

**POLICY & RESOURCES COMMITTEE – 22 SEPTEMBER 2015**

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**Policy & Resources Committee**

**Tuesday 22 September 2015 at 3pm**

**Present:** Councillors Ahlfeld, Clocherty, Campbell-Sturgess (for MacLeod), McCabe, McCormick, McEleny, McIlwee, Nelson, Loughran and Rebecchi.

**Chair:** Councillor McCabe presided.

**In attendance:** Chief Executive, Corporate Director Environment, Regeneration & Resources, Chief Officer, Inverclyde Health & Social Care Partnership, Chief Financial Officer, Head of Legal & Property Services, Head of Organisational Development, Human Resources & Communications, Head of Inclusive Education, Culture & Corporate Policy, Finance Manager, Revenues & Customer Services Manager, Corporate Procurement Manager, ICT Operations Manager, Corporate Communications Manager, Ms K McCreedy, Corporate Policy Officer and Mr D Robinson, Information Governance Officer.

**The following paragraphs are submitted for information only, having been dealt with under the powers delegated to the Committee.**

**578      Apologies, Substitutions and Declarations of Interest      578**

An apology for absence was intimated on behalf of Councillor MacLeod with Councillor Campbell-Sturgess substituting.

Declarations of interest were intimated as follows:

Agenda Item 14 (Former Tied Housing Employees) – Councillor Clocherty.

Agenda Item 17 (2016/17 Saving – Long Term Empty Council Tax) – Councillors Ahlfeld, McCabe, McEleny and McIlwee.

**579      Annual Report to Members and the Controller of Audit for the Financial Year Ended 31 March 2015      579**

There was submitted a report by the Chief Executive presenting the Annual Report to Members and the Controller of Audit for the financial year ended 31 March 2015 which had been prepared by the Council's external auditors, Grant Thornton.

Mr Mike Thomas and Ms Claire Bailey were present for this item and Mr Thomas addressed the Committee in relation to the findings of the report.

**Decided:**

(1) that the Committee note the contents of the Annual Report to Members and the Controller of Audit for the financial year ended 31 March 2015 and approve the action plan in appendix A;

(2) that it be noted that the Audit Committee will consider the detail of the ISA260 at its special meeting on 24 September 2015; and

(3) that the full report be remitted to the Inverclyde Council for consideration at its meeting on 8 October 2015.

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| <b>580</b> | <b>Policy &amp; Resources Committee 2015/16 Revenue Budget – Period 4 to 31 July 2015</b>   | <b>580</b> |
|            | <p>There was submitted a report by the Chief Executive, Corporate Director Environment, Regeneration &amp; Resources, Head of Inclusive Education, Culture &amp; Corporate Policy, Head of Organisational Development, Human Resources &amp; Communications and Chief Financial Officer on the 2014/15 Revenue Budget outturn and the 2015/16 projected outturn for the Policy &amp; Resources Committee as at Period 4 to 31 July 2015.</p> <p><b>Decided:</b></p> <p>(1) that the Committee note the 2014/15 Revenue Budget outturn and the 2015/16 projected underspend of £1,994,000 for the Policy &amp; Resources Committee as at Period 4 to 31 July 2015; and</p> <p>(2) that the Committee note the projected fund balance of £43,010 for the Common Good Fund and that a full review of the Common Good budget is being undertaken as part of the 2016/18 budget.</p> |            |
| <b>581</b> | <b>General Fund Revenue Budget 2015/16 as at 31 July 2015</b>   | <b>581</b> |
|            | <p>There was submitted a report by the Chief Financial Officer on the position of (1) the General Fund Revenue Budget as at 31 July 2015 and (2) the General Fund Reserves and Earmarked Reserves.</p> <p><b>Decided:</b></p> <p>(1) that the Committee note the latest position of the 2015/16 Revenue Budget and General Fund Reserves; and</p> <p>(2) that it be noted that the use of free reserves arising since the 19 February 2015 budget meeting is the subject of a separate report to the Committee.</p>   |            |
| <b>582</b> | <b>Policy &amp; Resources Capital Programme 2015/18 – Progress Report</b>   | <b>582</b> |
|            | <p>There was submitted a report by the Chief Financial Officer and Corporate Director Environment, Regeneration &amp; Resources (1) providing an update on the status of the projects within the Policy &amp; Resources Capital Programme 2015/18 and (2) highlighting the overall financial position.</p> <p><b>Decided:</b> that the Committee note the current position of the 2015/18 Capital Programme and the progress of the specific projects detailed in appendix 1.</p>   |            |
| <b>583</b> | <b>Capital Programme 2015/18</b>  | <b>583</b> |
|            | <p>There was submitted a report by the Chief Financial Officer on the latest position of the 2015/18 Capital Programme.</p> <p><b>Decided:</b> that the Committee note the current position of the 2015/18 Capital Programme.</p>   |            |
| <b>584</b> | <b>ICT Services Update and Policy for the Physical Security of ICT Systems</b>  | <b>584</b> |
|            | <p>There was submitted a report by the Chief Financial Officer (1) providing an update on the performance of ICT Services and (2) proposing a new policy in respect of the physical security of ICT systems.</p>  |            |

