

# Agenda



## Meeting of West Dunbartonshire Council

**Date:** Wednesday, 28 August 2019

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**Time:** 18:00

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**Venue:** Council Chamber,  
Clydebank Town Hall, 49 Dumbarton Road, Clydebank

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**Contact:** Christine McCaffary  
Tel: 01389 737186 – [christine.mccaffary@west-dunbarton.gov.uk](mailto:christine.mccaffary@west-dunbarton.gov.uk)

Dear Member

Please attend a meeting of **West Dunbartonshire Council** as detailed above.  
The business is shown on the attached agenda.

Yours faithfully

**JOYCE WHITE**

Chief Executive

### Distribution:-

Provost William Hendrie  
Bailie Denis Agnew  
Councillor Jim Bollan  
Councillor Jim Brown  
Councillor Gail Casey  
Councillor Karen Conaghan  
Councillor Ian Dickson  
Councillor Diane Docherty  
Councillor Jim Finn  
Councillor Daniel Lennie  
Councillor Caroline McAllister

Councillor Douglas McAllister  
Councillor David McBride  
Councillor Jonathan McColl  
Councillor Iain McLaren  
Councillor Marie McNair  
Councillor John Millar  
Councillor John Mooney  
Councillor Lawrence O'Neill  
Councillor Sally Page  
Councillor Martin Rooney  
Councillor Brian Walker

### Chief Executive

Strategic Director - Transformation & Public Service Reform

Strategic Director - Regeneration, Environment & Growth

Chief Officer - West Dunbartonshire Health & Social Care Partnership

Date of issue: 15 August 2019

### **Audio Streaming**

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**WEST DUNBARTONSHIRE COUNCIL**

**WEDNESDAY, 28 AUGUST 2019**

**AGENDA**

**1 STATEMENT BY CHAIR – AUDIO STREAMING**

The Chair will be heard in connection with the above.

**2 APOLOGIES**

**3 DECLARATIONS OF INTEREST**

Members are invited to declare if they have an interest in any of the items of business on this agenda and the reasons for such declarations.

**4 MINUTES OF PREVIOUS MEETING 11 - 31**

Submit for approval as a correct record the Minutes of Meeting of West Dunbartonshire Council held on 26 June 2019.

**5 MINUTES OF AUDIT COMMITTEE 33 - 36**

Submit for information and where necessary ratification the Minutes of Meeting of the Audit Committee held on 20 March 2019.

**6 OPEN FORUM**

The Council is asked to note that no open forum questions have been submitted by members of the public.

**7 REQUEST FOR DEPUTATION  
UNISON AND UNITE - CUTS AND PUBLIC CONSULTATION**

The Council is asked to consider whether or not it wishes to hear a deputation in connection with the above.

**8/**

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|-----------|---|------------------|
| <b>8</b>  | <b>GLASGOW CITY REGION CITY DEAL UPDATE</b>   | <b>37 - 44</b>   |
|           | Submit report by Strategic Lead – Regeneration advising of progress with the implementation of the Glasgow City Region, City Deal.            |                  |
| <b>9</b>  | <b>ANNUAL REPORT ON AUDIT COMMITTEE</b>   | <b>45 - 53</b>   |
|           | Submit report by the Strategic Lead – Resources providing an Annual Report on the Audit Committee for 2018/19.                                |                  |
| <b>10</b> | <b>GENERAL SERVICES BUDGETARY CONTROL REPORT - PERIOD 4</b>   | <b>To Follow</b> |
|           | Submit report by the Strategic Lead – Resources on the above.   |                  |
| <b>11</b> | <b>HOUSING REVENUE ACCOUNT BUDGETARY CONTROL REPORT - PERIOD 4</b>  | <b>To Follow</b> |
|           | Submit report by the Strategic Lead – Housing & Employability on the above.   |                  |
| <b>12</b> | <b>TREASURY MANAGEMENT ANNUAL REPORT 2018/19</b>  | <b>55 - 67</b>   |
|           | Submit report by Strategic Lead – Resources providing an update on treasury management during 2018/19.  |                  |
| <b>13</b> | <b>UPDATE OF THE FINANCIAL REGULATIONS</b>  | <b>69 - 118</b>  |
|           | Submit report by the Strategic Lead – Resources seeking approval of the Revised Financial Regulations.  |                  |
| <b>14</b> | <b>WEST DUNBARTONSHIRE ANNUAL PERFORMANCE REPORT 2018/19</b>  | <b>119 - 144</b> |
|           | Submit report by the Strategic Lead – Communications, Culture & Communities presenting the West Dunbartonshire Council Annual Report 2018/19. |                  |
| <b>15</b> | <b>AUDIO STREAMING OF COUNCIL MEETINGS</b>  | <b>145 - 150</b> |
|           | Submit report by Strategic Lead – Regulatory on the continuation of audio streaming of Council meetings.                                      |                  |

**16 JOINT COLLABORATION: WEST DUNBARTONSHIRE  
AND INVERCLYDE COUNCILS**

**151 - 156**

Submit report by the Strategic Director – Transformation & Public Service Reform advising of proposals for further joint collaboration with Inverclyde Council.

**17 QUESTION FROM COUNCILLOR JIM BOLLAN TO COUNCILLOR  
JONATHAN McCOLL**

On 27<sup>th</sup> March, 2019, Council agreed to review its current charging policy for non-residential social care.

Will this review undertake an Equality Impact Assessment, according to the Equality Act 2010, of such a policy?

If so, what aspects and outcomes of the policy will that assessment cover; and will those aspects and outcomes include the total level, as well as the range of levels of debt to the individual, such a policy accrues?

**18 NOTICES OF MOTION**

**(a) Motion by Councillor Jim Bollan - Biodiversity**

Council agrees to draw up a Biodiversity plan for West Dunbartonshire and actively involve the local communities in the planning, development and use of these Biodiversity areas across West Dunbartonshire. These areas require to be in suitable locations, with appropriate soil, plus have wildflowers added to encourage the bees, birds, butterflies and other insects to use the areas to help protect the ecosystems.

The areas of open land in various parts of West Dunbartonshire at present where the grass and weeds have been left uncut due to budget reductions are, unsightly, strewn with litter, dogs dirt, and are not areas where bees will pollinate."

**(b) Motion by Councillor David McBride – Civic Space Church Street**

Council notes the capacity of the public viewing gallery in the Church Civic Space is limited. While this provides sufficient seating for most meetings, depending on the agenda item this will not accommodate the capacity required if there is a contentious issue being considered, or for the annual budget setting meeting. We note the many interested members of the public were locked out of the June meeting when the Flamingoland development was being considered. Council believes/

believes public interest in local democracy should be encouraged and if possible, we should attempt to satisfy demand for people to attend meetings if they wish.

Therefore, we call on the Chief Executive to arrange space planning to maximise public attendance in the Church St Civic Space when demand is required. If a large attendance of the public is anticipated for a Council Meeting the seating could be arranged in a similar manner to committee meetings, possibly at one side of the Civic Space and not dissimilar to the arrangement in the Council Chamber in Clydebank Town Hall. This could allow additional seating and increase capacity to attend Council Meetings. In addition, a temporary barrier could be procured to ensure there is a suitable defined space for Elected Members, Officers and members of the public.

Council also requests that the Chief Executive reports back to next Council with options and costs of proposals which could also include live visual streaming to the large screen in the Council Staff area. In addition, we would also wish to consider holding meetings if required in the Lesser Town Hall when the Clydebank Council Chamber proves unable to accommodate the public. Therefore, we also request any costs involved to ensure this supports the live streaming of meetings.

### **(c) Motion by Councillor Martin Rooney – Self Directed Care**

This Council notes the recent review of Self Directed Care by the Care Inspectorate highlighted limited progress by West Dunbartonshire Health & Social Care Partnership.

The Partnership has fallen further behind the Scottish average in terms of Self Directed Care.

In 2015/16 the Scottish average implementation rate was 26% but by 2016/17 the national average had increased to 39%. However, West Dunbartonshire Health & Social Care Partnership implementation rate was just 3%.

The West Dunbartonshire Health & Social Care Partnership was ranked 32 out of 32 local authorities in Scotland on the percentage of social care clients who had made an informed choice regarding Self Directed Care.

The West Dunbartonshire Health & Social Care Partnership was ranked 28 out of 32 Scottish local authorities on the percentage of adults that used direct payments or personalised managed budgets to meet their support needs.

The West Dunbartonshire Health & Social Care Partnership annual public performance report in 2017 reinforced it's commitment to meeting the requirements of self directed support legislation but the partnership has failed to meet these commitments.

The/

The Care Inspectorate identified that there was evidence of poor personal outcomes in 32% of the case studies they read.

The inspectors also noted that the West Dunbartonshire Health and Social Care Partnership had not used evidence to inform changes and improvement and had not fully assessed the potential implications of Self Directed Care legislation and the implications of the Carers (Scotland) Act 2016 on its finances.

Given the above, the Council calls for a copy of the recently published West Dunbartonshire Health and Social Care Partnership report on Self Directed Care to be presented to the next Council meeting for public scrutiny by all elected members.

#### **(d) Motion by Councillor David McBride – Road Closures**

Council notes there has been significant road works locally in the last few months. Of course we recognise the maintenance is absolutely necessary and often an emergency by utilities. However, in recent months the local community has endured significant delays and inconvenience. Therefore, Council requests the Chief Executive provides a report of road works in the last six months and review if any lessons can be learned for future projects that could be introduced before and during major roadworks.

The report should review preparation of the road closures, consultation with local residents & businesses to attempt to minimise disruption and mitigate this where possible. In future, it should be mandatory that road closures discussions are held with bus companies to ensure some form of service is retained. For example, Silverton residents service was severely disturbed following the Glasgow Road gas replacement pipes. Clearly, this will have had a huge impact in many residents' day to day lives. In addition, diversion signage installed by contractors have proved confusing and inadequate. WDC roads staff should always be on site prior to the immediate work starting. Officers should have the authority to postpone work if the signage or parking restrictions required have not been introduced by the contractors as agreed.

In addition, the level of road works may be unsustainable in terms of sufficient staffing for our officers. This should therefore also be taken into consideration when planning and while authority for road closures is agreed.

The report with findings and recommendations should be submitted to next suitable Council Meeting.

#### **Note:/**

**Note:** The Suspension of Standing Orders is required to allow consideration of Motion 12(e).

**(e) Motion by Councillor Caroline McAllister – Community Alliance**

Council notes that the Community Alliance is currently going through a process of reform, reviewing its purpose and making it more representative of the community.

Council agrees to the request from the Community Alliance to increase the number of Councillor members from 3 to 4 (Currently Councillors Caroline McAllister, John Millar and Sally Page).

The new space will be filled by the Housing & Communities Convener as requested by the Community Alliance.

The Community Alliance have also asked that members be permitted to send a substitute in their place when they are unable to attend, and Council agrees.

The Chief Legal Officer should make the necessary changes to Standing Orders to reflect these changes.'

**(f) Motion by Councillor Douglas McAllister – Clydesdale Harriers – Above Inflation Letting Charges**

This Council is disappointed to learn that a community sports group that actively encourages participation by young people into sports activities has been subjected to an 18% increase in its letting charges at St Peter The Apostle in Clydebank.

The club targets the young people from the five mainstream secondary schools and it keeps its rates low to remove barriers for less well-off young people so that they can fully participate in their activities.

In the Year of Young People, it is indeed unfortunate that the club had seen its letting costs increase from £7,000 to £8,000.

Council calls on the Chief Executive to explore options and to bring a report to the next Council meeting with a resolution to the situation.

This could include setting up a support grant from reserves to help the organisation to obtain financial support to keep its club fees affordable. Alternatively it could be a supported grant from the Year of Young People legacy fund.

Council also notes that the club had been informed that they would have their access to facilities at St. Peter The Apostle Secondary School cut back essentially locking/



Locking the community out of using the sports facilities including the community use of the running track etc.

The Council report should also explore the rationale for this change and consider the implications of reversing this so that the club can continue to provide the service to local young people.

**(g) Motion by Councillor Ian Dickson – Use of Solar PV**

Having recently recognised the climate emergency Council asks officers to investigate and provide a report on increasing the council's energy self-sufficiency through the use of solar PV. The use of solar panels can generate locally some or all of the energy our new build and existing buildings consume, reducing our consumption of fossil fuel derived energy. This report should be available for councillors to consider in time for the budget setting meeting in March 2020.

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## WEST DUNBARTONSHIRE COUNCIL

At the Meeting of West Dunbartonshire Council held in the Civic Space, Council Offices, 16 Church Street, Dumbarton on Wednesday, 26 June 2019 at 6.07 p.m.

**Present:** Provost William Hendrie, Bailie Denis Agnew and Councillors Jim Bollan, Jim Brown, Gail Casey, Karen Conaghan, Ian Dickson, Diane Docherty, Caroline McAllister, Douglas McAllister, David McBride, Jonathan McColl, Iain McLaren, John Millar, John Mooney, Lawrence O'Neill, Sally Page, Martin Rooney and Brian Walker.

**Attending:** Joyce White, Chief Executive; Angela Wilson, Strategic Director – Transformation & Public Service Reform; Peter Hessel, Strategic Lead – Regulatory (Legal Officer); Stephen West, Strategic Lead – Resources; Laura Mason, Chief Education Officer; Malcolm Bennie, Strategic Lead – Communications, Culture & Communities; Victoria Rogers, Strategic Lead – People & Technology; Jim McAloon, Strategic Lead – Regeneration; Peter Barry, Strategic Lead – Housing & Employability; Jo Gibson, Head of Health & Community Care; Jonathan Hinds, Head of Children's Health Care & Criminal Justice Service; Pamela Clifford, Planning, Building Services & Environmental Health Manager; Gillian McNeilly, Finance Manager and Christine McCaffary, Senior Democratic Services Officer.

**Apologies:** Apologies for absence were intimated on behalf of Councillors Jim Finn and Daniel Lennie.

**Provost William Hendrie in the Chair**

### ADJOURNMENT

In terms of Standing Order 17(c) Councillor McBride, seconded by Councillor Douglas McAllister moved that the meeting be adjourned for 15 minutes.

On a vote being taken 18 members voted in favour of the recess and the meeting was accordingly adjourned.

The meeting reconvened at 6.32p.m. with all those noted in the sederunt present.

## **STATEMENT BY CHAIR – AUDIO STREAMING**

The Provost advised that the meeting was being audio streamed and broadcast live to the internet and would be available for playback.

## **MINUTE OF SILENCE**

Having heard Provost Hendrie, the Council observed a minute's silence as a mark of respect for former Councillor and Depute Provost, Linda McColl, who had sadly passed away recently.

## **VARIATION IN ORDER OF BUSINESS**

After hearing the Provost, the Council agreed to vary the order of business as hereinafter minuted.

## **DECLARATIONS OF INTEREST**

Councillor Docherty declared an interest in Item 10 – Consultation on Tourism Led Recreational, Residential, Food and Drink Development on Land at West Riverside and Woodbank House, Balloch, being a member of Loch Lomond Park Authority.

Councillor McLaren also declared an interest in the above item being a co-owner of a business in the area.

## **MINUTES OF PREVIOUS MEETINGS**

The redacted Minutes of Special Meeting of West Dunbartonshire Council held on 14 May 2019 were submitted and approved as a correct record, subject to the following corrections:-

- (i) that page 7 of the minutes be corrected to show that it was Councillor Bollan who had voted for the first amendment, not Councillor Brown as shown; and
- (ii) that the result of the second roll call vote shown in the last paragraph of the minutes be amended to include those Members who had abstained from voting.

The Minutes of Meeting of West Dunbartonshire Council held on 29 May 2019 were submitted and approved as a correct record, subject to the reference to Councillor Page's amendment being deleted.

Councillor Bollan, having failed to find a seconder for an amendment requested that his dissent be recorded.

## **OPEN FORUM**

The Council noted that no open forum questions had been submitted by members of the public.

Note:- Councillors Docherty and McLaren left the meeting at this point having declared an interest in the following item of business.

### **CONSULTATION: 2018/0133/PPP TOURISM LED RECREATIONAL, RESIDENTIAL, FOOD AND DRINK DEVELOPMENT ON LAND AT WEST RIVERSIDE AND WOODBANK HOUSE, BALLOCH**

A report was submitted by the Strategic Lead – Regulatory seeking agreement of the Council's response to a consultation received from the Loch Lomond and the Trossachs National Park Authority regarding a planning application for a tourism led development at West Riverside and Woodbank House Balloch.

The Planning, Building & Environmental Health Services Manager was heard in further explanation of the report and in answer to Members' questions.

#### **Requests for Deputations – (i) Mr Alexander Perrie and (ii) Save Loch Lomond**

Having heard the Provost, the Council agreed to hear both deputations on this item, and the Provost then invited Mr Alexander Perrie to join the meeting.

Mr Perrie was heard in connection with the application and in response to questions from Members. The Provost thanked Mr Perrie for his contribution and he returned to his seat.

The Provost then invited Mr MacLeod and Ms Paton, Save Loch Lomond to join the meeting.

Mr MacLeod and Ms Paton were then heard in connection with the application and in answer to Members questions.

The Provost thanked both for their contributions and they returned to their seats.

Councillor McColl moved:-

The development of West Riverside and Woodbank House are key projects identified within the Balloch Charrette Action Plan and have potential to make a significant contribution to the tourist and visitor economy of Balloch, but any development must be suitable for the sites in question and the wider local area. Overdevelopment is a significant risk and we must not fall into the trap of grabbing something shiny without properly considering the true impact.

With that in mind, Council agrees to oppose and formally object to the planning application on the following grounds:

- The adopted Loch Lomond & the Trossachs National Park Local Development Plan 2017-2021 identifies part of the development site as a Strategic Tourism Opportunity recognising its potential for enhancing its role as a premium visitor destination and gateway to the National Park. The proposed application however represents clear overdevelopment of the site as the applicant seeks to develop areas zoned for tourism opportunities with residential housing and areas deliberately left out of the LDP are to have trees removed and lodges, among other things, built on them. This overdevelopment and departure from the Local Development Plan is not acceptable and would see loss of amenity for local residents and visitors to the area as well as causing unavoidable disruption and loss of privacy for properties in Drumkinnon Gate Estate, whose gardens are mere feet from the proposed development site.
- This scale of development will bring significant economic risk for the local area and local businesses. While it might be considered that the permanent and seasonal jobs being created would be a real boost to the West Dunbartonshire economy, given the type of development being proposed, it is more likely that the site will be in direct competition with local accommodation, hospitality and leisure facilities, including the Council's own Vale of Leven facility. The risk to local jobs and businesses is unacceptable.
- The proposed development site is embedded within an established road and access network and will be principally accessed by the A82 and A811 and locally by Balloch Road, Old Luss Road, Pier Road and Ben Lomond Way. While it is recognised that users of the facilities will be encouraged to use public transport and that discussions are ongoing with ScotRail/Abellio to agree in principle promoting access to the development by rail, it is accepted that the majority of people will come by car thus having a significant impact on the local road network. The applicant has accepted at a formal consultation meeting with Councillors and the site owners, that they will be adding to an existing problem of congestion.
- Given the scale of the existing roads capacity problem during peak visitor times, standard mitigation measures such as an Access and Parking Management Strategy and enhanced Signage and Variable Message Signage (VMS) installed at key approaches to the site will do little to assist in reducing the impact of the development on the road network.
- Roads guidance in relation to network capacity identified an am and pm peak daily time, but no assessment was carried out during sunny periods, busy weekends or holidays. The professional officers' report to Council states that, "It is widely known that the summer season, good weather weekends and local events can increase traffic significantly on the A82, A811 and the local roads, all to the detriment of the local area. It is considered that this development could exacerbate existing conditions. Concerns are expressed that the impact of this development has not been fully assessed at peak times such as good weather weekends and during the summer months to determine the associated amenity and environmental effects on the wider area."; Council

believes that the scale of the problem is such that the type and scale of development being proposed would cause unacceptable disruption, not only to local people, but also to commuters and visitors travelling north on the A82, who already suffer serious delays at these peak times.

- The application proposes to remove the existing parking provision opposite Balloch Train Station and provide some parking within the site. The applicant describes the existing car park as ‘informal’, but having been in use for more than two decades, the Council considers it well established and in a perfect location to encourage park and ride use and short-medium stay use for visitors to Balloch village. Car parking in Balloch is extremely limited and the loss of this facility without suitable, easily accessible provision is an unacceptable loss of amenity.
- From a scientific point of view, the proposed plan to “retain and enhance” wildlife on site is counterintuitive. Taking out the floor-level flora will devastate the entire ecosystem and have far-reaching effects along the whole shore. Organisms do not exist independently; conditions for each are interdependent on multiple other complex links within an ecological “community”. Taking out even one component, unless it is a recently invasive non-native species, is devastating. A loch shoreline is like a major heart artery; you cannot block it with a blood clot and expect the heart to keep beating.
- The ecology of Loch Lomond’s woodland is internationally unique due to the combined effects of glacial geology of this part of West Scotland and windy, wet conditions. This attracts renowned scientists and amateur naturalists from all over the world. 78% of Loch Lomond visitors come for its natural assets (Visit Scotland survey 2016). To damage its ecology is an act of grievous economic and scientific self-harm.
- Some of the specific ecological impacts include the following:
  - Negative impacts of partial loss of habitat and damage to woodland and intact hedgerow, resulting in significant negative effects on local flora and fauna.
  - Negative impacts of pollution to standing water and running water. Detailed mitigation plans required.
  - Negative impacts of habitat loss, disturbance, displacement, injury and fatality to red squirrels; this being one of the few sites where they are still clinging on.
  - Negative impacts of significantly increased use and pollution of woodland and inundation vegetation, resulting in significant effects at a local level.
  - Negative impacts of injury and fatality, disturbance and displacement to otters.
  - Negative impacts of injury and fatality, disturbance and displacement to pine marten.
  - Positive impacts of increased roosting and foraging resources to bats, resulting in significant population increase that would impact significantly on the local fauna food chain.

Further to submitting this objection, Council agrees that it is not in the public interest for Scottish Enterprise, or any public body, to sell their shares of this important local site to a private developer. Council believes that a long term lease agreement with appropriate protections for all parties involved is a far better model for any future development on the site.

Council asks the Leader of the Council to write to the Scottish Government expressing this view and asking them to intervene, not in the planning process (which would be inappropriate at this stage), but in Scottish Enterprise's plans to sell the land.

Should the National Park Planning Authority reject the application, West Dunbartonshire Council and the Leader of the Council will write in support of their decision to Scottish Ministers in the event that the applicant submits an appeal.

Councillor Bollan asked Councillor McColl if he would accept the following addendum to his motion:-

Council agrees to advise the Loch Lomond & Trossachs Park Authority that WDC is opposed to the proposed joint development by Flamingo Land & Scottish Enterprise to the West Side of the River Leven in Balloch which we consider is not only an overdevelopment but is also not in keeping with the Park Authority's first and overriding policy objective of 'Conserving and Enhancing the natural and cultural heritage of the area.'

Council also asks the LL&TPA to refuse this joint application and to open up a dialogue with local groups and other interested bodies about delivering more suitable and sustainable alternative uses for this area of unsurpassed beauty at the southernmost tip of Loch Lomond at Balloch, whilst retaining the land in Public Ownership.

Council further calls on the Scottish Government to call in this application immediately given the 57,000 objections and the real possibility of there being a conflict of interest by parties involved in setting the process for this development to be considered.

Councillor McColl agreed to Councillor Bollan's request, stating that he would delete 'not in the planning process (which would be inappropriate at this stage) but' from his motion and add Councillor Bollan's addendum.

Councillor Page was then heard in connection with this matter.

## **ADJOURNMENT**

Following a request from Councillor McBride and having heard the Provost, the Council agreed to a short adjournment to allow Members to consider the motion and addendum.



The meeting reconvened at 8.15 p.m. with all those noted in the sederunt present, with the exception of Councillors Docherty and McLaren.

### **DECLARATION OF INTEREST**

At this point in the meeting, Councillor Caroline McAllister intimated that she had become aware that she had a conflict of interest in the matter and therefore left the meeting.

Councillor McColl stated that he had been advised that Scottish Enterprise had expressed concerns regarding 3 points that had been made earlier in the meeting.

Following discussion, the Council agreed to hear their concerns on any inaccuracies within the motion and addendum that had been moved. The Provost then invited one of their representatives to join the meeting.

Mr Gary McGregor introduced himself, stating that he was a Project Manager with Flamingo Land Ltd. He then referred briefly to matters relating to the Environmental Impact Assessment and traffic issues, and then returned to his seat.

Following a question from Councillor Rooney, Councillor McColl confirmed he was willing to accept the following as a second addendum to his motion:-

One of the biggest criticisms has been around the capacity of our current infrastructure and irrespective of the outcome of this item on the Council today or the actual decision at the National Park Board, the Council believes that there needs to be significant investment into our roads infrastructure.

The Scottish Government is looking at its investment priorities for the next five years and the Council therefore agrees that the Chief Executive should ensure that a submission is made to the Scottish Transport Projects Review 2 (STPR2) for investment into the A82 to increase its capacity and increase dual carriageways where required.

It is also noted that the train service has been unreliable in the recent past with short formed trains making travel difficult for commuters as well as visitors and assurances will be required from Abellio that 6 carriage trains will be available to service the development.

#### Housing

The Council notes with regret that there is no provision for 25% affordable housing.

#### River Leven Boat Clubs

Whilst not a planning consideration, the Council expresses its support for the boat clubs on the River Leven and believes that a 100 year lease would be

appropriate security for the clubs and therefore encourages (Lomond Banks and) Scottish Enterprise to enter into such a lease agreement.

#### Purchase of land

The Council notes that the land was purchased by Scottish Enterprise for a sum in excess of £2million and that the value of sale now is £200,000. It would appear that public funding has been provided to commission a number of reports in support of the planning application. It is also likely that grants or loans will be made available if the development proceeds. It represents a significant contribution from the public purse so it is important to consider whether this is the right development in the right place. Should the exclusivity agreement between Scottish Enterprise and Lomond Banks cease, then the Council supports the interest taken by the community in a community buy-out of the land.

At this point Councillor McColl advised that he was including in his motion the following comments that had been made earlier in the meeting by Councillor Page:-

Given the low level of investment in this proposal in comparison to similarly scaled leisure developments, Council is concerned that the quality of this development will not be of the high minimum standard that our National Park should be expecting, and certainly would be unlikely to meet the requirements of our Place and Design Panel; a standard that I know National Park Planners are keen to emulate.

Following discussion, the Council agreed the motion as adjusted.

Note:- Councillors Docherty, Caroline McAllister and McLaren returned to the meeting at this point and Councillor Millar left.

### **BUDGET CONSULTATION 2020**

A report was submitted by the Strategic Lead – Communications, Culture and Communities proposing an approach to the budget consultation for the 2019/20 budget onwards.

Councillor Dickson, seconded by Councillor McColl moved:-

Council agrees the proposal to carry out an early citizen consultation on broad priorities for future savings areas. This will inform officer activity when savings proposals are being generated.

As an amendment Councillor O'Neill, seconded by Councillor Rooney moved:-

Council notes that despite its public commitment to consult on the 2019/2020 budget, the SNP administration failed to do so.

This meant local residents had no say on the SNPs commercialisation initiative of inflation busting increases to charges.

It also meant that community organisation Clydebank golfing fraternity that utilise the Municipal Golf Course had no say over the increases to membership fees and charges and were caught unaware when significant charges were imposed by the SNP.

In addition local residents had no say on the deletion of posts by the SNP council.

The above reflects the Scottish Government and the SNP Councils commitment to policies of austerity.

The proposed new approach of a priority based budget consultation will not mask the SNP austerity agenda.

Therefore, this Council again calls on the Scottish Government to properly fund local authorities like West Dunbartonshire so that services and jobs can be protected instead of the austerity cuts which affect, jobs, services and place the burden on budget cuts on the most vulnerable.

On a vote being taken, 9 Members voted for the amendment and 10 for the motion, which was accordingly declared carried.

### **DRAFT STATEMENT OF ACCOUNTS 2018/19**

A report was submitted by the Strategic Lead – Resources providing a copy of the draft Statement of Accounts for 2018/2019 together with information as to the outturn for 2018/19 per the draft accounts.

After discussion and having heard officers in answer to Members' questions, the Council agreed:-

- (1) to note the contents of the report and the attached draft Statements of Accounts, subject to the understanding that the draft accounts may change depending upon the audit of the accounts undertaken by the Council's external auditors;
- (2) to note the information provided in relation to the financial performance of the Council's services and capital plan for 2018/19;
- (3) to note that a report on the audited accounts will be submitted to either Council or the Audit Committee in September 2019 for approval as identified at paragraph 4.20 of the report;
- (4) to note that the audited Trust Fund Accounts will be presented to the Trust Committees at a meeting for approval, prior to being reported to Council; and

- (5) that the value of General Services free reserves in excess of the prudential target (from the Draft Financial Statements, this is £0.192m) is earmarked towards the Change Fund.

### **WEST DUNBARTONSHIRE'S GAELIC LANGUAGE PLAN**

A report was submitted by the Chief Education Officer seeking approval for the draft plan to be submitted to Bòrd na Gàidhlig.

