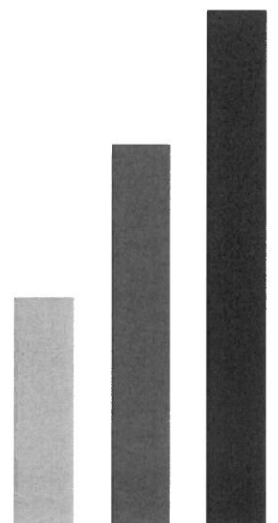


Agenda 2015

Inverclyde Council

For meeting on:

4	June	2015
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A meeting of the Inverclyde Council will be held on Thursday 4 June 2015 at 4pm within the Municipal Buildings, Greenock.

GERARD MALONE
Head of Legal and Property Services

Prior to the commencement of business, opening prayer will be offered by Rev A Sorensen

BUSINESS

1. Apologies and Declarations of Interest	Page
NEW BUSINESS	
2. Minutes of Meetings of The Inverclyde Council, Committees, Sub-Committees and Boards Local Police & Fire Scrutiny Sub-Committee Inverclyde Council Audit Committee Health & Social Care Committee Environment & Regeneration Committee Education & Communities Committee General Purposes Board Policy & Resources Executive Sub-Committee Policy & Resources Committee Inverclyde Shadow Integration Joint Board Planning Board	(p 123) (pp 124 – 129) (pp 130 – 131) (pp 132 – 134) (pp 135 – 142) (pp 143 – 150) (pp 151 – 153) (pp 154 – 155) (pp 156 – 162) (pp 163 – 165) (pp 166 – 167)
3. Administrative Arrangements: Cycle of Council, Committee, Sub-Committee and Board Meetings Report by Corporate Director Environment, Regeneration & Resources	p
4. Financial Strategy 2015/2023 - Update Report by Chief Financial Officer	p
5. Review of Polling Places Report by Chief Executive	p
6. Scheme for Councillors' Surgeries Report by Corporate Director Environment, Regeneration & Resources	p

7.	Roles and Remits of Member Champions Report by Chief Executive	p
8.	The “One in Five” Campaign: Involving Disabled People in Politics Report by Chief Executive	p
9.	City Deal Collaborative Framework for Professional Services Report by Corporate Director Environment, Regeneration & Resources	p
10. **	Update on Local Strategies to Alleviate Child Poverty Report by Corporate Director Education, Communities & Organisational Development	p
REMITTS FROM COMMITTEES		
11.	Proposed Traffic Regulation Order – Disabled Persons’ Parking Places (On-Street) Order No. 4 2014 – Remit from Environment & Regeneration Committee Report by Corporate Director Environment, Regeneration & Resources	p
12.	Road Safety Inspection and Fault Categorisation Guidance Document – Remit from Environment & Regeneration Committee Report by Corporate Director Environment, Regeneration & Resources	p
TRUST BUSINESS		
13.	Accounts of Charitable Trusts and Awards Report by Honorary Treasurer	p
The documentation relative to the undernoted items has been treated as exempt information in terms of the Local Government (Scotland) Act 1973 as amended, the nature of the exempt information in respect of the following item being that set out in paragraph 6 of Part I of Schedule 7(A) of the Act and the nature of the exempt information in respect of the item thereafter being that set out in the paragraphs of Part I of Schedule 7(A) of the Act as detailed in the relevant minute.		
NEW BUSINESS		
14.	CoSLA Constitution and Membership Report by Chief Executive advising of changes which had been made to CoSLA's Constitution and highlighting a number of implications which have arisen as a result of the decision of four Councils to leave CoSLA	p
15.	Business in the Appendix	

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

Report To:	Inverclyde Council	Date:	4 June 2015
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	SL/LP/068/15
Contact Officer:	Sharon Lang	Contact No:	01475 712112
Subject:	Administrative Arrangements: Cycle of Council, Committee, Sub-Committee and Board Meetings		

1.0 PURPOSE

1.1 The purpose of this report is to set out for approval the schedule of Committee cycles for the period to June 2016.

2.0 SUMMARY

2.1 The proposed cycle of Council/Committee/Sub-Committee/Board meetings for the period is detailed in the timetable set out in the appendix to the report.

Appendix

2.2 Since last year's timetable, the Council has agreed to the administrative and governance arrangements arising from the implementation of Health and Social Care integration in Inverclyde. This has led to the establishment of the Inverclyde Integration Joint Board and the re-establishment of the Health & Social Care Committee as a regular Standing Committee in terms of the Council's cycle of meetings.

2.3 It is proposed that the Health & Social Care Committee meet on the days previously allocated to the CHCP Sub-Committee and that the Shadow Integration Joint Board and thereafter the Integration Joint Board meet, with the exception of the first meeting, on the Tuesday of the "free" week between the Education & Communities Committee and the Policy & Resources Committee. These dates have been submitted for approval at the meeting of the Shadow Integration Joint Board on 28 May.

2.4 The Local Police & Fire Scrutiny Sub-Committee has been meeting before the Inverclyde Council and it is proposed to continue this arrangement on four of the five occasions on which the Council meets.

2.5 The timetable is based on an eight week cycle for the Thematic Committees, the Policy & Resources Committee, the Council and the Inverclyde Integration Joint Board. The Planning Board and the General Purposes Board, however, as Regulatory Committees have a date set aside each month for the determination of applications and associated business.

2.6 The result is two cycles starting towards the end of August and concluding at the start of December and three cycles beginning in early January and concluding with the Council meeting on 2 June 2016.

2.7 Additionally, as in previous years, it is proposed to hold a meeting of the Policy & Resources Committee on Tuesday 11 August 2015 to deal with any items of business requiring consideration during the summer recess period.

2.8 The timetable runs as follows:-

- (a) The Planning Board will meet on the first Wednesday and the General Purposes Board on the second Wednesday respectively of each month;
- (b) All ordinary meetings of the Thematic Committees, the Policy & Resources Committee, the Integration Joint Board, the Planning Board and the General Purposes Board will normally be held at 3pm; and
- (c) The ordinary meetings of the Council will take place at 4pm.

2.9 For the Education & Communities Committee, it is recognised that the current arrangements present issues in relation to dealing with the volume of business within the time available. The current arrangements provide for a 3pm start with Education business commencing at 4.30pm or at the conclusion of the Communities business, if this is later.

In order to address this, one option is to commence the Communities business at 2pm and the Education business at 4pm (with provision for a later start if necessary). This could be done on a trial basis for the meetings set out in the timetable and it would allow for an assessment to be carried out before the setting of the 2016/17 timetable.

3.0 RECOMMENDATION

3.1 That the Council approve the proposed cycle of Council/Committee/Sub-Committee/Board meetings for the year to June 2016 as set out in the timetable in the appendix.

Gerard Malone
Head of Legal & Property Services

DRAFT

Committee/Inverclyde Council	August/September/October 2015				October/November/December 2015			
	Submission Date - 9 am	Pre-Agenda Date	Issue Agenda	Date of Meeting	Submission Date - 9 am	Pre-Agenda Date	Issue Agenda	Date of Meeting
Audit Committee	31 July	Mon 10 Aug - 10 am	14 Aug	25 Aug	25 Sept	Mon 5 Oct - 10 am	9 Oct	20 Oct
Health & Social Care Committee	31 July	Mon 10 Aug - 3 pm	14 Aug	<u>1 Sept</u>	25 Sept	<u>Tues</u> 6 Oct - 3 pm	9 Oct	22 Oct
Environment & Regeneration Committee	7 Aug	Tues 18 Aug - 2 pm	21 Aug	3 Sept	2 Oct	Tues 13 Oct - 2 pm	16 Oct	29 Oct
Education & Communities Committee	14 Aug	Mon 24 Aug - 3 pm	28 Aug	8 Sept	9 Oct	Mon 19 Oct - 3 pm	23 Oct	3 Nov
(Shadow) Inverclyde Integration Joint Board	<u>17 July</u>	<u>Mon 27 July – 3 pm</u>	<u>31 July</u>	<u>10 Aug</u>	16 Oct	Mon 26 Oct – 3 pm	30 Oct	10 Nov
Policy & Resources Committee	28 Aug	Tues 8 Sept - 1 pm	11 Sept	22 Sept	23 Oct	Tues 3 Nov - 1 pm	6 Nov	17 Nov
Local Police & Fire Scrutiny Sub-Committee	17 Sept	n/a	1 Oct	8 Oct	NO MEETING			
Inverclyde Council	21 Sept	Mon 28 Sept - 10 am	1 Oct	8 Oct	16 Nov	Mon 23 Nov - 10 am	26 Nov	3 Dec

NB In addition, it is proposed to hold a meeting of the Policy & Resources Committee on **Tuesday 11 August 2015** to deal with any items of business requiring consideration during the summer recess period. The arrangements for this meeting are as follows:

Submission Date 17 July
Pre-Agenda Date Tues 28 July 1 pm

Issue Agenda 31 July
Date of Meeting 11 Aug

DRAFT

	January/February 2016				February/March/April 2016			
Committee/Inverclyde Council	Submission Date - 9 am	Pre-Agenda Date	Issue Agenda	Date of Meeting	Submission Date - 9 am	Pre-Agenda Date	Issue Agenda	Date of Meeting
Audit Committee	4 Dec	Mon 14 Dec - 10 am	18 Dec	5 Jan	29 Jan	<u>Tues</u> 9 Feb - 10 am	12 Feb	23 Feb
Health & Social Care Committee	4 Dec	<u>Tues</u> 15 Dec - 3 pm	18 Dec	7 Jan	29 Jan	Mon 8 Feb - 3 pm	12 Feb	25 Feb
Environment & Regeneration Committee	4 Dec	Tues 15 Dec - 2 pm	18 Dec	14 Jan	5 Feb	Tues 16 Feb - 2 pm	19 Feb	3 Mar
Education & Communities Committee	11 Dec	<u>Tues</u> 5 Jan - 1 pm	8 Jan	19 Jan	12 Feb	Mon 22 Feb - 3 pm	26 Feb	8 Mar
(Shadow) Inverclyde Integration Joint Board	18 Dec	Mon 11 Jan – 3 pm	15 Jan	26 Jan	19 Feb	Mon 29 Feb – 3 pm	4 Mar	15 Mar
Policy & Resources Committee	8 Jan	Tues 19 Jan - 1 pm	22 Jan	2 Feb	26 Feb	Tues 8 Mar - 1 pm	11 Mar	22 Mar
Local Police & Fire Scrutiny Sub-Committee	28 Jan	n/a	11 Feb	18 Feb	17 Mar	n/a	31 Mar	7 Apr
Inverclyde Council	1 Feb	Mon 8 Feb - 10 am	11 Feb	18 Feb	21 Mar	<u>Tues</u> 29 Mar - 10 am	31 Mar	7 Apr

NB As usual, the submission and pre-agenda dates for this cycle have been altered to avoid holding meetings in the week before Christmas and the week between Christmas and New Year.

DRAFT

	April/May/June 2016			
Committee/Inverclyde Council	Submission Date - 9 am	Pre-Agenda Date	Issue Agenda	Date of Meeting
Audit Committee	24 Mar	Mon 4 Apr - 10 am	8 Apr	19 Apr
Health & Social Care Committee	24 Mar	Mon 4 Apr - 3 pm	8 Apr	21 Apr
Environment & Regeneration Committee	1 Apr	Tues 12 Apr - 2 pm	15 Apr	28 Apr
Education & Communities Committee	8 Apr	Mon 18 Apr - 3 pm	22 Apr	3 May
(Shadow) Inverclyde Integration Joint Board	15 Apr	Mon 25 Apr – 3 pm	29 Apr	10 May
Policy & Resources Committee	22 Apr	Tues 3 May - 1 pm	6 May	17 May
Local Police & Fire Scrutiny Sub-Committee	12 May	n/a	26 May	2 June
Inverclyde Council	16 May	Mon 23 May - 10 am	26 May	2 June

DRAFT

PLANNING BOARD			
Submission Date - 9 am	Pre-Agenda Date	Issue Agenda	Date of Meeting
23 July	n/a	28 July	5 Aug
20 Aug	n/a	25 Aug	2 Sept
24 Sept	n/a	29 Sept	7 Oct
22 Oct	n/a	27 Oct	4 Nov
19 Nov	n/a	24 Nov	2 Dec
10 Dec	n/a	15 Dec	6 Jan
21 Jan	n/a	26 Jan	3 Feb
18 Feb	n/a	23 Feb	2 Mar
24 Mar	n/a	29 Mar	6 Apr
21 Apr	n/a	26 Apr	4 May
19 May	n/a	24 May	1 June

GENERAL PURPOSES BOARD			
Submission Date - 9 am	Pre-Agenda Date	Issue Agenda	Date of Meeting
24 July	n/a	30 July	12 Aug
21 Aug	n/a	27 Aug	9 Sept
25 Sept	n/a	1 Oct	14 Oct
23 Oct	n/a	29 Oct	11 Nov
20 Nov	n/a	26 Nov	9 Dec
15 Dec	n/a	5 Jan	13 Jan
22 Jan	n/a	28 Jan	10 Feb
19 Feb	n/a	25 Feb	9 Mar
24 Mar	n/a	31 Mar	13 Apr
22 Apr	n/a	28 Apr	11 May
20 May	n/a	26 May	8 June

Report To:	Inverclyde Council	Date:	4th June 2015
Report By:	Chief Financial Officer	Report No:	FIN/42/15/AP/CM
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	Financial Strategy 2015/2023 - Update		

1.0 PURPOSE

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

2.0 SUMMARY

- 2.1 The six month review of the Financial Strategy has been undertaken and takes into account the approved 2015/17 Budget, a review of all funding models included in the Appendix and the latest information from the UK and Scottish Governments.

- 2.2 It can be seen from table 3 in paragraph 8.8 that the Council has reduced the revenue funding gap over 2015/17 of £12.02 million by £8.72 million, leaving £3.3 million to be achieved in 2016/17. In addition it should be noted that there is an initial funding gap of £9.3 million for 2017/18.

- 2.3 Table 5 in paragraph 8.14 shows that overall the Council has a £0.33 million surplus on its 3 year capital programme. This reflects decisions taken at the February 2015 Council meeting.

- 2.4 All the other appendices and tables have been updated as follows:

Appendix 4 – Riverside Inverclyde – this has been updated and reflects the Joint Operating Plan.

Appendix 5 – School Estate Management Plan – this reflects the latest phasings and decisions and remains affordable based on the assumptions made.

Appendix 6 – General Fund Reserves – this reflects the decisions taken as part of the 2014/16 budget and latest 2015/16 grant settlement estimates.

Appendix 7 – Capital Fund – this reflects the latest review of receipts.

Appendix 8 – Repairs and Renewals Fund – this reflects the position including the latest 2014/15 year end projections.

Appendix 9 – AMP – this reflects the latest projected figures taking into account latest information and decisions including a review of the timing of loan charges and the application of savings agreed by the Council.

Appendix 10 – Vehicle Replacement Programme – reflects latest information and budget savings including savings from Vehicle Tracking.

Appendix 11 – RAMP – shows the five year planned investment of £29 million.

Appendix 12 – This Appendix illustrates how the Council intends to address a significant loans charges funding pressure between 2016/17 and 2021/22.

Appendix 13 – This is a new Appendix and provides a medium/longer term initial projection of the recently approved City Deal programme from both a revenue and capital perspective.

- 2.5 Section 12 reflects the identified risks to the Financial Strategy and mitigating actions whilst Appendices 1 to 3 highlights the major short / medium / long term issues the Council needs to be aware of which could materially impact on the figures presented. A significant issue added to the Medium Term issues is the potential impact on the Council budget of the inclusion of some Acute Hospital budgets within the HSCP budget.
- 2.6 Overall the Financial Strategy confirms the significant challenges facing the Council in coming years and it will form the basis of the 2016/18 Budget Strategy.
- 2.7 The Corporate Management Team have contributed to and approved the content of the revised Financial Strategy.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Council approve the latest revision of the Financial Strategy.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

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

5.0 CURRENT POSITION

- 5.1 The Strategy has been updated to reflect latest information as detailed in Section 2 of this report and confirms that the Council is projected to have a surplus on the 2015/16 Revenue Budget of £2.6 million whilst temporarily using £3.3 million of reserves to balance the 2016/17 budget.
- 5.2 All models in the Appendices have been reviewed and all remain affordable.
- 5.3 Appendices 1-3 outline the short, medium and long term challenges which the Council requires to consider when agreeing future budgets.

6.0 IMPLICATIONS

Finance

- 6.1 The Financial Strategy is the key document for the Council's financial planning and links into other strategic strategies and plans. Given the financial challenges which lie ahead then the importance of regular reviews of the document increases.

Financial Implications:

One off Costs

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

Annually Recurring Costs/ (Savings)

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

Legal

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

Human Resources

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

Equalities

- 6.4 There are no specific equalities issues arising from the report

Repopulation

- 6.5 Having medium term financial plans which realistically reflect the pressures and opportunities

faced by the Council and the communities it serves will help build confidence in the area and contribute to the Repopulation agenda.

7.0 CONSULTATIONS

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

8.0 LIST OF BACKGROUND PAPERS

8.1 None.



Financial Strategy

2015/16 – 2022/23

June 2015

Contents

1. Foreword
2. What is the point of the Financial Strategy?
3. Financial Summary
4. Overall Economic Position
5. Local Context
6. Key Organisational Issues
7. Financial Management
8. Financial Outlook
 - Short to Medium Term - Revenue
 - Other Short to Medium Term Revenue Issues
 - Long-Term Revenue Issues
 - Short to Medium Term Capital Projections
 - Long-Term - Capital Projections
9. Treasury Management
10. Reserves
11. Monitoring and Reporting Arrangements
12. Risk Management

Appendices

Appendix 1 - Short-Term Issues

Appendix 2 - Medium-Term Issues

Appendix 3 - Long-Term Issues

Appendix 4 - Riverside Inverclyde Funding Details

Appendix 5 – School Estate Management Plan Funding Details

Appendix 6 – General Fund Reserves

Appendix 7 – Capital Fund

Appendix 8 – Repairs & Renewals Fund

Appendix 9 – Office & Depot AMP Funding Details

Appendix 10 – Vehicle Replacement Programme

Appendix 11 – Roads AMP

Appendix 12 – Loan Charges

Appendix 13 – City Deal

1.0 Foreword

This latest revision of the Council's Financial Strategy has been undertaken at a time of continued financial austerity and constitutional uncertainty.

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

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

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

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

The primary financial challenge facing the Council over the 2015/18 period, given the impact of the economic downturn on public sector expenditure, will be to stay within the approved revenue budget and deliver a capital programme that continues to maintain a high level of investment in key infrastructure.

There is no doubt that setting the 2015/17 budget generated options that required difficult decisions. One of the main challenges faced by the Council was therefore forward planning, preparatory investment and a sufficient lead in period prior to implementation of both savings and investment.

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

The Council has also approved a coherent, corporate policies to charging and income generation – including maximising external funding from sources such as the various Lottery Funds to supplement existing resources and support service delivery.

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

We also need to ensure that the Financial Strategy continues to support the Corporate Statement directly, the Single Outcome Agreement for Inverclyde, and effectively link this Strategy to our Corporate Directorate Improvement Plans.

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

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

Councillor Stephen McCabe
Leader of the Council

John W Mundell
Chief Executive

2.0 What is the point of a Financial Strategy?

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

Table 1 – Stakeholder Information

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

- 2.8 The Strategy covers the period 2015/18 in detail and also identifies issues that will impact in the longer term, so that the Council can plan ahead. It includes expenditure forecasts and projected funding, where known for key priorities.
- 2.9 Inevitably some of the information of the Financial Strategy will be based on forecasts and these will change over time - the Strategy is reviewed regularly so that the Council can respond proactively to any such changes.
- 2.10 The inclusion of information in the Financial Strategy does not infer approval and all financial projections and issues will have to be subject to approval through the budget process.
- 2.11 The Strategic Planning and Performance Management Framework continues to develop links between the strategic planning and budgeting processes. This allows services to plan ahead, taking into account the resources available and proactively identify opportunities to achieve efficiencies or secure alternative funding sources. This process also encourages the development of joint resourcing opportunities within the Inverclyde Alliance.

3.0 Financial Summary

- 3.1 On 19 February 2015 the Council agreed the 2015/17 Revenue Budget which included the temporary use of £3.3 million from Reserves to balance the 2016/17 Budget.
- 3.2 The same meeting also approved the 2015/18 Capital Programme which took into account the latest Government Grant settlement information.

Table 2 – Short Term Summary – Approved Revenue and Capital Budgets

	2015/16 £million
<u>General Fund Revenue Budget</u>	199.961
<u>Financed by</u>	
Government Grant (Including NDR)	(169.201)
Council Tax	(33.347)
Approved Contribution to General Reserve	(2.587)
<u>Capital Programme (2015/16)</u>	
Approved Spend	33.25
<u>Financed by</u>	
Government Grants	12.3
Capital Receipts	0.77
Other Grants/CFCR etc	7.42
Prudential Borrowing	14.62
Resources Carried Forward from prior year	8.30
Surplus Resources	10.16

4.0 Overall Economic Position

UK Context

- 4.1 The Comprehensive Spending Review (CSR) announced by the Westminster Coalition in October 2010 provided information on Public Sector expenditure over the period 2011/15. These figures have been revised on a number of occasions and the Autumn 2013 Statement projected figures to 2018/19 which is when fiscal balance is now projected to be achieved.
- 4.2 The following table illustrates the impact of the UK Governments austerity plans. It can be seen that due to increases in Benefits & Pensions arising from the pension “triple lock” guarantee and increases in unemployment payments that investment in Public Services is dropping in cash and real terms.

Total % change in UK Public Spending 2010/11-2018/19

	<u>Cash Terms</u>	<u>Real Terms</u>
Total	11.8	-3.9
Benefits & Pensions	34.5	18.8
Public Services	-7.8	-23.5

- 4.3 Within Public Services funding for NHS, Schools and International Aid have been protected meaning that for many other areas the cuts are much deeper than the almost 25% cuts indicated above.
- 4.4 The impact of the recent UK election is not factored into the figures although what is clear is that the focus on reducing the deficit will offer little respite from the position outlined in this section.

The Scottish Context

- 4.5 The Scottish Government has confirmed that Council Tax will be frozen for the period of the Parliament, this allied to the already announced Westminster block grant position makes it all but certain that the Council's available funding will be cut in cash as well as real terms for the period to 2019.
- 4.6 In April 2014 Cosla Leaders agreed that the 2015/16 Grant settlement be based on the latest updated indicators. Confirmation was received in December 2014 from the Government of the actual 2015/16 Grant figures.
- 4.7 The following analysis based on the latest information from Fiscal Affairs Scotland outlines the latest position:
- Over the period 2009/10 – 2018/19 there is expected to be an overall cash cut of 5% and a real terms cut of almost 20%. By 2015/16 the real terms cut is 10% ie: approximately 50% of the cuts have been delivered.
 - Continued protection of the NHS will result in cuts to non-protected areas averaging 30% over the period.
 - Whilst austerity could be tempered if the Scottish Government uses it's increased borrowing and taxation powers there is little indication that the Government is prepared to increase taxes to materially increase day to day spending and as such it's relatively steep decline looks set to continue. .
 - This general picture looks set to continue until at least 2018/19 regardless of the political circumstances and regardless of the impact of the Smith Commission recommendations.

4.8 The following table shows the projected movement in the Scottish Budget over the period 2015/19:

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>Annual</u> <u>Average</u>
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	
Block Grant Cash	+1.4	-2.0	-2.7	-	-0.8%
Block Grant Real	-	-3.8	-4.7	-1.9	-2.6%

For Councils, based on continued above inflation increases in NDR but no increase in Council Tax, the average annual real terms reduction is nearer 2.0%. It is important to note that it is becoming questionable whether the NDR assumptions are sustainable and this may increase the cut in funding for Local Government.

4.9 Based on the above it is clear that Local Government faces a continued squeeze on resources for the foreseeable future which will require clear prioritisation and inevitably a review of some of the universal service provision policies at both a national and local level.

4.10 Based on the above figures and estimated budgetary pressures it is estimated that the Council faces a £23.8 million funding gap over the 3 year period 2017/20. This equates to approximately 12% of the 2015/16 Revenue Budget and is shown in more detail at 8.12.

4.11 The latest population projections produced by the National Registrar of Scotland continue to show Inverclyde as the fastest depopulating area in Scotland over the next 25 years. Whilst officers believe these projections to be unduly pessimistic, they do highlight the challenges faced by the area in the medium to long term.

4.12 The Scottish Bill received Royal Assent on 1st May 2012 and has been described as the largest transfer of financial powers to Scotland since the creation of the UK. The main provisions are:

Income Tax – A new Scottish Rate of income tax to be in place from April 2016. Income Tax to be reduced by 10% and thereafter the Scottish Parliament will set a rate of income tax.

Capital Borrowing – A new £2.2 Billion capital borrowing power to be in place by April 2015. The maximum new borrowing per year will be limited to around £300 million.

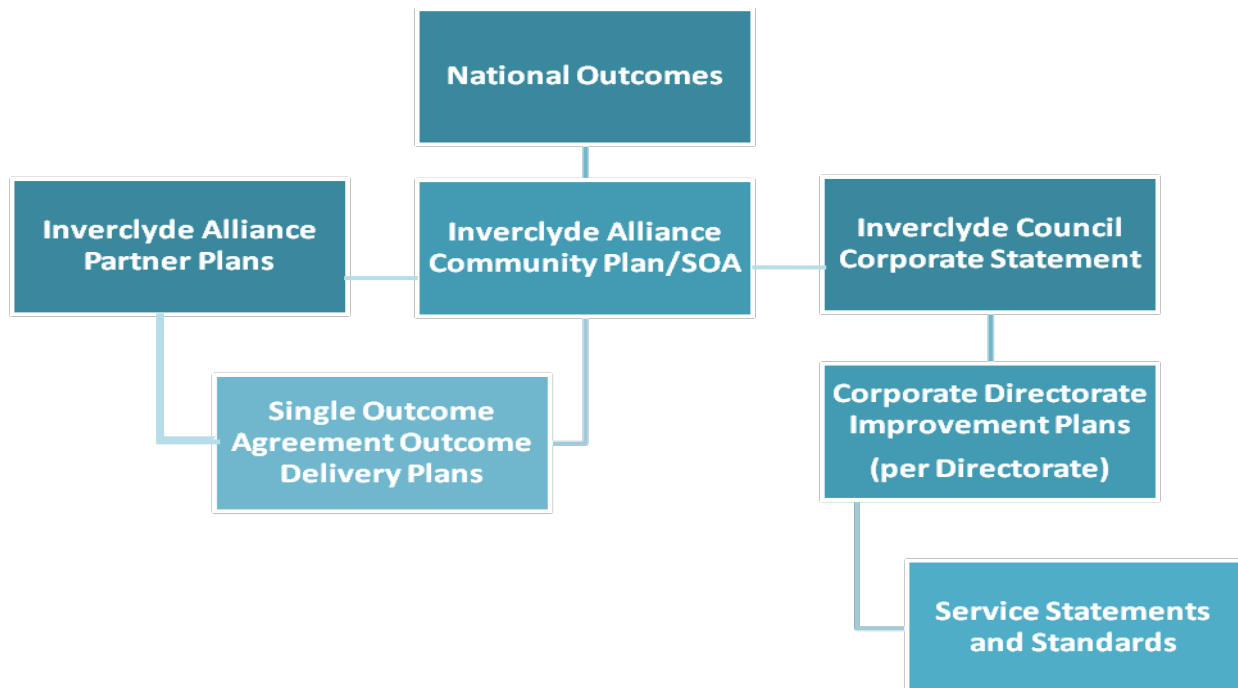
Short Term Borrowing – A limit of £0.5 Billion for short term borrowing to be in place to help manage volatility in tax receipts.

Stamp Duty/Land Tax/Landfill Tax – These taxes are now fully devolved and are levied and collected in Scotland effective from April 2015 (and administered by Revenues Scotland).

New Taxes – A wider power to introduce new taxes (subject to agreement with the UK Government).

5.0 Local Context

- 5.1 The local environment within which the Council operates has changed significantly in recent years and will alter further in future years due to the impact of national legislation and policy, further economic turbulence, societal changes and developing customer expectations.
- 5.2 The overall strategic framework within which the Council operates is outlined in the Strategic Planning and Performance Management Framework. The Framework includes the Single Outcome Agreement, the Corporate Statement, Corporate Directorate Improvement Plans and the Financial Strategy.
- 5.3 The revised Strategic Planning and Performance Management Framework is shown in Diagram 1.



- The **National Outcomes** are set by the Scottish Government and sit within a National Performance Framework. These outcomes are an overarching guide for the local community planning partnership document, the Single Outcome Agreement.

The Council has agreed that the [Single Outcome Agreement](#) will act as the **Community Plan** for the Inverclyde area. The current SOA will run from 2012 to 2017 and was subject to a minor review in 2013 to match guidance released by the Scottish Government, following the Review of Community Planning and SOAs. The SOA is the high level strategic partnership document setting out the vision and direction for the Inverclyde area, as agreed by all the Inverclyde Alliance partner organisations. The outcomes are based on evidence of the key issues and challenges for the Inverclyde area and through community engagement. They set out what we want to achieve for all the communities of Inverclyde.

- The **SOA Outcome Delivery Plans** set out the Partnership actions and projects which will contribute to the achievement of the SOA outcomes and are expressed through the wellbeing indicators (as set out in the SOA, see below in 5.5) to help better understand their impact on a crosscutting basis.
- The **Corporate Statement** is a public facing, focused statement setting out the Council's vision. The Corporate Statement also reflects the eight local outcomes and the wellbeing indicators from

the SOA and sets out, at a high level, what the Council will do to deliver on the eight local outcomes. It also sets out the high level budget by key services.

- **Corporate Directorate Improvement Plans** set out the vision for each Directorate. The Plan covers two broad areas, the first being corporate cross cutting improvement actions and the second Directorate Improvement actions. These improvement actions are based on robust self evaluation and referenced to community outcomes and wellbeing indicators.
- **Service Statement and Standards** set out what services do on a day to day basis and will not change significantly year on year, but will be refreshed to reflect any structural or legislative changes. It is a public facing document which also sets out a summary of the financial and employee resources allocated to run the service. Service standards are also reflected in the Service Statements, setting out what quality standards the service follows and what customers can expect.

Outcomes for Inverclyde

- 5.4 The focus of the Strategic Planning and Performance Management Framework is on addressing the main challenges facing the area, and the eight outcomes set out in the SOA are the agreed priority areas for all partners to work together on, covering the areas of:
- Repopulation
 - Successful Communities
 - Economic Regeneration and Employability
 - Health Inequalities
 - Alcohol Misuse
 - Best Start in Life for children and young people
 - Environment
 - Continuously improving, best value services
- 5.5 There are also a series of **wellbeing outcomes**, which the Inverclyde Alliance, including the Council, has adopted, which have been adapted and expanded from 'Getting it Right for Every Child', to help us work towards 'Getting it Right for Every Child, Citizen and Community'. The wellbeing outcomes cover the core areas of Safe, Healthy, Achieving, Nurtured, Active, Respected, Responsible and Included.
- 5.6 A key challenge for the Inverclyde Alliance, and the public agencies, operating in Inverclyde, over the next five years will be to ensure better alignment between available resources, across all agencies, and the outcomes identified in the SOA.
- 5.7 There are a number of improvement actions which have been developed from the Quality Assurance of the SOA including the need to develop a process to identify how partners are shifting planning and resources to early intervention and measuring success on reducing demand, costs and releasing savings. The Council is working to establish a picture of resource deployment in the context of the SOA and will work with partners to try to capture the picture across all involved agencies.

Demographics and Population

- 5.8 The most significant challenge facing Inverclyde is depopulation and associated demographic change – this has been recognised by the Council and our Partners as a priority and is reflected in the Corporate Statement and Single Outcome Agreement.
- 5.9 The fundamental issue for the Council is that at some point if the decline in population continues at the current pace then the area could become no longer sustainable as a unit of administration which would have an associated impact on other services such as health, police and fire.

5.10 In 2011 Census the population for Inverclyde was 81,485, a decrease of 3.2% from 84,200 in the 2001 census. The most recent population estimates set out Inverclyde's population for 2014 at 79,860, a decrease of 0.6% from 80,310 in 2013. The population of Inverclyde accounts for 1.5% of the total population of Scotland.

In Inverclyde 13,301 (16.7%) of the population are aged 16 to 29 years. This is smaller than Scotland where 18.3% are aged 16 to 29 years. Persons aged 60 and over make up 25.9% of Inverclyde. This is slightly larger than Scotland where 24% are aged 60 and over.

5.12 Since 1985, Inverclyde's total population has fallen overall, Scotland's population has risen over this period.

5.13 By 2037 the population of Inverclyde is projected to be 65,014, a decrease of 19.4 per cent compared to the population in 2012. The population of Scotland is projected to increase by 8.8 per cent between 2012 and 2037.

5.14 Over the 25 year period the age group that is projected to increase the most in size in Inverclyde is the 75+ age group. This is the same for Scotland as a whole.

5.15 The population aged under 16 in Inverclyde is projected to decline by 31.6 per cent over the 25 year period.

5.16 In the [SIMD](#) 2004, Inverclyde, locally, had 32.7% of data zones in the most deprived 15% of all data zones, however by 2006, this had increased to 38.2% . In 2009, the percentage of datazones in the most deprived 15% remained static at 38.2%, but increased in the 2012 SIMD release to 40.0%. Inverclyde's national share of the 5% most deprived data zones has increased from 1.8% in 2004 to 5.2% in 2009, but reduced to 4.3% in 2012. Locally, Inverclyde has the second highest concentration of employment deprivation and health deprivation in Scotland and the third highest income deprivation.

5.17 Public service delivery is particularly challenging in the context of deprivation and depopulation which adds to the uniqueness of Inverclyde as an area.

5.18 Demographic change will have significant impact on services as funding allocated from the Scottish Government is partly based on the population of an area. Even with additional allocations to take account of deprivation the budget is will reduce in real terms over the next five years.

5.19 In terms of indicators of deprivation the profile for Inverclyde differs significantly from the national picture, these include:

- Of the 10,580 working age key benefit claimants in Inverclyde 6030 (11.7% of the working age population) are claiming Employment Support Allowance and Incapacity Benefits. This is higher than the Scottish figure of 7.8%.
- 3.3% (1690) of working age benefit claimants are claiming Job Seekers Allowance. Of this, a higher proportion of 18 – 24 year olds (5.9%) are claiming than 25 – 49 year olds (3.5 %) or 50 – 64 year olds (2.2%).
- 20.5% of the population of Inverclyde are working age (16-64 yrs) out-of-work benefit claimants, compared to 14.6% of the Scottish population as a whole.
- Approximately 12.6% of working age adults in Inverclyde have no formal qualifications. 9.4% of the Scottish population have no formal qualifications (2014 figures).
- Median earnings for full time workers (Gross Weekly Pay) in 2014 in Inverclyde were £509.00 which has increased from the 2007 rate of £383 per week. This is approximately 1.7% lower than those for Scotland as a whole, with the gap decreasing from 13%.
- Working age people account for 64.3% of all people in Inverclyde. This is 0.8% lower than for Scotland as a whole.

5.20 The projected population changes will have an impact on all service areas, particularly Education and Social Care, where there will be a need to actively manage the transition from current service delivery arrangements to new models that are built around the needs of the future population.

- 5.21 The deprivation profile will have major implications for services as research indicates that those most vulnerable to poverty are more likely to require greater interventions and a targeted focus to move out of poverty and this will come at a significant cost to public agencies.
- 5.22 The predicted demographic changes also have other implications. A decline in younger economically active people and a growth in the older, more vulnerable age group can mean there will be fewer informal carers which could result in a higher dependency on the services provided by the Health & Social Care Partnership.

The changing public sector landscape in Inverclyde

- 5.23 The public sector landscape has changed significantly in recent years in Inverclyde with the creation of Riverside Inverclyde, River Clyde Homes most recently and the Health & Social Care Partnership – these organisations join Inverclyde Leisure and the wider voluntary sector as part of a mixed economy of public service provision.
- 5.24 The development of this mixed economy of public service provision presents new challenges for the Council as it seeks to ensure that outcomes are achieved and that resources are being deployed effectively and efficiently. This is particularly relevant in the context of the SOA where there will need to be a robust appraisal of whether existing service delivery arrangements across all partner agencies can effectively deliver on the agreed outcomes.
- 5.25 The Christie commission report sets out the future of public service reform, with a major emphasis on preventative spend and early intervention. Whilst the Council has to tackle the problems associated with poverty and deprivation now, it also has to look to the future, and ensure that effective intervention is put into place now, to prevent further problems from developing, which will ultimately require expensive interventions. Investment in the lives of our children and young people early on in their lives will result in a better outcomes and quality of life for them as they grow up in the Inverclyde area.
- 5.26 The Community Empowerment (Scotland) Bill has been approved and is due to be implemented from 2015/16. This will potentially have a significant impact on the way the Council interacts with the Community.

5.27 *Riverside Inverclyde*

Riverside Inverclyde is a joint initiative between the Council and Scottish Enterprise to regenerate 330 acres of the Clyde Waterfront scheduled to run from 2006/7 until 2017/18.

The Council's contribution towards Riverside Inverclyde is £24 million over the ten year period. In addition the Council has made contributions in kind by transferring specific assets to the Urban Regeneration Company which will count towards the £24 million contribution and a further £5.7 million financial support to specific major Regeneration projects led by Riverside Inverclyde.

Following the mid-term review an interim Chief Executive was appointed in October 2013 and in consultation with partners, employees and members has produced a new Single Operating Plan covering the period 2014/17. The Single Operating Plan reviewed objectives, outcomes and financing. The Corporate Director Environment, Regeneration and Resources will remain the interim Chief Executive until a maximum of March 2017.

5.28 *River Clyde Homes*

River Clyde Homes is a not-for-profit housing organisation, which is run by a Board of Tenants, Council nominees and community members. It is regulated by the Government to ensure that it manages housing in the best interests of the tenants of Inverclyde, and the community as a whole.

The transfer to River Clyde Homes of all the Council housing stock was based on significantly more money being available to invest in homes and neighbourhoods and give tenants a real say

in the decisions that are made about their housing, with tenants on the Board influencing policies and investment decisions.

River Clyde Homes prepared a Business Plan which gives tenants a clear understanding of what they can expect from the new organisation on key issues like improvements, repairs and rent levels. Progress against the Business Plan is reported to the Council annually in addition to which six monthly briefings are given to Members.

Government cuts have impacted on progress against the original Business Plan.

5.29 *Inverclyde Leisure*

Inverclyde Leisure is a 'company limited by guarantee', not having share capital and recognised by HMRC and OSCR as having charitable status. In October 2001, the Trust was asked to take responsibility for the management and delivery of Inverclyde Council's sport and recreational services.

