The Treasury Management Practices (TMPs) of the Council set out the operational policies and procedures in place to implement the treasury management strategy and the principles set out in the treasury management policy statement. They are intended to minimise the risk to the capital sum of investments and for optimising the return on the funds consistent with those risks.
- 3.34 The TMPs are kept under review, with a full revision every 3 years. The TMPs were updated in February 2023 to include issues required by the revised Code.
- 3.35 Investment Management Practices (IMPs) were prepared in February 2023 as required by the revised Treasury Management Code.
- 3.36 A copy of the TMPs and the IMPs may be obtained from Finance Services.

### **Training for Members**

- 3.37 The last training session on Treasury Management was held for Members on 6 September 2022.

## **4.0 LOANS FUND ADVANCES**

- 4.1 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 repayment of debt and interest and expenses costs on the borrowing.
- 4.2 The Council is required to set out its policy for the repayment of loans fund advances from options set by the Scottish Government:
- 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 with annual principal repayments being calculated using the annuity method.
  - The annuity method is also being used for loans fund advances made after 1 April 2016. In applying the annuity method to new advances in any year, the interest rate used in the annuity calculation will be the Council's loans fund pool rate for the year (including expenses) as rounded up to the nearest 0.01%.

The Scottish Government issued a consultation paper in November 2023 which included a proposal to remove or greatly restrict the use of the annuity method from 1 April 2024. The proposals have been deferred for further discussion with any changes now being proposed from 1 April 2027 at the earliest.

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

	2023/24	2024/25	2025/26
	Actual	Projected	Estimated
	£000	£000	£000
Balance As At 1 April	223,816	220,290	216,219
Add: One-off Change to Write-off Periods	3,387	0	0
Add: Advances For The Year	784	3,514	10,737
Less: Repayments For The Year	7,697	7,585	7,719
Balance As At 31 March	220,290	216,219	219,237

Classification : Official

4.4 For the projected loans fund advances outstanding as at 31 March 2025, the liability to make future repayments (excluding debt interest and expenses) is as follows:

	£000
Year 1	7,719
Years 2-5	31,058
Years 6-10	38,428
Years 11-15	34,032
Years 16-20	32,820
Years 21-25	29,535
Years 26-30	23,299
Years 31-35	11,402
Years 36-40	3,954
Years 41-45	1,230
Years 46-50	1,270
Years 51-55	408
Years 56-60	69
Years 61-65	70
Years 66-70	84
Years 71-75	102
Years 76-80	123
Years 81-85	149
Years 86-90	180
Years 91-95	198
Years 96-100	89
TOTAL	216,219

**PERMITTED INVESTMENTS  
AND RISKS/CONTROLS/OBJECTIVES FOR EACH TYPE OF PERMITTED INVESTMENT**

The Council approves the following forms of investment instrument for use as Permitted Investments:

	<b>Minimum Credit Criteria</b>	<b>Liquidity Risk</b>	<b>Market Risk</b>	<b>Max % of Total Investments</b>	<b>Max. Maturity Period</b>
<b>Deposits</b>					
Debt Management Agency Deposit Facility (DMADF)	---	Term	No	Unlimited	6 Months
Term Deposits – Local Authorities	---	Term	No	80%	2 Years
Call Accounts – Banks and Building Societies	MUFG Colour Category GREEN	Instant	No	Unlimited	Call Facility
Notice Accounts – Banks and Building Societies	MUFG Colour Category GREEN	Notice Period	No	80%	6 Months
Term Deposits – Banks and Building Societies	MUFG Colour Category GREEN	Term	No	95%	2 Years
<b>Deposits With Counterparties Currently In Receipt of Government Support / Ownership</b>					
Call Accounts – UK Nationalised/ Part-Nationalised Banks	MUFG Colour Category BLUE	Instant	No	Unlimited	Call Facility
Notice Accounts – UK Nationalised/ Part-Nationalised Banks	MUFG Colour Category BLUE	Notice Period	No	80%	6 Months
Term Deposits – UK Nationalised/ Part-Nationalised Banks	MUFG Colour Category BLUE	Term	No	95%	1 Year
<b>Securities</b>					
Certificates of Deposit – Banks and Building Societies	MUFG Colour Category GREEN	See Note 1 Below	See Note 1 Below	80%	2 Years
<b>Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)</b>					
Money Market Funds (CNAV or LVNAV)	AAAmf with Fitch or equivalent with Moody's/ Standard & Poor's	See Note 2 Below	See Note 2 Below	50%	Call Facility

Notes:

1. The Liquidity Risk on a Certificate of Deposit is for the Term of the Deposit (if the Certificate is held to maturity) or the Next Banking Day (if sold prior to maturity). There is no Market Risk if the Certificate is held to maturity, only if the Certificate is sold prior to maturity (with an implied assumption that markets will not freeze up and so there will be a ready buyer).
2. The objective of Money Market Funds is to maintain the value of assets but such Funds hold assets that can vary in value. The credit ratings agencies, however, require the unit values to vary by almost zero. CNAV funds are Public Debt Constant Net Asset Value funds whilst LVNAV funds are Low Volatility Net Asset Value funds. There are also Variable Net Asset Value funds (VNAV) but these are not to be included as Permitted Investments.

Investments will only be made with banks/building societies that do not have a credit rating in their own right where the Council's treasury advisers have confirmed that any obligations of that bank/building society are guaranteed by another bank/building society with suitable ratings.

The Council will only use approved counterparties from the UK or from countries with a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies if Fitch does not provide). Countries currently meeting this criterion include Australia, Canada, France, Germany, Sweden, the USA, and the UK.

**Non-Treasury Investments**

In addition to the table of treasury investments above, the definition of "investments" under the Investment Regulations includes the following items that the Council approves as Permitted Investments:

	<b>Minimum Credit Criteria</b>	<b>Liquidity Risk</b>	<b>Market Risk</b>	<b>Max % of Total Investments</b>	<b>Max. Maturity Period</b>
<b>Non-Treasury Investments</b>					
(a) Share holding, unit holding and bond holding, including those in a local authority owned company	Assessment would be made of company in which any holding was to be made	Period of holding	Yes	10%	Unlimited
(b) Loans to a local authority company or other entity formed by a local authority to deliver services	Assessment would be made of company or entity to which any loan was to be made	Period of loan	No	20%	Unlimited
(c) Loans made to third parties	Assessment would be made of third party to which any loan was to be made	Period of loan	No	25%	Unlimited
(d) Investment property	Assessment would be made of property to be held as investment property	Period of holding	Yes	10%	Unlimited

In relation to the above, Members should note that the Council is unlikely to become involved with category (a), will have loans under category (b) (to Inverclyde Leisure), will have loans to third parties under category (c) arising from decisions on such loans made by the Council, and may have investment property under category (d) should there be a reclassification, due to accounting rules, of individual properties held by the Council.

Independent and expert advice and scrutiny arrangements will be put in place for non-Treasury Investments where required and the powers under which new non-Treasury Investments are proposed will be determined as part of the process for proposing and agreeing such investments.

### **Permitted Investments – Common Good**

The Common Good Fund's permitted investments are approved as follows:

	<b>Minimum Credit Criteria</b>	<b>Liquidity Risk</b>	<b>Market Risk</b>	<b>Max % of Total Investments</b>	<b>Max. Maturity Period</b>
Funds deposited with Inverclyde Council	---	Instant	No	Unlimited	Unlimited
Share holding, unit holding and bond holding, including those in a local authority owned company	Assessment would be made of company in which any holding was to be made	Period of holding	Yes	10%	Unlimited
Investment property	Assessment would be made of property to be held as investment property	Period of holding	Yes	95%	Unlimited

### **Treasury Risks Arising From Permitted Instruments**

All of the investment instruments in the above tables are subject to the following risks:

#### **1. Credit and counter-party risk**

This is the risk of failure by a counterparty (bank or building society) to meet its contractual obligations to the Council particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the Council's capital or current (revenue) resources. There are no counterparties where this risk is zero although AAA-rated organisations have the highest, relative, level of creditworthiness.

#### **2. Liquidity risk**

This is the risk that cash will not be available when it is needed. While it could be said that all counterparties are subject to at least a very small level of liquidity risk as credit risk can never be zero, in this document liquidity risk has been treated as whether or not instant access to cash can be obtained from each form of investment instrument. The column in the above tables headed as 'market risk' show each investment instrument as being instant access, notice period i.e. money is available after the notice period (although it may also be available without notice but with a loss of interest), or term i.e. money is locked in until an agreed maturity date.

#### **3. Market risk**

This is the risk that, through adverse market fluctuations in the value of the principal sums that the Council borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately. However, some cash rich local authorities may positively want exposure to market risk e.g. those investing in investment instruments with a view to obtaining a long term increase in value.

#### **4. Interest rate risk**

This is the risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the Council's finances, against which the Council has failed to protect itself adequately. This authority has set limits for its fixed and variable rate exposure in its Prudential Indicators and Treasury Management Indicators in this report.

5. **Legal and regulatory risk**

This is the risk that the Council, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the Council suffers losses accordingly.

The risk exposure of various types of investment instrument can be summarised as:

- low risk = low rate of return
- higher risk = higher rate of return.

For liquidity, the position can be summarised as:

- high liquidity = low return
- low liquidity = higher returns.

**Controls on Treasury Risks**

1. **Credit and counter-party risk**

This Council has set minimum credit criteria to determine which counterparties and countries are of sufficiently high creditworthiness to be considered for investment purposes.

2. **Liquidity risk**

This Council undertakes cash flow forecasting to enable it to determine how long investments can be made for and how much can be invested.

3. **Market risk**

The only investment instruments that the Council has agreed as Permitted Investments and that can have market risk are Certificates of Deposit. Although they have a market value that fluctuates, the market risk does not arise if the Certificates are retained until maturity - only if they were traded prior to maturity if the need arose.

4. **Interest rate risk**

This Council manages this risk by having a view of the future course of interest rates and then formulating a treasury management strategy accordingly which aims to maximise investment earnings consistent with control of risk or, alternatively, seeks to minimise expenditure on interest costs on borrowing.

5. **Legal and regulatory risk**

This Council will not undertake any form of investing until it has ensured that it has all necessary powers and also complied with all regulations.

**Unlimited Investments**

Investment Regulation 24 states that an investment can be shown in the above Permitted Investments tables as being 'unlimited' in terms of the maximum amount or percentage of the total portfolio that can be put into that type of investment. However, it also requires that an explanation must be given for using that category.

The authority has given the following types of investment an unlimited category:

1. **Debt Management Agency Deposit Facility (DMADF)**

This is considered to be the lowest risk form of investment available to local authorities as it is operated by the Debt Management Office which is part of H.M. Treasury i.e. the UK Government's credit rating stands behind the DMADF. It is also a deposit account and avoids the complications of buying and holding Government-issued treasury bills or gilts.

2. High Credit Worthiness Banks and Building Societies

See paragraphs 3.18 to 3.24 for an explanation of this authority's definition of high credit worthiness. While an unlimited amount of the investment portfolio may be put into banks and building societies with high credit worthiness, the authority will seek to ensure diversification of its portfolio with the following limits:

- Limit for any single institution (except Council's bankers): £15m
- Limit for Council's bankers: £50m (or as approved by the Council or Committee)
- Limit for any one group of counterparties: £30m (£50m or as approved by the Council or Committee for the group including the Council's bankers).

3. Funds Deposited with Inverclyde Council (for Common Good funds)

This has been included so that, under the Permitted Investments, all funds belonging to the Common Good can be deposited with Inverclyde Council (and receive interest from the Council) rather than requiring the Common Good funds to be invested under separate Treasury Management arrangements.

**Objectives of Each Type of Investment Instrument**

Investment Regulation 25 requires an explanation of the objectives of every type of investment instrument which an authority approves as being 'permitted':

1. Deposits

The following forms of 'investments' are actually more accurately called deposits as cash is deposited in an account until an agreed maturity date, or until the end of an agreed notice period, or is held at call.

a) Debt Management Agency Deposit Facility (DMADF)

This offers the lowest risk form of investment available to local authorities as it is effectively an investment placed with the Government. It is also easy to use as it is a deposit account and avoids the complications of buying and holding Government issued treasury bills or gilts. As it is low risk it also earns low rates of interest. It is, however, very useful for authorities whose overriding priority is the avoidance of risk. The longest term deposit that can be made with the DMADF is 6 months.

b) Term deposits with high credit worthiness banks and building societies

See paragraphs 3.18 to 3.24 for an explanation of this authority's definition of high credit worthiness. This is the most widely used form of investing used by local authorities. It offers a much higher rate of return than the DMADF (dependent on term). The Council will seek to ensure diversification of its portfolio of deposits as practicable and as explained above. In addition, longer term deposits offer an opportunity to increase investment returns by locking in high rates ahead of an expected fall in the level of interest rates. At other times, longer term rates can offer good value when the markets incorrectly assess the speed and timing of interest rate increases. This form of investing therefore, offers a lot of flexibility and higher earnings than the DMADF. Where it is restricted is that once a longer term investment is made, that cash is locked in until the maturity date.

c) Notice accounts with high credit worthiness banks and building societies

The objectives are as for 1.b) above but there is access to cash after the agreed notice period (and sometimes access without giving notice but with loss of interest). This can mean accepting a lower rate of interest than that which could be earned from the same institution by making a term deposit.

d) Call accounts with high credit worthiness banks and building societies

The objectives are as for 1.b) above but there is instant access to recalling cash deposited. This generally means accepting a lower rate of interest than that which could be earned from the same institution by making a term deposit. Some use of call accounts is highly desirable to ensure that the authority has ready access to cash when needed to pay bills.



2. Deposits With Counterparties Currently In Receipt of Government Support/Ownership

These institutions offer another dimension of creditworthiness in terms of Government backing through either direct (partial or full) ownership or the banking support package. The view of this Council is that such backing makes these banks attractive institutions with whom to place deposits, and that will remain our view even if the UK sovereign rating were to be downgraded in the coming year.

  - a) Term deposits, notice accounts and call accounts with high credit worthiness banks which are fully or semi nationalised

As for 1.b), 1.c) and 1.d) above but Government ownership implies that the Government stands behind this bank and will be deeply committed to providing whatever support that may be required to ensure the continuity of that bank. This Council considers that this indicates a low and acceptable level of residual risk.
3. Securities
  - a) Certificates of Deposit

These are shorter term negotiable instruments issued by deposit taking institutions (mainly banks) so they can be sold ahead of maturity if the need arises. However, that liquidity (and flexibility) comes at a price so the interest rate on a Certificate of Deposit is less than placing a Term Deposit with the same bank.
4. Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)
  - a) Money Market Funds (MMFs)

By definition, MMFs are AAA rated and are widely diversified, using many forms of money market securities including types which this authority does not currently have the expertise or risk appetite to hold directly. However, due to the high level of expertise of the fund managers and the huge amounts of money invested in MMFs, and the fact that the weighted average maturity (WAM) cannot exceed 60 days, MMFs offer a combination of high security, instant access to funds, high diversification and good rates of return compared to equivalent instant access facilities. They are particularly advantageous in falling interest rate environments as their 60-day WAM means they have locked in investments earning higher rates of interest than are currently available in the market. MMFs also help an authority to diversify its own portfolio as e.g. a £2m investment placed directly with HSBC is a 100% risk exposure to HSBC whereas £2m invested in a MMF may end up with say £10,000 being invested with HSBC through the MMF. For authorities particularly concerned with risk exposure to banks, MMFs offer an effective way of minimising risk exposure while still getting much better rates of return than available through the DMADF.
5. Non-Treasury Investments
  - a) Share holding, unit holding and bond holding, including those in a local authority owned company

The objectives for the holding of shares, units, or bonds (including those in a local authority owned company) will vary depending on whether the Council wishes to undertake actual investments in the market or has the holding as a result of a previous decision relating to the management or provision of Council services. This Council will not undertake investments in the market in shares, units, or bonds but may, if required, hold shares, units, or bonds arising from any decisions taken by the Council in relation to the management or provision of Council services.
  - b) Loans to a local authority company or other entity formed by a local authority to deliver services

Having established a company or other entity to deliver services, a local authority may wish to provide loan funding to assist the company or entity. Any such loan funding would be provided only after consideration of the reasons for the loan, the repayment period for the loan, and the likelihood that the loan would be able to be repaid by the company or entity. Such loan funding would be provided from Council Revenue Reserves rather than from borrowing.

c) Loans made to third parties

Such loans could be provided for a variety of reasons such as economic development or to assist local voluntary groups. Any such loan funding would be provided only after consideration of the reasons for the loan, the repayment period for the loan, and the likelihood that the loan would be able to be repaid by the third party concerned.

d) Investment property

An investment in property would give the Council exposure to risks such as market risk (movements in property prices), maintenance costs, tenants not paying their rent, leasing issues, etc. This Council does not currently undertake investments involving property but may have investment property should there be a reclassification, due to accounting rules, of individual properties held by the Council.

**FORECASTS OF INVESTMENT BALANCES**

Investment Regulation 31 requires the Council to provide forecasts for the level of investments for the next three years, in line with the time frame of the Council's capital investment programme. The following forecasts are for the next four years:

INVESTMENT FORECASTS	Purpose Of Investment	2025/26	2026/27	2027/28
		Estimate	Estimate	Estimate
		£000	£000	£000
<b>Cash balances managed in house</b>	Treasury			
1 April		12,555	13,052	12,126
31 March		13,052	12,126	14,501
Change in year		497	(926)	2,375
Average daily cash balances		12,804	12,589	13,314
<b>Holdings of shares, bonds, units (includes authority owned company)</b>	Service			
1 April		2	2	2
Purchases		0	0	0
Sales		0	0	0
31 March		2	2	2
<b>Loans to local authority company or other entity to deliver services (Inverclyde Leisure)</b>	Service			
1 April		211	161	109
Advances		0	0	0
Repayments		50	52	54
31 March		161	109	55
<b>Loans made to third parties</b>	Service			
1 April		74	53	53
Advances		0	0	0
Repayments		21	3	3
31 March		53	50	50
<b>Investment properties</b>	Commercial			
1 April		0	0	0
Purchases		0	0	0
Sales		0	0	0
31 March		0	0	0
<b>TOTAL OF ALL INVESTMENTS</b>				
1 April		12,842	13,268	12,287
31 March		13,268	12,287	14,608
Change in year		426	(981)	2,321

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 unredeemable bonds that have been held by the Common Good Fund for many years. Given their nature, they have been shown as being for Service Purposes rather than for Commercial Purposes.

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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Head of OD, Policy and Communications</b>	<b>Report No:</b>	<b>PR/09/25/RB/MR</b>
<b>Contact Officer:</b>	<b>Morna Rae</b>	<b>Contact No:</b>	<b>01475 712042</b>
<b>Subject:</b>	<b>Reverting to Standard Policy for Voluntary Severance and Redeployment Arrangements and Update on Voluntary Severance Scheme Releases</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 confirm that there will be a reversion to the standard policy for Voluntary Severance and Redeployment arrangements following a period of temporary enhancement. It also updates the Committee on the position of releases that have been agreed under the Council's Voluntary Severance Scheme since the previous report to Committee.

## **2.0 RECOMMENDATION**

2.1 It is recommended that the Policy and Resources Committee

1. notes that the temporary enhancements to the Voluntary Severance and Redeployment arrangements applicable to savings within the 2024-26 Budget will cease and that the standard policy will be implemented in relation to any savings realised or employee released after 31 March 2026, and
2. notes the agreement to release 15 employees under the Council's Voluntary Severance scheme as per Appendix 1.

**Ruth Binks**

**Corporate Director - Education, Communities and Organisational Development**

### 3.0 BACKGROUND AND CONTEXT

#### Reverting to Standard Policy for Voluntary Severance and Redeployment Arrangements

- 3.1 In order to attract interest in voluntary severance and the consequent delivery of savings the Inverclyde Council agreed a temporary enhancement to the Voluntary Severance and Redeployment arrangements at their meeting on 1 February 2024.
- 3.2 These were agreed only in relation to employees displaced as a result of the 2024-26 Budget process, including workstreams. The changes in policy do not apply to any other employees and it was agreed that this should revert following this Budget process.
- 3.3 The temporary enhancements are:
- Extension of redeployment period from 12 weeks to 6 months,
  - Extension in length of pay protection from one to two years and
  - Enhancement to voluntary severance scheme in terms of added weeks/years (as detailed in the table below)

<b>Group 1</b>	<b>Weekly Pay Used to Calculate Redundancy Payment</b>	<b>Redundancy Table Used</b>	<b>Access to a Pension</b>	<b>Added Years to Redundancy</b>
Under 50 years of age Non members and members of pension scheme  OR Over 50 years of age non members of pension scheme  OR Over 50 years of age < 2 years membership of pension scheme	Average weekly	Standard = Up to 66 weeks  Enhanced = Up to 90 weeks	N/A	N/A
<b>Group 2</b>	<b>Weekly Pay Used to Calculate Redundancy Payment</b>	<b>Redundancy Table Used</b>	<b>Access to a Pension</b>	<b>Added Years to Redundancy</b>
Over 55 years of age > 2 years membership of pension scheme  OR Over 50 years of age > 2 years membership of	Average weekly	Up to 30 week table	Yes	Standard = Up to 3 added years

pension scheme at 6 April 2006				Enhanced = Up to 6 added years
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3.4 These enhancements will remain available to any employee savings realised up to 31 March 2026. Thereafter the standard policy will apply. The standard policy includes a redeployment period of 12 weeks, one year's pay protection and the standard table used for redundancy payments and added years towards the employee's pension.

#### Update on Voluntary Severance Scheme Releases

3.5 This report updates the Committee on the position of releases that have been agreed under the Council's Voluntary Severance Policy over the period 2024/25. The number of early releases agreed over this period together with the associated costs and savings are detailed Appendix 1. The release of employees is subject to the Council's agreed Value for Money criteria of a return of costs within a 3-year period and this has been applied in all cases before an employee is granted release under the Council's Voluntary Severance Scheme.