Councillor Page, seconded by Councillor Walker moved:-

Council fully endorses the availability of Gaelic language teaching to all through our education department.

Council does not support the recommendation in the paper before us, as there is little reason for the Council to use Gaelic in any business function, such as corporate identity, signage, communication with the public and the usage of Gaelic on our websites.

Council calls upon officers to consider a more proportionate approach and bring a report back to the next Council meeting.

As an amendment, Councillor McColl seconded by Councillor Conaghan moved:-

That Council agrees:-

- (1) to note the contents of the report and the aims of West Dunbartonshire Gaelic Language Plan 2019-2024; and
- (2) to approve West Dunbartonshire Gaelic Language Plan for submission to Bòrd na Gàidhlig for approval nationally.

On a vote being taken 12 Members voted for the amendment and 2 for the motion. The amendment was accordingly declared carried.

### **SUSPENSION OF STANDING ORDERS**

Having heard Councillor Dickson, the Council agreed to suspend Standing Order 7(c) to allow the remaining business on the agenda to be considered beyond 9.30 p.m.

### **QUEENS QUAY HOUSING DEVELOPMENT**

A report was submitted by the Strategic Lead – Housing & Employability seeking approval to realign an element of the Council's General Services capital

Regeneration Fund to fund the construction of the four commercial units within the affordable housing development at Queens Quay, Clydebank.

After discussion and having heard the Strategic Lead – Housing & Employability in answer to Members' questions, Council agreed:-

- (1) to approve the acceleration of funding of £0.475m from the Council's General Fund capital regeneration fund, from 2020/21 into 2019/20, to finance the construction of the four commercial units in the affordable housing development within Queens Quay;
- (2) to approve the transfer of Site A, Queens Quay to Cube Housing Association (part of Wheatley Group) and Clydebank Housing Association at nil cost to meet the intended housing development priorities, and note that Sites B and C will be retained within Council ownership;
- (3) to authorise the Strategic Lead - Housing & Employability and Strategic Lead - Regulatory to agree a development agreement with Wheatley Group as detailed in paragraph 4.12 of the report; and
- (4) to authorise the Strategic Lead - Regulatory to conclude the above transactions subject to such legal conditions that are considered appropriate.

## **NOTICES OF MOTION**

### **(a) Motion by Councillor Caroline McAllister – Community Alliance**

Having heard the Legal Officer, a vote was taken to suspend Standing Orders to allow consideration of Item 11(a) – Motion by Councillor Caroline McAllister: Community Alliance.

11 Members voted to suspend Standing Order 20, however due to a two-thirds majority of those present not being obtained, the Standing Order was not suspended and the item was not considered.

### **(b) Motion by Councillor John Mooney – Community Alarm Charges**

Councillor Mooney, seconded by Councillor Casey moved:-

This Council notes that in March 2019 the SNP administration moved a budget which included above inflation increases in community alarm charges.

As a result of the increase to the charges the number of users has reduced by 151.

This Council is concerned about the long term sustainability of the service if the number of service users continues to fall.

Council is also concerned that the reduction could lead to more falls and injury by vulnerable pensioners.

The cost of this is always difficult to quantify, but the costs of an emergency admission to hospital would be significantly more.

Given the above, this Council calls for a report to come to a future Council meeting highlighting the benefits of increasing the charges, and comparing it to the potential consequential costs, such as the loss of service to vulnerable pensioners and the cost to the HSCP.

As an amendment Councillor McColl, seconded by Councillor Caroline McAllister moved:-

Council notes that in March 2019 the Council agreed a budget which included Community Alarm charges that come close to covering the cost of delivering the service.

This increase was recommended by the HSCP and is considered sustainable. In making their recommendations, Officers of the HSCP considered how the charging regime would affect their clients, and Council is confident in the assessment of those healthcare professionals, that the charges being levied are affordable, reasonable and necessary to continue to be able to provide these valuable services to those who need them most.

At the request of Councillor O'Neill the Council proceeded by way of a roll call vote.

On a vote being taken 10 members voted for the amendment, namely Provost Hendrie, Bailie Agnew and Councillors Brown, Conaghan, Dickson, Docherty, Caroline McAllister, McColl, McLaren and McNair and 9 members voted for the motion, namely Councillors Bollan, Casey, Douglas McAllister, McBride, Mooney, O'Neill, Page, Rooney and Walker. The amendment was accordingly declared carried.

**(c) Motion by Councillor Iain McLaren – Re-use Policy**

Councillor McLaren moved:-

Council notes that many items taken to our recycling centres for disposal are still perfectly usable, and in many cases brand new. The dumping of these goods not only costs West Dunbartonshire Council money to dispose of, they help generate and sustain a 'throw-away society' that is causing significant environmental issues both in terms of disposal and manufacture of replacement items.

Council further notes the work done by our recycling centre operators to set aside many of these items for donation to the Home from Home charity, and thanks them for their efforts to give usable items a new lease of life.

Council instructs officers to bring a report to a future IRED committee that will detail how more reusable items that are taken to our recycling centres can be saved from the scrapheap. This should include any issues regarding insurance and liability, and take into account working with charities and organisations such as Home from Home, Rag and Bone Tool Library and Made Zero, as well as using social media and other internet resources to find new homes for serviceable items.

The report should also consider the practicalities of providing free compost to residents from the food and garden waste that is currently recycled. This will reduce the amount of peat-based products on sale, and the single-use plastic that it comes wrapped in.

The Council agreed the motion.

**(d) Motion by Councillor Jonathan McColl – Council and Committee Timetable (Sept 2019 – 2020)**

Councillor McColl, seconded by Bailie Agnew moved:-

Council agrees the following timetable for Council and Committee meetings from September 2019 to September 2020, and agrees that going forward it will set its timetable annually in June:

September 2019

4<sup>th</sup> – 10am Licensing Committee (Dumbarton)  
2pm Educational Services Committee (Dumbarton)

18<sup>th</sup> - 9:30am Tendering Committee (Dumbarton)  
10am Planning Committee (Dumbarton)  
2pm Licensing Board

23<sup>rd</sup> - 10am Cultural Committee (Clydebank)

25<sup>th</sup> - 10am Audit Committee (Dumbarton)  
2pm HSCP

26<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

October 2019

23<sup>rd</sup> – 9:30am Tendering Committee (Clydebank)  
10am Planning Committee (Clydebank)

2pm Licensing Committee (Clydebank)

24<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

30<sup>th</sup> - 2pm Council (Clydebank)

#### November 2019

6<sup>th</sup> - 10am Housing & Communities Committee (Clydebank)  
2pm Planning Committee (Clydebank)

13<sup>th</sup> - 9:30am Tendering Committee (Clydebank)  
10am Corporate Services Committee (Clydebank)  
2pm HSCP

20<sup>th</sup> - 10am Infrastructure, Regeneration & Economic Development  
Committee (Clydebank)  
2pm Audit Committee (Clydebank)

21<sup>st</sup> - 2pm CPP

25<sup>th</sup> - 10am Cultural Committee (Clydebank)

27<sup>th</sup> - 6pm Council (Dumbarton)

28<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

#### December 2019

4<sup>th</sup> - 9:30am Tendering Committee (Dumbarton)  
10am Licensing Committee (Dumbarton)  
2pm Educational Services Committee (Dumbarton)

10<sup>th</sup> - 10am Licensing Board

11<sup>th</sup> - 10am Planning Committee (Dumbarton)  
2pm HSCP

12<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

18<sup>th</sup> - 2pm Council (Clydebank)

#### January 2020

22<sup>nd</sup> - 9:30am Tendering Committee (Clydebank)  
10am Planning Committee (Clydebank)

27<sup>th</sup> - 10am Cultural Committee (Clydebank)



30<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

### February 2020

5<sup>th</sup> – 10am Licensing Committee (Dumbarton)  
2pm Housing & Communities (Dumbarton)

12<sup>th</sup> - 10am Planning Committee (Dumbarton)  
2pm Infrastructure, Regeneration & Economic Development Committee (Dumbarton)

19<sup>th</sup> - 9:30am Tendering Committee (Dumbarton)  
10am Corporate Services Committee (Dumbarton)  
2pm HSCP

20<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

26<sup>th</sup> - 2pm Council (Clydebank)

### March 2020

4<sup>th</sup> - 2pm Council [Budget & Statutory Reports Only] (Dumbarton)

11<sup>th</sup> - 9:30am Tendering Committee (Clydebank)  
10am Planning Committee (Clydebank)  
2pm Educational services Committee (Clydebank)

18<sup>th</sup> - 10am Audit Committee (Dumbarton)  
2pm Licensing Board

26<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

30<sup>th</sup> - 10am Cultural Committee (Clydebank)

### April 2020

1<sup>st</sup> - 10am Licensing Committee (Clydebank)  
2pm HSCP

23<sup>rd</sup> - 9:30am Appeals Committee (Dumbarton)

29<sup>th</sup> – 9:30am Tendering (Clydebank)  
10am Planning (Clydebank)

### May 2020

6<sup>th</sup> - 10am Licensing Committee (Clydebank)  
2pm Housing & Communities Committee (Clydebank)

13<sup>th</sup> - 10am Planning Committee (Clydebank)  
2pm Infrastructure, Regeneration & Economic Development Committee (Clydebank)

18<sup>th</sup> - 10am Cultural Committee (Clydebank)

20<sup>th</sup> - 10am Corporate Services Committee (Clydebank)  
2pm HSCP

27<sup>th</sup> - 2pm Council (Clydebank)

28<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

#### June 2020

3<sup>rd</sup> - 10am Educational Services Committee (Dumbarton)  
2pm Licensing Board

10<sup>th</sup> - 9:30am Tendering Committee (Dumbarton)  
10am Planning Committee (Dumbarton)  
2pm Licensing Committee (Dumbarton)

17<sup>th</sup> - 10am Audit Committee (Clydebank)  
2pm HSCP

18<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

24<sup>th</sup> - 6pm Council (Dumbarton)

#### August 2020

5<sup>th</sup> - 2pm HSCP

19<sup>th</sup> - 9:30am Tendering Committee (Clydebank)  
10am Planning Committee (Clydebank)  
2pm Licensing Committee (Clydebank)

20<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

24<sup>th</sup> - 10am Cultural Committee (Clydebank)

26<sup>th</sup> - 2pm Council (Dumbarton)

#### September 2020

2<sup>nd</sup> - 10am Housing and Communities Committee (Dumbarton)  
2pm Licensing Board

9<sup>th</sup> - 9:30am Tendering Committee (Dumbarton)

10am Licensing Committee (Dumbarton)  
2pm Corporate Services Committee (Dumbarton)

16<sup>th</sup> - 10am Audit Committee (Dumbarton)  
2pm Infrastructure, Regeneration & Economic Development Committee (Dumbarton)

23<sup>rd</sup> - 10am Planning Committee (Dumbarton)  
2pm HSCP

24<sup>th</sup> - 9:30am Appeals Committee (Dumbarton)

30<sup>th</sup> - 10am Educational Services Committee (Clydebank)

Exceptions:

- The Licensing Board, as a separate legal entity, sets its own timetable. Any changes proposed here to Licensing Board meetings are subject to the Board's decision. Council asks the Chair of the Board to consider raising these proposals with the Clerk to the Board, with a view to presenting the proposals for discussion and decision as soon as practicable.
- The Health and Social Care Partnership and Community Planning West Dunbartonshire also set their own meeting timetable. Their meetings are shown here for information only.

As an amendment, Councillor Bollan seconded by Councillor Rooney moved:-

That all Council meetings start at 7 p.m. in the evening to allow the public to attend.

On a vote being taken 7 Members voted for the amendment and 11 voted for the motion, which was accordingly declared carried.

**(e) Motion by Councillor Sally Page – Booked! Festival of Words**

Councillor Page moved:-

Council wishes to acknowledge the hard work put in by Allan Gordon and his team at West Dunbartonshire Libraries in producing an inspiring line-up of authors for the Booked! Festival of Words.

The event ran from the 14<sup>th</sup>-19<sup>th</sup> May and attracted 11 authors.

384 people attended 9 events.

Every Secondary school enjoyed readings and discussions with 2 of the authors at the Booked! Schools Festival. 150 children participated in total, with 30 attending each session.

This is a service we as a Council can be very proud of and must continue to support wholeheartedly.

The Council agreed the motion.

At this point in the meeting, Councillor Page advised Council that she was withdrawing motions **11(f) – Maintenance of West Riverside, Balloch** and **11(g) – Lease of West Riverside, Balloch**, and accordingly neither was considered. .

**(h) Motion by Councillor Caroline McAllister – Precise Use of Language in Council Documents**

Councillor Caroline McAllister moved:-

Council recognises that precision in language is crucial, especially where safeguarding and child protection are concerned.

Recent policy across Scotland has the potential to fail in this area, as it confuses the term gender and sex. However these terms have very different meanings.

As a Council, it is incumbent upon us to communicate clearly, accurately and legally with our constituents and partners.

- Sex refers to the biological sexes, male and female.
- Gender refers to the social roles and stereotypes associated with males and females.

This is important because:

- Sex (not gender) is a protected characteristic under the Equality Act 2010. The Equality Act allows for the provision of same sex services e.g. separate toilets for girls and boys in primary schools, women's and men's prisons, etc. Using gender instead of sex means we risk losing these provisions.
- Many departments rely on the collection of accurate data about biological sex, in areas such as healthcare provision, education, crime and lone parent households. Using gender instead of sex can result in confusion and poor policy making.

Council calls upon all departments to commit to using sex, a protected characteristic, where relevant in public documents across all levels of the Council, rather than the vague term gender.

Councillor Rooney moved the following as an amendment:-

Council notes that the Scottish Government recently postponed its planned update of gender recognition laws, in part because it had failed to address concerns about the impact of its proposals.

In view of this, the Scottish Government had further committed to an Equality Impact Assessment which is to be published in the summer of 2019 along with a new draft Gender Recognition Bill which will also be subject to consultation.

The Council recognises the three key commitments from the Scottish Government as outline below:

- 1. Provide updated official guidance on the rights of women and trans women;*
- 2. Launch a review of whether official data collection recognises the impact of biological and physical differences between people born as men or women;*
- 3. Set up a working group on how to extend legal gender recognition to non-binary people.*

Given the above, the Council requests that the Chief Executive brings forward a report to a future council meeting following the Scottish Governments' Equality Impact Assessment and Gender Recognition Bill.

In doing so, the Council will use the appropriate and inclusive language as determined by any changes in Law as applied to all 32 council authorities.

The Equality Act covers the same groups that were protected by existing equality legislation these are now called 'protected characteristics'.

- Age
- disability,
- gender reassignment,
- race,
- religion or belief,
- sex,
- sexual orientation,
- marriage and civil partnership and
- pregnancy and maternity.

<https://www.equalityhumanrights.com/en/equality-act/protected-characteristics>

This Council reiterates its full support, commitment, and solidarity to all persons with protected characteristics under the Equality Act 2010 and will continue to support these rights both in principle and through positive action.

Councillor Caroline McAllister advised that she was willing to accept Councillor Rooney's proposed amendment as an addendum to her motion. The motion with addendum were agreed by Council.

**(i) Motion by Councillor Douglas McAllister – Golf Club Fees**

Councillor Douglas McAllister moved:-

This Council is concerned by the effect of the SNP Administration's budget decision to increase Council charges, in particular a decision to significantly increase the charges and membership costs at our Municipal Golf Course at Dalmuir Park, Clydebank.

Council is concerned that many members have indicated that they can no longer afford the costs associated with playing golf at the Municipal course. Council is concerned at the decision to significantly increase charges, which may in fact result in a loss of revenue to this Council.

Council therefore requests that a report is prepared by the relevant official to come to the next meeting of this Council, advising Council as to the effect of the increase to charges in relation to user numbers. Council asks that alternative options are explored in relation to the scale of charges, including reducing the costs associated across all categories, with a view to encouraging greater use of our Municipal course and the potential to encourage new members.

Council asks that our golf professional Stewart Savage and the current membership are consulted in the preparation of the report.

As an amendment Councillor McColl moved:-

Council notes that Councillor McColl and Provost Hendrie have already held an initial positive discussion with our Golf Pro, Mr Stewart Savage, and are considering a number of really good suggestions he has made around pricing, facilities and promotion of the course.

Council notes that the membership fees are still significantly less than private clubs and day visitor rates are extremely good.

Council requests that a report is prepared by the relevant officers, in partnership with Mr Savage, with a strategy to secure the future of our municipal golf club. No ideas should be off the table and officers should consult elected members and golfers in preparing the report.

The report will be brought back to Council for discussion before the end of the calendar year.

Following discussion, Councillor McAllister advised that he would delete the first paragraph of his motion and accept Councillor McColl's amendment as an addendum on condition that the report requested would be brought back to Council.

The Council agreed the motion and addendum, as adjusted.

The meeting closed at 10.42 p.m.

Draft





## **AUDIT COMMITTEE**

At a Meeting of the Audit Committee held in the Civic Space, Council Offices, 16 Church Street, Dumbarton on Wednesday, 20 March 2019 at 2.00 p.m.

**Present:** Councillors Jim Brown, Karen Conaghan, Jonathan McColl, Martin Rooney and Brian Walker, and Lay Member Ms Eilidh McKerry.

**Attending:** Joyce White, Chief Executive; Angela Wilson, Strategic Director – Transformation & Public Service Reform; Richard Cairns, Strategic Director – Regeneration, Environment & Growth; Stephen West, Strategic Lead – Resources; Malcolm Bennie, Strategic Lead – Communications, Culture & Communities; Colin McDougall, Audit and Risk Manager; Jennifer Ogilvie, Finance Business Partner and Craig Stewart, Committee Officer.

**Also Attending:** Ms Fiona Mitchell-Knight, Assistant Director; Ms Carol Hislop, Senior Audit Manager and Zahrah Mahmood, Senior Auditor, Audit Scotland.

**Apologies:** Apologies for absence were intimated on behalf of Councillors Daniel Lennie, John Millar and John Mooney (Chair) and Lay Member Mr Chris Johnstone.

**Councillor Martin Rooney in the Chair**

### **DECLARATIONS OF INTEREST**

It was noted that there were no declarations of interest in any of the items of business on the agenda.

### **MINUTES OF PREVIOUS MEETING**

The Minutes of Meeting of the Audit Committee held on 12 December 2018 were submitted and approved as a correct record.

## **OPEN FORUM**

The Committee noted that no open forum questions had been submitted by members of the public.

### **TREASURY MANAGEMENT MID YEAR REPORT 2018/19**

A report was submitted by the Strategic Lead - Resources providing Members with the opportunity to further scrutinise the treasury management performance during the first half of 2018/19.

After discussion and having heard the Strategic Lead - Resources in further explanation of the report, the Committee agreed to note that Council had approved the following at its meeting on 19 December 2018:-

- (1) The treasury management stewardship information contained within the report;
- (2) The 2018/19 revised estimates of treasury and prudential indicators as advised within Appendix 1 to the report (Tables A, B, C, D, E, F, H, M and O);
- (3) The updated list of permitted investments detailed within paragraph 4.5.4 of Appendix 1 to the report;
- (4) The policy on the Statutory Repayment of loans fund advances detailed within paragraph 2.5 of Appendix 1 to the report and note the ongoing review highlighted in paragraph 4.6 of this report; and
- (5) The referral of the report to the Audit Committee to ensure further scrutiny took place.

### **CREATION OF NON-DOMESTIC RATES MEMBER/OFFICER WORKING GROUP**

A report was submitted by the Strategic Lead - Resources seeking approval to create a Member/Officer working group to consider issues affecting the Council in relation to Non-Domestic Rates (NDR).

After discussion and having heard the Strategic Lead – Resources in further explanation of the report and in answer to Members’ questions, the Committee agreed:-

- (1) to the creation of a Member/Officer Working Group to consider issues affecting the Council in relation to Non-Domestic Rates;
- (2) that Elected Member membership of the Working Group would comprise of 4 Elected Members and 1 Lay Member, and the first meeting of the Group would determine the Chair and the frequency of its meetings; and

- (3) to approve the remit of the Working Group as detailed within the report.

### **CAPITAL POST PROJECT REVIEWS**

A report was submitted by the Strategic Lead - Resources providing an update on the latest capital post project reviews undertaken.

After discussion and having heard the Strategic Director – Regeneration, Environment & Growth in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the capital projects that had been selected for post project review;
- (2) to note the outcome of the reviews; and
- (3) to note the next list of projects recommended for review.

### **INTERNAL AUDIT PLAN 2019/20**

A report was submitted by the Strategic Lead - Resources advising on the planned programme of work for the Internal Audit Section for the year 2019/20.

After discussion and having heard the Audit and Risk Manager and the Chief Executive in further explanation of the report and in answer to Members' questions, the Committee agreed to approve the Audit Plan for 2019/20.

### **AUDIT ACTION PLANS**

A report was submitted by the Strategic Lead - Resources advising of:-

- (1) recently issued Internal Audit action plans; and
- (2) progress made against action plans previously issued contained within Internal Audit and External Audit reports.

After discussion and having heard the Audit and Risk Manager in further explanation of the report and in answer to a Member's questions, the Committee agreed to note the contents of the report.

### **AUDIT SCOTLAND ANNUAL AUDIT PLAN 2018/19**

A report was submitted by the Strategic Lead - Resources presenting Audit Scotland's Audit Plan for the audit of financial year 2018/19 to Committee for information.

After discussion and having heard Ms Mitchell-Knight, Assistant Director, Audit Scotland, the Strategic Lead – Resources and the Chief Executive in further explanation and in answer to Members' questions, the Committee agreed to note Audit Scotland's audit plan for their audit of West Dunbartonshire Council for the financial year 2018/19.

### **PUBLIC INTEREST DISCLOSURES AND OTHER INTERNAL AUDIT INVESTIGATIONS - 1 JULY TO 31 DECEMBER 2018**

A report was submitted by the Strategic Lead - Resources advising on public interest disclosures received during the period 1 July to 31 December 2018.

Having heard the Audit and Risk Manager, the Committee agreed to note the content of the report.

### **ACCOUNTS COMMISSION REPORT: *LOCAL GOVERNMENT IN SCOTLAND FINANCIAL OVERVIEW 2017/18***

A report was submitted by the Strategic Lead - Resources providing information regarding a report recently published by the Accounts Commission as prepared by Audit Scotland.

After discussion and having heard Ms Mitchell-Knight, Assistant Director, Audit Scotland and relevant officers in further explanation of the report, the Committee agreed:-

- (1) to note the terms of the report, along with the scrutiny tool for Councillors contained at Appendix 2 to the report; and
- (2) that all Elected Members, including Lay Members on the Audit Committee, be encouraged to attend a future Members' development session in relation to the report.

The meeting closed at 2.58 p.m.

**WEST DUNBARTONSHIRE COUNCIL****Report by the Strategic Lead for Regeneration****Council: 28 August 2019**

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**Subject: Glasgow City Region City Deal – Update****1. Purpose**

- 1.1** To note the progress with the implementation of the Glasgow City Region, City Deal.

**2. Recommendations**

- 2.1** It is recommended that Council:

- i) notes the progress of the Glasgow City Region (GCR) City Deal, and
- ii) notes progress with the Council's project for the Exxon site.

**3. Background**

- 3.1** The Glasgow City Region City Deal Infrastructure programme equates to £1.13bn of investment during period 2015-2035. Projects are progressing and have reached various stages from Strategic, Outline and Full Business Case stages of approval.

**4. Main Issues**

- 4.1** The refreshed Outline Business Case (OBC) for the Exxon site project was approved at Council on 28 November 2018, approved at the Chief Executives' group on 31 January 2019, and also approved at Cabinet on 12 February 2019. The Final Business Case is anticipated no later than November 2020.

**5. Glasgow City Region City Deal Update**

- 5.1** The Glasgow City Region, Chief Executives' Group met on 29 May 2019 and approved the following projects:

- i) Glasgow City Council - Canal and North Gateway - Speirs Lock: Landscape Link and Port Dundas: North Canal Bank Street - Full Business Case with funding of £2.68m:
- ii) Glasgow City Council - Metropolitan Glasgow Strategic Drainage Partnership - South East Glasgow Surface Water Management Plan - Full Business Case with funding of £6.1m:

- iii) Inverclyde Council - Ocean Terminal - Marine Works - Augmented Outline Business Case to ensure Green Book compliance together with the Full Business Case, both approved with funding of £4m;
- iv) North Lanarkshire Council - Motherwell Town Centre Transport Interchange - Augmented Outline Business Case approved to ensure Green Book compliance and no additional funding was sought, and
- v) South Lanarkshire Council - Cathkin Relief Road - Augmented Outline Business Case approved to ensure Green Book compliance and no additional funding was sought.

**5.2** The Glasgow City Region, Chief Executives' Group met on 20 June 2019 and approved the following projects:

- i) Glasgow City Council – Collegelands Calton Barras - Meat Market Site Remediation - Full Business Case with funding of £1.151m;
- ii) Glasgow City Council – Collegelands Calton Barras - Calton Barras Action Plan Junction Improvements - Full Business Case with funding of £1.187m, and
- iii) Glasgow City Council: Clyde Waterfront West End Innovation Quarter - Central Govan Action Plan - Commercial Floorspace Development Deficit Funding 2 Govan Old Parish Church- Full Business Case with funding of £0.077m.

### **5.3 Glasgow City Region Programme Status**

**5.3.1** There was submitted a Programme Status report by the Director of Regional Economic Growth providing information on the status and progress of projects within the Glasgow City Region - City Deal Programme together with information on Programme Management Office activity for the period from 1 January to 31 March 2019. After consideration, the Group noted:

- i) that the figures provided for Quarter 4 2018/19 community benefits, secured and realised for City Deal contracts, had shown a significant improvement in performance for the delivery of community benefits consistent across all themes, as detailed in the report;
- ii) the preparations being made for Gateway Review 1, as detailed in the report, and
- iii) a number of Infrastructure Change Controls, as detailed in the report.

## **5.4 Annual Implementation Plan 2019/20**

**5.4.1** There was submitted a report by the Director of Regional Economic Growth regarding the Annual Implementation Plan (AIP) 2019/20, available as a background report, advising that:

- i) the AIP was a requirement of the Assurance Framework and provided a statement of the intentions and details of planned activity for the coming year, and
- ii) the AIP touched on aspects of the delivery of both the Glasgow City Region City Deal and the Glasgow City Region Economic Strategy, both of which were integral to the ambitious plans for inclusive economic growth.

## **5.5 Programme Business Case 2019 - Refresh**

**5.5.1** There was submitted a report by the Director of Regional Economic Growth setting out the progress to date with developing a refreshed Programme Business Case (PBC), and is available as background report, in order to ensure Green Book Compliance, to reflect the new strategic context, including the emergence of the Regional Economic Strategy and the Regional Partnership, and to ensure consistency with the Assurance Framework 2019, advising:

- i) that the development of the PBC 2019 was underway, setting out progress with the delivery of the Programme to 31st March 2019, that a working draft of the PBC 2019 had been circulated for information and the Programme Management Office had undertaken a number of developments in refreshing the PBC, as detailed in the report;
- ii) of the proposed, refreshed City Deal Programme Strategic Objectives, as detailed in the report;
- iii) that ongoing work was in progress and would be incorporated within the final version of the PBC 2019, including:
  - (a) collaboration with the Commission on Economic Growth to identify the 5 inclusive growth priorities for the Region;
  - (b) developing an up to date Financial Case to 31st March 2019, including expenditure to date and 5-year projections, and
  - (c) updating both the Commercial and Management Cases, as detailed in the report.

**5.5.2** Proposed and agreed that finalised version of the PBC 2019 would be presented to:

- i) the CE Group on 29th August 2019 for comments and final amendments;
- ii) the UK and Scottish Governments at the Annual Conversation in late September 2019 for comment, and
- iii) GCR Cabinet on 8th October 2019 for approval.

## **5.6 Regional Skills Investment Plan – Implementation approved**

At the GCR Cabinet meeting on 19 April 2019 the Regional Skills Investment Plan (RSIP)

[https://www.skillsdevelopmentscotland.co.uk/media/45678/gcr\\_regional-skills-investment-plan\\_2019-24\\_final.pdf](https://www.skillsdevelopmentscotland.co.uk/media/45678/gcr_regional-skills-investment-plan_2019-24_final.pdf) together with the implementation Plan was approved and the Cabinet were advised:

- i) that since December 2018 the RSIP had been consulted on and endorsed by major partners, as detailed in the report, and that the Glasgow City Regional Partnership had approved the finalised RSIP on 28th February 2019;
- ii) the RSIP covered a 5-year period to March 2024, incorporated a 1-year implementation plan and planned activities for years 2 to 5, with an annual review reporting on progress, as detailed in the report, and
- iii) that the RSIP would be delivered through the Skills and Employment Portfolio, with a copy of the Executive Summary and the action plan for implementation being attached as an appendix to the report.

## **5.7 Regional Digital Connectivity Strategy**

**5.7.1** The Draft Regional Digital Connectivity Strategy was presented to the Regional Partnership Board on 20 June 2019 and is available as background report. Digital Connectivity is now considered to be the ‘fourth utility’ and therefore a fundamental. Therefore, it is incumbent on Member Authorities to ensure that they are proactively encouraging and enabling the proliferation of this digital infrastructure that will allow the city region to maintain and grow the economy.

