

Motherwell, 6 June 2019 at 2 pm.

A Meeting of the POLICY AND STRATEGY COMMITTEE

PRESENT

Councillor Logue, Convener; Councillor Kelly, Vice-Convener; Councillor Roarty, Vice-Convener; Councillors D. Ashraf, Barclay, Beveridge, Burgess, Burrows, Castles, Di Mascio, Duffy, Fotheringham, Gallacher, Goldie, Graham, Hume, T. Johnston, Linden, Magowan, McPake, H. McVey, Alan Valentine and Watson.

ALSO PRESENT

In accordance with Standing Order 64(A), Councillors Gourlay and MacGregor attended as substitutes for Councillors Morgan and McNally respectively.

CHAIR

Councillor Logue (Convener) presided.

IN ATTENDANCE

The Chief Executive; Executive Director (Education and Families); Executive Director (Enterprise and Communities); Interim Chief Accountable Officer; Head of Legal and Democratic Solutions; Head of Financial Solutions; Head of Business Solutions; Head of Communities; Head of Education (Central); Head of Strategic Communication; Audit Manager; Financial Inclusion Manager, and Democratic Services Manager.

APOLOGIES

Councillors McNally and Morgan.

DECLARATIONS OF INTEREST IN TERMS OF THE ETHICAL STANDARDS IN PUBLIC LIFE ETC. (SCOTLAND) ACT 2000

1. Declarations of Interest were received from Members, details of which are set out below:
 - Councillors T. Johnston, McPake and H. McVey each declared an interest in paragraph 14, by virtue of their being Partner Directors of CultureNL Limited, and left the meeting during consideration of the matter identified.
 - Councillors Burgess, Fotheringham, Kelly and Linden each declared an interest in paragraph 14, by virtue of their membership of the Board of North Lanarkshire Leisure Limited, and left the meeting during consideration of the matter identified.
 - Councillors Gallacher, Kelly, Linden and Logue each declared an interest in paragraph 16, by virtue of their membership of the North Lanarkshire Health and Social Care Integration Joint Board, and left the meeting during consideration of the matter identified.

CONVENER'S REMARKS

Prior to commencement of business, the Convener advised that agenda item (12) would be taken after agenda item (15).

MINUTES

(1) APPOINTMENTS SUB-COMMITTEE

2. There were submitted the Minutes of the meetings of the Appointments Sub-Committee held on 25 March and 20 May 2019.

Decided: that the Minutes be approved.

(2) AUDIT AND SCRUTINY PANEL

3. There were submitted the Minutes of the meetings of the Audit and Scrutiny Panel held on 28 March and 16 May 2019.

Decided: that the Minutes be approved.

FINANCIAL STRATEGY

4. There was submitted a report by the Head of Financial Services (1) presenting, in Appendix 1 to the report, the Council's Financial Strategy, providing an overarching framework for the financial strategies and policies which would ensure effective financial governance, planning and management, and which set out the responsibility for safeguarding public funds within the Council, and detailed the statutory role of the Section 95 Officer; (2) providing, in Table 1 of the report, details of the financial strategies and policies covered by the Strategy, and the timescales for further review, and (3) advising (a) that the Strategy would be monitored and approved, as necessary, through this Committee, and (b) that each sub-policy would be monitored and approved, as necessary, through the relevant Committee.

Decided:

- (1) that the Financial Strategy, as set out in the Appendix to the report, be approved, and
- (2) that the report be otherwise noted.

REVENUE RESOURCES BUDGET STRATEGY

5. There was submitted a report by the Head of Financial Solutions (1) advising that the Council's current arrangements for budget setting required further refinement to ensure that future budgets would be developed using a more strategic approach to the allocation of available resources and better integration with The Plan for North Lanarkshire and its associated programme of work; (2) outlining, in Section 3.3.1 of the report, some guiding principles for a revised Revenue Resources Budget Strategy, and (3) recommending that, given that further significant savings would be required to be delivered over the next few years, work should commence now to develop the principles outlined in the report, and to provide for advance work on budget proposals for the three years 2020/21 to 2022/23.

Councillor Logue, seconded by Councillor Kelly, moved that the recommendations set out in the report be approved.

Councillor Linden, seconded by Councillor T. Johnston, moved, as an amendment, that the Committee:-

"(1) approve the key principles of the Revenue Resources Budget Strategy outlined in Section 3.3.1 following the addition of the below text:-

(viii) consideration will be given to proposals to fully implement the use of participatory budgeting and for the involvement of local people throughout North Lanarkshire in the development of the Council's Revenue Resources Budget;

(2) note the Revenue Resources Budget Strategy will be developed over the coming months with the aim of producing a three year Revenue Budget for the period 2020/21 to 2022/23, and

(3) note the next steps as outlined in Section 3.5 of the report."