### 4.0 PROPOSALS

4.1 It is recommended that the Policy and Resources Committee notes:

- the temporary enhancements to the Voluntary Severance and Redeployment arrangements applicable to savings within the 2024-26 Budget will cease and that the standard policy will be implemented in relation to any savings realised or employee released after 31 March 2026, and
- the agreement to release 15 employees under the Council's Voluntary Severance scheme as per Appendix 1.

### 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

An allowance of £0.5million was allocated within the Budget Delivery earmarked reserve to meet extra costs arising from the enhancements. These additional costs will not be incurred in relation to employees released after 31 March 2026.

As outlined in Appendix 1 the total cost is £741,228.25, the total net saving is £437,123.91 and payback period is 1.7 years. Due to the enhanced terms during 2024/25, the payback period

has increased as anticipated from prior years. During 2020/22 period, the payback was 1.3 years and 2023/24, 1.13 years compared to 1.7 years for 2024/25.

#### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Earmarked Reserve	Voluntary Severance	2024/26	£0.741m	N/A	Balance remaining on EMR will be £2.386m, this is after £1.2m added to reserve March 2024.

#### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
Pensions	Added Years	April 2025	£0.011m	N/A	Costs as a result of annual budget savings exercise.
Various	Employee Costs	April 2025	(£0.437m)	N/A	

### 5.3 Legal/Risk

There are no legal/risk implications arising from this report.

### 5.4 Human Resources

The human resource implications are detailed in the body of the report.

### 5.5 Strategic

The matters referred to in this report are of relevance to the following Council Plan 2023/28 Theme:

#### Theme 3: Performance

- High quality and innovative services are provided, giving value for money
- Our employees are supported and developed.

## 6.0 CONSULTATION

6.1 Trade Unions via the Joint Budget Group have been consulted on this proposal and agree with the action proposed.

## 7.0 BACKGROUND PAPERS

7.1 None.

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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Head of OD, Policy and Communications</b>	<b>Report No:</b>	<b>PR/08/25/RB/MR</b>
<b>Contact Officer:</b>	<b>Morna Rae</b>	<b>Contact No:</b>	<b>01475 712055</b>
<b>Subject:</b>	<b>Equality Mainstreaming Report 2025, Progress on Equality Outcomes 2021/25, the Equal Pay Statement 2025 and the Proposed Equality Outcomes 2025/29</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 present for approval the Equality Mainstreaming Report 2025, progress on delivery of the Equality Outcomes 2024/25, the Equal Pay Statement 2025, and the proposed Equality Outcomes for the period 2025/29. More information is provided in the Appendices.

## **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that the Committee:
- Notes the contents of this report, and
  - Approves the proposed Equality Outcomes 2025/29.

**Morna Rae**  
**Head of OD, Policy and Communications**



### **3.0 BACKGROUND**

- 3.1 The Equality Act 2010 includes the Public Sector Equality Duty which covers the Protected Characteristics of Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion or Belief; Sex; and Sexual Orientation.
- 3.2 The Equality Duty comprises a General Duty and Specific Duties. The General Duty requires the Council to have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by The Equality Act 2010;
  - advance equality of opportunity between people from different groups; and
  - foster good relations between people from different groups.
- 3.3 Due regard means that, during decision making, conscious consideration is given to the three aims of the General Duty.
- 3.4 The Specific Duties require the Council to:
- set specific, measurable Equality Objectives and publish information about our performance on equality;
  - publish sufficient information to show we have considered the three aims of the General Duty across our functions;
  - publish evidence of equality analysis undertaken to establish whether our policies and practices would further, or have furthered, the three aims of the General Duty;
  - gather, use and publish employment information;
  - publish Gender Pay Gap information;
  - publish an Equal Pay Statement; and
  - consider award criteria and conditions in public procurement.
- 3.5 The United Nations Convention on the Rights of the Child (UNCRC) is an international human rights treaty that grants all children and young people (aged 17 and under) a comprehensive set of rights. The UNCRC is the most widely supported human rights agreement in the world. It sets out a series of Articles, in one internationally recognised document, which outline the human rights that children (under the age of 18) should be entitled to. The Council is committed to promoting and upholding the rights of children and young people and aims to translate to a local level the UNCRC and the work of the Scottish Commissioner for Children and Young People.
- 3.6 The Equality Act 2021 requires the Council to publish Equality Outcomes every 4 years. The last set were agreed in 2021, and there is therefore a requirement to agree outcomes for delivery in 2025 onwards. Legislation also requires a Mainstreaming Report to be published every 2 years. This was last undertaken in 2023 and so an updated report is now provided for 2025. The statutory requirements are listed against Inverclyde Council, Inverclyde Education Authority and Inverclyde Licencing Board. For reporting purposes, the licencing information is incorporated within the Council report. The Education Authority related reports are provided to the Education and Communities Committee.

### **EQUALITY OUTCOMES 2021/25 – PROGRESS**

- 3.7 The Council adopted a suite of Equality Outcomes in 2021 to cover the period 2021/25. Attached at Appendix 1 are details of progress made with delivery of the Equality Outcomes 2021/25. It should be noted that some of the actions remain in progress and will continue into the 2025 Action Plan. A number of these were negatively impacted by the legacy of the pandemic.

Key achievements from the action plan and wider relevant initiatives to note include the following:

- Delivery of the new model of combining all relevant funding streams into one Community Grant Fund and ensure that applications are furthering the aims of the Council, advancing equality, and ensuring that funding reaches as many organisations as possible
- We continue to support a Staff Disability Forum, a group that provides a platform for disabled staff, employees who care for disabled dependants and staff with an interest in disability. The Forum provides an opportunity to exchange information, ideas and raise awareness about disability in a confidential and safe space.
- The Community Learning and Development (CLD) Team has continued to expand English for speakers of other languages (ESOL) services
- We have updated a number of Human Resources and Health and Safety policies over the period. These help us to ensure we have modern, supportive and inclusive practices in place for our workforce. Of particular relevance are the Code of Conduct, Grievance, Dignity and Respect at Work Policy and Discipline Policy.
- The HSCP have implemented the Frailty Assessment Tool across all older adult services to improve support for older people in the community
- The Council has focused on anti-poverty initiatives, supported by a £1.05 million fund established in 2021. This has included the Warm Hand of Friendship with 58 community organisations delivering meals, warm spaces and clothing in the winter months. Over 9000 individuals have benefitted with a focus on lone parent families, families with multiple children and older adults.
- The Duke of Edinburgh scheme has a strong presence in Inverclyde and amongst other outcomes, provides valuable experience to young people that can, in turn, positively impact future job prospects. Funding at £120k was agreed in June 2024 to support this provision.
- Access to Community Connectors, GP Community Link Workers and Welfare Rights Officers provides support to enable residents to access services that support their well-being
- The Council has continued to encourage a diversity in its workforce. With a high proportion of employees living locally, there is a strong correlation between Inverclyde demographic and out workforce demographic. Since 2015 through various resettlement schemes, 874 individuals have come to Inverclyde, with 637 settling in the area. They are supported by a range of partner agencies. In conjunction with the Scottish Government a new role of Community Settlement Officer has been established.
- Our updated Recruitment Policy has strengthened our approach to having diversity in recruitment panels and continuing to support the Disability Confident Scheme.

3.8 Appendix 2 contains a breakdown of the employee profile of Council in relation to the Protected Characteristics of Gender; Age; Disability; Ethnicity; Sexual Orientation; Religion or Belief; and Marriage and Civil Partnership Status. It should be noted that, where data in the tables in the Appendix 2 is the equivalent of five or less, the information has been suppressed to protect the identity of the respective employees and potential employees. Additionally, in terms of those data sets, it is not possible to provide any meaningful commentaries on variations in figures.

3.9 The employee profile includes a significant amount of information. This is based on self reported personal information. Some key themes from the profile include:

- Our workforce comprised around 23% male employees, with females making up 76% of our staff. This is similar to the national rates within local authorities.
- In terms of employee age, the highest percentage is within the 50-59 age bracket. This reinforces the importance of succession planning, and all council services have recently updated their succession plans.
- Most of our employees report that they are White Scottish (81%). This correlates with the Census 2022 figures of 91% of Inverclyde's population (91%) stating that their ethnicity was 'White Scottish'. In relation to applications across the reporting years there was a

slight reduction in the percentage of White Scottish candidates. There were increases across other ethnic groups.

- In recruitment processes a consistent percentage of females/males apply, progress to interview and are then appointed. Across the reporting years most applications came from the 20-29 age group. This followed through to the interview and appointment stages. This is encouraging in terms of succession planning.
- We receive a low number of applications from people with disabilities, around 3%. In line with our Disability Confident accreditation there is an increase at the interview stage. Appointment levels then sit at approximately 3%.
- The Pay Gap information is the percentage difference between the hourly pay for people within one group and people in another group, e.g. male/female.
- The Disability Pay Gap levels are 2.02% for 2022/23 and 3.28% for 2023/24. This sits against a UK figure of 12.7%.
- The Ethnicity Pay Gap levels are -8.45% for 2022/23 and -8.22% for 2023/24.
- The Gender Pay Gap figures are 4.38% for 2022/23 and 4.16% for 2023/24. The trend has been reducing year on year – from 10.9% in 2015-16.

### PROPOSED EQUALITY OUTCOMES 2025/29

3.10 The Council is required to devise a set of Equality Outcomes for the four year period from 2025. A consultation on the Equality Outcomes 2025/29 and the Education Equality Outcomes 2025/29 took place 29 January- 12 February 2025. A number of stakeholder groups were invited to participate in the process including Inverclyde residents, Council employees, trade union members, Health and Social Care Partnership service users as well as groups linked to the Community Learning and Development Team.

3.11 A total of 74 individuals responded to the consultation. Respondents were asked to indicate the extent of their support for the following proposed outcomes.

Answer Choices	Strongly agree	Agree	Neither / nor	Disagree	Strongly disagree
Outcome 1: Increase the participation of seldom-heard/under-represented voices in local decision-making processes	36.49%	29.73%	16.22%	13.51%	4.05%
Outcome 2: Improve support for older people in the community	51.35%	33.78%	12.16%	0.00%	2.70%
Outcome 3: Take action to prevent violence against women and girls in Inverclyde	66.22%	21.62%	8.11%	4.05%	0.00%
Outcome 4: Increase the diversity of the Council workforce	16.22%	27.03%	28.38%	16.22%	12.16%
Outcome 5: Improve the economic prospects of people who are furthest from the Labour Market including young people, older people and disabled people	41.89%	40.54%	10.81%	1.35%	5.41%

They were then asked to indicate any other equality issues which should be considered. There were 27 responses. These were across a wide range of themes such as deprivation and

economic inequality, accessibility, violence in communities, young people’s voices and transport. No clear additional outcomes were identified from this feedback.

Based on this the following are proposed as Equality Outcomes 2025/29:

- Outcome 1 Increase the participation of seldom-heard/under-represented voices in local decision-making processes.
- Outcome 2 Improve support for older people in the community
- Outcome 3 Take action to prevent violence against woman and girls in Inverclyde
- Outcome 4 Increase the diversity of the Council workforce
- Outcome 5 Improve the economic prospects of people who are furthest from the Labour Market including young people, older people and disabled people

3.12 A related action plan will be developed, with oversight from the Corporate Equalities Group.

#### 4.0 PROPOSALS

4.1 is recommended that the Committee:

- Notes the contents of this report, and
- Approves the proposed Equality Outcomes 2025/29.

#### 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

One off Costs

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

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>

### 5.3 Legal/Risk

The devising and publication of this report contributes to the fulfilment of the Council's obligations under The Equality Act 2010.

### 5.4 Human Resources

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

### 5.5 Strategic

This report supports delivery of the Council Plan outcome *High quality and innovative services are provided, giving value for money.*

## 6.0 CONSULTATION

6.1 The consultation approach is detailed in the report.

## 7.0 BACKGROUND PAPERS

7.1 None.

## Corporate Equality Outcomes 2021/25

## Appendix 1

Development Area	Description	Responsible Team	Update	Status
<b>Outcome 1: Increase the participation of seldom-heard/under-represented voices in local decision-making processes</b>				
1.1 Attain LGBT Silver Charter Award status	Achievement of the LGBT Silver Charter Award by LGBT Youth Scotland	Community Learning and Development, Community Safety and Resilience and Sport	This action has been progressed with participants who attend the Clyde Pride Youth Action Group. The action was impacted by the pandemic in terms of the group meeting and support available from LGBT Youth Scotland. The charter is achieved by working through a programme of activity in conjunction with the LGBT Scotland and therefore takes around a year to achieve. This action will continue into 2025-26.	In progress
1.2 Implement Community Grants Fund	Implementation of the Community Grants Fund - Delivery of the new model of combining all relevant funding streams into one CGF and ensure that applications are furthering the aims of the Council, advancing equality, and ensuring that funding reaches as many organisations as possible	Community Learning and Development, Community Safety and Resilience and Sport	Review is complete and new Community Grants Fund established.	Complete
1.3 Learning Opportunities for New Scots	Support for New Scots - Further develop learning opportunities around adult literacy and numeracy for the New Scots who have settled in Inverclyde with the aim of increasing their confidence when accessing goods and services	Community Learning and Development, Community Safety and Resilience and Sport	The Community Learning and Development (CLD) Team has continued to expand English for speakers of other languages (ESOL) services with additional funding from HSCP.	Complete
<b>Outcome 2: Improve support for older people in the community</b>				
2.1 Develop Frailty Assessment Tool	Early intervention and prevention of frailty in older people - Review and develop the use of the Frailty Assessment Tool with the aim of developing multi-disciplinary planning for service users and patients.	Health and Community Care	The HSCP have implemented the Frailty Assessment Tool across all older adult services. All frontline staff had been trained to be able to undertake the assessment. As part of our work around unscheduled hospital care we continue to monitor the outcomes of the assessments.	Complete

Development Area	Description	Responsible Team	Update	Status
	Scope and explore how Services contribute to the prevention of frailty.			
2.2 Implement Health and Well-Being Recovery Plan	Implementation of the new Health and Well-Being Recovery Plan - Delivery of the new Health and Well-Being Recovery Plan with the aim of preventing falls and improving activity and movement in people with long-term conditions	Health and Community Care	Significant progress has been made in how we monitor falls, this includes sessions at our unscheduled care operational meetings where we interrogate the data. We regularly report through internal and NHS GGC Board level monitoring processes. This ensures the HSCP is as responsive as possible to this concern among our more vulnerable and frail population. The Maximising Independence Coordinator is implementing a programme to support people to remain as healthy as possible for as long as possible through a range of health information, early intervention approaches and effective long-term support	Complete
2.3 Support Access to Well-being Services	Access to Community Connectors, GP Community Link Workers and Welfare Rights Officers - Provide support to enable residents to access services that support their well-being	Health and Community Care	Our Community Link Workers support GP practices locally to deal with non-medical needs and social prescribing. The Community Connector Model assists our community at a lower level of social prescribing and connects our population groups to much needed support and services. A programme of awareness raising of the wellbeing services and the maximising independence programme facilitates self management, living well and waiting well.	Complete
2.4 Develop Access 1st Service	Promotion of the Access 1st service - Further development of the service to raise awareness of the Access 1st service among local residents as the first point of contact to access services which aim to support them to live a safe, healthy, active and satisfying life; feel respected and included in their local community; and feel they have the same opportunities as other who do not have a long-term condition or disability	Health and Community Care	The Access 1st service is an established and identifiable brand and is promoted via a number of mediums including the Health and Social Care Partnership (HSCP) webpage, twitter, GP Surgeries; Community Link Workers; the Ardgowan Hospice; Acute Hospitals; and community groups including <i>Your Voice</i> (Community Care Forum), the <i>Inverclyde Carers' Centre and Circles Network Advocacy</i> . Officers attend local community events and functions to promote the service.	Complete

Development Area	Description	Responsible Team	Update	Status
<b>Outcome 3: Take action to prevent violence against women and girls in Inverclyde</b>				
3.1 Progress Equally Safe at Work Accreditation	Equally Safe at Work -Apply for the next stage of Equally Safe at Work Bronze Accreditation. Identify learning from the first stages of the programme and opportunities for the Council to advance gender equality and prevent violence against women across its workforce.	Safer Communities	Accreditation achieved. Award was presented on 4th December 2023.	Complete
3.2 Improve Housing Outcomes for Women and Children Affected by Domestic Abuse	Improve housing outcomes for women and children affected by domestic abuse - COSLA is leading on this work and it is included in the National Equally Safe Delivery Plan. COSLA is in discussion with Scottish Government regarding capacity and engaging with services in local areas to identify needs. VAW MAP will be part of this discussion on how to improve housing outcomes in our area.	Safer Communities	COSLA had extended an invite for Violence Against Women Partnerships to sit on the working groups that were being set up to support the recommendations from the "Improving Housing Options for Victims of Domestic Abuse" report. However, Scottish Government is currently looking at how to approach the work of the groups and how the ambitions of the report can be prioritised with the capacity available. This action is therefore delayed pending confirmation of the national position. This action will be continued into 2025-26.	In Progress
3.3 Improve Outcomes for Women with Learning Disabilities Affected by Domestic Abuse	Improve outcomes for women with learning disabilities who have been affected by domestic abuse - Be part of a national advisory group led by NHS Scotland to identify outcomes that affect women who have a learning disability and are experiencing domestic abuse. Consider how improvements can be implemented at a local level and work with local partners to put this into practice.	Safer Communities	There has been participation in national work to identify outcomes that affect women who have a learning disability and are experiencing domestic abuse. The DASH Risk Indicator Checklist, developed by SafeLives and Talking Mats, is now available and has been shared with members for use with clients/patients with a Learning Disability where there is significant risk of harm as a result of Domestic Abuse.	Complete
3.4 Safety Consultation with Women & Girls	Identify safety issues experienced by women and girls in the local community -	Safer Communities	A survey to determine women's perception of safety when undertaking activities in public spaces was undertaken. The	Complete



Development Area	Description	Responsible Team	Update	Status
	Work with community safety colleagues to carry out a consultation to determine if women and girls perceive any safety impediment in using Inverclyde public paths, parks and cycle ways and, if so, how any identified issues may be addressed. The survey is structured to identify gender related concerns, help us understand perceptions and experiences which affect or limit women undertaking activity in public space and assist us in identifying areas of our services, communities and public spaces which could be improved.		results were reported to the Education and Communities Committee and has informed a strategic action plan.	
<b>Outcome 4: Increase the diversity of the Council workforce</b>				
4.1 Review the Council's understanding of racism	Identify potential improvement actions around racism - Undertake a review of the Council's understanding of racism and the structural barriers that may exist.	OD, Policy and Communication s	A number of potential mechanisms have been identified on how to best review the Council's understanding of racism. However capacity issues have meant that this has not yet progressed to a full review. This will include undertaking research with our Black and Minority Ethnic staff on their experiences in the workplace to help guide future policy and practice. This will be supported by the 2025 Employee Survey.	In progress
4.2 Implement the Minority Ethnic Recruitment Toolkit	Recruitment of employees from minority ethnic communities - use the Scottish Government's (SG) Minority Ethnic Recruitment Toolkit with the aim of supporting the recruitment of Inverclyde Council employees from minority ethnic communities.	OD, Policy and Communication s	Implementation has progressed with key documents showing our strategic commitment to increase the diversity of the workforce. Recruitment and selection policies have been updated and adherence is supported by Chairs of panels being required to have undertaken the related training. Diversity/race equality awareness training has taken place. Census categories are used to gather equality information.	Complete
4.3 Improve our Equality Data	Improve the equality data held on the composition of our workforce- Recruitment portal has updated its equal opportunity (EO) questions tied to the changes in the next Scottish Census	OD, Policy and Communication s	Equal opportunity questions updated and employees asked to complete.	Complete

Development Area	Description	Responsible Team	Update	Status
	(delayed from 2021 to 2022). The form is ready to be released after the school Summer break 2021 to ask all staff to update their EO statistics.			
<b>Outcome 5: Improve the economic prospects of people who are furthest from the Labour Market including young people, older people and disabled people</b>				
5.1 Promote the Young Person's National Entitlement Cards	Young Person's National Entitlement Cards for people aged 11-25 years - Publicise the Cards with the aim of promoting engagement with the initiative and the uptake of free travel for all under 22 years olds from 31 January 2022	Community Learning and Development	One of the highest national uptakes of Young Scot and National Entitlement cards linked to the free bus travel for under-22s has been achieved. Continued release of cards to schools when appropriate.	Complete
5.2 Re-establish Local Employability Partnership	Local Employability Partnership (LEP) re-established to ensure LOIP 2017/22 and Scottish Government employability policies and programmes are delivered locally -Regular LEP meetings. A Delivery Plan 2022/23 is created through partnership working outlining employability priorities for the following financial year.	Employability	The Local Employability Partnership was reestablished and ongoing employability programmes are in place.	Complete
5.3 Deliver Employability Interventions	Employability interventions - Inverclyde Jobs Pledge - Deliver improvement actions in line with the relevant elements of the individual Covid-19 Recovery Plans which support delivery of Local Outcomes Improvement Plan 2017/22 Priority 3: The local economy	Employability	The Council has continued to support employability interventions including Modern Apprenticeships. Job vacancies continue to be advertised and shared with local employability partners under the Inverclyde Works branding.	Complete

## Inverclyde Council Equality Mainstreaming Report 2025

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## 1. Strategic Fit

Inverclyde Council believes in, and is committed to, the principle of equality of opportunity. The Council recognises its responsibilities as a community leader, service provider and employer to encourage the fair treatment of all individuals and to tackle social exclusion and inequality. It also recognises the benefits this brings to the community, the Council and its employees.

The vision for the Inverclyde area is *Getting it right for every child, citizen and community*. This means that the Council and its partners will work together to create a confident, inclusive Inverclyde with safe and sustainable, healthy, nurtured communities, and a thriving, prosperous economy, with active citizens who are resilient, respected and responsible and able to make a positive contribution to the area.