**5.7.2** The preparation of a City Region Digital Connectivity Strategy was included in the Regional Economic Strategy (Action 9.3). The Digital Connectivity Strategy outlines a number of activities that Member Authorities can undertake to ensure the proliferation of digital infrastructure deployment that will underpin inclusive economic growth across the city region.



## **5.8 Finance Group Update**

- 5.8.1** At the Financial Group meeting on 28 May 2019 it was noted that there is a significant improvement in performance for the delivery of Community Benefits consistent across all themes.
- 5.8.2** Within the general funding, the cumulative to date spend overall as at Q4 2018/19 was £156.6m. The initial 5 year projected spend was £282m and the latest 5 year projected spend is £237m representing a reduction of £45m, with the next grant payments expected to be made on 31 May 2019.
- 5.8.3** Regarding the City Deal Infrastructure Review, year 2 of the 5 year cycle is currently only projecting 72% of budget spending (cycle 1 was projected at 99.4%). Identification of additional projects is underway and allocation of funding for new projects will continue to be done on the basis of the Assurance Framework.

## **5.9 Labour Market Working Group (LMG) Update**

- 5.9.1** The Working Matters programme ended with an underspend that will be made available to Local Authorities wishing to participate in a follow on programme. The extension project will begin on approval of proposals for additional activity and will last until the end of March 2020. The proposals have yet to be validated. All but one of the partners has chosen to participate and West Dunbartonshire Council will have access to a further grant of approximately £35,000. The funding must be matched and activity should be focussed on supporting a client group that is most distant from the labour market.
- 5.9.2** West Dunbartonshire's proposal has been developed jointly between Working4U and Work Connect and will be delivered with support of local services. The Council will focus our efforts on people who have experience of long-term unemployment and health related (psychological and physical) barriers and support these participants to address these barriers. The aim is to encourage individuals to gain sufficient confidence to join 'mainstream' employability service provision. In addition to support such as building confidence, self-esteem, literacy, numeracy and physical fitness, the Council will focus on mental health-related interventions. This will include person-centred needs analysis and low level psychological interventions with a health professional.
- 5.9.3** The Council will support up to 45 people, providing intensive support and anticipate that a minimum of 15 will secure a qualification, three will benefit from volunteering and all participants will progress towards employment. Given the experience, circumstance and barriers to opportunity faced by this group it is anticipated that a very small proportion will progress directly to employment. Positive outcomes will include referral to further education and volunteering and mainstream employability services such as the European funded Employability pipeline.

## **5.10 Skills Portfolio group update**

- 5.10.1** The Regional Skills Investment Plan was approved at Cabinet on 9 April 2019. The plan can be accessed at the link below:

[https://www.skillsdevelopmentscotland.co.uk/media/45678/gcr\\_regional-skills-investment-plan\\_2019-24\\_final.pdf](https://www.skillsdevelopmentscotland.co.uk/media/45678/gcr_regional-skills-investment-plan_2019-24_final.pdf)

## **6. West Dunbartonshire Council City Deal Project**

- 6.1** Members will be aware that a briefing session was planned to take place on the 14 August 2019 to discuss the Exxon project's Environmental Impact Assessment.
- 6.2** ExxonMobil has informed the Council that they are not in a position at present to conclude their procurement approach to deliver the remediation strategy. It is hoped that clarity on the length of delay this issue will cause to our discussions will be known shortly. The proposed members briefing will then be held as soon as is practicable thereafter.
- 6.3** The Council has met with all third party landowners and discussions are progressing as planned and will progress in parallel with the Council's negotiations with ExxonMobil.

## **7. People Implications**

- 7.1** There are a number of senior officers involved in the City Region initiative across services of the Council and as part of the project board.

## **8. Financial Implications**

- 8.1** The Council approved refreshed Outline Business Case for the Exxon project has an overall Council budget approval of £34.05m, with a secured City Deal contribution at 86% of original Cabinet budget of £27.897m equating to £23.991m. The projected capital cost to the Council, should no further funding be made available and secured from City Deal would be £10.059m.
- 8.2** The expenditure for the City Deal project for 2018/19 was £0.304m. As at 30 June 2019 the total project Capital expenditure was £1.477m. Spend continues to be minimised to avoid irrecoverable costs should the project not proceed in its current form.
- 8.3** The OBC approved budget expenditure for the City Deal Exxon project remains at £2.948m. This will provide sufficient funding to take us to FBC, proposed for November 2020.

## **9. Risk Analysis**

- 9.1** There are a number of project risks associated with the development at the ExxonMobil project site and these are contained within the risk register of the refreshed OBC.

## **10. Equalities Impact Assessment**

- 10.1** An Equalities Impact Assessment is not necessary for this report.

## **11. Consultation**

- 11.1** Consultation with all key stakeholders is progressing as we continue to work as part of the Glasgow City Region.
- 11.2** Regular communication is produced regarding progress with the Glasgow City Region City Deal and the WeConnect Newsletter from July 2019 is available as a background report.

## **12. Strategic Assessment**

- 12.1** At its meeting on 25 October 2017, the Council agreed that one of its main strategic priorities for 2017 - 2022 is:
- A Strong local economy and improved employment opportunities
- 12.2** The proposals within this report are specifically designed to deliver on this priority.

**Jim McAloon**  
**Strategic Lead, Regeneration**  
**Date: 5 August 2019**

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<b>Person to Contact:</b>	Michael McGuinness- Manager, Economic Development. Telephone: 01389 737415 e-mail: <a href="mailto:michael.mcguinness@west-dunbarton.gov.uk">michael.mcguinness@west-dunbarton.gov.uk</a>
<b>Appendix:</b>	Nil
<b>Background Reports:</b>	GCR Annual Implementation Plan (AIP) GCR Programme Business Case (Draft) Regional Digital Connectivity Strategy (Draft) GCR WeConnect Newsletter July 19
<b>Background Papers:</b>	Glasgow City Region City Deal - Council updates on the following dates: 29 May 2019, 14 February 2019, 28 November 2018, 29 August 2018, 27 June 2018, 31

May 2018, 5 March 2018, 20 December 2017, 25  
October 2017, 30 August 2017, 28 June 2017, 26 April  
2017, 22 February 2017, 21 December 2016, 26  
October 2016, 31 August 2016, 29 June 2016, 27 April  
2016, 24 February 2016, 16 December 2015, 25  
August 2015.

**Wards Affected:** All

**WEST DUNBARTONSHIRE COUNCIL****Report by Strategic Lead - Resources****West Dunbartonshire Council: 28 August 2019**

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**Subject: Annual Report on the Audit Committee****1. Purpose**

- 1.1** The purpose of this report is to provide members with an Annual Report on the Audit Committee for 2018/19.

**2. Recommendations**

- 2.1** It is recommended that members note the Annual Report on the Audit Committee for 2018/19.

**3. Background**

- 3.1** This report was initially submitted to the Audit Committee on 12 June 2019 where it was agreed that the report should be referred to Council for consideration.
- 3.2** A self-assessment was carried out on the Audit Committee as reported to meeting on 12 December 2019. This self-assessment was based on the CIPFA publication "*Audit Committees: Practical Guidance for Local Authorities and Police*" (2018 Edition). This included an action to introduce an annual report on the Audit Committee to account for its performance and explain its work. There was also an action to provide feedback on the performance on the Audit Committee from those interacting with the committee or relying on its work. This feedback is also included in the annual report.
- 3.3** The Audit Committee Annual Report for 2018/19 is intended to provide assurance to full Council and also to identify any actions for the Audit Committee to improve its effectiveness.

**4. Main Issues**

- 4.1** The Audit Committee Annual Report for 2018/19 is appended with the main issues identified being:
- The Audit Committee has met four times during the financial year with every meeting being quorate;
  - The Audit Committee sought assurance on the adequacy and effectiveness of the Council's systems of corporate governance and internal control for efficient operations and for the highest standards of probity and accountability. This was achieved through reports received

from internal audit, other Council functions and external audit with focus in particular on internal control and governance;

- The self-assessment as reported to the Audit Committee on 12 December 2018 indicated in overall terms that the Audit Committee demonstrates a good level of compliance with expected good practice and it is largely effective in discharging its roles and responsibilities;
- Areas of good practice and improvement actions are detailed in the appendix; and
- The Audit Committee has provided assurance to the Council as detailed in the appendix.

## **5. People Implications**

**5.1** There are no personnel issues with this report.

## **6. Financial and Procurement Implications**

**6.1** There are neither financial nor procurement implications arising directly from this report.

## **7. Risk Analysis**

**7.1** There is a risk that if the Audit Committee does not address some of the issues highlighted from the review it will not maximise the opportunity for effective scrutiny. Implementing the suggested improvement action plan following from the self-assessment, including the annual report and obtaining feedback will mitigate this risk.

## **8. Equalities Impact Assessment (EIA)**

**8.1** There are no issues.

## **9. Consultation**

**9.1** This report has been subject to consultation with appropriate Strategic Leads. In addition, services have been consulted in the update of action plans.

## **10. Strategic Assessment**

**10.1** This report relates to strong corporate governance.

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**Stephen West**  
**Strategic Lead - Resources**  
**Date: 1 August 2019**

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**Person to Contact:** Colin McDougall, Audit Manager  
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**Appendix:** Annual Report on the Audit Committee

**Background Papers:** Report to Audit Committee on 12 December 2018: Audit Committee Self-Assessment and reporting on audit assignments

**Wards Affected:** All Wards





**West Dunbartonshire Council**  
**Audit Committee**  
**Annual Report 2018/19 from the Chair**

**Introduction**

This annual report has been prepared to inform West Dunbartonshire Council of the work carried out by the Council's Audit Committee during the financial year 2018/19. This is in recognition of the CIPFA publication *"Audit Committees: Practical Guidance for Local Authorities and Police" (2018 Edition)*. This included an action to introduce an annual report on the Audit Committee to account for its performance and explain its work in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.

**Meetings**

The Audit Committee has met four times during the financial year comprising meetings on 13 June 2018, 26 September 2018, 12 December 2018 and 21 March 2019 to consider reports relevant to the Audit cycle and other matters as deemed appropriate. Pre-Agenda meetings were also held ahead of Committee involving the Chair and appropriate officers.

The purpose and remit of Audit Committee as detailed in the Council's Standing Orders is to:

- Monitor, and make recommendations on the development of, the Audit, activity of the Council; and
- Scrutinise the monitoring and review activity of the thematic and regulatory committees.

To fulfil this remit, the Audit Committee sought assurance on the adequacy and effectiveness of the Council's systems of corporate governance and internal control for efficient operations and for the highest standards of probity and accountability. This was achieved through reports received from internal audit, other Council functions and external audit with focus in particular on internal control and governance.

The Audit Committee approved a revised version of the Internal Audit Charter which is the terms of reference for Internal Audit and the Annual Audit Plan for 2018/19. At each meeting it considered Internal Audit's action plans from recently issued reports, together with monitoring progress on the completion of previously issued reports. It also considered the annual plan and reports from Audit Scotland, the Council's External Auditors, including the Annual Report to Members and the Controller of Audit on the annual audit of the Council for 2017/18 and monitoring the implementation of agreed actions arising. In addition, a number of national reports prepared by Audit Scotland on behalf of the Accounts Commission were also considered.

The Audit Committee also received reports on:

- Treasury Management;
- Scottish Public Services Ombudsman (SPSO) report on complaints handling by West Dunbartonshire Council for the year 1 April 2017 – 31 March 2018;
- Capital Post Project Reviews; and
- Creating of Non Domestic Rates Member / Officer Working Group

The minutes of Audit Committee meetings have previously been remitted to Council for approval but this is being changed so that the minutes of the previous Audit Committee are first confirmed as a correct record at the next Audit Committee before being remitted to Council for approval.

#### Membership of the Audit Committee

In accordance with West Dunbartonshire Council's Standing Orders membership of the Audit Committee comprises 8 Elected Members and 2 Lay Members with Lay Members not being members of any political party. The quorum of the Audit Committee is 3 Elected Members.

The Chair of the Audit Committee is from the Opposition (as is the Vice Chair). The committee has two Lay Members, with there being a vacancy during the first half of the year. The Administration has a minority of members on the Audit Committee.

Attendance by members of the Committee at Audit Committee meetings in 2018/19 was:

<b><u>Member</u></b>	<b><u>Date of Meeting</u></b>			
	<b><u>13/06/18</u></b>	<b><u>26/09/18</u></b>	<b><u>12/12/18</u></b>	<b><u>20/03/19</u></b>
Cllr John Mooney (Chair)	Present	Present	Present	Apologies
Cllr Jim Brown	Present	Present	Present	Present
Cllr Karen Conaghan	Apologies	Present	Present	Present
Cllr Daniel Lennie	Present	Apologies	Apologies	Apologies
Cllr Jonathan McColl	Present	Present	Apologies	Present
Cllr John Millar	Present	Apologies	Absent	Apologies
Cllr Martin Rooney	Present	Present	Present	Present (Chair at this meeting)
Cllr Brian Walker	Present	Apologies	Apologies	Present
Lay Member Eilidh McKerry	Apologies	Present	Apologies	Present
Lay Member Chris Johnstone (from 12/12/18)	n/a	n/a	Present	Apologies

Every meeting of the Audit Committee during 2018/19 was quorate.

#### Attendance by Officers

The Chief Executive attended three meetings. The Strategic Director – Transformation & Public Service Reform (T&PSR), the Strategic Lead – Resources and the Audit Manager attended all four meetings.

Other senior officers also attended meetings as appropriate for items on the Agenda for which their presence was relevant. Representatives from the Council's external auditors - Audit Scotland - were present at every meeting.

#### Skills and Knowledge

Members of the committee were consulted at the 12 December 2018 meeting in relation to skills and knowledge with no particular issues being identified.

#### Self-Assessment of the Audit Committee

The self-assessment as reported to the Audit Committee indicated in overall terms that the Audit Committee demonstrates a good level of compliance with expected good practice and it is largely effective in discharging its roles and responsibilities. Areas of good practice include:

- Elected Members and Offices are considered to have good awareness of the role and purpose of the Audit Committee;
- The Chair of the Audit Committee is from the Opposition (as is Vice Chair);
- The Committee has Lay Members;
- The Administration has a minority of members on the Audit Committee;
- The Audit Committee has good working relations with External Audit, Internal Audit, the Chief Executive, Strategic Director – T&PSR and the Strategic Lead – Resources; and
- The Audit Committee supports the role of audit in improving internal control and governance.

The self-assessment, however, also identified areas where there is an opportunity for improvement, these being:

<b><u>Detail</u></b>	<b><u>Comments</u></b>
Submit the draft Annual Governance Statement to the Audit Committee as a standalone document	This is included in the Agenda for this meeting
Introduce this self-assessment process on an annual basis	Next self-assessment will be reported to the Audit Committee in December 2019
Provide reports on Risk Management to the Audit Committee	A half-yearly report on Risk Management will be provided from the September 2018 meeting
Provide reports on Best Value to the Audit Committee	A Best Value report is being submitted to this meeting
Obtain feedback on the performance of the Audit Committee from those interacting with the committee or relying on its work	Feedback is in the process of being gathered and the outputs of this will be presented to a future committee.

Introduce an annual report on the Audit Committee to account for its performance and explain its work to Council	This is the purpose of this particular committee report
The Chairs of the Council's and the West Dunbartonshire Heath & Social Care Partnership Board Audit Committees meet to discuss their respective governance arrangements	This will be arranged once a self-assessment of HSCP Audit Committee has been carried out
Extend reports to the Audit Committee on post-project reviews to non-capital projects of significant scale	This will be done whenever such a project completes
The work of internal audit should be enhanced to provide more specific assurance on value for money arrangements e.g. transformation, sustainability, and performance management	Not due to be implemented until 31 March 2020
Amend annual assurance statements to require more information on value for money arrangements e.g. transformation, sustainability, and performance management	This will be developed during 2019/20
Provide more specific information on counter fraud work to the Audit Committee	An Annual Counter Fraud report is being submitted to this meeting
Develop a fraud risk assessment process	Complete

#### Assurance Statement to the Council

The Audit Committee provides the following assurance to the Council:

- The Council has received the Minutes of the Audit Committee meetings throughout the year;
- The Audit Committee has operated in accordance with its agreed terms of reference, and accordingly with the audit committee principles in the CIPFA Position Statement relating to its Audit functions;
- It did this through material it received from Internal Audit, External Audit, and assurances from Management. It focussed on matters of internal control and governance, giving advice to the Council on the value of the audit process, on the integrity of financial reporting and on governance arrangements, and acted as a bridge between the Council and its stakeholders;
- For all audit reports, the Audit Committee considered whether it was satisfied that an adequate management response was in place to ensure action would be taken to manage risk and address concerns on internal controls and governance arrangements. The Committee acknowledges that all the audit recommendations are input to Pentana, the Council's performance management system, and that there is a system in place of on-going follow-up by Internal Audit and reporting thereon;
- The Audit Committee has received and considered material to fulfil its scrutiny role on treasury management activity; and

- The Audit Committee will review the audited Annual Accounts for 2018/19 alongside External Audit's report on their annual audits 2018/19.

**Councillor John Mooney**  
**Chair of the Audit Committee**  
**29 May 2019**



**West Dunbartonshire Council**  
**Report by the Strategic Lead - Resources**  
**Council: 28 August 2019**

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**Subject : Treasury Management Annual Report 2018/19**

**1. Purpose**

- 1.1** The purpose of this report is to provide Members with an update on treasury management during 2018/19.

**2. Recommendations**

- 2.1** Members are requested to:

- (a) Note the treasury management stewardship information within the report;
- (b) Note the 2018/19 actual prudential indicators as advised within the report (Tables 2, 3, 4 and 5);
- (c) Note the future repayment profile of loans fund advances as at 31 March 2019 (Table 8); and
- (d) Agree that a copy of this report is remitted the Audit Committee to ensure further scrutiny takes place.

**3. Background**

- 3.1** In accordance with the Treasury Policy governing the Council's treasury management activities during 2018/19, the Strategic Lead - Resources is required to provide an Annual Report to Members regarding the Treasury function.
- 3.2** One of the key clauses is that a responsible body is required to ensure effective scrutiny of the treasury management strategy and policies. Within West Dunbartonshire Council the body identified to fulfil this role is the Audit Committee.

**4. Main Issues**

**Treasury Management Stewardship Report**

- 4.1** A copy of the report is attached (Appendix 1).
- 4.2** The report gives details of loans borrowed and loans repaid during the course of the year, interest rates and debt rescheduling which was undertaken.
- 4.3** The Council undertook new borrowing of £201.337m for the approved capital plans and the replacement of naturally maturing debt during 2018/19.

- 4.4** Consideration was given to available interest rates, and mainly short term borrowing has been utilised in the short term to finance the current capital programme.
- 4.5** External borrowing has increased from £425.291m at the beginning of the year to £441.370m at the end of the year. This is due to new borrowing required to fund the capital programmes. As stated above maturing debt has been renewed and overall there was a reduction in the average interest rate on long-term debt from 2.56% to 2.51%.
- 4.6** Investments have decreased from £25.407m at the beginning of the year to £19.389m at the year-end. The average interest rate on these investments as at 31 March 2019 increased from 0.36% to 0.64% due to market conditions and is slightly higher than anticipated within the 2018/19 budget.
- 4.7** The actual year end figure in relation to the adjusted gross borrowing position is slightly higher than the revised indicator level which is due to the Council undertaking long term PWLB borrowing at the year end at competitive interest rates and final capital expenditure being less than forecast once accounting adjustments have been taken into account. All other year end actual indicators advised within Appendix 1 of this report are within the limits previously agreed by Council.

## **5. Option Appraisal**

- 5.1** No option appraisal was required for this report.

## **6. People Implications**

- 6.1** There are no personnel issues.

## **7. Financial and Procurement Implications**

- 7.1** There are no financial or procurement implications.

## **8. Risk Analysis**

- 8.1** Although this report provides a historic position in relation to treasury management there are three main risks associated with the formulation of prudential indicators and the treasury management strategy as detailed in Appendix 1. These risks are noted below; however the Council has robust monitoring processes in place and provides regular reports to Council and ensures further scrutiny by elected Members at the Audit Committee:

- (a) Capital receipts which affect the capital financing and borrowing requirement may not materialise and if this occurs then additional borrowing will be required in order to fund the financing requirement;



- (b) The risk of Counterparties default (i.e. loss of principal sum invested) must also be taken into account; however the Council has robust controls included within its treasury management and investment strategies that will assist in mitigating this risk; and
- (c) Capital inflation may increase capital expenditure levels, which in turn may affect the capital financing and borrowing requirement leading to an increase in borrowing, assuming no additional capital receipts are available.

## **9. Equalities Impact Assessment**

**9.1** No equalities impact assessment was required in relation to this report.

## **10. Environmental Sustainability**

**10.1** No assessment of environmental sustainability was required in relation to this report

## **11. Consultation**

**11.1** The views of Legal Services have been requested on this report and have advised there are neither any issues nor concerns.

## **12. Strategic Assessment**

**12.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan.

**12.2** Treasury management contributes to the Financial Strategy via the interdependency that exists between pro-active treasury management and the formulation of long term financial plans.

**Stephen West**  
**Strategic Lead - Resources**  
**Date: 1 August 2019**

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**Person to Contact:** Jackie Allison,  
Finance Business Partner - Strategic Finance (Treasury  
& Capital) and Regeneration Services  
Council Offices, Church Street

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Email: Jackie.Allison@west-dunbarton.gov.uk

**Appendices:** Appendix 1 - Annual Report 2018/19  
Treasury Management and Actual Prudential Indicators

**Background Papers:** Loans register and portfolio;  
Debt rescheduling schedules;  
Prudential Indicators 2018/19 to 2028/29 and Treasury Management Strategy 2019/20 to 2028/29 (Council 27 March 2019); and  
Treasury Management Mid year report 2018/19 (Council 19 December 2018)  
Treasury Management Annual Report 2017/18 (Council 27 September 2018)

**Wards Affected:** No wards directly affected.

## **Annual Report 2018/19**

### **Treasury Management and Actual Prudential Indicators**

#### **1. Introduction**

- 1.1** The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:
- The Local Government in Scotland Act 2003 (the Act), provides the powers to borrow and invest as well as providing controls and limits on this activity. The Act permits the Scottish Ministers to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken (although no restrictions were made in 2018/19);
  - Statutory Instrument (SSI) 29 of 2004, requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities, and therefore to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services; and the treasury activity with regard to the CIPFA Code of Practice for Treasury Management in Local Authorities; and
  - Statutory Instrument (SI) 2016 No 123 requires the Council to document its policy on the prudent repayment of loans fund advances.
- 1.2** This Council has adopted both the CIPFA Code of Practice for Treasury Management in the Public Sector and the Prudential Code and operates its treasury management service and capital programme in compliance with these Codes and the above requirements. These require that the prime objective of the treasury management activity is the effective management of risk, and that its borrowing activities are undertaken in a prudent, affordable and sustainable basis.
- In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued a revised Treasury Management Code and a revised Prudential Code.
- A particular focus of these revised codes was how to deal with local authority investments which are not treasury type investments e.g. by investing in purchasing property in order to generate income for the Authority at a much higher level than can be attained by treasury investments. One recommendation was that local authorities should produce a new report to members to give a high level summary of the overall capital strategy and to enable members to see how the cash resources of the Authority have been apportioned between treasury and non-treasury investments. A Capital Strategy was reported and approved by Council on 27 March 2019.
- 1.3** During 2018/19 the minimum reporting requirements were that the Council should receive the following reports:

- an annual treasury strategy in advance of the new financial year (Council 05 March 2018);
- a mid-year treasury update report (28 November 2018); and
- an annual report following the financial year-end describing the activity compared to the strategy (this report).

#### 1.4 This report sets out:

- A summary of the strategy agreed for 2018/19;
- The Council's treasury position at 31 March 2019;
- The main Prudential Indicators and compliance with limits;
- A summary of the economic factors affecting the strategy over 2018/19;
- The Treasury activity during 2018/19;
- Performance indicators set for 2018/19;
- Disclosure regarding the repayment of loan Fund advances for 2018/19; and
- Risk and Performance.

## 2. A Summary of the Strategy Agreed for 2018/19

- 2.1** The Monetary Policy Committee (MPC) delivered a 0.25% increase in Bank Rate at its meeting on 2 August 2018. This removed the emergency cut in August 2016 after the EU referendum. The MPC also gave forward guidance that they expected to increase Bank rate only twice more by 0.25% by 2020 to end at 1.00%. At its February 2018 meeting, there was no change in Bank Rate but the forward guidance changed significantly to warn of “earlier, and greater than anticipated” rate of increases in Bank compared to their previous forward guidance. Our Treasury advisors forecast includes increases in Bank Rate of 0.25% in November 2019 and August 2020.

In this scenario, the treasury strategy was to postpone borrowing (and in particular longer term borrowing) to avoid the cost of holding higher levels of investments and to reduce counterparty risk.

## 3. The Council's Treasury Position at 31 March 2019

- 3.1** During 2018/19, the Strategic Lead – Resources, in line with the Treasury Strategy to postpone borrowing, managed the debt position with the use of internal funds as well as a mix of short term and long term external borrowing, and the treasury position at 31 March 2019 compared with the previous year was:

**Table 1**

Treasury position	31 March 2019		31 March 2018	
	Principal	Average Rate	Principal	Average Rate
Fixed Interest Rate Debt	£441.370m	2.51%	£425.291m	2.56%
Variable Interest Rate Debt	£0.000m	0.00%	£0.000m	0.00%
<b>Total Debt</b>	<b>£441.370m</b>	<b>2.51%</b>	<b>£425.291m</b>	<b>2.56%</b>
<b>Total Investments</b>	<b>£19.389m</b>	<b>0.64%</b>	<b>£25.407m</b>	<b>0.36%</b>
<b>Net borrowing position</b>	<b>£421.981m</b>		<b>£399.884m</b>	

- 3.2** From the above table, it can be seen that the average interest rate on debt held on 31 March 2019 has reduced from 2.56% to 2.51%. At the same time the average interest rate has increased on the investments held on 31 March 2018 to 2019 from 0.36% to 0.64%.
- 3.3** The external debt figures included within Table 1 includes both short term and long term debt. This is due to a strategy of using short term borrowing to fund long term capital investment enabling the Council to take advantage of lower interest rates.
- 3.4** There are four treasury prudential indicators which cover the activity of the treasury function. Complying with these indicators reduces the risk of an adverse movement in interest rates impacting negatively on the Council's overall position:
- Upper limits on variable rate exposure;
  - Upper limits on fixed rate exposure;
  - Maturity structures of borrowing; and
  - Total principal funds invested for greater than 365 days.
- 3.5** Table 2 shows the actual upper limits set per debt type and maturity as at 31 March 2019.

**Table 2**

	<b>2018/19 Actual</b>	<b>2018/19 Indicator</b>	
<b>Upper limits on variable interest rates</b>	0%	50%	
<b>Upper limits on fixed interest rates</b>	100%	100%	
<b>Maturity structure fixed rate borrowing (%)</b>	<b>Year end</b>	<b>Max</b>	<b>Min</b>
Under 12 months	47.8%	50%	0%
12 months to 2 years	3.4%	50%	0%
2 years to 5 years	6.4%	50%	0%
5 years to 10 years	3.1%	50%	0%
10 years to 20 years	0.7%	50%	0%
20 years to 30 years	8.5%	50%	0%
30 years to 40 years	5.1%	50%	0%
40 years to 50 years	17.9%	100%	0%
50 years to 60 years	7.1%	100%	0%
60 years to 70 years	0.0%	100%	0%
<b>Maximum principal funds invested &gt;365 days</b>	£0.547m	£7m	Nil

#### **4. The Main Prudential Indicators and Compliance with Limits**

- 4.1** The Council is required by the Prudential Code to report the actual prudential indicators after the year end.

##### **4.1.1 Capital Expenditure and its Financing**

This indicator shows total capital expenditure for the year and how this was financed. The decrease in capital expenditure between revised estimate and actual as noted below in Table 3 is due to expenditure which slipped from 2018/19 into the 2019/20 capital programme, together with resources. The indicators for 2019/20 will be revised in line with this.

Table 3

	2018/19 Actual	2018/19 Revised Estimate
Capital expenditure:	£71.997m	£86.648m
Resourced by:		
Capital receipts and grants	£21.034m	£40.783m
Revenue	£13.349m	£7.704m
<b>Capital expenditure - additional need to borrow</b>	<b>£37.614m</b>	<b>£38.161m</b>

#### 4.1.2 Gross Borrowing and the Capital Financing Requirement (CFR)

In order to ensure that borrowing levels are prudent, over the medium term the Council's gross borrowing must only be used for capital purposes. Gross borrowing should not therefore, except in the short term, exceed the total of the capital financing requirement in the preceding year (2018/19) plus the estimates of any additional capital financing requirement for the current (2019/20) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2018/19.