On a vote being taken, 10 Members voted for the amendment and 15 Members voted for the motion, which was accordingly declared carried.

Decided:

(1) that the key principles of the Revenue Resources Budget Strategy, as outlined in Section 3.3.1 of the report, be approved;

(2) that it be noted that the Revenue Resources Budget Strategy would be developed over the coming months with the aim of producing a three year Revenue Budget for the period 2020/21 to 2022/23, and

(3) that the next steps, as outlined in Section 3.5 of the report, be noted.

CAPITAL STRATEGY TO 2022/23

6. With reference to paragraph 12 of the Minute of the meeting of this Committee held on 21 March 2019, when a report by the Head of Financial Solutions setting out the Council's proposed Capital Strategy to 2022/23 was continued to this meeting for consideration, there was submitted the said report (1) advising that the Council had a statutory duty to produce a Capital Strategy; (2) presenting, in the Appendix to the report, the Council's Capital Strategy to 2022/23, the objective and aim of which was to ensure that the Council made capital expenditure and investment decisions in line with its priorities and service objectives, and that it properly took account of stewardship, value for money, prudence, sustainability and affordability; (3) outlining the approach (a) to capital funding, including the recognition of opportunities for collaborative working or alternative funding initiatives whilst also highlighting the risks that might impact upon the Council achieving its aims and objectives for capital expenditure and investment, and (b) for the allocation of limited capital finance to competing projects, the capital bid, project ranking and selection process, and, thereafter, the financial monitoring processes and mechanisms, and (4) advising that the Strategy highlighted the importance of good Treasury Management practice as an important factor in achieving its aims and objectives, and identifying prudential borrowing as an important funding source.

Following a request from the Committee, the Executive Director (Enterprise and Communities) provided clarification on the role and remit of the Strategic Capital Delivery Group and advised that its purpose was to deliver projects which had been previously approved by the appropriate Committee of the Council.

Decided: that the Capital Strategy to 2022/23, as set out in the Appendix to the report, be approved.

COMMUNITY INVESTMENT FUND

7. With reference to paragraph 10 of the Minute of the meeting of the former Policy and Resources Committee held on 27 September 2018, when that Committee had approved proposals for the establishment of a Community Investment Fund to support the development of the Council's shared ambition for inclusive growth and prosperity for the people and communities of North Lanarkshire, there was submitted a report by the Head of Financial Solutions (1) providing additional commentary around the assumptions supporting the Community Investment Fund; (2) advising (a) that these assumptions had been updated; (b) that details of a revised model were set out in Appendix 2 to the report, and (c) that the revised estimate of the potential funding available over the next 10 year period was £705m; (3) highlighting the risks associated with the volatility linked to the planning assumptions, and (4) recommending that robust monitoring and review processes be established to ensure that investment plans were prudent, affordable and sustainable throughout the life of the Fund.

Decided:

- (1) that the establishment of the Community Investment Fund, as part of the Council's Revenue Budget for 2019/20, be noted;
- (2) that the assumptions used in determining the potential funding available and the impact of the revised assumptions on the resources available, as outlined in the report, be noted, and
- (3) that the requirement for robust governance and monitoring arrangements to be put in place to ensure that investment plans were prudent, affordable and sustainable be noted.

UPDATE ON COMPOSITE CAPITAL PROGRAMME TO 2022/23

8. **C** With reference to paragraph 12 of the Minute of the meeting of the former Policy and Resources Committee held on 21 March 2018 when that Committee had approved the Composite Capital Programme for 2018/19 and 2019/20, and the indicative plans for a further three years to 2022/23, there was submitted a report by the Executive Director (Enterprise and Communities) (1) advising that the Strategic Capital Delivery Group had reviewed the remaining four years of the current Composite Capital Programme in light of the Council's 2019/20 revenue budget decisions, and other recent Council and Scottish Government decisions, to ensure that the Programme was managed within available resources; (2) summarising, in Table 1 of the report, the revised level of composite capital resources which amounted to a reduction of £15.529m over the remaining four year period of the Programme; (3) outlining, in the Appendix to the report, the proposed amendments along with further information regarding the areas impacted by the re-profiling of expenditure, and (4) intimating that the Strategic Capital Delivery Group would adjust the delivery phasing and Programme requirements in line with the re-profiled plans, and that the revised Programme would be monitored, with reports thereon being submitted to future meetings of the Finance and Resources Committee.

Decided:

- (1) that the revised resources available to fund the Composite Capital Programme to 2022/23, as outlined in the report, be noted;
- (2) that the proposed amendments to the Composite Capital Programme, as summarised in the Appendix to the report, be approved, and
- (3) that the Strategic Capital Delivery Group be authorised to re-profile the Composite Capital Programme across the remaining term of the Plan, to ensure an efficient and effective delivery of the Programme.