## 2. Governance

The Corporate Equalities Group (CEG) is chaired by the Corporate Director - Education, Communities and Organisational Development, and its Terms of Reference are to progress and reinforce the Council's commitment to equalities across all Council Services and, in doing so, ensure the Council meets its legislative requirements, as outlined in The Equality Act 2010.

The role of the CEG is to:

- establish a robust performance and planning framework for equalities;
- devise, monitor and report progress on the Council's Corporate Equality Outcomes and the Education Equality Outcomes;
- facilitate support for staff directly involved in delivering the Equality Outcomes;
- offer the relevant Council Services an opportunity to showcase improvement actions that relate directly to one or more of the Protected Characteristics;
  - engage with stakeholders on equalities issues;
- share information with the Council's Staff Disability Forum; and
- provide corporate governance and scrutiny on relevant Council improvement plans.

### 3. Employee Profile

For the purposes of this report, the head count represents each unique individual who works for Inverclyde Council. Some employees may have more than one job at the Authority, therefore, the head count figures used here, and for the breakdown of Protected Characteristics, may be less than other figures which express the number of jobs. Additionally, it should be noted that, where data in the tables is the equivalent of five or less, the information has been suppressed to protect the identity of current and historical employees.

#### 3.1 Employee Profile - Sex

	2022/23		2023/24	
	No.	%	No.	%
Male	1,068	23.44	1199	23.52
Female	3,485	76.48	3893	76.38
Prefer not to say	≤5	-	≤5	-

What the data tells us: During the two reporting years, the male/female split of employees was consistent. Our workforce comprised around 23% male employees, with females making up 76% of our staff. It is pleasing to note that a very low number of employees opted for the prefer not to say response when asked about their Sex.

#### 3.2 Employee Profile – Age

	2022/23		2023/24	
	No.	%	No.	%
<b>Age in years</b>				
16-19	50	1.10	41	0.80
20-29	562	12.33	650	12.75
30-39	854	18.74	942	18.48
40-49	1,017	22.32	1159	22.74
50-59	1,417	31.10	1448	28.41
60-65	566	12.42	708	13.89
> 65	91	2.00	149	2.92

What the data tells us: Between 2022/23 and 2023/24, there were not significant changes in percentage terms of the age bands of employees. The highest percentage is within the 50-59 age bracket.

#### 3.3 Employee Profile – Disability

	2022/23		2023/24	
	No	%	No	%
Disability	188	4.13	223	4.38
No disability	3,784	83.04	4263	83.64
Prefer not to answer	186	4.08	191	3.75

Null/Blank	399	8.76	420	8.24
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What the data tells us: Between 2022/23 and 2023/24, there were not significant changes in percentage terms in relation to the disability classification of employees.

### 3.4 Employee Profile – Ethnicity

All staff	2022/23		2023-24	
	No.	%	No	%
<b>White</b>				
Scottish	3,703	81.26	4161	81.64
English	0	0	0	0.00
Welsh	0	0	0	0.00
Northern Irish	0	0	0	0.00
British	123	2.70	128	2.51
Irish	90	1.97	91	1.79
Gypsy/Traveller	0	0.00	0	0.00
Eastern European	≤5	-	10	0.20
Polish	≤5	-	9	0.18
Other white ethnic group	41	0.90	58	1.14
<b>Mixed or Multiple Ethnic Groups</b>				
Any mixed or multiple ethnic group	6	0.13	8	0.16
<b>Asian, Asian Scottish or Asian British</b>				
Pakistani, Pakistani Scottish or Pakistani British	≤5	-	≤5	-
Indian, Indian Scottish or Indian British	≤5	-	≤5	-
Bangladeshi, Bangladeshi Scottish or Bangladeshi British	0	0	0	0.00
Chinese, Chinese Scottish or Chinese British	0	0	≤5	-
Other Asian, Asian Scottish or Asian British	0	0	0	0.00

<b>African</b>				
African, African Scottish or African British	8	0.18	13	0.26
African Other	≤5	-	≤5	-
<b>Caribbean or Black</b>				
Caribbean, Caribbean Scottish or Caribbean British	≤5	-	≤5	-
Black, Black Scottish or Black British	≤5	-	0	0.00
Other Caribbean or Black	0	0.00	0	0.00
<b>Other Ethnic Group</b>				
Arab	≤5	-	≤5	-
Other	14	0.31	16	0.31
<b>Prefer not to answer</b>	90	1.97	94	1.84
<b>Null/Blank</b>	461	10.12	491	9.63

What the data tells us: Scottish people comprised the majority of staff in both reporting years. Changes across other ethnicity groups were minimal.

### 3.5 Employee Profile – Sexual Orientation

<b>All staff</b>	<b>2022/23</b>		<b>2023/24</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Lesbian, Gay or Bisexual	86	1.89	105	2.06
Heterosexual/Straight	3,265	71.65	3735	73.28
Prefer not to answer	123	2.70	134	2.63
Null/Blank	1,081	23.72	1119	21.95
Other	≤5	-	≤5	-

What the data tells us: Between 2022/23 and 2023/24, there was a small increase in the percentage of employees selecting Heterosexual/Straight.

### 3.6 Employee Profile – Religion or Belief

<b>All staff</b>	<b>2022/23</b>		<b>2023/24</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Buddhist	7	0.15	8	0.16



Church of Scotland	769	16.88	849	16.66
Hindu	≤5	-	≤5	-
Humanist	0	0.00	0	0.00
Jewish	≤5	-	0	0.00
None	851	18.67	1039	20.38
Muslim	7	0.15	13	0.26
Other Christian	167	3.66	199	3.90
Other Religion	19	0.42	23	0.45
Pagan	≤5	-	≤5	-
Prefer not to answer	178	3.91	194	3.81
Roman Catholic	1,423	31.23	1594	31.27
Sikh	≤5	-	≤5	-
Null/Blank	1,129	24.78	1169	22.94

What the data tells us: When staff were asked about their Religion or Belief, the most popular responses were Roman Catholic, Null/Blank and None.

### 3.7 Employee Profile – Marriage and Civil Partnership Status

All staff	2022/23		2023/24	
	No.	%	No.	%
Divorced/Separated	313	6.87	339	6.65
Living with Partner	368	8.08	379	7.44
Married/Civil Partnership	2,134	46.83	2391	46.91
Single	1,215	26.66	1433	28.11
Widowed	61	1.34	73	1.43
Prefer not to answer	203	4.45	212	4.16
Null/Blank	263	5.77	270	5.30

What the data tells us: Between the two reporting years, when they were asked about their Marriage and Civil Partnership Status, there was minimal percentage changes.

## 4. Leavers

Where data in the tables is the equivalent of five or less, the information has been suppressed to protect the identity of current and historical employees.

## 4.1 Leavers – Sex

	2022/23		2023/24	
	No.	%	No.	%
<b>Male</b>	120	25.48	143	32.80
<b>Female</b>	349	74.10	292	66.97
<b>Prefer Not to Say</b>	≤5	-	≤5	-

What the data tells us: Between the two reporting years, there was a percentage increase in the amount of males leaving.

## 4.2 Leavers - Age

Age group in years	2022/23		2023/24	
	No.	%	No.	%
Under 20	6	1.27	≤5	-
20-29	98	20.81	78	17.89
30-39	79	16.77	64	14.68
40-49	57	12.10	65	14.91
50-59	91	19.32	81	18.58
60-65	84	17.83	79	18.12
Over 65	56	11.89	64	14.68

What the data tells us: Over the two reporting years the greatest concentration of leavers was in the 50-59 age range.

## 4.3 Leavers – Disability

	2022/23		2023/24	
	No.	%	No.	%
Disability	22	4.67	27	6.19
No disability	384	81.53	360	82.57
Prefer not to answer	18	3.82	21	4.82
Blanks	47	9.98	28	6.42

What the data tells us: Over the reporting years a significant majority of leavers had no disability.

## 4.4 Leavers – Ethnicity

All staff	2022/23		2023/24	
	No.	%	No	%
<b>White</b>				
Scottish	372	78.98	366	83.94
English	0	0	0	0
Welsh	0	0	0	0
Northern Irish	0	0	≤5	-
British	12	2.55	10	2.29
Irish	11	2.34	0	0
Gypsy/Traveller	0	0	0	0
Eastern European	0	0	0	0
White Polish	≤5	-	≤5	-
Other white ethnic group	7	1.49	9	2.06
<b>Mixed or Multiple Ethnic Groups</b>				
Other ethnic group	≤5	-	≤5	-
<b>Asian, Asian Scottish or Asian British</b>				
Pakistani, Pakistani Scottish or Pakistani British	≤5	-	0	0
Indian, Indian Scottish or Indian British	0	0	0	0
Bangladeshi, Bangladeshi Scottish or Bangladeshi British	0	0	0	0
Chinese, Chinese Scottish or Chinese British	0	0	0	0
Other Asian, Asian Scottish or Asian British	0	0	0	0
<b>African</b>				
African, African Scottish or African British	≤5	-	≤5	-
African Other	0	0	0	0
<b>Caribbean or Black</b>				
Caribbean, Caribbean Scottish or Caribbean British	0	0	0	0
Black, Black Scottish or Black British	0	0	0	0

Other Caribbean or Black	0	0	0	0
<b>Other Ethnic Group</b>				
Arab	0	0	0	0
Other	0	0	0	0
<b>Prefer Not to Answer</b>	7	1.49	11	2.52
<b>Null/Blank</b>	54	11.46	27	6.19

What does the data tell us: Over the two years the highest proportion of leavers were White Scottish.

#### 4.5 Leavers – Sexual Orientation

	2022/23		2023/24	
	No.	%	No.	%
Lesbian, Gay or Bisexual	14	2.97	15	3.44
Heterosexual/Straight	333	70.70	317	72.71
Prefer not to answer	21	4.46	22	5.05
Null/Blank	≤5	-	≤5	-

What the data tells us: Most leavers over the two reporting years were heterosexual/straight.

#### 4.6 Leavers - Religion or Belief

	2022/23		2023-24	
	No.	%	No.	%
Buddhist	0	0	2	0.46
Church of Scotland	76	16.14	61	13.99
Hindu	0	0	0	0
Humanist	0	0	0	0
Jewish	≤5	-	0	0
Muslim	≤5	-	≤5	-
None	116	24.63	100	22.94
Other Christian	16	3.40	22	5.05
Other Religion	≤5	-	≤5	-
Pagan	≤5	-	0	0

Roman Catholic	128	27.18	137	31.42
Sikh	0	0	0	0
Prefer not to answer	18	3.82	24	5.50
Null/Blank	111	23.57	83	19.04

What the data tells us: The highest percentage of leavers in relation to religion or belief is Roman Catholic over the reporting period.

#### 4.7 Leavers - Marriage and Civil Partnership Status

	2022/23		2023/24	
	No.	%	No.	%
Divorced/Separated	24	5.10	38	8.72
Living with Partner	41	8.70	22	5.05
Married/Civil Partnership	189	40.13	180	41.28
Single	141	29.94	150	34.40
Widowed	7	1.49	6	1.38
Prefer not to answer	25	5.31	20	4.59
Null/Blank	44	9.34	20	4.59

What the data tells us: Most leavers over the reporting period were classified as Married/Civil Partnership.

## 5. Recruitment

Where data in the tables is the equivalent of five or less, the information has been suppressed to protect the identity of current and historical employees.

## 5.1 Recruitment – Sex

2022/23	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Male	1,788	23.65	551	23.93	143	24.03
Female	5,652	74.77	1,708	74.16	434	72.94
Prefer not to answer	25	0.33	≤5	-	≤5	-
Null/Blank	94	1.24	39	1.69	17	2.81

2023/24	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Male	3,574	24.78	149	21.75	147	22.76
Female	10,728	74.38	521	76.06	482	74.61
Prefer not to answer	37	0.26	≤5	-	≤5	-
Null/Blank	85	0.59	13	1.90	15	2.32

What the data tells us: During the last two reporting years, the male/female split of prospective Council employees was broadly similar: male applicants comprised around a quarter, with females making up around three quarters of applicants.

Applications for Promoted Posts	2022/23		2023-24	
	No.	%	No.	%
Male	75	36.90	348	28.93
Female	128	63.10	852	70.82
Prefer not to answer	0	0.00	≤5	-
Null/Blanks	0	0.00	0	0.00

What the data tells us: In terms of applications for promoted posts, an increased percentage of female employees applied in 2023-24.

Successful applications for promoted posts	2022/23		2023-24	
	No.	%	No.	%
Male	9	31.00	26	23.42
Female	20	69.00	85	76.58
Prefer not to answer	0	0.00	0	0.00
Null/Blanks	0	0.00	0	0.00

What the data tells us: In terms of those who successfully applied for promoted posts, an increased percentage of female employees were successful, consistent with the table above on applications.

## 5.2 Recruitment – Age

2022/23 Age group in years	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Under 20	164	2.17	49	2.13	29	4.79
20-29	2,434	32.20	719	31.22	169	27.93
30-39	2,204	29.16	686	29.79	154	25.45
40-49	1,205	15.94	385	16.72	113	18.68
50-59	976	12.91	301	13.07	95	15.70
60-65	281	3.72	74	3.21	18	2.98
Over 65	63	0.83	11	0.48	≤5	-
Blanks/Unknown	232	3.07	78	3.39	26	4.30

2023/24 Age group in years	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%

Under 20	291	2.02	21	3.07	18	2.79
20-29	5,384	37.33	180	26.28	177	27.40
30-39	4,066	28.19	176	25.69	170	26.32
40-49	2,276	15.78	136	19.85	132	20.43
50-59	1,521	10.54	111	16.20	105	16.25
60-65	433	3.00	33	4.82	19	2.94
Over 65	60	0.42	≤5	-	≤5	-
Blanks/Unknown	393	2.72	27	3.94	25	3.87

What the data tells us: Across the reporting years most applications came from the 20-29 age group. This followed through to the interview and appointment stages.

### 5.3 Recruitment – Disability

2022/23	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Disability	259	3.43	112	4.86	17	2.81
No Disability	7,060	93.40	2,098	91.10	563	93.06
Prefer not to answer	146	1.93	54	2.34	8	1.32
Blanks	94	1.24	39	1.69	17	2.81

2023/24	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Disability	446	3.09	44	6.42	17	2.63
No Disability	13,663	94.72	620	90.51	611	94.58
Prefer not to answer	230	1.59	6	0.88	≤5	-
Blanks	85	0.59	15	2.19	13	2.01

What the data tells us: Between the reporting years there were similar levels of conversion of from application to appointment.

### 5.4 Recruitment – Ethnicity

Applications	2022/23		2023/24	
	No.	%	No.	%



<b>White</b>				
Scottish	6445	85.26	11524	79.89
English	0	0.00	0	0.00
Welsh	0	0.00	0	0.00
Northern Irish	0	0	0	0.00
British	0	0	0	0.00
Irish	53	0.70	100	0.69
Gypsy/Traveller	0	0	0	0.00
Eastern European	0	0	0	0.00
Polish	24	0.32	28	0.19
Other British	249	3.29	475	3.29
Other white ethnic group	207	2.74	546	3.79
<b>Mixed or Multiple Ethnic Groups</b>				
Any mixed or multiple ethnic group	69	0.91	159	1.10
<b>Asian, Asian Scottish or Asian British</b>				
Pakistani, Pakistani Scottish or Pakistani British	22	0.29	132	0.92
Indian, Indian Scottish or Indian British	41	0.54	188	1.30
Bangladeshi, Bangladeshi Scottish or Bangladeshi British	≤5	-	11	0.08
Chinese, Chinese Scottish or Chinese British	17	0.22	26	0.18
Other Asian, Asian Scottish or Asian British	12	0.16	96	0.67
<b>African</b>				
African, African Scottish or African British	54	0.71	≤5	-
African - Other	97	1.28	603	4.18
<b>Caribbean or Black</b>				
Caribbean, Caribbean Scottish or Caribbean British	≤5	-	43	0.30

Black, Black Scottish or Black British	≤5	-	≤5	-
Other Caribbean or Black	6	0.08	39	0.27
Other Ethnic Group				
Arab	9	0.12	≤5	-
Other	13	0.17	158	1.10
<b>Prefer not to answer</b>	140	1.85	205	1.42
<b>Null/Blank</b>	94	1.24	85	0.59

What the data tells us: Across the reporting years there was a slight reduction in the percentage of White Scottish candidates. There were increases across other ethnic groups.

Interviews	2022/23		2023/24	
	No.	%	No.	%
<b>White</b>				
Scottish	2002	86.93	583	85.11
English	0	0.00	0	0.00
Welsh	0	0.00	0	0.00
Northern Irish	0	0.00	0	0.00
British	0	0.00	0	0.00
Irish	20	0.71	≤5	-
Gypsy/Traveller	0	0.00	0	0.00
Eastern European	≤5	-	0	0.00
Polish	10	0.43	≤5	-
Other British	70	3.04	12	1.75
Other white ethnic group	51	2.21	12	1.75
<b>Mixed or Multiple Ethnic Groups</b>				

Any mixed or multiple ethnic group	21	0.91	9	1.31
<b>Asian, Asian Scottish or Asian British</b>				
Pakistani, Pakistani Scottish or Pakistani British	8	0.35	0	0.00
Indian, Indian Scottish or Indian British	8	0.35	≤5	-
Bangladeshi, Bangladeshi Scottish or Bangladeshi British	0	0.00	0	0.00
Chinese, Chinese Scottish or Chinese British	6	0.26	≤5	-
Other Asian, Asian Scottish or Asian British	≤5	-	≤5	-
<b>African</b>				
African, African Scottish or African British	11	0.48	≤5	-
African - Other	11	0.48	26	3.80
<b>Caribbean or Black</b>				
Caribbean, Caribbean Scottish or Caribbean British	0	0.00	≤5	-
Black, Black Scottish or Black British	0	0.00	0	0.00
Other Caribbean or Black	0	0.00	0	0.00
<b>Other Ethnic Group</b>				
Arab	≤5	-	≤5	-
Other	≤5	-	≤5	-
<b>Prefer not to answer</b>	45	1.95	9	1.31
<b>Null/Blank</b>	39	1.69	15	2.19

What this data tells us: There were similar trends across the reporting years.

<b>Appointments</b>	<b>2022/23</b>	<b>2023/24</b>
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	No.	%	No.	%
<b>White</b>				
Scottish	539	89.09%	581	89.94
English	0	0.00	0	0.00
Welsh	0	0.00	0	0.00
Northern Irish	0	0.00	0	0.00
British	0	0.00	0	0.00
Irish	≤5	-	≤5	-
Gypsy/Traveller	0	0.00	0	0.00
Eastern European	0	0.00	0	0.00
Polish	≤5	-	≤5	-
Other British	19	3.14	9	1.39
Other white ethnic group	8	1.32	12	1.86
<b>Mixed or Multiple Ethnic Groups</b>				
Any mixed or multiple ethnic group	≤5	-	≤5	-
<b>Asian, Asian Scottish or Asian British</b>				
Pakistani, Pakistani Scottish or Pakistani British	≤5	-	0	0.00
Indian, Indian Scottish or Indian British	≤5	-	≤5	-
Bangladeshi, Bangladeshi Scottish or Bangladeshi British	0	0.00	0	0.00
Chinese, Chinese Scottish or Chinese British	0	0.00	≤5	-
Other Asian, Asian Scottish or Asian British	≤5	-	≤5	-
<b>African</b>				
African, African Scottish or African British	≤5	-	≤5	-
African - Other	0	0.00	≤5	-
<b>Caribbean or Black</b>				
Caribbean, Caribbean Scottish or Caribbean British	0	0.00	≤5	-

Black, Black Scottish or Black British	≤5	-	0	0.00
Other Caribbean or Black	0	0.00	0	0.00
<b>Other Ethnic Group</b>				
Arab	0	0.00	≤5	-
Other			≤5	-
<b>Prefer not to answer</b>	≤5	-	7	1.08
<b>Null/Blank</b>	17	2.81	15	2.32

What this data tells us: There were similar trends across the reporting years.

#### 5.5 Recruitment – Sexual Orientation

2022/23	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Lesbian, Gay or Bisexual	258	3.41	70	3.04	15	2.48
Heterosexual/Straight	6,899	91.27	2,087	90.62	554	91.57
Other	≤5	-	≤5	-	0	0.00
Prefer not to answer	297	3.93	104	4.52	18	2.98
Null/Blank	103	1.36	41	1.78	18	2.98

	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Lesbian, Gay or Bisexual	579	4.01	28	4.09	12	1.86
Heterosexual/Straight	13,139	91.09	616	89.93	604	93.50
Other	≤5	-	≤5	-	≤5	-

Prefer not to answer	584	4.05	24	3.50	15	2.32
Null/Blank	116	0.80	16	2.34	15	2.32

What the data tells us: In both reporting years, the majority of applicants told us they were Heterosexual/Straight when they were asked about their Sexual Orientation.

