
Report To:	The Inverclyde Council	Date:	3 December 2015
Report By:	The Head of Legal and Property Services	Report No:	LP/163/15
Contact Officer:	Peter MacDonald	Contact No:	2618
Subject:	2015 Inverclyde Community Council Elections		

1.0 PURPOSE

- 1.1 The purpose of this report to provide the Council with an update on the outcome of the 2015 Community Council Elections and to note the progress in engagement with the community.

2.0 SUMMARY

- 2.1 In the 2015 Inverclyde Community Council Elections, the following community councils were re-established:
- Gourock Community Council;
 - Greenock West and Cardwell Bay Community Council;
 - Greenock South West Community Council;
 - Inverkip and Wemyss Bay Community Council;
 - Kilmacolm Community Council; and
 - Larkfield, Braeside and Branchton Community Council.
- 2.2 The following community councils were not formed as insufficient nominations were received:
- Greenock Central Community Council;
 - Greenock East Community Council;
 - Holefarm and Cowdenknowes Community Council;
 - Port Glasgow East Community Council; and
 - Port Glasgow West Community Council.
- 2.3 Officers are pursuing discussions with groups and individuals in the communities where community councils have not been established or re-established and will provide a further report to the Council with recommendations in due course.
- 2.4 A Port Glasgow Community Association is being formed from former members of the two Port Glasgow community councils and others, to promote the re-forming of a community council or community councils in Port Glasgow. This association has also requested funding from the Council.

3.0 RECOMMENDATIONS

It is recommended that the Council:

- 3.1 Notes:
- a) the outcome of the 2015 Inverclyde Community Council;
 - b) the longer term proposals for the establishment of community councils in those areas where they are not presently established; and
 - c) the ongoing discussion being undertaken by officers with groups and individuals in those areas;

- 3.2 delegates authority to the Head of Legal and Property Services, to provide a substitute administrative grant to the Port Glasgow Community Association on the basis outlined at paragraphs 7.5 to 7.6 below, and such terms and conditions the Head of Legal and Property Services in consultation with the Chief Financial Officer considers appropriate;
- 3.3 clarifies that for the purposes of the Scheme of Establishment of Community Councils, the minimum number of members of a given community council shall be one half of the maximum number of members applying from time to time for that community council, as provided for in the Scheme; and
- 3.4 notes the terms of the guidance on the use of Inverclyde Council's Administrative Grant to community councils (Appendix 2) and the examples of allowable promotional expenditure.

Gerard Malone
Head of Legal and Property Services

4.0 BACKGROUND – ELECTIONS

- 4.1 The period for nominations in the 2015 Inverclyde Community Council Elections closed on 30 September. Following this, the following community councils were re-established:
- Gourock Community Council;
 - Greenock West and Cardwell Bay Community Council;
 - Greenock South West Community Council;
 - Inverkip and Wemyss Bay Community Council;
 - Kilmacolm Community Council; and
 - Larkfield, Braeside and Branchton Community Council.

Of these, Inverkip and Wemyss Bay received more nominations than the maximum number of members, and thus involved a contested ballot.

- 4.2 Insufficient numbers of nominations were received to establish or re-establish the Community Councils for the following areas:
- Greenock Central Community Council;
 - Greenock East Community Council;
 - Holefarm and Cowdenknowes Community Council;
 - Port Glasgow East Community Council; and
 - Port Glasgow West Community Council.

In terms of the Scheme, it is open to the Council to seek a second call for nominations within a 6 month period of the close of the first call, for one or more of these areas.

- 4.3 The Community Learning and Development (CLD Service) are progressing discussions on the community councils question with a variety of groups and individuals within the communities where community councils are not currently established.
- 4.4 It is the view of Officers that the most effective way to progress the establishment of sustainable community councils in the areas where they are not currently established is to continue discussions with groups and individuals in the communities affected on possible amendments to the Scheme as detailed in this report by way of a formal review in terms of Section 53 of the Local Government (Scotland) Act 1973. This is considered to be a more effective use of resources than progressing a second call for nominations at this time.
- 4.5 If a minimum of 20 electors in a community council area provide the Council with a written request that a community council be established in that area, then under Section 52 of the Local Government (Scotland) Act 1973 the Council is required to arrange elections or other voting arrangements for that purpose. In the absence of a second call for nominations initiated by the Council, an election will therefore still be held if a community expresses a will that a community council be established.

