

MINUTE
of
CABINET

Minute of Meeting held at 10.00am in the Council Chamber, Council Headquarters, Giffnock on 14 March 2019.

Present:

Councillor Paul O’Kane (Deputy Leader)
Councillor Caroline Bamforth
Councillor Danny Devlin

Councillor Alan Lafferty
Councillor Colm Merrick

Councillor O’Kane, Deputy Leader, in the Chair

Attending:

Lorraine McMillan, Chief Executive; Mhairi Shaw, Director of Education; Andy Cahill, Director of Environment; Margaret McCrossan, Head of Accountancy (Chief Financial Officer); Louise Pringle, Head of Communities, Revenues and Change; Sharon Dick, Head of HR and Corporate Services; Candy Millard, Head of Strategic Services; Fiona Caldwell, Operations Manager, Revenues; Mark Waugh, Principal Accountant (Capital); Robert Spencer, Principal Accountant (Revenue); Lorna Young, Corporate Policy Officer; and Paul O’Neil, Committee Services Officer.

Apology:

Councillor Tony Buchanan (Leader).

REQUEST TO RECORD PROCEEDINGS

818. The Deputy Leader intimated that a request had been received for permission to audio record the meeting. Having given consideration to the request the Cabinet decided that permission be denied.

DECLARATIONS OF INTEREST

819. There were no declarations of interest intimated.

LOCAL GOVERNMENT BENCHMARKING FRAMEWORK - 2017/18 PERFORMANCE

820. The Cabinet considered a report by the Chief Executive, providing an update on the national Local Government Benchmarking Framework (LGBF) together with an overview of the Council’s performance against the LGBF indicators from 2016/17 to 2017/18. A summary of the LGBF performance report was appended to the report.

The report explained the background to the LGBF highlighting that the framework provided comparative analyses for a total of 80 indicators at a Council level although as two related to museums only 78 were relevant to the Council. Furthermore, there had been an increase in the number of LGBF indicators from a total of 73 recorded for 2016/17 with the main additions being to the indicator set for Economic Development.

Noting that the Council's performance against the LGBF data set showed a positive picture of performance, the report highlighted that over 50% of the indicators being reported for the Council (i.e. 67) sat within the top quartile. However, it was noted that data for 11 of the Children's Services indicators had not yet been published.

Furthermore, the 2017/18 data showed that the Council continued to perform strongly in key outcome areas where it was making differences to people's lives such as in education, housing and recycling. Whilst noting that the overall cost for support services had been reducing in recent years, the report explained that any slowing of this trend reflected investment in the Council's workforce and more modern practices. The Council continued to make good progress in reducing absence rates and invoice processing times following targeted action.

The report emphasised that the LGBF indicator set was only one means of recording and measuring the Council's performance and that to achieve a balanced picture, the outcomes the Council was reporting on over the next year through the Community Plan, incorporating Fairer East Ren, Outcome Delivery Plan and through various audits, inspections and self-assessments should be noted. In addition, there was a wide range of performance information scrutinised and reported by the Council which was not statutory and provided detailed information on performance at mid and year-end points. Furthermore, where an area of improvement had been identified, detailed action plans were in place to improve performance.

The Cabinet noted the Council's performance against the Local Government Benchmarking Framework indicators and the action taken by departments to address any performance issues.

ESTIMATED REVENUE BUDGET OUT-TURN 2018/19

821. The Cabinet considered a report by the Chief Financial Officer, detailing the projected Revenue Budget Out-turn for 2018/19 and providing details of the expected year-end variances together with summary cost information for each of the undernoted services as at 4 January 2019:-

- (i) Objective and Subjective Summaries;
- (ii) Education;
- (iii) Contribution to Integration Joint Board;
- (iv) Environment Department;
- (v) Environment Department – Support;
- (vi) Chief Executive's Office;
- (vii) Chief Executive's Office – Support;
- (viii) Corporate and Community Services Department – Community Resources;
- (ix) Corporate and Community Services Department – Support;
- (x) Other Expenditure and Income;
- (xi) Joint Boards;
- (xii) Contingency – Welfare;
- (xiii) Health and Social Care Partnership; and
- (xiv) Housing Revenue Account.

Whilst noting that as at 4 January 2019 the estimated year-end position showed a net favourable variance on net expenditure of £1,835,000 based on current information, the report indicated that for General Fund services the projected underspend was £1,794,000. However, the Council Tax collection position was slightly lower than forecast, with a reduction in income of £250,000 now anticipated, bringing the total forecast underspend on General Fund services to £1,544,000 or 0.7% of the annual budget. The projected revenue budget out-turn variance reflected the increased pressures arising from the latest pay award offer.