- 4.1.3 While the Strategic Lead - Resources reports that the Council has complied with this indicator over the medium term (as can be seen by comparing the gross debt figure at 31 March 2018 with the anticipated CFR at 31 March 2022 as detailed in Table 4 below), though in the short term the adjusted gross borrowing position exceeds the CFR as at 31 March 2019. This is due to: the Council undertaking long term PWLB borrowing at the year end at competitive interest rates and final capital expenditure being less than forecast once accounting adjustments have been taken into account.

Table 4

	2018/19 Actual	2018/19 Revised Indicator
Gross borrowing position per Table 1	£441.370m	£436.253m
Long term liability	£103.101m	£103.301m
<b>Adjusted gross borrowing position</b>	<b>£544.472m</b>	<b>£539.554m</b>
<b>Capital Financing Requirement</b>	<b>£537.931m</b>	<b>£539.454m</b>

	2018/19 Actual
<b>CFR at 31 March 2019</b>	
2018/19 Actual	<b>£537.931m</b>
<b>Estimated Movement in CFR</b>	
2019/20	£54.087m
2020/21	£49.629m
2021/22	£20.820m
<b>Anticipated CFR at 31 March 2022</b>	<b>£662.467m</b>
<b>Gross Debt at 31 March 2019</b>	<b>£544.472m</b>

#### 4.1.4 The Authorised Limit

The Authorised Limit is the “Affordable Borrowing Limit” required by Section 35 of the Local Government in Scotland Act 2003. The Council does not have the power to borrow above this level. The information in Table 5 demonstrates that during 2018/19 the Council has maintained gross borrowing within its Authorised Limit.

#### 4.1.5 The Operational Boundary

The Operational Boundary is the borrowing position that the Council expects to work around during the year, and periods where the actual position is either below or over the Boundary is acceptable subject to the Authorised Limit not being breached. The information in Table 5 demonstrates that during 2018/19 the Council has maintained gross borrowing within its Operational Boundary.

#### 4.1.6 Actual financing costs as a proportion of net revenue stream

This indicator shows the actual impact of capital expenditure in 2018/19 compared to the projected impact of the General Services Capital Plan Refresh and the HRA Capital Plan Update as approved by Members on 27 March 2019. The cost of capital is described as loan charges within the revenue budgets

**Table 5**

	<b>2018/19</b>	
<b>Revised Indicator - Authorised Limit</b>	£647.344m	
<b>Revised Indicator - Operational Boundary</b>	£593.399m	
<b>Maximum gross borrowing position during 2018/19</b>	£544.471m	
<b>Minimum gross borrowing position during 2018/19</b>	£500.400m	
	<b>Estimated</b>	<b>Actual</b>
<b>Financing costs as a proportion of net revenue stream:</b>		
Non housing	4.91%	4.78%
Housing	26.01%	24.41%

## 5. Summary of the Economic Factors affecting Interest Rates over 2018/19

### 5.1 Interest Rates

After weak economic growth, growth picked up before cooling off and given all the uncertainties over Brexit, this weak growth in the final quarter was as to be expected. However, some recovery in the rate of growth is expected going forward.

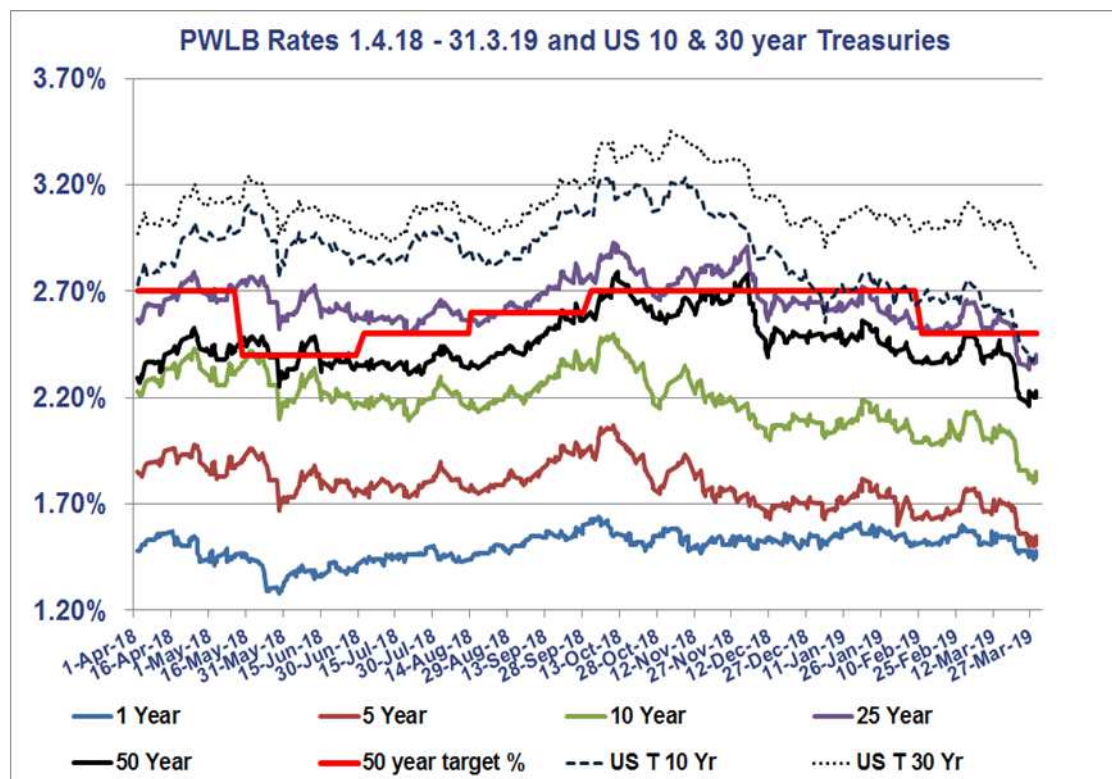
After the Monetary Policy Committee raised Bank Rate from 0.5% to 0.75% in August 2018, they have abstained from any further increases since then. There is unlikely to be any further action from the MPC until the uncertainties over Brexit clear. If there were to be a disorderly exit, it is likely that Bank Rate would be cut to support growth.

The economic outlook will continue to depend significantly on the nature and timing of EU withdrawal, in particular the new trading arrangements between the European Union and the United Kingdom; whether the transition to them is abrupt or smooth; and how households, businesses and financial markets respond. The appropriate path of monetary policy will depend on the balance of these effects on

demand, supply and the exchange rate. The monetary policy response to Brexit, whatever form it takes, will not be automatic and could be in either direction.

## 5.2 Borrowing Rates in 2018/19

The graph for PWLB rates below shows rates peaked during October 2018, most PWLB rates have been on a general downward trend, though longer term rates did spike upwards again during December, and, (apart from the 1 year rate), reached lows for the year at the end of March.



## 6. Treasury Activity during 2018/19

- 6.1 Borrowing** – The Council raised new long term loans of £0.331m and new short term loans of £201.006m during 2018/19 for the replacement of naturally maturing debt and to finance the Council's capital programme.
- 6.2 Rescheduling** – In February 2019 the Council rescheduled a £10m market loan paying interest at 3.99% with a £10m PWLB loan at an interest rate of 2.37% resulting in total savings of £0.070m over the period to 31 March 2031.
- 6.3 Repayment** – The Council repaid naturally maturing debt of £185.258m.
- 6.4 Summary of Debt Transactions** – The overall position of the debt activity resulted in the average interest rate at 31 March year on year falling to 2.51%.
- 6.5 Investment Policy** – The Scottish Government issued The Local Government Investments (Scotland) Regulations 2010 on 1 April 2010.



- 6.6** The regulations applied from 1 April 2010 and the Council's policy was first included in the annual Treasury Strategy approved by Council on 24 March 2010 with updates being included in the policy as and when required. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
- 6.7** The Council's short term cash investments decreased from £25.407m at the beginning of the year to £19.389m at the end of the year with an average balance of £16.765m and received an average return of 0.64% over the year. In addition to the short term cash investments the Council also had 2 long term investments in Clydebank Property Company and Hub West Scotland with a total value of £0.547m as at 31 March 2019 as detailed in table 2 above (investments over 364 days).

## **7. Performance Indicators set for 2018/19**

- 7.1** The treasury strategy defined a set of performance indicators covering the following areas:
- 7.1.1 Security** - In the context of benchmarking, assessing security is a very subjective area. Security is currently evidenced by the application of minimum quality criteria to financial institutions that the Council may choose to invest in, primarily through the use of credit ratings supplied by the three main credit rating agencies (Fitch, Moody's and Standard & Poors). The Council has benchmarked security risk by assessing the historical likelihood of default for investments placed with any institution with a long term credit rating of A- (this is the minimum long term credit rating used in the Council's investment strategy). The Council's maximum security risk is that 0.09% of investments placed with financial institutions could theoretically default based on global historical data. During the year all investments within the Council's portfolio were repaid on their due dates with no defaults of the principal sums recorded.
- 7.1.2 Liquidity** – As required by the CIPFA Treasury Management Code of Practice the Council has stated that it will “ensure that it has adequate, though not excessive, cash resources, borrowing arrangements, overdrafts or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives”. In respect to liquidity as defined above the liquidity arrangements during the year were maintained in line with the facilities and benchmarks previously set by the Council as follows:
- Bank overdraft - £1.000m; and
  - Liquid short term deposits of at least £5.000m available overnight.
- 7.1.3 Return** – For the financial year the investment return averaged 0.64% which is an increase of 0.28%. Table 6 illustrates that the Council's average return identified of 0.64% was below the average return from the Council's bankers investment account (0.75%), but higher than the LIBID rates (noted in table 6) which are the local measures of return investment benchmarks approved in March 2012.

The Council's bankers (and therefore the bank with which the investment account is held) are currently the Clydesdale Bank plc which falls within the Category 3 Investment Category approved in the investment strategy approved in February 2017. Due to the credit rating of this bank this category specified a maximum limit £5million which may be held on an overnight basis only thus limiting the ability to attract interest on this account.

**Table 6**

<b>Benchmark</b>	<b>Benchmark Return</b>	<b>Average Return</b>
Internal returns above the 7 day LIBID rate	0.51%	0.64%
Internal returns above the 1 month LIBID rate	0.54%	0.64%

## **8. Disclosure regarding the repayment of loans fund advances for 2018/19**

**8.1** The policy on the prudent repayment of loans fund advances was detailed in the Mid-Year Monitoring Report 2018/19 - Treasury Management and Prudential Indicators reported to Council on 19 December 2018. The Strategic Lead - Resources can report that the policy has been complied within during 2018/19.

**8.2** Table 7 shows the movement in the level of loan fund advances between 1 April 2017 and 31 March 2018.

**Table 7**

	<b>Non Housing</b>	<b>Housing</b>
<b>Opening Balance at 1 April 2018</b>	<b>£226.301m</b>	<b>£178.333m</b>
New Advances in 2018/19	£30.720m	£6.894m
Repayments in 2018/19	£4.925m	£6.295m
<b>Closing Balance at 31 March 2019</b>	<b>£252.096m</b>	<b>£178.932m</b>

**8.3** Table 8 details the anticipated repayment profile of the balance on the loans fund advance accounts for both non housing and housing held at 31 March 2019.

**Table 8**

<b>Future Repayment Profile at 31 March 2019</b>	<b>Non Housing</b>	<b>Housing</b>	<b>Total</b>
Under 12 months	£5.571m	£6.719m	£12.290m
2 years to 5 years	£23.178m	£28.990m	£52.168m
6 years to 10 years	£23.420m	£36.068m	£59.488m
11 years to 15 years	£22.612m	£34.405m	£57.017m
16 years to 20 years	£23.837m	£30.760m	£54.597m
21 years to 25 years	£26.979m	£23.907m	£50.885m
26 years to 30 years	£27.580m	£14.911m	£42.492m
31 years to 35 years	£22.128m	£3.158m	£25.286m
36 years to 40 years	£15.439m	£0.002m	£15.441m
41 years to 45 years	£8.623m	£0.003m	£8.626m
46 years to 50 years	£12.639m	£0.004m	£12.643m

51 years to 55 years	£18.406m	£0.005m	£18.411m
56 years to 60 years	£16.090m	£0.000m	£16.090m
61 year +	£5.595m	£0.000m	£5.595m
<b>Total</b>	<b>£252.096m</b>	<b>£178.932m</b>	<b>£431.028m</b>

## 9. Risk and Performance

- 9.1** The Council has complied with all relevant statutory and regulatory requirements which require the Council to identify and, where possible, quantify the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach. Ongoing consideration of future affordability and sustainability are reported and considered by Members each year when setting the Council's General Fund and HRA capital and revenue budgets.
- 9.2** The Council is aware of the risks of passive management of the treasury portfolio and, with the support of the Council's treasury advisers, has proactively managed its treasury position within the current economic climate taking advantage of lower interest rates where it is deemed appropriate. The Council has complied with its internal and external procedural requirements. There is little risk of volatility of costs in the current debt portfolio as the interest rates are predominantly fixed, with the majority of debt comprised of long-term loans.
- 9.3** Shorter-term rates and likely future movements in these rates predominantly determine the Council's investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult.



**WEST DUNBARTONSHIRE COUNCIL****Report by Strategic Lead - Resources****West Dunbartonshire Council Committee: 28 August 2019**

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**Subject: Update of the Financial Regulations****1. Purpose**

- 1.1** The purpose of this report is to seek approval for the revised Financial Regulations.

**2. Recommendations**

- 2.1** It is recommended that the Council:

- a) approves the revised Financial Regulations, as attached to this report for implementation on 15 September 2019; and
- b) delegates authority to the Strategic Lead – Resources, together with the Strategic Lead – Regulatory, to make necessary amendments to the appropriate terms of the Financial Regulations relative to EU procurement law should the United Kingdom leave the European Union.

**3. Background**

- 3.1** The Council is required in terms of section 81 of *The Local Government (Scotland) Act 1973*, to have Standing Orders with respect to making contracts and in terms of section 95, to make arrangements for the proper administration of its financial affairs - the Financial Regulations.
- 3.2** The Council's Financial Regulations were last updated in October 2017.
- 3.3** The proposed revisions are mainly in relation to Section Q – Procurement and reflect current procurement legislation, case law, current best practice and guidance, to provide clear processes over financial management practice. The Financial Regulations should be read in conjunction with the Council's Standing Orders.

**4. Main Issues**

- 4.1** The Financial Regulations have been fully reviewed and updated and the layout refreshed. Many of the updates relate to job title changes, together with updating to recognise wider uses of electronic processes, etc. In addition a new regulation (Section A3 of the attached) has been added in relation to a depute Section 95 Officer – which is in line with best practice as advised by CIPFA.

**4.2** Section G has been updated to reflect the following modern business practices:

- Official requisition or order will not be required for purchasing cards; and
- Certifying payment of invoices will be undertaken by either: an authorised officer via a manual or electronic process; or via electronic invoice matching to the purchase order within a system.

**4.3** The most significant of the proposed revisions, within Section Q – Procurement, and the effect of the changes are as follows:

<b>Revisions</b>	<b>Effect</b>
Updating the roles and responsibilities of the Procurement Manager; Strategic Lead – Regulatory and Strategic Directors (Chief Officers) relative to procurement.	Ensures clarity of roles and responsibilities.
Introduction of social and other specific services and emergency placements provisions.	Allows the Strategic Director or Chief Officer (HSCP), in consultation with the Procurement Manager, to direct award without competition in line with all relevant legislative requirements.
Increase the Quick Quote (online procurement process for quotations) limit for works contracts to £0.500m from £0.050m.	To provide a potentially faster turnaround time and more opportunities for local small / medium sized enterprises to be awarded the contracts.
Introduction of Contract Strategy and Contract & Supplier Management provisions.	To ensure that basic project management provisions are adhered to.
Introduction of advanced payments provisions.	Provides a level of flexibility for the Council should it be required. Advance payments to firms should be exceptional and should only be considered if a Best Value case can be made for them.
Introduction of contract variations provisions.	Sets-out a process for officers to follow when there is an increase in a contract value.

**4.4** By raising the threshold for works contracts to £0.500m for Quick Quotes, the Council will be able to target local companies and thus support the Council's

strategic priority of 'A strong local economy and improved job opportunities'. This will be done in tandem with:

- a quarterly communication to local small and medium enterprises (SMEs) about the Council procurements in the next 2 quarters;
- a process where suppliers and providers to the Council, for spend above £1.000m and works contractors for spend above £4.000m, have to advertise their supply chain opportunities to local SMEs to express an interest in joining the supply chain; and
- running a "Meet the Buyer" events to local SMEs at least annually.

**4.4** It is proposed that the revised Financial Regulations will take effect on 15 September 2019 to allow appropriate guidance, etc. to be updated following approval.

**4.5** Members will be aware of the ongoing discussions around the continued membership of the United Kingdom of the European Union. Should the United Kingdom leave the European Union there may be changes to procurement legislation. In such circumstances, it is recommended that the Strategic Lead - Resources and Strategic Lead - Regulatory should be delegated responsibility to make necessary amendments to the appropriate terms of the Financial Regulations to reflect any such legislative changes.

## **5. People Implications**

**5.1** Subject to the approval of the recommendations of this report, appropriate procurement awareness training course content will be updated and guidance will be made available to staff involved in the procurement of goods, works and services on behalf of the Council.

## **6. Financial and Procurement Implications**

**6.1** There are no direct financial or procurement implications arising from this report however implementing the proposed revisions in this report will provide greater clarity on roles, responsibilities and procedures relating to procurement.

## **7. Risk Analysis**

**7.1** The revisions will introduce greater clarity of procurement which will minimise the risk of breach of procurement regulations and the risk that best value is not being achieved.

## **8. Equalities Impact Assessment (EIA)**

**8.1** There are no equalities impacts in relation to this report.

## **9. Consultation**

**9.1** The Council's Corporate Management Team has been consulted in relation to this report.

## **10. Strategic Assessment**

**10.1** The revisions contributes to the Council's strategic priorities for 2017 – 2022:

- A strong local economy and improved employment opportunities;
- Supported individuals, families, and carers living independently and with dignity; and
- Open, accountable and accessible local government.

The proposed revisions to the Financial Regulations will ensure that the Council operates best practice procurement policies and procedures which will enable the Council to lever its spend to optimise contribution to the Council's strategic priorities.

**Name: Stephen West**

Designation: Strategic Lead - Resources

Date: 31 July 2019

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<b>Appendix:</b>	Revised Financial Regulations
<b>Background Papers:</b>	Financial Regulations – October 2017; Financial Regulations – December 2016; Financial Regulations – October 2013; Financial Regulations – November 2011; Financial Regulations – June 2011; and Financial Regulations – June 2006.
<b>Wards Affected:</b>	All Council Wards.



**WEST DUNBARTONSHIRE  
COUNCIL FINANCIAL  
REGULATIONS**



**(Updated August 2019)**

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## **WEST DUNBARTONSHIRE COUNCIL – FINANCIAL REGULATIONS**

### **A. FINANCIAL ADMINISTRATION**

#### **A1 Responsibility of the Council**

The Council is responsible for monitoring its finances.

#### **A2 Best Value**

In securing best value, the local authority shall maintain an appropriate balance among:

- the quality of the performance of its functions;
- the cost to the authority of that performance; and
- the cost to persons of any service provided by it to them on a wholly or partly rechargeable basis.

In maintaining that balance, the local authority shall have regard to:

- efficiency;
- effectiveness;
- economy; and
- the need to meet the equal opportunity requirements

The Council shall discharge its duties under this section in a way which contributes to the achievement of sustainable development.

#### **A3 Section 95 Officer**

The Section 95 Officer is the designated Officer responsible for the proper administration of the Council's financial affairs under section 95 of the Local Government (Scotland) Act 1973.

The Section 95 Officer role, undertaken by the Strategic Lead - Resources, is responsible, under the general direction of the Council, for the proper administration of the Council's financial affairs. It is the duty of the Council to make arrangements which secure best value, being the continuous improvement in the performance of the authority's functions.

#### **A4 Depute Section 95 Officer**

In the absence of the Section 95 Officer the Accounting Manager will act as the Section 95 Officer.

#### **A5 Section 95 Officer as Adviser**

As the Council's financial adviser, the Strategic Lead - Resources will report to the Council with respect to the level of resources proposed to be utilised in each financial year and will keep the Council and relevant Committees informed with respect to its finances and financial performance.

#### **A6 Chief Officers responsible for Resources**

Chief Officers (as defined as such within the Council's Standing Orders) are responsible for the security, custody and control of all resources including buildings, plant, materials, cash and stores relating to their service areas.

**A7 Chief Officers to Consult Section 95 Officer**

Each Chief Officer, with respect to any matter within their scope which is liable to affect materially the finances of the Council, shall consult with the Strategic Lead - Resources before any provisional or other commitment is incurred or before reporting thereon to the Council or to a committee. Matters covered by approved budgets are excluded from this requirement.

The question of materiality will be the subject of consultation with the Strategic Lead - Resources and, if appropriate, the Chief Executive. Such guidance will form part of these Regulations.

**A8 Role of Chief Executive, Chief Officers and the Director of the Health & Social Care Partnership (H&SCP)**

Unless otherwise stated, the title "Chief Officer" applies also to the Chief Executive and the Chief Officer of the HSCP for the purpose of describing their role in relation to these Regulations.

**B. ESTIMATES**

**B1 Form of Estimates**

Subject to the direction of the Council, the detailed form of capital and revenue estimates shall be determined by the Strategic Lead - Resources in accordance with normal professional practice.

**B2 Preparation of Estimates**

It shall be the duty of the Strategic Lead - Resources to:

- Prepare a revised Long-term Finance Strategy for the Council each financial year as part of the Estimates process: and
- Prepare annual estimates on revenue and capital accounts relating to all service areas and services of the Council.

For this purpose the Chief Officers shall furnish the Strategic Lead - Resources each year, at dates to be determined by him, with all necessary information regarding the requirements of their service areas/ services.

**B3 Determination Process**

After preparation, the estimates shall be collated and considered within the guidelines as agreed by the Council. After consideration, the estimates and any recommendations thereon will be submitted to the Council, together with a report by the Strategic Lead – Resources, for consideration in setting budgets, Council Tax and rent increases, in line with the timelines agreed by Council.

**B4 Report on the Estimates**

The Council shall consider the estimates, revise them if appropriate, and approve them as so revised and with regard to the revenue estimates authorise the expenditure included therein and determine the level of Council Tax and Council Housing rent levels.



## **B5 Long Term Capital Programme**

A capital programme shall be prepared annually by the Strategic Lead – Resources, in conjunction with Chief Officers, for submission to the Strategic Asset Management Group and thereafter consideration by the Corporate Management Team. The programme will then be submitted to the full Council for approval. Thereafter the Council shall review the capital programme and approve a revised programme, as appropriate.

## **B6 Authority to Proceed with Capital Projects**

The inclusion of a project in the capital programme does not itself, authorise expenditure. Standing Orders will be applied and any required Council approval given prior to any expenditure.

## **B7 Urgent Updates to Capital Programmes**

Should any unforeseen issue arise such as would materially alter the assumptions underlying a capital programme or the likely spend under any heading, where approval is required prior to the next appropriate Committee or Council, then the relevant Chief Officer, after consultation with and the agreement of, the Chief Executive, Strategic Lead - Resources and the relevant Convener, will amend the programme accordingly. Any such amendment will be reported to the next appropriate meeting of the Council and relevant Committee as part of the usual Budgetary Control Reporting regime.

## **C. CONTROL OF EXPENDITURE**

### **C1 Need for Budgetary Provision**

No expenditure shall be incurred unless included in the annual estimates or covered by a supplementary estimate approved by the Council after the submission of a report thereon.

### **C2 Virement**

#### Revenue

- Chief Officers may vire between subjective headings (types of expenditure) within a Service to a maximum of £10,000 with approval of the Strategic Lead - Resources. Any virement above £10,000 requires the approval of the Strategic Lead - Resources and then approved by the relevant Committee.
- Chief Officers may vire between Services within their Service Area with the approval of the Strategic Lead - Resources then approved by the relevant Committee or Council (e.g. in a virement that affects more than one Committee).
- Chief Officers may vire between Service Areas with the agreement of all Chief Officers concerned; the approval of the Strategic Lead - Resources then approved by all relevant Committees or Council.
- All virement requested is deemed to be permanent, i.e. to be carried forward into future years, unless specifically highlighted as being 'one-off' at the time of submitting the virement request.

- Head Teachers are constrained as to their powers as set out in the Delegated Management of Resources Scheme (DMR), such virements are not regarded as permanent.

### Capital

- Chief Officers may vire between capital projects to a maximum of £60,000 with the agreement of all Chief Officers concerned, the approval of the Strategic Lead – Resources, in consultation with the relevant Service Convener.
- Any virement above £60,000 requires the agreement of all Chief Officers concerned and the approval of the Strategic Lead – Resources, in consultation with the relevant Service Convener and approval by Council.

### **C3 Updates to Capital Programmes**

In line with regulation B7 above, such changes to the capital programme will not constitute a virement and the process for authorisation of such a change is as described at B7.

### **C4 Overspends**

Where it appears that the amount of approved expenditure within any service area may be significantly exceeded or the amount of approved income may fall significantly short of that estimated, it shall be the duty of the Chief Officer concerned, after consultation with the Chief Executive and the Strategic Lead - Resources, to inform the Council of the estimated amount of the deviation, the reasons for the deviation and the options for addressing it.

### **C5 Report on Capital and Revenue Schemes**

No capital work outwith the capital programme, (unless agreed by the Chief Executive as relatively minor and of an urgent nature), and no major revenue project (even where included in the annual estimates) shall be commenced unless it has been the subject of a report to the relevant service Committee or Council by the relevant Chief Officer.

### **C6 Loan Consents**

Subject to 5 above, no capital expenditure will be incurred unless the appropriate Chief Officer has ensured it is contained within the capital programme and is covered by appropriate resources.

### **C7 Responsibility for Budgetary Control**

#### **(i) Strategic Lead - Resources:**

It is the responsibility of the Strategic Lead - Resources to furnish each Chief Officer at regular intervals (normally monthly), a comparative statement showing the estimated revenue income and expenditure of each service area and the payments and receipts actually made to that date. The Strategic Lead - Resources shall submit to the Council and Service Committees, on a regular basis, a statement comparing expenditure and income with the approved budget.

(ii) Chief Officers:

It is the responsibility of each Chief Officer to ensure that the items in the annual estimates are not overspent and that the service area's expenditure conforms to the requirements of the financial regulations. Each Chief Officer shall submit to the relevant service Committee on a regular basis, a statement comparing expenditure and income with their service areaal budget.

**D. CONTROL OF INCOME**

**D1 Determination and Alteration of Charges**

The rate of charge for Supplies, Works or Services supplied by the Council shall not be altered without the approval of the Council (or appropriate service Committee where appropriate), unless an alteration is required arising from a change in legislation.

**D2 Accounting Arrangements**

It shall be the duty of the Strategic Lead - Resources to make adequate financial and accounting arrangements to ensure the proper recording of all monies due to the Council, the proper collection, custody, control and disposal of all cash in all service areas of the Council.

**D3 Notification of Income to Strategic Lead - Resources**

The general expectation is that service users will pay for services provided by the Council either in advance or at the point of delivery. Where this is not possible the details of charges requiring to be invoiced to service users shall be promptly notified to the Strategic Lead - Resources in a form approved by him. All accounts for income to the Council shall be issued by or under arrangements approved by the Strategic Lead – Resources.

**D4 Write-Offs**

Individual sums due to the Council and exceeding £5,000 (excluding VAT) shall not be written-off except after consideration by the appropriate service Committee or Council. Sums up to £5,000 which are due, may be written off on the authority of the Strategic Lead - Resources if satisfied that they cannot reasonably be recovered.

**D5 Benefit Overpayment**

An overpayment of Housing Benefit or Council Tax Reduction will be recoverable, except when arising from a "technical error" and where the claimant (or someone acting on their behalf) could not reasonably have been expected to realise that it was an overpayment.

**D6 Treatment of Money Collected**

All staff handling receipts of cash should be aware of the Council's Money Laundering Procedures. All funds received on behalf of the Council in any service area and in all forms shall be deposited with the Council's bankers in accordance with arrangements made with the Strategic Lead - Resources. No

deduction may be made from such funds other than where the Strategic Lead - Resources has specifically authorised.

**D7 Forms, Books and Tickets**

All official forms, books and tickets for the disbursement and collection of monies, whether these are electronic-based or paper-based, shall be in a form approved by the Strategic Lead - Resources.

**D8 Personal Cheques and Purchase Cards**

Personal cheques shall not be cashed out of the money held on behalf of the Council. Council purchase cards shall not be used for personal purposes.

**D9 Transfers of Money**

All transfers of official money from one member of staff to another will be evidenced in the records of the service areas concerned by the signature of the receiving officer.

**D10 Grant Funds**

The Strategic Lead - Resources will be advised of all relevant information necessary for him to comply with the terms and conditions for all grants due to the Council.

**E. STORES, INVENTORIES AND COSTINGS**

**E1 Costing Systems and Stores Control**

Arrangements made by Chief Officers for costing systems and stocks and stores control shall be subject to the approval of the Strategic Lead - Resources and shall, at least annually, be subject to review by the relevant Chief Officers.