5.0 SCHEME – MAXIMUM AND MINIMUM NUMBER OF COMMUNITY COUNCILLORS

- 5.1 One amendment being discussed is a possible amalgamation of Port Glasgow East and Port Glasgow West Community Councils to form a Port Glasgow Community Council. Because this would have a significantly higher maximum membership than any of the current community councils, it is recommended that the Council confirm at this time that the minimum membership for any community councils is as stated in the Scheme, namely half the maximum for that community council. Table 1 at Appendix 1 shows the maximum numbers currently applying and the resultant minimum numbers, and Table 2 shows the figures that would apply to a combined Port Glasgow Community Council.

6.0 ALLOWABLE EXPENDITURE OF ADMINISTRATIVE GRANT

- 6.1 On 19 January 2012 the Regeneration Committee approved guidance on the acceptable headings of expenditure of the administrative grant provided to the community councils (which guidance is taken from the Scottish Government publication “Good Practice Guidance for Local Authorities and Community Council”) which has been circulated to the community councils. This guidance is reproduced at Appendix 2.
- 6.2 The purpose of the administrative grant is to assist with the operating costs of the community

council, and this is reflected in the guidance. The types of expenditure acceptable are expressed in broad headings, and therefore allow flexibility in their interpretation. As an example, one heading of acceptable expenditure is General Publicity and Promotional Activities. A wide variety of activities can quite rightly be justified as promotion, however they would still need to demonstrate a legitimate promotional benefit. Examples of activities officers consider constitute valid promotional activities are shown at Appendix 3. To assist community councils in their planned expenditure, Officers will provide the community councils with copies of these examples.

- 6.3 In considering questions of proposed expenditure, Officers consider both the nature of the activity and the proportionality of the cost. The number of such activities undertaken is also considered. So for example, an activity or activities which amounted to a significant proportion of the annual grant, but which only had a marginal promotional effect, would not be recommended by Officers.

7.0 PROPOSALS – PORT GLASGOW EAST AND PORT GLASGOW WEST COMMUNITY COUNCILS

- 7.1 A Port Glasgow Community Association is being formed from former members of the two Port Glasgow Community Councils, and others within their areas, interested in re-establishing and participating in the work of community councils.
- 7.2 At a steering group meeting of the above association, attended both by Officers and Ward Councillors were in attendance, the view was widely expressed that amalgamating the Port Glasgow East and Port Glasgow West Community Councils to form a single Port Glasgow Community Council would produce a more sustainable and effective community council. However following a subsequent meeting of this group, where Officers were not in attendance, a contrary request has been received from them that such an amalgamation does not take place.
- 7.3 There recently has been neighbourhood survey/contact with community groups in the area by the CLD Service. Whilst the feedback received from a number of other community groups in the Port Glasgow area is that they consider the present division into two community council areas to be artificial, the indication also is that they would in any event not be inclined to actively participate in the work of community councils.
- 7.4 Officers are of the view that the proliferation of community groups active in the area places a demand on those who are able and willing to actively participate in such groups. This presents a challenge both recruiting for and retaining commitment to the community councils, . Following the CLD Service contact with the community referred to above, it is the view of officers that the continuation of two community councils for the Port Glasgow area is not sustainable and that proposals for an amalgamated single community council should be developed. However, in light of the conflicting feedback, officers are continuing discussions with the Port Glasgow Community Association and the wider Port Glasgow community. If a consensus from these community groups emerges supporting amalgamation, then a formal recommendation will be made to a special meeting of the Council on a formal review of the Scheme to that end.
- 7.5 The combined total of administrative grant that would have been paid to Port Glasgow East and Port Glasgow West Community Councils had they been re-established would have been approximately £2,900.00. There has been a request that the Council provide funding for the Port Glasgow Community Association. It is proposed that such funding be made available by way of a one off payment of £2,000.00 contained within the existing 2015/16 community council budget. This payment will only be made if evidence of the formal constitution of the Association in terms and for purposes satisfactory to the Head of Legal and Property Services in consultation with the Chief Financial Officer and the Head of Safer and Inclusive Communities. It is proposed that it will be a condition of this funding that all funds held on the bank accounts of the two Port Glasgow community councils be returned to the Council. The CLD Service will also make available support in relation to the organisation of and accommodation for meetings, until such times as an administrative grant is released.
- 7.6 This payment will be an administrative grant made available on the same terms as the