The Leisure Trust works in close partnership with Inverclyde Council and other internal and external agencies in order to develop the optimum service for residents and visitors to Inverclyde and so to ensure the Trust's Mission Statement is implemented.

The Council's Community Facilities transferred to Inverclyde Leisure in April 2010 and the transfer of the management of Outdoor Leisure Facilities to Inverclyde Leisure took place in April 2015. Inverclyde Leisure has revised its Business Planning process and a new Business Plan was presented to the Council in March 2014.

5.30 *Inverclyde Health and Social Care Partnership (HSCP)*

The Council and Greater Glasgow and Clyde Health Board established an integrated Community Health and Care Partnership in October 2010. This has resulted in greater partnership working and efficiencies in line with the Government's stated objective of integrating aspects of Health & Social Care.

The Public Bodies (Joint Working) Act 2014 will result in the creation of a HSCP Integrated Joint Board during 2015/16 and will require a revised Governance and Financial framework. The IJB will be a separate legal entity and will receive resources from and delegate resources to the Council and Health Board. The Council is well placed to meet this challenge given the 4 successful years of CHCP operation.

6.0 Key Organisational Issues

- 6.1 The Council has 3 specific Corporate Improvement Groups (CIGs) two of which are chaired by the Corporate Director, Environment, Regeneration & Resources and one by the Corporate Director Education, Communities & Organisational Development.
- 6.2 The first Corporate Improvement Group is the Modernisation CIG. This group coordinates the main Modernisation projects including Mobile/Home Working, Electronic Document Management and Digital Access.
- 6.3 The second CIG is the Asset Management Planning CIG. In addition to reviewing progress in respect of the SEMP, Office Rationalisation AMP, Depot AMP and Roads AMP, it reviews overall progress in respect of the production of all Asset Management Plans and Capital Programme delivery.
- 6.4 The third CIG is the Performance CIG which meets on a regular basis to develop and deliver the Strategic Planning and Performance Management Framework as well as Equality and Diversity for the Council.

7.0 Financial Management

Corporate Governance

- 7.1 The Council positively promotes the principles of sound corporate governance within all aspects of its activities.
- 7.2 Corporate governance is about the structures and processes for decision-making, accountability, controls and behaviour throughout the Council. It is based around key principles of openness, equality, integrity and accountability.
- 7.3 The fundamental principles of corporate governance should be reflected in the various dimensions of Council business, including;
- Ensuring a community focus underpins the Council's vision and priorities;
 - Ensuring the effective delivery of local services on a sustainable basis;
 - Establishing effective management structures and processes which include clearly defined roles and responsibilities for officers;
 - Developing and maintaining effective risk management systems that form part of the Council's strategic decision making process;
 - Ensuring high standards of propriety and probity in the stewardship of the Council's funds and the management of the Council's affairs;
 - A commitment to openness in the Council's affairs and the provision of full, accurate and clear information to all stakeholders.
- 7.4 The Chief Financial Officer has been designated as "the proper officer" and is responsible for advising the Council on all financial matters.
- 7.5 The Financial Regulations approved in September 2012 are an essential component of the corporate governance of the Council.
- 7.6 The Financial Regulations are designed to facilitate the smooth running of the Council, protect its interests and the interests of members and officers, and ensure the proper administration of all the Council's financial affairs, including, Partnerships, Trading Accounts, The Common Good and Sundry Accounts.
- 7.7 Head Teachers must also comply with the Financial Regulations, with the exception of virement which is defined in the Devolved Management of Resources Scheme.

Roles and Responsibilities

- 7.8 It is important to set out clearly the roles and responsibilities of the key parties involved in the Financial Strategy and the management of overall financial resources of the Council.

Elected Members

- 7.9 Elected Members, through Full Council and Committees are responsible for considering and approving budgets and the Financial Strategy for the Council. Approved budgets must be financially balanced and demonstrate value for money and sustainability.

- 7.10 Throughout the year Committees receive reports which allow progress against approved budgets to be scrutinised. All members should receive appropriate training in the areas of Financial Strategy, Local Government Finance and key specialist areas such as Treasury and Risk Management.

Corporate Management Team

- 7.11 The Chief Executive and Corporate Directors form the CMT, chaired by the Chief Executive, who are responsible, individually and collectively, for ensuring effective financial management across the organisation.
- 7.12 As Budget Holders the CMT are responsible for the budgets delegated to deliver the services within their Directorate in line with the priorities of the Council. Whilst they may delegate this responsibility within their Directorate they remain accountable in exercising overall financial control.
- 7.13 The CMT have a specific meeting each reporting cycle to consider corporate financial matters including employee costs, key budget lines, earmarked reserves and savings delivery progress.

Chief Financial Officer

- 7.14 The Chief Financial Officer has a statutory role to ensure appropriate arrangements are in place for the proper administration of the financial affairs of the Council. He has the authority to comment and advise CMT, Chief Executive and Elected Members on all financial matters.

Heads of Service

- 7.15 Heads of Service are individually responsible for ensuring that the services within their remit are delivered in line with the agreed policy, and support the strategic direction of the Council. As Budget Holders they are responsible for the budgets delegated to them to deliver their service in a manner which demonstrates value for money in line with the priorities in the Corporate Directorate Improvement Plans.

Budget Managers

- 7.16 Responsibility for budgetary control lies with the Corporate Directors and as delegated budget holders, their Heads of Service and Service Managers. In recognition of the need to ensure budget holders are appropriately supported and trained, Finance Services delivers training to all Heads of Service and Managers on Financial Governance and budgetary control issues.

Financial Support to Services

- 7.17 The Council agreed in November 2009 to a fundamental change in the way financial support and advice is delivered to Directorates. The approved "Hub and Spoke" model means each Directorate has a dedicated Finance Manager and Principal Accountant who, assisted by a team of Finance Officers, prepares and monitors the Directorate budget as well as providing a full range of financial advice to the Directorate.

Internal Audit

- 7.18 Internal Audit provide assurance to Elected Members, the Chief Executive and management that the internal processes of the Council are being managed appropriately in line with the overarching policies and outcomes are being delivered in an efficient and effective manner.

External Audit

- 7.19 The role of External Audit is to provide assurance to the Auditor General and the Accounts Commission that the Council has spent public money properly to deliver outcomes in an efficient and effective manner. They also provide assurance to the Elected Members, the CMT and general public that the Council's performance is reported in accordance with the financial standards and presents a fair account of the Council's activities.

Managing the Budget

- 7.20 Committees receive five budget monitoring reports throughout the year. These are jointly prepared by the Chief Financial Officer and the relevant Corporate Director.
- 7.21 The Corporate Management Team receive and discuss a budget overview every budget monitoring cycle covering key budget lines, employee costs, earmarked reserves, progress on the approved savings and key projects with financial implications.
- 7.22 All Services receive detailed budget information five times per year and in addition are sent FMS budget reports in intervening months plus having access to real time information held on the Council's Finance Management System.

8.0 Financial Outlook

- 8.1 Key financial issues are known or anticipated events and activities that have to be addressed within overall financial resources in the short-term (within 3 years), medium-term (within 5 years) or long-term (over 5 years).
- 8.2 Events and activities include efficiencies, planned savings, changes to service priorities and delivery, and known potential pressures. The financial impact of an event or activity may be one-off, recurring or time-limited.
- 8.3 The Council is due to receive Revenue Grant/Non-Domestic Rates Income of £169.201m in 2015/16.
- 8.4 When the Council's own projection of Council Tax Income based on 96.8% collection rate is added (£33.347m) then the income for the Council in 2015/16 is projected to be £202.548m.
- 8.5 The Financial Strategy runs up to 2022/23 and beyond in terms of identifying potential issues, but the revenue forecasts are limited to the period which can be reasonably forecast.
- 8.6 The level of resources available to the authority to fund its revenue expenditure is also dependent on Council Tax and the approved budget shows no increase over 2015/17.
- 8.7 The Council has agreed a Reserve Strategy which requires a minimum unallocated General Fund Reserve of 2% of turnover. Based on the 2015/16 Budget this now equates to £4.0 million. The overall position of the Reserves shown in Appendix 6 and has been updated to reflect the latest projections. The Reserve Strategy was reviewed and approved by the Policy & Resources Committee in August 2013.
- 8.8 The projected budget position in the short to medium term, is set out in the following tables and notes for both revenue and capital. Details of the short, medium and long-term issues identified in consultation with Services are contained at Appendices 1, 2 and 3.

Table 3

Finance Strategy - June 2015

	<u>2015/16</u> <u>£m</u>	<u>2016/17</u> <u>£m</u>
Base Budget for Prior Year	198.311	202.548
<u>UPLIFTS FROM PRIOR YEAR</u>		
<u>Inflation (Note 1)</u>		
Pay Inflation	2.110	2.110
Other Inflation	0.300	1.300
Income	-0.151	-
	<u>2.259</u>	<u>3.410</u>
<u>Budget Increases (Note 2)</u>		
Corporate Pressures (movement)	1.000	-
Unavoidable Pressures	0.420	2.290
Loan Charges	0.300	0.400
Capital Programme Revenue Impact	0.100	-
New Pressures- P&R November 2014	1.538	0.471
	<u>3.358</u>	<u>3.161</u>
<u>Adjustments (Note 3)</u>		
Council Tax Reduction Scheme	1.298	-
Early Learning & Childcare	0.809	-
Children and Young Peoples Bill	0.364	-
Free School Meals	0.703	-
2014/15 Budgeted Surplus	-1.477	-
Other Adjustments Applied	-0.218	-0.009
	<u>205.407</u>	<u>209.110</u>
Net Revenue Budget Before Savings	<u>205.407</u>	<u>209.110</u>
<u>Funded by: (Note 4)</u>		
Revenue Grant/NDR Income	169.201	166.601
Council Tax Income	33.347	33.347
	<u>202.548</u>	<u>199.948</u>
Annual Budget Before Savings (Surplus)/Deficit	<u>2.859</u>	<u>9.162</u>
Cumulative Budget Gap before Savings	<u>2.859</u>	<u>12.021</u>
<u>Savings Applied (Cumulative)</u>		
1% Savings November 2012	-0.088	-0.088
Savings Applied February 2013	-2.681	-2.681
Former Workstream Savings	-0.576	-0.576
New Workstreams	-1.240	-1.240
Savings Applied February 2015	-0.861	-4.138
Approved Budget (Surplus)/Deficit	<u>-2.587</u>	<u>3.298</u>

Finance Strategy Notes – June 2015

Note 1 Inflation

- a) Pay – The allowance for pay inflation is an allowance available over the 2 year period to fund all pay related pressures including the annual pay award, impacts of living wage, equal pay etc, increases in employers national insurance/pension costs and movement in service bottom up employee budgets.

Pay inflation has not been agreed for 2015/16, a 2% increase in teachers pay would cost approximately £700,000 (2015/16) whilst a 2% increase in non-teaching pay would cost approximately £1,400,000 (2015/16).

- b) Other Inflation – Inflation has been at a rate which is unprecedented in recent times and as such the 2015/16 allowance has been greatly reduced. Indications are that pressures are building on both construction and workforce related costs and as such the allowance returns to £1.3 million from 2016/17.
- c) Income – based on (2.5%) resulting in £151k for 2015/2016.

Note 2 Budget Increases

- a) Corporate Pressures - Figures reflect approvals from November 2012.
- b) New Pressures – P&R November 2014 – Reflects pressures approved during Budget setting February 2015.
- c) Unavoidable Pressures – Reflects approvals for Auto Enrolment, Teachers pension increase from August 2015 and abolition of National Insurance contracting out rebates from 2016/17.
- d) Loan Charges Movement – Figures reflect anticipated increase due to capital investment.
- e) Capital Programme Revenue Impact – Reflects an allowance for increased running costs arising from the Council's Capital Programme.

Note 3 Adjustments

- a) Council Tax Reduction Scheme – Reflects 100% Government contribution to Council Tax Reduction Scheme, previously only 80% of funding has been confirmed at budget setting time. At present there is no confirmation for years 2016/17 and onwards.
- b) Early Learning & Childcare – Reflects Government contribution to Council to fund early learning and childcare provision for 2 year olds. Funding for 2016/17 has not been confirmed by the Scottish Government.
- c) Children and Young Peoples Bill - Reflects Government contribution to Council to cover the early learning and childcare provision of the Children and Young People (Scotland) Bill. Further funding is expected for 2016/17 but figures have not been released by the Scottish Government.
- d) Free School Meals – Reflects Government contribution to Council for implementing free school meals for Primary 1 -3.
- e) 2014/15 Budget Surplus – Reflects 2014/15 budgeted surplus approved February 2014.

- f) Other Adjustments – Figure reflects adjustments due to funding sources ending and funding held back by the Scottish Government for future release plus sundry minor adjustments.

Note 4 Funded By

- a) Reflects 2015/16 Finance Settlement included in Scottish Government Circular 1/2015. The 2016/17 figures are estimated based on continuing grant loss due to Depopulation and estimated cash reductions per 2014 Autumn Statement.

8.10 *Other Short Term Revenue Issues*

The main remaining risks associated with the approved 2015/17 budget will be around Pay Awards, non-pay inflation allowances and the 2016/17 Grant settlement. Regular reporting to Committee will ensure officers report any significant variances at the earliest opportunity.

8.11 *Medium to Long Term Revenue Issues*

Looking beyond 2016/17 becomes increasingly difficult with uncertainty around the level of funding likely to be available, the impact of the Scotland Act, Smith Commission and the recent Westminster elections.

By 2016/17 the incremental impact of current major initiatives including Riverside Inverclyde, Schools Estate Strategy, and Asset Management Plans will have been fully incorporated the overall Budget.

Post 2016/17 the main issues impacting on the revenue budget will be:

- **Funding will be impacted by future population change/demographic shifts and any changes to the way local government in Scotland is funded.**
- **Welfare Reform changes and associated budget cuts will impact on DWP/Government grants to the Council, Service demands on the Council and employee numbers in certain Council Services.**
- **Health/Social Care integration will have been implemented and whilst work is on going regarding delivery models and governance the fundamental fact is that there is not enough money to meet increasing demand.**
- **Pension costs influenced by the impact of auto-enrolment, the changes to LGPS and Teachers Pensions, plus costs associated with the Council resizing its workforce in order to balance its budgets.**
- **The impact on Councils and employees National Insurance contributions arising from the ending of contracting out is expected to be significant.**
- **Costs associated with sustainability including waste disposal and recycling, energy and fuel costs and general procurement inflation due to increased global demand for raw materials.**
- **As Loans Charges become a larger proportion of the Revenue Budget due to funding reductions and the Council's ambitious Capital Investment Programme then the impact of increases in interest rates will become greater.**
- **Overall global economic situation resulting in uncertainty around investment returns, inflation levels and further reductions in public sector funding.**

The fundamental issue for the Council is that at some point if the squeeze on public sector finances and the decline in population continues then the area could become unviable as a unit of administration and this will have an associated impact on other local services such as health, police and fire.

8.12 Table 4 shows the high level estimate of the 2017/20 budget gap based on the above.

Table 4

2017/20 Budget Gap - High Level Estimate

	2017/18	2018/19	2019/20	Cumulative
	£m	£m	£m	£m
1/ Estimated Block Grant Reduction	3.1	1.0	1.0	5.1
2/ Continuing cash cut due to Depopulation	1.0	1.0	1.0	3.0
3/ Inflation - Pay (2% per year)	2.1	2.1	2.1	6.3
- Non-Pay (As present)	1.3	1.3	1.3	3.9
4/ Pressures (Known)				
- Auto-enrolment (70% take up -Oct 2017)	0.4	0.6	-	1.0
- RAMP/AMP	0.4	0.4	0.4	1.2
- General Pressures	1.0	1.0	1.0	3.0
- Carbon Reduction Tax	-	-	0.3	0.3
	<u>9.3</u>	<u>7.4</u>	<u>7.1</u>	<u>23.8</u>

a/ This includes a general allowance for demographic pressures coming through HSCP from 2017/18.

b/ Allows for £4.6 million per year Prudential Borrowing for RAMP and £1.0 million per year for AMP.

c/ Assumes no Council Tax increase. (3% annual increase would raise £1.0 million per year towards the gap).

8.13 Short to Medium Term Capital Projections

The Council agreed a 3 year Capital Programme covering 2015/18 in February 2015 which included significant extra investment in roads infrastructure and increased investment in Property Assets.

In addition, the Council has already approved a significant level of Prudentially Funded capital projects including investment in schools, leisure, a new depot, rationalisation of offices and vehicles.

The Council has agreed an asset disposal strategy on the premise that assets are not sold whilst the market continues to be depressed unless the Council is clear it can demonstrate Best Value is being achieved.

8.14 Long-Term Capital Projections

There is greater certainty around capital spend for the post 2017/18 period due to the fact that the School Estate Strategy will use around 60% of projected capital grant for at least the next 12 years, decreasing to around 50% per year thereafter.

This will leave a limited amount for other projects which will be required to maintain the Council's existing infrastructure asset base i.e. Operational Properties, Roads, Lighting, Open Spaces and ICT.

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

Unless there is a substantial increase in resources from the Government or alternative funding sources are identified then the Council will face significant challenges to have sufficient capital resources to maintain it's existing asset base in the medium to long term.

Table 5 - Capital Programme 2014/2018 (Short to Medium Term Capital Projections)

Table 5

<u>Expenditure/Projects by Committee</u>	<u>2015/16</u> <u>£m</u>	<u>2016/17</u> <u>£m</u>	<u>2017/18</u> <u>£m</u>	<u>Totals</u> <u>£m</u>
Policy & Resources	0.8	0.55	0.36	1.71
Environment & Regeneration	20.79	23.09	11.04	54.92
Education & Communities (Exc School Estate)	3.35	6.2	3.05	12.6
School Estate	6.55	12.6	3.6	22.75
CHCP	1.76	1.71	0	3.47
	33.25	44.15	18.05	95.45
 <u>Financed By</u>				
Government Grant	12.3	9.25	7.4	28.95
Sales/Contributions	0.77	0.13	0.39	1.29
Other Income	0.47	0.01	0	0.48
Revenue	6.95	5.56	0.33	12.84
Prudential Borrowing	14.62	18.68	10.62	43.92
Resources Carried Forward	8.3			8.3
	43.41	33.63	18.74	95.78
Surplus in Resources				0.33

Notes

- 1 As per Approved Capital Budget & May 2015 P&R Committee
- 2 Surplus of £0.33 million at end of 2017/18 is made up of £0.33 million planned cashflow surplus in SEMP, the remainder of the Capital Programme is currently in a breakeven position.

9.0 Treasury Management

- 9.1 Inverclyde Council has adopted the CIPFA “Treasury Management in the Public Services – Code of Practice” which sets out good practice for treasury management governance. The Council complies with legal and regulatory requirements in relation to its Treasury Management activities and has appointed consultants to provide advice on Treasury Management issues, including technical issues and the formulation of views on interest rates.
- 9.2 In complying with the Code of Practice, the Council produces a Treasury Management Practices document which sets out how the Council will manage and control its Treasury Management activities. This document is submitted to Committee for approval every three years with approval also being sought for any amendments in the intervening period.
- 9.3 Some significant changes were made to the requirements for Treasury Management reporting following the implementation of the revised CIPFA Treasury Management Code of Practice in April 2010. This has resulted in the following:
- (a) An annual Treasury Management Strategy submitted at the start of the financial year and which includes the Council's Prudential Indicators and covers issues such as the economic situation, the prospects for interest rates, and the Council's borrowing and investment strategy for the coming year.
 - (b) A mid-year review of the Strategy which include details of the Council's debt and investment position, activity undertaken during the quarter, and performance to date against the Council's Prudential Indicators and agreed policy limits.
 - (c) An Annual Report for Treasury Management which is submitted to Members before the end of September each year and which advises Members of the Treasury Management activities during the previous financial year.

It should be noted that whilst all the above reports will go to the Policy & Resources Committee for initial scrutiny, all now require to go before the Full Council for approval.

- 9.4 The table on the next page shows the Council's debt and investments position as at 31/3/15.

Table 6 – Council's Debt and Investment Position – 31/3/15

The Council's treasury portfolio position at 31/3/15 comprised:

		Principal		Average Rate
		£000	£000	
Fixed rate funding	PWLB Market	111,373 36,000	147,373	3.95%
Variable rate funding	PWLB Market	0 66,942	66,942	4.81%
TOTAL DEBT			214,315	4.22%
TOTAL INVESTMENTS			44,787	0.76%

10.0 Reserves

10.1 A key aspect of the consideration of the Financial Strategy is the position of the General Fund Reserves. The Reserves Strategy was last reviewed and approved by Council in August 2013.

10.2 Reserves can be held for three main purposes:-

- A working balance to help cushion the impact of uneven cash flows - this forms part of General Reserves.
- A contingency to cushion the impact of unexpected events or emergencies which also forms part of General Reserves.
- A means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

10.3 The Reserves Strategy is based on the core General Fund Reserve being maintained at a level of 2% of turnover. A turnover of approximately £200 million results in a core General Fund Reserve of £4.0 million. In the event that the Reserves are projected to fall below this level then Members must have a clear route for bringing Reserves back up to the level over the subsequent three financial years.

10.4 The Reserves Strategy also assumes the continued use of earmarked reserves. In this way, earmarked reserves can be separated from the core General Fund Reserve which should allow Members to more transparently track the underlying reserves position.

10.5 Within Inverclyde Council the main Reserves/Funds comprise; General Fund Reserve, Insurance Fund, Capital Fund and Repairs & Renewals Fund. The latest projected position is shown below.

10.6 (a) General Fund "Free" Reserves – This Reserve represents the Council's contingency for unforeseen/unquantifiable events. The level of the Reserve is determined by the Reserve Strategy whilst the projected balance is reported to each Policy and Resources Committee. See Appendix 6.

Projected Balance 31/3/17 = £6.695 million

(b) Insurance Fund – The Insurance Fund balance is required to meet Insurance Liabilities not covered by external Insurance Policies. The balance on the Fund is reviewed every 3 years by an independent actuary who comments upon not only the balance of the Fund but also the on-going internal contributions to the Fund. As part of the 2015/17 budget it was agreed to transfer £400,000 from the Insurance Fund to the General Fund.

Projected Balance 31/3/15 = £4.229 million

(c) Capital Fund – The Capital Fund is a Fund into which Capital Receipt income can be paid and used to fund either capital investment or repay the Principal element of debt repayments. The balance and planned usage of the Capital Fund is incorporated into the Financial Strategy. See Appendix 7.

Projected Balance 31/3/15 = £2.634 million

(d) Repairs & Renewals Fund – The Repairs & Renewals Fund consists of sums received from external parties or allocated directly from Council resources which are thereafter released on a phased basis to maintain specific assets. Use of specific allocations to the Fund are agreed by Policy & Resources Committee and the overall position will be reported as part of the Financial Strategy. See Appendix 8.

Projected Balance 31/3/15 = £2.919 million

11.0 Monitoring, Reporting and Review Processes

- 11.1 The Financial Strategy should be a dynamic, relevant document and will be monitored on an ongoing basis by Finance - it will also be formally reviewed twice yearly, in May and then in November.
- 11.2 The formal review of the Financial Strategy will be reported to CMT and Full Council on a six monthly basis – there will also be capacity to review the Strategy as and when required, particularly when a new issue arises or the impact of major policy or initiative becomes clearer.
- 11.3 The Financial Strategy will only be revised if there are material changes to estimates, projections or policy which will have a financial impact however issues which may impact will be flagged up in the regular General Fund Budget reports to Policy & Resources Committee.
- 11.4 The deminimus level for a major impact requiring immediate review is 50% of the core General Fund reserves, £2.0 million, subject to the opinion of the Chief Financial Officer.
- 11.5 The financial management principles and expectations have been communicated and are understood by all Chief Officers and budget holders.
- 11.6 The Financial Strategy has been drawn up with the full involvement of the CMT and, will be communicated throughout the organisation.

12.0 Risk Management

- 12.1 The Council has developed a Corporate Risk Register, Directorate Risk Registers and individual service risk registers where appropriate.
- 12.2 Further work has also been undertaken to develop a Risk Register for the Financial Strategy and the required actions to mitigate risks – these are set out in the table below.
- 12.3 The risk assessment below considers the risks to our financial position arising out of matters considered in this Financial Strategy and utilises the same methodology used for the Corporate, Directorate and Service Risk Registers.

Risk	Management of Risk
<p>The Financial Strategy does not reflect in financial terms the objectives set out in other strategic plans of the Council.</p>	<p>The Financial Strategy provides a high level overview of the various strategic plans the Council has signed up to – it acknowledges that there will inevitably be financial implications arising from the SOA and Corporate Statement but it is not possible to quantify all of these at present.</p> <p>The Financial Strategy will be updated as further information becomes available regarding these strategic plans.</p>
<p>The directorate planning process will identify a range of additional budget pressures over and above those currently considered in this Financial Strategy.</p>	<p>The Directorate Planning Guidance identifies that Corporate Directorate Improvement Plans (CDIP) should reflect the resources allocated – the need for additional resources to achieve a particular priority should be specifically identified via the Financial Strategy prior to the preparation of the CDIP.</p>
<p>Forecasts within the Financial Strategy are not accurately determined or reviewed on a regular basis.</p>	<p>The Budget and Financial Strategy set out the expected levels of expenditure and income for the future. The forecasts are arrived at through careful consideration of historic trends and actual expenditure levels and any factors which may have an impact in the future.</p> <p>It also requires a degree of estimation and assumption, such as to calculate the impact of a perceived increase or decrease in future demand as a result of demographic changes or patterns of behaviour that have a socio-economic impact.</p> <p>Throughout the financial year, the Council regularly monitors its financial performance against its budgets and will revise them where necessary, subject to remaining within the agreed overall budget for the Council.</p>
<p>There is a continuing need to deliver significant cuts and efficiencies over the medium to long term. Robust and detailed plans will be required on an operational level to ensure that this risk is mitigated and savings are duly delivered.</p>	<p>The risks relating to the delivery of savings of the magnitude will be mitigated by robust monitoring and financial control through the budget monitoring process, with action plans being required to find compensating savings for any overspends identified.</p> <p>Individual savings are reviewed by lead officers on a monthly basis and material issues reported to the CMT and if required, Committee.</p>
<p>Income budgets not achieved or become unsustainable.</p>	<p>Chief Officers are consulted on proposed increases in income budgets/fees and charges and have the opportunity determine the levels of individual charges to achieve the budgeted income target.</p> <p>Equally, income budgets are monitored throughout the</p>

	<p>financial year and where a shortfall in income is anticipated, this is highlighted in reports to Committee.</p> <p>Proposals to increase fees and charges undergo robust challenge in line with the Council's Charging Policy prior to reporting to Committee.</p>
The Council has insufficient capital resources to sustain capital commitments.	<p>The Council has already identified through the Financial Strategy a reduced reliance on capital receipts and Government Grants in the medium term.</p> <p>The combination of reduced funding and economic instability mean that the Council has to focus on maintaining key infrastructure whilst utilising prudential borrowing for specific capital projects.</p> <p>The Council has identified the need to complete Asset Management Plans for all its assets with the Open Space AMP due for completion in 2015.</p>
Bankruptcy of a major supplier or customer which could result in the Council having to pay twice for the same service or see artificially inflated prices if a replacement service needs to be obtained at very short notice.	<p>The Council has reviewed its procurement process and a procurement manual has been developed which includes supplier financial appraisal at PQQ stage. This will ensure that the financial position of new contractors is vetted prior to ITT stage and entering into any large contracts.</p> <p>Regular reviews of financial position are undertaken for key suppliers on an ongoing basis.</p>
Legislative changes are not anticipated and the financial impact is not addressed through the budget process of Financial Strategy.	<p>Chief Officers are required to highlight the impact of legislative changes through the strategic planning and budgeting process and the likely resource requirement.</p> <p>In addition COSLA has a key role in assessing the financial impact of changes in legislation and lobbying for Councils to be funded appropriately.</p>
Interest rates on borrowing may be higher than forecast.	<p>Regular review of treasury management decisions. Prudent assumptions on likely interest rates have been incorporated into Financial Strategy. Borrowing is spread to reduce impact of short-term changes.</p>
Reserves are required to cash flow unanticipated budget shortfalls and fall below minimum recommended level.	<p>Reserve Strategy is in place which clearly states that there must be a clear route to bring reserves back up to the minimum level over the subsequent 3 financial years.</p>
Large contracts are due to be re-tendered where costs are likely to be higher due to the current economic climate.	<p>Assumptions have been built into the budget for increase in price of goods and services.</p>
Revenue implications of capital programme/projects are not fully anticipated.	<p>All capital projects identify revenue implications and link into Council priorities. All capital projects are subject to a robust approval process which includes a review of revenue implications.</p>

Short-Term Issues (2015/17)

The tables in Appendices 1, 2 and 3 have been developed through ongoing consultation with the CMT by the Chief Financial Officer to develop detailed knowledge of the issues to inform the Financial Strategy and future budget setting.

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Corporate	Equal Pay	Provision for outstanding claims may not be sufficient and new groups may claim.	Provision will continue to be monitored and reviewed taking account of relevant legal judgements and advice from the Council's legal advisors.	Steven McNab	Ongoing
	Inflation	Uncertainty over pay awards and other inflation pressures were not fully clear when settling 2015/17 budgets.	Inflation allowances are regularly reviewed. Regular monitoring and reporting to CMT/Members.	Alan Puckrin	Ongoing
	Welfare Reform	Impact of Universal Credit and increase in demand for Services can only be estimated. Longer term funding for Council Tax reduction scheme to be clarified.	£1.3 million recurring budget agreed Update reports going to Committee each cycle. Specific report on Universal Credit to go to Committee in 2015.	Alan Puckrin	December 2015
CHCP	Health/Social Care Integration	Impacts on Governance/Funding could be significant	Monitor developments, report to relevant Committees.	Brian Moore	Ongoing

	Self Directed Support	Implement robust Resource Allocation System, possible pressure from new clients, who may otherwise not engage with Service.	As above	Brian Moore	On Going
	Relationship with Service Providers.	Managing provider expectations whilst in a period of uncertainty over the future of the National Care Home Contract along with expectations from those providers out with this contract to fund inflation/impact of pensions/living wage.	As above and forms part of the Budget Work Plan.	Brian Moore	November 2015
Education & Communities	Children & Young Persons Act	Current funding is not sufficient to ensure appropriate provision is available for the increased demands.	Early Years AMP to be finalised and fed into the report to P&R Committee on the use of Reserves.	Patricia Cassidy	July 2015
	Teacher Numbers	The Government threat of sanctions if teacher numbers are reduced limits options to balance the budget.	Continue to lobby for flexibility and monitor developments.	Patricia Cassidy	On Going

Appendix 2

Medium-Term Issues (2017/20)

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Corporate	Reductions in other public sector partner's funding streams	As Public Sector funding reductions continue, partners are reducing their contributions to key Council priorities such as Riverside Inverclyde, HSCP, River Clyde Homes etc.	Continue dialogue with partners.	Corporate Directors	Ongoing
	Reduction in Council Funding	Government Funding over 2016/20 likely to be further reduced as recovery is delayed.	Await next Scottish Government Spending Review figures and factor into revised Financial Strategy and 2016/18 budget.	Alan Puckrin	December 2015
	Government needs to reduce Public Sector Borrowing	Prudential Borrowing Capping and cuts to Government Capital Grant will require revision of capital plans.	Rolling 3 Year Capital Programme developed annually and longer term loan charges projections undertaken.	Alan Puckrin	On Going
	Removal of key services from Council control.	Government could review Public Sector landscape which could result in loss of large parts of the Council remit and resultant impact on corporate viability.	Keep track of developments and report to Committee as required.	John Mundell	Ongoing
	Increased Payroll costs due to end of contracted out pensions and Auto-enrolment.	Estimated annual cost of £3 million to Inverclyde Council. No indications of Government support.	Keep an eye on developments, factor into Financial Strategy and report to Committee as required.	Alan Puckrin	Ongoing
	Increased cost for externally provided contracts and services due to the Living Wage.	There is a clear desire to ensure suppliers of Council Services pay the Living Wage. This could add significant costs to the Council if passed on by suppliers.	Monitor developments and report to Committee when required.	Corporate Management Team	Ongoing

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Social Care	Ongoing Demographic demand pressures across many Social Care areas and on going drive towards Self-Directed Support and Independent Living	Continuing increased demand will put considerable pressure on "flat cash" budgets.	Extra funding approved as part of the 2015/17 budget. Will be reviewed as part of 2016/18 budget.	Brian Moore	October 2015
	Impact of inclusion of elements of the Acute health Services within the IJB Budget.	Potential for the Council to have to meet a proportion of any overspend caused by increasing pressure on Health Budgets.	Regular monitoring of the IJB Strategic Plan and financial projections added to supporting robust financial scrutiny by the IJB.	Brian Moore	On Going
Environment & Regeneration	Waste Strategy	Significant cost increases expected in treating residual waste from 2017/18.	Monitor Waste Strategy and report to CMT/Committee at appropriate time.	Aubrey Fawcett/ Ian Moffat	May 2016
	Asset Management Plans	Current RAMP funding ends 2017/18. Funding for continued investment to be identified. Other Property AMP identified need for significant investment.	Funding for 2017/18 onwards to be factored into the February 2016 budget.	Aubrey Fawcett/Alan Puckrin	November 2015
Education & Communities	School Estate Management Plan	Reduced Capital resources and corporate cost pressures may make current timescales for delivery of SEMP unachievable.	Six monthly review off all aspects of SEMP to continue. Recent review reflects approved acceleration programme which is still affordable in line with plan for completion but resources getting tighter.	Patricia Cassidy/ Alan Puckrin	Ongoing

Long-Term Issues

<u>Service</u>	<u>Issues Identified</u>	<u>Issues & Potential Impacts</u>	<u>Action to be Taken</u>	<u>Responsible Officer</u>	<u>Timescale to report back</u>
Corporate	Depopulation and Change of Demographics	Continued loss of grant income, over provision of infrastructure. Viability of area under threat.	Population/Demographic trends to be monitored and reported to SOA/Alliance on a regular basis.	Patricia Cassidy	Ongoing
	Potential changes to funding of Local Government	Major constitutional uncertainty, ongoing Council Tax freeze and devolving 10p income tax to Scotland have the potential to have a major impact on role/funding of Councils.	Monitor National developments and report as required.	John Mundell/Alan Puckrin	Ongoing
Social Care	Increase in number of Elderly and Adults with Learning Difficulties and resource implications of policy direction of Independent Living and Self Directed Support.	Significant costs associated with reshaping, expanding delivery models.	Develop as part of HSCP Strategic Plan..	Brian Moore	Ongoing
Environment & Regeneration	Regeneration of Greenock and Port Glasgow Town Centres.	Reports to Committee have identified significant investment needs within the Greenock and Port Glasgow Town Centre areas. Whilst contributions will be sought from Partners and the Private Sector the Council will require to provide a large amount of the funding.	Develop a funding model with clear outputs and funding sources.	Aubrey Fawcett	February 2016
	Global Warming/Climate Change leading to rising sea levels	Significant impact on Council area with increased flooding and expenditure on sea defences.	New Flood Plan to include this issue.	Ian Moffat	Ongoing
	Closure of major local employer	Could further increase rate of depopulation and would significantly impact of areas regeneration efforts.	Regular review of the approved rl/Council Joint Operating Plan.	Aubrey Fawcett/Stuart Jamieson	As required

	Carbon Reduction Commitment	Council will almost certainly exceed the threshold for participation in 2019. Will cost in excess of £300,000 per year.	Continue to monitor and report Council's performance annually.	Stuart Jamieson	Annually
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Current Profile

Appendix 4

Riverside Inverclyde Funding Profile 2006/7 → 2017/18

<u>Year</u>	<u>Revenue</u> <u>£000</u>	<u>Capital</u> <u>£000</u>	<u>Other</u> <u>£000</u>	<u>Total</u> <u>£000</u>
To 31/03/08	1,772	700	1,878	4,350
2008/9	1,840	85	1,112	3,037
2009/10	1,513	-	-	1,513
2010/11	2,100	-	-	2,100
2011/12	2,100	-	-	2,100
2012/13	1,900	-	-	1,900
2013/14	1,600	-	-	1,600
2014/15	1,500	-	-	1,500
2015/16	1,300	-	-	1,300
2016/17	1,175	-	-	1,175
2017/18	375	-	-	375
Gourock Redevelopment	-	-	1,100	1,100
PG Town Centre	-	-	500	500
Gourock - 1 way system	-	-	1,000	1,000
Area Renewal Fund	-	-	200	200
Reserves Substitute Funding	-	-	250	250
	17,175	785	6,040	24,000

a In addition to the £24 million the Council will provide an additional £3.1 million towards the two major projects at Gourock (£2.6 million) and Port Glasgow Town Centre (£0.5 million) over 2012/15. During 2014/15 the Council agreed the following investments also to be delivered through Riverside Inverclyde:

Further £950,000 also going to Gourock project as well as £300,000 for Gourock Municipal Buildings, Broomhill/East Greenock £860,000 & further Port Glasgow Town Centre funds of £500,000.

b Reduction between 2016/17 & 2017/18 is £400,000 for Depot AMP and £400,000 for City Deal.

Apr 15 - includes £175k saving and £240k w/b

School Estate - Earmarked Reserves

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Earmarked Reserve b/fwd	3,461	2,658	1,972	1,517	1,446	1,314	1,094	1,027	892	525	124	183	277	314	362	383
Available Savings added (a)	4,584	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,747	4,747	4,747	4,747	4,747	4,747
Extra Financing (b)	3,020	3,260	3,085	3,085	3,085	3,085	3,085	3,085	3,085	3,085	3,085	3,085	3,085	3,085	3,085	3,085
Prudential Schools Loan Charges (c)	-4,410	-4,528	-4,534	-4,541	-4,548	-4,556	-4,564	-4,573	-4,582	-4,592	-4,602	-4,613	-4,625	-4,638	-4,651	-4,665
Unitary Charge Payment (d)	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942
Unitary Charge Inflation Element (e)	-419	-534	-803	-1,082	-1,373	-1,675	-1,989	-2,316	-2,656	-3,010	-3,377	-3,760	-4,158	-4,571	-5,001	-5,449
Unitary Charge Funding from Inflation Contingency	419	534	803	1,082	1,373	1,675	1,989	2,316	2,656	3,010	3,377	3,760	4,158	4,571	5,001	5,449
One Off Costs (f)	-681	-991	-646	-247	-292	-364	-194	-244	-457	-472	-57	0	-35	0	0	0
Extra Revenue Repairs (g)	-230	-263	-196	-204	-213	-221	-230	-239	-249	-258	-268	-279	-289	-300	-314	-326
Unitary Charge RSG	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096
Written Back to General Reserves	-240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Earmarked Reserve c/fwd	2,658	1,972	1,517	1,446	1,314	1,094	1,027	892	525	124	183	277	314	362	383	376

(a) Per 13/14 Budget - includes savings from Craigmarloch from August 2014. Reduced by £70k from 2013/14 for additional NDR St Columba's.