**E2 Custody of Stores and Stocktaking**

The care and custody of stores and equipment in any service area shall be the responsibility of the Chief Officer of that service area who will ensure that stocktaking is carried out at regular intervals as agreed with the Strategic Lead - Resources.

**E3 Write-Offs or Surpluses of Stores**

No entries will be made, in the records, to write-off stores deficiencies or to bring surpluses into charge unless authorised by the Strategic Lead - Resources, who may refer such adjustments to the Council. The Strategic Lead - Resources may issue guidance, from time to time, on this subject and such guidance will form part of these Regulations.

**E4 Disposal of Surplus Plant, Equipment, furnishings, materials, etc.**

Subject to prior consultation with the Strategic Lead - Resources, all useable surplus plant, equipment, furnishings, materials, etc., to be disposed of by any service area of the Council, and which cannot be utilised by any other service area, shall be advertised for sale, or if no sale is possible shall be offered to Community Groups.

**E5 Inventories**

All service areas will maintain inventories of furniture, fittings, equipment (including IT equipment), plant and machinery. The form of the inventories will be determined by the Strategic Lead - Resources.

**E6 Stock Levels**

Stocks and stores held shall not be in excess of normal requirements except in special circumstances with the approval of the committee concerned.

**F. BANKING, CONTROL OF CHEQUES, BORROWING, INVESTMENT AND TRUST FUNDS**

**F1 Arrangements with Bankers**

All arrangements with the Council's Bankers concerning the Council's bank accounts shall be made by the Strategic Lead – Resources.

**F2 Payments into Bank**

All funds received shall be paid into the Council's bank account daily or at such other intervals as may be arranged by the Strategic Lead - Resources.

**F3 Cheque Control**

All cheques shall be ordered and controlled on behalf of the Council by the Strategic Lead - Resources and shall bear the facsimile signature of the Strategic Lead - Resources, or be signed by him or other officer authorised by him to do so.

**F4 Code of Practice on Treasury Management**

This Council adopts CIPFA's "Code of Practice for Treasury Management in the Public Services".

**F5 Treasury Policy Statement**

A Treasury Policy Statement setting out its strategy and procedures will be adopted by the Council as and when required.

**F6 Aggregation**

All funds (other than miscellaneous balances such as imprest accounts, cash floats and deposit receipts) in the hands of the Council shall be aggregated for the purposes of treasury management and shall be under the control of the Strategic Lead - Resources.

**F7 Delegation to Section 95 Officer**

All executive decisions on borrowing, investment or financing shall be delegated to the Strategic Lead - Resources, or through him to his staff, who shall be required to act in accordance with CIPFA's 'Code for Treasury Management in Local Authorities' and the Council's Treasury Policy Statement.

**F8 Investments**

All investments of funds under its control shall be made in the name of the Council or in the names of nominees approved by the Council and follow the Council's Investment Strategy, as approved by Council annually.

**F9 Borrowing**

All borrowing shall be made in the name of the Council.

**F10 Deposit of Trust Funds**

All persons acting as trustees shall deposit all securities, funds, etc., relating to the Trust with the Strategic Lead - Resources unless the deed otherwise provides. Thereafter these funds will be invested as appropriate.

**F11 Registrar of Bonds and Mortgages**

The Strategic Lead - Resources shall be the Council's registrar of stocks, local bonds and mortgages, except where an outside Registrar is appointed by the Council. The Strategic Lead - Resources shall maintain records of all borrowing of funds by the Council.

**F12 Control of Charitable Funds**

The Strategic Lead - Resources shall ensure the proper and safe custody and control of all charitable funds held by the Council and that all expenditure is in accordance with the conditions of the trust deed, etc.

**F13 Reports by Strategic Lead - Resources**

1. The Strategic Lead – Resources will report and request approval from Council for the Treasury Management Strategy for the forthcoming year, prior to the start of that year.
2. The Strategic Lead – Resources shall report (as a minimum) twice annually to the Council on the Treasury Management operation and on the exercise of the Treasury Management powers delegated to him. One such report shall be a mid year update and the other shall be the Annual Report on Treasury Management for presentation by 30 September of the succeeding financial year.

**G. ORDERING OF SUPPLIES, WORKS & SERVICES; AND PAYMENT OF ACCOUNTS****G1 Official Requisitions and Orders**

All Supplies, Works and Services supplied or executed for the Council shall be ordered or confirmed by means of an official requisition or order. The form of official requisitions and orders must be through a system as approved by the Strategic Lead - Resources. Such requisitions or orders will be authorised only by officers authorised by the appropriate Chief Officer. Such authorised persons shall be reviewed on a regular basis by the relevant Chief Officer.

**G2 Exemption from Official Requisition or Order**

An official requisition or order will not be required for supplies of public utility services, periodical payments (such as professional subscriptions), petty cash purchases or point of sale Corporate Purchase Card transactions such as travel expenses, sustenance, event or venue reservations where pre-payment is required. The requirements of Section Q these Procurement Financial Regulations still apply.

**G3 Central Purchasing and Standardisation**

Each requisition and order shall conform to any directions of the Council with respect to central purchasing and the standardisation of supplies, works and services.

**G4 Check on Supplies, Works and Services undertaken**

It shall be the duty of each Chief Officer to ensure that all Supplies, Works and Services received or undertaken are as requisitioned or ordered in respect of value, quantity and quality.

**G5 Certification by Chief Officer**

1. Each Chief Officer shall arrange to certify that all payment vouchers comply with the following:
  - The Supplies, Works or Services to which the account relates have been received, carried out, examined and approved and are in accordance with the order;
  - The prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct;
  - The expenditure has been properly incurred and the provision of standing orders as to limits of expenditure authority have been observed;
  - Appropriate entries have been made in inventories, stores records or stock books as required; and
  - The appropriate expenditure code numbers are entered on the document for payment.
2. Those officers who authorise payment vouchers should be familiar with the general VAT rules of the Council as defined within the VAT Guidance.
3. Having so certified the voucher, the Chief Officer or other authorised officer shall pass it to the Strategic Lead - Resources for payment.

**G6 Separation of Duties**

Each Chief Officer shall ensure that an appropriate separation of duties exists between officers authorising requisitions and orders and certifying payment of invoices. Certifying payment of invoices will be undertaken by either: an authorised officer via a manual or electronic process; or via electronic invoice matching to the purchase order within a system as approved by the Strategic Lead – Resources.

**G7 Authorised Signatories**

The Strategic Lead - Resources will compile a list of authorised signatories for this purpose in each service area and specimen signatures will be required from the persons concerned.

**G8 Duplicate Invoices, etc.**

Payment will not be made on duplicate or photocopy invoices unless the Chief Officer (or other officer delegated authority to do so by the Chief Officer) certifies on the appropriate batch slip that the amounts have not been previously paid.

**G9 Further Invoice Checking**

The Strategic Lead - Resources shall supplement the service areaal checks on payment of accounts as he considers necessary.

**G10 Amendments to Payment Vouchers**

Any amendments made to payment vouchers shall be made in ink and initialed by the officers making them stating briefly the reasons where this is not self-evident.

**G11 Electronic Procurement**

The above requirements apply equally to orders and payments made through approved electronic systems including through purchasing cards. Each Chief Officer shall ensure that all staff using electronic systems operate in accordance with the relevant authorisation levels and thresholds embedded within the systems.

**G12 Employee Code of Conduct**

All employees must comply with the Code of Conduct, in particular, all policy, processes and procedures produced by the Corporate Procurement Manager when purchasing Supplies, Works and Services. Officers should be aware of the associated Guidance on Offers of Gifts, Hospitality and Declaring Interests.

**H. ACCOUNTING**

**H1 Accounting Procedures and Records**

All accounting procedures and records of the Council and its officers shall be determined by the Strategic Lead - Resources. All accounts and accounting records of the Council shall be compiled by the Strategic Lead - Resources, or under his direction.

**H2 Internal Checks**

The provision of information about sums due to or by the Council and the process of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting, disbursing, or authorising payment of such sums. Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.

**H3 Year End Accounting Returns**



Chief Officers shall annually, at dates to be specified by the Strategic Lead - Resources, submit to him:

- Inventories of stocks, stores and plant in hand at the year-end;
- Inventories of equipment and furnishings in hand at the appropriate date;
- Year-end cash imprest statements and reconciliations;
- Details of sums due to or by the Council and remaining unpaid at the year-end; and
- Any other information necessary to close the Council's accounts at the year end.

#### **H4 Year-End Final Accounts**

Chief Officers shall have a duty to provide requested information and comply with deadlines defined by the Strategic Lead - Resources for the completion of the year-end final accounts and its audit.

### **I. INTERNAL AUDIT AND VALUE FOR MONEY**

#### **I1 Continuous Internal Audit**

The Internal Audit Service is a statutory assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. The control environment comprises the systems of governance, risk management and internal control. The remit of the service is to objectively examine, evaluate and report on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources throughout the Council's activities. A continuous internal audit, under the independent control and direction of the Strategic Lead - Resources, as described in the Council's Internal Audit Charter and in accordance with the Public Sector Internal Audit Standards (PSIAS), shall be undertaken.

#### **I2 Authority of Audit**

1. The Strategic Lead - Resources or his authorised representatives shall have authority to:
  - Enter at all reasonable times any Council premises or land;
  - Have access to all records, documents and correspondence relating to financial and other transactions of the Council;
  - Require and receive such explanations as are necessary concerning any matter under examination; and
  - Require any employee of the Council to produce cash, stores, or any other Council property under his/her control.
2. All requests for information, files, etc. made by Internal Audit to officers or Members shall be supplied with within the timescales provided by Internal Audit.

### **I3 Contract Audit**

The Audit Manager or his authorised representatives, subject to the consent of the Strategic Lead - Resources, shall have authority to engage the services of professional persons from appropriate Council service areas to assist in the examination of contracts under review or investigation by Internal Audit.

### **I4 Business Irregularities**

1. No investigatory work is to be undertaken by any Officer of the Council without the express approval of:
  - the Strategic Lead - Resources for allegations relating to financial issues (or in his absence the Audit Manager); or
  - the Strategic Lead - People and Technology for alleged breaches of Human Relations policies or procedures (in her absence the Strategic People and Change Manager).
2. All Chief Officers will make arrangements within their own service area to ensure that, where it is suspected or identified that business irregularities have or may have occurred, the matter will be reported immediately to Strategic Leads – Resources /People and Technology. Examples of such irregularities include but are not limited to:
  - Misappropriation or embezzlement of funds, materials etc. placed in the employee's charge;
  - intentional distortion of records for any fraudulent purposes; and
  - misuse of the Council's ICT infrastructure including information.
3. Anonymous allegations and all categories identified within the Council's Policy in relation to the Public Interest Disclosure Act 1998 are covered by these Regulations.
4. Such irregularities shall be dealt with in accordance with the Council's Business Irregularity Procedures.

## **J. CASH IMPRESTS AND PURCHASE CARDS**

### **J1 Provision of Imprest**

The Strategic Lead - Resources shall provide cash imprest accounts, cash floats and purchase cards as he considers appropriate to officers of the Council for the purposes of defraying petty cash and other expenses.

### **J2 Bank Accounts for Imprest Holders**

The Strategic Lead - Resources shall open bank accounts where it is considered appropriate and in no circumstances shall the imprest holder overdraw the account. It shall be a standing instruction to the Council's bankers that an imprest holder's account shall not be overdrawn. Bank accounts will not be opened or amended by any officer other than the Strategic Lead - Resources, or his nominated deputes.

**J3 Exclusion of Income Collected**

No income received on behalf of the Council may be paid into an imprest account but must be banked or paid to the authority as provided in these regulations. Any bank interest earned on, or charges to, an imprest accounts will be remitted separately and immediately to the Strategic Lead - Resources and will not be left in the imprest bank balance.

**J4 Limit on Expenditure – cash imprest**

Payments shall be limited to minor items of expenditure and to such other items as the Strategic Lead - Resources may approve.

**J5 Limit on Expenditure – Purchase Cards**

Individual officers shall have limits placed on the use of purchase cards in terms of purpose and value of expenditure, by transaction and in total per month.

**J6 Statement of Account – Imprest**

An officer responsible for an imprest account shall, if so requested, give to the Strategic Lead - Resources a certificate of the balance on his/her imprest account in line annual guidance issued by the Strategic Lead - Resources. Payments shall be supported by a receipted voucher (with appropriate VAT information as required) to the extent that the Strategic Lead - Resources may require.

**J7 Accounting for Purchase Card Expenditure**

Relevant officers are required to review and approve all expenditure on the online purchase card system, in line with the published timetable. Payments shall be supported by a receipted voucher (with appropriate VAT information as required) to the extent that the Strategic Lead - Resources may require.

**J8 Termination as Imprest Holder / Purchase Card Holder**

Imprest: on leaving the employment of the Council or otherwise ceasing to be entitled to hold an imprest advance, an officer shall make account to the Strategic Lead - Resources for the amount advanced to him/her.  
Purchase Cards: on leaving the employment of the Council or otherwise ceasing to be entitled to hold a Purchase card relevant officers shall surrender their purchase card to their line manager, who will advise Strategic Lead – Resources of the change.

**J9 Insurance Cover**

The Strategic Lead - Resources will ensure that insurance cover is obtained for all cash imprest and purchase card accounts and for the officers responsible for these.

**K. CLAIMS FOR EXPENSES AND ALLOWANCES**

**K1 Arrangements for Claims**

The Strategic Lead - People and Technology in consultation with the Strategic Lead - Regulatory shall be responsible for making arrangements for the administration and regulation of claims for expenses and allowances to Members and employees of the Council and other approved bodies.

**K2 Regulations for Elected Members Allowances and Expenses**

The Strategic Lead - Regulatory shall at all times make the current regulations on expenses and allowances available to Members.

**K3 Submission of Claims**

All claims for payment of travelling allowances, subsistence allowances, car allowances and incidental expenses shall be submitted, duly certified, in a form approved by the Strategic Lead – People and Technology to her at regular intervals as agreed in the format defined. Such payments will not be made out of imprest accounts without the express authority of the Strategic Lead - Resources. All such expenses shall as far as practicable be paid through approved payroll processes, or as approved through use of Council purchase card.

**K4 Payment of Claims for Elected Members**

Payments to Members, of claims for expenses and allowances, will be made by the Strategic Lead - People and Technology upon receipt of the required information duly completed. All claims for a financial year are to be submitted within one month of 31 March.

**K5 Certification of Claims**

The certification of claims shall mean that the certifying officer is satisfied that the journeys were authorised, the expenditure properly and necessarily incurred and that the allowances are properly payable by the Council.

**L. SALARIES, WAGES AND PENSIONS****L1 Arrangements for Payments**

The payment of all salaries, wages, pensions, compensation and other emoluments to all employees or former employees of the Council shall be made by the Strategic Lead - People and Technology or under arrangements approved and controlled by them.

**L2 Application of National Agreements**

The Strategic Lead - People and Technology shall be responsible for the application of all appropriate wages and salary agreements to all employees of the Council.

**L3 Notification**

The Strategic Lead - People and Technology will be notified as soon as possible, in an agreed form, of all matters affecting payment of such emoluments and in particular:

- Appointments, resignations, dismissals, suspensions, secondments and transfers;
- Absences from duty for sickness or other reasons, apart from approved leave;
- Changes in remuneration, pay awards and agreements of general application; and

- Information necessary to maintain records of service for superannuation, income tax and national insurance.

#### **L4 Appointments**

Appointments of all employees shall be made in accordance with the regulations of the Council and the approved establishments, grades and rates of pay.

#### **L5 Form and Certification of Records**

1. Time records or other pay documents shall be in a form prescribed or approved by the Strategic Lead - People and Technology and shall be certified by or on behalf of the appropriate Chief Officer.
2. The names of officers authorised to sign such records shall be sent to the Strategic Lead - People and Technology by each Chief Officer together with specimen signatures.

### **M. GRANTS, CONTRIBUTIONS AND SUBSCRIPTIONS TO OTHER BODIES AND PERSONS**

#### **M1 Administration and Payment**

1. All grants (other than Common Good and Community Chest), contributions and subscriptions shall be managed through processes approved by the Strategic Lead - Resources, under delegated powers, and in consultation with the relevant Committees.
2. For the **Common Good Fund**, Council will set the budget and in doing so the majority of the grants to be paid. Any remaining Common Good funds available for grant payment will be administered and paid by the Strategic Lead - Resources in consultation with the Corporate Services Committee, except where specified by Council where alternative arrangements may be agreed.
3. **Community Chest grants** will be administered and paid by the West Dunbartonshire Community Volunteer Service and reported in detail to the Corporate Services Committee annually.

#### **M2 Applications**

All applications for grants and subscriptions shall be accompanied, where appropriate by the accounts and other relevant information of the organisation, and the Strategic Lead - Resources may be asked to report thereon.

#### **M3 Application of section Q; Procurement Financial Regulations**

When awarding grants which may involve the delivery of Supplies, Works and Services, due consideration must be made to the provisions of section Q of these Financial Regulations, notwithstanding the source and nature of any funding provided.

## **N. CAPITAL, REVENUE AND RENEWAL FUNDS**

### **N1 Policy for Administration**

The Council shall determine the policy on the administration of these funds.

### **N2 Council Consideration**

The Council, at the consideration of the budget, shall take into account the allocation of resources, and the policy on such funds.

## **O. SECURITY**

### **O1 Responsibility for Security**

Each Chief Officer is responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash etc., under his/her control. He/she shall consult the Strategic Lead – Resources in any case where security is thought to be defective or where it is considered that special security arrangements may be needed. Regular review of such security arrangements shall be carried out by the directors.

### **O2 Limits to Cash Holdings**

Maximum limits for cash holdings shall be agreed with the Strategic Lead - Resources and shall not be exceeded without his/her express permission.

### **O3 Safe Keys**

Keys to safes and similar receptacles are to be securely held by those responsible for them at all times. The loss of any such keys must be reported immediately to the Strategic Lead - Resources. A register of all such key-holders will be kept by each Chief Officer.

### **O4 Computer Security**

The Strategic Lead – People and Technology is responsible for maintaining proper security and privacy as regards information held in the Council's computer installations or for their use. Each Chief Officer is responsible for information held in their respective service areas.

### **O5 Pre-printed and Pre- signed Cheques, etc.**

The Strategic Lead - Resources shall be responsible for ensuring that secure arrangements exist for pre- printed/pre-signed cheques, stock certificates, bonds and deeds etc.

## **P. INSURANCE**

### **P1 Strategic Lead – Resources Responsible for Insurance**

Subject to the general supervision of the Council, the Strategic Lead - Resources will effect and maintain adequate insurance cover for all of the Council's activities. He will also negotiate insurance claims, in consultation with Chief Officers, where necessary.

**P2 Notification of Risks**

Chief Officers will give prompt notification to the Strategic Lead - Resources of all new and increased risks, properties, or vehicles or of any deletions affecting their service area or services.

**P3 Notification of Claims**

Chief Officers will immediately notify the Strategic Lead - Resources in writing of any loss, liability or damage or any event likely to lead to a claim.

**P4 Fidelity Guarantee Insurance**

All appropriate employees of the Council will be covered by fidelity guarantee insurance.

**P5 Review of Insurance Cover**

The Strategic Lead Resources will periodically review all insurances in consultation with the Chief Officers as appropriate

**Q. PROCUREMENT: CONTRACTS FOR SUPPLIES, WORKS AND SERVICES  
(THE PROCUREMENT FINANCIAL REGULATIONS)**

**Q1 Application of these Procurement Financial Regulations**

1. Except where an explicit decision by a meeting of Council or a Committee having delegated authority for the matter in question exists, these Financial Regulations will apply subject to the undernoted further Caveats.
2. Where strict application of these Procurement Financial Regulations would be likely to place the Council in conflict with any applicable law, the Procurement Financial Regulations will be read with the omission of any offending provision and in the manner which best protects the Council's interests.
3. For the avoidance of doubt, no failure to comply with these Procurement Financial Regulations will have any negative bearing on the vires of any action or the validity of any Contract following on such action where the action would otherwise be within the Council's powers and the Contract would otherwise be valid.

**Q2 Standing Orders**

1. These Procurement Financial Regulations shall be read in conjunction with and subject to the provisions of Parts III and Part IV of the Standing Orders relating to Officers Delegated Powers and to Procurement, Contracts and Tendering respectively. No provision in these Financial Regulations will be taken to extend or limit the vires of the Council to act in a manner which conflicts with the natural meaning of the Standing Orders. As provided for in Section S of these Financial Regulations, all Officers of the Council are required to adhere to their terms.

2. In the event of any conflict between these Financial Regulations and Standing Orders, the provisions of the Standing Orders will have precedence. However, this provision will not have the effect of removing the requirement to comply with these Financial Regulations simply on the basis of that permissive provision of the Standing Orders does not specify any qualification or condition on its application. Where these Financial Regulations contain provisions which qualify or place conditions on any permission granted in any Standing Order, officers shall have regard to such permission as so qualified or made conditional.

### **Q3 Pre-requisites for Procurement**

No procurement activity will commence unless and until each of the following conditions have been met:

- Sufficient budgetary provision exists (Capital, Revenue or both) in terms of the Standing Orders and these Financial Regulations;
- Express Council, Committee or other relevant delegated authority has been granted in accordance with Standing Orders or the Council's Scheme of Delegation; and
- For procurement valued at £50,000 and above, and other than emergency placements for social care, or education, a commodity / contract strategy, in a format approved and signed by the Procurement Manager, has been agreed.

### **Q4 Value of Contracts**

1. In estimating the value of a contract for the purposes of these Financial Regulations, the following direct and indirect costs (total cost of ownership "TCO") must be accounted for:
  - a. The Capital cost of the acquisition of any assets, relevant Revenue sums and one off payments e.g. for acquisition of licenses;
  - b. External training costs for training which requires to be undertaken to be undertaken as a direct result of the supplies, works or services acquired under the contract;
  - c. Support services by or through the supplier on an ongoing basis for the duration of the contract. Where the period of required support is indefinite, for a period of 48 Months;
  - d. Additional Third party works, supplies or services, associated with, or necessary to support the contract and its deliverables;
  - e. Annual recurring maintenance or license costs associated with the contract and its deliverables; and
  - f. The value of any works concession or service concession to the Council. The value of a works concession or service concession contract is calculated by the value of the benefit to the supplier in



terms of revenue / turnover rather than the rebate coming back to the Council.

2. If there is any doubt regarding the appropriateness of the inclusion of any cost, the Procurement Manager must be consulted
3. In every schedule of rates contract, following discussion with the Procurement Manager, the Chief Officer or Chief Officer of the procuring service shall fix an indicative total value for the contract prior to invitations to tender being issued. If there is any doubt about the anticipated duration of the continuing supply, the Procurement Manager shall base the estimate of the value of the contract on a period of 48 months.

**Q5 Above £50,000 Disaggregation**

It is not permitted to deliberately divide any procurement exercise or divide into two or more contracts if the intention in doing so is to avoid the application of any financial thresholds in these Financial Regulations, Standing Orders, Domestic Law or the EU Procurement Directives.

**Q6 Contracts Governed by these Financial Regulations**

1. In these Financial Regulations, the word “contract” will apply to any arrangement for provision of works, supplies or services to the Council including in so far as relevant, any framework agreement or dynamic purchasing system; either solely or along with others, either written or unwritten by which, legally enforceable rights and responsibilities are created for the parties to the arrangement.
2. Subject as undernoted, the full provisions of the *Financial Regulations* following in this Section Q, will only apply to contracts having a value of £50,000 and above.
3. For the avoidance of doubt, individual arrangements where the primary purpose is the supply of funding, either by or to the Council, e.g. loans, bonds, securities, grants (other than where the Council receives works, supplies or services or derives any benefit from them) or other financial instruments, will not be a contract for the purposes of these *Financial Regulations*, notwithstanding that some strictly limited and ancillary provision of works, supplies or services may also be involved.
4. Further, subject to the provisions of Domestic Legislation and case law, no arrangement will be classed as a contract for the purposes of these *Financial Regulations*, where the Council:
  - a. solely or predominantly sells or acquires land or rights in land;
  - b. provides works, supplies or services for third parties;

- c. performs the functions of or delivers services to another public body in accordance with *The Local Authorities (Goods & Services) Act 1970*;
  - d. receives works, supplies or services from another body where the Council is permitted to receive them without the requirement to tender in accordance with *The Local Authorities (Goods & Services) Act 1970*;
  - e. performs for or receives services from (a) an arms-length organisation whether wholly or partly owned by the Council or (b) a wholly owned subsidiary or group company of the Council, provided the arrangement is compliant with Domestic Law and EU Law.
5. Notwithstanding that an arrangement may not be classed as a contract for the purposes of these *Financial Regulations* under this Section Q, the wider *Financial Regulations* will still apply to the arrangement.

#### **Q7 Specific Exemptions to These Financial Regulations**

Notwithstanding that they may otherwise fail to be viewed as works, supplies or services to the Council, the following shall be exempt from the scope of these Financial Regulations any arrangement:

- a. where the Council seeks or receives legal advice, assistance or an opinion from Junior or Senior Counsel, a Professor of Law, a Solicitor Advocate or in the case of an opinion only, a Law Society of Scotland Accredited Specialist solicitor recognised as having particular expertise in the subject matter of the opinion;
- b. where the Council disposes of surplus or scrap materials and equipment previously used by the Council, except where such disposal is, or is part of, a contract for which the Council pays (in cash or kind) a value of £50,000 and above;
- c. for the commissioning of theatrical, musical, dramatic or other artistic performances, subject to the prior approval of the Procurement Manager;
- d. where the individual is nominated by a third party or agreed between the parties under a Dispute Resolution Procedure within a contract provided such nomination is compliant with Domestic and EU Law.

#### **Q8 Application of and Departure from the Requirements of these Financial Regulations**

- 1. These Financial Regulations will apply to all contracts for works, supplies and services except in the following circumstances:

- a. Where a proviso within the *Standing Orders*, or the Officers *Scheme of Delegation* expressly permits or requires the Chief Executive, Chief Officer or Chief Officer to act in a manner which may not be in accordance with these *Financial Regulations*, but that only to the extent that such express permission or requirement requires, and subject to such subsequent reporting as such provision may require;
  - b. Where a departure is expressly agreed by a meeting of Council or the appropriate Service Committee, in advance of such departure in these circumstances, the Procurement Manager will be consulted before any report seeking such departure is taken to the meeting of Council, or the appropriate Service Committee;
  - c. Where in the express and written opinion of i) the Section 95 Officer, or ii) the Strategic Lead – Regulatory, the application of the *Financial Regulations* would be such as to impose a financial, reputational or legal penalty upon the Council or may significantly impede the Council in the performance of its statutory duties such that it would be perverse to strictly apply these *Financial Regulations*;
  - d. Where the strict application of these *Financial Regulations* would place the Council in conflict or mean non-compliance with the provisions of any funding arrangement; and subject to the EU Thresholds not being breached; where such funding, i) makes a substantial contribution to any contract for works, supplies and services; and ii) there is no opportunity to renegotiate the terms of any such funding within a timescale which permits the drawdown of the funds or the performance of the contract in accordance with its aims;
  - e. Where the Council is entitled, as a member of a consortium, or is otherwise permitted to utilise a framework agreement, or dynamic purchasing system; which is compliant with Domestic Law and EU Procurement Directives (the rules and procedures of such consortium or framework agreement, or dynamic purchasing system; will, where in conflict with these *Financial Regulations*, have precedence, save insofar as these *Financial Regulations* relate to internal procedures only or insofar as they are a direct translation of any *Standing Order* or aspect of the *Scheme of Delegation*.
2. With the exception of those provided for within the *Standing Orders* and *Scheme of Delegation*; and those determined by Council or Committee such provisos will only be exercised after consultation with the Procurement Manager and will be reported to the first appropriate Committee where expenditure exceeds or is likely to be valued at £50,000 or higher.

#### **Q9 Procurement Responsibility for Contracts**

1. The service shall be responsible for all contracts below £50,000 and will conduct such procurement in accordance with *Procurement Guidance for Below £50,000*, issued by the Procurement Manager. [Procurement Guidance - under £50,000](#)
2. When there is a framework agreement; or a dynamic purchasing system available, and it is determined between the Procurement Manager and the procuring service that its use is the most appropriate means of fulfilling the requirement, the Procurement Manager shall adhere to the *Financial Regulations*, Regulation Q23 - *Framework Agreement and Dynamic Purchasing System Call-offs*.
3. Where a framework agreement or dynamic purchasing system does not exist or is determined not to be the most appropriate means of fulfilling the requirement, the Procurement Manager shall adhere to the following procedures:
  - a. For works contracts between £50,000 to £499,999.99 (exc. VAT) - undertake either (One) a Quick Quote process for a minimum of 10 working days, by inviting five contractors (where possible) from the relevant category of contractors registered on: [www.publiccontractsscotland.gov.uk](http://www.publiccontractsscotland.gov.uk) including, where possible, two contractors within the local area to participate or (Two) if considered more appropriate, one of the processes found in Regulations Q15 to Q23 below); and
  - b. For works contracts valued at £500,000 and above; and for supplies and services contracts valued at £50,000 and above, one of the appropriate procurement processes identified in the *Financial Regulations*, Regulations Q15 to Q23 is to be applied.