administrative grant to community councils, and on such other conditions as are considered appropriate to the Head of Legal and Property Services in consultation with the Chief Financial Officer. No commitment is being made to provide any additional or recurring grant funding.

PROPOSALS – HOLEFARM AND COWDENKNOWES COMMUNITY COUNCIL AND GREENOCK CENTRAL COMMUNITY COUNCIL

- 7.7 The feedback received from individuals active in the community in the Holefarm and Cowdenknowes area is that the current boundary between it and the Greenock Central area is artificial, and excludes streets that properly are part of their community. Officers have identified individuals who would be willing to participate in and recruit for the community council if the boundaries are amended to remedy this and are progressing discussions with those individuals to determine the preferred boundaries, prior to making any recommendation to the Council for a formal review of the Scheme to promote such an amendment.
- 7.8 Greenock Central Community Council was successfully constituted following a second call for nominations at the previous elections in 2011/2012, however it suffered from difficulties in retaining members. Officers will continue to work with individuals and bodies in the community to stimulate interest in the formation of a community council, and to seek to trigger an election by the community itself by way of the 20 signatures letter, as and when the level of interest is sufficient.

PROPOSALS – GREENOCK EAST COMMUNITY COUNCIL

- 7.9 A community council was not established for this area in the 2011/12 elections. It is the view of Officers that this is the area which will present the greatest difficulty in procuring sufficient interest to both establish and sustain a community council. A community council was not established for this area in 2011/2012, so any call for a ballot would require to be supported with a 20 signatures letter of the type described above.
- 7.10 It is the view of Officers that the most sensible use of Council resources is to work with individuals and bodies in the community to stimulate interest in the formation of a community council, and to seek to trigger an election by the community itself by way of the 20 signatures letter, as and when the level of interest is sufficient.

8.0 CONCLUSIONS

Port Glasgow East and Port Glasgow West Community Councils

- 8.1 Officers recommend that a second call for nominations is not progressed at this time under the current election process, and that instead Officers progress discussions with the Port Glasgow Community Association, and with other groups and individuals in the Port Glasgow community, on whether steps should be taken to amalgamate the two community council areas.
- 8.2 It is also recommended that once the Port Glasgow Community Association has been formally constituted, funding by way of an administrative grant be provided to that association from existing community council budgets to cover its expenses.

Holefarm and Cowdenknowes Community Council and Greenock Central Community Council

- 8.3 Officers recommend that a second call for nominations is not progressed at this time under the current election process, and that officers progress discussions with groups and individuals in the community to establish if an amendment of boundaries is likely to encourage involvement in the work of community councils, and if so what amendments are sought.

Greenock East Community Council

- 8.4 Officers will continue work with groups and individuals in the areas affected with a view to

producing the 20 signatures letter necessary to compel the holding of a fresh election for this area.

9.0 IMPLICATIONS

Finance

9.1

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A	Community Councils	2015/16	£2,000.00		Administrative Grant for the Port Glasgow Community Association.

Annually Recurring Costs/ (Savings)

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

Legal

- 9.2 In terms of Section 53 of the Local Government (Scotland) Act 1973 the Council is obliged from time to time to review the Scheme, having regard to changing circumstances and to any representations made to the Council.
- 9.3 In terms of the Scheme, the Council is required to review the level of the Administrative Grant and the other support provided to community councils following the 2017 Local Government Elections.
- 9.4 In terms of Section 52 of the Local Government (Scotland) Act 1973, where a written request is received by the Council from a minimum of 20 electors in a community council area to establish a community council in that area, the Council is required to arrange elections or other voting arrangements for that purpose. As this is a compulsion on the Council, such elections would be administered by the Head of Legal and Property Services under delegated powers.