(b) Per 2008/9 budget and £1m for Port Glasgow Com Campus , plus £160k for Lomond View. Compensating loan charges for receipts transferred to the Capital Fund come in from 2015/16. Annual Saving of £175k from 2016/17.

(c) Assumes Inverclyde Academy , Newark Primary, Port Glasgow Community Campus and Lomond View refurbishments are Prudentially funded. Uses a pool fund rate of 4.0% from 2012/13.

(d) Based on Actual Unitary Charge at Jan 2011 RPI of £8.842 million plus £100k contingency from 2013/14.

(e) Base at Jan 2014 RPI. Assumes 2.7% annual inflation (4% RPI discounted by factor of 1.5)

(f) After 2026/27 one-off costs cease.

(g) Increased Revenue Repairs £250k in 2013/14. Saving of £75k from 2016/17.

still to be added above

Finance Strategy
General Fund "Free" Reserves
2014/17 Balance Projection

	£000
Reserves Balance at 31st March 2014	4,793
Budgeted Contribution to Reserves: Note 1	
2013/14 Outturn Earmarked for 2014/17	594
2014/15	1,477
2015/16	<u>2,587</u>
	4,658
Contribution to Reserves 2014/17 Note 2	5,249
Planned Use of Reserves 2014/17 Note 3	(14,456)
Projected Surplus (Defecit) Note 4	6,451
Free Reserves Balance 31st March 2017	6,695

RSG/NDR/Council Tax will be £190 million from 2014/15. Recommended minimum level of reserves is 2% / £3.8 million.

Notes:

- 1/ 2014/15 Figures are based on surplus reported as part of 2013/16 Budget, 2015/16 figures are based on the surplus reported as part of the 2015/17 Budget.
- 2/ 2014/17 Figures represent decisions taken as part of the 2013/16 Budget process and further decisions taken in February 2014 and February 2015 as detailed below:

	2014/15 £000	2015/16 £000	2016/17 £000	Total £000
RAMP Funding 2013/14 - £300k	250	100	0	350
Contribution from Common Good/ Birkmyre	50	150	0	200
Earmarked Reserves Write Back	3,439	0	0	3,439
CFCR Transfer from Capital	0	1,260	0	1,260
	<u>3,739</u>	<u>1,510</u>	<u>0</u>	<u>5,249</u>

- 3/ Represents decisions taken as part of the 2013/16 Budget, February 2014 and 2015/17 Budget based on latest phasings:

<u>Approved Use of Reserves</u>	2014/15 £000	2015/16 £000	2016/17 £000	Total £000
February 2014 - £5.203m	(460)	(1,943)	(2,200)	(4,603)
February 2014 - SEMP £1.1m	0	(1,100)	0	(1,100)
September 2014 - £0.150m	(150)	0	0	(150)
February 2015 - £5.305m	0	(2,576)	(2,729)	(5,305)
February 2015 - Temp Use of Reserves £3.298m	0	0	(3,298)	(3,298)
	<u>(610)</u>	<u>(5,619)</u>	<u>(8,227)</u>	<u>(14,456)</u>

- 4/ Figure reflects projected surplus reported to Policy & Resources Committee May 2015 plus further underspends for Auto Enrolment, loans charges and unallocated inflation contingencies as detailed below:

	2014/15 £000	2015/16 £000	2016/17 £000	Total £000
Projected Surplus (May 2015 P&R)	4,469	0	0	4,469
Auto Enrolment not required	186	100	0	286
Unallocated Inflation Contingency	0	0	0	0
Unallocated Pay Inflation Contingency	846	0	0	846
Loan Charge Underspend to EMR	600	250	0	850
	<u>6,101</u>	<u>350</u>	<u>0</u>	<u>6,451</u>

Appendix 7

Finance Strategy
Capital Fund

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Balance B/fwd	(939)	(2,634)	(3,020)	(3,959)	(3,016)	(1,813)
Additions (Estimate)	(2,390)	(649)	(2,180)	(242)	0	(731)
Interest (Estimate)	(5)	(22)	(44)	(55)	(37)	(32)
Principal Repayments	0	285	285	240	240	240
Other Payments	700	0	1,000	1,000	1000	1000
Balance at Year End	(2,634)	(3,020)	(3,959)	(3,016)	(1,813)	(1,336)

Notes

a Estimated Receipts:

- 2014/15 SEMP, £2.34m, includes St Stephen's, Kings Glen, St Gabriels, Ravensraig & Highlanders, AMP Receipt, £0.05m, Newark House.
 - 2015/16 SEMP Receipts, £0.154m Lilybank, £0.075m Barmoss Nursery, Other Receipts, £0.42m, Former Kempock Hse (Initial payment), Wateryetts Drive, Kilmacolm, McLeans Yard, Land at Broadstone Avenue.
 - 2016/17 SEMP Receipts, £1.85m, Greenock Academy & remainder of Kings Glen site. AMP receipts £0.33m, Strone Office, Wellington Academy & 9 William St.
 - 2017/18 Other Receipts, £0.242m, Former Kempock House (payment on completion).
 - 2019/20 Recovery of Scottish Enterprise Clawback, £0.731m
- b £240k SEMP from 2015/16.
Further £45k SEMP 2015/16 & 2016/17 to fund lease back of St Stephen's.
- c Other Payments:
2014/15 £0.7m write back of reserves.
2016/20 £4.0m payment to fund Loan Charges smoothing exercise.

Finance Strategy
Repairs & Renewals Fund

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Balance Bf/wd	(2,727)	(2,919)	(2,976)	(3,174)	(3,360)	(3,598)
Additions:						
a	(220)	(277)	(223)	(223)	(223)	(223)
Inverkip Footbridge						
Leisure Strategy						
Former Housing Repairs & Renewals Fund						
Central Energy Efficiency Fund						
Maintenance Payments:						
Greenock Cut	2	14	14	14	14	14
Gallaghers/Port Glasgow Development	36	36	36	36	36	36
Inverkip Footbridge	2	2	6	6	2	2
Leisure Strategy		160	34	45		16
Former Housing Repairs & Renewals Fund						
Contribution to Energy Efficiency Administration		37				
b						
Greenock Cut	(1)	(2)	(6)	(6)	(5)	(5)
Gallaghers/Port Glasgow Development	(1)	(2)	(4)	(3)	(2)	(2)
Inverkip Footbridge	(1)	(3)	(6)	(6)	(6)	(6)
Leisure Strategy	(2)	(7)	(16)	(20)	(24)	(29)
Former Housing Repairs & Renewals Fund	(6)	(12)	(24)	(24)	(25)	(25)
Central Energy Efficiency Fund	(1)	(3)	(5)	(5)	(5)	(5)
c						
Interest						
Greenock Cut	(1)	(2)	(6)	(6)	(5)	(5)
Gallaghers/Port Glasgow Development	(1)	(2)	(4)	(3)	(2)	(2)
Inverkip Footbridge	(1)	(3)	(6)	(6)	(6)	(6)
Leisure Strategy	(2)	(7)	(16)	(20)	(24)	(29)
Former Housing Repairs & Renewals Fund	(6)	(12)	(24)	(24)	(25)	(25)
Central Energy Efficiency Fund	(1)	(3)	(5)	(5)	(5)	(5)
Balance:	(300)	(288)	(280)	(272)	(263)	(254)
Greenock Cut	(211)	(177)	(145)	(112)	(78)	(44)
Gallaghers/Port Glasgow Development	(300)	(301)	(305)	(305)	(309)	(313)
Inverkip Footbridge	(673)	(797)	(1,002)	(1,200)	(1,447)	(1,683)
Leisure Strategy	(1,174)	(1,186)	(1,210)	(1,234)	(1,259)	(1,284)
Former Housing Repairs & Renewals Fund	(261)	(227)	(232)	(237)	(242)	(247)
Central Energy Efficiency Fund						
Balance at Year End	(2,919)	(2,976)	(3,174)	(3,360)	(3,598)	(3,825)

Notes

a Future contribution to Leisure Strategy subject to confirmation of available funds.

b Leisure Strategy commitments:

2015/16 Contribution to Inverkip Community Facility
2016-18 Pitches/MUGA's Lifecycle costs

c Central Energy Efficiency Fund commitments:

2015/16 LED Lighting, Greenock Municipal Building
2015/16 Ardgowan Primary School

Finance Strategy
Asset Management Plan - Offices

	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's
Earmarked Reserve Offices	374	(4)	135	181	203	270
Earmarked Reserve b/fwd						
Additional Funding (Note d)	560	500	375	375	375	375
Available Savings/(Cost) Added (Note a)	(241)	160	281	326	376	386
Loan Charges (Note b)	(313)	(407)	(535)	(679)	(684)	(684)
Further One Off Costs (Note c)	(384)	(114)	(75)	0	0	0
Net Saving/(cost) for year	(378)	139	46	22	67	77
Earmarked Reserve c/fwd	(4)	135	181	203	270	347

Notes

- a Net Revenue Savings & Costs Excluding Loan Charges
- b Assumes an interest rate of 4%
- c Further One Off costs relate to the temporary appointment of an Asset Manager as well as costs for various decants, demolitions and rental of storage area.
- d Additional funding consists of original funding allocation of £1m adjusted for:
 £200k Workstream Saving from 2011/12
 £30k Topslice saving from 2012/13
 £60k Workstream Saving from 2013/14
 £100k Workstream Saving from 2014/15
 £45k BPRA scheme saving from 2015/16
 £50k one off reduction of EMR Balances 2013/14
 £50k further one off reduction of EMR Balances 2014/15
 £65k Revenue saving from 2015/16
 £125k further Revenue saving from 2016/17
- e In addition the Business Store has been declared surplus to requirements, financial implications of this have not been reflected at this stage. Nor has the impact of the proposed William St BPRA.

Finance Strategy
Asset Management Plan - Depots

	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's
Earmarked Reserve Depots	1,126	991	1,125	1,013	1,066	1,098
Earmarked Reserve b/fwd	0	500	400	800	800	800
Additional Funding (Note d)	131	135	97	97	97	97
Available Savings/(Cost) Added (Note a)	(197)	(345)	(609)	(844)	(865)	(865)
Loan Charges (Note b)	(69)	(156)	0	0	0	0
Further One Off Costs (Note c)	(135)	134	(112)	53	32	32
Net Saving/(cost) for year	991	1,125	1,013	1,066	1,098	1,130
Earmarked Reserve c/fwd						

Notes

- a Net Revenue Savings & Costs Excluding Loan Charges
- b Assumes an interest rate of 4%
- c Further One Off costs relate to the temporary appointment of an Asset Manager
- d Additional funding made up of:
- | | | |
|--------------------------------------|---------|--|
| Contribution from Zero Waste Fund | £200k | From 2010/11 |
| Contribution from Revenue Budget | £300k | From 2012/13, original £500k allocation reduced by £200k Workstream Saving |
| One off reduction in EMR balances | £(500)k | 2014/15 |
| Reduction in funding | £(100)k | from 2016/17 & as a result of reduction in capital spend of £1.5m |
| Additional Contribution from Revenue | £400k | From 2017/18, diversion of Riverside Inverclyde budget |

Finance Strategy
Vehicle Replacement Programme

	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
Earmarked Reserve								
<u>Capital Requirements:</u>								
Vehicle Purchases	1,266	2,024	983	1,865	582	1,442	2,190	875
Residual Value	(203)	(686)	(247)	(385)	(134)	(337)	(556)	(228)
Net Capital Requirement	1,063	1,338	736	1,480	448	1,105	1,634	647
Earmarked Reserve b/fwd	311	281	250	327	309	302	291	268
Loan Charges	(1,041)	(1,142)	(1,034)	(1,129)	(1,118)	(1,122)	(1,134)	(1,147)
Additional Revenue Costs, Tracking System	(28)	(28)	(28)	(28)	(28)	(28)	(28)	(28)
	(1,069)	(1,170)	(1,062)	(1,157)	(1,146)	(1,150)	(1,162)	(1,175)
Funding Available								
Loan Charges	1,074	1,109	1,109	1,109	1,109	1,109	1,109	1,109
Other Adjustments	(35)	30	30	30	30	30	30	30
Total Funding Available	1,039	1,139	1,139	1,139	1,139	1,139	1,139	1,139
Annual Funding Surplus/(Shortfall)	(30)	(31)	77	(18)	(7)	(11)	(23)	(36)
Earmarked Reserve c/fwd	281	250	327	309	302	291	268	232

It should be noted that the model:

- a Assumes continuation of Food Waste collection and includes replacement of Food Waste Vehicles, 2017/18.
- b Excludes Low Carbon Vehicles, due for replacement 2016/17. The purchase of these vehicles was heavily subsidised by Government Grants which may not be available in future years. If a decision is made to replace these vehicles it is assumed any replacement costs will be met from available grants and Service Revenue budgets.
- c Includes Glass Recycling Vehicles purchased in 2014/15 using a combination of grants and prudential borrowing and assumes replacement in 2019/20.
- d Other Adjustments:
Funding Available has been increased by £35k from 2015/16 to reflect the initial purchase. A further £30k is required from 2020/21 however this funding has yet to be specifically identified and has not been reflected.

From 2015/16 includes £30k additional funding vired from underspend in Fuel.

One off reduction in EMR balances of £35k applied in 2014/15.

Finance Strategy
Roads Asset Management Plan

	2012/13 Actual £000's	2013/14 Actual £000's	2014/15 Approved £000's	2015/16 Approved £000's	2016/17 Proposed £000's	2017/18 Proposed £000's	2013/16 3 Year £000's	2013/18 5 Year £000's
<u>Funding Available</u>								
Core/Supported Borrowing		1,300	1,300	1,300	1,400	1,400	3,900	6,700
Prudential Borrowing			2,100	2,100	4,600	4,600	4,200	13,400
CFCR:								
Early Allocation (Feb 2012)	1,373	1,627					3,000	3,000
Further Allocation (Feb 2013)		1,100	2,400	2,400			5,900	5,900
Total Funding Available	1,373	4,027	5,800	5,800	6,000	6,000	17,000	29,000
<u>Allocation of Expenditure</u>								
Carraigeways	1,220	2,997	3,575	3,300	3,156	2,982	11,092	17,230
Footways	153	248	301	300	1,149	1,450	1,002	3,601
Lighting		113	220	487	1,520	1,750	820	4,090
Road Markings			50	50	50	50	100	200
Drainage			75	50	50	50	125	225
Structures		3	652	200	515	650	855	2,020
Fees & Staffing Costs		269	365	300	350	350	934	1,634
Total Allocation of Expenditure	1,373	3,630	5,238	4,687	6,790	7,282	14,928	29,000
<u>Over/(Under) Allocation</u>	0	(397)	(562)	(1,113)	790	1,282	(2,072)	0

Notes

- a 2016/18 funding approved February 2015.
- b Funds were set aside during February 2012 budget process prior to the formal approval of the RAMP model.
- c CFCR part funded from underspends due to reduced requirement for Loan Charges in early years.
- d Lighting programme has been delayed due to delays in carrying out the column surveys and development of the outline business case and strategy. It is now anticipated that the original intended programme will not be completed within the initial 3 year period but will be extended into 16/17 and 17/18.

Finance Strategy
Loan Charges

	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Balance B/fwd										
Projected Loan Charges	a	1,200	1,200	1,841	2,380	2,528	2,394	2,153	953	4,312
Available Budget	b	13,346	13,935	14,293	14,791	14,749	14,719	14,689	14,689	14,689
Loan Charge Surplus/(Deficit)		625	966	(461)	(852)	(1,134)	(1,241)	(1,200)	3,359	3,853
Additional Funding:										
Contribution from Reserves	c	1,200								
Contribution to Reserves	d	(625)	(325)							
Contribution from Capital Fund	e			1,000	1,000	1,000	1,000			
Balance at Year End		1,200	1,841	2,380	2,528	2,394	2,153	953	4,312	8,165

Notes

a Excludes Loan Charges relating to funded models (SEMP, AMP, VRP, City Deal, Birkmyre Trust).

b Adjustments to Available Budget:

For 2016/17

£400k added to ongoing budget for loan charges on Additional Capital Expenditure, as agreed November 2014

£30k removed for ICT saving agreed February 2015 (additional sum removed each year until last year 2020/21)

£12k removed for ICT saving agreed February 2013 (additional sum removed each year until last year 2018/19)

For 2017/18

Further £400k added to ongoing budget for loan charges on Additional Capital Expenditure, as agreed November 2014

£140k added to ongoing budget for loan charges on Children's Homes

c Allocation of Reserves in 2013/14 to address medium term Loan Charges funding issue.

d Of the £1.2m originally allocated from Reserves only £0.35m had been generated from Loan charges surpluses, £0.85m is therefore required to return to Free Reserves. In addition, £0.1m is added back to Reserves in 2015/16 for RAMP funding.

e Allocation from Capital Fund. It should be noted that this contribution is dependent on receipts from property disposals and as such cannot be guaranteed.

City Deal - Medium Term Financing

<u>Capital</u>	<u>£m</u> <u>15/16</u>	<u>£m</u> <u>16/17</u>	<u>£m</u> <u>17/18</u>	<u>£m</u> <u>18/19</u>	<u>£m</u> <u>19/20</u>	<u>£m</u> <u>20/21</u>	<u>£m</u> <u>21/22</u>	<u>£m</u> <u>22/23</u>	<u>£m</u> <u>Total</u>
Overall Grant	30	30	30	30	30	30	30	70	280
Regional Projects	0.8	1.75	1.25	3	4.5	76	48.5	70	205.8
Grant Available	29.2	28.25	28.75	27	25.5	0	0	0	74.2
Inverclyde's Grant Share	0.847	0.819	0.834	0.783	0.740	0.000	0.000	0.000	4.022
<u>Project Spend</u>									
Ocean Terminal	0.647	0.646	9.950	2.713	0.258	0	0	0	14.214
Inverkip	0.177	1.646	1.885	0.069	0	0	0	0	3.777
Inchgreen	0	0	0	0	0	4.713	4.714	0	9.427
Total Cost	0.824	2.292	11.835	2.782	0.258	4.713	4.714	0	27.418
Annual Grant Shortfall	0.023	-1.473	-11.001	-1.999	0.482	-4.713	-4.714	0.000	-23.396
Cumulative Grant Shortfall	0.023	-1.450	-12.451	-14.450	-13.969	-18.682	-23.396	-23.396	
<u>Revenue</u>	<u>£m</u> <u>15/16</u>	<u>£m</u> <u>16/17</u>	<u>£m</u> <u>17/18</u>	<u>£m</u> <u>18/19</u>	<u>£m</u> <u>19/20</u>	<u>£m</u> <u>20/21</u>	<u>£m</u> <u>21/22</u>	<u>£m</u> <u>22/23</u>	
Revenue Budget	0	0	360	360	360	360	360	360	
Interest Charge	0	(9)	(121)	(303)	(390)	(490)	(631)	(760)	
Balance at Year End	0	(9)	230	287	257	127	(144)	(544)	

Notes

- 1/ The project spend profiles are initial high level estimates and will be firmed up as part of the detailed Business Case preparation. Figures do not include any partner contributions and represent the worst case scenario.
- 2/ The Council will require to finance the interest costs associated with the grant shortfall and has set aside up to £400,000 per year for this purpose of which £40,000 is set aside for the Programme Management Office.
- 3/ Interest rates based on 7 day LIBOR rates projected for the year.

May 2015

Report To:	Inverclyde Council	Date:	4 June 2015
Report By:	Chief Executive	Report No:	LP/091/15
Contact Officer:	Gerard Malone	Contact No:	01475 712710
Subject:	Review of Polling Places		

1.0 PURPOSE

1.1 This report asks Elected Members to consider a review of the Council's Polling Scheme.

2.0 SUMMARY

2.1 This Council undertook, last year, its statutory review of its Polling Places and this was considered and approved by the Council at its meeting on 10th April 2014.

2.2 The current Polling Scheme, which forms **Appendix 1**, has been in force as from 1 January 2015 and has been utilised for the recent UK Parliamentary Election.

2.3 As part of the Council's initiative to review and update its Polling Scheme and to keep it under consideration between its statutory reviews, it is suggested that a consultation exercise be undertaken to amend the Scheme for three locations as follows with the alternative locations, as specified:

- (a) St Ninian's Primary School – Kirn Drive Community Centre
- (b) St Patrick's Primary School – Prospecthill Christian Fellowship Church
- (c) St Lawrence's Social Club – relocation to Auchmountain Halls and Crawfordsburn Community Centre.

2.4 If agreed by the Council, it is proposed to conduct a consultation exercise with the community groups involved at the above locations and to work forward with a timetable for the Consultation Review in terms of **Appendix 2**.

3.0 RECOMMENDATIONS

The Council is requested to:

3.1 Consider this report and approve the commencement of the review of the Polling Scheme for the three locations as specified;

3.2 Remit it to the Head of Legal and Property Services to report further in terms of the outcome of the Consultation Review.

4.0 BACKGROUND

- 4.1 In terms of the Representation of the People Act 1983, local authorities are required to designate Polling Places for the purposes of elections and to review those arrangements at least every 4 years.
- 4.2 The Council reviewed its electoral arrangements in April 2014. Within Inverclyde, the Council's practice has been to review polling arrangements as each scheduled Election approaches. In conducting its reviews, the Council must seek to ensure that:-
- (i) all electors in the constituency have reasonable facilities for voting as are practicable in the circumstances; and
 - (ii) so far as is reasonably practical, all polling places should be accessible to all voters including those who are disabled and when considering the designation of a polling place the Council must have regard to the needs of persons with disabilities.
- 4.3 The current Polling Scheme was reviewed in April 2014 in formal terms, has been in effect from 1st January 2015 and was utilised for the recent UK Parliamentary elections.
- 4.4 This report is brought to the Council as an interim update to ensure the Polling Scheme is current and relevant to local circumstances. The Council is committed to ongoing review of the scheme and to exploring suitable options for polling place locations. The Council seeks to minimise any disruption to schools during each election process and this will be looked at continuously.

5.0 SUGGESTED REVIEW OF POLLING SCHEME FOR THREE LOCATIONS

- 5.1 It is proposed that the Council alters the Polling Scheme to designate Kirn Drive Community Centre as the Polling Place for Polling District IG30. At present, the approved Polling Place is St Ninian's Primary School. The Council's practice is to seek to minimise any disruption to the school environment as far as is possible. Local representations have been received to suggest a relocation in order to support the Council's aim. Kirn Drive Community Centre is within the same Polling District and meets the standards required for accessibility and access and its use would eliminate school closure at elections.
- 5.2 St Patrick's Primary School is utilised for Polling District IG23. However, in terms of planned refurbishment, the school will not be available for election use. On this basis, investigations have taken place on a possible relocation to Prospecthill Christian Fellowship Church, 8 Prospecthill Street, Greenock, PA15 4DL. The Church is suitable for access and the owners of the building have confirmed their interest in providing polling place facilities for future elections. There will be a consequent minor amendment of the Polling District at Prospecthill Street to bring this location into the relevant Polling District boundary.
- 5.3 St Lawrence's Social Club has been the established Polling Place for Polling District IG15. In view of major demographic changes in this area, the number of voters has reduced substantially and it is feasible and practical to reallocate these voters to the following two Polling Places: Auchmountain Halls and Crawfordsburn Community Centre in Polling Districts IG12 and IG14 respectively.
- 5.4 The consultation arrangements for each of the above proposals involve open advertisement on the Council's website and in the Council's libraries. It is further recommended that there be contact with the relevant Community Councils and the Parent Councils and any other community groups identified and all elected representatives (Councillors, MPs, MSPs, MEPs). The outcome of the Consultation Review will be reported to the Council in terms of the timetable which forms **Appendix 2**.

- 5.5 The Council has previously delegated to the Chief Executive the authority to make any such amendments as may from time to time be necessary in the Polling Scheme in order to take account of any building works and/or closures in order to facilitate suitable and feasible polling arrangements.
- 5.6 For example, in future the Council will explore the possible use of the planned new community facility at Inverkip and that will, potentially, replace use of school accommodation.

6.0 IMPLICATIONS

6.1 Finance

As yet, there are no financial implications identified. The consolidation of the St Lawrence's Social Club into the other polling places within the Polling Scheme will result in an accommodation saving and, possibly, minor financial consequences for reduced numbers of polling staff. There is also a potential minor cost for funding 2 external locations rather than 2 schools.

Financial Implications:

One off Costs

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

Annually Recurring Costs/(Savings)

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

6.2 Legal

This proposal complies with relevant electoral legislation.

6.3 Human Resources

There are no implications.

6.4 Equalities

The draft Polling Scheme is being reviewed to take account of the provision of suitable premises to facilitate ease of access for all voters throughout Inverclyde and thus to promote participation in local democracy for all its citizens.

6.5 Repopulation

There are no repopulation implications.

7.0 CONSULTATIONS

- 7.1 This report has been the subject of consultation with the Chief Executive and the Corporate Director Education, Communities and Organisational Development.

8.0 BACKGROUND PAPERS

- 8.1 None.

**APPENDIX 1
POLLING SCHEME
INVERCLYDE COUNTY CONSTITUENCY**

Polling District	Polling Place
IN01	Carsemeadow, Craigbet Road, Quarriers Village, Bridge of Weir
IN02	St Columba Church Hall, Bridge of Weir Road, Kilmacolm
IG02	Holy Family Church Hall, Parkhill Avenue, Port Glasgow
IG03	Struthers Memorial Church, Arran Avenue, Port Glasgow
IG04	Park Farm Community Hall, Oronsay Avenue, Port Glasgow
IG05	St Francis' Primary School, East Barmoss Avenue, Port Glasgow
IG06	Clune Park Resource Centre, Montgomerie Street, Port Glasgow
IG07	Boglestone Community Centre, Dubbs Place, Port Glasgow
IG08	Port Glasgow Lesser Town Hall, Port Glasgow
IG09	St John's Primary School, Mary Street, Port Glasgow
IG11	Gibshill Childrens' Centre, Smillie Street, Greenock
IG12	Auchmountain Halls, Burnhead Street, Greenock
IG13	Craigend Resource Centre, McLeod Street, Greenock
IG14	Crawfurdsburn Community Centre, Carwood Street, Greenock
IG15	St Lawrence's Social Club, Cartsburn Street, Greenock
IG16 & IG10	Whinhill Primary School, Peat Road, Overton, Greenock
IG17	Wellpark Mid Kirk Church Hall, Clyde Square, Greenock
IG18	Salvation Army Centre, Enter from Roxburgh Street, Greenock
IG19	McLean Museum & Art Gallery, Watt Hall, 15 Kelly Street, Greenock
IG20	Ardgowan Club, Ardgowan Square, Greenock
IG21	Finnart Scout Hall, 159 Finnart Street, Greenock
IG22	Lyle Kirk Hall, Bentinck Street, Greenock
IG23	St. Patrick's Primary School, Broomhill Street, Greenock
IG24	Lady Alice Primary School, Inverkip Road, Greenock
IG25	Grieve Road Community Centre, Grieve Road, Greenock
IG26	St Joseph's Primary School, Wren Road, Greenock
IG27	St Andrews Primary School, Westmorland Road, Greenock
IG28	Cardwell Bay Sailing Club, Cove Road, Gourock
IG29	Gamble Halls, Enter from Davidson Drive, Gourock
IG30	St Ninian's Primary School, Staffa Street, Gourock
IG31	Moorfoot Primary School, Moorfoot Drive, Gourock
IG32	Spinnaker Hotel, Albert Road, Gourock
IG33	Royal Gourock Yacht Club, Ashton Road, Gourock
IG34	Upper Larkfield Community Hall, Lothian Road, Greenock
IG35	Aileymill Primary School, Norfolk Road, Greenock
IG36	Branchton Community Centre, Branchton Road, Greenock
IG37	Inverkip Primary School, Station Road, Inverkip
IG38	Wemyss Bay Community Centre, Ardgowan Road, Wemyss Bay

INVERCLYDE COUNCIL
REVIEW OF POLLING PLACES
TIMETABLE

The proposed timetable for the Consultation Review is as follows:-

1. Publication on Inverclyde Council website, notices in libraries, letters to Community Councils, Parent Teacher Councils etc	18 June 2015
2. Representations by interested parties to be received no later than	18 August 2015
3. Inverclyde Council to consider a report on the initial proposals to approve the revised Polling Scheme on	8 October 2015
4. Further consultation on the draft Polling Scheme commencing on	15 October 2015
5. Final date for comments on draft Polling Scheme	16 November 2015
6. Final proposals, having regard to any comments/suggestions received to be considered by the Council on	3 December 2015

Report To:	Inverclyde Council	Date:	4 June 2015
Report By:	Corporate Director Environment, Regeneration and Resources	Report No:	LP/090/15
Contact Officer:	Gerard Malone	Contact No:	01475 712710
Subject:	Scheme for Councillors' Surgeries		

1.0 PURPOSE

- 1.1 This report asks Elected Members to consider amendments to the procedures for arranging Councillors' surgeries.

2.0 SUMMARY

- 2.1 The process for arranging Councillors' surgeries and for meeting relevant expenses for hire of accommodation has been in place from November 2011, to date. The procedure is attached as **Appendix 1**.
- 2.2 This report asks the Council to consider reviewing these procedures in the light of representations that have been received.

3.0 RECOMMENDATIONS

The Council is requested to:

- 3.1 Consider the representations received;
- 3.2 Remit it to the Head of Legal and Property Services to make any alterations that are approved;
- 3.3 Delegate to the Head of Legal and Property Services such authority to make any amendments to procedures as are required from time to time to take account of the Council's approved practices.

Gerard Malone
Head of Legal and Property Services

4.0 BACKGROUND

- 4.1 The procedure for arranging Councillors' surgeries has been in place since November 2011 and a review of this process is appropriate.
- 4.2 Representations have been received from Councillor Campbell-Sturgess to request a substitution of the advertisement arrangements in the local press with the purchasing of non-political portable screens to be used indoors and outdoors to advertise Councillors' surgeries at specific locations. The screen would have the Inverclyde Council typeface and logo with the description "Councillor's Surgery" and be available on a one screen per ward basis for Elected Members. The screen could be used indoors at usual locations of Councillors' surgeries and also would be available for any outdoor use in order to show the location of a Councillor's surgery for those Elected Members who wish to utilise such arrangements.
- 4.3 It is expressly confirmed that no party political material or advertising be associated with the use of the screen. Additionally, in view of the prohibition on using Council property for any party political or campaigning purposes, if this proposal is approved, Elected Members must ensure that no apparel or insignia of a party political nature or which would give rise to a party political inference is worn in association with the use of the screen.
- 4.4 Screens suitable for outdoor use can be obtained for costs in the region of £135 to £180 depending on finish and portability. The Council would require to purchase six screens (one per ward in terms of the current arrangements).
- 4.5 This proposal seeks to widen the types of venue for the holding of Councillors' surgeries. At present, Elected Members are requested to utilise as far as possible Council premises or community facilities so that any costs for surgeries are minimised. The Council will only pay moderate amounts per hour for the hire of any facilities outwith its own assets. It is not suggested that any increased costs for venue hire be met from any approval of this proposal.
- 4.6 The Council as part of its budget process as from April 2016 has reduced its advertising budget for Councillors' surgeries. Accordingly, the Corporate Communications Manager is already developing proposals for next year to revise the methods of promoting Councillors' surgeries. The review will look at wider advertising of Councillors' surgeries e.g. online and through social media.
- 4.7 Additionally, there has been a request from Councillor McEleny for considering the making available of a freepost licence so that ward constituents can contact Councillors without cost. Although this proposal may assist hard copy exchange of correspondence on ward matters, such as survey results, it is suggested that with the increased use of the internet and its growing availability this freepost initiative need not be pursued. However, views of members are requested.

- 4.8 The costs of a freepost licence are as follows:-

Annual cost of a freepost licence	£94.00
Cost per item (normal size letter) second class post	£ 0.37 per item
Cost per item (normal size letter) first class post	£ 0.50 per item

The only other cost would be for the purchase of envelopes.

The scheme permits individual addresses provided the postal address (e.g. Members' Services, Inverclyde Council) is the same.

- 4.9 Any review of the arrangements for Councillors' surgeries requires a consistent approach and co-ordinated view from all Elected Members hence the requirement for this report. The views of the Council are sought on any review of approved procedures.

5.0 IMPLICATIONS

5.1 Finance

There are no finance implications as yet identified. The costs of screens would eliminate for some Elected Members the requirement to advertise in the local press and some savings may accrue.

Financial Implications:

One off Costs

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

Annually Recurring Costs/(Savings)

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

5.2 Legal

No party political or campaigning material may be associated with any Inverclyde Council property. No party affiliations are given or made in any arrangements for Councillors' surgeries.

5.3 Human Resources

There are no implications.

5.4 Equalities

There are no implications.

5.5 Repopulation

There are no repopulation implications.

6.0 CONSULTATIONS

6.1 This report has been the subject of consultation with the Strategic Leadership Forum and with the Chief Executive.

7.0 BACKGROUND PAPERS

7.1 None.

Inverclyde Council

**Procedure for
Arranging Councillors' Surgeries**

Version 3

Produced by:
Members' Services

Process for Arranging Surgeries

Each elected member is entitled to a maximum of 20 advertised surgeries per annum.

Booking Surgeries

The elected member will contact their relevant assistant with dates, times and venues for the surgeries they intend to hold. Contact details for the various venues to be used when arranging surgeries for elected members is noted in the table below.

The venue should be contacted with the relevant details and followed up with the appropriate paperwork, where required. A copy of the School Let Form and Inverclyde Leisure booking form are attached for reference.

Once the venue booking has been confirmed, details of the surgery should be placed in the Surgery Information folder under the appropriate year – accessed via Councillors Public Drive → Members' Services folder → Surgery Information folder. The surgery dates should also be placed on the individual Councillor's page on the Council website, and should be regularly updated.

Advertising of Surgeries

A notice for each surgery is arranged for insertion in the Greenock Telegraph – the notice appears the day before the surgery is due to be held. When a surgery is being held on a Monday the advert should appear on the Saturday.

Each elected member has their own surgery folder. This is accessed via Councillors Public Drive → Councillors Correspondence → (relevant Councillor) → Surgeries. Within this folder there is another folder for adverts, where an advert is already made up for each of the venues. The date and time should be changed to correspond with the new surgery details.

Advertising of surgeries in the Greenock Telegraph is now handled by, Corporate Communications – Xt. 2723. The surgery notice should be sent to Corporate Communications via e-mail; a note of the cost of the advert should be requested at this time. A copy of this e-mail and attachment should be placed in the Surgeries Folder, which is in the cabinet.

A proof will be returned for approval: this should be checked thoroughly by 2 members of staff. Advise Corporate Communications of any amendments, if any; if no amendments required confirm it is OK to go. A copy of the proof should be placed in the Surgeries Folder with the other paperwork.

A note of the cost of the advert should be made in the Surgeries Information Folder, which is accessed via Councillors Public Drive → Members' Services folder → Surgery Information folder → (Year) → Surgery Information by date.

If a Purchase Order has been issued in respect of the surgery venue, enquire from the elected member that the surgery went ahead before delivering the PO on the FMS system.

Surgery Notices/Posters

Posters are made up for each elected member for distribution to venues with their Ward. The posters are accessed via Councillors Public Drive → Councillors Correspondence → (Relevant Councillor) → Surgery → Posters.

One copy of each of the surgery posters should be sent to the following:

Community Policing Sergeant, Police Scotland, 160 Rue End Street, Greenock PA15 1HX or emailed (PDF) to the relevant Community Police contacts (copy on the wall)
Inverclyde Women's Aid, First Floor, 9 George Square, Greenock PA15 1QP
Circles Network, 21 Grey Place, Greenock PA15 1YF

In addition, posters should be sent as follows:

Ward 1

- Email to Kilmacolm Community Centre
- Email to Boglestone Community Centre
- Boglestone Clinic, Dubbs Place, Port Glasgow PA14 5UD
- Clune Park Resource Centre, 6 Montgomerie Street, Port Glasgow PA14 5NT
- Port Glasgow Library
- Port Glasgow Town Hall, Shore Street, Port Glasgow
- Community Regeneration Centre, 7½ John Wood Street, Port Glasgow PA14 5HU
- Port Glasgow Health Centre, Bay Street, Port Glasgow PA14 5EW
- Internal mail to schools: Newark PS, St Michael's PS, St Francis PS, PGHS, St Stephen's

Ward 2

- Community Regeneration Centre, 7½ John Wood Street, Port Glasgow
- Port Glasgow Health Centre, Bay Street, Port Glasgow
- Auchmountain Community Resource Centre
- Craighend Resource Centre, McLeod Street, Greenock PA15 2HD
- Crawfordsburn Community Centre, East Crawford Street, Greenock PA15 2TL
- Internal mail to: PG Library, Whinhill PS, St. John's PS, All Saints PS,

Ward 3

Internal mail to: Central Library, Fitzgerald Resource Centre, Inverclyde Academy, Notre Dame High School, St Mary's PS, Ardgowan PS

Ward 4

- Email to South-West Library (Carolyn Keith)
- Grieve Road Community Hall
- Internal mail to: St. Columba's High School, Clydeview Academy, St Andrew's PS, St Joseph's PS

Ward 5

- Gamble Halls, Shore Street, Gourrock PA19 1RG
- Internal mail to: St. Ninian's PS, Moorfoot PS, Gourrock PS, St Columba's HS, Clydeview Academy, Gourrock Library

Ward 6

- Internal mail to: Aileymill PS, Wemyss Bay PS, Inverkip PS, Inverclyde Academy, St. Columba's HS
- Wemyss Bay Community Centre, Ardgowan Road, Wemyss Bay PA18 6AT
- Branchton Community Centre, Branchton Road, Greenock PA16 0XX

Venue	Booking Arrangements
3 Sisters Bake, Faith Avenue, Bridge of Weir PA11 3SX	FOR BOOKING ARRANGEMENTS WHICH INCLUDE PERSONAL CONTACT DETAILS, SEE ORIGINAL DOCUMENT
7½ John Wood Street, Port Glasgow PA14 5HU (open Tues/Thurs evening only) Auchmountain Community Resource Centre	
Binnie Street Community Centre	
Boglestone Community Centre PA14 5UD	
Bow Farm Neighbourhood Centre	
Branchton Community Centre, 78 Branchton Road, Greenock PA16 0XX	
Central Library PA15 1DE	
Clune Park Community Resource Centre, Montgomerie Street, Port Glasgow, PA14 5NT	
Craigend Resource Centre	
Crawfurdsburn Community Centre	
Fitzgerald Centre	
Gamble Halls	
Gibshill Parents' Support & Education Centre	
Gourrock Library, Kempock Place, Gourrock, PA19 1QU	
Grieve Road Community Hall, Grieve Road, Greenock PA16 7LA	
Inverkip Church Hall, Langhouse Road, Inverkip PA16 0BJ	

Kilmacolm Community Centre PA13 4HA	
Larkfield Tenants' Hall	
McLean Museum	
Paton Street Centre, Paton Street, Greenock PA16 7EL	
Port Glasgow Town Hall PA14 5HD	
Schools	
South West Library PA16 9AY	
Spinnaker Hotel (?)	
Upper Gourock Community Hall, Kirn Drive, Gourock PA19 1NG	
Wemyss Bay Community Centre	
Wemyss Bay Station PA18 6AR	

Report To:	The Inverclyde Council	Date:	4 June 2015
Report By:	Chief Executive	Report No:	CE/004/JWM
Contact Officer:	Lynsey Logsdon	Contact No:	01475 712112
Subject:	Roles and Remits of Member Champions		

1.0 PURPOSE

1.1 The purpose of this report is to review and formalise the roles and remits of the various Member Champions appointed by the Council.