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**Decided:**

- (1) that the Committee note the performance detailed in the report and supporting appendices; and
- (2) that approval be given to the implementation of the new policy for physical security of ICT systems as appended to the report.

**585 Debt Recovery Performance 2014/15 585**

There was submitted a report by the Chief Financial Officer advising the Committee of the Council's debt recovery performance during 2014/15.

**Decided:**

- (1) that the Committee note the Council's continued good performance in the area of debt recovery in 2014/15 and the developments planned in 2015/16; and
- (2) that the Committee acknowledge the contributions made by Council staff and the Council's debt recovery partners.

**586 Welfare Reforms Update 586**

There was submitted a report by the Chief Financial Officer and Chief Officer, Inverclyde Health & Social Care Partnership providing an update in respect of various aspects of the Welfare Reform agenda.

There was circulated to the Committee, updated appendix 1 to the report.

**Decided:**

- (1) that the Committee note the contents of the report and that future updates will be provided to each meeting; and
- (2) that a briefing note be provided to Members on the operation of the Smarterbuys Scheme.

**587 Audit Scotland: Benefits Performance Audit Annual Update 2014/15 587**

There was submitted a report by the Chief Financial Officer providing an update on the findings of the Accounts Commission's Benefits Performance Audit Annual Update.

**Decided:**

- (1) that the Committee note the key risks and areas where improvement and good practice were evidenced by Audit Scotland; and
- (2) that the Committee note the Council's assessment of how it compares to good practice as shown in appendix 3 to the report.

**588 Audit Scotland Assessment of Inverclyde Council's Public Performance Reporting for 2013/14 588**

There was submitted a report by the Head of Inclusive Education, Culture & Corporate Policy on the outcome of Audit Scotland's assessment of Inverclyde Council's public performance reporting in relation to Statutory Performance Indicators for 2013/14.

**Decided:**

- (1) that the Committee note Audit Scotland's assessment of Inverclyde Council's public performance reporting for 2013/14; and
- (2) that it be remitted to individual service areas where performance has been consistently assessed as an area for improvement to review the comments from Audit Scotland and develop performance information to address these.

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**589 Education, Communities & Organisational Development Corporate Directorate Improvement Plan 2013/16 – Annual Review 2015 589**

There was submitted a report by the Head of Inclusive Education, Culture & Corporate Policy seeking approval of those aspects of the 2015 refresh of the Education, Communities & Organisational Development Corporate Directorate Improvement Plan (CDIP) 2013/16 which fall within the remit of the Policy & Resources Committee.

**Decided:**

- (1) that approval be given to the refreshed Education, Communities & Organisational Development Corporate Directorate Improvement Plan 2013/16; and
- (2) that it be agreed that progress reports on the Directorate's Performance Indicators and implementation of the CDIP's improvement actions be submitted to every second meeting of the appropriate Committee.

**590 Environment, Regeneration & Resources Corporate Directorate Improvement Plan 2013/16 – Annual Review 2015 590**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources seeking approval of those aspects of the Environment, Regeneration & Resources Corporate Directorate Improvement Plan which fall within the remit of the Policy & Resources Committee.

**Decided:** that approval be given to the refreshed Environment, Regeneration & Resources Corporate Directorate Improvement Plan 2013/16.

**591 2016/18 Revenue Budget – Update 591**

There was submitted a report by the Chief Financial Officer (1) providing a comprehensive update on the current position of the 2016/18 Revenue Budget, (2) seeking various decisions and (3) outlining the activity due to take place over coming weeks/months.

**Decided:**

- (1) that the Committee approve the savings proposals in section 6 of the report and the treatment of pressures outlined in section 8 and note that, if approved, this will reduce the estimated funding gap in 2017/18 to £2.22m;
- (2) that the Committee note the position in respect of the prioritised savings exercise and that a detailed list of proposals for public consultation will be submitted to the next meeting of the Committee;
- (3) that agreement be given to the proposals contained in appendix 2 for the use of free reserves and to final consideration of the balance of proposals being made at the Budget setting meeting in February 2016; and
- (4) that the next steps outlined in section 10 be noted.