#### **Q10 Commodity / Contract Strategy and Contract & Supplier Management**

1. Where the need is identified through the commodity / contract strategy, the Procurement Manager may require that the Chief Officer or the Chief Officer, will ensure that the following provisions will be adhered to which may include:
  - a. Appointing an experienced sponsor;
  - b. Establishing and maintaining a project team until the contract has been put in place, with the right expertise which will include a project manager, lead officer, contract owner and appropriate representation from the Corporate Procurement Unit; Finance Services; Legal Services and any further officers required;
  - c. Defining the project stakeholders and communicating with the stakeholders at regular intervals;
  - d. Defining the initial works, supplies and / or services;

- e. Developing, reviewing and finalising an options appraisal and / or business case that shall include cost, time, resources and quality analysis;
- f. Defining a clear, concise and unambiguous specification / scope;
- g. Consistently monitoring the specification / scope to ensure it remains controlled throughout the contract;
- h. Controlling the relationship between the Council and the successful supplier;
- i. Ensuring that the *Contract & Supplier Management Policy* is adhered to.

#### **Q11 Minimum Contract Provisions**

Except in circumstances where the Procurement Manager and Strategic Lead – Regulatory Services agree otherwise, every contract shall be:

- 1. in the name of West Dunbartonshire Council;
- 2. in probative writing;
- 3. subject to the Laws of Scotland; and
- 4. subject to the agreed exclusion or amendment of any such provisions in terms of the *Financial Regulations*, Q.12 hereof, including all provisions required by the *Standing Orders* or *Financial Regulations*, Q.11 hereof.

#### **Q12 Contract Documents**

- 1. With the exception of the specification or scope of the contract requirements, the procurement documents in respect of all contracts shall be prepared by the Procurement Manager in consultation with the Chief Officer or Chief Officer of the procuring service(s) and in relation to the terms and conditions of the contract, the Strategic Lead - Regulatory.
- 2. With the exception of framework agreement call-offs; dynamic purchasing system call-offs and emergency placements, the European Single Procurement Document (ESPD) shall be used in all procedures.
- 3. The Procurement Manager may also, after consultation with the Strategic Lead - Regulatory as aforesaid; make use of procurement documents prepared by the Crown Commercial Service, Scotland Excel or the Scottish Procurement and Commercial Service area or any other public sector body, amended as appropriate, where permitted by those bodies to do so. It is the Procurement Manager's responsibility to ensure that the procurement documents are suitable for the contract.

4. For repeat requirements and contracts which are agreed in advance to fall within particular categories, the Procurement Manager may dispense with consultation with the Strategic Lead - Regulatory, subject to their consulting in the event of any particularly onerous or unusual requirement arising during the course of any procurement; and subject to any agreed terms and conditions being reviewed annually with the Strategic Lead - Regulatory to ensure their continued relevance, accuracy and fitness for purpose.

### **Q13 Supplementary Procedures**

The Procurement Manager may, following consultation with the Corporate Management Team and any relevant officers, as determined by the subject matter, issue supplementary procedural notes (“Supplementary Procedures”) to be read in conjunction with these *Financial Regulations*; and complied with when a contract for works, supplies and services is being sought. These additional procedures will be notified to all Chief Officers and Chief Officer, who will ensure their distribution to and compliance by all staff.

### **Q14 Lists**

1. The Council will not operate a list for the pre-selection of suppliers to tender.
2. A properly constituted framework agreement or dynamic purchasing system, either operated by the Council or a third party, under which the Council is legally entitled to procure, will not be classed as a List for the purposes of these *Financial Regulations*.
3. For the avoidance of doubt, the Council may retain records of recent suppliers’ health and safety vetting to ensure that the tendering health and safety processes remain efficient. Such vetting must be approved by the Procurement Manager in consultation with the Strategic Lead - Regulatory Services and must not preclude any bidder from submitting more up to date information.

### **Q15 Compliance with Domestic Procurement Law and EU Procurement Directives**

For Supplies and Services Contracts valued at £50,000 and above; and Works Contracts valued at £500,000 and above, where an existing framework agreement or dynamic purchasing system is not being used, the Procurement Manager shall include within the Contract Notice, a web link to the Public Contracts Scotland-Tenders portal from where the electronic Invitation to Tender, including the ESPD, can be immediately accessed.

### **Q16 Choice of Procurement Procedure**

Where it is established that the EU Procurement Directives apply to any contract, the Procurement Manager will, following consultation with the Chief Officer or Chief Officer with responsibility for the proposed contract, agree the appropriate procedure to be followed in terms of those Directives, which may

include use of an existing framework agreement or dynamic purchasing system. Such procedure will be identified as part of the agreed contract strategy. The Procurement Manager shall ensure that the contract is advertised, tendered, evaluated and awarded in compliance with those Directives or the rules of the existing framework agreement or dynamic purchasing system.

#### **Q17 Advertising and Publicity for Contracts**

The Council is under a duty to ensure that in relation to each contract it intends to award, a degree of advertising is undertaken which is sufficient to enable open competition and to meet the requirements of the principles of equal treatment, non- discrimination, transparency and proportionality. Contracts that are subject to the EU Procurement Directives must comply with the provisions relating to advertising of contracts in these Directives. For all other supplies and services contracts with an aggregated valued at £50,000 and above; and works contracts with an aggregated valued at £500,000 and above, the following procedures shall apply:

1. The Council doesn't require to advertise those contracts for social and other specific services falling below the EU Threshold or where an existing framework agreement call-off; or dynamic purchasing system call-off is to be used;
2. In general such contracts will be advertised on the Public Contracts Scotland portal. In addition the Procurement Manager may authorise the advertisement of the contract in any other way such as in trade journals or newspapers;
3. The Procurement Manager shall ensure that the Council's own website contains links to the Public Contracts Scotland portal.

#### **Q18 Social Care and Other Specific Services Procurement**

1. For all procurement of Social Care, Education and other Specific Services to which the Provisions of Schedule 3 (Social and Other Specific Services) of the *Public Contracts (Scotland) 2015* applies ("the Light Touch Regime"), a direct award without competition may be made so long as all legislative requirements are met and where appropriate Scottish Government and COSLA guidance on the *Procurement of Care and Support Services* should be followed.
2. The appropriate Director or Chief Officer will have full authority to place Contracts up to the threshold of the Light Touch Regime following consultation with the Procurement Manager, provided budgetary provision exists with no further report to Council or Committee being required.
3. Where either budgetary provision does not exist, or the limit of the Light Touch Regime will be exceeded and where there is a need for an emergency placement for social care or education, and where that

means the contract needs to be put in place before the authority is given by Council, Committee or other relevant authority then, once the contract has been placed, a report will be sent to the next available Council or Committee notifying the award and explaining the reason for the placement, subject always to the overriding duty to protect the Personal Data and privacy of the individual or individuals in receipt of the services.

4. The Procurement Manager will ensure that a notice of Contract Award has been published in the Public Contracts Scotland portal.

#### **Q19 Restricted Procedure**

In accordance with the agreed contract strategy, the Procurement Manager may approve the use of the Restricted Procedure which shall be conducted in accordance with these *Financial Regulations*. In particular:

1. The Procurement Manager will ensure that any Contract Notice and procurement documentation contain sufficient information to enable any potential bidder to determine whether they are interested in bidding for the contract; including i) the subject matter of the contract, ii) its duration, iii) reference to selection criteria, iv) estimated commencement date and where v) appropriate and available, its estimated value. The notice must also specify a date and time by which requests to be selected to tender must be received. This date and time must be no sooner than 10 working days from the date the notice is published and where the spend is likely to exceed the EU Thresholds , no less than those timescales prescribed by the EU Procurement Directives;
2. The ESPD in terms agreed between the Procurement Manager and the Chief Officer or Chief Officer of the procuring Service(s), shall be issued by the Procurement Manager to all potential bidders responding to the notice issued.
3. The Procurement Manager together with officers from the procuring service(s) and other officers with relevant input e.g. Finance and Legal Services; will evaluate the ESPD, strictly in accordance with the established selection criteria.
4. No bidder may be invited to tender unless they have successfully complied with the Council's competence, experience, capacity, financial and health and safety checks and have met all other criteria to be invited to tender as set out in the ESPD, issued.
5. A sufficient number of bidders must be invited to tender to ensure genuine competition, which should not, except with the express agreement of the Procurement Manager, be fewer than five. Where



fewer than five bidders express an interest, all those bidders meeting the minimum selection criteria, must be invited to tender.

6. For works contracts between £500,000 and £1,999,999.99, the Procurement Manager shall alert local contractors to ensure they are aware of the opportunity.
7. The Procurement Manager will be responsible for issuing the Invitation to Tender.
8. All Invitation to Tenders will include the final date and time for receipt of the tenders by the Council. The Invitation to Tenders' must also include the award criteria weightings for the award of the contract and a summary of the evaluation process to be used.
9. The Procurement Manager will coordinate and respond to all tender correspondence, queries and clarifications throughout the tender process; including seeking input as required from the procuring service and other relevant areas of expertise within the Council.
10. The Procurement Manager will consider and respond to any requests for extensions to the tender period, having regard to the terms of any request and any input from the procuring service(s).
11. The Procurement Manager together with officers from the procuring service(s) will evaluate the tenders strictly in accordance with the established award criteria.
12. In the event of any matter being unclear to those conducting the evaluation, the Procurement Manager will arrange for clarification or verification of matters within any tender. In the event of such clarification or verification revealing a matter which may be common to one or more tenders, the Procurement Manager may, following verification of such with those bidders as appear appropriate, determine that the impact of any such issue on the evaluation be applied to all those to which the matter applies.
13. On completion of the evaluation of bids and subject to the necessary checks and consents having been obtained, the Procurement Manager shall close the competitive stage of the tendering process.
14. If not previously delegated by a service committee or Council, The Procurement Manager will submit a report to the Tendering Committee for approval to award the contract.

15. Subject to authority to award the contract from the Tendering Committee, service committee or Council as appropriate, the Procurement Manager shall advise all unsuccessful bidders in writing of the outcome of the tender process and may issue the Notice of Intention to Award letter to the most economically advantageous bidder. The Notice of Intention to Award letter shall confirm the Council's intention to formally award the contract subject to agreement of any outstanding matters not conclusively addressed in terms of the tender process. This may include any changes to terms and conditions or commercial terms including price, deemed necessary to best deliver the purpose of the proposed contract. Changes which materially alter aspects of the contract such that the outcome of the tender process may have been different; will not be permitted.
16. Where the contract value exceeds the EU Thresholds, the Procurement Manager will implement the relevant standstill period, including issue of the relevant standstill letters to all bidders, in accordance with the requirements of the EU Procurement Directives.
17. Following conclusion of any outstanding matters with the most economically advantageous bidder and compliance with any relevant standstill period, the Chief Officer or Chief Officer of the procuring service(s) may instruct the Strategic Lead - Regulatory to enter into a binding contract in accordance with *Financial Regulations*, Regulation Q.11) - *Minimum Contract Provisions*.
18. The Procurement Manager will ensure that all lawful, appropriate and necessary feedback is delivered to unsuccessful bidders.
19. The Procurement Manager will ensure that a Contract Award Notice is published in the Public Contracts Scotland portal within 30 calendar days of the Letter of Award being posted to the successful supplier(s).

## **Q20 Open Procedure**

In accordance with the agreed contract strategy, the Procurement Manager may approve the use of the single stage Open Procedure which shall be conducted in accordance with these *Financial Regulations*. In particular:

1. The Procurement Manager will ensure that any Contract Notice or procurement documentation will state the selection criteria, award criteria, weightings for the award of the contract, a summary of the evaluation process and must contain sufficient information to enable any potential suppliers to determine whether they are interested in bidding for the contract. This should include the subject matter of the contract, its duration, estimated commencement date and where appropriate its estimated value. The Contract Notice or procurement

documentation must also specify a date and time by which tenders must be received. This date and time must be no sooner than 10 working days from the date the notice is published and where the spend is likely to exceed the EU Thresholds, no less than those timescales prescribed by the EU Procurement Directives.

2. The Procurement Manager shall include within the Contract Notice, a web link to the Public Contracts Scotland-Tenders portal from where the electronic Invitation to Tender, including the ESPD, can be immediately accessed or in exceptional circumstances e.g. where a tender is being invited under an existing multi-supplier framework agreement, will advise potential bidders of how procurement documentation including an Invitation to Tender, can be obtained.
3. For works contracts between £500,000 and £1,999,999.99, the Procurement Manager shall alert local contractors to ensure they are aware of the opportunity.
4. The Procurement Manager together with officers from the procuring service(s) and other officers with relevant input e.g. Finance and Legal Services; will evaluate the ESPD, strictly in accordance with the established selection criteria.
5. The Procurement Manager will co-ordinate and respond to all tender correspondence, queries and clarifications throughout the tender process; including seeking input as required from the procuring service(s) and other relevant areas of expertise within the Council.
6. The Procurement Manager will consider and respond to any requests for extensions to the tender period, having regard to the terms of any request and any input from the procuring service(s).
7. The Procurement Manager together with officers from the procuring service(s); will evaluate the tenders, strictly in accordance with the established award criteria.
8. In the event of any matter being unclear to those conducting the evaluation, the Procurement Manager will arrange for clarification or verification of matters within any tender. In the event of such clarification or verification revealing a matter which may be common to one or more tenders, the Procurement Manager may, following verification of such with those bidders as appear appropriate, determine that the impact of any such issue on the evaluation be applied to all those to which the matter applies.

9. On completion of the evaluation of bids and subject to the necessary checks and consents having been obtained, the Procurement Manager shall close the competitive stage of the tendering process.
10. If not previously delegated by a service committee or Council, the Procurement Manager will submit a report to the Tendering Committee for approval to award the contract.
11. Subject to authority to award the contract from the Tendering Committee, or if previously delegated, the Service Committee / Council, the Procurement Manager shall advise all unsuccessful bidders in writing of the outcome of the tender process and may issue the Notice of Intention to Award letter to the most economically advantageous bidder. The Notice of Intention to Award letter shall confirm the Council's intention to formally award the contract subject to agreement of any outstanding matters not conclusively addressed in terms of the tender process. This may include any changes to terms and conditions or commercial terms, including price, deemed necessary to best deliver the purpose of the proposed contract. Changes which materially alter aspects of the contract such that the outcome of the tender process may have been different; will not be permitted.
12. Where the contract value exceeds the EU Thresholds, the Procurement Manager will implement the relevant standstill period, including issue of the relevant standstill letters to all bidders, in accordance with the requirements of the EU Procurement Directives.
13. Following conclusion of any outstanding matters with the most economically advantageous bidder and compliance with any relevant standstill period, the Chief Officer or Chief Officer of the procuring service(s) may instruct the Strategic Lead - Regulatory to enter into a binding contract in accordance with *Financial Regulations*, Regulation Q.11- *Minimum Contract Provisions*.
14. The Procurement Manager will ensure that all lawful, appropriate and necessary feedback is delivered to unsuccessful bidders.
15. The Procurement Manager will ensure that a Contract Award Notice is published in the Public Contracts Scotland portal within 30 calendar days of the Letter of Award being posted to the successful supplier(s).

#### **Q21 Negotiated Procedure**

In accordance with the agreed contract strategy, the Procurement Manager may approve the use of Negotiated Procedure which shall be conducted in accordance with these *Financial Regulations*. In particular:

1. Where the EU Procurement Directives apply to a proposed contract, the Negotiated Procedure may only be used in strict compliance with the requirements of such EU Procurement Directives for the use of the Negotiated Procedure either with or without the publication of a Contract Notice.
2. Where the value or any other aspect of the proposed contract excludes application of the European Procurement Directives , the only grounds on which the Negotiated Procedure (which in this context means direct negotiations with a single supplier without competition or without further competition, with a view to awarding a contract) may be used are:
  - a. When the value of the contract is above the EU Threshold for people based services;
  - b. where the Council is a member of a consortium, or is otherwise permitted to utilise a framework agreement or a dynamic purchasing system, which permits the Negotiated Procedure;
  - c. where supplies or materials are proprietary articles and or services specific to one supplier, or the an individual is recognised as the sole, or principal available expert witness in a judicial or quasi judicial situation; and following due and diligent research no reasonable satisfactory alternative supplies or services have been located;
  - d. where the contract constitutes an extension of an existing contract, provided that the extension is approved by the Council, or the appropriate Committee or where the Council is otherwise contractually bound to proceed with a single supplier. The Procurement Manager will approve the report before the report is taken to the meeting of Council or the appropriate Committee;
  - e. where the contract consists of repairs to or the supply of, parts for existing proprietary plant or machinery so as to preserve warranties or functionality which would otherwise be lost in the event of other parties repairing or supplying such plant or machinery and provided such repair or supply represents Best Value and is legally compliant;
  - f. where following one of the other procedures referred to in these Financial Regulations, there has been no successful conclusion to the Tender exercise;
  - g. where, were the contract otherwise subject to the EU Procurement Directives, such Directives would have permitted Negotiated Procedure; and

- h. where following consideration of all the factors applying to the contract, the Procurement Manager, in consultation with the Strategic Lead - Regulatory and such other officers as they deem appropriate, and with the consent of the Chief Executive or the appropriate Chief Officers or the Chief Officer, determines that the Negotiated Procedure is manifestly in the interests of the Council and compliant with *Standing Orders* and applicable law.
- 3. In all such cases where the Negotiated Procedure is being followed, the actual process adopted will ensure fairness and compliance with best practice and a full written record of all contacts, discussions and communications with prospective suppliers shall be kept by the Procurement Manager.
- 4. Such negotiations will be conducted in a manner that ensures that the Council does not contract on terms that are materially less advantageous than would be the case were another available procedure adopted.
- 5. If not previously delegated by a service committee or Council, The Procurement Manager will submit a report to the Tendering Committee for approval to award the contract.
- 6. Subject to authority to award the contract from the Tendering Committee or the Service Committee or Council as appropriate, the Procurement Manager may issue a Notice of Intention to Award letter to the bidder. The Notice of Intention to Award letter shall confirm the Council's intention to formally award the contract subject to agreement of any outstanding matters not conclusively addressed in terms of the procurement process. This may include any changes to terms and conditions or commercial terms including price, deemed necessary to best deliver the purpose of the proposed contract. Changes which materially alter aspects of the contract will not be permitted.
- 7. Where the contract value exceeds the EU Thresholds, the Procurement Manager will implement the relevant standstill period, including issue of the relevant standstill letter to the bidder, in accordance with the requirements of the EU Procurement Directives.
- 8. Following conclusion of any outstanding matters with the bidder and compliance with any relevant standstill period, the Chief Officer or Chief Officer of the procuring service(s) may instruct the Strategic Lead - Regulatory to enter into a binding contract in accordance with *Financial Regulations*, Regulation Q.11- *Minimum Contract Provisions*.

9. The Procurement Manager will ensure that a Contract Award Notice is published in the Public Contracts Scotland portal within 30 calendar days of the Letter of Award being posted to the successful supplier.

**Q22 Competitive Procedure with Negotiation, the Competitive Dialogue Procedure and Innovation Partnerships**

1. The Procurement Manager may choose to adopt the Competitive Procedure with Negotiation or the Competitive Dialogue Procedure or an Innovation Partnership where, in their view and in consultation with the Strategic Lead – Regulatory, the other procedures referenced herein will not be effective in facilitating the award of a contract. In considering the appropriate grounds and conditions for the use of either the Competitive Procedure with Negotiation or the Competitive Dialogue Procedure or an innovation Partnership, the Procurement Manager will consider amongst other matters:
  - a. the available resources within and willingness of the procuring service(s) to support such a process;
  - b. the extent to which dialogue with the market will assist in developing a specification or scope, terms and overall solution best suited to meet the Council's needs;
2. Where the Procurement Manager elects to use a Competitive Procedure with Negotiation or a Competitive Dialogue Procedure or an Innovation Partnership for a below EU Threshold contract, the principles for such procedures as set out in the EU Procurement Directives shall be followed insofar as reasonable and practicable.
3. If not previously delegated by a Service Committee or Council, the Procurement Manager will submit a report to the Tendering Committee for approval to award the contract.
4. Where the contract value exceeds the EU Thresholds, the Procurement Manager will implement the relevant standstill period, including issue of the relevant standstill letter to the bidder, in accordance with the requirements of the EU Procurement Directives.
5. Following conclusion of any outstanding matters with the bidder and compliance with any relevant standstill period, the Chief Officer or Chief Officer of the procuring service(s) may instruct the Strategic Lead - Regulatory to enter into a binding contract in accordance with the *Financial Regulations*, Regulation Q.11- *Minimum Contract Provisions*.

6. The Procurement Manager will ensure that a Contract Award Notice is published in the Public Contracts Scotland portal within 30 calendar days of the Letter of Award being posted to the successful supplier.

**Q23 Framework Agreement and Dynamic Purchasing System Call-offs**

Subject to the *Below the EU Threshold for Social and Other Specific Services*; or; the *Restricted Procedure*; or; the *Open Procedure*; or; the *Negotiated Procedure*; being followed:

1. In accordance with the agreed contract strategy, the Procurement Manager may approve a recommendation for a contract being awarded under a framework agreement; or; dynamic purchasing system; without being required to seek further competition amongst the suppliers on the framework agreement or dynamic purchasing system.
2. Where a framework agreement or dynamic purchasing system has been established but it does not lay down all of the terms of a proposed contract including, for example, where a new item can legitimately be added to the framework agreement; or dynamic purchasing system; the Procurement Manager may either hold a mini competition procedure under the framework agreement or dynamic purchasing system; in accordance with the below noted procedure or, if permitted under the framework agreement or dynamic purchasing system, make a direct award:
  - a. Every supplier on the framework agreement; or dynamic purchasing system; capable of performing the contract shall be issued with an invitation to take part in the mini competition. All invitations shall be issued at the same time;
  - b. The invitations shall specify the closing date and time for submission of tenders under the mini competition procedure. The time limit fixed for the return of tenders shall take into account factors such as the complexity of the subject matter of the contract and the time needed to prepare a tender, but, in any event, shall be not less than 10 working days from the date the invitations are issued;
  - c. The Procurement Manager will co-ordinate and respond to all mini competition correspondence, queries and clarifications throughout the mini competition process; including seeking input as required from the procuring service(s) and other relevant areas of expertise within the Council;



- d. The Procurement Manager together with officers from the procuring service(s) will evaluate the mini competitions responses, strictly in accordance with the established award criteria;
  - e. In the event of any matter being unclear to those conducting the evaluation, the Procurement Manager will arrange for clarification or verification of matters within any mini competition. In the event of such clarification or verification revealing a matter which may be common to one or more tenders, the Procurement Manager may, following verification of such with those mini competition bidders as appear appropriate, determine that the impact of any such issue on the evaluation be applied to all those to which the matter applies;
  - f. The Procurement Manager will consider and respond to any requests for extensions to the mini competition period, having regard to the terms of any request and any input from the procuring service(s);
  - g. On completion of the evaluation of bids and subject to the necessary checks and consents having been obtained, the Procurement Manager shall close the competitive stage of the mini competition process.
3. If not previously delegated by a service committee or Council, The Procurement Manager will submit a report to the Tendering Committee for approval to award the contract.
4. Subject to authority to award the contract from the Tendering Committee, service committee or Council as appropriate, having been obtained, the Procurement Manager shall advise all unsuccessful mini competition bidders in writing of the outcome of the mini competition process and may issue a Notice of Intention to Award letter to the most economically advantageous mini competition bidder. The Notice of Intention to Award letter shall confirm the Councils intention to formally award the contract subject to agreement of any outstanding matters not conclusively addressed in terms of the mini competition process. This may include any changes to terms and conditions or commercial terms, including price, deemed necessary to best deliver the purpose of the proposed contract. Changes which materially alter aspects of the contract such that the outcome of the mini competition process may have been different; will not be permitted.

5. Where the contract value exceeds the EU Thresholds, the Procurement Manager may implement a voluntary standstill period, including issue of the voluntary standstill letters to all mini competition bidders.
6. Following conclusion of any outstanding matters with the most economically advantageous mini competition bidder, the Chief Officer or the Chief Officer of the procuring service(s) may instruct the Strategic Lead – Regulatory to enter into a binding contract in accordance with *Financial Regulations, Regulation Q.11- Minimum Contract Provisions*.
7. The Procurement Manager will ensure that all lawful, appropriate and necessary feedback is delivered to unsuccessful mini competition bidders.
8. The Procurement Manager will ensure that a Contract Award Notice is published in the Public Contracts Scotland portal within 30 calendar days of the Letter of Award being posted to the successful supplier.

**Q24 E-procurement**

E-procurement shall generally be used for contracts let by the Council including mini competitions where permitted under a framework agreement; or a dynamic purchasing system, unless there are valid and substantial reasons for not doing so. In applying e-procurement the following processes and procedures will apply:

1. Where e-procurement is to apply, no offer submitted will be considered unless it is received via the Council's approved e-procurement system; in the format requested and prior to the deadline for the receipt of offers as stated by the Council in the procurement documents unless a valid and legally competent reason for not doing so e.g. defect in the system, has been highlighted by a bidder at or prior to the deadline for the receipt of tenders.
2. The Procurement Manager shall ensure that each offer is kept unopened in a single secure electronic mailbox that cannot be opened before the deadline for the receipt of tenders.
3. The Procurement Manager shall ensure that a record is maintained showing the time and date of receipt of all tenders.
4. The Procurement Manager may authorise, in consultation with the procuring service(s), the extension of the deadline for the receipt of tenders in the following circumstances: i) prior to any tender being received by the Council; or (ii) where, following tenders being received but before the Council is able to open those tenders due to the

functionality of the e-procurement system, a bidder notifies a material error in the documentation issued by the Council or the e-procurement system, or indicates to the Council any credible and reasonable ground it may have to challenge the Council were such an extension not granted. In the circumstances in (ii) above, any bidder who has already submitted a tender shall be given the opportunity to re-submit their tender.

5. All tenders shall be opened immediately one after the other during one session. The bidders Technical Envelope in the e-procurement system shall be evaluated firstly. When the bidder's Technical Envelope has been evaluated the Technical Envelope will be closed. The bidders Commercial Envelope will be evaluated next. When the bidder's Commercial Envelope has been evaluated the Commercial Envelope will be closed. The Procurement Manager shall ensure that a record showing the particulars of each tender received and the date and time when those tenders were opened shall be kept.

#### **Q25 Electronic Reverse Auctions**

1. The Procurement Manager may authorise the carrying out of an electronic reverse auction (e-auction) where they are satisfied that the likely benefit of such will outweigh the costs and that the e-auction is in accordance with the EU Procurement Directives . The following provisions will apply in the event of any e-auction:
  - a. An e-auction may only be carried out where the possibility of the use of an e-auction has been stated in the procurement documents issued to bidders and, where the EU Procurement Directives apply, in the Contract Notice published in the Official Journal of the European Union via the Public Contracts Scotland portal.
  - b. Before the Procurement Manager can authorise an e-auction, they must ensure that a full initial evaluation of tenders has been undertaken in accordance with the award criteria set and with the weighting fixed for them. All bidders who have submitted admissible tenders shall be invited simultaneously by electronic means to submit new prices and/or new values.
  - c. Throughout each phase of an e-auction the Procurement Manager shall instantaneously communicate to all bidders involved, at least sufficient information to enable them to ascertain their relative rankings at any moment. The Procurement Manager may also, at any time, announce the

number of participants in that e-auction however at all times, the names of bidders will be kept anonymous.

2. Any e-auction will be subject to such additional procedural requirements as the Procurement Manager in consultation with the Strategic Lead - Regulatory considers necessary.

#### **Q26 Advanced Payments**

1. Advance payments to suppliers (i.e. payments made before equivalent value is received in return) should be exceptional, and should only be considered if a Best Value case can be made for them (e.g. a price discount commensurate with the value of the funds in question) and if all reasonable steps have been taken to protect public funds.
2. Interim payments are made at a prescribed stage or at intervals during the progress of a project. Interim payments may have an element of prepayment.
3. The EU Procurement Directives which protect the right of all potential suppliers to compete on equal terms must be complied with. It would not be acceptable, for example, to offer advance payments to the successful supplier to secure a further price advantage.

#### **Q27 Contract Variation**

1. Contract variation includes the option to increase the amount of works, supplies or services acquired under the contract, to increase the duration of the contract, as well as the option to increase the value of the contract.
2. Where a contract has been advertised in accordance with the EU Procurement Directives and it becomes apparent to the Chief Officer or Chief Officer of the procuring service(s) that the value of the contract as previously reported to the appropriate Committee is likely to be exceeded, the Chief Officer or Chief Officer shall consult with the Procurement Manager for advice on what action requires to be taken.
3. Where a contract has not been advertised under the EU Procurement Directives and the increase in the value of the contract is such that the EU Thresholds is likely to be exceeded, no further orders shall be made under the contract until the Chief Officer or Chief Officer has obtained advice from the Procurement Manager on what action requires to be taken save where withholding such further orders in the interim would constitute a breach of any contractual provision or legislative requirement.
4. Notwithstanding *Financial Regulations*, 21.1.(ii).(d) – *Negotiated Procedure*, in all cases, where the value of the contract exceeds the EU

Thresholds and the estimated net cumulative additional cost is more than the greater of £100,000 or 25%, of which is the greater; of the approved contract value, the Chief Officer or Chief Officer in consultation with the Procurement Manager, shall ensure that a report on the matter is submitted to the next meeting of the Council or relevant Committee where the original budget allocation was approved.