Human Resources

- 9.5 None.

Equalities

- 9.6 In terms of the Scheme, community councils must comply with Equal Opportunities legislation and ensure that equality of opportunity be given to every participant to have their knowledge, opinion, skill and experience taken into account.

Repopulation

- 9.7 Encouraging active, effective and sustainable community councils strengthens Inverclyde's communities and promotes repopulation.

10.0 CONSULTATIONS

10.1 The Head of Safer and Inclusive Communities has been consulted on the terms of this report.

10.2 The Chief Financial Officer has been consulted on the terms of this report.

11.0 LIST OF BACKGROUND PAPERS

11.1 None

Appendix 1 – Maximum and Minimum Number of Members for each Community Council

Table 1

Community Council	Maximum number of members	Minimum number of members
Gourock	11	6
Greenock Central	12	6
Greenock East	11	6
Greenock Southwest	10	5
Greenock West and Cardwell Bay	12	6
Holefarm and Cowdenknowes	9	5
Inverkip and Wemyss Bay	9	5
Kilmacolm	9	5
Larkfield, Braeside and Branchton	10	5
Port Glasgow East	11	6
Port Glasgow West	10	5

Table 2

Possible Community Council	Maximum number of members	Minimum number of members
Port Glasgow Community Council	15	8

Appendix 2 – Existing guidance on the use of Inverclyde Council’s Administrative Grant to Community Councils

COMMUNITY COUNCIL FINANCE

Section 12 of the Scheme for the Establishment of Community Councils in Inverclyde refers to the provision of an ‘initial administrative grant to community councils to assist with the operating costs of the community council.’ The following guidance is intended to assist Community Councils in their interpretation of what is acceptable expenditure of their administrative grant.

Grants - Acceptable Areas of Expenditure

The purpose of the administrative grant is to cover the costs in administering community council business. Examples of such costs are detailed below:

- Insurance
- Auditors' fees
- Production and circulation of minutes, agenda and annual reports
- Stationery
- Photocopying
- Postage
- Travel costs
- Telephone costs
- Accommodation lets
- Affiliation fees
- Subscriptions
- Bank charges
- Advertising
- General Publicity and promotional activities.
- Consultation with the community.

Community councils may generate income from sources other than Inverclyde Council. This income may be applied towards expenditure not contemplated by the grants awarded by the Council. The accounts of the community council will, however, disclose all income from whatever source it is obtained and will show all expenditure even where it is not simply the expenditure of the Council grant.

Accounting Procedures – Cash

- Each community council should have a cash book and all income and expenditure should be recorded in it. The date, description, amount and receipt number should also be recorded.
- The community council should nominate three unrelated office bearers to act as signatories to the community council bank accounts. All cheques and withdrawals should require two from three signatures. Any changes to authorised signatories should be approved by the community council.
- The level of cash held should not be excessive and should be in proportion to the monthly expenditure
- Banking should be made intact. All income received should be banked and should not be used to meet expenditure. If funds are required for incurred expenditure they should either be paid by cheque or alternatively cash should be withdrawn from the bank.
- Once a banking has been made the stamped bank pay-in slip should be retained and checked against the bank statement or bank book to ensure that the income has been credited correctly.

Accounting Procedures – Expenditure

- All expenditure must be approved in advance by the community council.

- All expenditure must be accompanied by proof of purchase, either an expenditure voucher or receipted invoice.
- Receipts should be given a sequential number and filed accordingly.
- Details of the expenditure should be recorded in the cash book as soon as the expenditure is incurred. Where a receipt is not available, the person making the purchase should complete a form stating the nature of the expenditure. The form should be authorised by a member of the community council committee.
- A current account will normally be used for day to day transactions with a further deposit and/or saving account, as required, so that interest may be attracted on accumulated funds.
- The treasurer should await the bank statements and once received should carry out a bank reconciliation to ensure that the bank balance agrees with the balance recorded in the cash book. All bank statements should be retained.
- Where petty cash is issued all petty cash vouchers should be signed by the person requesting the money and countersigned by the treasurer or other authorised signatory - this must not be the person who is requesting the expenditure. All receipts for items of expenditure should be retained and attached to the appropriate petty cash voucher.
- Reimbursement of travel expenses should only be available to persons on official community council business. Claimants should submit a detailed record of dates, times, destination, reason for travel and mode of transport. Reimbursement of travel expenses (for example bus, taxi, train, parking fees etc) should only be awarded if accompanied by an appropriate receipt.
- If the community council requires telephone calls to be made, reimbursement of expenses can be made at the discretion of the community council. The person making the claim should submit the itemised telephone statement highlighting the calls claimed. Reimbursement will be authorised by the community council.