#### 5.6 Recruitment – Religion or Belief

2022/23	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Buddhist	18	0.24	≤5	-	≤5	-
Church of Scotland	1,196	15.82	407	17.67	104	17.19
Hindu	24	0.32	≤5	-	≤5	-
Humanist	0	0.00	0	0.00	0	0.00
Jewish	24	0.32	9	0.39	0	0.00
Muslim	45	0.60	9	0.39	≤5	-
None	2,975	39.36	867	37.65	225	37.19
Other Christian	298	3.94	84	3.65	14	2.31
Other Religion	13	0.17	≤5	-	0	0.00
Pagan	14	0.19	≤5	-	0	0.00
Roman Catholic	2,482	32.84	770	33.43	215	35.54
Sikh	7	0.09	≤5	-	0	0.00
Prefer not to answer	369	4.88	103	4.47	27	4.46
Null/Blank	94	1.24	39	1.69	17	2.81

2023/24	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Buddhist	106	0.73	≤5	-	≤5	-
Church of Scotland	2,041	14.15	116	16.93	112	17.34
Hindu	99	0.69	≤5	-	0	0.00
Humanist	0	0.00	0	0.00	0	0.00
Jewish	10	0.07	0	0.00	0	0.00

Muslim	365	2.53	≤5	-	≤5	-
None	5,611	38.90	241	35.18	234	36.22
Other Christian	815	5.65	31	4.53	26	4.02
Other Religion	27	0.19	0	0.00	0	0.00
Pagan	52	0.36	≤5	-	≤5	-
Roman Catholic	4,404	30.53	234	34.16	225	34.83
Sikh	52	0.36	0	0.00	0	0.00
Prefer not to answer	757	5.25	36	5.26	31	4.80
Null/Blank	85	0.59	15	2.19	13	2.01

What the data tells us: In both reporting years, there were significant numbers of applicants, interviewees and appointees who chose the response None when asked about their Religion or Belief at various stages of the recruitment and selection process. Aside from the None response, when potential Council employees were asked about their Religion or Belief, the most popular responses were Church of Scotland and Roman Catholic.

#### 5.7 Recruitment - Marriage and Civil Partnership Status

2022/23	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%
Divorced/Separated	409	5.41	105	4.56	34	5.62
Living with Partner	733	9.70	224	9.73	59	9.75
Married/Civil Partnership	2,265	29.96	706	30.66	197	32.56
Single	3,597	47.59	1,081	46.94	270	44.63
Widowed	81	1.07	26	1.13	6	0.99
Prefer not to answer	380	5.03	122	5.30	22	3.64
Null/Blank	94	1.24	39	1.69	17	2.81
2023/24	Applications		Interviews		Appointments	
	No.	%	No.	%	No.	%

Divorced/Separated	798	5.53	54	7.88	40	6.19
Living with Partner	1,064	7.38	66	9.64	62	9.60
Married/Civil Partnership	4,426	30.68	239	34.89	235	36.38
Single	7,266	50.37	276	40.29	270	41.80
Widowed	74	0.51	8	1.17	5	0.93
Prefer not to answer	711	4.93	27	3.94	20	3.10
Null/Blank	85	0.59	15	2.19	13	2.01

What the data tells us: During both reporting years, the most popular response when applicants were asked about their Marriage and Civil Partnership Status was Single.



## 6.0 Disciplinary Action

Where data in the tables is the equivalent of five or less, the information has been suppressed to protect the identity of current and historical employees.

## 6.1 Disciplinary Action – Sex

	2022/23		2023/24	
	No.	%	No.	%
Male	29	51.79	27	45.76
Female	27	48.21	32	54.24

Over the period there was a small increase in disciplinary action in relation to females, and a consequent reduction in relation to males.

## 6.2 Disciplinary Action – Age

Age group in years	2022/23		2023/24	
	No.	%	No.	%
16-19	≤5	-	0	0.00
20-29	≤5	-	9	15.25
30-39	10	17.86	10	16.95
40-49	11	19.64	23	38.98
50-59	16	28.57	11	18.64
60-65	12	21.43	≤5	-
Over 65	≤5	-	≤5	-
Blanks	0	0.00	0	0.00

In 2023-24 a higher proportion of employees involved in disciplinary action were age 40-49. There were reduction in other age bands.

## 6.3 Disciplinary Action – Disability

	2022/23		2023/24	
	No.	%	No.	%
Disability	≤5	-	≤5	-
No disability	41	73.21	35	59.32
Prefer not to answer	≤5	-	≤5	-
Blanks (Unknown)	9	16.07	17	28.81

What the data tells us: Given that the majority of the elements of this data set have been anonymised and the significant proportion of Blanks, it would not be appropriate to provide commentaries.

## 6.4 Disciplinary Action – Ethnicity

All staff	2022/23		2023/24	
	No.	%	No.	%
<b>White</b>				
Scottish	43	76.79	47	79.66
British	≤5	-	≤5	-
Irish	0	0	≤5	-
Polish	≤5	-	0	0.00
White Other	0	0	≤5	-
African Other	0	0	≤5	-
<b>Other Ethnicity</b>	0	0	0	0
<b>Prefer not to answer</b>	≤5	-	≤5	-
<b>Null/Blank</b>	9	16.07	≤5	-

What the data tells us: Given that the majority of the elements of this data set have been anonymised it would not be appropriate to provide commentaries.

#### 6.5 Disciplinary Action – Marriage and Civil Partnership Status

	2022/23		2023/24	
	No.	%	No.	%
Divorced/Separated	≤5	-	≤5	-
Living with Partner	≤5	-	≤5	-
Married/Civil Partnership	21	37.50	20	33.90
Single	16	28.57	24	40.68
Widowed	≤5	-	≤5	-
Prefer not to answer	≤5	-	≤5	-
Null/Blank	4	7.14	≤5	-

What the data tells us: Given that the majority of the elements of this data set have been anonymised it would not be appropriate to provide commentaries.

## 7.0 Grievance

Where data in the tables is the equivalent of five or less, the information has been suppressed to protect the identity of current and historical employees.

## 7.1 Grievance – Sex

Gender	2022/23		2023/24	
	No.	%	No.	%
Male	≤5	-	7	36.84
Female	9	75.00	10	52.63
Prefer Not to Answer	0	0.00	≤5	-

What the data tells us: Due to the small number of employees concerned it would not be appropriate to provide commentaries on the figures.

## 7.2 Grievance – Age

Age group in years	2022/23		2023/24	
	No.	%	No.	%
16-19	0	0.00	0	0.00
20-29	0	0.00	0	0.00
30-39	≤5	-	≤5	-
40-49	≤5	-	≤5	-
50-59	≤5	-	8	42.11
60-65	0	0.00	≤5	-
Over 65	≤5	-	≤5	-
Null/Blank	0	0.00	≤5	-

What the data tells us: Due to the small number of employees concerned it would not be appropriate to provide commentaries on the figures.

## 7.3 Grievance – Disability

	2022/23		2023/24	
	No.	%	No.	%
Yes, limited a little	≤5	-	0	0.00
Yes, limited a lot	0	0	0	0.00
No disability	≤5	-	10	52.63
Prefer not to answer	≤5	-	≤5	-
Blanks	≤5	-	≤5	-

What the data tells us: Due to the small number of employees concerned it would not be appropriate to provide commentaries on the figures.

## 7.4 Grievance – Ethnicity

All staff	2022/23		2023/24	
	No.	%	No.	%

White Scottish	9	75.00	12	63.16
White Irish	0	0	≤5	-
Other Ethnicity	≤5	-	≤5	-
Prefer not to answer	≤5	-	≤5	-
Null/Blank	≤5	-	≤5	-

What the data tells us: Due to the small number of employees concerned it would not be appropriate to provide commentaries on the figures.

#### 7.5 Grievance – Marriage and Civil Partnership Status

	2022/23		2023/24	
	No.	%	No.	%
Divorced/Separated	≤5	-	≤5	-
Living with Partner	0	0.00	≤5	-
Married/Civil Partnership	≤5	-	8	42.11
Single	≤5	-	≤5	-
Widowed	0	0.00	0	0.00
Prefer not to answer	≤5	-	≤5	-
Null/Blank	0	0.00	≤5	-

What the data tells us: Due to the small number of employees concerned it would not be appropriate to provide commentaries on the figures.

## 8.0 Flexible Working Requests

Where data in the tables is the equivalent of five or less, the information has been suppressed to protect the identity of current and historical employees.

## 8.1 Flexible Working Requests – Sex

	2022/23		2023/24	
			No	%
Male	18	13.95	14	9.27
Female	110	85.27	137	90.73
Prefer not to answer	≤5	-	0	0.00

What the data tells us: The proportion of female employees who submitted a request to work flexibly increased between the two reporting years.

## 8.2 Flexible Working Requests – Age

Age group in years	2022/23		2023/24	
	No.	%	No.	%
16-19	0	0.00	0	0.00
20-29	10	7.75	17	11.26
30-39	39	30.23	46	30.46
40-49	19	14.73	34	22.52
50-59	35	27.13	36	23.84
60-65	20	15.50	15	9.93
Over 65	6	4.65	≤5	-

What the data tells us: Between the two reporting years there were some fluctuations in the age groups of those who submitted a request to work flexibly.

## 8.3 Flexible Working Requests – Disability

	2022/23		2023/24	
	No.	%	No.	%
Disability	≤5	-	10	6.62
No disability	102	79.07	128	84.77
Prefer not to answer	≤5	-	11	7.28
Blanks	20	15.50	≤5	-

What the data tells us: A significant majority of employees who submitted requests had no disability.

## 8.4 Flexible Working Requests – Ethnicity

All staff	2022/23		2023/24	
	No.	%	No.	%
White Scottish	95	73.64	117	77.48
White Irish	≤5	-	0	0.00
White Other	0	0	≤5	-
White Other British	≤5	-	≤5	-
Other Ethnicity	≤5	-	6	3.97
				0.00
Mixed or Multiple	≤5	-	≤5	-
Other Ethnicity	≤5	-	0	0.00
<b>Prefer not to answer</b>	≤5	-	≤5	-
<b>Null/Blank</b>	21	16.28	19	12.58

What the data tells us: A significant majority of employees who submitted requests were White Scottish.

## 8.5 Flexible Working Requests – Marriage and Civil Partnership Status

	2022/23		2023/24	
	No.	%	No.	%
Divorced/Separated	≤5	-	11	7.28
Living with Partner	24	18.60	20	13.25
Married/Civil Partnership	88	68.22	93	61.59
Single	9	6.98	21	13.91
Widowed	≤5	-	≤5	-
Prefer not to answer	≤5	-	≤5	-
Null	0	0.00	≤5	-

What the data tells us: A significant majority of employees who submitted requests were Married/Civil Partnership.

## 9. Adoption

The number of Council employees who were on Adoption leave in both years was  $\leq 5$ .

The Council is committed to providing a range of family friendly benefits to both parents and carers. More details are available from the Family Friendly and Work Life Balance Policy document - including details of the Adoption Leave Scheme - which is available to view on the Council's website.

## 10. Pregnancy and Maternity

The Council offers a broad range of assistance to pregnant employees and those who return to work after having a baby that go beyond the statutory requirements. The Council does not wish any member of staff to feel discriminated against because of their Pregnancy or Maternity Status.

The Council is committed to providing a range of family friendly benefits to both parents and carers. More details are available from The Family Friendly and Worklife Balance Policy which may be of particular interest to employees who are pregnant; the document is available to download from the Council's website.

## 11 Equal Pay

Where data in the tables is the equivalent of five or less, the information has been suppressed to protect the identity of current and historical employees.

## 11.1 Average Total Pay Analysis for Disability

## Disability Pay Gap 2022/23

Equal Pay Work Group	Not Disabled		Disabled		Difference	Pay Gap
	Count	Average Total Hourly Rate	Count	Average Total Hourly Rate		
Modern Apprentices	54	9.05	12	8.91	£0.14	1.55%
1	282	10.88	15	10.9	-£0.02	-0.18%
2	255	11.49	14	11.49	£0.00	0.00%
3	941	12.07	35	12.07	£0.00	0.00%
4	206	13.37	15	13.17	£0.20	1.50%
5	499	15.1	27	15.19	-£0.09	-0.60%
6	155	17.26	10	17.4	-£0.14	-0.81%
7	121	19.29	7	19.25	£0.04	0.21%
8	169	21.22	12	21.29	-£0.07	-0.33%
9	36	23.02				
10	77	25.02	9	25.21	-£0.19	-0.76%
11	23	27.34	≤5	27.76	-£0.42	-1.54%
12	27	32.64	≤5	33.14	-£0.50	-1.53%
Chief Officers	11	50.99	≤5	66.58	-£15.59	30.57%
Depute/Principal Ed Psychologist	≤5	45.06				
Senior Educational Psychologist	≤5	41.75				
Educational Psychologist	6	35.66				
Music Instructor	9	23.88				
Teacher	431	25.59	15	25.39	£0.20	0.78%
Principal Teacher	85	32.49	≤5	32.52	-£0.03	-0.09%
Depute Head	25	38.05				
Head Teacher	22	44.59				
Quality Improvement Officer	≤5	42.11				
Quality Improvement Manager	≤5	46.33				
<b>Total</b>	<b>3441</b>	<b>£16.86</b>	<b>179</b>	<b>£16.52</b>	<b>£0.34</b>	<b>2.02%</b>

Not Disabled	3441	£16.86
Disabled	179	£16.52
Difference		0.34
Pay Gap		<b>2.02%</b>

The total head count is 4160. Blanks and Prefer not to answer responses are 540



Principal Teacher - salaries for teachers are set nationally. The Pay Gap here is due to disabled employees being at the starting point for their grade. This will change as the employees progress through the salary points.

## Disability Pay Gap 2023/24

Equal Pay Work Group	No Disclosed Disability		Disclosed Disability		Difference	Pay Gap
	Count	Average Total Hourly Rate	Count	Average Total Hourly Rate		
Modern Apprentices	56	£10.28	10	£10.31	-£0.03	-0.29%
1	277	£12.00	17	£12.00	£0.00	0.00%
2	246	£12.55	15	£12.55	£0.00	0.00%
3	619	£13.09	32	£13.05	£0.04	0.31%
4	488	£13.92	18	£13.95	-£0.03	-0.22%
5	512	£16.17	26	£16.27	-£0.10	-0.62%
6	156	£18.46	11	£18.39	£0.07	0.38%
7	119	£20.62	7	£20.76	-£0.14	-0.68%
8	164	£22.52	11	£22.57	-£0.05	-0.22%
9	39	£24.38				
10	83	£26.53	8	£26.81	-£0.28	-1.06%
11	25	£29.13	≤5	£29.44	-£0.31	-1.06%
12	28	£34.82	≤5	£35.15	-£0.33	-0.95%
Chief Officers	10	£54.05	≤5	£70.61	-£16.56	30.64%
Depute/Principal Educational Psychologist	≤5	£48.26				
Senior Educational Psychologist	≤5	£44.72				
Educational Psychologist	≤5	£38.29				
Music Instructor	10	£26.14				
Teacher	436	£27.69	15	£27.50	£0.19	0.69%
Principal Teacher	87	£34.99	≤5	£34.15	£0.84	2.40%
Depute Head Teacher	23	£40.77				
Head Teacher	22	£48.13				
Education Support Officer	≤5	£33.48				
Quality Improvement Officer	≤5	£46.74				
Quality Improvement Manager	≤5	£49.62				
<b>Total</b>	<b>3413</b>	<b>£18.31</b>	<b>178</b>	<b>£17.71</b>	<b>£0.60</b>	<b>3.28%</b>

No Disclosed Disability	3413	£18.31
Disclosed Disability	178	£17.71
Difference		0.6
Pay Gap		<b>3.28%</b>

Total Headcount is 4089 but Blanks and Prefer not to answer account for 498 people.

## 11.2 Average Total Pay Analysis for Ethnicity

## Ethnicity Pay Gap 2022/23

Equal Pay Work Group	White British		Black/Minority Ethnic		Difference	Pay Gap
	Count	Average Total Hourly Rate	Count	Average Total Hourly Rate		
Modern Apprentices	64	9.02	≤5	9.12	-£0.10	-1.11%
1	298	£10.87	8	£10.90	-£0.03	-0.28%
2	263	£11.49	9	£11.55	-£0.06	-0.52%
3	982	£12.07	28	£12.02	£0.05	0.41%
4	210	£13.36	8	£13.43	-£0.07	-0.52%
5	496	£15.10	35	£15.11	-£0.01	-0.07%
6	157	£17.27	11	£17.26	£0.01	0.06%
7	116	£19.30	10	£19.39	-£0.09	-0.47%
8	153	£21.23	19	£21.25	-£0.02	-0.09%
9	32	£23.00	≤5	£23.21	-£0.21	-0.91%
10	79	£25.06	8	£25.01	£0.05	0.20%
11	20	£27.32	≤5	£27.59	-£0.27	-0.99%
12	25	£32.68	≤5	£32.66	£0.02	0.06%
Chief Officers	12	£53.71	≤5	£49.44	£4.27	7.95%
Depute/ Principal Ed Psychologist						
Senior Educational Psychologist	≤5	£41.75				
Educational Psychologist	≤5	£37.16	≤5	£32.08	£5.08	13.67%
Music Instructor	8	£24.33	≤5	£20.30	£4.03	16.56%
Teacher	425	£25.64	20	£24.89	£0.75	2.93%
Principal Teacher	85	£32.47	≤5	£32.51	-£0.04	-0.12%
Depute Head	25	£38.05				
Head Teacher	22	£44.59				
Quality Improvement Officer	≤5	£42.68	≤5	£42.11	£0.57	1.34%
Quality Improvement Manager	≤5	£46.33				
Total	3482	£16.69	173	£18.10	-£1.41	-8.45%

White British	3482	£16.69
Not White British	173	£18.10

Difference		-1.41
Pay Gap		<b>-8.45%</b>

Note: Total Headcount is 4160 but blank and prefer not to answer account for 505 people.

Educational Psychologist - Salaries are set nationally. The pay gap here is due to staff being new in post at the starting point of the banding for their grade and will progress through salary points.

Music Instructors - Salaries are set nationally. The pay gap here is due to staff being new in post at the starting point of the banding for their grade and will progress through salary points.

## Ethnicity Pay Gap 2023/24

Equal Pay Work Group	White British		Black/Minority Ethnic		Difference	Pay Gap
	Count	Average Total Hourly Rate	Count	Average Total Hourly Rate		
Modern Apprentices	65	10.28				
1	288	£12.00	10	£12.00	£0.00	0.00%
2	259	£12.55	8	£12.55	£0.00	0.00%
3	642	£13.09	19	£13.05	£0.04	0.31%
4	497	£13.91	22	£13.96	-£0.05	-0.36%
5	513	£16.17	31	£16.24	-£0.07	-0.43%
6	154	£18.46	13	£18.41	£0.05	0.27%
7	112	£20.65	10	£20.78	-£0.13	-0.63%
8	151	£22.54	20	£22.52	£0.02	0.09%
9	31	£24.44	7	£24.26	£0.18	0.74%
10	85	£26.55	7	£26.80	-£0.25	-0.94%
11	22	£29.08	≤5	£29.44	-£0.36	-1.24%
12	26	£34.80	≤5	£35.15	-£0.35	-1.01%
Chief Officers	11	£57.21	≤5	£52.44	£4.77	8.34%
Depute/Principal Educational Psychologist						
Senior Educational Psychologist	≤5	£44.72				
Educational Psychologist	≤5	£39.94	≤5	£34.35	£5.59	14.00%
Music Instructor	8	£26.40	≤5	£25.12	£1.28	4.85%
Teacher	426	£27.80	24	£26.09	£1.71	6.15%
Principal Teacher	87	£34.96	≤5	£34.16	£0.80	2.29%
Depute Head	23	£40.60				
Head Teacher	22	£48.13				
Education Support Officer						
Quality Improvement Officer	≤5	£46.74	≤5	£47.56	-£0.82	-1.75%
Quality Improvement Manager	≤5	£49.62				
<b>Total</b>	<b>3431</b>	<b>£18.13</b>	<b>185</b>	<b>£19.62</b>	<b>-£1.49</b>	<b>-8.22%</b>

White British	3431	£18.13
Black/Minority Ethnic	185	£19.62
Difference		-1.49

Pay Gap		<b>-8.22%</b>
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Note: Total Headcount is 4089 but blank and prefer not to answer account for 473 people.

Educational Psychologist - Salaries are set nationally. The pay gap here is due to staff being new in post at the starting point of the banding for their grade and will progress through salary points.

Teachers - Salaries are set nationally. The pay gap here is due to staff being new in post at the starting point of the banding for their grade and will progress through salary points.

## 11.4 Average Total Pay Analysis for Gender

## Gender Pay Gap 2022/23

Equal Pay Work Group	Male		Female			
	Count	Average Total Hourly Rate	Count	Average Total Hourly Rate	Difference	Pay Gap %
Modern Apprentices	37	£9.03	35	£9.05	-0.02	-0.22
1	47	£10.90	278	£10.87	0.03	0.28
2	76	£11.49	214	£11.49	0	0.00
3	176	£12.07	883	£12.07	0	0.00
4	131	£13.41	109	£13.29	0.12	0.89
5	105	£15.15	450	£15.10	0.05	0.33
6	64	£17.27	114	£17.29	-0.02	-0.12
7	51	£19.42	82	£19.23	0.19	0.98
8	45	£21.31	151	£21.20	0.11	0.52
9	13	£23.05	27	£23.01	0.04	0.17
10	35	£24.96	57	£25.09	-0.13	-0.52
11	15	£27.65	14	£27.07	0.58	2.10
12	10	£32.85	18	£32.56	0.29	0.88
Chief Officers	9	£50.02	≤5	£58.19	-8.17	-16.33
Principal/Depute Educational Psychologist	≤5	£45.06	≤5	£42.55	2.51	5.57
Senior Educational Psychologist			≤5	£41.75		
Educational Psychologist	2	£32.68	≤5	£37.16	-4.48	-13.71
Music Instructor	10	£24.83	9	£24.58	0.25	1.01
Teacher	123	£26.15	515	£26.24	-0.09	-0.34
Principal Teacher	47	£33.05	105	£32.36	0.69	2.09
Depute Head	9	£38.01	39	£37.67	0.34	0.89
Head Teacher	8	£44.99	24	£43.79	1.2	2.67
Quality Improvement Officer	≤5	£42.11	≤5	£42.87	-0.76	-1.80
Quality Improvement Manager	≤5	£46.33	≤5	£46.33	0	0.00
	<b>1017</b>	<b>£18.26</b>	<b>3139</b>	<b>£17.46</b>	<b>0.8</b>	<b>4.38</b>

Chief Officers have been grouped together to avoid identifying individual staff. Salaries are set nationally and staff will progress through salary points.