**Q28 Contract Database**

1. The Procurement Manager shall maintain a register of all contracts. For service led procurement valued between £10,000 and £49,999.99, the procuring service(s) shall log details of the planned contract with the Procurement Manager through populating the contract award notice on PCS Quick Quote unless a framework agreement has been used, providing all information deemed necessary by the Procurement Manager to create a record of the contract within the Contracts Database. On appointment of the successful supplier(s), the procuring service(s) shall provide the Procurement Manager with all information necessary to complete the record of this contract within the Contracts Database.
2. For contracts valued at £50,000 and above, the Procurement Manager will complete the Contracts Database.

**Q29 Reports on Procurement Matters**

No report will be submitted to Council or Committee seeking to undertake a procurement or approval to award a contract for works, supplies, or services from £50,000 unless the Procurement Manager has first been consulted and their comments noted in the report.

**Q30 Payment Arrangements**

All payment arrangements will be fully compliant with Domestic Legislation and will be fully documented in any procurement documentation.

**Q31 Pecuniary Interest of Members or Officers**

Where a Member or officer involved in a contract has a pecuniary interest in that contract, he/she must declare that interest and abide by the provisions of the *Ethical Standards in Public Life etc. (Scotland) Act 2000*, the *Councillors' Code of Conduct* and any guidance made there-under and the *Council Code of Conduct for Employees*.

**R. COMPLIANCE OF MEMBERS AND OFFICERS**

**R1 Members' Code**

All Members shall observe and comply with the *Councillor's Code of Conduct* issued by the Scottish Ministers in terms of the *Ethical Standards in Public Life etc. (Scotland) Act 2000* and any guidance made hereunder.

**R2 Officers' Code**

All officers shall observe and comply with the Council's *Code of Conduct for Employees*.

**R3 Scheme of Delegation**

Officers shall only exercise such functions and powers as are delegated to them by Council or Committee or under the Scheme of Delegation.

**R4 Other Regulations**

All Members and officers will comply with the undernoted regulations in conjunction with these financial regulations:

- Council Standing Orders including Contract Standing Orders;
- Council Treasury Policy Statement; and
- Member / Officer Protocol.

**S. OBSERVANCE OF FINANCIAL REGULATIONS**

**S1 Responsibility of Chief Officers**

It shall be the duty of each Chief Officer to ensure that these Regulations are made known to the appropriate persons within their service area and to ensure that they are adhered to.

**S2 Breach of Regulations**

Any breach or non-compliance with these Regulations must, on discovery, be reported immediately to the Strategic Lead - Resources who will discuss the matter with the Chief Executive and / or such other Chief Officer as may be appropriate in order to determine the proper action to be taken through consideration of the following:

- Code of Conduct for Employees and associated Guidance on Offers of Gifts, Hospitality and Declaring Interests;
- Counter Fraud and Corruption Strategy; and
- Business Irregularity procedures.

**T. REVIEW OF FINANCIAL REGULATIONS**

**T1 Review of the Financial Regulations**

The Strategic Lead – Resources shall review the Financial regulations as circumstances demand, and submit proposals for alterations to Council for approval.

## **WEST DUNBARTONSHIRE COUNCIL**

### **Report by the Strategic Lead- Communications, Culture & Communities**

**Council: 28 August 2019**

**Subject: West Dunbartonshire Council Annual Performance Report 2018/19**

#### **1. Purpose**

- 1.1** The purpose of this report is to provide members with the West Dunbartonshire Council Annual Report 2018/19 and supporting performance information.

#### **2. Recommendations**

- 2.1** It is recommended that members note the annual report provided.

#### **3. Background**

- 3.1** This annual report fulfils an element of the Council's requirement to report performance publicly and is designed to ensure relevance and ease of access for a wide audience.
- 3.2** Audit Scotland's Direction and Guide sets out the public performance reporting (PPR) requirements for local authorities to be published by March 2020 for the financial year ending 31 March 2019. Through these PPR requirements the Council should provide a suite of information on how services are performing. In addition to the annual report, Council also publishes detailed year-end reports through the strategic delivery plans, including performance indicators, along with a range of additional information which citizens may find useful.
- 3.3** A suite of 40 performance indicators was agreed when the Strategic Plan 2017-2022 was developed and agreed through Council in October 2017. These indicators are considered the most relevant for evidencing the delivery of outcomes in relation to the key priority and outcome areas as defined in the plan.
- 3.4** The Annual Report, attached as appendix 1, is one element of a comprehensive approach to PPR for the Council. In addition to this, reports and analysis will continue to be prepared and published on key performance indicators from the Strategic Plan and the Local Government Benchmarking Framework. PPR data will continue to be updated throughout the year to ensure robust and timely reporting of data as they become available.

#### **4. Main Issues**

- 4.1** In line with our evolving approach to presenting accessible data, building on the previous report for 2017/18, the Annual Report 2018/19 format is more visual and infographic based. It is intended to offer a high level overview of key achievements against each strategic priority in the previous year, along with information on budgets, workforce and feedback.
- 4.2** This format ensures the Annual Report is accessible and also that it builds on reporting of year-end performance contained in Strategic Delivery Plans and the annual budget document – avoiding duplication.
- 4.3** The performance page of the Council website hosts a comprehensive suite of PPR material in both infographic and narrative format. This will allow anyone who wishes more information on areas highlighted in the Annual Report to drill down to a more detailed level.
- 4.4** This model of reporting is in line with the Audit Scotland Direction and Guide, which lays out the reporting requirements for Councils. It also fits well with the Accounts Commission paper on the evaluation of PPR, which recommends an overview style report with supporting detailed information. In addition, this model of report builds on the approach presented during the Best Value Assurance process, which was endorsed by Audit Scotland.
- 4.5** A more detailed performance report on Strategic Plan indicators is attached as appendix two to this paper. The report details all performance indicators, any indicator that has not achieved target is included in the Delivery Plans and officers have developed action plans to improve performance.
- 4.6** The tables below show the total number of indicators reported through the Strategic Plan and details performance for the 2018/19 year.

##### **Strategic Plan Performance**

<b>Indicator Status</b>	<b>Strategic Indicators 18/19</b>	<b>Strategic Indicators 17/18</b>
<b>Total Indicators</b>	<b>40</b>	<b>40</b>
<b>Green</b>	<b>26 (67% of available indicators)</b>	<b>24 (60% of available indicators)</b>
<b>Amber</b>	<b>7 (18%)</b>	<b>12 (30%)</b>
<b>Red</b>	<b>6 (15%)</b>	<b>4 (10%)</b>
<b>Not yet available</b>	<b>1 (not included)</b>	

- 4.7** As can be seen from the table above, 67% of strategic plan indicators have met or exceeded target. This is an increase of 7% on performance in 2017/18. Slightly more indicators were significantly adrift of target in 2018/19 than in 2017/18, showing a 5% increase in this category. As is highlighted in 4.6 above, work is progressing through relevant services to improve performance in areas where target was not achieved.



## **5. People Implications**

**5.1** There are no personnel implications from this report.

## **6. Financial Implications**

**6.1** There are no financial implications from this report.

## **7. Risk Analysis**

**7.1** The content of this report forms a core element of the Council's public performance reporting (PPR) for 2018/19. Failure to gather and report on delivery in this way may result in the Council not fulfilling its PPR commitments as set out in Audit Scotland's Guide.

## **8. Equalities Impact Assessment (EIA)**

**8.1** No issues were identified in relation to this report.

## **9. Consultation**

**9.1** Consideration of the report at internal meetings forms the basis of consultation on development of the Annual Report. Content of the annual report has been drawn from previously prepared reports from Strategic Leads.

## **10. Strategic Assessment**

**10.1** The Annual Report and supporting indicator reports summaries Council performance against all priorities as detailed in the Strategic Plan 2017-2022.

**Malcolm Bennie**

**Strategic Lead – Communications, Culture and Communities**

**31 July 2019**

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**Person to Contact:** Amanda Coulthard  
Performance & Strategy Manager  
Email: [Amanda.Coulthard@west-dunbarton.gov.uk](mailto:Amanda.Coulthard@west-dunbarton.gov.uk)

**Appendices:** Appendix 1: West Dunbartonshire Council Annual Report 2017/18  
Appendix 2: Strategic Performance Indicators 2017/18

**Background Papers:** None

**Wards Affected:** All Wards





WEST  
DUNBARTONSHIRE  
COUNCIL

# Annual Report 2018 19

# Our vision, values and ethos

“ West Dunbartonshire Council will deliver high quality services, led by priorities identified by the communities of West Dunbartonshire, in an open and transparent way ”



## Introduction

We are committed to working in partnership with our communities to advance the area for the benefit of all residents. Empowering our communities remains a key focus of the Council and by working together we will deliver the changes necessary to improve the lives of all residents.

In this annual report for 2018/19 we set out the strides we have made to improve our area and enhance services. Significant challenges remain, but by working in partnership, we will continued to improve.

This reflects the commitment in our Strategic Plan to deliver high quality services which are led by priorities identified by the communities of West Dunbartonshire. Our vision supports the wider aspiration for the area that West Dunbartonshire is a great place to live, work and visit.

Our employees are essential to the delivery of high quality services, and we ask them to take **‘Personal Responsibility in Delivering Excellence’**. The achievements and progress outlined in this annual report evidence the commitments we have made to citizens and the positive contribution of our Council teams in delivering on these commitments.



During 2018/19:

- **We invested in supporting residents into employment. This activity included investment of £250k in creation of modern apprenticeships and supporting 450 residents into work. In addition a record 94% of our pupils leaving school moved on to positive destinations.**
- **Investment in Levensgrove Park created new facilities for residents of all ages including enhanced play equipment and a new pavilion café, providing access to real work experience for adults who may require additional supports as a result of mental health issues, addiction or learning disability.**
- **Clydebank Community Sports Hub was opened, offering a world-class facility for rugby, Gaelic football, football and a range of other sports and activities for our community.**
- **Council services became more open and accessible to our communities through developments such as the opening of the new Council Offices in Dumbarton, increased opportunities to complete transactions online via the Council website and the introduction live streaming of Council and Committee meetings.**
- **Work began on the new district heating system in Clydebank and £10m was invested to improve key road networks across West Dunbartonshire.**

This brief snapshot of achievements highlights the ongoing positive change being delivered for the citizens of West Dunbartonshire, and lays a solid foundation for delivery of our priorities over the coming years.

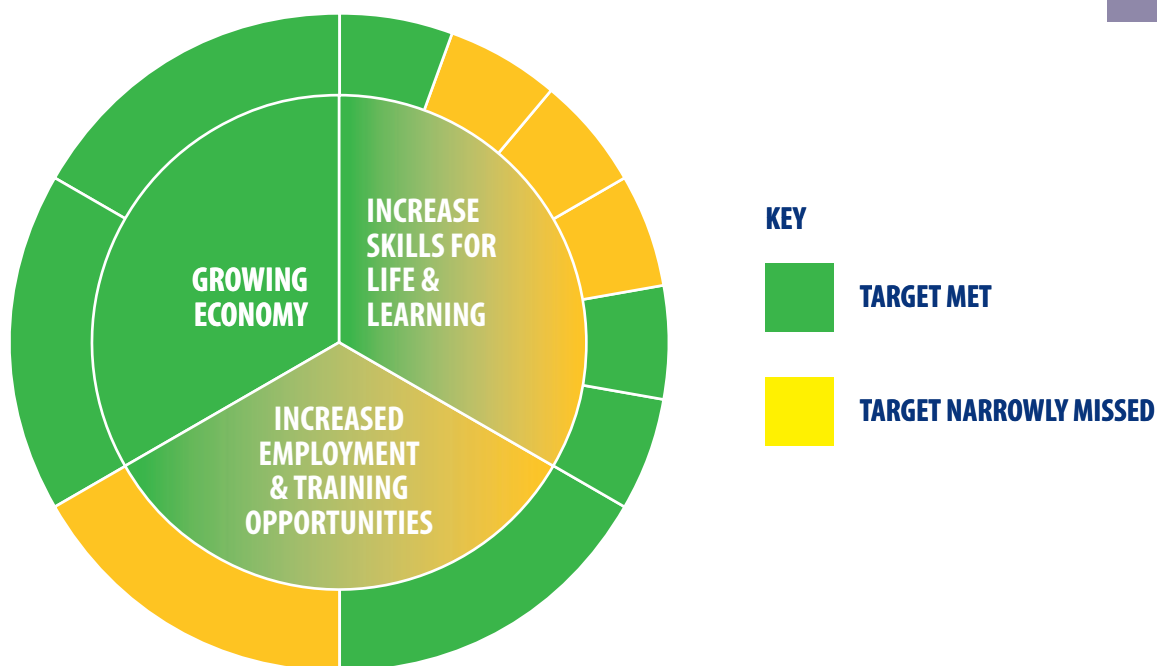
A handwritten signature in black ink, appearing to read 'J McColl'.

**Jonathan McColl**  
Council Leader, West Dunbartonshire Council

# a strong local economy and improved job opportunities



## Our measures



For more info on the wheel, please click [here](#), or visit:  
[www.west-dunbarton.gov.uk/council/performance-and-spending](http://www.west-dunbarton.gov.uk/council/performance-and-spending)



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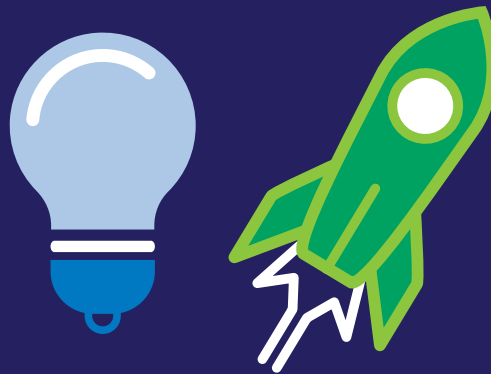
# £250k

invested in modern apprenticeships

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assisted more  
than 200  
businesses to  
launch



provided free  
summer holiday  
activities for 600  
P1 - S3 pupils

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# 459

residents  
supported  
to secure  
employment

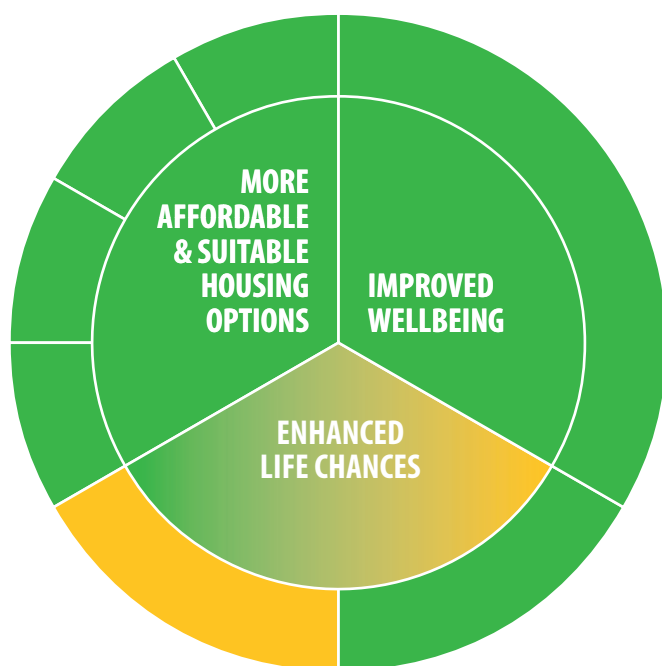




# supported individuals, families and carers living independently and with dignity

2

## Our measures



### KEY



TARGET MET



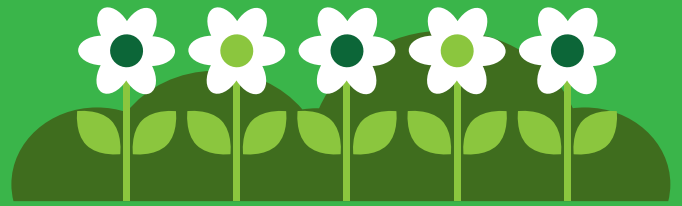
TARGET NARROWLY MISSED

For more info on the wheel, please click [here](#), or visit:  
[www.west-dunbarton.gov.uk/council/performance-and-spending](http://www.west-dunbarton.gov.uk/council/performance-and-spending)





**supported a sensory  
space and accessible  
community garden at  
Alexandria Library**



**supported 170 unpaid  
carers through access  
to short breaks**

**£250k**

**secured to support  
improved attainment  
for care-experienced  
young people**

**introduced a school-based  
mentoring programme in  
two of our High Schools**



# meaningful engagement with active, empowered and informed citizens who feel safe and engaged

# 3

## Our measures



### KEY



TARGET MET



TARGET NARROWLY MISSED



TARGET NOT MET

For more info on the wheel, please click [here](#), or visit:  
[www.west-dunbarton.gov.uk/council/performance-and-spending](http://www.west-dunbarton.gov.uk/council/performance-and-spending)





**opened Clydebank  
Community Sports Hub**

**provided  
CPR training  
to senior  
pupils across  
West Dunbartonshire**



**attracted  
£980k for the  
Antonine Wall  
project**

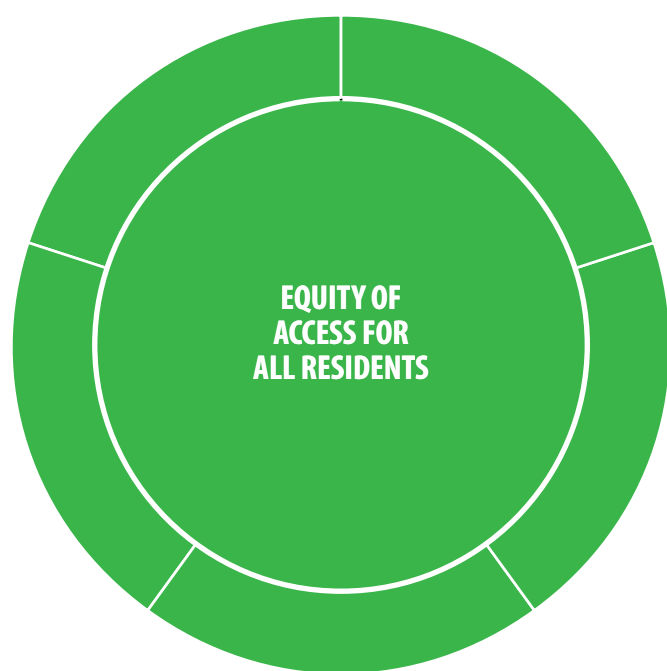
**£3.7m**

**to complete the  
restoration of  
Levensgrove Park**

# open, accountable and accessible local government

4

## Our measures



### KEY



TARGET MET

For more info on the wheel, please click [here](#), or visit:  
[www.west-dunbarton.gov.uk/council/performance-and-spending](http://www.west-dunbarton.gov.uk/council/performance-and-spending)





**introduced live  
streaming of  
Council and  
Committees**

**invested in eBooks  
and eAudiobooks**



**34%**

**of the local population  
engaged through  
social media**



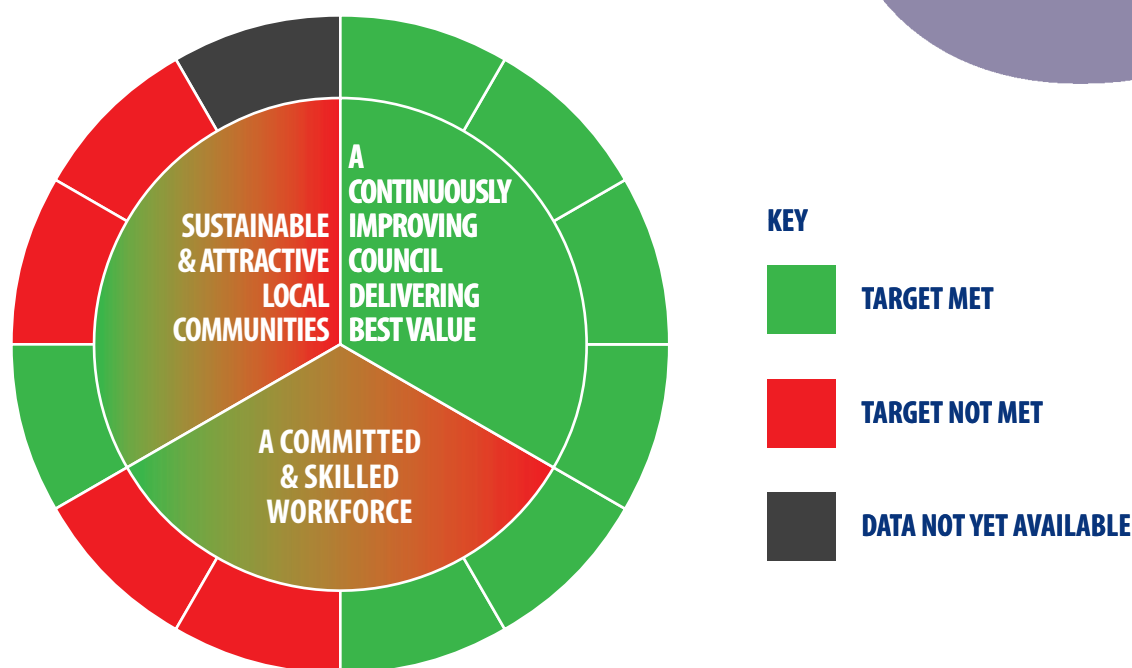
**opened a new Council  
office in Dumbarton**



# effective and efficient frontline services that improve the everyday lives of residents

5

## Our measures



For more info on the wheel, please click [here](#), or visit:  
[www.west-dunbarton.gov.uk/council/performance-and-spending](http://www.west-dunbarton.gov.uk/council/performance-and-spending)



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**£10m** **road** investment in road network

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**increased attendance  
for indoor sports and  
leisure activities**



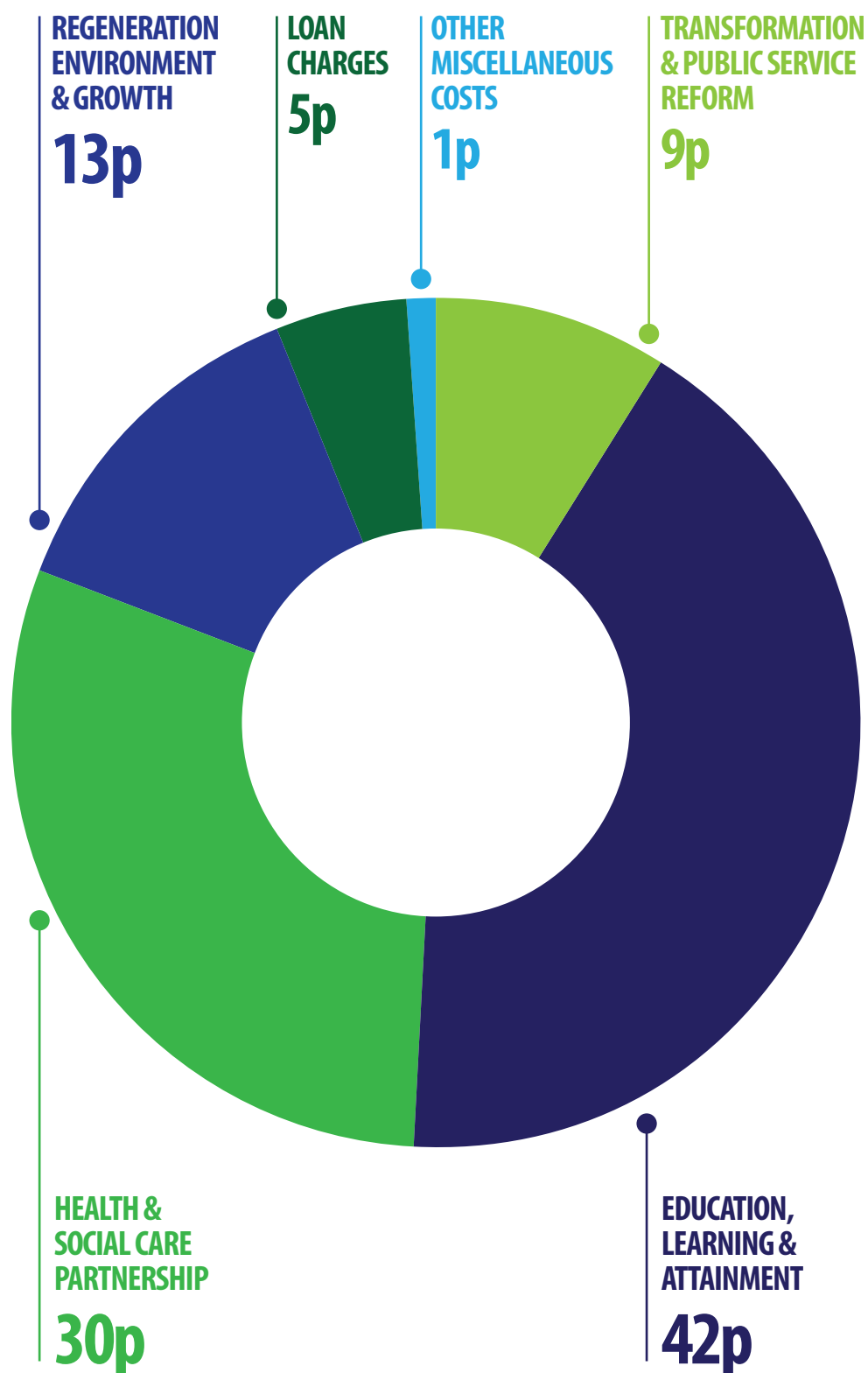
**improved the  
time taken  
to inspect and  
repair empty  
properties**



**introduced  
No  
Home for  
Domestic  
Abuse**

# Council budget

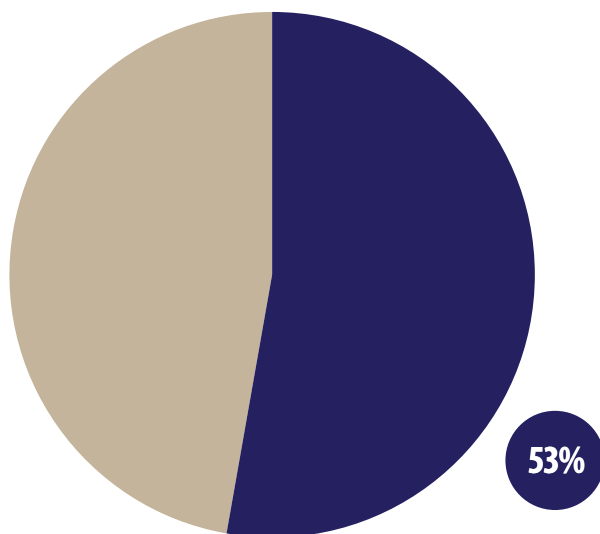
## How each £ is spent



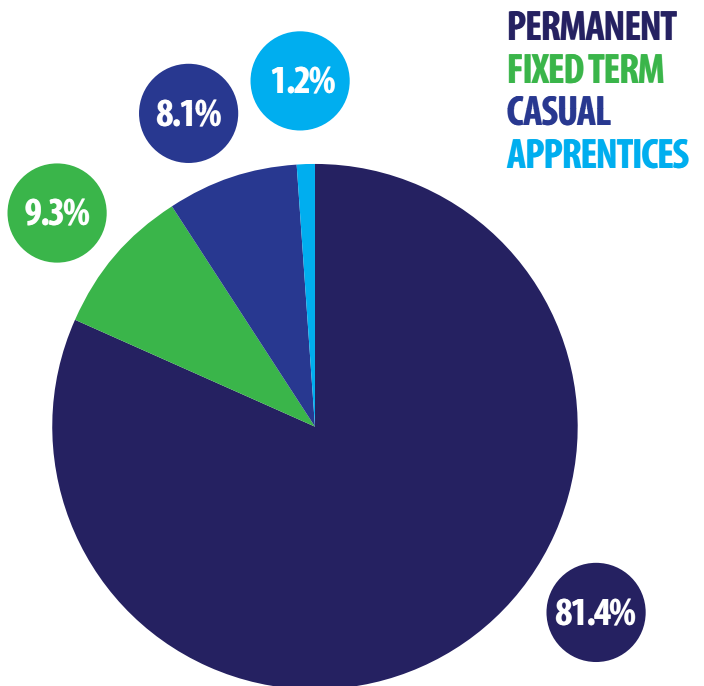


# Council workforce

## Employee costs as % of overall Council spend



## Workforce breakdown



## Absence stats

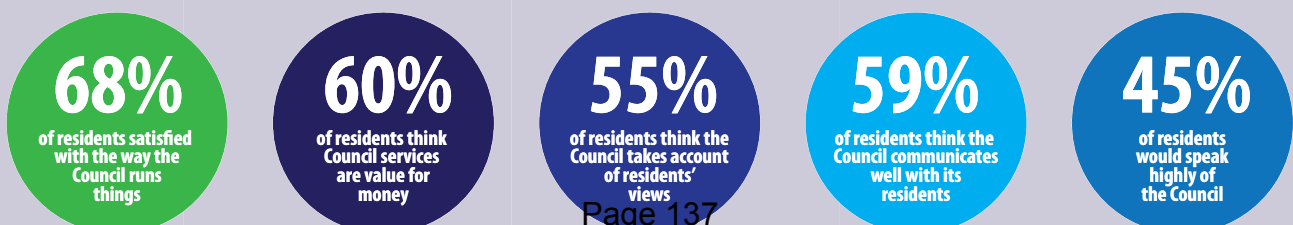
Sickness absence days per employee per year