Accounting Procedures - Annual Accounts

The following paragraphs merely reinforce income and expenditure matters dealt with earlier in this guideline.

- An annual income and expenditure statement of all accounts including all income and expenditure must be prepared at the end of the community councils' financial year and must be examined by a person unconnected with the fund.
- The audited accounts must be presented to the community council and in course a copy passed to the Local Authority officer.
- An example of an annual income and expenditure statement is detailed in the attached appendix. All of the information within the account is fictitious and used only as a guide on how to prepare accounts.

Accounting Procedures – Inventory

The community council must maintain an inventory detailing all the assets of the community council. The inventory should be updated on an ongoing basis for additions and deletions. An example for an inventory is provided below.

**COMMUNITY COUNCIL
STATEMENT OF ACCOUNTS**

**Income Expense Account
for period of ___ to ___**

	£'s	£'s
Balance brought forward		
Income		
Admin Grant	0.00	
Discretionary Grant	0.00	
Bank Interest	0.00	
		<u>0.00</u>
Expenditure		
Insurance	0.00	
Accommodation Costs	0.00	
Auditors Fees	0.00	
Subscriptions	0.00	
Travel Expenses	0.00	
Publication of Minutes & Agendas	0.00	
Publication of Newsletters	0.00	
Stationery	0.00	
Photocopying	0.00	
Postage Costs	0.00	
Telephone Costs	0.00	
Other Expenses	0.00	
Other Expenditure	0.00	
		<u>0.00</u>
	Balance Surplus	<u>0.00</u>
Represented by:		
Cash In Bank		
Cash In Hand (Treasurer's Float)		
		<u>0.00</u>

As Prepared by _____

Examiner's Details

Name
Designation
Organisation
Address
Telephone

The above statement has been compiled from the available books and records and explanations.

Signed _____ (Examiner)
Date _____

Chairperson's Signature _____ Date _____

Treasurer's Signature _____ Date _____

Appendix 3 - Examples of expenditure for promotional purposes.

All expenditure by the community councils of Administrative Grant funds must be for the purposes set out in the guidance on the use of the Administrative Grant.

Council staff are available to provide advice and assistance to community councils in relation to any proposed expenditure.

The following are examples of activities which would be considered allowable expenditure for promotional purposes (based on previous questions that have arisen):

- A community council paying for school prizes at a school in their area proposed spend was approximately £50 to £75 per prize. The provision of the prize by the community council should be made clear, for example by a member of the community council presenting it at a prize giving was attended by both pupils and parents.
- A community council meeting the cost of a children's entertainer to act as Santa at a community Christmas event. The cost when this was discussed was of the order of £200 to £250. In this example the event was organised by another organisation, but the provision by the community council should be made clear at the event.
- A community council contributing to the cost of providing posters to decorate the classrooms at a local primary school on the basis that be made clear by the school that they were provide with community council funding. The contribution here was approximately £75.
- A community council annually funding prize at Christmas a "best shop window" competition. In this example, the community council worked in partnership with the local shops and ran the competition in conjunction with a raffle. The cost varies from year to year depending on the income generated. With this example, were it to account for a significant proportion of the grant in any year, the community council should carefully consider whether the cost is proportionate to the promotional benefit it would give.
- A community council proposal to fund the provision of free public WiFi in a local shopping area. This is another example where the actual cost is crucial, as that needs to be weighed against the promotional benefit to decide if it is proportionate. Such an activity, depending on how structured, could however be effective promotion (for example, a log-in screen with a community council message, or even simply signage that it is available and community council funded).