**592 Budget Consultation and Communications Plan 592**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on proposals for consultation and communications on the Council's budget.

**Decided:**

- (1) that approval be given to the consultation objectives, audiences, key mechanisms and timescales outlined in the report; and

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(2) that approval be given to the detailed timescales for undertaking the consultation as set out in appendix 1.

**593      2016/17 Saving – Long Term Empty Council Tax      593**

There was submitted a report by the Chief Financial Officer seeking agreement to amend the Council's Council Tax Policy in relation to the Long Term Empty (LTE) properties in order to deliver an approved saving from 2016/17.

Councillors Ahlfeld, McCabe, McEleny and McIlwee declared a non-financial interest in this item as Members of the Board of River Clyde Homes. They also formed the view that the nature of their interests and of the item of business did not preclude their continued presence in the Chamber or their participation in the decision making process.

**Decided:** that the Committee approve the amended Council Tax Charging Policy relative to LTE properties to take effect from 1 April 2016.

**594      Results from the Citizens' Panel Spring 2015 Survey      594**

There was submitted a report by the Head of Inclusive Education, Culture & Corporate Policy (1) on the headline results from the Spring 2015 Citizens' Panel Survey and (2) advising how Council services will use the Panel's responses to review and improve service delivery.

**Decided:**

(1) that the Committee note the main findings from the Spring 2015 Citizens' Panel Survey;

(2) that account be taken of the results when reviewing and improving service delivery as appropriate;

(3) that a briefing note be issued to Members providing trend information in respect of the responses contained in the survey concerning alcohol; and

(4) that a briefing be arranged for all Members on the operation of the Council's new website.

**595      Procurement Strategy 2015/18      595**

There was submitted a report by the Chief Financial Officer seeking approval of the new Procurement Strategy and resultant action plan for the period 2015/18.

**Decided:** that approval be given to the 2015/18 Procurement Strategy and the associated action plan appended to the report.

**596      Customer Services Strategy 2015/18      596**

There was submitted a report by the Chief Financial Officer seeking approval for the 2015/18 Customer Services Strategy and resultant action plan.

**Decided:**

(1) that the Committee approve the 2015/18 Customer Services Strategy and resultant action plan appended to the report; and

(2) that it be noted that a report on Customer Service Centre performance and progress against the action plan will be submitted on an annual basis after the Summer recess commencing in September 2016.

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- 597 Information Classification Policy 597**
- There was submitted a report by the Chief Officer, Inverclyde Health & Social Care Partnership (1) on proposals for implementation of the updated Information Classification Policy and (2) recommending a phased system-led solution to facilitate the classification of emails and documents.  
(Councillor Ahlfeld left the meeting during consideration of this item of business).
- Decided:**
- (1) that the Committee approve the updated Information Classification Policy set out in appendix 1 to the report;
- (2) that the Committee note the finance details for the software to implement a phased system-led approach for the classification and labelling of emails and word documents; and
- (3) that a further report on the implementation of the Policy be submitted in mid 2016.
- 598 Unacceptable Actions Policy 598**
- There was submitted a report by the Head of Legal & Property Services on a proposed policy setting out the Council's approach to dealing with unacceptable actions from customers, in line with guidance from the Scottish Public Services Ombudsman (SPSO).  
(Councillor Ahlfeld returned to the meeting during consideration of this item of business).
- Decided:** that approval be given to the Unacceptable Actions Policy set out in the appendix to the report.
- 599 Media and Social Media Protocol - Update 599**
- There was submitted a report by the Head of Organisational Development, Human Resources & Communications updating the Media and Social Media Protocol agreed by the Council in December 2013.
- Decided:** that consideration be continued to the next meeting of the Committee to provide practical examples which demonstrate the application of paragraph 6.4 of the proposed updated Strategy in relation to Ward Councillor involvement and also the standard invitation list for a range of press and media activities (Appendix 1).
- 600 Preventing the Use of Suppliers and Providers who use Exploitative Zero Hours Contracts 600**
- There was submitted a report by the Corporate Director Environment, Regeneration & Resources seeking approval for the implementation of a policy of not providing future funding to any organisation which employs people on exploitative zero hours contracts.
- Decided:**
- (1) that the Committee note the implications of a policy of not providing future funding to any organisation, including any partner, which employs people on exploitative or illegal zero hours contracts;

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(2) that the Committee approve the exclusion of a tenderer from a tender selection process where it has been demonstrated to the satisfaction of the Head of Legal & Property Services that the tenderer has committed an act of grave misconduct by engaging in illegal zero hours contracts;

(3) that approval be given to the rejection of a grant where it has been demonstrated to the satisfaction of the Head of Legal & Property Services that the applicant is engaging in illegal or exploitative zero hours contracts;

(4) that the Committee approve the guidance contained in the report on how to appraise zero hours contracts; and

(5) that it be agreed that for partners/suppliers in significant arrangements with the Council, this policy is fully implemented during 2016.