2.0 SUMMARY

2.1 Member Champions have been appointed by the Council on various occasions since 2008. An updated list of the various Champions, the current appointees and the relevant Directorates is detailed in paragraph 4.6.

2.2 The key role of a Member Champion is to be the Council's ambassador and spokesperson for their particular area of responsibility. Member Champions should highlight and promote their particular area of responsibility both within the Council and with external agencies and the public.

2.3 Formal roles and remits have never been agreed for the Council's Member Champions, with the exception of the Welfare and Financial Inclusion Champion. It is important that each Member Champion understands their overall purpose and what their main duties and responsibilities are. In addition, there should be a consistent and standardised format that outlines the key role and responsibilities of each of the seven Member Champions.

2.4 The roles and remits of the Member Champions have been reviewed and are attached for the Council's consideration in appendices 1 to 7.

3.0 RECOMMENDATION

3.1 The Council is asked to consider and approve remits for the roles of the following Member Champions as set out in appendices 1 to 7 of the report.

Older People's Champion	(Appendix 1)
Young People's Champion	(Appendix 2)
Carers' Champion	(Appendix 3)
Armed Forces Champion	(Appendix 4)
Healthy Lifestyles Champion	(Appendix 5)
Welfare and Financial Inclusion Champion	(Appendix 6)
Sports Champion	(Appendix 7)

4.0 BACKGROUND

- 4.1 The role of Member Champion was created to highlight the key issues affecting that particular area of interest and to act as a spokesperson to ensure that effective communication takes place both within the Council and with external agencies and the public.
- 4.2 In this way, the Member Champions represent the Council and seek to ensure that there is mutual awareness of the impact of strategic decisions in these areas both within the Council and especially with relevant outside agencies.
- 4.3 The Member Champions also provide, effectively, a focus for key actions in terms of the Council's Corporate Statement and promote liaison and communication amongst the Council and partner agencies.
- 4.4 The Council has appointed various Member Champions since 2008 and appointments were consolidated at the statutory meeting of the Inverclyde Council following the election in May 2012.
- 4.5 The most recently created Champion is the Welfare and Financial Inclusion Champion appointed in December 2013 and this is the only appointment for which a formal remit has been agreed. The roles and remits have not followed a standardised format and appendices 1 to 7 provide updated remits to take account of the need for a common approach to the appointments.
- 4.6 The current appointments are as follows:-

Designation	Elected Member	Directorate
Older Persons' Champion	Councillor McIlwee and Mrs N McFadden	HSCP
Young People's Champion	Councillor McColgan	Education & Communities
Carers' Champion	Councillor Jones	HSCP
Armed Forces' Champion	Councillor Dorrian	HSCP
Sports Champion	Councillor Ahlfeld	Education & Communities
Healthy Lifestyles Champion	Provost Moran	HSCP
Welfare & Financial Inclusion Champion	Councillor McCabe	HSCP

5.0 CONSULTATION

- 5.1 This report has been approved by the Corporate Management Team.

6.0 IMPLICATIONS

Finance

- 6.1 Nil

Legal

- 6.2 Nil

Human Resources

- 6.3 Nil

Equalities

6.4 Nil

Repopulation

6.5 Nil

7.0 LIST OF BACKGROUND PAPERS

7.1 Nil

Appendix 1

Role of the Older People's Champion

Overall Purpose of Champion:

To be the Council's Older People's Champion by raising and promoting older people's issues and ensuring that the needs and preference of older people are fully taken into account in the planning and development of policies and services.

Main Duties and Responsibilities:

1.	To be the Council's ambassador and spokesperson for issues relating to older people.
2.	To highlight and promote the concerns of older people living in Inverclyde both within the Council and with external agencies and the public.
3.	To promote and support the objectives and key aims of the Reshaping Care for Older People Programme.
4.	To promote and support Inverclyde's Dementia Strategy 2013-16 "Working Towards a Dementia Friendly Inverclyde".
5.	To work in partnership with local organisations that provide services to older people and ensure there is effective communication and joint working taking place.
6.	To promote and support local activities, events and service developments that support independent living and positive health and wellbeing amongst older people.
7.	To liaise with Government and MPs / MSPs regarding the development of services and policies that affect older people.

Appendix 2

Role of the Young People's Champion

Overall Purpose of Champion:

To be the Council's Young People's Champion by raising and promoting issues that affect young people and ensuring that the needs and preferences of young people are fully taken into account in the planning and development of policies and services.

Main Duties and Responsibilities:

1.	To be the Council's ambassador and spokesperson for issues relating to young people.
2.	To highlight and promote the concerns of young people living in Inverclyde both within the Council and with external agencies and the public.
3.	To promote engagement with young people by liaising with Inverclyde Youth Council and Youth Parliament representatives.
4.	To work in partnership with local organisations that provide services for young people and ensure there is effective communication and joint working taking place.
5.	To promote and support local activities, events and service developments that are aimed at nurturing young people and giving them the best start in life.
6.	To liaise with Government and MPs / MSPs regarding the development of services and policies that affect young people.

Appendix 3

Role of the Carers' Champion

Overall Purpose of Champion:

To be the Council's Carer's Champion by raising and promoting issues that affect carers and ensuring that the needs and preferences of carers are fully taken into account in the planning and development of policies and services.

Main Duties and Responsibilities:

1.	To be the Council's ambassador and spokesperson for issues relating to carers and young carers.
2.	To highlight and promote the concerns of carers living in Inverclyde both within the Council and with external agencies and the public.
3.	To promote and support the implementation of the Inverclyde Carers Strategy 2012-15.
4.	To promote engagement with carers and young carers to ensure their views are taken into account in the development and implementation of the Inverclyde Carers Strategy.
5.	To work in partnership with local organisations that provide services for carers and ensure there is effective communication and joint working in place.
6.	To promote and support local activities, events and service developments that are aimed at improving services for carers and raising awareness of the support that is available.
7.	To highlight and promote the contribution that carers make to local communities through their role in providing unpaid care for their family, friends and neighbours.
8.	To liaise with Government and MPs / MSPs regarding the development of services and policies that affect carers.

Appendix 4

Role of the Armed Forces Champion

Overall Purpose of Champion:

To be the Council's Armed Forces Champion by raising and promoting issues that affect veterans and ensuring that the needs and preferences of veterans are fully taken into account in the planning and development of policies and services.

Main Duties and Responsibilities:

1.	To be the Council's ambassador and spokesperson for issues relating to veterans.
2.	To support events which recognise and acknowledge the commitment and sacrifice of the armed forces through acts of remembrance and commemoration.
3.	To highlight and promote issues that affect veterans living in Inverclyde both within the Council and with external agencies and the public.
4.	To promote effective communication and positive working relationships both within the Council and amongst partners and other stakeholder groups in relation to the Veterans Pathway.
5.	To support the development of an integrated support network for veterans living in Inverclyde through the promotion of joint working with Council services, veteran's services and charitable organisations.
6.	To liaise with Government and MPs / MSPs regarding the development of services and policies that impact on veterans.

Appendix 5

Role of the Healthy Lifestyles Champion

Overall Purpose of Champion:

To be the Council's Healthy Lifestyles Champion by raising and promoting issues relating to health and ensuring that such issues are taken into account in the planning and development of policies and services.

Main Duties and Responsibilities:

1.	To be the Council's ambassador and spokesperson for issues relating to healthy lifestyles.
2.	To highlight and promote health related issues both within the Council and with external agencies and the public.
3.	To undertake a community leadership role to empower communities to take an active role in improving the health of the people of Inverclyde.
4.	To work in partnership with local organisations that provide health services and promote healthy lifestyles and ensure there is effective communication and joint working taking place.
5.	To promote and support local activities, events and service developments aimed at improving the health of residents living in Inverclyde.
6.	To liaise with Government and MPs / MSPs on improving the health and wellbeing of Inverclyde's population.
7.	To work in tandem with the Chair of Inverclyde CHCP (HSCP) to champion healthy lifestyles.

Appendix 6

Role of the Welfare and Financial Inclusion Champion

Overall Purpose of Champion:

To be the Council's Welfare and Financial Inclusion Champion by raising and promoting issues relating to welfare reform and financial inclusion and ensuring that such issues are taken into account in the planning and development of policies and services.

Main Duties and Responsibilities:

1.	To be the Council's ambassador and spokesperson for issues relating to welfare and financial inclusion.
2.	To highlight and promote welfare reform and financial inclusion issues both within the Council and with external agencies and the public.
3.	To promote engagement with residents in Inverclyde to ensure their views are taken into account in the development of policies and services regarding welfare reform and financial inclusion.
4.	To work in partnership with local organisations to tackle the implications of welfare reform and promote financial inclusion services and to ensure there is effective communication and joint working taking place.
5.	To promote and support local activities, events and service developments that are aimed at promoting financial inclusion and addressing welfare reform issues.
6.	To liaise with Government and MPs / MSPs on the implications of welfare reform and financial inclusion.

Appendix 7

Role of the Sports Champion

Overall Purpose of Champion:

To be the Council's Sports Champion by raising and promoting issues relating to sports and ensuring that such issues are taken into account in the planning and development of policies and services.

Main Duties and Responsibilities:

1.	To be the Council's ambassador and spokesperson for issues relating to sport.
2.	To highlight and promote sport both within the Council and with external agencies and the public.
3.	To promote engagement with residents in Inverclyde to ensure their views are taken into account in the development of policies and services regarding sport and leisure.
4.	To work in partnership with local organisations that provide sport and leisure services and ensure there is effective communication and joint working taking place.
5.	To promote and support the development and implementation of Inverclyde's Sport Framework 2014 -2018 and the Active Living Strategy.
6.	To promote and support local activities, events and service developments that are aimed at increasing participation in sport.
7.	To liaise with Government and MPs / MSPs on issues regarding participation in sport.

Report To: The Inverclyde Council

Date: 4 June 2015

Report By: Chief Executive

Report No: CE/006/JWM

Contact Officer: Lynsey Logsdon

Contact No: 2744

Subject: The 'One In Five' Campaign: Involving Disabled People in Politics

1.0 PURPOSE

- 1.1 The purpose of this report is to seek agreement for the Council to sign up to the 'One in Five' campaign, which calls on organisations to sign up to a charter which pledges to make society and politics more accessible for disabled people.

2.0 SUMMARY

- 2.1 The 'One in Five' campaign aims to encourage, empower and increase political participation amongst disabled people in Scotland. The campaign calls upon organisations to sign up to a charter which focuses on breaking down barriers by imploring organisations to consider the needs of disabled people.
- 2.2 One in five people of working age in Scotland has a disability, and this campaign aspires to political representation that reflects our wider society.
- 2.3 Organisations are required to show their support for the campaign by signing up to a charter which contains five pledges.
- 2.4 Organisations across Scotland have pledged their support for the 'One in Five' campaign.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that :
- a) The Council agrees to support the 'One in Five' campaign by signing the charter.

John W Mundell
Chief Executive

4.0 BACKGROUND

- 4.1 'One in Five' is a campaign to encourage, empower and increase political participation amongst disabled people in Scotland. The campaign calls upon organisations to sign up to a charter which focuses on breaking down barriers by imploring organisations to consider the needs of disabled people.
- 4.2 One in five people of working age in Scotland has a disability, and this campaign aspires to political representation that reflects our wider society.
- 4.3 If the Council were to agree to sign up to the charter, it would involve making the following five pledges:
- All members are asked about individual needs which are actioned to ensure inclusion;
 - Meetings are held in accessible venues;
 - Material is available in a variety of formats;
 - Organisational tasks and responsibilities are clearly defined yet remain flexible enough to empower individual member ability; and
 - Inverclyde Council seeks to increase the awareness and understanding of issues affecting disabled people and strives to include and empower all members.
- 4.4 The Council already does a great deal to meet the needs of disabled people and would be able to satisfy the requirements of the charter.

5.0 IMPLICATIONS

5.1 Finance

One off Costs:

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
n/a	n/a	n/a	n/a	n/a	n/a

Annually Recurring Costs/ (Savings)

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

There is no direct financial implication in respect of the proposals.

5.2 **Legal**
None

5.3 **Equalities**
None

5.4 **Repopulation**
N/A

6.0 CONSULTATION

6.1 N/A

7.0 BACKGROUND PAPERS

7.1 N/A

Report To:	The Inverclyde Council	Date:	4 June 2015
Report By:	Corporate Director, Environment, Regeneration & Resources	Report No:	FIN/44/15/AP/BH
Contact Officer:	Brendan Hurrell	Contact No:	01475 712654
Subject:	City Deal Collaborative Framework for Professional Services		

1.0 PURPOSE

- 1.1 The purpose of the report is to seek Council approval, in terms of Contract Standing Order 12.1 to establish a framework, for professional services, using a collaborative procurement approach with the Councils who are part of City Deal.

2.0 SUMMARY

- 2.1 North Lanarkshire Council has invited Inverclyde Council and all other Councils who are part of City Deal to participate in a tender exercise leading to a Framework for the provision of a range of Professional Services. These include (but are not limited to): Architects, Quantity Surveyors, Project Managers, CDM coordinators.
- 2.2 The involvement of the 8 Local Authorities brings a collaborative approach to the procurement of professional services for City Deal projects and should activate a likelihood of economies of scale and project management control. At the time of writing the report, the estimated spend on the framework is unknown as this information is being gathered from all participating Local Authorities. However the framework is being advertised on a 4 year basis and this will cover any of the Inverclyde requirements for professional services for the 3 City Deal projects.
- 2.3 The 3 City Deal Infrastructure Projects are:
1. Inchgreen National renewable site
 2. Inverclyde Ocean Terminal
 3. Inverkip A78
- 2.4 At present Inverclyde Council has access to a framework for professional services that was put in place by Riverside Inverclyde. The anticipated spend on this framework did not include any anticipated spend on professional services that would be required for City Deal. The ability to access this framework will allow the Council to engage consultants without the need to procure each time there is a requirement and to take advantage of economies of scale that will be brought about via a collaborative approach.
- 2.5 North Lanarkshire Council is willing to lead the tender exercise which will save on Officer time and represents a good example of joint working and the sharing of services. There are a number of capable consultants who are able to operate and deliver services within the market. A collaborative procurement with the resultant increased potential for work will enhance the likelihood of suppliers tendering and getting best value.
- 2.6 Contract Standing Order 12.1 requires committee approval to establish a framework agreement that is a non-exempt collaborative framework. Exempt frameworks are those established by Procurement Scotland, Scotland Excel, Crown Commercial Services or any successor bodies.

3.0 RECOMMENDATIONS

- 3.1 The Council is asked to approve the request to take part in establishing this collaborative framework as per Contract Standing Order 12.1.

Aubrey Fawcett
Corporate Director Environment Regeneration and Resources

4.0 BACKGROUND

- 4.1 North Lanarkshire Council has invited Inverclyde Council and all other Councils who are part of City Deal to participate in a tender exercise leading to a Framework for the provision of a range of Professional Services. These include (but are not limited to): Architects, Quantity Surveyors, Project Managers, CDM coordinators.
- 4.2 The involvement of the 8 Local Authorities brings a collaborative approach to the procurement of professional services for City Deal projects and should activate a likelihood of economies of scale and project management control. At the time of writing the report, the estimated spend on the Framework is unknown as this information is being gathered from all participating Local Authorities. However the framework is being advertised on a 4 year basis and this will cover any of the Inverclyde requirements for professional services for the 3 City Deal projects.
- 4.3 The 3 City Deal Infrastructure Projects are:
1. Inchgreen National renewable site
 2. Inverclyde Ocean Terminal
 3. Inverkip A78
- 4.4 At present Inverclyde Council has access to a framework for professional services that was put in place by Riverside Inverclyde. The anticipated spend on this framework did not include any anticipated spend on professional services that would be required for City Deal. The ability to access this framework will allow the Council to engage consultants without the need to procure each time there is a requirement and to take advantage of economies of scale that will be brought about via a collaborative approach.

5.0 PROPOSALS

- 5.1 North Lanarkshire Council is willing to lead the tender exercise which will save on Officer time and represents a good example of joint working and the sharing of services. There are a number of capable consultants who are able to operate and deliver services within the market. A collaborative procurement with the resultant increased potential for work will enhance the likelihood of suppliers tendering and getting best value.
- 5.2 Members should also be aware that all Inverclyde's Infrastructure projects involve external partners, namely Scottish Power Generation and Peel. In this regard it is intended that the Funding/Development/Management Agreements will define the arrangements, programme commitments and delivery responsibilities for the parties, which is envisaged as outlined in the Strategic Business Cases and summarised below:

Inverclyde Council:

- Provide interface with City Deal Programme Monitoring Office
- Develop a Management Agreement to secure the scheme benefits and facilitate investment
- Project Management oversight of Contract Works
- Adopt with Transport Scotland all public road infrastructure

Scottish Power Generation Limited/Peel /Developer:

- Appoint all necessary consultants through appropriate procurement routes e.g. accepted Framework or OJEU and ensure all appropriate design warranties and bonds in place as required by Transport Scotland (TS) for the trunk road & Inverclyde Council (IC) for other areas of public road beyond the trunk road network
- Conclude all necessary Agreements and associated protocols for reporting, delivery of milestones, monitoring and evaluation inputs etc
- Procure and undertake all works through appropriate OJEU process to the satisfaction of Transport Scotland/Inverclyde Council to undertake off-site works on

- the public highway, again appropriate bonds and warranties to be provided as required.
- Undertake appropriate on-site works and secure the wider economic benefits / community benefits in accord with public procurement requirements.

6.0 IMPLICATIONS

6.1 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
City Deal	Professional Fees	2015/16	tbc		Costs will be contained in approved project budgets

Annually Recurring Costs/(Savings)

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

6.2 Legal

Legal Services have been consulted on the content of this report.

6.3 Human Resources

None

6.4 Equalities

None

6.5 Repopulation

None

7.0 LIST OF BACKGROUND PAPERS

7.1 None

Report To:	The Inverclyde Council	Date:	4 June 2015
Report By:	Corporate Director, Education, Communities and Organisational Development	Report No:	IC/02/15/PC/MM
Contact Officer:	Miriam McKenna Corporate Policy and Partnership Manager	Contact No:	01475 712042
Subject:	Update on Local Strategies to Alleviate Child Poverty		

1.0 PURPOSE

- 1.1 The purpose of this report is to provide the Council with details of the work that has been carried out in regard to tackling child poverty in Inverclyde and recommend where additional support is required locally.

2.0 SUMMARY

- 2.1 Child poverty is a growing national problem. More than 1 in 5 children (220,000) in Scotland are officially recognised as living in poverty. In Inverclyde, levels of child poverty are even higher. Latest figures published by End Child Poverty show that more than 1 in 4 children in Inverclyde are living in poverty. The ward with the highest percentage of children living in poverty is Inverclyde East Central (29.3%) whilst the ward with the lowest percentage is Inverclyde West (15.47%). Appendix 1 provides details of estimated poverty levels in Inverclyde.
- 2.2 Poverty is a complex issue, it affects and is affected by, a huge range of public policy issues and in order to tackle poverty effectively there needs to be an understanding that it is a cross cutting issue which requires to have action at a number of levels both nationally and locally.
- 2.3 In the last two years both Glasgow and Renfrewshire Councils have developed major action plans to tackle poverty in their area. Summary information on these approaches is set out in paragraph 5. Renfrewshire's approach is at a very early stage therefore its effectiveness is not yet known, however Glasgow reports that involving residents who are experiencing poverty in shaping their approach has been a key factor in its success to date.
- 2.4 Inverclyde Council and the Inverclyde Alliance have a number of approaches in place which are working to tackle child poverty across Inverclyde. Much of this work is taken forward by the Financial Inclusion Partnership, but other initiatives such as the attainment challenge, the Nurturing Inverclyde Collaborative, the Child Poverty subgroup of the Best Start in Life Outcome Delivery Group, the developing family support model in Broomhill and the new approach being developed for the Community Planning Partnership in regard to tackling inequalities will all have an impact on Child Poverty. More details on these initiatives are outlined in paragraph 6.
- 2.5 The main aim of the Single Outcome Agreement for Inverclyde as well as Inverclyde Council's Corporate Statement is to get it right for every child, citizen and community, and within this tackling poverty is a core challenge. There is a wide variety of activity taking place

across each of the Outcome Delivery Groups which will contribute to tackling child poverty (outlined in paragraph 6.6).

- 2.6 It is important to note that much of the work that is within the control of the CPP partners seeks to mitigate the impact of child poverty on our local children, as well as look to the future by supporting better outcomes for individuals. There are national policies such as Welfare Reform which have a significant impact on levels of poverty in areas of deprivation, which locally organisations can have very little influence on. As a result, change to levels of child poverty will be made over the longer term, through raising attainment and getting more people ready for work and into work where they can earn a living wage.
- 2.7 There is a clear role for the Scottish and UK Governments in tackling poverty and there is a role for Inverclyde Council in setting out a series of specific 'asks' to help the Council tackle poverty locally. These 'asks' include issues around combating the negative impacts of welfare reform, jobs and the local economy and housing. It is recommended that the Leader of the Council write to both the Scottish and UK Governments outlining a number of specific requests.
- 2.8 As mentioned above, an initiative is being developed to identify how organisations can better co-ordinate their services and resources to support vulnerable families, to ensure that they experience better outcomes, are more confident and capable and are engaged in the delivery of positive outcomes for themselves. Poverty and inequality are among the reasons families experience poor outcomes so this approach will impact on levels of poverty in Inverclyde. This approach will initially be piloted in the Broomhill area, to support the physical regeneration taking place there. This approach can only be developed effectively by the recruitment or secondment of a project co-ordinator who can work with organisations to map current processes and develop methodology to assist all agencies to work better together. CPP partners will be asked to jointly resource this post, with costs at approximately £45,000. A brief is being developed for presentation to the Inverclyde Alliance Programme Board.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Council:
- a. Note the activity that is taking place across Inverclyde to tackle poverty.
 - b. Agree to ask the Community Planning partners to jointly resource, with the Council, a project co-ordinator to develop the family support model in Broomhill.
 - c. Agree that the Leader of the Council write to the Scottish and UK Governments setting out some specific 'asks' to help support Inverclyde tackle child poverty.
 - d. Learning from the Glasgow model, agree to investigate setting up an engagement panel involving people living in Inverclyde who have experienced, or are experiencing, poverty, to inform an asset based approach to tackling poverty
 - e. Note the activity and success of the Financial Inclusion Partnership and agree for the refreshed Financial Inclusion Strategy and Action Plan to be presented to an appropriate future committee.

Patricia Cassidy
Corporate Director, Education,
Communities and Organisational
Development

4.0 BACKGROUND

- 4.1 Child poverty is a growing national problem. More than 1 in 5 children (220,000) in Scotland are officially recognised as living in poverty. In Inverclyde, levels of child poverty are even higher. Latest figures published by End Child Poverty show that more than 1 in 4 children in Inverclyde are living in poverty. The ward with the highest percentage of children living in poverty is Inverclyde East Central (29.3%) whilst the ward with the lowest percentage is Inverclyde West (15.47%). Appendix 1 provides details of estimated poverty levels in Inverclyde.
- 4.2 Poverty is a complex issue, it affects and is affected by, a huge range of public policy issues and in order to tackle poverty effectively there needs to be an understanding that it is a cross cutting issue which requires to have action at a number of levels both nationally and locally.
- 4.3 The Scottish Government have produced a Child Poverty Strategy for Scotland (<http://www.gov.scot/Publications/2014/03/5304>) which concentrates on three outcomes:

Maximising household resources – Our aim is to reduce income poverty and material deprivation by maximising financial entitlements and reducing pressure on household budgets among low income families, as well as by maximising the potential for parents to increase family incomes through good quality, sustained employment, and promoting greater financial inclusion and capability. (Pockets)

Improving children's wellbeing and life chances – Our aim is to break inter-generational cycles of poverty, inequality and deprivation. This requires a focus on tackling the underlying social and economic determinants of poverty and improving the circumstances in which children grow up – recognising the particular importance of improving children's outcomes in the early years. (Prospects)

Children from low income households live in well-designed, sustainable places – Our aim is to address area-based factors which currently exacerbate the effects of individual poverty for many families by continuing to improve the physical, social and economic environments in local areas, particularly in those areas of multiple deprivation in which child poverty is more prevalent. (Places)

The mapping of activity in Inverclyde against each of these outcomes is set out in appendix 2.

- 4.4 Inverclyde Council recognises that child poverty is an issue in the area, and, with partners in the Inverclyde Alliance, has been working to identify ways in which to tackle poverty, deprivation and inequality. Much of the work of the Inverclyde Alliance, which is currently led by the Council, is focused on tackling inequality and poverty.
- 4.5 Poverty and financial inclusion are recognised locally as requiring cross cutting initiatives across the CPP linked across particular pieces of work for example that undertaken by the Financial Inclusion Partnership.

The FIP is in the process of refreshing its strategy and action plan, built around 4 key outcomes:

1. Local people have access to relevant, local services that support income maximisation and debt provision
2. Local residents have access to resources and organisations to alleviate household poverty
3. The financial capability and capacity of local people is increased
4. The Financial Inclusion Partnership is committed to respond to the impact of welfare reform

4.6 The Financial Inclusion Partnership has also brought in £1.5 million of external funding into the Inverclyde area to support people who are in financial difficulty. The projects and activity being supported by this funding have a direct impact on poverty for families, and in turn will impact on levels of child poverty.

5.0 APPROACHES TO TACKLING POVERTY

5.1 Over the last two years both Glasgow and Renfrewshire Councils have developed specific major action plans to tackle poverty in their areas.

5.2 In Renfrewshire, more than 1 in 5 children grows up in poverty. In response to this, Renfrewshire's 'Tackling Poverty Commission' was initiated by Renfrewshire Council in April 2014 to bring a fresh and independent approach to consider how best to break the poverty cycle.

(http://www.renfrewshire.gov.uk/webcontent/home/Services/Community+and+living/Tackling_Poverty/)

5.3 The Commission met over the period April 2014 – February 2015 to gather evidence on a wide range of issues including health and wellbeing, education and attainment, housing and community, childcare and the impact of welfare reform. The Commission's report 'Tackling Poverty in Renfrewshire' was published on 13 March 2015 and contains 24 recommendations aimed at lifting families 'off the breadline'.

5.4 The key findings of the commission were:

- Poverty is changing and our response needs to change. There are now more working households in poverty who are working, than not. Low pay, inadequate working hours and insecure employment are now key causes of poverty.
- The welfare system no longer provides an adequate safety net and is causing hardship for those it is designed to support, particularly due to delays and errors in benefit payments and tougher benefit sanctions.
- Growing up in poverty can have a huge influence on a child's future. Addressing the attainment gap in schools is critical to make sure children from low-income families are able to achieve their potential.
- Power should be shared, with communities allowed to set their own priorities, and resources devolved to help to achieve them.
- Tackling poverty is everyone's responsibility. The Council, its Community Planning Partners and wider organisations such as employers and housing providers, will need to work in partnership on shared priorities and deliver real leadership around anti-poverty practice in Renfrewshire and beyond.

5.5 The Commission set out five key priorities for the Community Planning Partners. These are set out below, along with a summary of what is already happening in Inverclyde in regard to these recommendations:

- *Increasing the number of Households who can access employment that provides an acceptable standard of living*

The Outcome Delivery Group concerned with employment and economic regeneration works towards supporting people into employment. A wide number of initiatives are underway in Inverclyde which aim to support people to move into employment by building up their employability and skills, giving them access to apprenticeships, and other job opportunities. Riverside Inverclyde and the Council's Economic Regeneration Service are working to attract and keep businesses in the Inverclyde area, to improve the quality of jobs on offer. Additionally, the introduction of additional express train services should help people to access job opportunities in the wider City Region, particularly in Paisley and Glasgow.

- *Preventing financial crisis and supporting low-income families to make the most of their money*

As mentioned above, the Financial Inclusion Partnership has been working successfully to better co-ordinate the services available to low income families and those in financial crisis, and has been particularly successful in attracting funding to the area to support local people. The wide range of support locally has meant that a large number of families have been able to maximise their income, as well as receive support and help to appeal if benefit sanctions are applied.

An education programme is delivered by Community Learning and Development and across the schools to help people better understand how to manage their money, to cook on a budget and access the appropriate services when required.

In addition the work of iHeat and the recent cladding of homes in Inverclyde will reduce fuel poverty in Inverclyde.

- *Improving levels of physical and mental health of children in low-income families.*

A child poverty subgroup of the Best Start in Life Outcome Delivery Group was established to conduct an in depth piece of work to map the services that either directly or indirectly help to mitigate the effects of poverty. The results of this mapping exercise are provided in Appendix 2. Using the Model for Improvement, this sub-group also developed a driver diagram highlighting possible actions, or 'tests for change' that could be put in place to deliver improved outcomes for children in poverty. This driver diagram is attached in Appendix 3.

A wide range of services provided in Inverclyde's schools aim to support children with poor physical and mental health, and parenting programmes, such as those delivered by Barnardos locally helps parents to support their children better, thereby building resilience in children, helping them to better cope with adverse circumstances should they find themselves in them.

The Nurturing Inverclyde Collaborative also supports children, working to improve all aspects of wellbeing for all children in Inverclyde, with a particular focus on Early Years.

- *Closing the attainment gap between children from low-income families and their better-off peers*

Inverclyde is part of the Scottish Attainment Challenge and a subgroup of the Best Start in Life Outcome Delivery Group/ Nurturing Inverclyde Collaborative is pursuing work in this area. The inequality in regard to attainment between those living in the most deprived areas in Inverclyde compared to those living in the most affluent areas had already been highlighted locally. Paragraph 6.4 provides more information on the attainment challenge.

More Choices More Chances, the Virtual School, data hub and support in schools are aimed at improving attainment, especially those living in poverty. Children who are struggling in mainstream school education are given options to study full or part time at college, or participate in other vocational training opportunities.

- *Creating neighbourhoods where people want to live and can afford to live.*

The work of the local Registered Social Landlords (RSLs) has a large part to play in the reinvention of neighbourhoods in Inverclyde. The work taking

place in Broomhill will be used as a test of change, to identify how partners can work better together to make the difference to an area, looking at physical regeneration and the support that can be given to families that are struggling.

The delivery of the Housing Strategy and the Local Development Plan will have some impact on this priority, but further investment is needed to enable the RSLs to bring all housing up to standard.

A study has recently been carried out to inform whether or not Inverclyde could develop a mid-market rental housing market, to tackle the problem of high rents in the private rented sector.

There are some excellent examples of communities in Inverclyde becoming involved in the development of their local environment e.g. Belville Street community gardens project.

The next stage for the Renfrewshire Tackling Poverty Commission is the development of a robust Tackling Poverty Strategy which will deliver on both the recommendations and the way the Commission has recommended organisations work. An annual report on progress will be produced each year for the next five years.

5.5 Glasgow Poverty Leadership Panel was established in May 2013. The Panel brings together organisations and individuals who have been directly affected by poverty to make poverty a thing of the past. The Poverty Leadership Panel meets three times a year over a four year lifespan. The Panel's action plan, called Glasgow's Action Plan for Change, is being implemented across 6 priorities:

- Challenge the impact of Welfare Reform
- Reduce Child Poverty
- Credit and Debt
- Participation of people living in poverty
- Challenging negative attitudes to people in poverty
- Work and worth

5.6 The leadership panel has created a 'Wee Panel' to provide expertise on the issue of poverty. The 'Wee Panel' consists of twelve members of the public, that are representative of the demographic profile of Glasgow and who have experienced, or are experiencing poverty.

5.7 The Glasgow Poverty and Leadership Panel has been in place for 2 years now and produced its first annual report in May 2014.

5.8 Glasgow City Council advise that the major benefits of the approach have been two-fold:

- The collaborative approach adopted is beginning to come to fruition and produce added value. The panel has brought together partners across a wide range of sectors who may not have previously have worked together.
- The 'Wee Panel' has been particularly successful with all members of the panel given an equal voice at the table. Feedback from Glasgow City is that involving those in poverty to help tackle poverty has been a critical factor to its success to date.

5.9 It is suggested that Inverclyde Council investigate the possibility of setting up a similar approach to Glasgow to involve members of the public who have experienced or are experiencing poverty, matched to the demographics of Inverclyde. This will have a cost implication, but it is not known at present how much this would be.

6.0 LOCAL APPROACH

6.1 Best Start in Life Outcome Delivery Group

As mentioned in paragraph 2.6, within Inverclyde a sub group of the Best Start in Life Outcome Delivery Group, has carried out an extensive mapping exercise to gather information on what services are provided across the Community Planning Partnership to help alleviate poverty organised under the three national outcomes of pockets, prospects and places (appendix 2). Based on this information, the group also identified gaps in services and what local actions are required to address these. A driver diagram which identifies actions to improve outcomes for children living in poverty has also been developed (appendix 3). The subgroup will develop an action plan to fill the gaps in provision alongside the Financial Inclusion Partnership.

6.2 Inequalities approach

To help shape our approach to tackling poverty and inequalities across the wider Inverclyde Alliance Community Planning Partnership, Health Scotland has recently delivered presentations to both the SOA Programme Board and the Alliance Board on the fundamental causes of inequality. The clear message to emerge from this presentation is that inequalities must be addressed at their root cause and therefore need to be tackled by all Outcome Delivery Groups. This presentation will therefore be delivered to the SOA Outcome Delivery Groups over the coming months and each group will be tasked with developing improvement actions that will help to address inequality.

6.3 As part of their presentation, Health Scotland demonstrated the 'Triple I' tool which is a tool that can help decision-makers compare the effectiveness of differing strategies to tackle health inequalities. (<http://www.scotpho.org.uk/comparative-health/health-inequalities-tools/intervention-tools/informing-investment-to-reduce-health-inequalities-iii>) The 'Triple I' tool highlighted that the activity that will have the greatest impact on health inequality is the introduction of the living wage. The Council has already introduced the living wage, however it is not in place across all Community Planning Partners. An action for all CPP partners to look at the implementation of the living wage would have a very positive impact on levels of poverty in Inverclyde.

6.4 Scottish Attainment Challenge

The Scottish Attainment Challenge and the Attainment Fund has been introduced by the Scottish Government and has a bearing on tackling child poverty. (<http://www.gov.scot/Topics/Education/Schools/Raisingeducationalattainment/RAFA>) The four year fund will be targeted initially at schools in seven local authorities with the biggest concentrations of households in deprived areas. Inverclyde is one of these authorities. The project will focus on improving literacy, numeracy, health and wellbeing, with the clear objective being to give all primary school age pupils – regardless of background – the best start in life. The work taking place will focus on capacity building and meeting the needs of children and families, and so links with improving prospects for children and their wider families. A report went to the Education and Communities Committee on 5 May 2015 with more detail on the way the attainment challenge will be delivered in Inverclyde.

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6.5 Health and Wellbeing Conference

The recent Health and Wellbeing conference involved a workshop on poverty where partners and young people discussed the issues facing young people and what could be done. The key themes to emerge from the day include:

- Raise awareness of the issue of child poverty
- Work to be undertaken to better understand the 'Cost of a School Day'
- Focus on the development of breakfast clubs and school meal provision
- Focus on attainment for all and positive destinations for all
- Promote inclusion for young people e.g. in school activities and remove financial barriers to this, including transport costs
- Raise awareness of the availability of and eligibility for Free Meal Entitlement / Clothing Grants / Education Maintenance Allowance.

6.6 Single Outcome Agreement Delivery Groups

In addition to the above, a wide range of activity which seeks to tackle poverty is being delivered through the Outcome Delivery Groups of the Inverclyde Alliance, including:

- **Pockets – maximising household resources**

SOA 3 Economic Regeneration and Employability – Almost all the actions are aimed at regenerating the area and reducing unemployment. Promoting sustainable employment will have a significant impact on maximising income.

SOA7 Environment has an action which seeks to maximise income. 260 homes were improved as part of the phase 1 of the HEEPS project in 2013/14 with another 70 homes improved in 2014/15 in Central Greenock. A further 200 homes in other parts of Inverclyde were/are also being improved. It is estimated that the iHEAT project has provided energy saving advice and practical help to almost 1,000 households resulting in savings of £598,000 between mid-February and end September 2014.

- **Prospects - improving children's wellbeing and life chances**

The majority of SOA actions fall within the remit of improving children's wellbeing and life chances.

SOA 2 Successful Communities group is looking at delivering actions concerned with capacity building in communities, partnership working to deliver diversionary activities to improve outcomes for young people and sharing information. If we can better co-ordinate support for families we can help families improve their wellbeing and life chances, focusing on building their assets and abilities.

SOA 4 Health Inequalities group is working with Health Scotland in a significant piece of work in regard to tackling the fundamental causes of inequality. This group is taking a focus on inequalities across a wide range of areas, including the unequal distribution of power, money and resources, which can lead to poverty.

SOA 3 Economic Regeneration and Employability outcome delivery plan includes a number of actions that relate to reducing the barriers to employment, literacy & numeracy, baseline qualifications, learning opportunities.

SOA 5 Alcohol Misuse outcome delivery plan has a number of actions which hold relevance to improving children's life chances including actions linked to culture change through raising awareness and education. There are also actions around persistent offenders partnership, recovery café etc. all of which will help to improve the lives of children if those accessing services are parents.

SOA 6 Best Start in Life outcome delivery plan as a whole is concerned with improving the life chances of children, with a specific sub-group established to look at child poverty.

- **Places (children from low income households live in well designed, sustainable places)**

SOA 7 Environment – the green network is aimed at promoting healthier lifestyles, better environments, greater biodiversity, stronger communities and economic opportunity. Actions have also focused on improving the environment and community food growing.

6.7 Responding to Welfare Reform

In order to tackle the negative impacts of Welfare Reform the Council has been distributing the Scottish Welfare Fund and Discretionary Housing payments. The Council has also been planning ahead for the implementation on Universal Credit in October 2015. At the Policy and Resources Committee an update on welfare reform

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was presented, setting out that a further report on Universal Credit will be brought back to committee once more is known about the implementation process.