Principal/Depute Educational Psychologist - Salaries are set nationally. The pay gap here is due to employees being new in post at the starting point of the banding for their grade and will progress through salary points.

## Gender Pay Gap 2023/24

Equal Pay Work Group	Male		Female			
	Count	Average Total Hourly Rate	Count	Average Total Hourly Rate	Difference	Pay Gap %
Modern Apprentices	40	£10.26	30	£10.32	-£0.06	-0.58
1	42	£12.00	277	£12.00	£0.00	0.00
2	70	£12.57	213	£12.55	£0.02	0.16
3	140	£13.09	560	£13.08	£0.01	0.08
4	155	£14.27	388	£13.78	£0.49	3.43
5	100	£16.14	467	£16.19	-£0.05	-0.31
6	63	£18.46	114	£18.47	-£0.01	-0.05
7	51	£20.74	82	£20.55	£0.19	0.92
8	42	£22.59	148	£22.53	£0.06	0.27
9	13	£24.33	29	£24.43	-£0.10	-0.41
10	33	£26.61	64	£26.55	£0.06	0.23
11	17	£29.24	14	£29.13	£0.11	0.38
12	10	£35.05	19	£34.72	£0.33	0.94
Chief Officers	8	£52.89	≤5	£61.72	-£8.83	-16.70
Depute/Principal Educational Psychologist	≤5	£48.26	≤5	£45.57	£2.69	5.57
Senior Educational Psychologist			≤5	£44.72		
Educational Psychologist	≤5	£36.45	≤5	£39.51	-£3.06	-8.40
Music Instructor	11	£26.77	9	£26.63	£0.14	0.52
Teacher	126	£28.16	508	£28.34	-£0.18	-0.64
Principal Teacher	44	£35.28	102	£34.87	£0.41	1.16
Depute Head Teacher	10	£40.42	36	£40.47	-£0.05	-0.12
Head Teacher	8	£49.16	21	£47.34	£1.82	3.70
Education Support Officer			≤5	£33.48		
Quality Improvement Officer	≤5	£47.56	≤5	£46.74	£0.82	1.72
Quality Improvement Manager	≤5	£49.62	≤5	£49.62	£0.00	0.00
	<b>988</b>	<b>£19.73</b>	<b>3097</b>	<b>£18.91</b>	<b>£0.82</b>	<b>4.16</b>

Total Headcount is 4089 but prefer not to answer accounts for 4 people

Chief Officers have been grouped together to avoid identifying individual staff. Salaries are set nationally and staff will progress through salary points.

Principal/Depute Educational Psychologist - Salaries are set nationally. The pay gap here is due to employees being new in post at the starting point of the banding for their grade and will progress through salary points.

We note a change between the two years in relation to Grade 4 employees. This reflects a regrading in Home Support Worker posts and a significant number of females starting at the bottom of this grade.

In relation to head teachers nationally set factors impact pay grades. A leadership programme supports teachers to progress through to headship. The gender pay gap information relating to head teachers will be considered in relation to this programme.



## 12 Equal Pay Statement 2025

**Policy Statement**

This Equal Pay Policy Statement sets out how the Council will comply with the legal duties set out in the Equality Act 2010 and in developing this policy statement, notice has been taken of the guidance published by the Equality and Human Rights Commission.

Inverclyde Council supports the principles of equal opportunities in employment and believes that all staff, regardless of their gender, ethnicity, age, pregnancy and maternity, gender reassignment, sexual orientation, religion or belief, marital/civil partnership status, ethnic origin and disability, should receive equal pay for the same or broadly similar work, for work rated as equivalent and for work of equal value.

We believe it is in the Council's interest to ensure that pay is awarded fairly and equitably and proactive steps are taken to address equality issues and pay gaps between men and women. Unless barriers to men's and women's participation in occupations stereotypically dominated by one gender, and to women achieving the most senior posts are removed, then the Council cannot be confident that it is recruiting the most skilled and talented individuals. The attached charts show vertical and horizontal occupational segregation by gender, disability and ethnicity.

The Council's mainstreaming report shows that the ethnicity of the workforce is broadly reflective of the community it serves. However, the Council is not complacent about this and will continue to consider methods to attract the broadest possible range of applicants for vacant Council positions in order to ensure that, not just the characteristics of sex, disability and ethnicity, but all of the protected characteristics are appropriately represented within its workforce. Staff are actively encouraged to update their protected characteristic information and every three years a formal update exercise is undertaken.

According to our latest data for Inverclyde Council the Gender Pay Gap continues to decrease and we do not have detrimental ethnicity or disability pay gaps. However, we will continue to monitor these and take any appropriate steps to address any imbalance that occurs. Inverclyde Council are registered in the Disability Confident scheme and obtained level three which we believe will assist in attracting disabled applicants. As part of Disability Confident, we introduced a staff forum on disability to further engage with our disabled employees and staff that have an interest in disability. We believe, therefore, that we should operate a pay and grading system which is transparent, based on objective criteria and free from bias, on any grounds. We aim to avoid unfair discrimination, to reward fairly the skills, experience and potential of all employees thereby increasing motivation, loyalty, productivity and effectiveness and to enhance the Council's reputation and image.

The Council uses an analytical job evaluation system to assess the value of jobs and their place in the Council's grading structure. For teachers, promoted posts are subject to job sizing for salary purposes.

The Council's grading and pay scheme is based on job evaluation and therefore, satisfies equality impact assessments fully. The Council consulted with our Trade Unions to consolidate the National Living Wage into our pay and grading structure from 1st April 2019 and as part of this another EQIA was successfully completed.

In addition, the following is presented as a means of further demonstrating the Council's commitment to a culture of equality of opportunity:

- Introducing a disabled staff forum for disabled employees and those who have an interest in disability.
- Recruitment and selection – managers are trained to shortlist using experience and qualifications, other personal aspects of the applicant are not known by shortlist panel – interviews are competency based, successful candidates chosen on merit and captured for all to refer to against selection proforma with references only being taken up for successful candidates.
- British Sign Language - continue with the implementation of Inverclyde Council's BSL Plan.
- Work-life balance – our Family Friendly and Work Life Balance policy includes a range of varying working patterns for employees to consider.
- Flexible working – allows daily attendance flexibility.
- Modern Apprentices Scheme – to help recruit young people from that age bracket/group.
- Inverclyde Jobs Recovery Plan aims to create employment opportunities for local people.
- Disability Confident – fully signed up to support existing disabled staff and attract new disabled candidates.
- Workforce information and activity report – highlights equality amongst other reporting and poses challenges to address where relevant.
- Diversity training provided through face to face and e-learning opportunities.
- Equality awareness training will be promoted for all employees.
- Policies and procedures in place to support employees to raise examples of any behaviour exhibited against expected high equality standards – whistleblowing, grievance, dignity and respect and equality and diversity policies.
- Awareness of diversity of local population and recognition of the value for all groups represented in employee population.

## **Our Objectives**

We have one simple objective:

- To eliminate any unfair, unjust or unlawful practices that impact on pay equality.

## **Our Actions**

In order to put Inverclyde Council's commitment to providing equal pay into practice, we will:

- Continue to work with trade union representatives after previously implementing job evaluation and the Single Status Agreement which developed a pay and grading model free of sex-bias.
- The new Pay & Grading model introduced at Single Status is based on the national Job Evaluation scheme which was then applied locally following an equality impact assessment by a national expert.
- A favourable EQIA was carried out in March 2013 on our pay and grading structure by an independent expert and more recently in 2018 to our pay

and grading structure to incorporate the Living Wage into our pay and grading structure for 2019.

- In partnership with trade unions, implement regular equal pay reviews in line with EHRC guidance for all staff, to identify any pay gaps and their causes.
- Assess and review the findings of the equal pay review and take action to address any gaps identified.
- Assess and review occupational segregation data and take steps to address any issues identified.
- Provide training and guidance for those involved in determining pay and benefits.
- Inform employees of how these practices work and how their own pay is determined.
- Respond to grievances.
- Monitor pay statistics annually.

### **Responsibility for Delivering the Policy**

The Council's Education, Communities and Organisational Development Corporate Director is the Corporate Management Team lead officer for monitoring and promoting equality across the Council and ensuring the delivery of the Council's Equality Outcomes. The Head of Organisational Development, Policy and Communications is responsible for meeting equalities duties in respect of employment and equal pay and will be responsible for ensuring the commitments made in this statement are implemented.



### **3.0 BACKGROUND AND CONTEXT**

- 3.1 In August 2024, the Policy and Resources Committee approved an allocation of £40,000 from the Common Good fund to create a series of events to mark the 250th anniversary of Port Glasgow.
- 3.2 The Port Glasgow (Improvement) Act 1775 was passed on 22 May 1775, establishing Port Glasgow as a burgh, or town. It is the 250th anniversary of the Act this year.
- 3.3 The corporate communications team continue to work with local cultural, community and heritage partners to help co-ordinate events already planned and to promote ideas for specific projects.
- 3.4 The Council already provide £13,300 financial support to the annual Comet Festival held in Port Glasgow.

### **4.0 PROPOSALS**

- 4.1 A public consultation was carried out in January 2025 to gauge support for proposed Council led projects to mark Port Glasgow's 250<sup>th</sup> anniversary. The consultation included a possible arts initiative with schools, music commissions, floral displays and an extended festival duration and programming.
- 4.2 There was support for all the projects tabled, with the least support for commissioning of a sea shanty style music piece. There were also further additional public suggestions for heritage activations.
- 4.3 As a result, the music commissions, floral displays, school art initiatives and extended Comet Festival will be further developed and delivered utilising the allocated £40,000 from the Common Good Fund. The sea shanty will be replaced with other heritage projects.
- 4.4 The Comet Festival extension had the greatest support, and therefore for 2025, the festival will take place over both the Saturday and Sunday (21/22 June), in Coronation Park.
- 4.5 Additional "fringe" activity in the town itself, will be coordinated over the weekend by businesses and partners. Special programming will be added to the Festival on Saturday 21 June, celebrating the history and heritage of the area. On Sunday 22 June, activity will incorporate the Port Glasgow 10k, a raft race and a Praise in the Park event.
- 4.6 Over the course of the commemorative year, additional activities will continue to be developed and delivered under the PG250 banner including:
  - A custom Dungeon and Dragons campaign based around the history of Port Glasgow, aimed at young people and adults, delivered by Inverclyde Library Services with support from Newark Castle.
  - A series of curated speaker events exploring the different ways in which the River Clyde is intrinsically linked to the history and heritage of Inverclyde.
  - An exhibition at the Watt Institution exploring views of Port Glasgow and Newark with possible pop-up activity at Newark Castle, and/or Port Glasgow Library.
  - As part of the 'Connecting Inverclyde' heritage project, memory sharing activities within the local community, delivered by Cultural Services.
  - Development of interactive, interpretation panels at the Shipbuilders of Port Glasgow sculptures.
  - Family learning and craft activities at Port Glasgow Library, exploring stories of the town
  - The opening of Port Glasgow Community Hub
  - The opening of Boglestone Community Centre.

- 4.7 A brand toolkit has been developed and will be made available to businesses, partners and community groups to use in their own activities, badging any related events as PG250.
- 4.8 An official launch media release to unveil the new PG250 brand and to encourage groups, organisations and businesses to consider how they too can mark the milestone was published on 27 February. Media engagement will continue to support projects throughout 2025. These will be further promoted via Discover Inverclyde and all available corporate, digital channels. A page on the Discover Inverclyde website will also be developed to house all the relevant information on events and projects over the course of 2025. Hashtag: #PG250
- 4.9 Corporate Communications will continue to liaise with local groups on any new events and with Glasgow City Council on any opportunities to link in with Glasgow 850, their respective commemorative year.

## 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

N/A

### 5.3 Legal/Risk

N/A.

### 5.4 Human Resources

N/A

### 5.5 Strategic

This links with the Council Plan.

### 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.
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(b) Fairer Scotland Duty

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.
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X	NO – Assessed as not relevant under the Fairer Scotland Duty.
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(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.
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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.
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**5.7 Environmental/Sustainability**

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
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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.
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**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.
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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.
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**6.0 CONSULTATION**

6.1 N/A

## 7.0 BACKGROUND PAPERS

N/A.



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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital &amp; Customer Services</b>	<b>Report No:</b>	<b>LS/023/25</b>
<b>Contact Officer:</b>	<b>Peter MacDonald</b>	<b>Contact No:</b>	<b>01475 712618</b>
<b>Subject:</b>	<b>Review of Petitions Criteria</b>		

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## **1.0 PURPOSE AND SUMMARY**

- 1.1  For Decision  For Information/Noting
- 1.2 Guidance on the requirements for submitting valid petitions to Inverclyde Council (“Petitions Criteria”) has formed part of Inverclyde Council’s Petitions process since its inception in 2015, and has been reported on to both this Committee and the Inverclyde Council in that time. The current Petitions Criteria are included in full at Appendix 1.
- 1.3 Officers undertook to review the Petitions Criteria following their inclusion in the Policy/Strategy Register approved at the 26 March 2024 meeting of this Committee.
- 1.4 Following such a review, officers do not recommend any changes to the current Petitions Criteria and this report seeks Committee approval of that position.

## **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that the Policy and Resources Committee notes the outcome of the officer review of the Petitions Criteria set out in Appendix 2 of this report.
- 2.2 It is recommended that the Policy and Resources Committee approves the recommendation that no changes be made to the Petitions Criteria at this time.

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

### 3.0 BACKGROUND AND CONTEXT

- 3.1 In October 2015, the Council decided to establish a Petitions Committee, and a number of reports were taken to both the Inverclyde Council and this Committee on the implementation of the same. As part of that process, petitions criteria were approved, and changes to the Scheme of Administration were approved to incorporate these criteria in 2016. The criteria were last revisited in a report to Inverclyde Council reviewing the Petitions Committee in November 2017.
- 3.2 A report was considered by this Committee on 26 March 2024 on the review of the Council's Policy Framework. As part of that review, a Policy/Strategy Register was approved, with officers undertaking to carry out future reviews on the various items included thereon. The Petitions Criteria are included on the register, and this report and review are in implementation of that remit.
- 3.3 The terms of the Petitions Criteria currently applying are set out in full at Appendix 1, and can be seen in 3 parts, set out under A, B and C in paragraphs 3.4 to 3.6 below.
- 3.4 **A – Minimum Content.** The Petitions Criteria set out at paragraph 1 the basic information required in relation to a petition. This includes the petitioner's details, the subject of the petition and any discussion to date around the issue. It should be noted that where a petition is submitted for consideration and there are obvious omissions in this regard, officers will seek clarification to allow the petition to progress. In particular, officers will, as a matter of course, suggest that where a petitioner has not already done so, they raise the matter with the relevant council service for discussion, so that where it is supported by officers, it can be addressed at a service level without the need for a petition or involvement of the Petitions Committee.
- 3.5 **B – Level of Support.** The Petitions Criteria, also at paragraph 1, sets out the levels of support a petition meeting the other requirements of the Petitions Criteria would require to achieve before being brought to the Petitions Committee for consideration. The levels differ depending on whether the petitioner is: an individual; a community group; or a business.
- 3.6 **C – Conditions.** Paragraphs 2 and 3 of the Petitions Criteria set out various conditions that a petition will be assessed against, and any petition not meeting these tests will not be able to be taken forward to either publication and/or consideration by the Petitions Committee.
- 3.7 Since the inception of the Petitions Committee, officers have dealt with 13 petitions meeting the criteria, of which:
- 4 were published, but did attract enough signatures to proceed to committee; and
  - 9, having enough signatures, came before the Petitions Committee, with in all cases the Committee deciding some further action was merited.

### 4.0 PROPOSALS

- 4.1 Officers have conducted a review of the Petitions Criteria, with the benefit of experience in the operation of the Petitions process and focussing on the elements above. Officer comments and analysis from that review are included at Appendix 2. This analysis is thematically split along the same headings as set out in paragraphs 3.4, 3.5 and 3.6.
- 4.2 In summary, following this review, it is the view of officers that the Petitions Criteria that currently apply:
- set a reasonable requirement for a demonstration of support to justify a matter being brought before the Petitions Committee;
  - are reasonable and appropriate in the circumstances; and
  - include necessary safeguards to:
    - prevent conflict with existing processes or the Council's own governance documents; and
    - limit the Council's risk exposure to legal claims or reputational damage.
- Officers therefore do not propose any changes to the Petitions Criteria are made at this time.

- 4.3 The Committee should note that, as the Petitions Criteria form part of the Scheme of Administration, if the Committee is minded to recommend changes to the Petitions Criteria, it will be necessary remit the matter to the Inverclyde Council to deal with changes to the latter.
- 4.4 Operational guidance available to all petitioners has been updated to include relevant privacy and equalities information.

## 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 arising from this report.

### 5.3 Legal/Risk

The legal and risk implications are set out in the body of the report.

### 5.4 Human Resources

None.

### 5.5 Strategic

None

### 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 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 CMT have been consulted on the content of this report.

**7.0 BACKGROUND PAPERS**

7.1 None

**INVERCLYDE COUNCIL**

**PETITIONS CRITERIA**

Inverclyde Council welcomes the public's use of its petitions procedure for local issues. The Council can only deal with petitions that relate to the Council's powers and remit for its areas of functional responsibility.

This guidance sets out the basic requirements for you to submit a valid petition. If you have any doubt about the procedure or if you would like to ask any questions please contact the Petition Team at telephone 01475 712147 or by email on [petitions@inverclyde.gov.uk](mailto:petitions@inverclyde.gov.uk).

**Petitions**

1. Petitions must be submitted by an individual or on behalf of a business.

You must include:

- (1) Your name, your address and confirmation that you are aged 16 or over. This is essential to ensure that you are identified as being the person promoting the petition and so that there is notice of a clear and understandable public process being undertaken at your initiative. Please also include, if possible, your telephone number and email address.
- (2) The issue you are concerned about and what you want the Council to do. Please state this as clearly as you can so that people can understand what you want to be done.
- (3) What you have already done to try to address your concern: have you contacted any other person or organisation in order to address your concerns?
- (4) The names of any other people who may already be involved with you in creating the petition.

You can provide any extra details you wish in order to support your petition. You should think about stating your petition as clearly as you can so that people understand what you want.

When you submit your petition, all members of the public will be able to view it on the Council's website. When the Council is sure that your petition meets the Council's rules on proper procedures, your petition will be made available in public for people to sign. You should take care not to include any details or signatures that you do not wish to be made publicly available and this is wholly your responsibility. Remember, the petitions procedure is entirely public.

A petition needs 100 signatures from members of the public for it to be considered by the Council's Petitions Committee. If you are a community group you need 50 signatures. Your petition needs 10 businesses to support it if it is a business petition. Publication on the Council's website will allow the petition to be viewed by the public and persons, if they wish, may choose to support the petition so that you may achieve the numbers of support from individuals or businesses in order that the petition be considered by the Petitions Committee.

2. The Council will not accept a petition that relates to:
  - a) Any planning, licensing or other such matters where objections and appeals against decisions are dealt with by another, existing process;
  - b) Matters already being considered or scheduled to be considered by the Council or one of its Committees;

- c) Decisions of the Council or one of its Committees during the previous six month period;
  - d) Matters that are commercially sensitive, confidential or which could cause personal distress or financial loss in any way;
  - e) Matters that are directed at a specific person or groups of persons with names or details that can be used to identify such persons;
  - f) The same or similar petitions considered within the past 24 months; and, not within the Council's power and remit or functional areas of responsibility.
3. The Council will not accept a petition that contains:
- (a) Any false or potentially defamatory statement as may be considered by the Council;
  - (b) Any details that might damage a person's reputation or which may discriminate against them in any way;
  - (c) Offensive or inappropriate language;
  - (d) Information protected by a court order or relating to an ongoing court or tribunal or quasi-judicial tribunal process or which would otherwise be considered sub-judice (i.e. being considered as part of another, separate legal process).

Guidance on all of the above can be obtained from the Council by contacting the Petition Team at telephone 01475 712147 or by email on [petitions@inverclyde.gov.uk](mailto:petitions@inverclyde.gov.uk).