The report concluded by highlighting that a number of operational variances required management action to be taken to ensure that expenditure would be in line with budget at the end of the financial year. At this time, it was expected that management action would lead to all overspends being recovered. Furthermore, in view of the tighter than anticipated 2019-20 provisional grant settlement and the impact of the recent increases in pay offers, all departments were expected to consolidate and maximise underspends wherever possible in the current year in order to address future budget provision.

The Cabinet, having noted the probable out-turn position, agreed:-

- (a) to approve the service virements and operational adjustments as set out in the report;
- (b) that management action be taken to remedy any forecast overspends; and
- (c) that all departments continue to closely monitor their probable out-turn position and consolidate and maximise underspends wherever possible.

GENERAL FUND CAPITAL PROGRAMME 2018/19

822. The Cabinet considered a report by the Chief Financial Officer, monitoring expenditure as at 1 February 2019 against the approved General Fund Capital Programme 2018/19 and recommending adjustments where necessary in light of issues that had arisen since the programme had been approved.

The report highlighted the latest developments relating to the programme, including the latest income and expenditure movements and cash flow management issues and indicated that the projected shortfall of £318,000 which represented 0.94% of the resources available and was within manageable limits. Detailed explanations of the reasons for the major movements within the programme were outlined in the report.

The Cabinet agreed to:-

- (a) **recommend to the Council** that the proposed adjustments to the General Fund Capital Programme 2018/19 be approved; and
- (b) note that the shortfall of £318,000 would be managed and reported within the final accounts for the year.

HOUSING CAPITAL PROGRAMME 2018/19

823. The Cabinet considered a joint report by the Chief Financial Officer and the Director of Environment, monitoring expenditure as at 1 February 2019 against the approved Housing Capital Programme 2018/19 and recommending adjustments where necessary in light of issues that had arisen since the programme had been approved.

The report highlighted the latest developments relating to the programme, including the latest income and expenditure movements and cash flow management issues and indicated that the projected shortfall of £85,000 which represented 0.94% % of the resources available and was within management limits.

The Cabinet agreed to:-

- (a) **recommend to the Council** that the movements within the Housing Capital Programme 2018/19 be approved; and
- (b) note that the shortfall of £85,000 would be managed and reported within the final accounts for the year.

TRADING UNDER BEST VALUE

824. The Cabinet considered a report by the Chief Financial Officer, requesting that consideration be given to the classification of Council activities in terms of trading operations as defined by the Local Government in Scotland Act 2003 and as modified in June 2013 by the Local Authority (Scotland) Accounts Advisory Committee (LASAAC). Details of the review of services that had been undertaken; a summary of trading operations and the criteria used to determine if they were “significant” were appended to the report.

The report explained that in terms of the Local Government in Scotland Act 2003, the Council was required to consider its trading operations on an annual basis and determine those which should be regarded as “significant”. Having noted the criteria that required to be met for a trading operation to be considered as “significant” and a further test of significance that required to be taken into account, the report explained that having taken these conditions into account, the result of the review for 2018/19 was that the Council had no Significant Trading Operations.

The Cabinet agreed that in terms of the Local Government in Scotland Act 2003 that there were no trading services operated by the Council that should be classified as “significant”.

DEBT MANAGEMENT FOR COUNCIL TAX - SUNDRY DEBT INCOME AND HOUSING BENEFIT OVERPAYMENTS

825. The Cabinet considered a report by the Deputy Chief Executive, seeking approval to write-off as irrecoverable sums associated with Council Tax and Water and Sewerage charges; Sundry Debt Income and Housing Benefit Overpayments.

Whilst noting that the Council’s debt recovery policy listed situations where write-off of debts would be considered when all viable means of collection had been exhausted, the report highlighted that there was accountancy provision for such write-offs and as such they did not affect the Council’s overall financial position.

The Cabinet:-

- (a) approved the write-off of the following sums, totalling up to £352,890.57 without prejudice to subsequent recovery procedure:-
 - (i) Council Tax arrears totalling up to £218,584.00;
 - (ii) Sundry Debt Income totalling up to £43,567.03;
 - (iii) Housing Benefit Overpayments totalling up to £90,739.54; and

- (b) noted that Water and Sewerage charges totalling up to £72,163.54 were also being written off in discussion with Scottish Water.

NON-DOMESTIC RATES DEBT MANAGEMENT

826. The Cabinet considered a report by the Deputy Chief Executive, seeking approval to write-off as irrecoverable Non-Domestic Rates totalling £897,823.63 and seeking an exemption from normal tendering procedures to allow continued Non-Domestic Rates provision by Renfrewshire Council over the next 2-3 years whilst an option appraisal was being developed for future provision of this service.