COMMUNICATIONS STRATEGY AND ANNUAL PLAN

9. With reference to paragraph 2 of the Minute of the Special meeting of this Committee held on 28 February 2019, when the Committee had approved The Plan for North Lanarkshire, there was submitted a report by the Head of Strategic Communication (1) presenting, in the Appendix to the report, the Council's Communication Strategy and Annual Plan, and (2) advising (a) that the Strategy had been developed to maximise communication support for the Council's priorities and ambitions, setting out the key principles of communication, and (b) that the Annual Plan set out the major activity which the Corporate Communications Team would undertake in 2019/20 to assist Services to deliver their objectives under the Plan.

Councillor Logue, seconded by Councillor Kelly, moved that the Communication Strategy and Annual Plan, as set out in the Appendix to the report, be approved.

Councillor Linden, seconded by Councillor Fotheringham, moved, as an amendment, that the Committee:-

- "(1) notes that the Communications Strategy and Annual Plan has been subject to engagement and consultation by the Council's Corporate Management Team and Senior Council Officers however, there has been no engagement with Elected Members from the political groupings in the Council;
- (2) agrees that consultation and engagement should have taken place with Elected Members in the development of the Communications Strategy and Annual Plan, and
- (3) therefore agrees to continue the Communications Strategy and Annual Plan Report until a future meeting of the Policy and Strategy Committee in order to facilitate an Elected Member engagement and development session on the Communications Strategy and Annual Plan."

On a vote being taken, 10 Members voted for the amendment and 15 Members voted for the motion, which was accordingly declared carried.

Decided: that the Communication Strategy and Annual Plan, as set out in the Appendix to the report, be approved.

During consideration of the foregoing item, the Leader of the Council informed the Committee that he would meet with the leadership of all political groups to discuss protocols regarding photographs at official Council events.

EVENTS STRATEGY

10. There was submitted a report by the Head of Strategic Communication presenting the Council's Events Strategy to ensure that the Council, working with its ALEOs and partners, maximised the potential of North Lanarkshire as a destination of choice for hosting events.

Decided: that the Events Strategy, as set out in the Appendix to the report, be approved.

DIGITAL AND IT STRATEGY

11. There was submitted a report by the Head of Business Solutions (1) presenting, in the Appendix to the report, the Council's Digital and IT Strategy, and (2) advising that the Strategy outlined how technology would be used to transform service delivery and support the Council to achieve the priorities contained within The Plan for North Lanarkshire.

Decided: that the Digital and IT Strategy, as set out in the Appendix to the report, be approved.

REMIT FROM THE ENVIRONMENT AND TRANSPORTATION COMMITTEE - ENVIRONMENT STRATEGY

12. With reference to paragraph 2 of the Minute of the meeting of the Environment and Transportation Committee held on 1 May 2019 when that Committee had (1) considered a report by the Head of Regulatory Services and Waste Solutions on the Council's annual Environment Strategy which brought together separate but related strategies, policies and plans to ensure a one Council approach to the environment, and (2) remitted the report to this Committee for approval, there was submitted the said report.

Decided: that the Environment Strategy, as set out in the Appendix to the report, be approved.

NORTH LANARKSHIRE LOCAL CHILD POVERTY ACTION REPORT 2019

13. There was submitted a report by the Head of Communities (1) advising that the Child Poverty (Scotland) Act 2017 (a) set out four ambitious headline targets to be achieved by local authorities and Health Boards, in partnership with other community planning partners, to combat child poverty, details of which were outlined in the report, and (b) placed a duty on local authorities and NHS Boards to jointly develop and publish an annual Local Child Poverty Plan, the first of which was to be published by June 2019; (2) presenting, in the Appendix to the report, the North Lanarkshire Local Child Poverty Action Report; (3) indicating that the Local Child Poverty Action Report was in accordance with the Fairness Commission recommendations and The Plan for North Lanarkshire, and (4) seeking approval of the report prior to it being submitted to the Scottish Government.

Decided:

- (1) that the Local Child Poverty Action Report, as set out in the Appendix to the report, be approved, and
- (2) that the report be referred to the Education and Families Committee for its interest.

Councillors T. Johnston, McPake and H. McVey, by virtue of being Partner Directors of CultureNL Limited, and Councillors Burgess, Fotheringham, Kelly and Linden, by virtue of their membership of the Board of North Lanarkshire Leisure Limited, having each declared an interest in the matter prior to consideration of the following item of business, left the meeting and took no part in its determination.