**Appendix II – Review of Petitions Criteria**

Para	Detail	Comment and Analysis	Proposed Changes
<b>A – Minimum Content.</b>			
1	<p>“Petitions... ..must include:</p> <ul style="list-style-type: none"> <li>a) Your name, your address and confirmation that you are aged 16 or over. This is essential to ensure that you are identified as being the person promoting the petition and so that there is notice of a clear and understandable public process being undertaken at your initiative. Please also include, if possible, your telephone number and email address.</li> <li>b) The issue you are concerned about and what you want the Council to do. Please state this as clearly as you can so that people can understand what you want to be done.</li> <li>c) What you have already done to try to address your concern: have you contacted any other person or organisation in order to address your concerns?</li> <li>d) The names of any other people who may already be involved with you in creating the petition.”</li> </ul>	<p>It is the view of officers that the minimum content requirement is reasonable and no changes are recommended. Identifying the petitioner is important from the point of administration of the petitions system, and to allow communication with the petitioner. It is important that there is clarity around what the petition seeks so that those who may be signing in support know what they are supporting, and that the Petitions Committee has clarity on the question in front of it and what it may be asking of officers should they consider it to have merit. It is also considered important to ascertain what previous steps a petitioner has taken so that if it is possible to resolve by dialogue with the relevant service, that can be done. And as indicated above, where there are omissions in this regard in any particular petitions, officers will engage with a petitioner to address same and try to ensure this does not prevent a petition progressing.</p>	None
<b>B – Level of Support.</b>			
1	<p>“A petition needs 100 signatures from members of the public for it to be considered by the Council’s Petitions Committee. If you are a community group you need 50 signatures. Your petition needs 10 businesses to support it if it is a business petition.”</p>	<p>Since the inception of the Petitions Committee, petitions have been received from individuals and community groups.</p> <p>One received from an individual was a possible business petition, but the level of support received was such that the question did not arise. That aside, no business petitions have been received from businesses.</p> <p>Officer experience is that published petitions failing to reach the required level of support do so by a significant margin. The current levels are therefore considered appropriate</p>	None

Para	Detail	Comment and Analysis	Proposed Changes
		demonstrate reasonable support prior to Committee consideration.	
<b>C – Conditions.</b>			
2 (a)	The Council will not accept a petition that relates to any planning, licensing or other such matters where objections and appeals against decisions are dealt with by another, existing process.	This condition is considered appropriate and reasonable. It prevents the Petitions Committee coming into conflict with existing processes.	None
2 (b)	The Council will not accept a petition that relates to matters already being considered or scheduled to be considered by the Council or one of its Committees.	This ensures that there is no conflict between the Petitions Committee and the substantive Committees. It also avoids issues arising in terms of Standing Orders.	None
2 (c)	The Council will not accept a petition that relates to decisions of the Council or one of its Committees during the previous six month period.	This is to conform to the Standing Orders.	None
2 (d)	The Council will not accept a petition that relates to matters that are commercially sensitive, confidential or which could cause personal distress or financial loss in any way.	This condition is considered reasonable and appropriate to reduce risk of legal claim against the Council or reputational damage.	None
2 (e)	The Council will not accept a petition that relates to matters that are directed at a specific person or groups of persons with names or details that can be used to identify such persons.	This condition is considered reasonable and appropriate to reduce risk of legal claim against the Council or reputational damage.	None
2 (f)	The Council will not accept a petition that relates to the same or similar petitions considered within the past 24 months.; and,	This is considered reasonable and appropriate for the good administration of the Petitions process, and avoids repeated and possible vexatious petitions.	None
2 (f)	The Council will not accept a petition that relates to matters not within the Council's power and remit or functional areas of responsibility.	This is also considered reasonable and appropriate for the good administration of the Petitions process. If the ask of the Petition is not within the Council's gift to give, it would not be appropriate to consider the matter.	None
3	The Council will not accept a petition that contains: a) Any false or potentially defamatory statement as may be considered by the Council; b) Any details that might damage a person's reputation or which may discriminate against them in any way; c) Offensive or inappropriate language;	The Conditions are considered self-explanatory and intended to reduce the risk to the Council of exposure to litigation and/or reputational damage. Officers therefore would not recommend any changes to them.	None



<b>Para</b>	<b>Detail</b>	<b>Comment and Analysis</b>	<b>Proposed Changes</b>
	d) Information protected by a court order or relating to an ongoing court or tribunal or quasi-judicial tribunal process or which would otherwise be considered sub-judice (i.e. being considered as part of another, separate legal process).		

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<b>Report To:</b>	<b>Corporate Management Team</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital &amp; Customer Services</b>	<b>Report No:</b>	<b>LS/018/25/LB</b>
<b>Contact Officer:</b>	<b>Vicky Pollock</b>	<b>Contact No:</b>	<b>01475 712180</b>
<b>Subject:</b>	<b>Records Retention and Disposal Policy Update</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 seek approval of an updated version of the Council's Records Retention and Disposal Policy.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee approves the updated Records Retention and Disposal Policy appended to this report in Appendix 2.

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

### 3.0 BACKGROUND AND CONTEXT

- 3.1 The Council's Records Retention and Disposal Policy (previously known as the Policy for the Retention and Disposal of Documents and Records Paper and Electronic) outlines the Council's approach to managing the retention and disposal of information in line with business requirements and legal obligations and applies to all physical and electronic information regardless of storage location.
- 3.2 The Policy and associated Retention Schedule has been developed to tell services the types of records that are required to be kept for each area of the Council, and for how long. The Policy provides guidance to assist services in implementing good records management practices. Relevant retention information from all services has been brought into one single, operational document called the Retention Schedule, which is now a separate document which lists the types of records the Council creates, receives and maintains as part of its business functions and activities. The Retention Schedule is an operational document which details how long records should be kept for and why and applies to both electronic and hardcopy records and this Policy provides guidance on how to apply the Retention Schedule. The Retention Schedule is based on the Scottish Council for Archives Record Retention Schedules (SCARRS) and has been adapted to reflect Inverclyde Council's specific arrangements.
- 3.3 The Policy helps to ensure the Council's compliance with various legislation, including the Freedom of Information (Scotland) Act 2002 (FOISA), the Data Protection Act 2018 (DPA), the UK General Data Protection Regulation (UK GDPR) and the Public Records (Scotland) Act 2011 (PRSA) as follows:

- FOISA gives the public extensive rights of access to all forms of recorded information held by public bodies and lays down stringent requirements for responding. Good records management will help to ensure that:
  - Only the right information is created in the first place;
  - Information is kept as long as is necessary and no longer;
  - Information can be located and retrieved in a timely and controlled manner; and
  - Information is secure.

This in turn, assists the Council in complying with FOISA requests within the statutory time limits.

- DPA and the UK GDPR – the Policy ensures compliance with the storage limitation principle of the data protection legislation, whereby personal data is kept “for no longer than is necessary for the purposes for which the personal data are processed”.
  - PRSA – obliges Inverclyde Council and Inverclyde Licensing Board to prepare and implement a Records Management Plan (RMP). Section 1(2)(b)(iii) of the PRSA specifically requires a RMP to include provision about the archiving and destruction or other disposal of the public authority's public records, which is also known as Element 5. The Policy ensures the Council's compliance with Element 5 of the RMP.
- 3.4 Overall, the implementation of this Policy across the Council has been successful and has resulted in a more systematic and organised approach to records management within the Council.

## 4.0 PROPOSALS

### 4.1 Review of the Council's Records Retention and Disposal Policy

The Council's Records Retention and Disposal Policy was last updated and approved in September 2020. The Policy has been reviewed and updated. The most substantive change is the separation of the Retention Schedule (which details how long records should be kept for and why) from the Policy and so it now no longer forms part of the Policy. The Retention Schedule is over 80 pages long and it is the view of officers that it is an operational, "live", document which will be reviewed and updated on an ongoing basis by officers in accordance with the guidance stated in the Policy.

The Policy has also been updated to reflect the Council's new policy template. A table which summarises the proposed changes to the Policy is set out at Appendix 1, with the revised Policy set out at Appendix 2 for Committee's consideration.

## 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

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

The Council's Records Retention and Disposal Policy assist the Council in ensuring compliance with regulatory and legislative requirements as set out in Paragraph 3.3 of this report.

#### 5.4 Human Resources

There are no direct Human Resources implications arising from this report.

#### 5.5 Strategic

There are no strategic implications directly arising from this report.

#### 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, an EqIA is required and is available on the Council's website.
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. This Policy does not require an Equality Impact Assessment as there is no evidence to indicate that its contents could affect individuals differently or less favourably, on the grounds of their Protected Characteristics.

##### (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 for the following reasons: Provide reasons why the report has been assessed as not relevant.

##### (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.

## **6.0 CONSULTATION**

6.1 The Information Governance Steering Group and the Corporate Management Team have been consulted on the updated Records Retention and Disposal Policy.

## **7.0 BACKGROUND PAPERS**

7.1 None.

**SUMMARY OF PROPOSED REVISIONS TO RECORDS RETENTION AND DISPOSAL POLICY – MARCH 2025**

<b>PAGE</b>	<b>TITLE</b>	<b>SECTION</b>	<b>PROPOSED CHANGE</b>
Throughout	n/a	n/a	Use of new policy template
Throughout	n/a	n/a	Change of Policy Name from “Policy for the Retention and Disposal of Documents and Records Paper and Electronic” to “Records Retention and Disposal Policy”.
Throughout	n/a	n/a	Retention Schedule (over 80 pages long) removed from the Policy and now dealt with as a separate, operational, document.
Throughout	n/a	n/a	Changes from reference to “Information Governance Officer” to “Information Governance Team”.
5	Introduction	3.1	Minor amendment to correct reference from Scottish Ministers’ Section 60 Code of Practice to Section 61 Code of Practice on Records Management.
6	Legislative Competence	3.3	Minor amendment to update legislation to UK GDPR
7	Disposal of Records by Transfer to Archives or Destruction	3.8	Update to make it clear that records subject to litigation or information requests should not be destroyed until all processes are complete.
9	Review of Retention Schedule	3.10	Changes to reflect separation of Retention Schedule from the Policy as it is an operational document which should be reviewed on an ongoing, rolling basis.
10	Useful Contacts	3.11	Website links updated.
14	Definitions	Appendix 3	Updated to clarify that the Retention Schedule is based on the functions of the Council and not individual services.
17	Updating the Retention Schedule	Appendix 5	Updated to clarify that the Retention Schedule should be reviewed on an ongoing basis and that any amendments should be sent to the Information Governance Team for approval and implementation.

# ***Records Retention and Disposal Policy***

Version No 3.0

Produced by:

Information Governance Team  
Inverclyde Council  
Municipal Buildings  
GREENOCK  
PA15 1LX

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## DOCUMENT CONTROL

<b>Document Responsibility</b>		
<b>Policy Title</b>	<b>Corporate Group</b>	<b>Service</b>
Records Retention and Disposal Policy	Information Governance Steering Group	Legal, Democratic, Digital & Customer Services

<b>Change History</b>		
<b>Version</b>	<b>Date</b>	<b>Comments</b>
1.1	April 2015	
1.2	September 2015	Revised and Updated
2.0	August 2020	Revised and Updated
2.1	September 2020	Revised and Updated
3.0	February 2025	Updated to new policy format, change of policy name, review of policy and retention schedule

<b>Distribution</b>
Corporate Directors, Heads of Service, ICON, Information Governance Steering Group

<b>Policy Review</b>		
<b>Updating Frequency</b>	<b>Next Review Date</b>	<b>Responsible Officer</b>
4 years	March 2029	Head of Legal, Democratic, Digital & Customer Services

<b>Policy Review and Approval</b>			
<b>Name</b>	<b>Action</b>	<b>Date</b>	<b>Communication</b>
Policy & Resources Committee			Website; ICON; IGSG;

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## **1 INTRODUCTION**

### **1.1 EXECUTIVE SUMMARY**

The Records Retention and Disposal Policy outlines the Council's approach to managing the retention and disposal of information in line with business requirements and legal obligations and applies to all physical and electronic information regardless of storage location.

### **1.2 BACKGROUND**

The Policy and associated Retention Schedule has been developed to tell services the types of records that are required to be kept for each area of the Council, and for how long. The Policy provides guidance to assist services in implementing good records management practices. Relevant retention information from all services has been brought into one single, operational, document called the Retention Schedule which is a separate document which lists the types of records the Council creates, receives and maintains as part of its business functions and activities. The Retention Schedule is an operational document which details how long records should be kept for and why, and applies to both electronic and hardcopy records and this Policy provides guidance on how to apply the Retention Schedule. The Retention Schedule is based on the Scottish Council for Archives Record Retention Schedules (SCARRS) and has been adapted to reflect Inverclyde Council's specific arrangements.

### **1.3 STRATEGIC CONTEXT**

There are no strategic implications arising from this Policy.

### **1.4 LINKS TO LEGISLATION**

This Policy considers relevant legislation and regulatory requirements including the Public Records (Scotland) Act 2011, the Freedom of Information (Scotland) Act 2002, the Data Protection Act 2018 and the UK General Data Protection Regulation.

### **1.5 LINKS TO CORPORATE GROUPS**

This Policy is linked to the work of the Information Governance Steering Group.

## **2 SCOPE**

This Policy applies to all records and information which have a dedicated retention and disposal life cycle, regardless of format or storage location. All such records and information must be managed in accordance with the Retention Schedule. It is vital that all employees comply with the Policy and Retention Schedule in managing information in order to ensure good records management practice and to meet legislative requirements.

## 3 POLICY CONTENT

### 3.1 Introduction

The Policy has been issued as a guide to assist Services throughout the Council to create good records and implement good records management practices of all records created, used and retained by Services in whatever format, including records held in electronic form.

Developing a retention schedule is part of good records' management practice. The Retention Schedule complies with the Scottish Ministers' Section 61 Code of Practice on Records Management under the Freedom of Information (Scotland) Act 2002.

In addition, the Policy and Retention Schedule will assist the Council to comply in part with the obligations imposed upon it in terms of the Public Records (Scotland) Act 2011. That Act, which complements FOISA, supports better record keeping as well as good records management. It places an obligation on public authorities to prepare and implement a Records Management Plan.

It is intended for the Retention Schedule to be used as a tool to assist in determining whether a record should be preserved or destroyed once the record is no longer in active use.

The Retention Schedule reflects the legislative requirements, or best practice, as is appropriate.

The Retention Schedule has been arranged by the functions of the Council, rather than service area or department. This means that they are independent of any future changes to the organisational structure of the Council.

Each service of the Council will have appointed officer(s) to:

- ensure officers who receive, create, hold, maintain, retain, share and/or dispose of records do so in line with the obligations set out in this Policy;
- deal with the destruction or archiving of records in accordance with this Policy;
- ensure there is an effective filing system for all service records, including the destruction of those records;
- where queries arise, provide guidance to officers on the implementation of this Policy;
- implement initiatives consistent with the Council's commitment to ensuring effective records management across the Council; and
- promote good records management practice throughout their service.

With regard to the records created by an officer, line managers will ensure each officer knows which officer will carry out the above tasks in relation to the records they create.

### **3.2 Limitations of Scope**

The Retention Schedule covers most Council records, but is not an exhaustive list. Please contact the Information Governance Team if you find errors or omissions in the Retention Schedule.

The Retention Schedule does not cover ephemeral material, see section 3.9 for explanation.

### **3.3 Legislative Compliance**

- Ensure compliance with the Freedom of Information (Scotland) Act 2002
- Ensure compliance with the Data Protection Act 2018
- Ensure compliance with the UK General Data Protection Regulation
- Ensure compliance with the Public Records (Scotland) Act 2011
- Ensure compliance with Disclosure Scotland - The Disclosure Scotland Code of Practice issued by Scottish Ministers regarding the correct handling, usage, retention, storage and destroying of Disclosure information provided by Disclosure Scotland under Part V of the Police Act 1997, for the purposes of assessing applicants' suitability for positions of trust.

### **3.4 Aims of the Retention Schedule**

- Assist in identifying records that should be permanently preserved and transferred to the officer responsible for the management of records for archiving.
- Discussions about how to archive electronic records are on-going.
- Prevent the premature destruction of records that should be retained according to legislation or other best practice guidance or need to be retained to satisfy legal, financial and other requirements of public administration.
- Ensure consistency in practices in the disposal of records across the Council.
- Reduce the occurrence of duplicate records, and also the chance of the records being kept for different time periods.
- Promote the benefits of improved and consistent records management practices within the Council.

### **3.5. Benefits of Managing Records according to a Retention Schedule**

Managing records according to a retention schedule is deemed to be "normal processing" under the Data Protection Act 2018 and the Freedom of Information (Scotland) Act 2002. Provided members of staff are managing records according to an agreed Retention & Disposal Schedule they cannot be found guilty of unauthorised tampering with files once a freedom of information request or a subject access request has been made.

Officers can be confident that they are destroying information at the correct time.

Information subject to Freedom of Information and Data Protection legislation will be available when required.

Information is not being maintained and stored unnecessarily, which is costly to the Council in terms of physical storage space and server space.

The original record is the record bound by the Retention Schedule. Copies and duplicates are normally destroyed as soon as they are finished with.

### **3.6. Service Level Retention Schedules**

The Retention Schedule lists all of the records held by the Council and is therefore a very large document. The Information Governance Team can work with services to create department specific retention guidance. The Retention Schedule is presented in a clear and concise way, making it easier for staff to find relevant retention procedures for their own team. The document can be designed to include key points on improving information management relevant to the team, helping to improve information management compliance.

### **3.7. Electronic Records – Documents scanned into Electronic Document Records Management Systems**

In accordance with BIP 0008 code of practice for legal admissibility and evidential weight of information communicated electronically as revised or replaced from time to time – services need to have in place robust scanning procedures, standard operating procedures and quality control to make sure all paper documents are scanned consistently and accurately. Procedures should ensure that the electronic documents are authentic, reliable, accessible and secure. If this is done then the electronic documents should be legally admissible.

If these procedures are in place then any paper documents which are scanned into an EDRMS system may be destroyed at an agreed date after scanning, once the scanned copies have been checked and authenticated.

Legal documents and documents with an original signature (such as Contracts) or an original stamp (such as Building Plans) but excluding original letters received by the Council or internal Council memos should not be destroyed even if scanned. Please contact the officer responsible for the managing your records to discuss.

### **3.8. Disposal of Records by Transfer to Archives or Destruction**

Records may be disposed of by:-

- Transferring to the officer responsible for archiving your records – permanent preservation
- Destroying – e.g. by shredding

Records selected for permanent preservation should be transferred to the officer responsible for archiving your records – once the records are no longer of current use and are not

operationally required. Prior to transferring the records you must weed out all duplicates and pass this information to the officer responsible for the archiving of your records.

With regards to records identified in the Retention Schedule as S - 'offer to officer responsible for the management of your records to sample' - offer these records that officer to choose/ select a sample of records for permanent preservation. The remainder of the records not chosen should be destroyed in accordance with the Retention Schedule. Guidance on the appraisal of records is being developed.

Where lengthy periods have been allocated to records, staff may wish to consider converting paper records to other media to reduce physical storage space. Consideration must be given to legal admissibility and scanning procedures to ensure that any copies are faithful representations of the original paper document. Also the life span of the media chosen and the ability to migrate data should always be considered. Staff should remove duplicates etc. before transferring to storage to reduce costs.

Records selected for destruction may be destroyed in accordance with the Retention Schedule. Duplicate and/or backup copies stored on alternative media must also be destroyed at the same time, in order to ensure compliance with Data Protection and Freedom of Information legislation.

Officer(s) appointed to manage the records of a service should maintain a list of the records that have been disposed of, which should include:

- The date of destruction
- The manner of disposal either destruction or transfer to the officer responsible for the archiving of the record
- Description of records and dates
- The name of the authorising officer

This is required under the Code of Practice on Records Management – Freedom of Information (Scotland) Act 2002. Please see Appendix 2.

An Electronic Document Records Management System (EDRMS) should also be capable of maintaining an audit trail of records held and disposed of from the system.

Records identified for destruction should not be destroyed if there is any pending litigation or a request for information under Freedom of Information or Data Protection legislation has been received relating to those records. In these cases the records should be preserved until the litigation process is completed and all appeals have been exhausted, after which time they may be destroyed.

**IMPORTANT – Where there is, or there is the possibility of litigation, the records and information likely to be in scope must not be amended or destroyed until the litigation or the threat of litigation has been resolved or removed. Where a request for information has been received, the records and information affected must not be destroyed or amended until after the request has been fulfilled.**

### 3.9. Ephemeral Material

Ephemeral material refers to information that is of short-term value, but does not have any lasting value and as such does not form part of the long-term corporate memory of the Council. This information can be destroyed as soon as possible by the creator or creating service and can be destroyed as soon as they reach the end of their current use.

The Retention Schedule does not include ephemeral material as it is up to the creating service to determine when usage has finished and to decide on an appropriate method of destruction of such material. This is normally unimportant or duplicated material, and is frequently something which has a "one time only" use. Their destruction should be a routine part of office management standard operating procedures.

Examples of such documents include:-

- Working documents, and notes taken to inform a later document
- Copies and duplicates where the original exists
- Trivial notes or emails
- Post-it notes
- Superseded distribution lists, address books, annual reports, manuals
- Delegates' copies of minutes. The agreed or signed set is the Record
- Compliments and message slips
- Electronic copies of records that have been printed off and filed
- Journals and catalogues
- Faxes once a copy has been filed
- Personal emails and documents – see Council's policy on Acceptable Use of Information Systems
- Emails not related to Council business
- Travel literature
- 'with compliments' slips
- Superseded versions of order forms, templates etc.

If in doubt whether specific material should be treated as ephemeral material or as a record, contact the officer responsible for the management of your records.

Remember to destroy emails (printed out or in electronic form) in a secure manner as they contain personal information – email addresses and names.

### 3.10. Review of Retention Schedule

The Retention Schedule is an operational document which should be reviewed on an ongoing basis to ensure that there are no gaps caused by lengthy review periods. Any requests for amendments to the Retention Schedule should be forwarded to the Information Governance



Team for review, approval and implementation. This is necessary to ensure that any amendments do not conflict with professional or statutory regulations or guidance.

### **3.11. Useful Contacts**

Information and Records Management Society  
[www.irms.org.uk](http://www.irms.org.uk)

Scottish Information Commissioner –  
<https://www.foi.scot/>

Information Commissioner's Office  
<https://ico.org.uk/>

The National Archives of Scotland  
<https://www.nrscotland.gov.uk/>

The National Archives  
<https://www.nationalarchives.gov.uk/>

## **4 ROLES AND RESPONSIBILITIES**

All employees are required to familiarise themselves with the terms of the Policy and Retention Schedule (as it applies to their specific function or service area) and ensure that they comply with the content.

## **5 IMPLEMENTATION**

### **5.1 COMMUNICATION OF THE POLICY**

This Policy, along with the associated operational Retention Schedule, will be available on ICON (the Council intranet), as well as publicly via the Council website.

## **6 RISK**

### **6.1 LEGISLATIVE RISK**

This Policy takes into account various legislative requirements, including the Public Records (Scotland) Act 2011, the Freedom of Information (Scotland) Act 2022, the Data Protection Act 2018 and the UK General Data Protection Regulation.

## **7 EQUALITIES**

### **7.1 CONSULTATION AND ENGAGEMENT**

This Policy was updated in consultation with the Corporate Management Team and the Information Governance Steering Group.

### **7.2 EQUALITY IMPACT ASSESSMENT**

This Policy does not require an Equality Impact Assessment as there is no evidence to indicate that its contents could affect individuals differently or less favourably, on the grounds of their Protected Characteristics.