Sickness absence days per teacher per year



## Resident satisfaction in 2018/19





Find out how the Council is  
performing by visiting:











**[www.west-dunbarton.gov.uk/  
council/performance-and-spending](http://www.west-dunbarton.gov.uk/council/performance-and-spending)**

Email us at:

**[performance@west-dunbarton.gov.uk](mailto:performance@west-dunbarton.gov.uk)**








## Strategic Plan Year-End Progress 2018/19

### A strong local economy and improved job opportunities







Performance Indicator	2018/19 Value	Target	Status	Note	Managed by
Average tariff score SIMD quintile 1	668 *	710		This data refers to academic year 2017/18; updated data for 2018/19 academic year will not be available until February 2020. It should be noted that many indicators focus on academic success, which can vary year on year by cohort. As such, Education, Learning & Attainment carry out trend analyses to ensure improvement over time.	Andrew Brown
Average tariff score SIMD quintile 2	772 *	893		This data refers to academic year 2017/18; updated data for 2018/19 academic year will not be available until February 2020. It should be noted that many indicators focus on academic success, which can vary year on year by cohort. As such, Education, Learning & Attainment carry out trend analyses to ensure improvement over time.	Andrew Brown
Average tariff score SIMD quintile 3	840 *	950		This data refers to academic year 2017/18; updated data for 2018/19 academic year will not be available until February 2020. It should be noted that many indicators focus on academic success, which can vary year on year by cohort. As such, Education, Learning & Attainment carry out trend analyses to ensure improvement over time.	Andrew Brown
Average tariff score SIMD quintile 4	1108 *	1,054		This data refers to academic year 2017/18; updated data for 2018/19 academic year will not be available until February 2020. It should be noted that many indicators focus on academic success, which can vary year on year by cohort. As such, Education, Learning & Attainment carry out trend analyses to ensure improvement over time.	Andrew Brown
Average tariff score SIMD quintile 5	1183 *	1,150		This data refers to academic year 2017/18; updated data for 2018/19 academic year will not be available until February 2020. It should be noted that many indicators focus on academic success, which can vary year on year by cohort. As such, Education, Learning & Attainment carry out trend analyses to ensure improvement over time.	Andrew Brown
% of school leavers in positive and sustained destinations	94.2% *	92.3%		This data refers to academic year 2017/18; updated data for 2018/19 academic year will not be available until February 2020. It should be noted that many indicators focus on academic success, which can vary year on year by cohort. As such, Education, Learning & Attainment carry out trend analyses to ensure improvement over time.	Andrew Brown
Employment rate	72.08%	71.75%		The employment rate for 2018/19 is an improvement from the 2017/18 rate of 71.5% and is also above the target. Over the course of 2018/19 Working4U contributed to this by assisting 459 people to secure employment.	Stephen Brooks
% of households that are workless	22.65%	22%		Working 4U has developed the Employability pipeline to support people to move from unemployment to sustained employment. Progression towards employment will be supported through the provision of training, employability skills development and access to apprenticeships. We anticipate that Working 4U will assist approximately 375 to secure employment.	Stephen Brooks
Number of businesses given advice and assistance to start up through Business Gateway	207	200		During 2018/19, 207 start-up businesses were supported through the Business Gateway service this has increased from the figure of 202 in 2017/18.	Michael McGuinness
% of procurement spent on small/medium enterprises	11%	11%		From an analysis of the Council's influence-able procurement spend in FY2018/19. The Council spend with local SMEs was 11% against a target of 11%; and the Council's spend with all SMEs was 54%.	Annabel Travers

- 2017/18 academic year data used






## Supported individuals, families and carers living independently and with dignity

Performance Indicator	2018/19 Value	Target	Status	Note	Managed by
Number of new supply social housing for rent	142	80		Target met. More Homes West Dunbartonshire approach will deliver 1000 new homes for social rent by 2021.	John Kerr
% of reactive repairs carried out completed right first time	90.48%	90%		Reworked data shows that 90.48% of reactive repairs were completed right first time in financial year 2018/2019. The reworked performance exceeds the target of 90%. Although the target has been achieved; this is probably understated due to current system capabilities. The new IHMS system will allow accurate reporting and it is anticipated performance will improve in 2019/2020.	Martin Feeney
% of council rent that was lost due to houses remaining empty	0.73%	0.88%		Target exceeded despite having been reduced by 12% from last year, reflecting the continued success in letting long-term void properties and reducing the average duration of each void instance by over 10 days for the second year in succession. This represents top quartile performance based on the 17/18 benchmarking.	Edward Thomas
% of council dwellings that meet the Scottish Housing Quality Standard	91.92%	91.3%		Target Exceeded SHQS compliance continues to improve and work is ongoing to improve this position.	Alan Young
% of Children living poverty (after housing costs)	26.5%	26%		West Dunbartonshire Council along with NHS Scotland have developed a local child poverty report that identifies what's been done in the last year and what will be done in the forthcoming year to address child poverty. The associated actions will focus on assisting families to maximise income from benefits and work; reduce the cost of living; and gain access to employment, training and learning opportunities. The compilation of the report is being led by Working 4U. A series of actions and progress indicators have been identified with contributions not only from W4U but also Housing, Education and Community Planning partners.	Stephen Brooks
% of local people with increased or sustained income through reduced debt liability/debt management	94%	80%		With the help of Working4U, 637 local residents have been assisted to manage £4.4 million worth of debt.	Stephen Brooks
% of Households in Fuel Poverty	22%	24.5%		Working 4U and West Dunbartonshire CAB are working together , through the Information and Advice Partnership, to address fuel poverty across West Dunbartonshire. This will complement the work being done by housing services to ensure each house in West Dunbartonshire meets or exceeds energy rating standards. The support provided by W4U/CAB will be available for all residents and will consist of access to advice on appropriate tariffs, addressing and dealing with debt. We anticipate that we will support approximately 250 families through this support.	Stephen Brooks









## Meaningful engagement with active, empowered and informed citizens who feel safe and engaged




Performance Indicator	2018/19 Value	Target	Status	Note	Managed by
% of council resources directed by communities	0.06%	0.4%		All councils are working towards communities directing 1% of council budgets by 2021, enabling local people to have a say in how public funds are used to address local needs. While we missed our target this year, we are continuing to develop our approach in 2019/20 to improve this.	Gillian McNeilly
Residents satisfaction with Council services overall	80%	75%		While there has been some variation in year, annual resident satisfaction remains positive and has exceeded target for 2018/19.	Amanda Coulthard
% of residents who feel safe/very safe in their local community	95%	98%		The marked reduction in 2017/18 corresponded with a considerable change in methodology, accordingly it is encouraging that the figure has gone back above 90%. The team will monitor quarterly feedback from residents who report not feeling safe in their community to ensure actions are targeted on a locality or wider basis as appropriate.	Edward Thomas
% of residents who feel the Council communicates well with them	59%	74%		Performance on this Council-wide PI deteriorated in 2018/19 for a variety of reasons at service level. Further work is required by services to be more responsive, do more consultation, and explain changes effectively. On behalf of the Council, Corporate Communications has increased the social media audience, embedded the new Instagram offer, reviewed and improved high-volume resident letters and continued to produce the popular Housing News magazine. Communications training for managers is planned for 2019/20.	Amanda Coulthard
Average score for respondents who state they feel a sense of control and influence in relation to Council decision-making and service delivery	4.8	4.8		This indicator is sourced from the place standard survey that is repeated every 30 months. It covers the physical elements of a place, e.g. buildings, spaces, transport links, as well as the social aspects, including whether people feel they have a say in decision making. Further consideration will be given to developing an annual proxy measure for this indicator.	Pamela Clifford
% of citizens who agree the Council listen to community views when designing and delivering services	59%	60%		Performance has been maintained from 2017/18, however is slightly adrift of target. Further work will be undertaken to understand this deterioration and put in place remedial actions. A number of consultations are carried out throughout the year to gain Citizens views. These include consultation on, Community Empowerment, Queens Quay and the Local Development Plan.	Amanda Coulthard

## Open, accountable & accessible local government

Performance Indicator	2018/19 Value	Target	Status	Note	Managed by
% of council buildings in which all public areas are suitable for and accessible to disabled people	96.4%	92%		Target exceeded. This was achieved by adaptations carried out to unsuitable buildings and demolition of a building due to fire damage.	Craig Jardine
% of citizens who are satisfied with the Council website	90%	90%		We have maintained our high satisfaction rate with our website. We have added additional functionality to the site and continually strive to improve it.	Stephen Daly
No. of transactions undertaken online	35,251	24,147		We worked with Finance to roll out a new online payments system and created more online forms with payment integration to enable citizens to self serve at a time that suits them. The figures are well above the target set and far in excess of the previous year.	Stephen Daly
% of residents who report satisfaction with Council publications, reports and documents	68%	55%		Target exceeded, work will continue to maintain levels of satisfaction on this measure.	Amanda Graham
% of committee agendas published within standing order timescales	99.1%	98.2%		All agendas issued as per Standing Orders and exceeding target set.	George Hawthorn

## Efficient and effective frontline services that improve the everyday lives of residents

Performance Indicator	2018/19 Value	Target	Status	Note	Managed by
% of income due from council tax received by the end of the year %	95.55%	95.5%		Target met	Arun Menon
Proportion of operational buildings that are suitable for their current use %	93%	91.5%		This is regularly monitored and processes are in place to accommodate any changes required across the authority to ensure that the suitability for current use is achieved.	Craig Jardine
% of Local Government Benchmarking Framework performance indicators prioritised by the council that have improved locally	75%	50%		Target exceeded, with 3/4s of all prioritised PI's improving on local performance in the previous year. This includes improvement in satisfaction with parks and open spaces, those satisfied with libraries and the percentage of unemployed people assisted into work from Council operated / funded employability programmes.	Amanda Coulthard
Income generated as a % of total revenue budget	12.74%	12.25%		Target exceeded.	Gillian McNeilly
Sickness absence days per teacher	6.24	5.6		Missed target for Q4 and 0.1% increase compared to same period last year. The Council continues to work towards reducing sickness absence levels through the Wellbeing Strategy supported by the work of the Employee Wellbeing Group.	Allison McBride
Sickness absence days per employee (local government)	12.77	10		Missed target; increase of approx. 3.5% compared to same period last year. The Council continues to work towards reducing sickness absence levels through the Wellbeing Strategy supported by the work of the Employee Wellbeing Group.	Allison McBride
% of educational establishments receiving positive inspection reports	100%	100%		Positive performance maintained in 2018/19.	Laura Mason
% of Council employees who agree or strongly agree that in general, my morale at work is good	71%	70%		Target exceeded. 2017/18 figure reported as employee survey is biannual therefore a 2018/19 figure is not available. The next survey will be carried out in Autumn 2019.	Amanda Graham

Performance Indicator	2018/19 Value	Target	Status	Note	Managed by
Number of attendances per 1,000 population for indoor sports and leisure facilities	7,014	6,307		The figures are above the target set and above the previous year. Group fitness classes at all three leisure centres was above the previous year. Usage increased at Sport Development activities including the new gymnastics centre at Brucehill. Dryside attendance at the three leisure centres continues to be on an upward trend. The target for overall gym memberships has also been achieved for the year.	John Anderson
Street Cleanliness Index - % Clean	Not available	92.4	Not available	Data for this indicator is sourced from Keep Scotland Beautiful (LEAMS) which is available late summer/early autumn each year. Our comparative performance against other local authorities will be available in February 2020 following publication of the Local Government Benchmarking Framework by the Improvement Service.	Ian Bain
% of total household waste that is recycled	40.49%	53%		A number of factors detrimentally affected the 2018/19 recycling performance. Mainly due to difficulties with the third party supplier going into administration. This included stockpiling, reduced processing and temporary closure of recycling centres. Actions are being taken to improve performance.	Ian Bain
% of residents reporting satisfaction with local road maintenance	33%	40.7%		The year end target was missed although satisfaction was up 2 percentage points from the previous year. To improve this in 2019/20 the Winter Service Plan will be reviewed and work undertaken to increase public awareness of the Council's agreed approach to defect repair via our upgraded roads management system.	Raymond Walsh



## **WEST DUNBARTONSHIRE COUNCIL**

### **Report by Strategic Lead - Regulatory**

**West Dunbartonshire Council: 28 August 2019**

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**Subject: Audio Streaming of Council Meetings**

#### **1. Purpose**

- 1.1** To request approval from Council to continue with the audio streaming of full Council and certain committee meetings.

#### **2. Recommendations**

- 2.1** The Council is asked to agree:

- (a) that the audio-streaming of Council meetings should continue for all ordinary and special meetings of full Council and the undernoted service committees:
  - Corporate Services Committee;
  - Educational Services Committee;
  - Infrastructure and Regeneration Committee;
  - Housing and Communities Committee; and
- (b) that officers should seek the best pricing option with the existing contractor to deliver the audio-streaming requirements of this Council.

#### **3. Background**

- 3.1** At the meeting of the Council held on 8 March 2018 when approving the revenue estimates for 2019/20, it was agreed that certain Council meetings be recorded and live streamed to the public as a one year pilot to run from August 2018 at an annual cost of £3900.
- 3.2** Following a procurement exercise to identify the best price for the service, testing of the preferred audio-streaming software commenced in August 2018 in the Civic Space, Dumbarton. After completion of some technical work in the Council Chamber, Clydebank Town Hall to facilitate the new service, the live streaming of council meetings commenced in November 2018. Since that time, 22 Council and committee meetings have been recorded and published via the Council's website.

#### **4. Main Issues**

- 4.1** The key aim of the live audio streaming of the council meetings was to improve accessibility and accountability of decision making to the general public.

- 4.2** The audio streaming software captures the number of listeners accessing the service at any given time and presents this information in various formats which is useful to assess the effectiveness of the audio-streaming pilot. The total number of listeners per month for the period November 2018 to June 2019 is shown in the Appendix to this report. As can be seen from Table 1, the number of listeners per month has been significant but it is noticeable that on those months where full Council meetings have been held, the number of listeners increases considerably given the higher level of public interest in such meetings. Of course, some of these listeners are likely to be Council officers. However, it should also be noted that during the recording of the Council meeting in February and in May there were some connection issues with the audio-streaming server which resulted in listeners being disconnected and then reconnected to the server thus giving a false number of live listeners. That said, the number of archive listeners during these months was also higher than average due to the high level of public interest in listening to these full Council meetings. Following an investigation, the audio-stream provider has acknowledged this issue and has expanded capacity on the server to reduce such issues re-occurring in the future. Officers will continue to monitor the performance of the software and liaise with the provider as required.
- 4.3** Information on the number of live listeners per meeting has been extracted from the audio-streaming analytics and is detailed in Table 2 of the Appendix. As can be seen, the Cultural Committee attracts the least number of live listeners and for this reason it is not recommended that audio-streaming of these meetings should continue. At present, the Council pays for audio-streaming on a monthly basis (£325 per month or £3900 per annum) which represents good value when taking into account the number of listeners per month. However, there are other payment options available to the Council within the current contract which might be more cost effective providing the total number of meetings recorded per annum is reduced. Therefore, if the Council agrees to continue with audio-streaming of its meetings, officers will seek the best pricing option with the current provider.
- 4.4** Complaints have been received from members of the public about some elected members not using a microphone or not directing their speech towards the microphones during these meetings. It is important that all Members recognise that the public have a reasonable expectation to hear all of the contributions made during a public meeting and therefore all Members are asked to use the microphones.

## **5. People Implications**

- 5.1** There are no staff implications arising from the recommendations of this report.

**6./**

## **6. Financial and Procurement Implications**

- 6.1** As previously stated, the current cost of providing the audio-streaming service is £3900 per annum. The current audio-streaming contract ends in November 2019 with the option to extend for a further year. Subject to the decision of Council, officers will seek the best pricing option within the existing contract to meet the audio-streaming needs of the Council.

## **7. Risk Analysis**

- 7.1** There are no significant risks arising from the recommendations of this report.

## **8. Equalities Impact Assessment (EIA)**

- 8.1** An EIA was carried out prior to the Council decision on 8 March 2018 to introduce the audio-streaming pilot. There are no negative impacts on any equality groups but continuing audio-streaming does enable persons with disabilities to listen to Council meetings in their own homes providing they have access to the internet.

## **9. Consultation**

- 9.1** Officers from Legal and Finance Services have been consulted on the contents of this report.

## **10. Strategic Assessment**

- 10.1** The audio streaming of Council meetings fits well with the Council's strategic priority to be open, accountable and accessible. It is clear from the number of listeners that Council meetings and the decisions being taken are now more accessible to the public than before.

**Name:** Peter Hissett  
**Designation:** Strategic Lead - Regulatory  
**Date:** 24 July 2019

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**Appendices:** Audio Streaming - Analysis of Listeners - November 2018 to July 2019.

**Background Papers:** None

**Wards Affected:** None.



## Audio Streaming – Analysis of Number of Listeners

## APPENDIX

### Number of Listeners per Month

<b>Table 1</b>	<b>Nov-18</b>	<b>Dec-18</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>	<b>Apr-19</b>	<b>May-19</b>	<b>Jun-19</b>	<b>Jul-19</b>	<b>Average Per month</b>
<b>Live Listeners</b>	218	83	35	1523*	581	12	1375*	271	N/a	512
<b>Archive Listeners</b>	303	458	203	1627	471	119	317	424	249	463
<b>Total Listeners</b>	521	541	238	3150*	1052	131	1692*	695	249	918

\*Connection issues at Council meetings may have distorted accurate count of listeners.

**Number of Live Listeners per Meeting**

**Table 2**

<b>Month/ Committees</b>	<b>Nov-18</b>	<b>Dec-18</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>	<b>Apr-19</b>	<b>May-19</b>	<b>Jun-19</b>	<b>Average Per Meeting</b>
<b>Full Council</b>	<b>218</b>	<b>72</b>	<b>-</b>	<b>1486*</b>	<b>542</b>	<b>-</b>	<b>1290*, 34</b>	<b>249</b>	<b>555</b>
<b>Educational Services</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>18</b>
<b>Housing and Communities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>21</b>
<b>Infrastructure, Regeneration and Economic Development</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>19</b>
<b>Cultural</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>5</b>	<b>10</b>	<b>5,7</b>	<b>-</b>	<b>5</b>	<b>7</b>
<b>Corporate Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>3**</b>	<b>11</b>
<b>Totals</b>	<b>218</b>	<b>83</b>	<b>35</b>	<b>1523</b>	<b>581</b>	<b>12</b>	<b>1375</b>	<b>271</b>	

\*Connection issues may have distorted accurate count of listeners.

\*\*Special meeting with limited agenda might explain unusually low number of listeners.

## **WEST DUNBARTONSHIRE COUNCIL**

### **Report by Strategic Director - Transformation & Public Service Reform**

**Council: 28<sup>th</sup> August 2019**

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**Subject:      Joint Collaboration: West Dunbartonshire and Inverclyde Councils**

#### **1.      Purpose**

- 1.1**      The purpose of this report is to advise Council on the proposals for further joint collaboration with Inverclyde Council, in relation to Internal Audit / Fraud and Fleet, Waste and Grounds Services with Inverclyde Council.

#### **2.      Recommendations**

- 2.1**      It is recommended that Council:

- approves the implementation of the Internal Audit shared management model between Inverclyde and West Dunbartonshire Councils;
- note the timeline for the development and implementation of the Fleet, Waste and Grounds collaborative model; and
- note that a report providing an update on the above will be remitted to the Shared Services Joint Committee in October 2019.

#### **3.      Background**

- 3.1**      In September 2018 the Council approved a revised approach to share strategic management through the joint appointment of a Strategic Lead Officer. The Shared Head of Service (Roads and Transportation) commenced on the 7 January 2019 and leads the Roads and Transportation Service within both West Dunbartonshire and Inverclyde Councils and has a key priority to develop strategic business plans for joint collaboration across fleet, waste and grounds services and strategically manage the wider service.
- 3.2**      Officers continued to work with other councils and partners to consider and appraise opportunities for joint working and collaboration. East Dunbartonshire Council continues to work with both Councils as a Strategic Partner.

## **4. Main Issues**

### **4.1 Internal Audit and Fraud Service**

**4.1.1** As part of the consideration of opportunities for further joint working, an options appraisal was undertaken in relation to Internal Audit and Fraud Services across West Dunbartonshire and Inverclyde Councils. This is set out in more detail at paragraph 5 below. The recommendation following the options appraisal, is to introduce option 2 – shared management model - a joint manager for Internal Audit and Fraud Services employed by West Dunbartonshire Council. This would provide opportunities to share best practice, while delivering efficiencies across both Councils through reduction in a management post.

**4.1.2** The proposals have been discussed with the relevant workforce across both Councils and engagement has taken place with the Joint Trade Unions. A similar report will be remitted to Inverclyde Council (Policy & Resources Committee) on 17 September, seeking approval of the proposal.

**4.1.3** It is proposed to allow a transitional period from September to December 2019 to support the implementation of the new management model. This will include conclusion of appropriate HR processes, matching to the new joint post and effective handover arrangements with the joint manager taking effect from January 2020.

### **4.2 Fleet, Waste and Grounds Service**

**4.2.1** As set out at paragraph 3.1 above, the Services included for review within the business case are set out below:

- **The Fleet and Transport Service** - procures, manages, maintains and arranges the end of life disposal of the Council's vehicle fleet and manages & operates the transportation service for the Health and Social Care Partnership and the Council's Educational Services;
- **The Waste Service** - manages the general waste and recycling collections from all households in the Council area, in-house operations and registered commercial waste users. This amounts to the collection of bins from a total of 45,000 households; and
- **The Grounds Service** - operates the Council's grounds maintenance, street cleaning and burial and cremation services.

**4.2.2** The development of the business case will include the following:

- Baseline data collation;
- Strategy and policy review;
- Options appraisal;
- Review of resources; and
- Operational service delivery review.

**4.2.3** The business and implementation plans for the wider shared services will be developed in partnership with the trade unions and workforce through the scheduling of workshops and briefing sessions. Progress and items for decision will be reported to the Council and the Joint Committee for consideration.



- 4.2.4** Officers will continue to liaise with East Dunbartonshire Council in line with their Strategic Partnership preference to explore opportunities for joint working.
- 4.2.5** The Strategic Lead – Roads & Transportation will assume management responsibility for the Fleet, Waste and Grounds services within West Dunbartonshire Council commencing 1 October 2019. The key dates for implementation are as follows:

Due Date	Action
1 Oct 2019	Strategic Lead assumes responsibility for WDC Fleet, Waste and Grounds services
2 Oct 2019	Report to Joint Committee Shared Services
Sept/Dec 2019	Development of Business & Implementation plans
1 April 2020	Proposed implementation date of shared strategic management mode

## **5. Options Appraisal**

### **5.1 Internal Audit and Fraud Services**

**5.1.1** Inverclyde and West Dunbartonshire Councils have relatively similar internal audit functions. West Dunbartonshire has a shared service arrangement in place providing an internal audit service to the National Park. Both councils continue to provide internal audit services to their respective HSCP. The provision of fraud is however, not the same with West Dunbartonshire having taken the decision not to transfer “housing benefit fraud” to the Department for Work and Pensions (DWP), whereas, Inverclyde no longer undertake this function.

**5.1.2** Examples of collaboration across Scottish councils were also considered as part of the options appraisal.

#### **5.1.3 Option 1 – Lead Authority Model**

This option would see a shared service with one combined team employed by a single council employer providing the audit and fraud service on behalf of both councils – i.e. a lead authority model. Reporting to a Director, leadership of the service would be through a Strategic Lead / Head of Service supported by a senior manager, with strategic responsibility for the delivery of service including financial accountability, workforce management and strategic planning. The Strategic Lead and Audit & Fraud Manager would be the interface with the Directors, Chief Executives and Chief Finance Officers of both councils, together with appropriate Elected Members, including the conveners of Audit Committees. The potential benefits from this option include:

- Improved efficiency and best value within the current climate of reduced funding for local government with potential to reduce further costs;
- Reduced duplication through development of one team, with standard processes and procedures;
- Improved service delivery through adoption of best practice;
- Service delivery retained within the public sector;
- Increased resilience across greater pool of resources and expertise;
- Potential to increase competence and skills across wider team members;
- Flexible work locations; and
- Ability to be flexible to future change, to add other partners.

The potential risks with this option are:

- Failure to secure agreement with Trades Unions and workforce;
- Failure to secure agreement from Elected Members; and
- Single team position proves unmanageable due to differences between the two Councils governance requirements, service demands, etc.

#### **5.1.4 Option 2 – Shared Management**

This option would consist of shared management arrangements with a senior manager employed by one council, reporting to a Strategic Lead / Head of Service leading two separate audit and fraud teams employed by their current council employer. Any change of employer, or changes to employment terms and conditions would be restricted to the senior manager; there would not be any employee implications for other members of the audit and fraud teams. It is recommended that West Dunbartonshire Council employs the shared management post. The potential benefits of this option include:

- Increased potential to share best practice, learning and improve service;
- Service delivery retained within public sector;
- Efficiency delivered at management level; and
- More likely to secure support from workforce, trades unions and Elected Members.

The potential risks with this option are:

- Limited ability to fully share service and resources across teams unless agreed on a voluntary basis;
- Reduced opportunity to deliver efficiencies; and
- Single Manager position proves unmanageable due to differences between the two Councils governance requirements, service demands, etc.

#### **5.1.5 Option 3 – External Provision**

This option would result in the provision of service outsourced and delivered by another provider, out with either of the two councils – for example private company. Given the recent experiences in considering shared service together with the potential political expectations, it is considered that investigating this option would not be best use of time and resource.

#### **5.1.6 Option 4 – Status Quo**

As with all options appraisals, there is the option to “do nothing,” which would mean no change across the current workforce structure and management arrangements. This option would result in loss of opportunity to enhance collaboration, work jointly together across councils and achieve efficiencies.

#### **5.1.7 Evaluation of Options and Recommended Approach**

The joint working group concluded that option 2 above, as set out at paragraph 5.1.4 would be the recommended approach. This is similar to the joint management arrangement currently in place for Roads Services across Inverclyde and West Dunbartonshire Councils.

### **5.2 Fleet, Waste and Grounds Service**

An options appraisal for delivering the fleet, waste and grounds service will be completed during the development of the business case.

## **6. People Implications**

- 6.1** The shared post of Internal Audit and Fraud Manager will be employed on West Dunbartonshire Council conditions of service and report to the Strategic Lead – Resources, West Dunbartonshire Council.
- 6.2** Implementation of this joint management model will be achieved through the reduction of one post across both councils. This will be facilitated through agreed HR process, including the voluntary early retirement of one employee and in turn directly matching of remaining current manager to the new joint post.
- 6.3** There are no personnel implications for the wider Internal Audit and Fraud team.

## **7. Financial and Procurement Implications**

- 7.1** With the internal audit shared management option there would be a reduction at manager level. The current combined revenue costs for both teams are gross £648k and net £408k. Implementing the revised model based on using current council salary levels will deliver combined savings in the region of £70k dependent on salary placement of the joint manager post.
- 7.2** Any financial implications for Fleet, Waste and Ground Service will be identified and presented in a future report.
- 7.3** There are no procurement implications with this report.

## **8. Risk Analysis**

- 8.1** There is a risk that any potential opportunities for joint collaboration are not optimised if this proposal is not progressed. The other risks identified will be managed through ongoing engagement with the workforce throughout the implementation process, as well as identifying opportunities within the identified benefits for the preferred option to minimise additional work, standardise practices and processes and implement best practice across the two council's internal audit services.

## **9. Equalities Impact Assessment (EIA)**

- 9.1** An equalities impact screening has been carried out on joint collaboration and indicated that there are no vulnerable groups adversely affected by this proposal.

## **10. Environmental Sustainability**

- 10.1** There are no environmental implications with this report.

## **11. Consultation**

- 11.1** Consultation and engagement is ongoing through the established Joint Trades Unions group and with the workforce. In relation to the proposals for Internal Audit and Fraud, the Joint Trades Unions have not raised any objections or concerns from their members.

**11.2** Consultation will continue throughout the development of the options appraisal for Fleet, Waste and Greenspace.

## **12. Strategic Assessment**

**12.1** Joint working supports the delivery of the strategic priorities of the Council.

Angela Wilson  
Strategic Director  
West Dunbartonshire Council  
Date: August 2019

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### **Appendices:**

**Background Reports** 27 September 2018: Joint Collaboration with Inverclyde Council - Strategic Leadership  
  
28 March 2018: Shared Services Implementation – Roads and Transportation

**Wards Affected:** All