6.8 Family Support Model Development in Broomhill

Working alongside the housing led regeneration of Broomhill, it is intended to develop a partnership approach to better support the most vulnerable people living in the Broomhill area. A brief is in the process of being finalised to set up a programme to enable agencies to identify a better way of providing support to those who most need it to enable them to experience better outcomes, and to engage with their communities and services. The programme will also be about better co-ordination of service delivery across partner agencies, to prevent duplication, but also prevent uncoordinated multiple interventions from multiple agencies. Evidence from other authorities e.g. Dundee City, has shown that such approaches can save organisations tens of thousands of pounds which can be reinvested into supporting other vulnerable people. It is suggested that a project co-ordinator be employed to take forward this work, and the intention is to ask the CPP partners to contribute towards this. The cost would be approximately £45,000 per annum, for at least two years (including 'on costs').

6.9 Glenbrae

Health and Social Care Partnership advice services staff are carrying out financial training and awareness raising with staff at Glenbrae Children's Centre, who will then in turn provide training and awareness raising with parents. This approach will help families who are struggling financially, thereby having a direct impact on child poverty.

6.10 It is clear from the information set out above that Inverclyde has a wide variety of initiatives and projects in place which aim to tackle poverty and in particular childhood poverty. It also demonstrates that every aspect of a person's life impacts on poverty, from employability and employment, to housing, to health, to financial capability. The change to levels of poverty will not happen in the short term, particularly with the impact of national policies. However, the Community Planning Partnership and all the agencies involved in the delivery of programmes, believe that over the longer term poverty will reduce in Inverclyde. Consistent, continual support requires to be given to local families living in poverty, and it is important to get local people involved in the development and delivery of anti-poverty work.

7.0 **IMPLICATIONS**

7.1 Financial Implications - One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement from	Other Comments

Financial Implications - Annually Recurring Costs/(Savings)

Cost Centre	Budget Heading	With effect from	Annual Net Impact	Virement from (if applicable)	Other Comments

7.2 **Human Resources:** n/a

7.3 **Legal:** n/a

7.4 **Equalities:** Tackling poverty will help to tackle inequality in Inverclyde, and this should have a positive impact on those with protected characteristics.

7.5 **Repopulation:** Effectively tackling poverty in Inverclyde will promote a more positive perception of the area, making it more desirable place to live.

8.0 **CONSULTATION**

8.1 None

9.0 **BACKGROUND PAPERS**

9.1 Tackling poverty in Renfrewshire, Report of Renfrewshire's Tackling Poverty Commission

Glasgow's Action Plan for Change

Appendix 1: Inverclyde Poverty Statistics

% of Children living in poverty	Before Housing Cost	After Housing Costs	2012 Figures
	December 2013	December 2013	
Inverclyde	16.00%	25.56%	24%
Inverclyde East	18.01%	28.49%	26%
Inverclyde East Central	18.32%	29.32%	31%
Inverclyde North	15.41%	24.65%	23%
Inverclyde South	17.88%	28.40%	26%
Inverclyde West	9.60%	15.47%	10%

Source: End Child Poverty: Children in poverty Oct-Dec 2013 estimates

Scotland

Percentage of children in poverty (after housing costs)

Local Authority	2014	2011
Shetland Islands	10%	7%
East Dunbartonshire	13%	10%
Aberdeenshire	14%	9%
Orkney Islands	14%	8%
East Renfrewshire	15%	10%
Perth and Kinross	17%	11%
Stirling	17%	14%
Aberdeen City	18%	16%
Moray	18%	13%
Scottish Borders	18%	13%
Argyll and Bute	19%	14%
East Lothian	19%	10%
Eilean Siar	19%	11%
Highland	19%	15%
Angus	20%	15%
South Lanarkshire	20%	18%
Edinburgh, City of	21%	19%
Falkirk	21%	17%
Midlothian	21%	18%
Renfrewshire	21%	19%
West Lothian	21%	18%
Dumfries and Galloway	23%	17%
Fife	24%	20%
South Ayrshire	24%	19%
North Lanarkshire	25%	22%
West Dunbartonshire	25%	26%

Appendix 1: Inverclyde Poverty Statistics

Percentage of children in poverty (after housing costs)

Local Authority	2014	2011
Clackmannanshire	26%	23%
East Ayrshire	26%	23%
Inverclyde	26%	24%
North Ayrshire	27%	25%
Dundee City	28%	27%
Glasgow City	33%	35%

Source: End Child Poverty 2014 and End Child Poverty: Child Poverty Map of the UK, January 2012

Inverclyde

Figure 22 - Percentage of households in relative poverty in Inverclyde: 2002 to 2008 (4 year rolling average)



95 percent confidence intervals for this LA are indicated on chart by error bars

Source: Scottish Household Survey

- Between 2002 and 2008 Inverclyde was one of the Scottish local authorities with the highest relative poverty rates.
- Over this period the percentage of households in relative poverty was around 23 percent.

Appendix 2: Mapping of Existing Services for Families on Low Incomes

Pockets/Maximising Financial Resources Of Families On Low Incomes

Outcomes	National Fit	Current Local Actions	Required Local Actions
Maximised financial entitlements of families on low incomes	Free School Meals and funding for school activities Fuel Poverty Programmes Scottish Welfare Fund Discretionary Housing Payments Welfare reform mitigation Universal entitlements (social wage)	CHCP Advice Service 3rd Sector income max services Discretionary Payments (Inverclyde Council - Finance) Universal P1-P3 Free School Meals Energy efficiency (IHeat programme)	Cost of School Day –obtain research From Glasgow Increased levels of outreach income max services (i.e. in education establishments) Clarify position. Some schools ask for a contribution.
Reduced household spend of families on low incomes	Education Maintenance Allowance Child Benefit Child Tax Credit	Lets Get Cooking Website comparisons Future Skills project (budgeting skills) I-Heat project for fuel poverty Cost of the school day Don't ask for e.g. HE money; money for SQA tuition School uniform costs Music tuition costs EY voluntary contribution for snack / baking etc P1-P3 – FME Develop free fruit & milk; Clothing grants; Toothbrushing Healthy start vitamins etc Transport After school clubs – childcare & recreation EMA 'Greener Morton' Eco friendly initiative ran by GMCT targeting carbon reduction and reduced household spend. Delivering to 2000+ P4-P6 children Free Breakfast Club Subsidise School trips No charge for attending school	Develop pathways from crisis support and advice to skills development in literacy and numeracy to prevent recurrence of problem debt etc. Classes/programme to support 'shopping' budgets i.e. similar to Lets Get Cooking for shopping on a budget, including use of price comparison sites/support for switching etc Research impact Consider expect of school uniform. Free school meals during holidays

Appendix 2: Mapping of Existing Services for Families on Low Incomes

Pockets/Maximising Financial Resources Of Families On Low Incomes

Outcomes	National Fit	Current Local Actions	Required Local Actions
		events such as, Football, Rugby, Athletics, Festival, etc. Free swimming during holidays	
Families on low incomes are managing finances appropriately and accessing all financial entitlements	Financial capability and welfare rights advice/support	Future Skills Budgeting FI partners Discretionary Payments promotion Credit Union progression (i.e. basic banking accounts, jam jar' accounts) Financial education Activity grants Financial education in primary schools CfE includes financial Some schools do IFS accredited awards to S4/5 Financial inclusion Partnership visited all secondary schools in relation to welfare reform Food banks All financial services Credit unions	Increased support from advice providers delivered in pre 5 settings As above Ongoing roll out
Parents are in good quality, sustained employment in line with skills and ambitions	Economic growth policies Living Wage Employability/Skills Strategy Childcare for employment and education Employability pipeline CfE including BtC4 Youth Employment Strategy Opportunities for All	Single Operating Plan (IC and RI) Employability Pipeline Partner delivery – National Programmes Employer Engagement Flexible and affordable childcare Literacies Accreditation Volunteers	Review local childcare provision for flexibility Audit Council looking to increase ' living wage' or introduce sooner for Inverclyde employees

Appendix 2: Mapping of Existing Services for Families on Low Incomes

Pockets/Maximising Financial Resources Of Families On Low Incomes

Outcomes	National Fit	Current Local Actions	Required Local Actions
	Wood Commission Developing Scotland's Youth Workforce	DWP 'In-Work Progression' Pilot (aimed at supporting people in low paid work for more sustainable employment) HE Increasing under Children & Young People Act Availability cost A lot going on in education relating to employability skills EFC / BFC4 / wood review etc Vulnerable 2 year olds childcare Positive Goals – GMCT Lone Parent Employability Programme	Development of more workplace literacies opportunities

Appendix 2: Mapping of Existing Services for Families on Low Incomes

Prospects/Improved Life Chances Of Children In Poverty

Outcomes	National Fit	Current Local Actions	Required Local Actions
Improved life chances of children in poverty	Health Inequalities Early Years Collaborative and Change Fund Breastfeeding and work in schools re this Bookbug CfE including BtC4 Youth Employment Strategy Opportunities for All Wood Commission Developing Scotland's Youth Workforce	Young mums Group Pilot of FAST Programmes Early years collaborative Local EYC action plan Active schools Breakfast clubs Fruit in schools GIRFEC Flu vaccine Oral health programme HTURS partner working with schools signposting to services School nurses – very much under threat in terms of coverage. School health programme Pathways Bookbug (Sessions and packs) Bookbug Leader Training GMCT Physical Literacy Programme , delivering to 931 nursery school children per week curriculum time and the following non curriculum Micro Morton 150 x 2-4 year olds Mini Morton 250 x 5-10 year olds Engaging children in enjoying exercise as a way of life at a young age. After School Activities Multi-agency working Free school meals HWB programmes Family Nurse Partnership	Mainstreaming of EYC
Children from low income households experience social inclusion and display social	National Parenting Strategy	Family Learning DOE Girl Power	Knowledge sharing Roots for empathy Pupil voice

Appendix 2: Mapping of Existing Services for Families on Low Incomes

Prospects/Improved Life Chances Of Children In Poverty

Outcomes	National Fit	Current Local Actions	Required Local Actions
competence		Uniform Organisations Local parenting policy Parenting groups Nurture groups Fast programme Barnardos PATHS Mentoring programmes Nurture park – work on attachment with senior pupils Enterprise Childcare Positive Futures Project – Community Based Family Support - Funded until Feb 2018, adult and adult/child classes based on developing parenting skills/building attachments/supporting resilience in families/reducing stress Social enterprise PRPB Emotional Intelligence taught in schools Solution-oriented approaches Nurturing approaches in schools	Finalise development of Youth Participation Strategy
Children from low income households have improving relative levels of educational attainment, achieving their full potential	Educational Attainment, including FE/HE Read, Write, Count (Every Child a Library Member) SLDR's Opportunities for All	Youth Achievement Awards Activity grants Supported study PRPB OFA Supporting study Easter schools Insight analysis High expectations across establishments of all pupils Proactive drive to increase library	Address link between educational attainment of children and that of their parents (particularly literacy levels of mother) through family learning and literacies

Appendix 2: Mapping of Existing Services for Families on Low Incomes

Prospects/Improved Life Chances Of Children In Poverty

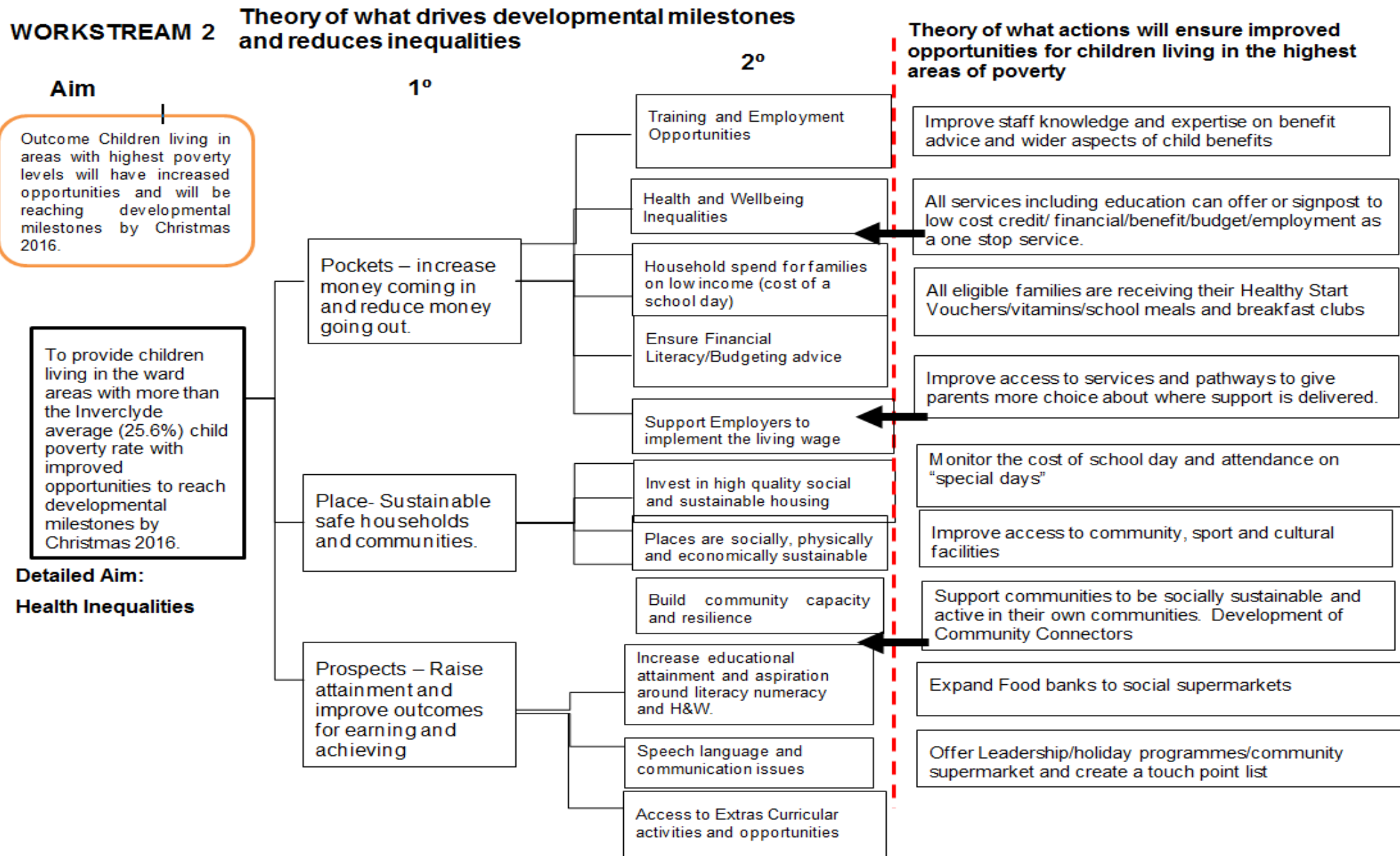
Outcomes	National Fit	Current Local Actions	Required Local Actions
		membership and engagement MCMC Family Learning After School Activities Targeted support in schools Raising attainment for all	
Young people from low income backgrounds are in good quality sustained employment in line with skills and ambitions	Youth Employment Strategy Modern Apprenticeships Access to professions Careers Information Advice and Guidance in Scotland Framework CfE including BtC4 Youth Employment Strategy Opportunities for All Wood Commission Developing Scotland's Youth Workforce	YEAP MA Employability fund Employability Pipeline Future Jobs Graduates MCMC Opportunities 4 All Youth Employment Action Plan encompassing the Employability pipeline Work Clubs Modern Apprentices Skills for life learning and work Help to develop Career Management Skills My world of work Future jobs Modern apprenticeship Future pathways event link with Work experience Skills for learning life and work Business links Positive Goals – GMCT employability programme	

Appendix 2: Mapping of Existing Services for Families on Low Incomes

Places/Children From Low Income Households Live In Well-Designed Sustainable Places

Outcomes	National Fit	Current Local Actions	Required Local Actions
Children from low income households live in high quality sustainable housing	Housing Fuel Poverty Homelessness	Quality standard Improvements to housing stock Heat-fuel poverty project SOA 7 – Scottish housing quality standard, require more / better social housing to meet the standard	
Children from low income households grow up in places that are socially sustainable		Broomhill regeneration Play strategy Local development plans Branchton PCF/Enterprise Childcare – SVQ Playwork Project	SOA6 activity Also SOA2 Successful Communities activity and links to locality planning as below.
Children from low income households grow up in places that are physically sustainable	Regeneration Strategy	Regeneration in Woodhall/Belville/John Street School estate development Eco groups Gardens, grown, food etc	
Children from low income households grow up in places that are economically sustainable		RSL support to new tenants Young Scot Work experience World of work	Travel costs for young people

Appendix 3 – Child Poverty Driver Diagram (Nurturing Inverclyde Collaborative)



Report To: THE INVERCLYDE COUNCIL **Date:** 4 June 2015

Report By: CORPORATE DIRECTOR,
ENVIRONMENT, REGENERATION &
RESOURCES **Report No:** LP/086/15

Contact Officer: CHRISTINE MARSHALL **Contact No:** 01475 712314

Subject: PROPOSED TRAFFIC REGULATION ORDER – DISABLED
PERSONS’ PARKING PLACES (ON-STREET) ORDER NO. 4 2014

1.0 PURPOSE

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

2.0 SUMMARY

- 2.1 The Environment & Regeneration Committee held on 7TH April 2015 after consideration of a Report by the Corporate Director Environment, Regeneration & Resources on the proposed Traffic Regulation Order – The Inverclyde Council, Disabled Persons’ Parking Places (On-Street) Order No. 4 2014 recommended that the Inverclyde Council be asked to make the Traffic Regulation Order and remit it to the Head of Environmental and Commercial Services and the Head of Legal and Property Services to arrange for its implementation.

3.0 RECOMMENDATION

- 3.1 That the Inverclyde Council approve the making of the Traffic Regulation Order – The Inverclyde Council, Disabled Persons’ Parking Places (On-Street) Order No. 4 2014, all as detailed in the copy of the proposed Order forming a supplement to the principal Minute hereof, and that the Head of Environmental and Commercial Services and the Head of Legal and Property Services be authorised to take all necessary action in connection therewith. Appendix 1

Gerard Malone
Head of Legal and Property Services

4.0 BACKGROUND

- 4.1 Local Authorities are empowered to make Orders under the Road Traffic Regulation and Roads (Scotland) Acts 1984 and under the Council's Scheme of Administration the Head of Environmental and Commercial Services is responsible for the making, implementation and review of Traffic Management Orders and Traffic Regulation Orders.
- 4.2 The provision of on-street parking places for use by disabled drivers, who are the holders of a Disabled Person's Badge, is regulated by The Disabled Persons' Parking Places (Scotland) Act 2009. Inverclyde Council is required to promote a Traffic Regulation Order to regulate the use of such parking places.
- 4.3 The Council is asked to note that, if approved, the Order may not be implemented until the making of the Order has been advertised to allow any persons who so wish a period of six weeks to question the validity of the Order in terms of the Road Traffic Regulation Act 1984.

5.0 IMPLICATIONS

Finance

- 5.1 There are no financial implications arising from this report.

Legal

- 5.2 There are no legal implications arising from this report.

Human Resources

- 5.3 There are no HR implications arising from this report.

Equalities

- 5.4 There are no equalities implications arising from this report.

Repopulation

- 5.5 There are no repopulation implications arising from this report.

6.0 CONSULTATIONS

- 6.1 The proposals have been advertised in the Greenock Telegraph and full details of the proposals have been made available for public inspection during normal office hours at the offices of the Head of Environmental and Commercial Services, the Head of Legal and Property Services and at Central Library and Port Glasgow Library.

7.0 LIST OF BACKGROUND PAPERS

- 7.1 None

THE INVERCLYDE COUNCIL
DISABLED PERSONS' PARKING PLACES
(ON-STREET) ORDER NO. 4 2014

TRAFFIC REGULATION ORDER

DRAFT

THE INVERCLYDE COUNCIL
DISABLED PERSONS' PARKING PLACES (ON-STREET)
ORDER NO. 4 2014

The Inverclyde Council in exercise of the powers conferred on them by Sections 32(1) of the Road Traffic Regulation Act 1984 ("the Act") and of all other enabling powers and after consultation with the Chief Constable of Police Scotland in accordance with Part III of Schedule 9 to the Act hereby make the following Order.

1. This Order may be cited as "The Inverclyde Council Disabled Persons' Parking Places (On-Street) Order No. 4 2014" and shall come into operation on #####.

2. In this Order the following expressions have the meanings hereby assigned to them

"Council" means The Inverclyde Council or its successors as Roads Authority;

"disabled person's badge" means:

- (a) a badge issued under Section 21 of the Chronically Sick and Disabled Persons Act 1970 (as amended);
- (b) a badge issued under a provision of the law of Northern Ireland corresponding to that section; or
- (c) a badge issued by any member State other than the United Kingdom for purposes corresponding to the purposes for which badges under that section are issued;

and has not ceased to be in force.

"disabled person's vehicle" means a vehicle lawfully displaying a disabled person's badge;

"parking attendant" means a person employed in accordance with Section 63A of the Act to carry out the functions therein;

"parking place" means a place where a vehicle, or vehicles of any class, may wait i.e. the area of land specified in the Schedule for which the use as a parking place has been authorised by the Council under Section 32(1) of the Act;

"traffic sign" means a sign prescribed or authorised under Section 64 of the Act;

"vehicle" unless the context otherwise requires, means a vehicle of any description and includes a machine or implement of any kind drawn or propelled along roads whether or not by mechanical power;

3. Each area of road which is described in the Schedule and plans relative to this Order is hereby designated as a parking place.

4. The parking places designated in this Order shall only be used for the leaving of disabled persons' vehicles displaying a valid disabled person's badge.

5. The limits of each parking place designated in this Order shall be indicated on the carriageway as prescribed by The Traffic Signs Regulations and General Directions 2002.
6. Every vehicle left in any parking place designated in this Order shall stand such that no parking place is occupied by more than one vehicle and that every part of the vehicle is within the limits of the parking place provided that, where the length of a vehicle precludes compliance with this paragraph, such vehicle shall be deemed to be within the limits of a parking place if;
 - i. the extreme front portion or, as the case may be, the extreme rear portion of the vehicle is within 300mm of an indication on the carriageway provided under this Order in relation to the parking place; and
 - ii. the vehicle, or any part thereof, is not within the limits of any adjoining parking place.
7. Any person duly authorised by the Council or a police officer in uniform or a traffic warden or parking attendant may move or cause to be moved in case of any emergency, to any place they think fit, vehicles left in a parking place.
8. Any person duly authorised by the Council may suspend the use of a parking place or any part thereof whenever such suspension is considered reasonably necessary:
 - i. for the purpose of facilitating the movement of traffic or promoting its safety;
 - ii. for the purpose of any building operation, demolition, or excavation in or adjacent to the parking place or the laying, erection, alteration, removal or repair in or adjacent to the parking place of any sewer or of any main, pipe, apparatus for the supply of gas, water electricity or of any telecommunications apparatus, traffic sign or parking meter;
 - iii. for the convenience of occupiers of premises adjacent to the parking place on any occasion of the removal of furniture from one office or dwellinghouse to another or the removal of furniture from such premises to a depository or to such premises from a depository;
 - iv. on any occasion on which it is likely by reason of some special attraction that any street will be thronged or obstructed; or
 - v. for the convenience of occupiers of premises adjacent to the parking place at times of weddings or funerals or on other special occasions.
9. A police officer in uniform may suspend for not longer than twenty four hours the use of a parking place or part thereof whenever such suspension is considered reasonably necessary for the purpose of facilitating the movement of traffic or promoting its safety.

10. **This Order insofar as it relates to the parking places to be revoked (R) and amended, as specified in the Schedule to this Order, partially revokes and amends The Inverclyde Council On-Street Parking Places (Without Charges) Order Nos: 1/2001 and 1/2003 and The Inverclyde Council Disabled Persons' Parking Places (On-Street) Order Order No: 2/2014 respectively.**

Sealed with the Common Seal of The Inverclyde Council and subscribed for them and on their behalf by ##

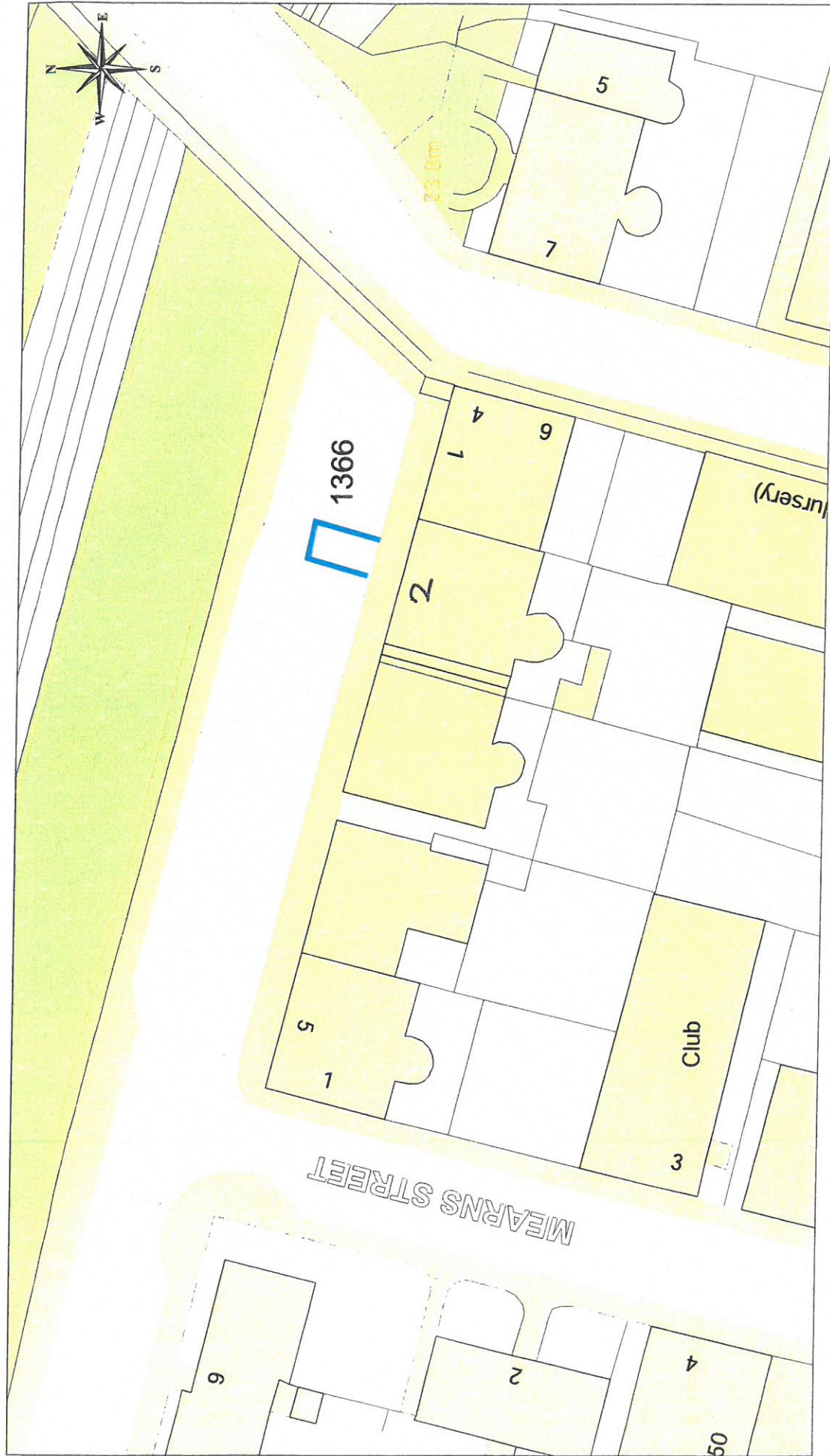
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THE INVERCLYDE COUNCIL
DISABLED PERSONS' PARKING PLACES
(ON-STREET) ORDER NO. 4 2014

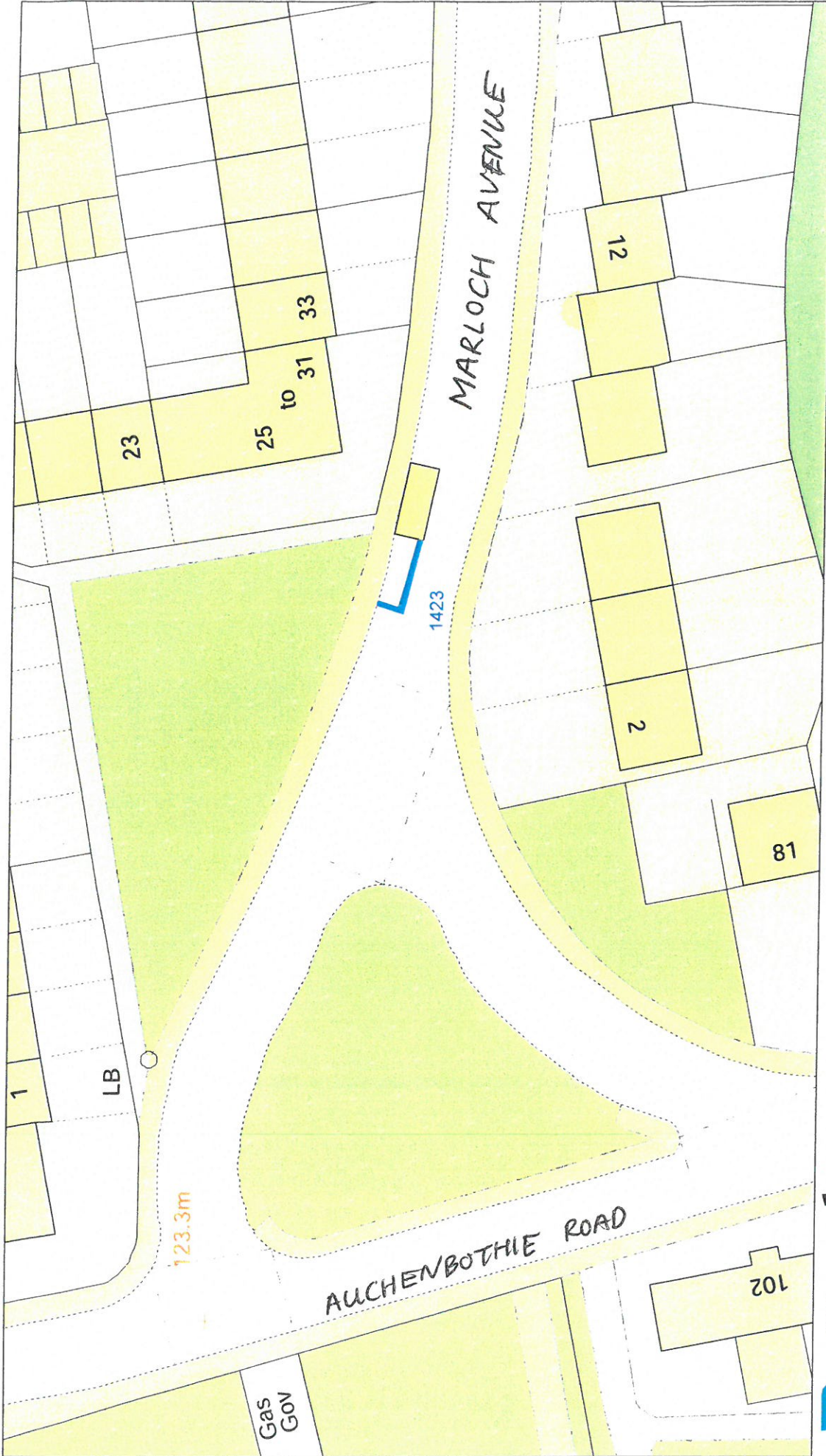
**Statement of Reasons for Proposing to Make
the above Order**

It is considered necessary in order to comply with The Disabled Persons' Parking Places (Scotland) Act 2009, Section 5, to make the above Order to provide assistance for disabled persons who hold a badge under the Disabled Persons (Badges for Motor Vehicles) (Scotland) Regulations 2000 as amended and by revoking those parking places no longer required to maximise street parking capacity.

Ian Moffat
Head of Environmental & Commercial Services
1 Ingleston Park
Cartsburn Street
GREENOCK
PA15 4UE



DISABLED PERSONS' PARKING PLACE
2 SHAW PLACE, GREENOCK
PLACE No. 1366



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23 MARLOCH AVENUE, PORT GLASGOW
PLACE No. 1423

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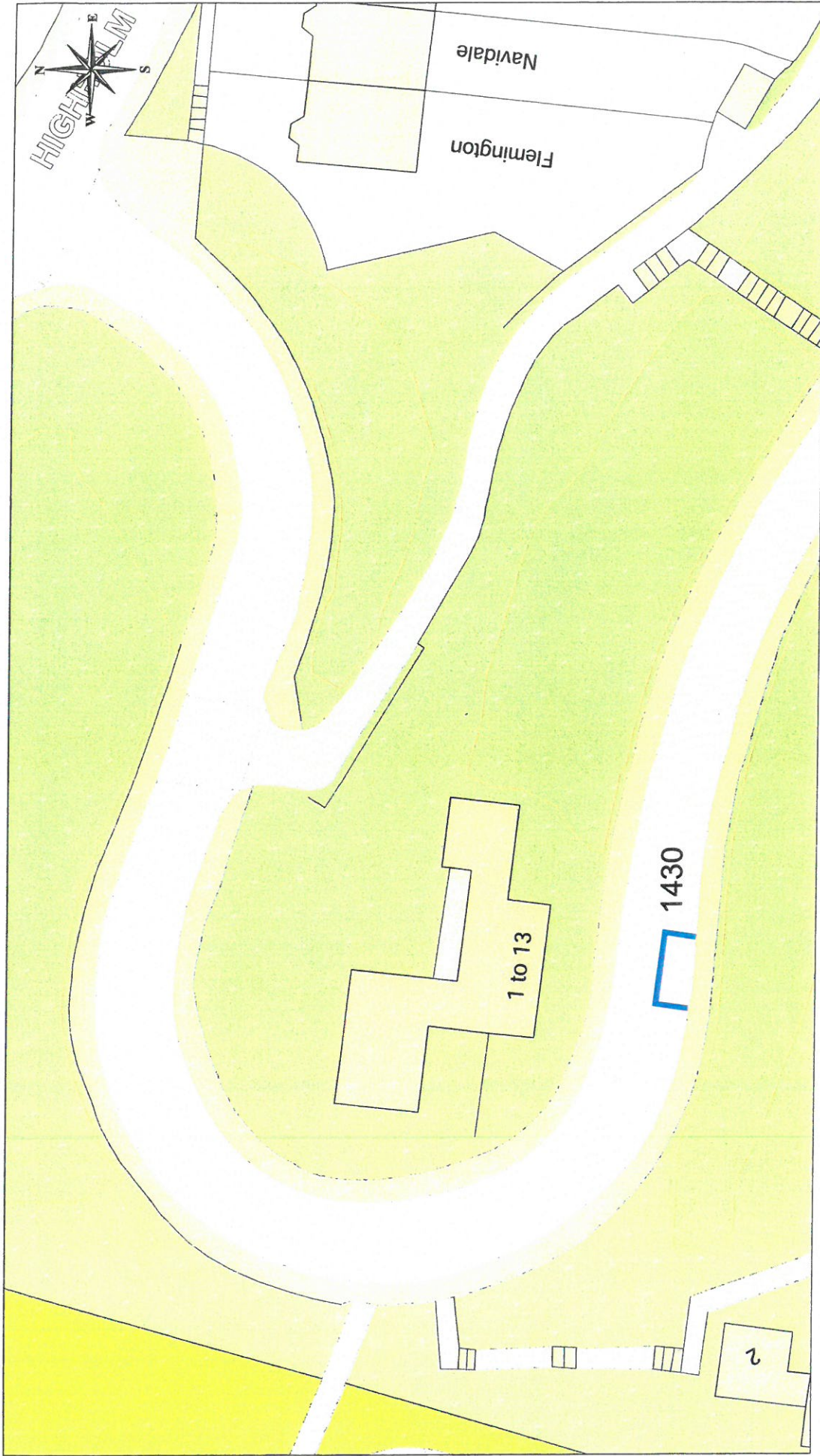