## APPENDIX 1

### TRANSFER OF RECORDS TO SEMI CURRENT STORAGE

Once records are no longer required for current administrative purposes they may be transferred to semi current storage. Each service will be responsible for managing their own semi current storage areas and for the disposal of their records by transferring them to the officer(s) appointed to manage their records for archiving or by destroying them.

#### Remember

- a. The records should be kept securely with limited access to designated staff only.
- b. The records should be signed in and out if they are required from storage.
- c. Use standard size bankers or leaflet boxes which have lids and can be written on
- d. All boxes should be labelled with the contents.
- e. All boxes should have the destruction/review/archive date marked on them according to the retention schedule.
- f. Remove paper clips, elastic bands, plastic wallets, treasury tags etc. from records before boxing (this allows records to be destroyed more easily once their destruction date has been reached).
- g. Remove duplicates and ephemera from files before transferring to storage to reduce storage space and therefore costs.
- h. If material has a long retention period consider converting to another media. Remember that a copy must be a faithful representation of the original, capable of being migrated and read at a later date and faithfully reproduced and read. The records should be usable and authentic.
- i. Keep a list of what has been transferred to semi current storage. This will make compiling a destruction/disposal record easier.
- j. When the records have reached their disposal dates get a senior officer within the Service to sign off the destruction/disposal form.

**APPENDIX 2**

**DISPOSAL/DESTRUCTION OF RECORDS AUTHORISATION FORM**

The following records are due for destruction/archiving under the Inverclyde Council Record Retention and Disposal Schedule

Description of Records	Period	Date retention period ends

I hereby authorise the destruction/transfer to semi-current storage/archiving\* of the paper records, as detailed above:

Name

Designation

Signed

Date

\* please delete

I confirm that the above paper records were

transferred to officer responsible for archiving

transferred to semi-permanent storage area

destroyed (shredded)

on (DATE)

Signed Designation

## APPENDIX 3

### DEFINITIONS

The Retention Schedule is not organised by service. It has been divided into sections based on the functions of the Council. The file types are arranged under the functions of activity that create/generate them. Some file types are associated with more than one function, e.g. complaints files, correspondence files and thus appear in more than one section of the Retention Schedule. This means that in your service you will likely have records that cross many functions and therefore several sections of the Retention Schedule. For example, you may be in Finance but you will likely hold records relating to staffing (HR function). You will need to search across the function that pertains to your records rather than to your service.

#### Table of Definitions

File Type	This refers to the record. It can also describe the business function, activities and processes that the record supports.
Retention Period	This entry specifies the period of time the record should be kept from closure or following the retention trigger event. Unless otherwise specified the numbers are in years
Fate	This entry specifies the action that will occur once the retention period is over
Notes	This entry provides information about the retention period or the method of destruction

#### Meaning of Symbols

A	Archive
A[E]	Records archived in electronic format
D	Destroy – use appropriate destruction method for confidential and non-confidential material
DOB	Date of Birth
[E]	Records held in electronic format
P	Permanent
R	Review
S	Offer to officer responsible for managing your records to Sample
T	Transfer

## APPENDIX 4

### GLOSSARY

**Administrative use**

Refers to the time when the record is in current use for administrative and business purposes.

**Archive**

Records which are of enduring historical value and which must be kept indefinitely. These will form part of the council archive and should, unless otherwise stated in this document, be archived by the officer appointed to manage your records and transferred to Inverclyde Archives.

Increasingly records are being archived electronically. Please seek advice from the officer appointed to manage your records and ICT concerning this.

**Closure**

A record/file is closed when it is no longer active. After closure, no new papers may be added; instead a new record/file should be created.

**Closure period**

The specified period of time during which the record is subject to restrictions on provision of access to staff and/or the public, which may be determined by statutory requirements e.g. the Data Protection Act.

**Common practice**

The standard practice followed by local authority records managers who are members of the Information and Records Management Society and administrators.

**Copy**

A "copy" of a record usually belongs to someone other than the originator.

**Duplicate**

A "duplicate" is the originator's copy of the original record.

**Last Action**

Date of most recent amendment/addition/deletion of information.

**Original**

The document as created by a member of staff for a particular purpose or function. Any other records created from this original will be copies or duplicates. The original document should become the record of the event it was created for. The Retention Schedule refers to these documents and any versions created from it which are filed and kept as the 'Record' of the event being documented.

## **Record**

The record (original) is bound by the retention schedule. Copies and duplicates are normally destroyed as soon as they are finished with. An example of an original would be the signed copy of the minutes of a meeting or a signed agreement.

### **The definition of 'document' and 'record' <sup>1</sup>**

In records management it is important to be clear about the difference between a document and a record.

A document is any piece of written information in any form, produced or received by an organisation or person. It can include databases, website, email messages, word and excel files, letters, and memos. Some of these documents will be ephemeral or of very short-term value and should never end up in a records management system (such as invitations to lunch).

Some documents will need to be kept as evidence of business transactions, routine activities or as a result of legal obligations, such as policy documents. These should be placed into an official filing system and at this point, they become official **records**.

In other words, all records start off as documents, but not all documents will ultimately become records.

## **Permanent/Archive**

Records which are of enduring historical value and which must be kept indefinitely or permanently are called Archives and should be archived by the officer appointed to manage your records and held by the Service.

## **Semi-Current**

Records which are no longer required for day to day administrative purposes will be deemed as semi current and will be transferred to storage areas not kept in office space. They will be boxed, labelled and marked with their destruction or review dates – please see section C. Access to them should be restricted and their retrieval from storage recorded. They should not need to be referred to on a regular basis.

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<sup>1</sup> The National Records of Scotland

## **APPENDIX 5**

### **UPDATING THE RETENTION SCHEDULE**

The Retention Schedule is an operational document which should be reviewed on an ongoing basis to ensure that there are no gaps caused by lengthy review periods. Any requests for amendments to the Retention Schedule should be forwarded to the Information Governance Team for review, approval and implementation. This is necessary to ensure that any amendments do not conflict with professional or statutory regulations or guidance.



## APPENDIX 6

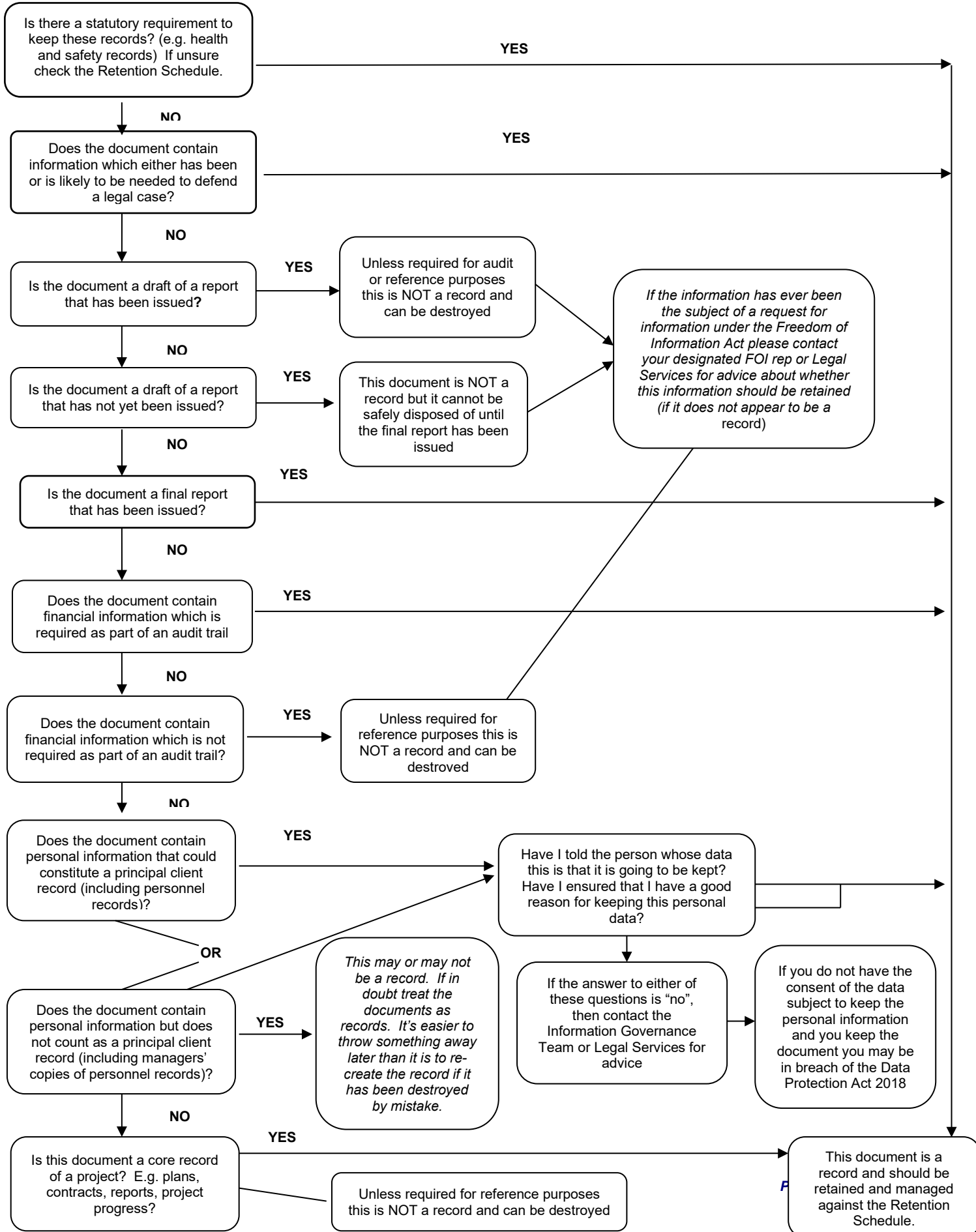
### HOW TO TREAT DIFFERENT TYPES OF RECORDS DURING A CLEAR OUT

Record Type	What to do?
<ul style="list-style-type: none"> <li>All Records</li> </ul>	<ul style="list-style-type: none"> <li>Refer to the Retention Schedule.</li> <li>For any records which are not listed or where statutory and regulatory retention periods do not exist, refer to retention schedules developed by the Scottish Council on Archives (SCARRS) for guidance on retention of records and their disposal. <a href="https://www.scottisharchives.org.uk/resources/scarrs/">https://www.scottisharchives.org.uk/resources/scarrs/</a></li> <li>Refer to the thought tree to assist you in identifying whether it is a record and what to do with it.</li> <li>Remember if it is not a record and has no reference purpose then it should be disposed of.</li> <li>If you are still unsure about how to treat a record contact the officer responsible for the record or your records management contact.</li> </ul>
<ul style="list-style-type: none"> <li>Active records which are still part of an on-going business process and which need to be filed (or re-filed) in the appropriate operational filing systems.</li> </ul>	<p>These records should be kept, filed in appropriate filing system, i.e. on shared drive folder (electronic records), existing storage facility for live paper records in office.</p>
<ul style="list-style-type: none"> <li>Semi-active records which are still required for business or statutory purposes but which do not need to be held in active records storage space, e.g. within the office.</li> </ul>	<p>Once records are no longer required for current administrative purposes they may be transferred to semi current storage. Each Service will be responsible for managing their own semi current storage areas and for the disposal of their records.</p> <p>Remember:</p> <ol style="list-style-type: none"> <li>The records should be kept securely with limited access to designated staff only.</li> <li>The records should be signed in and out if they are required from storage.</li> <li>Use standard size bankers or leaflet boxes which have lids and can be written on.</li> <li>All boxes should be labelled with the contents.</li> <li>All boxes should have the destruction/review/archive date marked on them according to the retention schedule.</li> <li>Remove paper clips, elastic bands, plastic wallets, treasury tags etc. from records before boxing (this allows records to be destroyed more easily once their destruction date has been reached).</li> <li>Remove duplicates and ephemera from files before transferring to storage to reduce storage space and therefore costs.</li> <li>If material has a long retention period consider converting to another media. Remember that a copy</li> </ol>

Record Type	What to do?
	<p>must be a faithful representation of the original, capable of being migrated and read at a later date and faithfully reproduced and read. The records should be usable and authentic.</p> <ul style="list-style-type: none"> <li>i. Keep a list of what has been transferred to semi current storage. This will make compiling a destruction/disposal record easier.</li> <li>j. When the records have reached their disposal dates get a senior officer within the Service to sign off the destruction/disposal form.</li> </ul>
<ul style="list-style-type: none"> <li>• Records which have reached the end of their operational/statutory retention period and can be safely destroyed.</li> </ul>	<p>These records may be destroyed in accordance with the Retention Schedule. Records containing confidential, personal or sensitive information must be disposed of securely.</p> <p>Duplicate and/or backup copies stored on alternative media must also be destroyed at the same time, in order to ensure compliance with the Data Protection and Freedom of Information legislation.</p> <p>NB – do not destroy records where there is any pending litigation or a request under the Freedom of Information or Data Protection legislation has been received to those records. In these cases the records should be preserved until the litigation process is completed and all appeals have been exhausted, after which time they may be destroyed. (if in any doubt contact your service FOI / SAR Rep or Legal Services).</p> <p><b>IMPORTANT – Where there is, or there is the possibility of litigation, the records and information likely to be in scope must not be amended or destroyed until the litigation or the threat of litigation has been resolved or removed. Where a request for information has been received, the records and information affected must not be destroyed or amended until after the request has been fulfilled.</b></p>
<ul style="list-style-type: none"> <li>• Records which have reached the end of their operational/statutory retention period and which should be offered to the archives</li> </ul>	<p>You will need to get advice from an archivist to advise about records which should be transferred to an archive for permanent preservation. Speak to the manager of the records in the first instance.</p> <p>This is only in the case where you think you may have records of historical value, e.g. it will depend on the type of records in your service.</p>

Record Type	What to do?
<ul style="list-style-type: none"> <li>Printed publications which are held elsewhere</li> </ul>	<p>These can be disposed of</p>
<ul style="list-style-type: none"> <li>Duplicate material which is not the principal copy</li> </ul>	<p>These can be disposed of</p>
<p><b><u>Ephemeral Material</u></b>            This information that is of short-term value, but does not have any lasting value and should therefore not be treated as a record.</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>Working documents, and notes taken to inform a later document</li> <li>Copies and duplicates where the original exists</li> <li>Trivial notes or emails</li> <li>Post-it notes</li> <li>Superseded distribution lists, address books, annual reports, manuals</li> <li>Delegates' copies of minutes.</li> <li>Electronic copies of records that have been printed off and filed</li> <li>Journals and catalogues</li> <li>Faxes once a copy has been filed</li> <li>Personal emails and documents – see Council's policy on Acceptable Use of Information Systems</li> <li>Emails not related to Council business</li> <li>Travel literature</li> <li>'with compliments' slips</li> <li>Superseded versions of order forms, templates etc.</li> </ul>	<p>This information can be destroyed as soon as possible by the creator or creating service and can be destroyed as soon as they reach the end of their current use. Decide on appropriate method of destruction for such material.</p> <p>If in any doubt whether material should be treated as ephemeral or as a record, contact your line manager or your records management contact.</p>

**APPENDIX 7 – THOUGHT TREE TO ASSIST IDENTIFICATION OF A RECORD**





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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>25 March 2025</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital &amp; Customer Services</b>	<b>Report No:</b>	<b>LS/021/25/LB</b>
<b>Contact Officer:</b>	<b>Vicky Pollock</b>	<b>Contact No:</b>	<b>01475 712180</b>
<b>Subject:</b>	<b>Unacceptable Actions Policy Update</b>		

---

## **1.0 PURPOSE AND SUMMARY**

1.1  For Decision  For Information/Noting

1.2 The purpose of this report is to seek approval of an updated version of the Council's Unacceptable Actions Policy.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee approves the updated Unacceptable Actions Policy appended to this report in Appendix 2.

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

### **3.0 BACKGROUND AND CONTEXT**

- 3.1 Inverclyde Council is committed to providing its customers with professional services to a high standard and seeks to do so in a polite and courteous manner.
- 3.2 However, when things go wrong, customers have a right to be heard, understood and respected. Having a robust, accessible and transparent complaints process is vital in ensuring that complaints are dealt with appropriately, effectively and with a view to improving our services. The Council's procedure for dealing with the majority of complaints and complainants is set out in the Complaints Handling Procedure and supporting guidance.
- 3.3 There are a very small number of customers however whose behaviour makes it difficult for employees and Elected Members to be able to deal with their complaint or enquiry. In some cases the customer's actions become unacceptable because they involve abuse of employees, Elected Members or Council processes.
- 3.4 The attached updated policy seeks to provide concise guidance to assist employees and Elected Members to deal with actions or behaviours from customers and others engaging with the Council that are considered unacceptable, whether directed at them verbally, in writing or by social media and the internet.

### **4.0 MANAGING UNACCEPTABLE ACTIONS BY CUSTOMERS**

- 4.1 There are relatively few customers whose actions the Council considers unacceptable. The nature and extent of these actions will determine how the Council will manage them. The key aim of the Unacceptable Actions Policy is to manage the behaviour or actions of customers who are making it difficult for employees or Elected Members to be able to deal with their complaint or enquiry effectively. These actions can include:
  - aggressive or abusive behaviour
  - unreasonable demands
  - unreasonable levels of contact
  - unreasonable use of the complaints process
- 4.2 The key provisions of the Unacceptable Actions Policy include:
  - defining unacceptable actions
  - managing unacceptable actions
  - deciding on restricting access and the process of appeal
  - reviewing the decision to restrict contact
- 4.3 The policy also reflects the increase in use of social media and internet communication.
- 4.4 The policy is intended to increase protection for employees and customers where an individual's actions result in unreasonable demands on services or unreasonable behaviour towards employees and Elected Members.
- 4.5 The policy is consistent with the best practice guidance provided by the SPSO. It should also be noted that the SPSO has produced a Complaints Handling Practice Guide: Dealing with Problem Behaviour, which contains useful guidance to supplement the policy.
- 4.6 The Unacceptable Actions Policy continues to be essential to ensure that the Council's principles in dealing with those who act in an unacceptable manner are consistent with those principles set

out in the SPSO's Engagement Policy. The policy is also in keeping with the Council's zero tolerance approach to abuse and its commitment to the safety of its employees and Elected Members in seeking to ensure that they do not suffer any disadvantage from those who act in an unacceptable manner.

## 5.0 REVIEW OF THE UNACCEPTABLE ACTIONS POLICY

5.1 The Council's Unacceptable Actions Policy was approved in September 2015. The policy has been reviewed and the substantive changes are as follows:

- Additional information added on vexatious and manifestly unreasonable information requests;
- Clearer guidance added around the processes to follow at the end of restriction period;
- More information added around the appeals process;
- Clearer guidance to employees on where they can seek further guidance on unacceptable behaviour and/or the application of the policy; and
- Additional information on how the Council takes account of its duties under the Equality Act 2010.

5.2 The Policy has also been updated to reflect the Council's new policy template. A table which summarises the proposed changes to the Policy is set out at Appendix 1, with the revised Policy set out at Appendix 2 for Committee's consideration.

## 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)



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

### 6.3 Legal/Risk

Any decision to restrict access in terms of the Unacceptable Actions Policy does not affect the Council's legal responsibilities to customers – for example in terms of the Freedom of Information (Scotland) Act 2002 and the Data Protection Act 2018. The application of this policy should not prevent a customer from the right to access statutory services from the Council. This will be taken into account when any restrictions are put in place.

### 6.4 Human Resources

There are no direct Human Resources implications arising from this report.

### 6.5 Strategic

This Policy supports the delivery of the following outcomes within the Council Plan 2023-2028:

- High quality and innovative services are provided giving value for money.
- Our employees are supported and developed.

### 6.6 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:

X	YES – Assessed as relevant, an EqIA is required and is available on the Council's website. <a href="#">Equality Impact Assessments - Inverclyde Council</a>
	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
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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.

**7.0 CONSULTATION**

7.1 The Information Governance Steering Group and the Corporate Management Team have been consulted on the updated Unacceptable Actions Policy.

**8.0 BACKGROUND PAPERS**

8.1 None.

**SUMMARY OF PROPOSED REVISIONS TO UNACCEPTABLE ACTIONS POLICY – MARCH 2025**

<b>PAGE</b>	<b>TITLE</b>	<b>SECTION</b>	<b>PROPOSED CHANGE</b>
Throughout	n/a	n/a	Use of new policy template
6	Defining Unacceptable Actions	3.2.3	New paragraph – to clarify that examples of unacceptable actions are set out under three broad headings.
6	Aggressive and/or Abusive Behaviour	3.2.4	New paragraph – to clarify difference between aggression and reasonable annoyance
7	Aggressive and/or Abusive Behaviour	3.2.5	Examples of aggressive/abusive behaviours expanded.
7	Unreasonable Demands or Levels of Contact	3.2.7	Examples of unreasonable demands/levels of contact expand and now also include vexatious or repeated requests under FOISA
7	Unreasonable Demands or Levels of Contact	3.2.8	New paragraph – noting that “repeated” interactions can subjective and should be agreed by a senior manager.
8	Unreasonable Persistence	3.2.14	New paragraph – how to deal with customers who send multiple emails.
9	Managing Unacceptable Actions	3.3.1	Paragraph expanded to provide further information on continuing to provide a level of service to the customer and that threats/violence will be reported to the Police.
9	Customer Complaints	3.3.2	New paragraph – reminder of use of complaint handling procedure
11	Who can decide to restrict contact	3.4.4	New, updated section on where employees can seek further guidance on unacceptable behaviour and/or application of the policy.
11	Who can decide to restrict contact	3.4.5	Further information about customers being given the opportunity to modify their behaviour before a restriction is put in place.
12	How to Appeal a Decision to Restrict Contact	3.6	Paragraph expanded to provide further information around the appeals process.
12	Recording a Decision to Restrict Contact	3.7.2	Updated to clarify responsibilities for reviewing contact restrictions.
13	Reviewing a Decision to Restrict Contact	3.8	New section – clearer guidance on the processes to follow at the end of a restriction period.
13	Related Matters	3.9	New section on SPSO, Information Requests and Equality Duties.

