

**Motherwell, 11 September 2019 at 10 am.**

A Meeting of the **COMMUNITIES AND HOUSING COMMITTEE**

**PRESENT**

Councillor H. McVey, Convener; Councillor O'Rourke, Vice-Convener; Councillors Beveridge, Bonnar, Burgess, Burrows, Cochrane, M. Coyle, S. Coyle, Di Mascio, Fotheringham, Gallacher, Goldie, Gourlay, Graham, Jones, Kelly, Lennon, Logue, MacGregor, McLaren, McManus, McNally, McNeil, A. McVey, Morgan, Pettigrew, Roarty, Stocks, Alan Valentine and Annette Valentine.

**ALSO PRESENT**

In accordance with Standing Order 64(A), Councillors Castles, Watson and Fisher attended as substitutes for Councillors Doolan, Douglas and Fannan respectively.

Councillor Farooq, as an observer.

**CHAIR**

Councillor H. McVey (Convener) presided.

**IN ATTENDANCE**

The Executive Director (Enterprise and Communities); Head of Business (Housing Property and Projects); Head of Planning and Regeneration; Head of Housing Solutions; Business Finance Manager; Service Delivery Manager and Democratic Services Manager.

**APOLOGIES**

Councillors Docherty, Doolan, Douglas, Fannan, Kerr and Stubbs.

**CONVENER'S REMARK**

The Convener welcomed representatives from the North Lanarkshire Federation of Tenants and Residents Association to the meeting.

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

1. Councillor Kelly, by virtue of his substitute membership of the City Deal Cabinet, declared an interest in paragraph 20 and further declared that the interest was so significantly remote as to permit his participation in the item of business.

Councillor O'Rourke, by virtue of his membership on the Board of Mears Limited, declared an interest in paragraph 22 and left the meeting during consideration of the item.

**PARTNERSHIP PERFORMANCE REPORT**

2. With reference to paragraph 2 of the Minute of the meeting of this Committee held on 13 February 2019, there was submitted a report by the Head of Business (Housing Property and Projects) (1) setting out the performance of the Business Housing Property, Repairs and Maintenance, and Central Heating Repairs and Maintenance Service Delivery Contracts for 2019/2020; (2) advising of the performance against the Key Performance Indicators (KPIs) for 2019/20 in respect of (a) the Mears

Partnership in relation to completed housing repairs, including void management, as highlighted within Appendix 1 to the report, with Appendix 2 to the report containing the full KPI set for 2018/19 for comparative purposes; (b) Emergency and Non-Emergency repairs timescales, as highlighted within Appendix 3 to the report, and (c) Saltire Facilities Management Limited (Saltire) (A) in relation to housing heating repairs, as highlighted within Appendix 4 to the report, with Appendix 5 containing the full KPI set for 2018/19 for comparative purposes, and (B) with the partnership continuing to sustain a 100% property gas certification record for the extensive gas heated housing asset base, and (3) intimating that the customer satisfaction level for Local Homes was 98.21% in the year to date, in comparison to the 2018/19 return to the Scottish Housing Regulator when 98.63% of tenants were satisfied with the repairs service, with a 2017/18 Scottish average for Local Authorities of 92.1%.

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

### **ENFORCED ENTRY: ELECTRICAL SAFETY IN COUNCIL HOUSES**

3. There was submitted a report by the Head of Business (Housing Property and Projects) (1) seeking approval to enforce Section 5.12 (formerly Section 5.11) of the Scottish Secure Tenancy Agreement to force access to properties occupied by non-engaging households to enable electrical test inspections to be undertaken; (2) informing (a) that the Housing (Scotland) Act 2001 placed a duty on social landlords to keep their properties wind and watertight and in good condition, and (b) that Schedule 4 of the Act supported this duty by allowing the landlord or any authorised person to give reasonable notice to access the property to carry out inspections and any identified remedial works to ensure the landlord's duty was being met, as highlighted within Appendix 1; (3) indicating that the Scottish Secure Tenancy Agreement provided the right for Local Authorities to forcibly enter a property as long as every reasonable opportunity had been provided to allow access voluntarily, an extract of which was contained in Appendix 2 to the report; (4) advising (a) that an electrical safety check (also known as an "EST") was required to check the condition of the wiring of "hard wired" installations against the standard as over time this can deteriorate, with the Council's programme intended to be cyclical and delivered over a five year period, in line with recommended and acceptable practice within the industry for domestic rented properties, and (b) that 22.7% of the Council's domestic housing stock had not had an EST carried out in the last five years; (5) detailing within the report the benefits of carrying out an EST, and (6) proposing (a) that the current EST process be amended to reflect the gas safety process, with the timescale for the process being over a 12 month period, which would enable a more comprehensive process to be adopted and enable the Council's contractor to plan the additional visits; (b) that the new procedures would be issued to all tenants via the Tenants Newsletter as well as the existing videos on the Council's social media platforms, and (c) that the new process would require more involvement from both Housing Property and operational staff and a Technical Officer would require to be present at each forced entry as a representative of the landlord, and to ensure that forced entries were only carried out where necessary.