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PLACE No. 1430



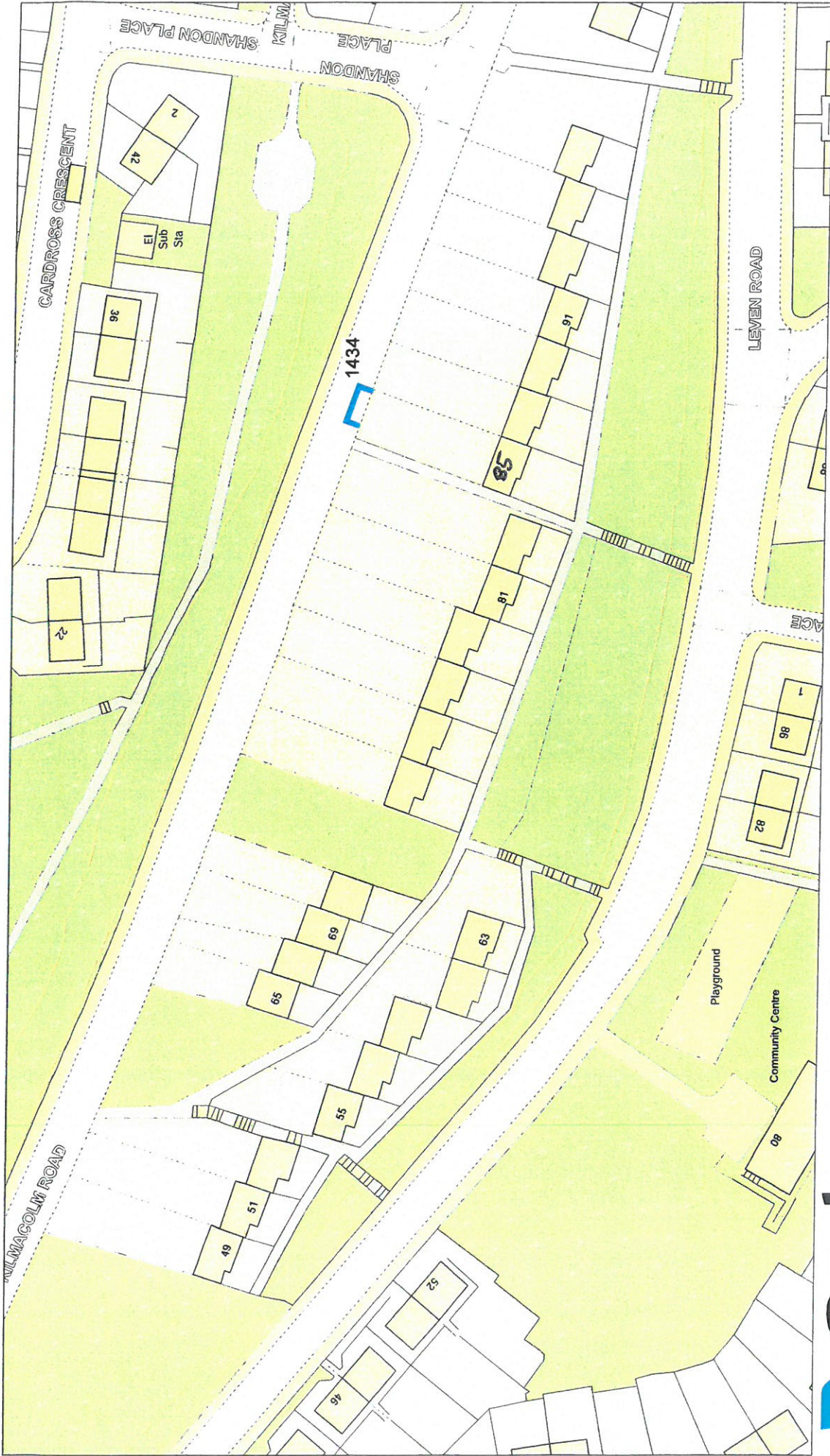
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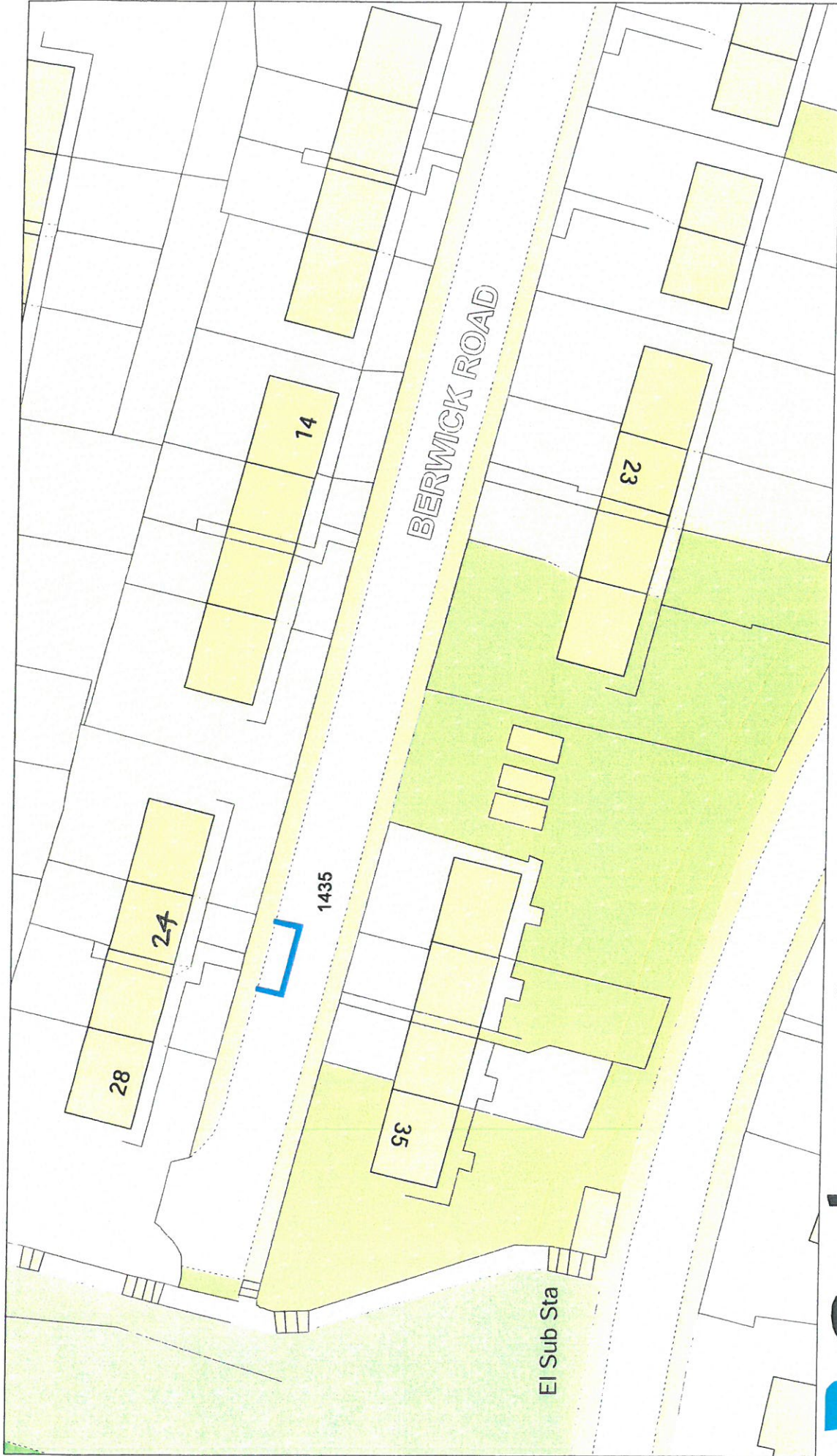


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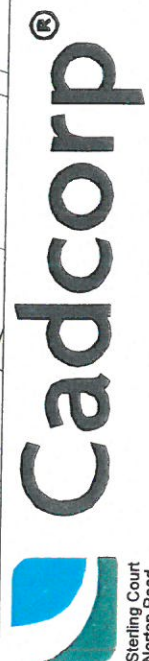
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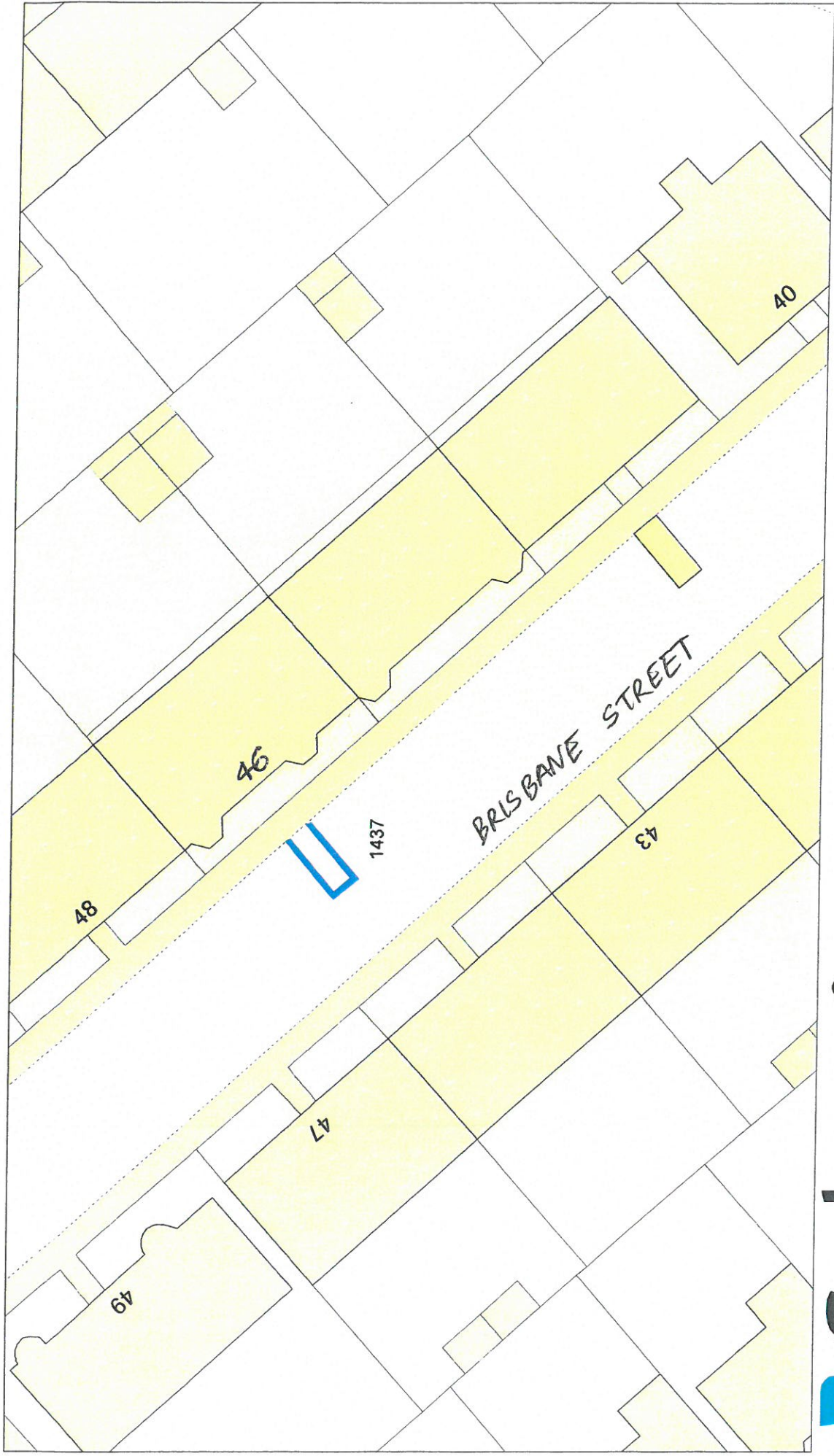
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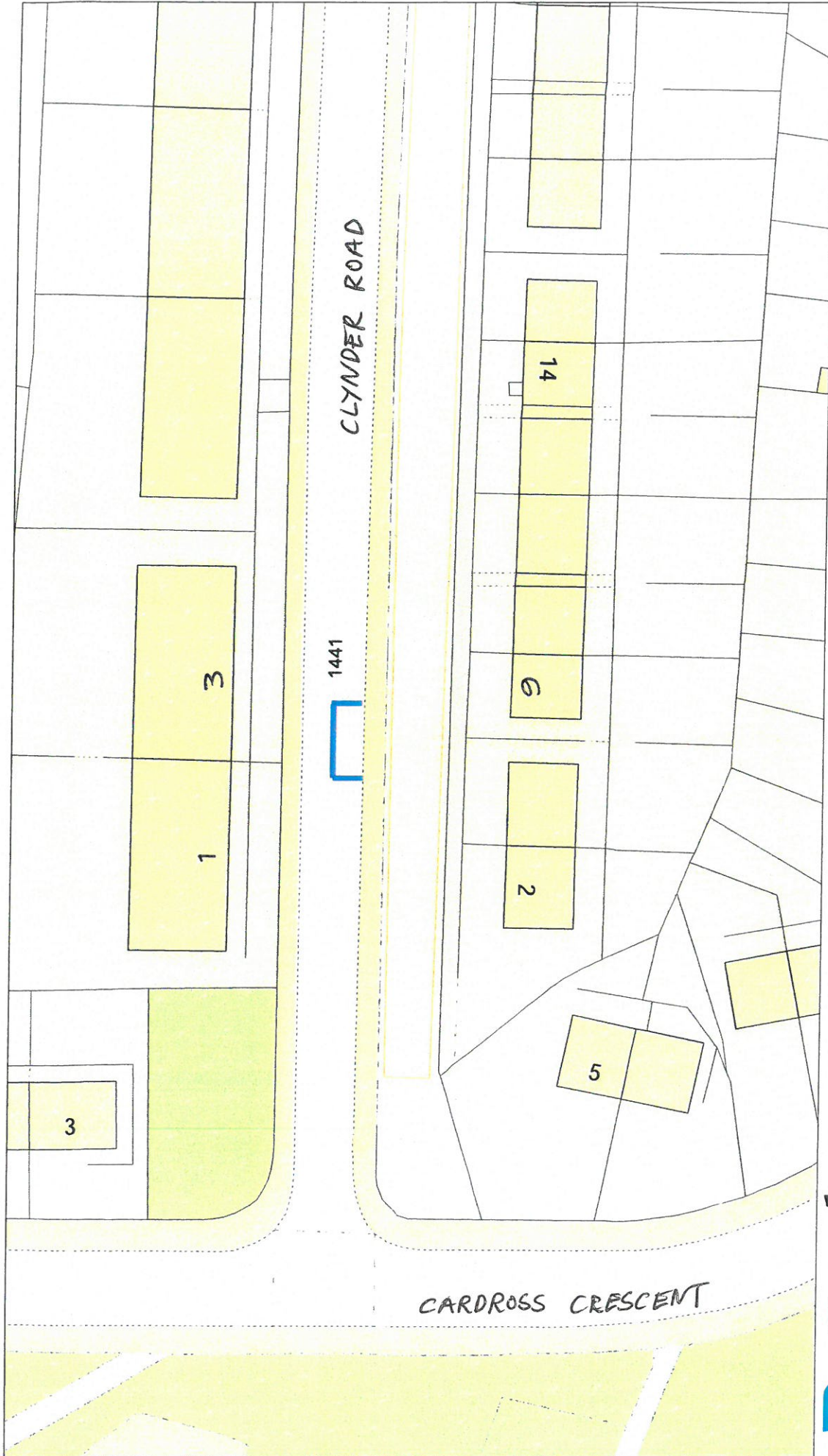


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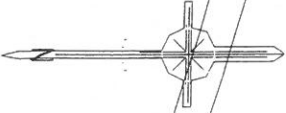


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Inverclyde
council

TRANSPORTATION AND ROADS

BMT 598M



GLENINVER ROAD

LARKFIELD GROVE

00.13

17a

17b

19

21

24

19

13

18

HEAD OF TRANSPORTATION AND ROADS
R.J. SMALL B.Sc., C.Eng., M.I.C.E.

Original Size
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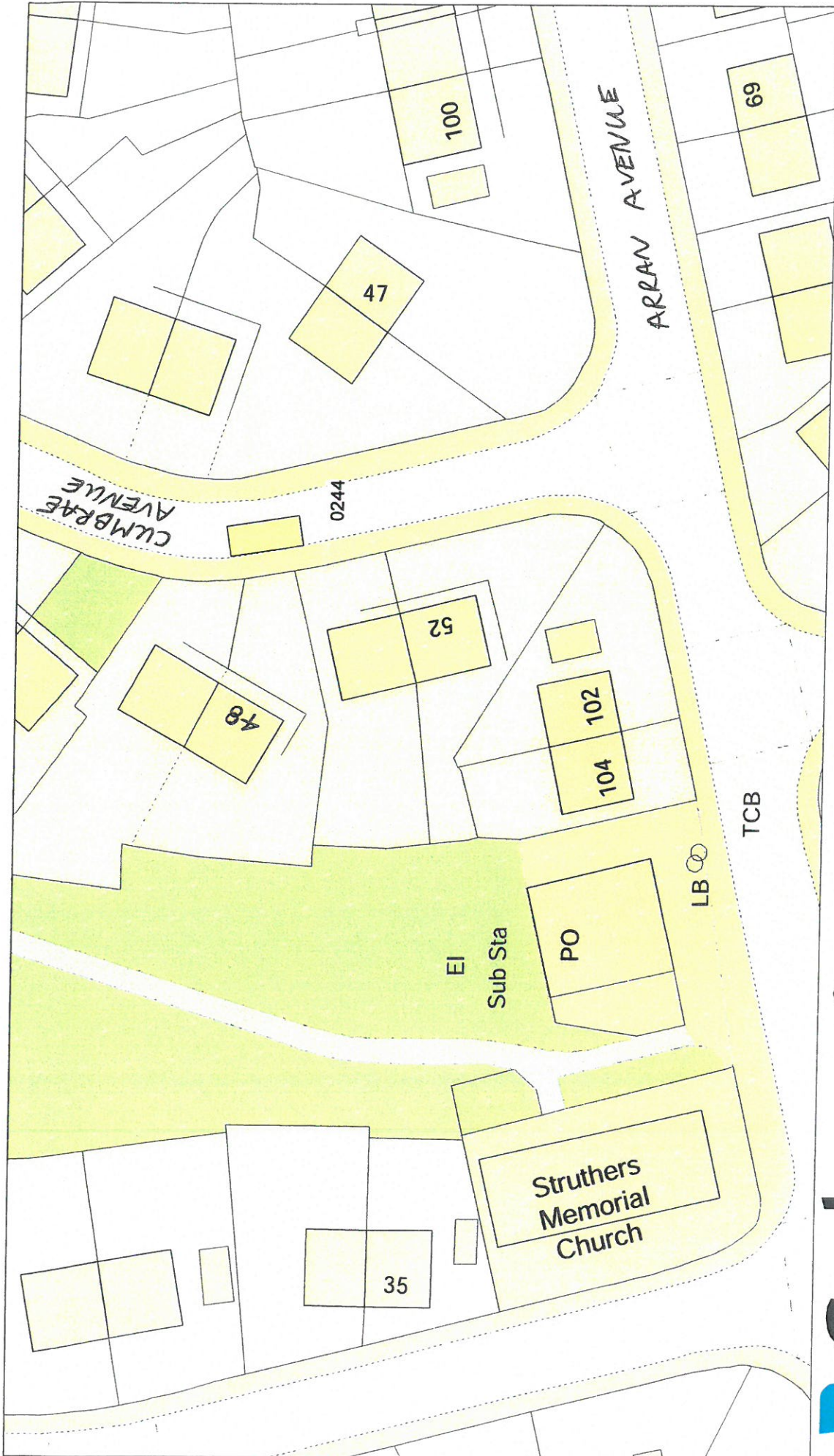
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DISABLED PARKING BAY
3 LARKFIELD GROVE, GREENOCK
REVOCATION



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 48 CUMBRAE AVENUE, PORT GLASGOW
 PLACE No. 0244 REVOCATION



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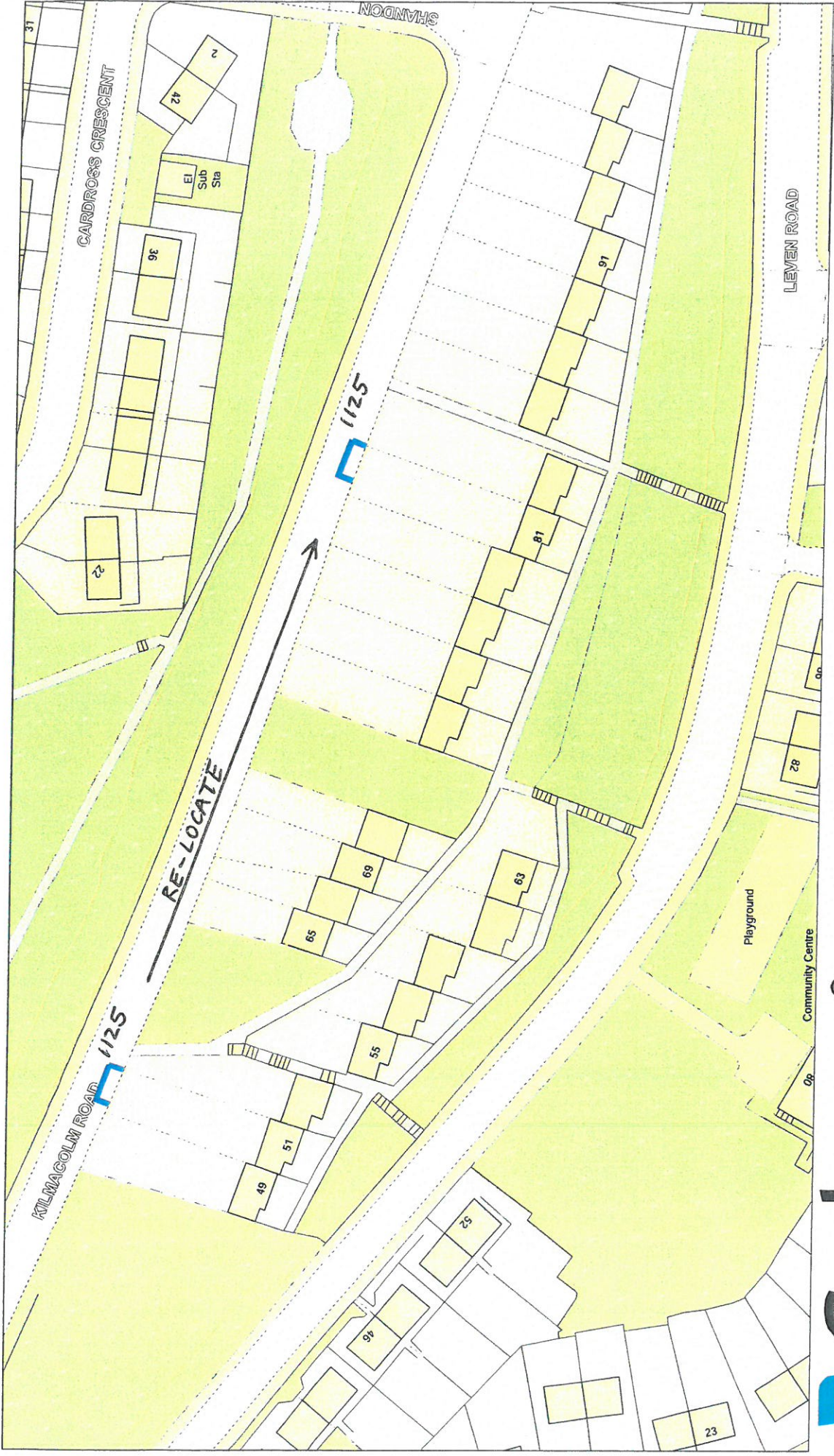


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**DISABLED PERSONS' PARKING PLACE
1 FERGUS ROAD, GREENOCK
PLACE No. 1367 REVOCATION**

Inverclyde
council
Environmental Services

Regeneration & Environment
Corporate Director: Aubrey Fawcett
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DISABLED PERSONS' PARKING PLACE
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PLACE No. 1125 AMENDMENT


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Report To:	The Inverclyde Council	Date:	4 June 2015
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	RMcG/LP/082/15
Contact Officer:	Rona McGhee	Contact No:	01475 712113
Subject:	Road Safety Inspection and Fault Categorisation Guidance Document – Remit from Environment & Regeneration Committee		

1.0 PURPOSE

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

2.0 SUMMARY

- 2.1 The Environment & Regeneration Committee on 30 April 2015 considered a report by the Corporate Director Environment, Regeneration & Resources on the proposed introduction of a new Road Safety Inspection and Defect Categorisation process developed in collaboration with 11 other local authorities.
- 2.2 A copy of the report to the Environment & Regeneration Committee is attached as Appendix 1. This provides background information together with information on the implications of the recommendations.
- 2.3 The Environment & Regeneration Committee decided:-
- (1) to note the collaborative work carried out to develop a new guidance document that promotes a more proactive approach to road maintenance and a consistent rationale from which Councils would be in a stronger position to defend public liability claims; and
 - (2) to recommend to the Inverclyde Council the adoption of the Road Safety Inspection and Fault Categorisation Guidance Document as policy and good practice, it being noted that the reference within the Document to annual inspections is a minimum and that the Council will continue to carry out inspections on a six monthly basis in relation to category 4b carriageways.

3.0 RECOMMENDATION

- 3.1 The Council is asked to consider the remit from the Environment & Regeneration Committee.

Report To:	Environment and Regeneration Committee	Date:	30 April 2015
Report By:	Corporate Director – Environment, Regeneration and Resources	Report No:	ECR/ENV/IM/15.232
Contact Officer:	R. Graham	Contact No:	01475 714827
Subject:	Road Safety Inspection and Fault Categorisation Guidance Document		

1.0 PURPOSE

- 1.1 To inform Committee of the proposal to introduce a new Road Safety Inspection and Defect Categorisation process developed in collaboration with 11 other Local Authorities.

2.0 SUMMARY

- 2.1 The Council as designated Road Authority has a duty under section 1 of the Roads (Scotland) Act, 1984 to manage and maintain all such roads contained within the “list of public roads” in addition to its obligation under the Occupier Liability (Scotland) Act 1960 to manage and maintain the non-adopted roads assets.
- 2.2 The establishment of an effective regime of safety inspections is a crucial component of road maintenance and compliance with the existing guidance provides a mechanism that enables the Council to successfully defend against any Public Liability Claims that may be raised against them.
- 2.3 A project to develop a new guidance document was initiated by the “Roads Working Group” Roads authorities made up from the former Strathclyde Region and Dumfries & Galloway Councils. A collaborative working group led by North Ayrshire Council was set up to review existing working practices across all the participating authorities and develop the new guidance document.
- 2.4 The new procedure provides a consistent methodology for the management of the road network that focuses on delivering a proactive programme of permanent repairs to improve the condition and safety of the road network.

The consistent approach will provide each of the participating Councils with a position of strength when defending any Public Liability Claims that may be raised against them.

- 2.5 It is further planned to have the Road Safety Inspection and Defect Categorisation Guidance Document reviewed by the Society of Chief Officers of Transportation in Scotland (SCOTS) with a view to having it adopted as policy throughout all Scottish Roads Authorities.

3.0 RECOMMENDATIONS

- 3.1 Committee note the collaborative work carried out to develop a new guidance document that promotes a more proactive approach to road maintenance and a consistent rationale from which Councils would be in a stronger position to defend Public Liability Claims.
- 3.2 Committee recommend to The Inverclyde Council the adoption of the Road Safety Inspection and Fault Categorisation Guidance Document as policy and good practice.

Ian Moffat, Head of Service
Environmental and Commercial Services

4.0 BACKGROUND

- 4.1 The Council as designated Road Authority has a duty under section 1 of the Roads (Scotland) Act, 1984 to manage and maintain all such roads contained within the “list of public roads” in addition to its obligation under the Occupier Liability (Scotland) Act 1960 to manage and maintain the non-adopted roads assets.
- 4.2 The Council currently fulfils its statutory duty to manage and maintain the road network through the operation of the existing Road Safety Inspections and Fault Categorisation procedure and any subsequent amendments in accordance with the guidance set out in the “Well Maintained Highways” Code of Practice.
- 4.3 The establishment of an effective regime of safety inspections is a crucial component of road maintenance and compliance with the existing guidance provides a mechanism that enables the Council to successfully defend against any Public Liability Claims that may be raised against them.
- 4.4 A project to develop a new guidance document was initiated by the “Roads Working Group” Roads authorities made up from the former Strathclyde Region and Dumfries & Galloway Councils. A collaborative working group led by North Ayrshire Council was set up to review existing working practices across all the participating authorities and develop the new guidance document.
- 4.5 The project included Roads Authorities from Argyll & Bute, Dumfries and Galloway, East Ayrshire, East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, Renfrewshire South Ayrshire, South Lanarkshire and West Dunbartonshire Councils.
- 4.6 The Roads Working Group comprising Senior Roads Officers from the above Councils recognised that Councils are currently faced with delivering services within an environment of increasing fiscal austerity and were aware of the benefits that can be achieved from adopting a common approach and the introduction of a minimum standard that follows the principles of the “Well Maintained Highways” Code of Practice.
- 4.7 The new procedure provides a consistent methodology for the management of the road network that focuses on delivering a proactive programme of permanent repairs to improve the condition and safety of the road network.
- 4.8 It is intended that the implementation of this new procedure will also allow performance across Council areas to be monitored, benchmarked and reviewed, implementing any necessary improvements recognised through its use.
- 4.9 The consistent approach will provide each of the participating Councils with a position of strength when defending any Public Liability Claims that may be raised against them.

5.0 PROPOSALS

- 5.1 That Committee note the plans to introduce the new Road Safety Inspection and Defect Categorisation Guidance Document from 1 May 2015.

6.0 IMPLICATIONS

Finance

- 6.1 There are no financial implications as a result of this report.

Financial Implications:

One off Costs

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

Annually Recurring Costs/ (Savings)

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

Legal

- 6.2 The Council has a statutory obligation under The Roads (Scotland) Act 1984 to manage and maintain the adopted road network. The Council also has an obligation under the Occupiers Liability (Scotland) Act 1960 to manage the non-adopted roads assets.

Human Resources

- 6.3 There are no Human Resource implications as a result of this report.

Equalities

- 6.4 There are no equality implications as a result of this report.

Repopulation

- 6.5 There are no repopulation implications as a result of this report.

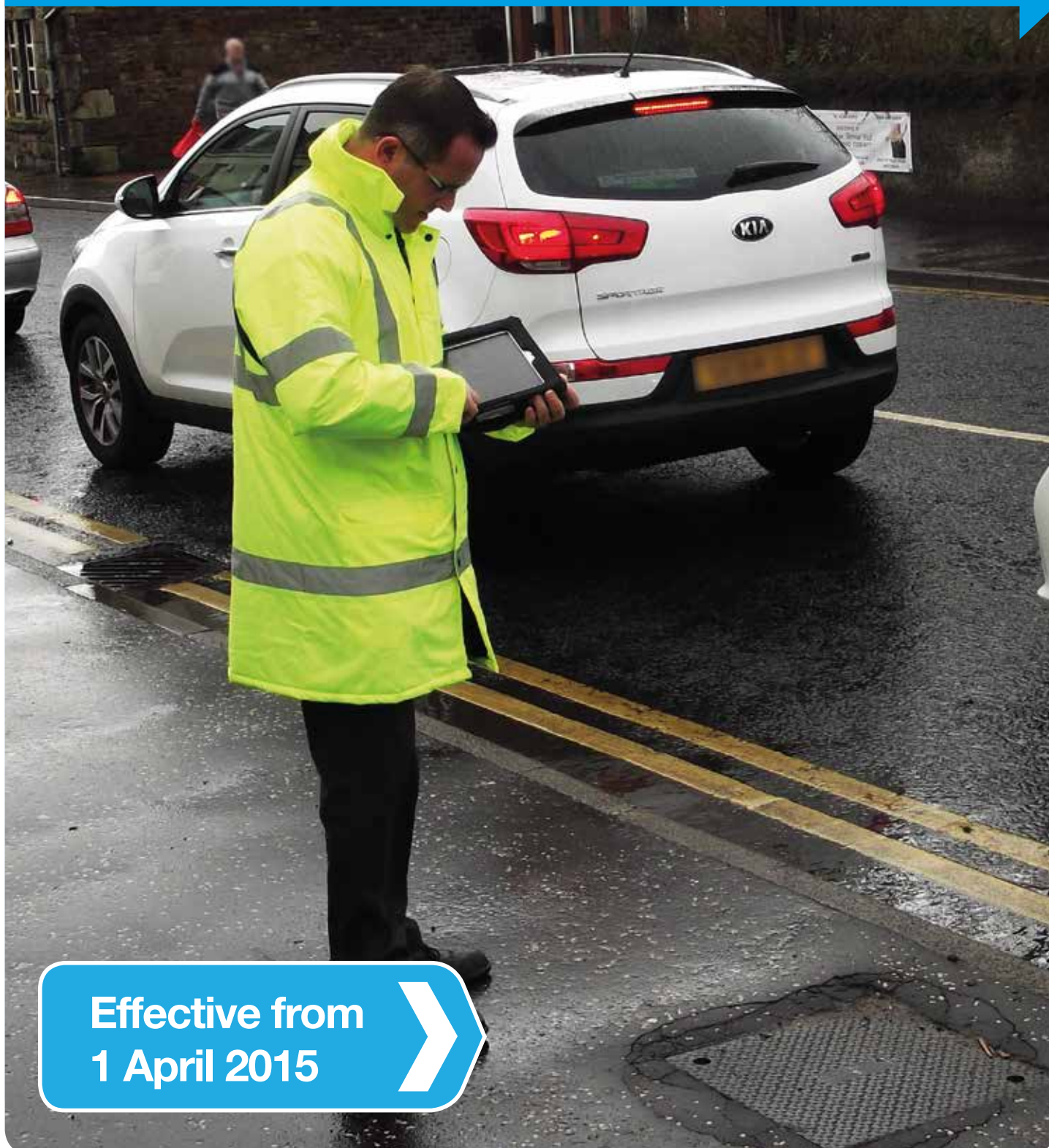
7.0 CONSULTATIONS

- 7.1 The Chief Financial Officer has been consulted on this report.
7.2 The Head of Legal and Property Services has been consulted on this report.

8.0 LIST OF BACKGROUND PAPERS

- 8.1 Appendix 1 Guidance Document for Road Safety Inspections and Defect Categorisation.

Guidance Document for Road Safety Inspections and Defect Categorisation

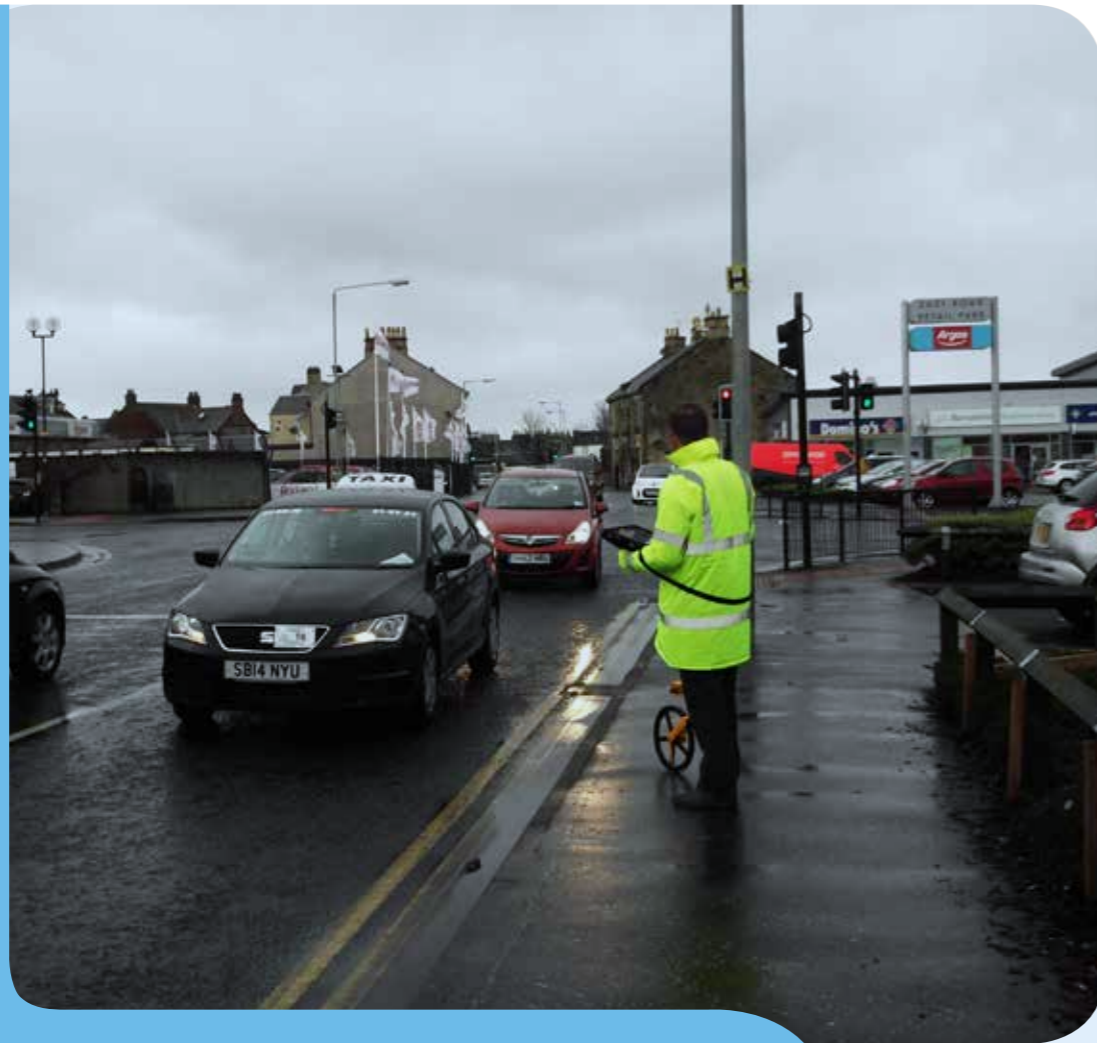


Effective from
1 April 2015

Foreword

Working in collaboration to be confirmed





Procedure for Road Safety Inspections and Defect Categorisation

CONTENTS

	Page No.
1. Introduction	3
2. Safety Inspections	4-5
3. Frequency of Inspections	6-7
4. Intervention Levels & Response Times	8-10
6. Defects that are not the responsibility of the Council	11
8. Health and Safety	12-13
Appendix A Defect and Priority Tables	14-18





1. INTRODUCTION

The Roads (Scotland) Act 1984 under section 1, states that "...a local roads authority shall manage and maintain all such roads in their area as are for the time being entered in a list (in this Act referred to as their "list of public roads") prepared and kept by them under this section."

The "Well-maintained Highways" Code of Practice for Highway Maintenance Management has specific recommendations regarding inspections of all road elements. This guidance document specifically relates to the procedures for carrying out safety inspections.

The establishment of an effective regime of safety inspections is a crucial component of road maintenance and this guidance document has been developed in accordance with the Code of Practice, recognising areas of best practice from each the participating Councils.

The guidance document has been developed in collaboration with the Roads Authorities of Argyll & Bute, Dumfries and Galloway, East Ayrshire, East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, North Ayrshire, Renfrewshire, South Ayrshire, South Lanarkshire and West Dunbartonshire Councils as part of the collaborative group known as the "Roads Working Group".

The Roads Working Group comprises Senior Officers from the above Councils who recognise that Councils are currently faced with delivering services within an environment of increasing fiscal austerity and are aware of the benefits that can be achieved by adopting a common approach and minimum standards which follows the principles set out in the Well Maintained Highways Code of Practice.

Adoption of the new procedure will enable Councils, where appropriate to develop resilience enabling them to inspect and maintain additional roads assets not contained within their list of Public Roads, where the Council also has a maintenance responsibility.

The new procedure will provide a consistent methodology for the management of the road network that focuses on delivering a proactive programme of permanent repairs to improve the condition and safety of the road network. It is intended that the implementation of this new procedure will also allow performance to be monitored and reviewed, implementing any necessary improvements identified through its use.

The consistent approach will also assist Councils when defending any public liability claims that may be intimated against them.



2. SAFETY INSPECTIONS

Safety inspections identify defects within the road network, including those that are likely to create a danger or serious inconvenience to road users or the wider community and therefore require immediate or urgent attention.

Safety inspections are normally undertaken by an inspector in a slow moving vehicle. (In heavily used urban areas, particularly when inspecting footways, walked inspections will be required.) It may also be appropriate to inspect cycle route on a cycle.

During safety inspections, all observed defects that provide any foreseeable degree of risk to users will be recorded. The degree of deficiency in the road elements will be crucial in determining the nature and speed of response. Judgement will always need to take account of particular circumstances. For example the degree of risk from a pothole depends upon not only its depth but also its surface area and location within the road network.

Items for Inspection

The following are examples of the types of defect which when identified should be assessed and an instruction for repair issued with an appropriate response time specified. The list identified below is not exhaustive.