# ***Unacceptable Actions Policy***

Version No 2.0

Produced by:

Information Governance Team  
Inverclyde Council  
Municipal Buildings  
GREENOCK  
PA15 1LX

**Inverclyde Council is an Equal Opportunities employer.**

**This document can be made available in other languages, large print, and audio format upon request.**

## DOCUMENT CONTROL

<b>Document Responsibility</b>		
<b>Policy Title</b>	<b>Corporate Group</b>	<b>Service</b>
Unacceptable Actions Policy	Information Governance Steering Group	Legal, Democratic, Digital & Customer Services

<b>Change History</b>		
<b>Version</b>	<b>Date</b>	<b>Comments</b>
1.0	August 2015	New Policy
2.0	February 2025	Updated to new policy format, review and update of policy

<b>Distribution</b>
Corporate Directors, Heads of Service, ICON, Information Governance Steering Group

<b>Policy Review</b>		
<b>Updating Frequency</b>	<b>Next Review Date</b>	<b>Responsible Officer</b>
5 years	March 2030	Head of Legal, Democratic, Digital & Customer Services

<b>Policy Review and Approval</b>			
<b>Name</b>	<b>Action</b>	<b>Date</b>	<b>Communication</b>
Policy & Resources Committee			Website; ICON; IGSG;

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## 1 INTRODUCTION

### 1.1 EXECUTIVE SUMMARY

This Policy sets out Inverclyde Council's approach to the relatively few customers whose actions or behaviours are considered to be unacceptable.

All Council employees and elected members are entitled to respect as they carry out their roles and deliver Council services and the Council takes a zero-tolerance approach to abuse of its employees and elected members. This Policy aims to ensure that the Council takes a consistent and fair approach in dealing with customers or their representatives who make unreasonable demands of employees and elected members or who behave in a manner that is considered unacceptable.

### 1.2 BACKGROUND

The Council aspires to be an organisation that delivers excellent customer services through a range of channels. We will take account of customer needs and will respond with patience and understanding when customers have specific requirements of the Council. It is recognised that some customers will come into contact with the Council at difficult times in their lives and/or when experiencing challenging circumstances, and that this may cause them to act in ways that are out of character.

The Council will do its best to ensure that customers are offered appropriate support and guidance in their business with the Council. However, on occasion, customers may make unreasonable demands of behave in an unacceptable way and this Unacceptable Actions Policy sets out the Council's approach to the few customers whose behaviour is considered unacceptable.

### 1.3 STRATEGIC CONTEXT

This Policy supports the delivery of the following outcomes within the Council Plan 2023-2028:

- High quality and innovative services are provided giving value for money.
- Our employees are supported and developed.

### 1.4 LINKS TO LEGISLATION

Scottish Public Services Ombudsman Act 2002  
Freedom of Information (Scotland) Act 2002  
Data Protection Act 2018  
UK General Data Protection Regulation

### 1.5 POLICY AIMS

- To deal fairly, honestly, consistently and appropriately with all customers, including those whose actions the Council considers unacceptable. The Council believes that all customers have the right to be heard, understood and respected. The Council also considers that our employees and elected members have the same rights.

- To ensure that Council employees, elected members and other customers are not disadvantaged by the actions or behaviours of customers who behave in an unacceptable manner.
- To make it clear to all customers and others engaging with the Council at all stages of their dealings with the Council, the types of actions and behaviours the Council considers to be inappropriate and to set out how the Council will manage such actions.
- To provide services that are accessible to all customers and others engaging with the Council. However, where the Council considers a customer's actions to be unacceptable, the Council retains the right to restrict or change access to our employees and/or services.
- To support employees and elected members in dealing with actions or behaviour from customers and others engaging with the Council that is considered to be unacceptable whether directed at them verbally, in writing or by social media and the internet.
- To support existing Health and Safety arrangements and policies which deal with violence towards employees and elected members in the workplace.

#### 1.6 LINKS TO CORPORATE GROUPS

This Policy is linked to the work of the Corporate Management Team and the Information Governance Steering Group.

## 2 SCOPE

The principles set out in this Policy apply to the Council's dealings with its customers in all circumstances.



## **3 POLICY CONTENT**

### **3.1 Introduction**

The Council's procedure for dealing with the majority of complaints and complainants is set out in the Complaints Handling Procedure and supporting guidance. It is intended that the following procedures will only be implemented in exceptional circumstances.

This policy details Inverclyde Council's approach for dealing with the very small minority of customers whose actions or behaviours are considered to be unacceptable.

The term "customer" also includes anyone acting on behalf of a customer or who contacts the Council in connection with any aspect of its services. The principles set out in this Policy apply to the Council's dealings with its customers in all circumstances.

It is important to emphasise from the outset that the Council is committed to providing high standards of customer care, and it is only in exceptional circumstances that the terms of this policy will apply. A key determinant of how responsive we are as a Council is ensuring that we have a positive approach to dealing effectively with our residents' and service users' complaints and using management information derived from such complaints to monitor performance and improve our services.

### **3.2 Defining Unacceptable Actions**

- 3.2.1 People may act out of character in times of trouble or distress. There may have been upsetting or disturbing circumstances leading up to a person formally contacting the Council. The Council does not view behaviour as unacceptable just because an individual is being forceful or determined.
- 3.2.2 The actions of individuals who are angry, demanding, offensive or persistent may result in unreasonable demands on the Council or unacceptable behaviour towards Council employees, elected members and other representatives acting on behalf of the Council. The Council considers these actions to be unacceptable and aims to manage them under the terms of this policy.
- 3.2.3 There is a wide range of behaviour that may be deemed unacceptable. While it is not possible to produce a comprehensive list of actions that would be considered unacceptable, this policy sets out examples of unacceptable actions under three broad headings:

#### **Aggressive and/or Abusive Behaviour**

- 3.2.4 The Council expects its employees and elected members to be treated with courtesy and respect. The Council also understands the difference between aggression and the reasonable annoyance that a customer may feel in connection with their circumstances or a complaint they may be making. Reasonable annoyance in such circumstances is to be expected, but when this turns into inappropriate behaviours or aggression, this is not acceptable. Violence, threats, offensive language or abuse toward employees or elected members is always unacceptable.

3.2.5 Aggressive or violent behaviour is not restricted to acts that may result in physical harm. It also includes behaviour or language (whether verbal or written) that may cause employees, elected members and other representatives acting on behalf of the Council to feel offended, afraid, threatened, humiliated or abused.

3.2.5 Examples of aggressive/abusive behaviours:

- Making threats
- Physical violence or intimidation
- Verbal abuse
- Using offensive language
- Being rude
- Making derogatory remarks
- Making inflammatory statements
- Making unsubstantiated allegations
- Making defamatory, slanderous or libellous statements

### **Unreasonable Demands or Levels of Contact**

3.2.6 Customers may make what we consider unreasonable demands on the Council through the amount of information they seek, the nature and scale of the service they expect or the number of approaches they make. What amounts to unreasonable demands will always depend on the circumstances surrounding the behaviour and the seriousness of the issues raised by the customer or their representative, including organisations that may contact us on behalf of their clients.

3.2.7 Examples of unreasonable demands or levels of contact:

- Repeatedly demanding responses within an unreasonable timescale
- Insisting on seeing or speaking to a particular employee or elected member when this is not possible
- Repeated visits, phone calls, letters or emails
- Routinely copying the same correspondence/request to a number of people
- Repeatedly changing the substance of a complaint or repeatedly raising unrelated concerns
- Repeated failure to identify the precise issues they wish to be investigated despite reasonable efforts by the Council to help them
- Repeatedly raising the same or similar issue which has already been responded to in terms of the Council's complaint handling procedure
- Vexatious or repeated FOI requests (refer to Section 14 of the Freedom of Information (Scotland) Act 2002).

3.2.8 As the term “repeated” is subjective, the number of interactions deemed repeated should be agreed by a senior manager within the relevant service.

3.2.9 The Council considers these demands unacceptable and unreasonable if they start to impact substantially on the work of the Council and its ability to deliver services, such as taking up an excessive amount of employee or elected member time to the disadvantage of other customers, service users or functions.

3.2.10 Some customers will not or cannot accept that the Council are unable to assist them further or provide a level of service other than that already provided. Customers may persist in disagreeing with the action or decision taken in relation to their complaint or issue.

3.2.11 We consider the actions of customers making persistent levels of contact to be unacceptable when the amount of time spent talking to a customer on the telephone, responding to e-mails and written correspondence, or responding to other forms of electronic communications impacts on our ability to deal with that issue or other customers' issues, and causes distress to either staff or other customers.

### **Unreasonable Persistence**

3.2.12 As highlighted above some customers cannot or will not accept that the Council is unable to assist them further or provide a level of service other than that already provided. This can result in unreasonable persistence. Unreasonable persistence is defined as continued, incessant and unrelenting conduct that has a disproportionate or unreasonable impact on the Council's employees, elected members and services' time and/or resources.

3.2.13 Examples of actions grouped under this heading include:

- unreasonable use of the complaints process;
- persistent refusal to accept a decision made;
- persistent refusal to accept reasonable and logical explanations without presenting any new information;
- sending multiple emails to many members of staff or elected members;
- persistent, organised and targeted campaigns to deliberately disrupt the work of the Council;
- persistent use of social media or the internet to draw attention to a particular issue repeatedly

3.2.14 Sending multiple emails to many employees or elected members is considered to be unacceptable. In the first instance, an individual who sends multiple emails or correspondence should be advised of a nominated contact within the Council. This will be a designated officer who is best placed to deal with the subject the individual wishes to pursue. Where the individual fails to adhere to these arrangements, the actions set out in sections 3.3 and 3.4 below may be invoked.

3.2.15 The Council considers the actions of persistent enquirers or serial complainants to be unacceptable when they take up what the Council considers to be a disproportionate amount of time and resources or have a negative impact on our employees or elected members. The actions set in sections 3.3 and 3.4 below may be invoked.

## **3.3 Managing Unacceptable Actions**

3.3.1 There are relatively few customers whose actions are unacceptable. How we aim to manage these actions depends on their nature and extent. If it adversely affects our ability to do our work and provide a service to others, we may need to restrict the individual or group's contact with the Council in order to manage the unacceptable action. We aim to do this in a way that wherever possible allows the issue to be

resolved, or for the service to be provided through the Council's normal processes for the matter that is the subject of the complaint or enquiry.

- The Council may restrict or cease contact in person, by telephone, letter or email or by any other means or any combination of these. The Council will try to maintain at least one form of contact but will reserve the right in extreme cases to withdraw all contact.
- In extreme cases, the Council will advise the individual in writing (or where applicable their chosen form of communication) that contact with the Council has been restricted and should include the provision(s) of the policy that are relevant and the specific restriction(s) being applied.
- The threat or use of physical violence, verbal abuse or harassment towards any Inverclyde Council employee or elected member is likely to result in the termination of all direct contact with the individual concerned. Incidents in which physical violence is used or threatened will be reports to the Police.

### **Customer Complaints**

3.3.2 With the exception of aggressive or abusive behaviour, customer complaints should be addressed through the Council's two stage complaint handling procedure. This will ensure customers have the right to seek review from the Scottish Public Services Ombudsman should a complaint progress through stages one and two. If the exact nature of a complaint is unclear, the Council should contact the customer seeking clarification. Employees can advise a customer as to the areas of complaint they propose to address, inviting the customer to respond if our understanding is not correct.

### **Written Correspondence**

3.3.3 We will not deal with correspondence that is abusive to employees or elected members or that contains allegations that lack substantive evidence. When this happens we will tell the customer that we consider their language offensive, unnecessary and unhelpful. We will ask them to stop using such language and advise that we will not respond to their correspondence if the action or behaviour continues. In certain cases we may block email addresses and emails.

These actions will also be used in situations where social media is used to direct abuse or offensive messages to an individual or group of employees or elected members.

### **Telephone communication**

3.3.4 Council employees and elected members will end telephone calls if the caller is considered to be aggressive, abusive or offensive. If they suspect or are informed that calls are being recorded for later use in public or are being live streamed then they are entitled to politely terminate the call immediately. The employee or elected member taking the call have the right to make this decision, tell the caller that the behaviour is unacceptable and end the call if the behaviour does not stop after two warnings.

## Meetings

3.3.5 In the event that Council employees and elected members have to meet with customers who are subject to the terms of this policy, appropriate steps will be taken, prior to the meeting, to ensure staff and elected member safety.

## Further actions

3.3.6 Where an individual repeatedly phones, visits the office, sends emails, sends irrelevant documents or correspondence, raises the same issues or uses social media inappropriately, we may decide to:

- only take telephone calls from the individual at set times/days or put an arrangement in place for only one employee to deal with calls or correspondence from the individual in future (single point of contact);
- ask the individual to make an appointment to see a named employee or elected member before visiting our offices or request that the individual contacts the Council in writing only, or where written English is not their first language of communication, their agreed form of communication;
- return the documents or correspondence to the complainant or in extreme cases advise the complainant that further irrelevant documents or correspondence will be destroyed;
- take other action that we consider appropriate, which may include directing emails to a separate, monitored mailbox, blocking emails or in extreme cases, raising legal action;
- Where an individual continues to correspond via any method on a wide range of issues that is considered to be excessive, the individual will be told that only a certain number of issues will be considered in any given period and to limit or focus their requests accordingly.
- in cases where social media is repeatedly used to abuse, threaten, etc. in public forums, despite Council requests for such abuse to stop or comments to be removed, the Council will support the employee or elected member in their rights in Law to take action against the perpetrators. Relevant managers will contact Corporate Communications and/or Legal Services for further advice on the appropriate course of action. This may result in contacting the administrator of social media sites and asking them to remove any abusive or defamatory comments.
- The Council shares information, images and video with the public through external social media websites. Social media offers opportunities for open discussion and debate and should be encouraged. Comments made by the public to these sites are reviewed and, while comments will not be edited by Council employees, a comment may be deleted if it is offensive, abusive or threatening to employees or elected members. In addition, offensive or unacceptable actions, language or trolling may also result in the perpetrator being blocked and/or reported to the social media site administrator.

- An individual with a complaint about Council services may be considered unreasonably persistent if, after all stages of the Council's Complaints Handling Procedure have been exhausted the complainant continues to dispute the Council's decision relating to the complaint. In this instance, the complainant will be told that no future phone calls will be accepted, interviews granted or correspondence responded to concerning this complaint. They will be told if there is a further review procedure out with the Council they could invoke (e.g. SPSO). Any future contact by the complainant would be read and filed, but only acknowledged or responded to if the complainant provides significant new information relating to the complaint.

**We will, however, always tell the customer what action we are taking and why.**

### **3.4 Who can decide to restrict contact?**

- 3.4.1 Employees and elected members who directly experience aggressive or abusive behaviour from an individual have the authority to deal immediately with that behaviour in a manner they consider appropriate to the situation and in line with this policy. This may include reporting incidents to the Police.
- 3.4.2 Employees should report the incident to their supervisor/Line Manager and to the Council's Health and Safety Section using the Internal Reporting Form on ICON.
- 3.4.3 Elected members should notify the Head of Legal, Democratic, Digital and Customer Services who will make arrangements to record the incident.
- 3.4.4 If employees are uncertain how to proceed where unacceptable behaviour is evident or require further guidance in terms of the application of the policy, they should consult with the Council's Senior Information Governance and Complaints Officer in the first instance.
- 3.4.5 If the concerning behaviour is not acceptable but is not considered to be serious enough to be recorded on the system, a warning letter to the individual may be issued. This letter will state the nature of the unreasonable behaviour and will tell the individual that it should not continue.
- 3.4.6 With the exception of immediate decisions taken at the time of an incident, customers will be made aware of the policy and given the opportunity to change their behaviour or action before it is applied. Wherever possible the individual will be given an opportunity to modify their behaviour or actions before a final decision to restrict contact is taken.
- 3.4.7 Decisions to restrict an individual's contact with Council employees and elected members will only be taken after careful consideration by the relevant Head of Service in consultation with the Head of Legal, Democratic, Digital and Customer Services and the Head of Service (Organisational Development, Policy and Communications).

### **3.5 How we let customers know we have made the decision to restrict contact**

- 3.5.1 We will always tell the customer or group what action we are taking and why. When a staff member makes an immediate decision in response to aggressive or abusive behaviour, the customer is advised at the time of the incident.
- 3.5.2 When a decision has been made by a Head of Service to restrict contact the customer will be told in writing why the decision has been made. The communication will also include the restricted contact arrangements and, if relevant, the length of time the arrangements will be in place. If appropriate, the customer will also be advised who this information will be shared with and recorded on our systems. This ensures the customer has a record of the decision.

### **3.6 How to Appeal a Decision to Restrict Contact**

- 3.6.1 A customer can appeal a decision to restrict contact. We will only consider arguments that relate to the restriction and not to either the complaint made or our decision to close a complaint.
- 3.6.2 An appeal could include, for example, a complainant saying that:
- their actions were wrongly identified as unacceptable
  - the restrictions were disproportionate
  - the restrictions will adversely impact on the customer because of personal circumstances.
- 3.6.3 Appeals will be considered in terms of employees, by a senior manager who was not involved in the original decision. In respect of elected members, the review will be carried out by their respective groups with appropriate officer support.
- 3.6.4 They have the discretion to quash or vary the restriction as they consider appropriate. They will make their decision on the evidence available to them.
- 3.6.5 The customer will be advised of the outcome in writing that either the restricted contact arrangements still apply or a different course of action has been agreed.

### **3.7 Recording a Decision to Restrict Contact**

- 3.7.1 The Council will record all incidents of unacceptable actions by customers. Where contact has been restricted, this is noted in the relevant file and/or on appropriate computer systems.
- 3.7.2 A decision to restrict contact may be reconsidered if the customer demonstrates a more acceptable approach. The relevant Head of Service will review the status of all individuals with restricted contact arrangements periodically through respective Service Management Teams and must conduct a full review of the restriction before the end of the restriction period. In respect of elected members, these arrangements should be made through their respective groups.



### **3.8 Reviewing a Decision to Restrict Contact**

- 3.8.1 If a full review confirms the customer has moderated or altered their behaviour, restrictions may be relaxed or removed, however, these may be reinstated if subsequent contact is again deemed unacceptable or relates to matters which resulted in the contact restrictions first being applied.
- 3.8.2 Where restrictions are being relaxed or lifted after review, individuals should be informed of this in writing.
- 3.8.3 When reviewing a restriction, the total extent of the individual's demands on the Council during the restriction period should be taken into account, including any Freedom of Information (FOI) and Subject Access Requests.
- 3.8.4 If a contact restriction has been placed on an individual on a permanent basis there is no requirement to inform the individual of this upon each anniversary as long as the individual was informed the restriction was permanent when first applied.

### **3.9 Related Matters**

#### **SPSO**

- 3.9.1 Under section 2(2) of the Scottish Public services Ombudsman Act 2001, in certain circumstances, an authority within the Ombudsman's jurisdiction can ask the Ombudsman to investigate a complaint about itself. The SPSO's guidance states that such a request would only be made in the following circumstances:
- The authority has done all that it believes it reasonably can do to resolve the complaint, including telling the complainant of their rights to complain to the SPSO.
  - The complainant appears to have chosen not to bring the matter to the SPSO.
  - A public statement has been made alleging hardship/injustice to a member or members of the public as a result of the alleged maladministration or service failure by the authority.

#### **Information Requests**

- 3.9.2 When deciding to restrict contact we will not attempt to restrict the rights of an individual to raise requests under information legislation, such as the right to request information under the Freedom of Information (Scotland) Act 2002 (FOISA), the Environmental Information Regulations (Scotland) 2004 (EIRs), the Data Protection Act 2018 or a Subject Access Request under the UK General Data Protection Regulation. Any such requests received will be considered under the normal terms of those access regimes – although of course such a request, if couched in terms that are harassing, unreasonable or excessive, may be deemed vexatious under the FOISA or manifestly unreasonable under EIRs. If an FOI request is answered, it should solely result in the release of pre-existing documentation or information. Care should be taken not to undermine any decision to restrict contact through creation of new information, such as the answering of questions relating to the issue which gave rise to the restriction decision applied under this policy.



## **Equality Duties**

3.9.3 Some people may have difficulty expressing themselves or communicating clearly or appropriately. We will always consider the needs and circumstances that we have been made aware of, before deciding how best to manage the situation. This will include making reasonable adjustments. However, this does not mean that we will tolerate abusive language, shouting or other unacceptable behaviour or actions.

If an individual with a protected characteristic becomes the subject of a restriction under this policy, we will consider whether the restriction may affect them more than someone without that characteristic. If this is the case, we may make different arrangements so that they can still access the relevant service.

## **Policies**

3.9.4 This policy should be read in conjunction with the following supporting documents:

- Managing Occupational Violence and Aggression in the Workplace Policy
- Health and Safety Guidance on Managing Aggression at Work (available on ICON)
- Media and Social Media Protocol
- Complaints Handling Procedure

## **4 ROLES AND RESPONSIBILITIES**

As set out in Section 3.4 of the Policy.

## **5 IMPLEMENTATION**

### **5.1 COMMUNICATION OF THE POLICY**

This Policy will be available on ICON (the Council intranet), as well as publicly via the Council website.

## **6 RISK**

### **6.1 RISK**

The application of this policy should not prevent a customer from the right to access statutory services from the Council. This will be taken into account when any restrictions are put in place.

## **7 EQUALITIES**

### **7.1 CONSULTATION AND ENGAGEMENT**

This Policy was updated in consultation with the Corporate Management Team and the Information Governance Steering Group.

### **7.2 EQUALITY IMPACT ASSESSMENT**

Equality Impact Assessment available at [Equality Impact Assessments 2025 - Inverclyde Council](#)