CULTURE AND LEISURE NORTH LANARKSHIRE LIMITED - APPOINTMENTS PROCESS FOR INDEPENDENT DIRECTORS

14. With reference to paragraph 2 of the Minute of the Special meeting of this Committee held on 29 April 2019, there was submitted a report by the Head of Communities (1) recommending, for the reasons detailed therein, that a special resolution be approved (a) to vary the appointments process in relation to the composition of the Nominations Committee of Culture and Leisure North Lanarkshire Limited, and (b) to vary the nominations process for the sole purpose of appointing the first independent directors of the merged entity, and (2) that the current Chair of North Lanarkshire Leisure Limited, Mr Derek Gamble, be appointed as an Independent Director of Culture and Leisure North Lanarkshire Limited.

Decided:

- (1) that Mr Derek Gamble be appointed as a Director of Culture and Leisure North Lanarkshire Limited under the category of Independent Director, and
- (2) that the special resolution, as detailed in paragraph 2.2 of the report, be approved.

CONTRACT AWARD - ENTERPRISE CONTRACT - EXTERNAL ADVICE AND SUPPORT

15. With reference to paragraph 4 of the Minute of the meeting of this Committee held on 28 February 2019, when the Committee had approved proposals (1) to scope and explore options for an innovative new approach to the delivery of a full range of interconnected property, community asset and infrastructure investments, and (2) to procure appropriate external specialist advice to support the development and implementation of the new Enterprise Contract, there was submitted a report by the Head of Asset and Procurement Solutions (a) advising of the action taken by the Executive Director (Enterprise and Communities) in awarding a call-off contract for external specialist advice and support in relation to the proposed new Enterprise Contract – Strategic Procurement to Turner and Townsend Contract Services Limited; (b) intimating that the Contract supported the initial options appraisal associated with the scoping and development of a potential new Enterprise Contract, and included provision to extend into additional stages as the scope of the potential new delivery model progressed, and (c) indicating that the tender had been evaluated as the most economically advantageous in terms of cost and quality.

Decided: that the action taken by the Executive Director (Enterprise and Communities) in approving the award of a call-off contract for external advice and support, in relation to the development of a potential new Enterprise Contract, to Turner and Townsend Contract Services Limited be noted.

Councillors Gallacher, Kelly, Linden and Logue, by virtue of their membership of the North Lanarkshire Integration Joint Board for Health and Social Care, having each declared an interest in the matter prior to consideration of the following item of business, left the meeting and took no part in its determination.

Councillor Logue demitted the Chair and Councillor Roarty assumed the Chair for the remainder of the meeting.

NORTH LANARKSHIRE INTEGRATION REVIEW AND SELF ASSESSMENT

16. With reference to paragraph 10 of the meeting of the former Policy and Resources Committee held on 27 September 2018 when, *inter alia*, that Committee had approved (1) a new vision for the future direction of the Council in 'We Aspire – A Shared Ambition for North Lanarkshire', and (2) the intent, in partnership with NHS Lanarkshire, to submit a revised Scheme of Integration for Health and Social Care to Scottish Ministers for approval, following review and consultation in terms of the relevant legislation, to transfer children and families social work, and criminal justice social work to the Council, there was submitted a report by the Interim Chief Accountable Officer (a) advising that given the scale of the changes proposed in relation to the revision of the North Lanarkshire Integration Scheme for Health and Social Care, a Section 44 review of the Scheme had been undertaken; (b) intimating that a formal review had been undertaken which focussed on three main elements, those being: 'themed workstreams'; 'a self-assessment exercise', and 'a structural review'; (c) informing (A) that the review had identified a range of comprehensive actions which now required to be developed into a detailed action plan, and (B) that, in line with the National Integration Review process, progress against the identified actions would be reviewed in May 2020; (d) indicating that the key themes of collaboration and leadership ran through the report, and that the commitment of both partners to the agenda had been reaffirmed throughout the process, with a focus on the delivery of integrated health and social care services to improve the outcomes of the local population; (e) stating that the report would also be submitted to the NHS Lanarkshire Board and the North Lanarkshire Integration Joint Board to ensure whole system agreement to the direction of travel detailed; (f) setting out (A) in Appendix 1 to the report, the North Lanarkshire Integration Review report, and (B) in Appendix 3 to the report, the self-assessment submission to the Scottish Government, and (g) setting out recommendations in relation to the next steps to further progress the revision of the integration scheme.

Thereon, the Interim Chief Accountable Officer gave a presentation to clarify the outcomes of the review. In response to a question by a Member in relation to the structural proposals, the Interim Chief Accountable Officer advised that a report thereon would be submitted to a future meeting of the Adult Health and Social Care Committee.

Decided:

- (1) that the Section 44 review of the Integration Scheme (North Lanarkshire Integration Review, May 2019) be approved;
- (2) that the self-assessment submission to the Scottish Government, as set out in Appendix 3 to the Integration Review Paper, be approved;
- (3) that the Integration Scheme be reviewed in line with the outputs of the report, and that any necessary changes be brought back to a future meeting of the Committee for approval, and
- (4) that a detailed Action Plan be completed and submitted to the next Adult Health and Social Care Committee.