Carriageway

Carriageway defects such as: -

- Surface defects and other local defects
- Abrupt level differences in running surface
- Edge deterioration of the running surface and other local defects.
- Excessive standing water and water discharging onto and or flowing across the road.
- Blocked gullies and obstructed drainage channels or grips which could lead to ponding or flooding.
- Debris and/or spillages
- Missing cats eyes
- Missing or damaged covers

Footway, footpath & cycleway

Footway defects such as: -

- Surface and other local defects
- Excessive standing water and water discharging onto and or flowing across the foot/cycleway
- Dangerous rocking slabs
- Large cracks or gaps between flags
- Missing or damaged covers
- Debris and or spillage's likely to be a hazard

Street Furniture Defects

- Damaged safety fencing
- Damaged parapet
- Damaged handrail
- Damaged road structures
- Damaged boundary fence where children or animals could gain access

Traffic Signs

- Missing, damaged or faded regulatory or warning sign
- Major sign plate or structural failure
- Electrically or otherwise unsafe apparatus
- Damage which may cause a dangerous obstruction to road traffic or other road users

Road Lighting

- Damaged Column
- Exposed, live electrical equipment

Road Markings

- Badly worn Stop, Give Way or double continuous white line

Other Safety Defects

- Overhead wires in dangerous condition
- Sight-lines obstructed by trees and other vegetation,
- Trees in a dangerous condition
- Earthslips where debris has encroached or is likely to encroach the road
- Rocks or rock faces constituting a hazard to road users



3. FREQUENCY OF INSPECTION

Based on the “Well-maintained Highways” the Code of Practice for Highway Maintenance Management, the carriageway and footway hierarchy for inspections and the recommended frequencies for inspections are set out in the following tables.

Table 1 - Carriageway Hierarchy

Urban and residential carriageway inspections may be carried out either on foot or from a vehicle, with rural carriageway inspections being carried out from a vehicle.

Carriageway Category	Hierarchy Description	Type of Road General Description	Description
1	Motorway	N/A	N/A
2	Strategic Route	Principal A Roads between Primary Destinations	Routes for fast moving long distance traffic with little frontage access or pedestrian traffic. Speed limits generally in excess of 40mph with few junctions.
3a	Main Distributor	Major Urban Network & Inter-Primary Links. Short to medium distance traffic.	Routes between strategic routes and linking urban centres to the strategic network with limited frontage access. In urban areas speed limits are usually 40mph or less.
3b	Secondary Distributor	Classified Roads (B & C Class) and unclassified urban bus routes carrying local traffic with frontage access and frequent junctions.	In rural areas these roads link the larger villages and HGV generators to the Strategic and Main Distributor Network. In built up areas these roads have 30mph speed limits and high pedestrian activity.
4a	Link Road	Roads linking between the Main & Secondary Distributor Network with frontage access and frequent junctions.	In rural areas these roads link the smaller villages to the distributor roads. They are of varying width and not always suitable of carrying two-way traffic. In urban roads they are residential or industrial inter connecting roads with 30mph speed limit.
4b	Local Access Road	Roads serving limited numbers of properties carrying only access traffic.	In rural areas these roads serve small settlements and provide access to individual properties and land. They are often single lane and unsuitable for HGV. In residential areas they are residential loop roads or cul-de-sacs.

Table 2 - Footway Hierarchy

Footway inspections may be carried out either on foot or from a vehicle.

Category	Category Name	Description
1(a)	Prestige Walking Zones	Very busy areas of town centres with high public space and streetscene contribution.
1	Primary Walking Routes	Busy urban shopping and business areas and main pedestrian routes.
2	Secondary Walking Routes	Medium usage routes through local areas feeding into primary routes, local shopping centres etc.
3	Link Footways / Footpaths	Linking local access footways through urban areas and busy rural footways.
4	Local Access Footways / Footpaths	Footways associated with low usage, short estate roads to the main routes and cul-de-sacs.

Table 3 - Safety Inspection Frequency

Feature	Description	Category	Frequency
Roads	Strategic Routes	2	Up to 12 pa (Min 10)
	Main Distributor	3(a)	Up to 12 pa (Min 10)
	Secondary Distributor	3(b)	Up to 12 pa (Min 10)
	Link Road	4(a)	4 pa
	Local Access	4(b)	Annually
Footways	All other locations (Carparks)		Annually
	Prestige Walking Zones	1(a)	Up to 12 pa (Min 10)
	Primary Walking Routes	1	Up to 12 pa (Min 10)
	Secondary Walking Routes	2	4 pa
Footways	Link Footway	3	2 pa
	Local Access Footways	4	Annually
	Cycle Route	Part of Carriageway		As per associated road
Remote from Carriageway			Twice per year
Cycle Trails			(1 per year)

Additional inspections may be necessary in response to user or community concerns, as a result of incidents or extreme weather conditions, or in the light of monitoring information.

It is accepted by all participating Council's that other factors may preclude some inspections being carried out on road hierarchy category 2, 3(a), 3(b) and footway category 1(a) and 1, as a result of other influencing factors, in this case the target of 1 per month will reduce to a minimum of 10 per year.

4. INTERVENTION LEVELS AND RESPONSE TIMES FOR DEFECTS

- Category 1:** Represent a high risk to road users and should be corrected or made safe at the time of inspection, if reasonably practicable. In this context, making safe may constitute displaying warning signs, coning off to protect the public from the defect. If it is not possible to correct or make safe the defect at the time of inspection, emergency repairs to make safe should be carried out within four hours. Where practicable, safety defects of this category should not be left unattended until a temporary or permanent repair has been carried.
- Category 2:** Repair within seven working days allowing a more proactive approach to be adopted for those defects that represent a medium risk to road users or because there is a risk of short-term structural deterioration.
- Category 3:** Repair within 30 working days. Those defects that require attention because they represent a low risk to road users allowing defects of this nature to be included onto longer planned programmes of work.
- Category 4:** Monitor and Review condition based on an assessment of the risk of deterioration at next inspection.

Defect Risk Assessment

Inspectors undertaking safety inspections or responding to reported incidents require to use judgement in determining response times to observed or reported defects. The Well Maintained Highways Code of Practice recommends that roads authorities adopt a system of defect risk assessment for determining the response times to road defects.

The risks identified through this process have to be evaluated in terms of their significance, which means assessing the likely impact should the risk occur and the probability of it actually happening. The impact is quantified by assessing the extent of damage likely to be caused should the risk become an incident. As the impact is likely to increase with increasing speeds the volume of traffic and category of road are important considerations in the assessment. The probability is quantified by assessing the likelihood of users, passing by or over the defect, encountering the risk. As the probability is likely to increase with increasing vehicular or pedestrian flow, the network hierarchy and defect location are consequently important considerations in the assessment.



Response times for which a defect should be repaired or made safe will depend upon:

1. The depth, surface area or other extent of the defect.
2. The volume, characteristics and speed of traffic.
3. The location of the defect relative to road features such as junctions and bends.
4. The location of the defect relative to the positioning of users, especially vulnerable users, such as in traffic lanes or wheel tracks.
5. The nature and extent of interaction with other defects.
6. Forecast weather conditions, especially potential for freezing of surface water.

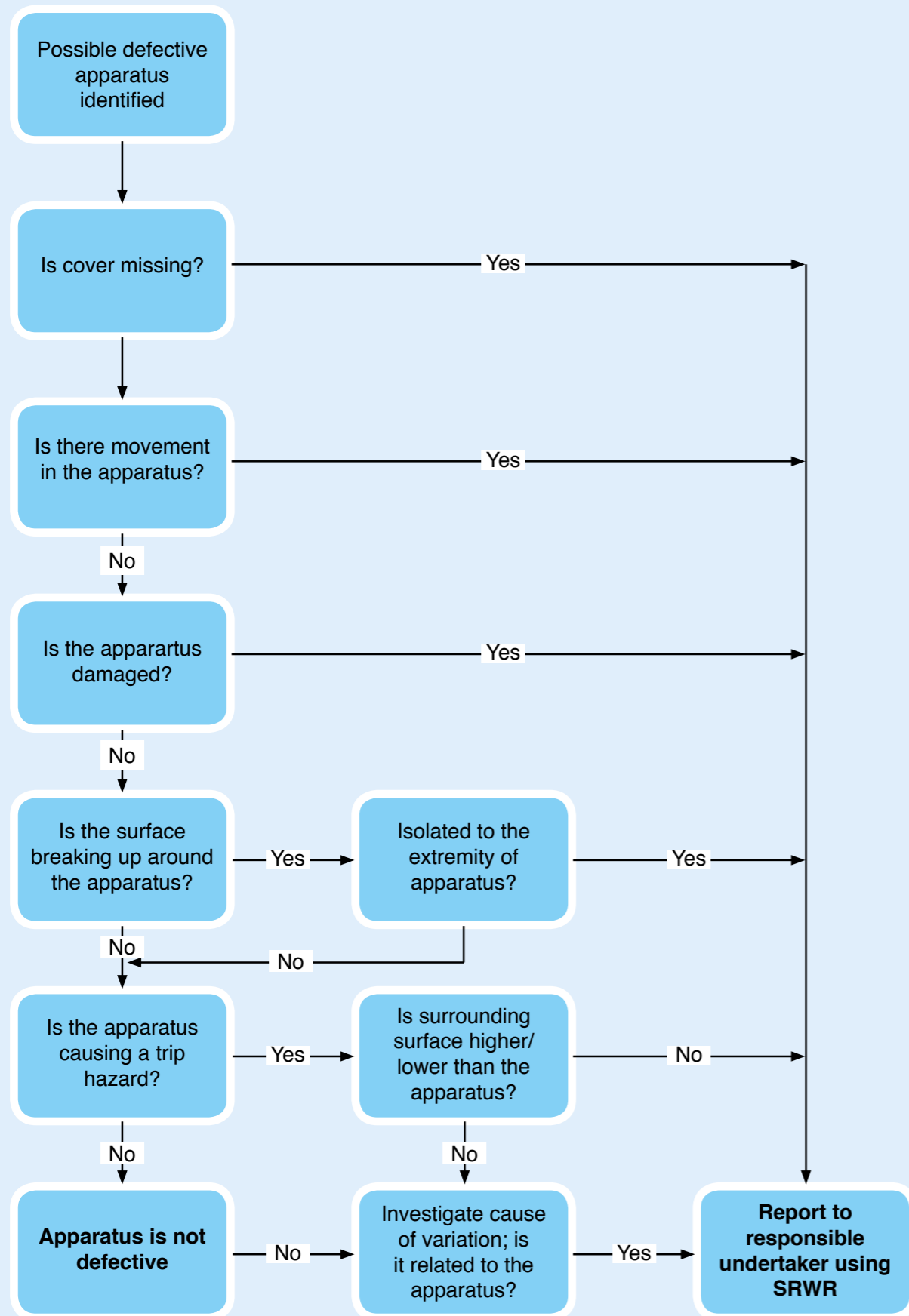
All defects identified therefore require to be evaluated in terms of their significance. That means assessing the likely impact should the risk occur and the probability of it actually happening. Having identified a particular risk, the Risk Matrix below will be used to determine the defect category and response time.

Probability Impact	Very Low (1)	Low (2)	Medium (3)	High (4)
Negligible (1)	1	2	3	4
Low (2)	2	4	6	8
Noticeable (3)	3	6	9	12
High (4)	4	8	12	16
Response Category	Cat 4 (Monitor)	Cat 3 (30 Days)	Cat 2 (7 Days)	Cat 1 (4 Hours)
Risk Value	(1 - 4)	(6 - 8)	(9 - 12)	(16)

It may not be possible, particularly at certain times of year, to meet target response times, due to pressure on resources. This could, but not exclusively, be due to the high number of defects that can arise in a short period of time, after periods of adverse weather, such as prolonged spells of heavy rain or snow, or freeze / thaw conditions. Prolonged periods of adverse weather may also prevent remedial measures being carried out.

Records of all safety inspections and works instructions issued following inspections shall be documented within an electronic Routine Maintenance Management System where possible.

FIGURE 1: Initial Procedure for Defective Apparatus



5. DEFECTS THAT ARE NOT THE RESPONSIBILITY OF THE COUNCIL

5.1 During an inspection, defects may be identified which are not the responsibility of the Council to repair. The Council does however have a duty of care to the users of the road. Therefore the defect must be recorded and the party responsible for the repair must be made aware of the defect. If the defect is identified as a Category 1 defect, it should be made safe either by signing and coning or by a temporary repair.

Statutory Undertakers' Defective Apparatus

5.2 Where defective apparatus belonging to undertakers is identified, the defect must be recorded and the utility contacted in accordance with the New Roads & Street Works Act 1991 – Code of Practice for Inspections. The initial procedure is summarised in Figure 1 below.

Defects that are the responsibility of other Third Parties

5.3 Where the defect is the responsibility of another party who is not a Statutory Undertaker, for example an adjacent landowner, the defect should be recorded and the landowner contacted with a request to carry out the necessary remedial works within an appropriate period of time. A number of scenarios may arise from an inspection, which are covered by provisions contained within the Roads (Scotland) Act 1984, for which it may be appropriate to inform the party responsible for the defect / hazard of their responsibilities under the Act.

5.4 Some selected examples of the above are;

- a. Prevention of danger to road users from nearby vegetation and fences etc. or from retaining walls being inadequate (Section 91)
- b. Deposit of mud from vehicles on road (Section 95)
- c. Control of flow of water etc onto roads (Section 99)

5.5 A number of these provisions within the Act allow the roads authority to carry out remedial works to address the defect/hazard either immediately or after a suitable period of notice, and further may give powers to recover any expenses reasonably incurred in doing so.

5.6 Any decision to undertake such remedial work should not be done without the agreement of a suitably responsible person, and in the first instance the preferred option is to have constructive discussion with the responsible party, in order to resolve the issue.



6. HEALTH AND SAFETY

General

- 6.1 In general road inspections are carried out from a slow moving vehicle or on foot. However, it would seem logical that cycle routes be inspected by cycle. The vehicle should be driven at an appropriate speed to allow any defects to be identified and recorded.

Health and Safety

- 6.2 Inspections are to be conducted in accordance with the Council's procedures for the health, safety and welfare of its employees and others.

As a minimum:

- a. All staff engaged in inspections must wear high visibility clothing to BS EN 471 class 3.
 - b. All vehicles used to carry out inspections shall be liveried up to an appropriate standard and all necessary vehicle checks shall be carried out prior to inspections being undertaken.
- 6.3 All surveys should make use of two-way communications (ie radio or mobile telephone). Driven safety inspections should be undertaken by two people. Note The Council's Lone Working Procedures should be followed when an inspector is undertaking a safety inspection on his/her own.
- 6.4 Should it be necessary to stop the vehicle it shall be parked off the live carriageway wherever possible. If this cannot be achieved then there must be clear visibility in both directions and the roof mounted beacon must be switched on. Traffic must not be forced across any continuous solid white centre line. If this cannot be achieved, advanced temporary traffic signing must be installed.

Making Safe

- 6.5 If a defect is considered to be a serious hazard to road users, full traffic management should be called for and the safety inspection vehicle should remain at the hazard until it is in place.

Equipment

- 6.6 All inspection vehicles should carry a minimum of six 750mm traffic cones. The cones should be kept clean and should be inspected quarterly and replaced as necessary. A record of these inspections must be kept within the vehicle.
- 6.7 In addition to any other equipment they consider necessary, Inspectors should also carry a digital camera to record defects and, if available, a GPS enabled system to accurately record the location of defects.

Documents

- 6.8 The safety inspection team should also carry a copy of:
- a. This guidance document;
 - b. New Roads & Street Works Act 1991 – Code of Practice for Inspections;
 - c. "Safety at Street Works and Road Works, A Code of Practice".

APPENDIX A : DEFECT AND PRIORITY TABLES

Defect and Priority Table 1:

Carriageway Defects		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Carriageway Defects

Surface Defect	<40mm	4	4	3	3
	>40mm < 100mm	4	3	2	2
	>100mm	4	3	2	1
Failed patch or defective trench	Yes	4	4	3	3
Missing ironwork cover	Yes	4	3	2	1
Badly cracked or damaged ironwork	Yes	4	4	3	3
Cracking around ironwork frame	Yes	4	4	3	3
Crowning / Depression	>40mm level difference	4	3	2	2
Rutting	>20mm	4	4	3	3
Missing / defective skid resistant surfacing	Yes	4	4	3	3
Debris/ Spillage	Yes	4	3	2	1
Edge Deterioration	>40mm <100mm	4	3	2	2
	>100mm	4	3	2	1
Displaced metal stud	Yes	4	3	2	1
Missing studs / reflectors	<20% missing	4	4	4	4
	>20% missing	4	4	3	3
Missing or worn lines / markings	Stop/Give Way	4	3	2	2
	Double white line	4	3	2	2
	Other	4	4	4	4

Defect and Priority Table 2:

Kerb Defects		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Kerb Defects

Loose, missing or damaged kerbs	Yes	4	3	2	2
Dislodged kerb	50mm horizontally, 25mm vertically	4	3	2	2

Defect and Priority Table 3:

Other Paved Area Defects		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Shared Surfaces/Footway/Path, Cycleway/Path and Car Park Defects

Surface Defect	>25mm <50mm	4	3	2	2
	>50mm	4	3	2	1
Failed patch or defective trench	Failed	4	4	3	3
Missing ironwork cover	Yes	4	3	2	1
Badly cracked or damaged ironwork	Yes	4	3	2	2
Cracking around ironwork frame	Yes	4	4	4	4
Crack, gap or trip	>10mm <25mm	4	4	3	3
	>25mm trip	4	3	2	1
Rocking slabs	>10mm <25mm vertical movement	4	4	3	3
	>25mm vertical movement	4	3	2	1
Crowning/ Depression	>25mm <50mm	4	4	3	3
	>50mm	4	3	2	1
Debris/ Spillage	Danger to pedestrian	4	3	2	1
	Unauthorised obstruction	4	4	3	3

Defect and Priority Table 4:

Debris/ Spillage (and Obstructions)		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Debris/ Spillage (and Obstructions)

Litter problem	Danger to pedestrian or road user	4	3	2	2
Fly tipping	Danger to pedestrian or road user	4	4	3	3
Other debris/ spillage	Danger to pedestrian or road user	4	4	3	3
Obstruction (signage/trees/bushes/hedges etc)	Danger to pedestrian or road user	4	3	3	2

Defect and Priority Table 5:

Signs, Signals and Lighting Defects		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Signs, Signals and Lighting Defects

Light(s) out	>3 Lights out	4	3	2	1
	<3 Lights out	4	4	4	4
Damaged signal or light fitting or damaged column	Likely to fall	4	3	2	1
	Not dangerous	4	4	4	4
Exposed wires	Yes	4	3	2	1
Missing/ loose cover	Yes	4	3	2	1
Lighting obscured by vegetation	Yes	4	4	3	3
Unauthorised sign	Danger to pedestrian or road user	4	4	3	3
	Other	4	4	4	4
Missing/ damaged sign face	Regulatory/ Warning signs	4	3	2	2
	Other Signs	4	4	4	4
Obscured or dirty sign	Regulatory/ Warning signs	4	3	2	2
	Other Signs	4	4	4	4

Defect and Priority Table 6:

Safety Fence/ Barrier Defect		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Safety Fence/ Barrier Defect

Safety fence/ barrier or guardrail damaged or loose	Immediate danger to pedestrian or other road user	4	3	2	1
	Other	4	4	4	4



Defect and Priority Table 7:

Tree/ Hedge Defects		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Tree/ Hedge Defects

Loose branch	Immediate hazard	4	3	2	1
	Unlikely to fall onto road	4	4	4	4
Overhanging branch	Yes	4	4	4	3
Sight-lines obscured	Yes	4	3	2	2
Other tree/ hedge defect	Danger to pedestrian or road user	4	3	2	2
	Other	4	4	3	3

Defect and Priority Table 8:

Drainage Defects & Standing/ Running Water		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Drainage Defects & Standing/ Running Water

Blocked drain, gully or grip	Danger to pedestrian or road user	4	3	2	2
	Other	4	4	4	4
Missing gully frame	Yes	4	3	2	1
Broken gully frame/ cover	Danger to pedestrian or road user	4	3	2	1
	Other	4	4	3	3
Water discharging onto road or Trash screen/ grid blocked	Danger to pedestrian or road user or flooding to property	4	3	2	1
	Primary salting route in winter	4	3	2	2
	Other	4	4	4	4



Defect and Priority Table 9:

Structures Defects		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Structures Defects

Parapet damaged	Yes	4	3	2	2
Bridge defect - other	Danger to pedestrian or road user	4	3	2	1
	Other	4	4	3	3
Retaining wall problem	Yes	4	3	2	2
Earthworks/ embankment defect	Yes	4	3	2	2

Defect and Priority Table 10:

Utility Defects		Response Category			
		Probability			
Description	Investigatory Level	Very Low	Low	Medium	High

Utility Defects

Signing/ guarding	Not to code of Practice requirements	4	3	2	1
Reinstatement	Not to code of Practice requirements	4	3	2	1
Overhead wires, poles etc in poor condition	Yes	4	3	2	1
Utility ironwork	Missing	4	3	2	1
	Badly cracked or damaged	4	3	2	2
	Cracking round frame	4	4	3	3
Other utility defect	Danger to pedestrian or road user	4	3	2	1
	Other	4	4	3	3

Report To:	Trustees of Council's Charities	Date:	4 June 2015
Report By:	Honorary Treasurer	Report No:	FIN/43/15/JB/BA
Contact Officer:	Jan Buchanan	Contact No:	01475 712225
Subject:	Accounts of Charitable Trusts and Awards		

1.0 PURPOSE

- 1.1 The purpose of this report is to present the updated Accounts of Charitable Trusts and Awards to the Council as Trustees for review and approval.

2.0 SUMMARY

- 2.1 The purpose of this report is to ask the trustees:

- a) To adopt the annual accounts of two charitable trusts and approve their filing with the Office of the Scottish Charity Regulator.
 - SC019228 Lady Alice Shaw-Stewart Memorial Fund
 - SC019229 William Stewart of St. Fillans Bequest
- b) To consider the audit findings report [ISA260] submitted by Grant Thornton for the above two charities audited by them.
- c) To note and homologate a grant by the Lady Alice Shaw Stewart Memorial Trust approved by the Provost under the authority delegated to him.
- d) To approve proposals for the reorganisation and winding up of charitable trusts.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the trustees:

- a) Review and adopt the annual accounts for both the above charities for the year ended 31 March 2015 and approve their onward transmission to OSCR.
- b) Note the findings in Grant Thornton's audit report.
- c) Note and homologate the award made by the Lady Alice Shaw Stewart Memorial Trust.
- d) Approve the actions to wind up of the William Stewart of St Fillans Bequest, and its removal from the OSCR Register
- e) Note the ongoing actions to reorganise and wind up the Lady Alice Shaw Stewart Memorial Fund.

Alan Puckrin
Honorary Treasurer

4.0 BACKGROUND

- 4.1 The Annual Accounts for the year ended 31 March 2015 are to be submitted to Audit Scotland by the statutory deadline of 30 September 2015 and the Office of the Scottish Charity Regulator (OSCR) by the statutory deadline of 31 December 2015 (no later than 9 months after the financial year end). OSCR requires that the charity trustees approve the annual accounts and sign and date the annual report and balance sheet.
- 4.2 The independent audit of the accounts of the charities - Lady Alice Shaw-Stewart Memorial Fund and William Stewart of St Fillans Bequest - has been completed by Grant Thornton, the appointed auditor for the charities. A full audit is required to be carried out by the appointed auditor of the charities following guidance from Audit Scotland regarding the requirements of the Local Government (Scotland) Act 1973. In all cases the auditor's report confirms that the Trustees Annual Report and Financial Statements give a "true and fair view".
- 4.3 Grant Thornton has submitted an "ISA260" report on its audit findings. Page 5 of the report contains the executive summary. No control weaknesses are identified. The draft accounts were of a good quality and no errors were found.

5.0 AWARD MADE UNDER DELEGATED AUTHORITY

- 5.1 Trustees at the meeting of 9 October 2104 approved procedures for delegated authority to the Provost and Council officers in the consideration of applications to the Lady Alice Shaw Stewart Memorial Fund. An award of £221.25 was made in the reporting period to an individual recommended by the Social Work services of Inverclyde Health and Social Care Partnership towards the cost of a provisional driving licence, five driving lessons and a passport to increase her employability and to provide evidence to open a bank account. An initiative by the Criminal Justice Services section of Social Work in partnership with Action for Children attracted several applications but all except this applicant had completed their Community Service Order by the time of consideration and were not eligible for grant.

6.0 PROGRESS ON REORGANISATION AND WINDING UP OF CHARITABLE TRUSTS

- 6.1 **William Stewart of St Fillans Bequest:** The endowment reserve fund held by the Stewart Bequest has been reclassified. What this means is that under the revised classification of an "expendable endowment", trustees now have the power to convert the endowment fund into expendable income and can distribute the remaining reserves to the four beneficiaries. Approval is sought from trustees to distribute the funds, after making due allowance for audit and governance costs, and thereafter to wind up the trust and apply to have it removed from the OSCR Register.
- 6.2 **Lady Alice Memorial:** Officials are considering a proposal to re-organise this trust by winding-up and transferring the whole funds to an external charity on the basis that the funds can be more effectively managed and applied. A paper will be presented for trustees' consideration once proposals are more fully developed.

7.0 IMPLICATIONS

Finance

- 7.1 There are no financial implications arising from this report.

Financial Implications:

One off Costs

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

Annually Recurring Costs/ (Savings)

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

7.2 Legal

The review of the charities will entail further applications to OSCR for either a reorganisation scheme or schemes under Sections 39-45 of the Charities and Trustees Investment (Scotland) Act 2005 or to have a charity wound up under s.16(2)(c) of the Charities and Trustees Investment (Scotland) Act 2005.

7.3 Human Resources

There are no HR implication arising from this report.

Equalities

7.4 There are no equalities implications arising from this report.

Repopulation

7.5 There are no repopulation implications arising from this report.

Lady Alice Shaw Stewart Memorial Fund

Audited Annual Report and Financial Statements

For the Year ended 31 March 2015



Scottish Charity Number SC019228



Lady Alice Shaw Stewart Memorial Fund

Contents

Trustees' Annual Report	.....	3-5
Independent Auditor's Report	.....	6-7
Statement of Financial Activities	.....	8
Balance Sheet	.....	9
Notes to the Accounts	.....	10-12

Lady Alice Shaw Stewart Memorial Fund was established under a minute of agreement dated 3 July 1947 between the Trustees of the Female Branch of the Greenock Discharged Prisoners Aid Society and the Corporation of Greenock.

The Committee handed over the capital sum of £1,923 upon the winding up of the Branch. Female prisoners no longer served their sentences in HM Prison in Greenock and the purpose of the Branch could not be carried out. The officers of the Corporation undertook to utilise the funds for purposes similar or akin to the purpose of the Branch.

The funds were to be designated thereafter "Lady Alice Shaw Stewart Memorial Fund" in memory of Lady Alice of Ardgowan who died in January 1942. During her life, Lady Alice set up benevolent societies for the army, navy and air force, had been awarded the CBE, and was a Justice of the Peace. She was active in the Greenock School Board and a primary school in Greenock was named after her in which local children are educated to this day.

Interest on the capital sum was to be used to "give monetary or other assistance to females recommended by the Probation Officer of the Burgh of Greenock." Inverclyde Council at its Policy and

Strategy Committee meeting of 6 August 1996 delegated to the Director of Finance to consider individual applications that meet the criteria of the trust fund.

The Elected Members of the Council are the trustees. The Chief Financial Officer of Inverclyde Council in his role as the treasurer of the charity is responsible for making arrangements for the proper administration of the trust's financial affairs and reports to the trustees.

The trust made one award in the reporting period to an individual recommended by the Social Work services of the Health and Social Care Partnership.

If you wish to apply for financial assistance, or you are aware of a person who may wish to apply for financial assistance, then application forms can be obtained by contacting: Lady Alice Shaw Stewart Memorial Fund, c/o Criminal Justice Women's Service, Inverclyde Health and Social Care Partnership, Hector McNeil House, 7-8 Clyde Square, Greenock, PA15 1NB. Tel: 01475 715372.

Inverclyde
council

Lady Alice Shaw Stewart Memorial Fund

Trustees' Annual Report

For the Year ended 31 March 2015

The trustees present their report together with the financial statements and the Independent Auditor's report for the year ended 31 March 2015.

Reference and administrative information

- Charity Name Lady Alice Shaw Stewart Memorial Fund
- Charity Number SC019228
- Principal Address C/o Inverclyde Council, Municipal Buildings,
Clyde Square, Greenock, PA15 1LY

Current trustees

- Provost Robert Moran, Chair
- Councillor Ronnie Ahlfeld
- Councillor Martin Brennan
- Councillor Keith Brooks
- Councillor Math Campbell-Sturgess
- Councillor Jim Clocherty
- Councillor Gerry Dorrian
- Councillor Jim Grieve
- Councillor Vaughan Jones
- Councillor Terry Loughran
- Councillor Stephen McCabe
- Councillor James McColgan
- Councillor Michael McCormick
- Councillor Chris McEleny
- Councillor Joe McIlwee
- Councillor Jim MacLeod
- Councillor Innes Nelson
- Councillor Luciano Rebecchi
- Councillor Kenny Shepherd
- Councillor David Wilson

Other trustees who served during the year

- None

Honorary Secretary

- Role fulfilled by officers in Inverclyde Council's Legal and Property Services

Honorary Treasurer

- Role fulfilled by Alan Puckrin CPFA, Chief Financial Officer

Bankers

- All monies are held and managed by Inverclyde Council.

Independent Auditor

- Michael Thomas, Grant Thornton UK LLP, Royal Liver Building, Liverpool, L3 1PS

Structure, Governance and Management

Governing Document

The legal name of the charity is Lady Alice Shaw Stewart Memorial Fund. The trust is an unincorporated Scottish charity governed on the basis of the available evidence of its constitution, a minute of agreement dated 3 July 1947 between the trustees of the Female Branch of the Greenock Discharged Prisoners Aid Society and the Corporation of Greenock, and as approved by the Policy and Strategy Committee of 6 August 1996. Grants are made in accordance with the terms of the charity.

Appointment of Trustees

The councillors of Inverclyde Council are assumed as trustees on their appointment to the Council. Councillors receive training on the responsibilities of being a charity trustee and the accounts of the trust.

Organisational Structure

The trustees (as the elected members of the council) meet once a year at the AGM to consider and adopt the annual report and financial statements. Trustees consider the income and expenditure levels during the financial year and that suitable arrangements are in place to manage the remaining funds of the trust. The trustees delegate the day to day administration of the charities to officers of the Council.

The Council provides all administrative support to the charity including financial, legal and secretarial support and deals with any applicants on behalf of the charity. The Council also administers any payments from the charity.

The Council makes a charge for these services following as agreed by trustees at a meeting of 3 December 2009.

Related Parties

Trustees hold this position because they are elected councillors of Inverclyde Council. Inverclyde Council provides support services to the trust.

Management of Funds and Investment Policy

The trustees rely upon the expertise of officers of Inverclyde Council to manage the investments to ensure the maximum return at least risk to the charity.

Finance Services of Inverclyde Council have taken the steps required by charity trustees under the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 for the period from 1 April 2014 to 31 March 2015. The funds of the charity are deposited with Inverclyde Council and receive interest at the average market rate for the Council's borrowing. The interest received from Inverclyde Council is shown in the Statement of Financial Activities.

Objects and Activities

Objects

Its charitable object is "interest on the capital sum is to be used to give monetary or other assistance to females recommended by the Probation Officer of the Burgh of Greenock".

Inverclyde Council at its Policy and Strategy Committee meeting of 6 August 1996 delegated to the Director of Finance to consider individual applications that meet the criteria of the trust fund.

The Council also noted at this meeting the continuation of the policy of the demitting local authority that the capital sum is to be preserved and the annual income only may be used for awards.

Activities

The charity makes grants in accordance with its purposes to individuals and organisations.

Achievements and Performance

The trust streamlined its processes for the consideration of applications and worked with a local charity to actively encourage applications. This resulted in several applications for grant and an award to one individual was made during the year.

Financial Review

Overview

The charity made one award of £221. Expenditure of £1,210 was incurred on governance costs; £960 for audit fees and £250 for the cost of accountancy, legal and administrative support. Income of £224 was received from interest earned on the funds deposited with Inverclyde Council.

The net deficit of £1,207 for the year was taken from the unrestricted funds brought forward to give unrestricted funds carried forward of £43,994 plus unchanged permanent endowment funds of £1,923. This entire sum is deposited with Inverclyde Council.

Reserves Policy

The trust has no explicit reserves policy, but the "capital" of the fund is held effectively as a permanent endowment, with only the annual income available for disbursement in the year via the unrestricted reserves. The unrestricted free reserves are available for the objectives of the trust. The unrestricted reserves at the financial year-end were £43,994. The terms of the trust deed are very restrictive which has resulted in a gradual accumulation of reserves over time.

Future Plans

Inverclyde Council is considering a more cost-effective method of administering its charities and that the best use is made of the funds left in its care. Accordingly, the Council is currently conducting a review of its charitable trusts with a view to gaining OSCR's approval of a reorganisation scheme under Sections 39-45 of the Charities and Trustees Investment (Scotland) Act 2005 and the 2007 Regulations.

Officers of the Council are working with a local charity to explore proposals for the use of the funds. This will be the subject of a future report to Trustees once proposals are more fully developed.

Conclusion

The charity made one award during the year. Officers of the Council are exploring proposals

for the funds. This will be the subject of a future report to trustees once proposals are more fully developed.

Approved by the trustees on Fourth June, Two Thousand and Fifteen and signed on behalf of all trustees by:

Provost Robert Moran

Chair of the trustees

This Trustees' Annual Report is also counter-signed by the Chief Financial Officer of Inverclyde Council in his capacity as the Honorary Treasurer.

Alan Puckrin CPFA

Honorary Treasurer

Lady Alice Shaw Stewart Memorial Fund
Independent Auditor's Report
For the Year ended 31 March 2015

Independent auditor's report to the trustees of Lady Alice Shaw Stewart Memorial Fund and the Accounts Commission for Scotland

We certify that we have audited the financial statements of Lady Alice Shaw Stewart Memorial Fund for the year ended 31 March 2015 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Accounts Commission for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the trustees and auditor

The trustees are responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts or disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

Opinion on other prescribed matter

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We are required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Michael Thomas, for and on behalf of Grant Thornton UK LLP

Royal Liver Building
Liverpool
L3 1PS

4 June 2015

Michael Thomas is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

Lady Alice Shaw Stewart Memorial Fund
Statement of Financial Activities for the Year ended 31 March 2015

	Note	Unrestricted Funds	Permanent Endowment Funds	Total 2015	Total 2014
		£	£	£	£
Incoming Resources					
<i>Incoming resources from generated funds</i>					
Interest Receivable	5	224	0	224	233
Total Incoming Resources		224	0	224	233
Resources Expended					
<i>Costs of activities in furtherance of charitable activities</i>					
Grants and Awards	3	221	0	221	0
Governance Costs	4	1,210	0	1,210	1,210
Total Resources Expended	6	1,431	0	1,431	1,210
Net Incoming/(Outgoing) Resources before Transfers		(1,207)	0	(1,207)	(977)
Transfers					
Gross Transfers between Funds		0	0	0	0
Net Movement in Funds		(1,207)	0	(1,207)	(977)
Reconciliation of Funds					
Total Funds Brought Forward		45,201	1,923	47,124	48,101
Total Funds Carried Forward		43,994	1,923	45,917	47,124
The Lady Alice Shaw Stewart Memorial Fund has no recognised gains or losses other than the results for the year as set out above. The activities of the trust are classed as continuing. The notes on pages 10 to 12 form an integral part of these accounts.					

Lady Alice Shaw Stewart Memorial Fund
Balance Sheet as at 31 March 2015

	Note	Unrestricted Funds	Permanent Endowment Funds	Total 2015	Total 2014
		£	£	£	£
Current Assets					
Cash at Bank	7	43,994	1,923	45,917	47,124
Current Liabilities					
Creditors: Amounts Falling Due within One Year		0	0	0	0
Net Current Assets		43,994	1,923	45,917	47,124
Net Assets		43,994	1,923	45,917	47,124
Funds					
Unrestricted Funds		43,994		43,994	45,201
Endowment Funds			1,923	1,923	1,923
Total Funds		43,994	1,923	45,917	47,124
<p>The notes on pages 10 to 12 form an integral part of these accounts.</p> <p>Approved by the trustees on 4 June 2015 and signed on their behalf by:</p>					
		Provost Robert Moran Chair of the trustees	Alan Puckrin CPFA Honorary Treasurer		

Lady Alice Shaw Stewart Memorial Fund

Notes to the Accounts

Note 1 Basis of Preparation

1.1 Basis of Accounting

These accounts have been prepared on the basis of historic cost in accordance with:

- (a) Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005 – 2nd Edition); and the Financial Reporting Standard for Smaller Charities (FRSSE) (Effective April 2008).
- (b) The Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

1.2 Changes in the basis of accounting

None

1.3 Changes to previous accounts

None

Note 2 Accounting Policies

2.1 Incoming Resources

- (a) Incoming resources are recognised and included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to the resources; the trustees are virtually certain they will receive the resources; and the monetary value can be measured with sufficient reliability.
- (b) Where incoming resources have related expenditure, the incoming resources and related expenditure are reported gross in the SoFA.
- (c) Interest on deposits with Inverclyde Council is recognised in the accounts when receivable.

2.2 Expenditure and Liabilities

- (a) Expenditure is accounted for on an accruals basis.
- (b) Liabilities are recognised as soon as there is a legal or constrictive obligation to pay out resources.
- (c) Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance matters.

2.3 Taxation

The charity is not liable to income tax or capital gains tax on its charitable activities. Irrecoverable tax is included in the expense to which it relates.

2.4 Comparative Figures

Figures for 2014 are shown as appropriate for purposes of comparison.

Note 3 Grants and Awards

	2015	2014
	£	£
Grants to Organisations	0	0
Grants to Individuals	221	0
Total	221	0
Grants were made in 2015 as follows:		
▪ Grants to Individuals: The Trust made one award in the reporting period to an individual recommended by the Social Work services of Inverclyde Health and Social Care Partnership.		

Note 4 Governance Costs

	2015	2014
	£	£
Audit Fee	960	960
Charges from Inverclyde Council for accountancy and legal support on governance matters	250	250
Total	1,210	1,210
Lady Alice Shaw Stewart Memorial Fund has no staff. All support functions are provided by Inverclyde Council.		

Note 5 Trustees Remuneration, Expenses and Related Party Transactions

No trustees were remunerated during the year or any persons connected with them during the year (2014: Nil), nor was there any requirement for any expenses to be paid (2014: Nil).

The trustees are the elected members of Inverclyde Council. The Council provides governance services at a cost of £250 (2014: £250). During the year, the charity received interest of £224 from the Council (2014: £233). As at 31 March 2015, cash of £45,917 was held by Inverclyde Council for the charity (2014: £47,124). There are no outstanding balances due to or from Inverclyde Council other than those that appear in the balance sheet.