**601 Baker Street Realignment Business Case, Update Report No. 2 – Remit from Environment & Regeneration Committee 601**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources on a remit from the Environment & Regeneration Committee relative to funding for the Baker Street realignment project.

**Decided:** that it be agreed to allocate provisionally £1,425,000 towards the project from free reserves in line with the decision made in relation to the 2016/18 budget report earlier in the agenda.

**602 Greenock Arts Guild Ltd: The Beacon Arts Centre – Executive Summary 602**

There was submitted an Executive Summary report by the Corporate Director Environment Regeneration & Resources (1) advising the Committee of the progress to satisfaction of the conditions of grant attached to the Council's financial support to the Greenock Arts Guild Limited (GAG) agreed at the meeting on 29 January 2015, (2) seeking the Committee's approval to accelerate the revenue support from the £750,000 earmarked reserve, (3) advising the Committee of future revenue support which it is anticipated GAG will require from the Council, and (4) recommending approval of release of funding to GAG as previously agreed by the Council to enable settlement of the final account for the construction of the Beacon from John Graham Construction Limited ('Graham').

**Decided:**

(1) that the Committee note the status of satisfaction of the conditions of grant attached to the Council's revenue and capital funding agreed at the meeting on 29 January 2015 as detailed in appendix 1 of the main report below;

(2) that the Committee approve (a) the re-profiling of the significant earmarked reserve of £750,000 over a three year period as opposed to an eight year period and (b) the release of £250,000 of the earmarked reserve of £750,000 to enable GAG to settle VAT due on Graham's final account for the construction of the Beacon;

(3) that subject to the execution by relevant parties of all main project documents, approval be given to the release of (a) £1,721,134.79 to be paid by the Council on terms which are satisfactory to the Head of Legal & Property Services and the Chief Financial Officer directly to Graham in settlement of Graham's final account for the construction of the Beacon and (b) £75,000 retention to be paid by the Council directly to Graham upon the issue of the Certificate of Making Good of Defects in accordance with the Building Contract subject to GAG first satisfying the Chief Financial Officer that VAT due on the retention has been duly paid;

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- (4) that delegated authority be granted to the Head of Legal & Property Services in consultation with the Chief Financial Officer to agree the final terms of the Funding Agreement, Head Lease, Operating Lease and Floating Charge with GAG prior to the release of the grant funding;
- (5) that the continuing project risks set out at section 6 of the main report below be noted;
- (6) that agreement be given to increase the annual funding paid to GAG of £50,000 by up to £150,000 to a maximum total of £200,000 from 2018/19 subject to the conditions set out in 5.15 of the main report below;
- (7) that the Committee note the intention of GAG to implement the Living Wage for all its employees by 1 April 2016 to increase the use of employment contracts within its workforce; and
- (8) that on progress of the terms described in the report, a further report be submitted to the Council at its meeting on 8 October 2015 requesting it to consider appointing two Elected Members to the Board of Directors of GAG.

**It was agreed in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 as amended, that the public and press be excluded from the meeting during consideration of the following items on the ground that the business involved the likely disclosure of exempt information as defined in the respective paragraphs of Part I of Schedule 7(A) of the Act as are set opposite each item:-**

Item	Paragraph(s)
<b>Greenock Arts Guild: The Beacon Arts Centre</b>	<b>6 and 12</b>
<b>Former Tied Housing Employees</b>	<b>1, 11 and 12</b>

**603 Greenock Arts Guild Ltd: The Beacon Arts Centre 603**

There was submitted a report by the Corporate Director Environment, Regeneration & Resources providing a detailed analysis of legal and financial matters in relation to the funding of Greenock Arts Guild Limited.

**Decided:** that the terms of the report be noted.

**604 Former Tied Housing Employees 604**

There was submitted a report by the Head of Organisational Development, Human Resources & Communications (1) providing an update on the formal consultation period with the trades unions in relation to the implementation of revised rent arrangements for employees in former tied houses and (2) setting out potential next steps for consideration.

Councillor Clocherty declared a non-financial interest in this item as a Member of Unite. He also formed the view that the nature of his interest and of the item of business did not preclude his continued presence in the Chamber or his participation in the decision making process.

**Decided:** that consideration be continued to the next meeting of the Committee and that it be remitted to the Head of Organisational Development, Human Resources & Communications to convey to the trades unions the Committee's express wish that a formal response be made to the offer made by officers.