The report explained that write-offs of Non-Domestic Rates were made annually as part of normal business processes and that there was accountancy provision for such write-offs and as such they did not affect the Council's overall financial position.

Whilst noting that there was a level of historical debt represented in the report, as a result of a data cleansing exercise, this too had been provided for in the accounts for a number of years, but had not been formally written off. It was noted that Renfrewshire Council was also conducting a similar data cleansing exercise for its own records.

The Cabinet:-

- (a) approved the write-off of a total of £83,608.75 of irrecoverable Non-Domestic Rates, without prejudice to subsequent recovery procedure, as part of the annual write-off procedure;
- (b) noted that as a part of a data cleansing exercise led by Renfrewshire Council, historical debts were being reviewed to determine which were unrecoverable and should now be written off;
- (c) noted that the write-off of these historic unrecoverable debts would have no net impact on the Council's accounts as provision had been made for the debt, in full, in previous years;
- (d) approved the write-off of £814,214.88 of historical debt going back to 2005 as part of the first phase of the data cleansing exercise which would have no net impact on the Council's revenue accounts;
- (e) noted that a further report would be submitted to a future meeting of the Cabinet once all historical debt had been reviewed; and
- (f) approved an exemption from normal tendering arrangements to allow continuation of existing administration arrangements for Non-Domestic Rates via Renfrewshire Council for the next two to three years, acknowledging that longer term there would be an options review for delivery of this service.

WRITE-OFF OF IRRECOVERABLE FORMER TENANT RENT AND COURT EXPENSES

827. Under reference to the Minute of the meeting of the Cabinet of 26 January 2017 (Page 2197, Item 2361 refers), when the new Rent Arrears Policy had been approved, the Cabinet considered a report by the Director of Environment, seeking approval to write-off former Tenant Rent and Court Expenses which could not be recovered through the debt collection process.

The Cabinet:-

- (a) approved the write-off sum up to the value of £75,323.02 of former Tenant irrecoverable Rent and Court Expenses whilst acknowledging these could be pursued and recovered in future should additional information and opportunities arise;
- (b) noted that £71,222.59 of this amount was written off against the Housing Revenue Account (HRA) and the remaining £4,100.43 was written off against the Non-Housing Revenue Account as this was accrued by homeless households placed in temporary accommodation; and
- (c) noted that the write-off of these historic unrecoverable debts would have no net impact on the Council's accounts as provision had been made for the debt in full, in previous years.

EAST RENFREWSHIRE COUNCIL CLIMATE CHANGE REPORT 2017/18

828. The Cabinet considered a report by the Director of Environment, providing details of the Council's 2017/18 Climate Change Report which had been submitted to Scottish Ministers in accordance with the provisions of the Climate Change (Duties of Public Bodies: Reporting Requirements)(Scotland) Order 2015. A copy of the document was appended to the report.

The report explained that the 2017/18 report demonstrated that good progress was being made by the Council in terms of climate change mitigation. Details of the progress that had been made in terms of the reduction in CO² omissions together with details of the factors which had led to the reduction in the emissions were outlined in the report.

The Cabinet noted the Council's 2017/18 Climate Change Report which had been submitted to Scottish Ministers.

GLASGOW CITY REGION – REGIONAL SKILLS INVESTMENT PLAN 2019/24

829. The Cabinet considered a report by the Director of Environment, providing an update on the development of a Regional Skills Investment Plan for the period 2019/24 and seeking endorsement of the plan.

Whilst noting that Glasgow City Region had one of the most highly skilled labour markets in the UK with more than 42% of the working age population having degree level qualifications although it also had 11% of working age adults with no qualifications, the report explained that skills investment was devolved to the Scottish Government and delivered through a range of national programmes by Skills Development Scotland and further and higher education bodies.

The report indicated that a draft Skills Investment Plan for the City Region had been prepared that set out Glasgow City Region performance in relation to employment and skills indicators and provided an analysis of supply and demand trends for skills and labour, now and in the future. It was noted that the plan contained 6 strategic outcomes and 7 priority action areas, details of which were outlined.

The report concluded by highlighting that the comprehensive nature of the Glasgow City Regional Skills Investment Plan offered the Council and its partners a strong strategic framework for taking future action. At a local level, the Skills Investment Plan would be

progressed by the Local Employability Partnership and the Council's Work EastRen employability service. The final Skills Investment Plan would be approved by the Regional Economic Partnership and thereafter by the City Region Cabinet in April 2019.

The Cabinet:-

- (a) endorsed the draft Regional Skills Investment Plan; and
- (b) agreed to its implementation within East Renfrewshire.

CHAIR