Note 6 Total Resources Expended

	Basis of Allocation	Unrestricted Funds		2015	2014
		Grants and Awards	Governance Costs	Total	Total
		£	£	£	£
Awards & Contributions	Direct	221	0	221	0
Auditors Fee	Direct	0	960	960	960
Charge from Inverclyde Council	Direct	0	250	250	250
Total for Year		221	1,210	1,431	1,210

Note 7 Cash at Bank

During the year the trust's balances were held by Inverclyde Council. The Council acts as the banker for the charity and all transactions incoming and outgoing are made via the Council's accounts. The balance is repayable on demand. Interest is paid on balances.

	2015 £	2014 £
Balance at 31 March	47,124	48,101
Funds placed on deposit	224	233
Funds withdrawn	(1,431)	(1,210)
Balance at 31 March	45,917	47,124



Inverclyde
council

Finance Services, Municipal Buildings, Greenock PA15 1LY
Tel: 01475 712090 Fax: 01475 712202 www.inverclyde.gov.uk

William Stewart of St. Fillans Bequest

Audited Annual Report and Financial Statements

For the Year ended 31 March 2015



Scottish Charity Number SC019229

Inverclyde
council

William Stewart of St. Fillans Bequest Contents

Trustees' Annual Report	3-5
Independent Auditor's Report	6-7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Accounts	10-12

William Stewart of St. Fillans Bequest was established by a bequest of £5,000 on 9 January 1868 by the trustees of the late William Stewart to the Corporation of Greenock. It is thought that "St Fillans" refers to the neighbouring village of Kilmacolm where there is a church of that name.

The interest on the capital sum was to be used to promote the religious and intellectual development of the poor and destitute of Greenock. The interest was distributed by the Corporation amongst various local charities of the town of Greenock such as (in 1933) the Town Missionary and the Throat, Nose and Ear Infirmary.

More recently, Inverclyde District Council at its Finance and Law Sub-Committee of 11 June 1976 decided that the annual income was to be divided equally between four organisations - Greenock Medical Aid, Little Sisters of the Poor, Greenock Girls' Home and the Association for Mental Health.

Subsequently, Inverclyde Council at its Policy and Resources Committee meeting of 6 August 1996 agreed that Greenock Girls' Home and the Association for Mental Health be replaced by Caladh House and Argyll & Clyde Acute Hospital Endowment Fund as the successors to these defunct organisations.

Inverclyde Council as the successor local

authority is the sole trustee. The Chief Financial Officer of Inverclyde Council in his role as the honorary treasurer of the charity is responsible for making arrangements for the proper administration of the charitable trust and reports to trustees.

Approval will be sought from trustees to transfer of the entire funds to the current beneficiaries in 2015 and to submit an application to OSCR to wind up the trust and to make such a transfer.

William Stewart of St. Fillans Bequest Trustees' Annual Report

For the Year ended 31 March 2015

The trustees present their report together with the financial statements and the Independent Auditor's report for the year ended 31 March 2015.

Reference and administrative information

- Charity Name William Stewart of St. Fillans Bequest
- Charity Number SC019229
- Principal Address C/o Inverclyde Council, Municipal Buildings,
Clyde Square, Greenock, PA15 1LY

Current trustees

- Provost Robert Moran Chair
- Councillor Ronnie Ahlfeld
- Councillor Martin Brennan
- Councillor Keith Brooks
- Councillor Math Campbell-Sturgess
- Councillor Jim Clocherty
- Councillor Gerry Dorrian
- Councillor Jim Grieve
- Councillor Vaughan Jones
- Councillor Terry Loughran
- Councillor Stephen McCabe
- Councillor James McColgan
- Councillor Michael McCormick
- Councillor Chris McEleny
- Councillor Joe McIlwee
- Councillor Jim MacLeod
- Councillor Innes Nelson
- Councillor Luciano Rebecchi
- Councillor Kenny Shepherd
- Councillor David Wilson

Other trustees who served during the year

- None

Honorary Secretary

- Role fulfilled by officers in Inverclyde Council's Legal and Property Services

Honorary Treasurer

- Role fulfilled by Alan Puckrin CPFA, Chief Financial Officer

Bankers

- All monies are held and managed by Inverclyde Council.

Independent Auditor

- Michael Thomas, Grant Thornton UK LLP, Royal Liver Building, Liverpool L3 1PS

Structure, Governance and Management Governing Document

The legal name of the charity is William Stewart of St. Fillans Bequest. The trust was established by a bequest of £5,000 on 9 January 1868 by the trustees of the late William Stewart to the Corporation of Greenock.

The trust is an unincorporated Scottish charity governed on the basis of the available evidence of its constitution, and as approved by the Policy and Strategy Committee of 6 August 1996.

Appointment of Trustees

The councillors of Inverclyde Council are assumed as trustees on their appointment to the Council. Councillors receive training on the responsibilities of being a charity trustee and the accounts of the trust.

Organisational Structure

The trustees (as the elected members of the council) meet once a year at the AGM to consider and adopt the annual report and financial statements. Trustees consider the income and expenditure levels during the financial year and that suitable arrangements are in place to manage the remaining funds of the trust. The trustees delegate the day to day administration of the charities to officers of the Council.

The Council provides all administrative support to the charity including financial, legal and secretarial support and deals with any applicants on behalf of the charity. The Council also administers any payments from the charity.

The Council makes a charge for these services as agreed by trustees at a meeting of 3 December 2009.

Related Parties

Trustees hold this position because they are elected councillors of Inverclyde

Council. Inverclyde Council provides support services to the Trust.

Management of Funds and Investment Policy

The trustees rely upon the expertise of officers of Inverclyde Council to manage the investments to ensure the maximum return at least risk to the charity.

Finance Services of Inverclyde Council have taken the steps required by charity trustees under the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 for the period from 1 April 2014 to 31 March 2015. The funds of the charity are deposited with Inverclyde Council and receive interest at the average market rate for the Council's borrowing. The interest received from Inverclyde Council is shown in the Statement of Financial Activities.

Objects and Activities

Objects

Its charitable object is to promote the religious and intellectual development of the poor and destitute of Greenock.

Inverclyde Council at its Policy and Resources Committee meeting of 6 August 1996 confirmed that the annual income be divided equally between four organisations - Caladh House, Greenock Medical Aid, Little Sisters of the Poor and Argyll & Clyde Acute Hospital Endowment Fund.

Activities

The charity makes grants in accordance with its purposes to organisations.

Achievements and Performance

A modest award of £12 was shared between the four beneficiary organisations - Caladh House, Greenock Medical Aid, Little Sisters of the Poor and Argyll & Clyde Acute Hospital Endowment Fund - in the financial reporting period.

Financial Review

Overview

The charity made an award of £12 split equally between the four beneficiaries. Expenditure of £1,210 was incurred on governance costs; £960 for audit fees and £250 for the cost of accountancy, legal and administrative support. Income of £12 was received from interest earned on the funds deposited with Inverclyde Council.

The shortfall for the year of £1,210 was deducted from the funds brought forward to give a total for funds carried forward of £1,361. This is deposited with Inverclyde Council.

There is an outstanding creditor of £30 for awards for the current and prior years that are due to be paid to the four organisations (Caladh House, Greenock Medical Aid, Little Sisters of the Poor and Argyll & Clyde Acute Hospital Endowment Fund).

Reserves Policy

The trust has no explicit reserves policy. The "capital" of the fund is held as an expendable endowment fund. The expendable endowment fund and unrestricted fund are available for the objects of the trust.

The annual outlays can no longer be met from income and require to be met from the expendable endowment fund of the trust. There were no unrestricted reserves at the financial year-end.

Future Plans

Inverclyde Council is considering a more cost-effective method of administering its charities and that the best use is made of the funds left in its care.

Approval will be sought from trustees to transfer of the entire funds to the current beneficiaries in 2015 and to submit an application to OSCR to wind up the trust and to make such a transfer.

Conclusion

The charity's expenditure exceeded income during the reporting period and the deficit required to be taken from the remaining expendable endowment funds.

Approved by the trustees on Fourth June, Two Thousand and Fifteen and signed on behalf of all trustees by:

Provost Robert Moran

Chair of the trustees

This trustees' report is also counter-signed by the Chief Financial Officer of Inverclyde Council in his capacity as Honorary Treasurer.

Alan Puckrin CPFA

Honorary Treasurer

William Stewart of St. Fillans Bequest
Independent Auditor's Report
For the Year ended 31 March 2015

Independent auditor's report to the trustees of William Stewart of St. Fillans Bequest and the Accounts Commission for Scotland

We certify that we have audited the financial statements of William Stewart of St. Fillans Bequest for the year ended 31 March 2015 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Accounts Commission for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the trustees and auditor

The trustees are responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts or disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

Opinion on other prescribed matter

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We are required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Michael Thomas, for and on behalf of Grant Thornton UK LLP

Royal Liver Building
Liverpool
L3 1PS

4 June 2015

Michael Thomas is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

William Stewart of St. Fillans Bequest
Statement of Financial Activities for the Year ended 31 March 2015

	Note	Unrestricted Funds	Expendable Endowment Funds	Total 2015	Total 2014
		£	£	£	£
Incoming Resources					
<i>Incoming resources from generated funds</i>					
Interest Receivable	5	12	0	12	18
Total Incoming Resources		12	0	12	18
Resources Expended					
<i>Costs of activities in furtherance of charitable activities</i>					
Grants and Awards	3	12	0	12	18
Governance Costs	4	1,210	0	1,210	1,210
Total Resources Expended	6	1,222	0	1,222	1,228
Net Incoming/(Outgoing) Resources before Transfers		(1,210)	0	(1,210)	(1,210)
Transfers					
Gross transfers between funds	7	1,210	(1,210)	0	0
Net Movement in Funds		0	(1,210)	(1,210)	(1,210)
Reconciliation of Funds					
Total Funds Brought Forward		0	2,571	2,571	3,781
Total Funds Carried Forward		0	1,361	1,361	2,571
William Stewart of St. Fillans Bequest has no recognised gains or losses other than the results for the year as set out above. The activities of the trust are not classed as continuing. The notes on pages 10 to 12 form an integral part of these accounts.					

**William Stewart of St. Fillans Bequest
Balance Sheet as at 31 March 2015**

	Note	Unrestricted Funds	Expendable Endowment Funds	Total 2015	Total 2014
		£	£	£	£
Current Assets					
Cash at Bank	8	0	1,391	1,391	2,589
Current Liabilities					
Creditors: Amounts Falling Due within One Year	9	0	(30)	(30)	(18)
Net Current Assets		0	1,361	1,361	2,571
Net Assets		0	1,361	1,361	2,571
Funds					
Unrestricted Funds		0		0	0
Endowment Funds			1,361	1,361	2,571
Total Funds		0	1,361	1,361	2,571
The notes on pages 10 to 12 form an integral part of these accounts.					
Approved by the trustees on 4 June 2015 and signed on their behalf by:					
Provost Robert Moran Chair of the trustees		Alan Puckrin CPFA Honorary Treasurer			

William Stewart of St. Fillans Bequest

Notes to the Accounts

Note 1 Basis of Preparation

1.1 Basis of Accounting

These accounts have been prepared on the basis of historic cost in accordance with:

- (a) Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005 – 2nd Edition); and the Financial Reporting Standard for Smaller Charities (FRSSE) (Effective April 2008).
- (b) The Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).
- (c) The accounts are prepared on a “break up basis” as the activities of the trust are not classed as continuing.

1.2 Changes in significant judgements

The status of the endowment has been revised during the reporting period following a review of the available governing documentation. It is considered more appropriate for the endowment fund to be described as an expendable endowment fund. There are no adjustments to the values in the accounts in either the current or prior period as a result of this change in judgement.

Note 2 Accounting Policies

2.1 Incoming Resources

- (a) Incoming resources are recognised and included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to the resources; the trustees are virtually certain they will receive the resources; and the monetary value can be measured with sufficient reliability.
- (b) Where incoming resources have related expenditure, the incoming resources and related expenditure are reported gross in the SoFA.
- (c) Interest on deposits with Inverclyde Council is recognised in the accounts when receivable.

2.2 Expenditure and Liabilities

- (a) Expenditure is accounted for on an accruals basis.
- (b) Liabilities are recognised as soon as there is a legal or constrictive obligation to pay out resources.
- (c) Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance matters.

2.3 Taxation

The charity is not liable to income tax or capital gains tax on its charitable activities. Irrecoverable tax is included in the expense to which it relates.

2.4 Comparative Figures

Figures for 2014 are shown as appropriate for purposes of comparison.

Note 3 Grants and Awards

	2015	2014
	£	£
Caladh House, Greenock	3	5
Greenock Medical Aid	3	5
Little Sisters of the Poor, Greenock	3	4
Argyll & Clyde Acute Hospital Endowment Fund	3	4
Total	12	18
The purpose of the four awards in each year is to assist with the organisations' work with the poor and destitute of Greenock.		

Note 4 Governance Costs

	2015	2014
	£	£
Audit Fee	960	960
Charges from Inverclyde Council for accountancy and legal support on governance matters	250	250
Total	1,210	1,210
William Stewart of St. Fillans Bequest has no staff. All support functions are provided by Inverclyde Council.		

Note 5 Trustees Remuneration, Expenses and Related Party Transactions

No trustees were remunerated during the year or any persons connected with them during the year (2014: Nil), nor was their any requirement for any expenses to be paid (2014: Nil).

The trustees are the Elected Members of Inverclyde Council. The Council provides governance services at a cost of £250 (2014: £250). During the year, the charity received interest of £12 from the Council (2014: £18). As at 31 March 2015, cash of £1,391 was held by Inverclyde Council for the charity (2014: £2,589). There are no outstanding balances due to or from Inverclyde Council other than those that appear in the balance sheet.

Note 6 Total Resources Expended

	Basis of Allocation	Unrestricted Funds		2015	2014
		Grants and Awards	Governance Costs	Total	Total
		£	£	£	£
Awards & Contributions	Direct	12	0	12	18
Auditors Fee	Direct	0	960	960	960
Charge from Inverclyde Council	Direct	0	250	250	250
Total for Year		12	1,210	1,222	1,228

Note 7 Gross Transfers between Funds

It has been necessary to apply the expendable endowment funds to settle all amounts due for governance. Under the Local Government (Scotland) Act 1973 and as directed by the Accounts Commission for Local Authorities in Scotland, the Trustees have no discretion in the more rigorous requirement of a full audit, or in the selection of an independent auditor.

Note 8 Cash at Bank

During the year the trust's balances were held by Inverclyde Council. The Council acts as the banker for the charity and all transactions incoming and outgoing are made via the Council's accounts. The balance is repayable on demand. Interest is paid on balances.

	2015 £	2014 £
Balance at 31 March	2,589	3,883
Funds placed on deposit	12	18
Funds withdrawn	(1,210)	(1,312)
Balance at 31 March	1,391	2,589

Note 9 Creditors

	2015 Total £	2014 Total £
Awards Approved in Current & Previous Financial Years		
Caladh House, Greenock	8	5
Greenock Medical Aid	8	5
Little Sisters of the Poor, Greenock	7	4
Argyll & Clyde Acute Hospital Endowment Fund	7	4
Balance at 31 March	30	18

Note 10 Events after the Reporting Period

The Trustees decided on 4 June 2015 to distribute all available funds, after making due allowance for audit and governance costs, and thereafter wind up the trust and apply to have it removed from the OSCR Register. The Accounts have accordingly been prepared on a "break-up" basis.



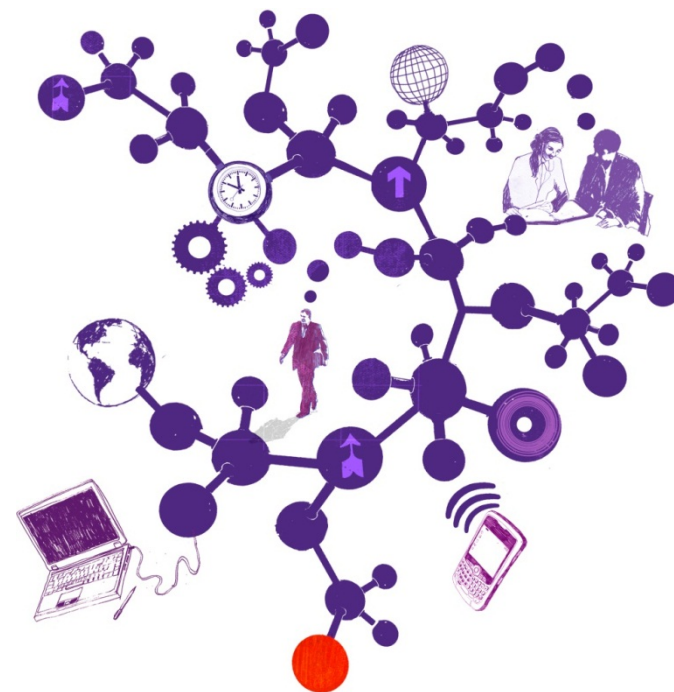
Inverclyde
council

Finance Services, Municipal Buildings, Greenock PA15 1LY
Tel: 01475 712090 Fax: 01475 712202 www.inverclyde.gov.uk



The Audit Findings Report for Lady Alice Shaw Stewart Memorial Fund

Year ended 31 March 2015



The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Charities or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Contents

Executive summary	page 4
Audit risks and findings	page 6
Fees, non audit services and independence	page 9
Communication of audit matters	page 11
Appendices	
A. Audit Opinion	page 14
B. Letter of Representation	page 16

Section 1: Executive summary

01. Executive summary

02. Audit Risks and findings

03. Fees, non audit services and independence

04. Communication of audit matters

Executive summary

Purpose of this report

This report highlights the key issues affecting the financial statements of Lady Alice Shaw Stewart Memorial Fund (the Charity). The Trustees of the charity have been identified as those charged with governance.

This report is prepared under International Standards on Auditing (ISAs) (UK & Ireland) 260 as a single communication with those charged with governance.

Introduction

This is the second year in which we have undertaken an audit of the charity.

Our audit is now substantially complete, and we are finalising our procedures in the following areas:

- obtaining and reviewing the management letter of representation
- updating our post balance sheet events review, to the date of signing the opinion.

Key audit and financial reporting issues

Financial statements opinion

We have not identified any audit adjustments affecting the Charity's net funds or any of the figures in the financial statements.

We anticipate providing an unqualified opinion on the charity's statements. The draft opinion is attached at Appendix A.

The key messages arising from our audit of the financial statements are:

- the draft financial statements contained no errors and were of good quality
- we recommended a small number of minor presentational adjustments to the financial statements

Controls

Roles and responsibilities

Management are responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to management and the Trustees.

Findings

Our work has not identified any control weaknesses which we wish to highlight for your attention.

Next Steps

On receipt of the final version of the financial statements, annual report and letter of representation we will finalise our audit and issue our opinion.

Acknowledgement

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

Section 2: Audit Risks and Findings

01. Executive summary

02. Audit Risks and Findings

03. Fees, non audit services and independence

04. Communication of audit matters

Audit findings against significant risks




In this section we detail our response to the significant risks of material misstatement which we identified in the Audit Plan. As we noted in our plan, there are two presumed significant risks which are applicable to all audits under auditing standards.

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, either due to size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty" (ISA 315).

	Risks identified in our audit plan	Work completed	Assurance gained and issues arising
1.	<p>The revenue cycle may include fraudulent transactions</p> <p>Under ISA 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p>	<ul style="list-style-type: none"> • Performance of substantive testing on revenue streams. • Review of revenue recognition policies. 	<p>Our audit work has not identified any issues in respect of revenue recognition.</p>
2.	<p>Management over-ride of internal controls may result in material misstatement</p> <p>Under ISA 240 there is a presumed risk that the risk of management over-ride of controls is present in all entities.</p>	<ul style="list-style-type: none"> • Assessment of the design and implementation of controls in key systems. • Review of accounting estimates, judgments and decisions made by management. • Review of all significant transactions. 	<p>Our audit work has not identified any evidence of management override of controls.</p> <p>We set out later in this section of the report our work and findings on key accounting estimates and judgments.</p>



Accounting policies, Estimates & Judgements

In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included within the Charity's financial statements.

Accounting area	Summary of policy	Comments	Assessment
Revenue recognition (revenue recognition fraud is a presumed significant risk)	Incoming resources are recognised and included in the Statement of Financial Activities (SoFA) of the relevant charity when: <ul style="list-style-type: none"> the charity becomes entitled to the resources; the trustees are virtually certain they will receive the resources; and the monetary value can be measured with sufficient reliability. 	<ul style="list-style-type: none"> We have reviewed the Charity's policies and tested all income transactions. We do not have any comments to make.	 Green
Judgements and estimates (management override of controls is a presumed significant risk)	Management have not made any judgements and estimates which would have a material impact on the financial statements.	<ul style="list-style-type: none"> We have reviewed the Charity's policies and practices. We do not have any comments to make.	 Green
Other accounting policies	The Charity has adopted accounting policies which are in line with our expectations for the Charity.	<ul style="list-style-type: none"> We have reviewed the Charity's policies. We do not have any comments to make.	 Green

We have not identified any issues with any of the accounting areas above. We have not identified any misstatements to report to you in this report.

Assessment

-  Marginal accounting policy which could potentially attract attention from regulators
-  Accounting policy appropriate and disclosures sufficient

-  Accounting policy appropriate but scope for improved disclosure

Section 3: Fees, non audit services and independence

01. Executive summary

02. Audit Risks and Findings

03. Fees, non audit services and independence

04. Communication of audit matters

Fees, non audit services and independence

We confirm below our final fees charged for the audit

Fees excluding VAT

	£
Audit fee	800

Fees for other services

Service	Fees £
None	Nil

Changes to our planned Audit Approach

We have not had to alter our audit plan or propose any additional fees to those agreed with management above.

Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements.

We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.

Section 4: Communication of audit matters

01. Executive summary

02. Audit Risks and Findings

03. Fees, non audit services and independence

04. Communication of audit matters

Key communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards to communicate to those charged with governance.

	Issue	Commentary
1.	Matters in relation to fraud	We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit procedures.
2.	Matters in relation to related parties	We are not aware of any related party transactions which have not been disclosed.
3.	Matters in relation to laws and regulations	We are not aware of any incidences of non-compliance with relevant laws and regulations.
4.	Written representations	A standard letter of representation has been requested.
5.	Disclosures	There are no outstanding disclosure issues which management have not adjusted.
6.	Going Concern	We have reviewed the going concern assertions made in the Annual Report and Financial Statements. We have reviewed this judgement by management and concluded that this is appropriate in the circumstances and that the disclosures in the Annual Report and Financial Statements are adequate.

Communication of audit matters to those charged with governance

International Standards on Auditing (ISA) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK and Ireland), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. We are required to audit the financial statements and to give an opinion as to:

- whether they give a true and fair view of the financial position of the Trust and its expenditure and income for the period in question
- whether they have been prepared properly in accordance with relevant legislation, applicable accounting standards and other reporting requirements

It is the responsibility of the charity to ensure that proper arrangements are in place for the conduct of its business, and that donations are safeguarded and properly accounted for. We have considered how the Charity is fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	✓	✓
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Compliance with laws and regulations		✓
Expected unmodified auditor's report		✓
Uncorrected misstatements		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓

Appendix A: Audit Opinion Lady Alice Shaw Stewart Memorial Fund

We anticipate we will provide the Charity with an unqualified audit report

Independent auditor's report to the trustees of Lady Alice Shaw Stewart Memorial Fund and the Accounts Commission for Scotland

We certify that we have audited the financial statements of Lady Alice Shaw Stewart Memorial Fund for the year ended 31 March 2015 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Accounts Commission for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the trustees and auditor

The trustees are responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts or disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

Appendix A: Audit Opinion (continued)

Opinion on other prescribed matter

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We are required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Michael Thomas, for and on behalf of Grant Thornton UK LLP
Royal Liver Building
Liverpool
L3 1PS

4 June 2015

Michael Thomas is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

Appendix B: Draft Letter of Representation Lady Alice Stewart Memorial Fund

Lady Alice Shaw Stewart Memorial Fund Financial Statements for the year ended 31 March 2015

This representation letter is provided in connection with the audit of the financial statements of the Lady Alice Shaw-Stewart Memorial Fund for the year ended 31 March 2015 for the purpose of expressing opinions as to whether the financial statements give a true and fair view in accordance with the 2005 Charity SORP and applicable Financial Reporting Standards.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- i. We have fulfilled our responsibilities for the preparation of the financial statements in accordance with proper practices as set out in the 2005 Charity SORP and applicable Financial Reporting Standards; in particular the financial statements give a true and fair view in accordance therewith.
- ii. We have complied with the requirements of all statutory directions and these matters have been appropriately reflected and disclosed in the financial statements.
- iii. The Charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
- iv. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- vi. We are satisfied that the material judgements used by us in the preparation of the financial statements are soundly based, in accordance with the 2005 SORP, and adequately disclosed in the financial statements. There are no material judgements that need to be disclosed.

- vii. Except as stated in the financial statements:
 - a) there are no unrecorded liabilities, actual or contingent
 - b) none of the assets of the charities has been assigned, pledged or mortgaged
 - c) there are no additional material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- viii. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the 2005 SORP and applicable accounting standards.
- ix. All events subsequent to the date of the financial statements for which the 2005 SORP requires adjustment or disclosure have been adjusted or disclosed.
- x. There is no actual or possible litigation or claims to be accounted for.
- xi. The financial statements are free of material misstatements, including omissions. Any misstatements identified in the Audit Findings Report and not amended for are, individually and in aggregate, not material to the financial statements.
- xii. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiii. All expenditure has been made in line with the charitable objectives.
- xiv. We believe that the financial statements of the Lady Alice Shaw-Stewart Memorial Fund should be prepared on a going concern basis.

Appendix B: Draft Letter of Representation (continued)

Information Provided

- xv We have provided you with:
 - a) access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - b) additional information that you have requested from us for the purpose of your audit; and
 - c) unrestricted access to persons from whom you determined it necessary to obtain audit evidence.
- xvi. We have communicated to you all deficiencies in internal control of which management is aware.
- xvii. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xviii. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xix. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Charity and involves:
 - a) management;
 - b) those who have significant roles in internal control; or
 - c) others where the fraud could have a material effect on the financial statements.
- xx. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Charity's financial statements communicated by employees, former employees, regulators or others.
- xxi. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- xxii. We have disclosed to you the entity of the Charity's related parties and all the related party relationships and transactions of which we are aware.
- xxiii. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Trustees' Annual Reports

- xxiv We are satisfied that the Trustees' Annual Report fairly reflects the Charity's operations and business, and is consistent with our knowledge of the Charity.



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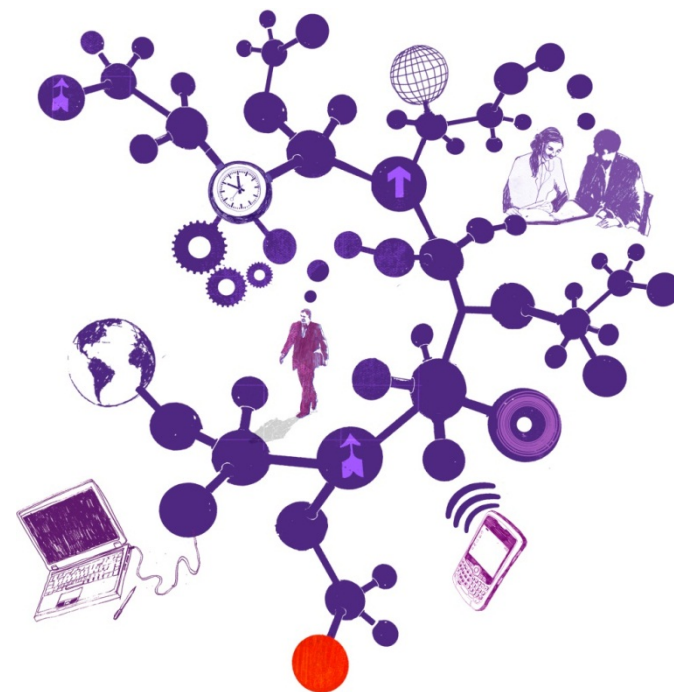
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The Audit Findings Report for William Stewart of St. Fillans Bequest

Year ended 31 March 2015



The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Charities or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Contents

Executive summary	page 4
Audit risks and findings	page 6
Fees, non audit services and independence	page 10
Communication of audit matters	page 12
Appendices	
A. Audit Opinion	page 15
B. Letter of Representation	page 17

Section 1: Executive summary

01. Executive summary

02. Audit Risks and findings

03. Fees, non audit services and independence

04. Communication of audit matters

Executive summary

Purpose of this report

This report highlights the key issues affecting the financial statements of William Stewart of St. Fillans Bequest (the Charity). The Trustees of the charity have been identified as those charged with governance.

This report is prepared under International Standards on Auditing (ISAs) (UK & Ireland) 260 as a single communication with those charged with governance.

Introduction

This is the second year in which we have undertaken an audit of the charity.

Our audit is now substantially complete, and we are finalising our procedures in the following areas:

- obtaining and reviewing the management letter of representation
- updating our post balance sheet events review, to the date of signing the opinion.

Key audit and financial reporting issues

Financial statements opinion

We have not identified any audit adjustments affecting the Charity's net funds or any of the figures in the financial statements.

We anticipate providing an unqualified opinion on the charity's statements. The draft opinion is attached at Appendix A.

The key messages arising from our audit of the financial statements are:

- the draft financial statements contained no errors and were of good quality
- we recommended a small number of minor presentational adjustments to the financial statements

Controls

Roles and responsibilities

Management are responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to management and the Trustees.

Findings

Our work has not identified any control weaknesses which we wish to highlight for your attention.

Next Steps

On receipt of the final version of the financial statements, annual report and letter of representation we will finalise our audit and issue our opinion.

Acknowledgement

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

Section 2: Audit Risks and Findings

01. Executive summary

02. Audit Risks and Findings

03. Fees, non audit services and independence

04. Communication of audit matters

Audit findings against significant risks




In this section we detail our response to the significant risks of material misstatement which we identified in the Audit Plan. As we noted in our plan, there are two presumed significant risks which are applicable to all audits under auditing standards.

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, either due to size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty" (ISA 315).

	Risks identified in our audit plan	Work completed	Assurance gained and issues arising
1.	<p>The revenue cycle may include fraudulent transactions</p> <p>Under ISA 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p>	<ul style="list-style-type: none"> • Performance of substantive testing on revenue streams. • Review of revenue recognition policies. 	<p>Our audit work has not identified any issues in respect of revenue recognition.</p>
2.	<p>Management over-ride of internal controls may result in material misstatement</p> <p>Under ISA 240 there is a presumed risk that the risk of management over-ride of controls is present in all entities.</p>	<ul style="list-style-type: none"> • Assessment of the design and implementation of controls in key systems. • Review of accounting estimates, judgments and decisions made by management. • Review of all significant transactions. 	<p>Our audit work has not identified any evidence of management override of controls.</p> <p>We set out later in this section of the report our work and findings on key accounting estimates and judgments.</p>



Accounting policies, Estimates & Judgements

In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included within the Charity's financial statements.

Accounting area	Summary of policy	Comments	Assessment
Revenue recognition (revenue recognition fraud is a presumed significant risk)	Incoming resources are recognised and included in the Statement of Financial Activities (SoFA) of the relevant charity when: <ul style="list-style-type: none"> the charity becomes entitled to the resources; the trustees are virtually certain they will receive the resources; and the monetary value can be measured with sufficient reliability. 	<ul style="list-style-type: none"> We have reviewed the Charity's policies and tested all income transactions. We do not have any comments to make.	 Green
Judgements and estimates (management override of controls is a presumed significant risk)	Management have reviewed their assessment of the classification of the endowment fund during the audit. The Trust Deeds are not available to confirm the status of the endowment, however it has been accepted practice for a number of years that funds have been transferred to the unrestricted reserve. The classification of the endowment within the accounts has therefore been changed to expendable to reflect current practice.	<ul style="list-style-type: none"> We have reviewed the Charity's policies and practices. This has been reflected in the final Annual Report and Financial Statements.	 Green
Other accounting policies	The Charity has adopted accounting policies which are in line with our expectations for the Charity.	<ul style="list-style-type: none"> We have reviewed the Charity's policies. We do not have any comments to make.	 Green

We have not identified any issues with any of the accounting areas above.

Assessment

-  Marginal accounting policy which could potentially attract attention from regulators
-  Accounting policy appropriate and disclosures sufficient

-  Accounting policy appropriate but scope for improved disclosure

Misclassifications & disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Adjustment type	Value £'000	Account balance	Impact on the financial statements
1 Disclosure	n/a	Notes to the accounts	Addition of a note to the accounts to disclose the judgement change in relation to the classification of the endowment fund
2 Disclosure	n/a	Notes to the accounts	Addition of a note to the accounts to reflect a post balance sheet event

We have not identified any misstatements to report to you in this report.

Section 3: Fees, non audit services and independence

01. Executive summary

02. Audit Risks and Findings

03. Fees, non audit services and independence

04. Communication of audit matters

Fees, non audit services and independence

We confirm below our final fees charged for the audit

Fees excluding VAT

	£
Audit fee	800

Fees for other services

Service	Fees £
None	Nil

Changes to our planned Audit Approach

We have not had to alter our audit plan or propose any additional fees to those agreed with management above.

Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements.

We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.

Section 4: Communication of audit matters

01. Executive summary

02. Audit Risks and Findings

03. Fees, non audit services and independence

04. Communication of audit matters

Key communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards to communicate to those charged with governance.

	Issue	Commentary
1.	Matters in relation to fraud	We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit procedures.
2.	Matters in relation to related parties	We are not aware of any related party transactions which have not been disclosed.
3.	Matters in relation to laws and regulations	We are not aware of any incidences of non-compliance with relevant laws and regulations.
4.	Written representations	We have requested a specific representation from management to confirm that the endowment is expendable
5.	Disclosures	There are no outstanding disclosure issues which management have not adjusted.
6.	Going Concern	We have reviewed the going concern assertions made in the Annual Report and Financial Statements. We have reviewed this judgement by management and concluded that this is appropriate in the circumstances and that the disclosures in the Annual Report and Financial Statements are adequate.

Communication of audit matters to those charged with governance

International Standards on Auditing (ISA) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK and Ireland), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. We are required to audit the financial statements and to give an opinion as to:

- whether they give a true and fair view of the financial position of the Trust and its expenditure and income for the period in question
- whether they have been prepared properly in accordance with relevant legislation, applicable accounting standards and other reporting requirements

It is the responsibility of the charity to ensure that proper arrangements are in place for the conduct of its business, and that donations are safeguarded and properly accounted for. We have considered how the Charity is fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged Details of safeguards applied to threats to independence	✓	✓
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Compliance with laws and regulations		✓
Expected unmodified auditor's report		✓
Uncorrected misstatements		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓

Appendix A: Audit Opinion William Stewart of St. Fillans Bequest

We anticipate we will provide the Charity with an unqualified audit report

Independent auditor's report to the trustees of William Stewart of St. Fillans Bequest and the Accounts Commission for Scotland

We certify that we have audited the financial statements of William Stewart of St. Fillans Bequest for the year ended 31 March 2015 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Accounts Commission for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the trustees and auditor

The trustees are responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts or disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

Appendix A: Audit Opinion (continued)

Opinion on other prescribed matter

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We are required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Michael Thomas, for and on behalf of Grant Thornton UK LLP
Royal Liver Building
Liverpool
L3 1PS

4 June 2015

Michael Thomas is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

Appendix B: Draft Letter of Representation William Stewart of St. Fillans Bequest

William Stewart of St. Fillans Bequest Financial Statements for the year ended 31 March 2015

This representation letter is provided in connection with the audit of the financial statements of the William Stewart of St. Fillans Bequest for the year ended 31 March 2015 for the purpose of expressing opinions as to whether the financial statements give a true and fair view in accordance with the 2005 Charity SORP and applicable Financial Reporting Standards.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- i. We have fulfilled our responsibilities for the preparation of the financial statements in accordance with proper practices as set out in the 2005 Charity SORP and applicable Financial Reporting Standards; in particular the financial statements give a true and fair view in accordance therewith.
- ii. We have complied with the requirements of all statutory directions and these matters have been appropriately reflected and disclosed in the financial statements.
- iii. The Charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
- iv. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- vi. We are satisfied that the material judgements used by us in the preparation of the financial statements are soundly based, in accordance with the 2005 SORP, and adequately disclosed in the financial statements. There are no material judgements that need to be disclosed.

- vii. Except as stated in the financial statements:
 - a) there are no unrecorded liabilities, actual or contingent
 - b) none of the assets of the charities has been assigned, pledged or mortgaged
 - c) there are no additional material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- viii. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the 2005 SORP and applicable accounting standards.
- ix. All events subsequent to the date of the financial statements for which the 2005 SORP requires adjustment or disclosure have been adjusted or disclosed.
- x. There is no actual or possible litigation or claims to be accounted for.
- xi. The financial statements are free of material misstatements, including omissions. Any misstatements identified in the Audit Findings Report and not amended for are, individually and in aggregate, not material to the financial statements.
- xii. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiii. All expenditure has been made in line with the charitable objectives.
- xiv. We are unable to confirm the status of the endowment fund due to lack of appropriate governing documentation. It is accepted practice that funds have been transferred for a number of years between the endowment fund and the unrestricted reserve. We therefore consider that it is appropriate that the status of the endowment fund is as an expendable endowment fund.
- xv. We believe that William Stewart of St. Fillans Bequest is not a continuing operation and is not a going concern. As a result we have prepared the financial statements on a breakup basis and made adequate disclosure of this fact. There would be no material difference to the presentation of the financial statements regardless of our assessment of going concern.

Appendix B: Draft Letter of Representation (continued)

Information Provided

- xv We have provided you with:
 - a) access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - b) additional information that you have requested from us for the purpose of your audit; and
 - c) unrestricted access to persons from whom you determined it necessary to obtain audit evidence.
- xvi. We have communicated to you all deficiencies in internal control of which management is aware.
- xvii. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xviii. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xix. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Charity and involves:
 - a) management;
 - b) those who have significant roles in internal control; or
 - c) others where the fraud could have a material effect on the financial statements.
- xx. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Charity's financial statements communicated by employees, former employees, regulators or others.
- xxi. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- xxii. We have disclosed to you the entity of the Charity's related parties and all the related party relationships and transactions of which we are aware.
- xxiii. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Trustees' Annual Reports

- xxiv We are satisfied that the Trustees' Annual Report fairly reflects the Charity's operations and business, and is consistent with our knowledge of the Charity.



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L Carrick, Legal & Property Services	1
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File Copy	1
TOTAL	<u>48</u>

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TOTAL **10**