**Decided:**

- (1) that the use of forcible access to properties for electrical safety inspections within the Council's domestic housing stock be approved, and
- (2) that the report be otherwise noted.

### **HOME ENERGY EFFICIENCY PROGRAMMES SCOTLAND: AREA BASED SCHEME - 2020/21**

4. There was submitted a report by the Head of Business (Housing Property and Projects) providing an update on measures in place to increase the energy efficiency of homes within North Lanarkshire, including the Scottish Government's Home Energy Efficiency Programme Scotland, Area Based Scheme HEEPS (ABS) (1) seeking approval for the commencement of contributions from home owners to access the funding; (2) outlining the background (a) to the HEEPS funding which was a

Scottish Government Initiative to assist home owners to tackle fuel poverty and increase the energy efficiency of their homes with Area Based Schemes (ABS), and (b) to the Energy Company Obligation (ECO) funding; (3) advising (a) that the current HEEPS (ABS) programme for 2019/20 covered the Bellshill Parkview and Airdrie Central areas, and met aspects of fuel poverty in house type in terms of the Scheme, and (b) that the Council was currently tendering for the provision of its 2020/21 HEEPS (ABS) project; (4) intimating that, as construction costs had increased by 3% in the year since the previous HEEPS (ABS) contract had been awarded, the assumed current levels of ECO funding were unlikely to increase and could even reduce, and it was likely that a contribution would be required from all home owners participating in the programme from financial year 2020/21; (5) indicating (a) that, whilst some properties had been identified as being potentially eligible for HEEPS (ABS) funding, a number of the properties required remedial repair work to the building structure itself which could not be funded via the HEEPS (ABS) programme, and (b) that such remedial works would be required to be undertaken and funded by the owner(s) ahead of HEEPS (ABS) funding being allocated; (6) proposing that, as owners' contributions across projects would differ due to the construction type of their home and the specification to carry out the insulation works required, (a) that the level of owner contribution would be based on the type of property, similar to the way HEEPS (ABS) was allocated to each property type, as highlighted within the report, and (b) that, to offset costs to owners in terms of a contribution being required for any external wall insulation, the Council would work with Home Energy Scotland to have the provision of interest free loans and cashback facilities available to cover any contribution costs, where appropriate, to ensure inclusivity for all residents within North Lanarkshire, and (7) informing that, due to the introduction of the owner contribution and the cost of necessary remedial works, some properties in the same street may not be able to participate in the HEEPS (ABS) programme.

**Decided:**

- (1) that the progress in improving the energy efficiency of North Lanarkshire homes be noted;
- (2) that the commencement of contributions by homeowners included within future HEEPS (ABS) Schemes from financial year 2020/21 be approved, and
- (3) that the terms of the report be otherwise noted.

**HOUSING CAPITAL PROGRAMME (HRA) - REPLACEMENT OF KITCHENS AND BATHROOMS**

5. With reference to paragraph 23 of the Minute of the meeting of the former Enterprise and Housing Committee held on 15 February 2018 when, *inter alia*, it had been agreed that the HRA Capital Programme would support the full alignment of kitchen and bathroom modernisation elements by 2021, there was submitted a report by the Head of Business (Housing Property and Projects) regarding the progress of the replacement kitchens and bathroom programme within the housing stock (1) outlining the background to a kitchen and bathroom replacement programme; (2) advising that, following successful delivery of the HRA Capital Programme in relation to the replacement of kitchens and bathrooms throughout the Council's housing stock since 2016/17, the annual programme of kitchen replacement would be completed by 31 March 2020, with the bathroom replacement programme completed by 31 March 2021; (3) intimating (a) that, during the annual programme of works, a number of tenants had refused to participate in the works which had resulted in some of the housing stock not benefiting from improvement works, (b) that 2,934 properties had outstanding kitchen replacements, and 2,632 properties had outstanding bathroom replacements, and (c) it was intended to complete the works on any outstanding properties on an ad hoc basis, as the opportunity arose, when properties became void, and (4) indicating that, based on the asset replacement age of 20 years for kitchens and 25 years for bathrooms, there would be significant capital investment from financial year 2025/26 to recommence the kitchen replacement programme, and, in financial year 2032/33, to recommence the bathroom replacement programme.

**Decided:**

- (1) that it be noted that the kitchen replacement programme would be completed by 31 March 2020;
- (2) that the carry forward of 185 properties for bathroom replacement during financial year 2020/21, which would then bring the programme of works to an end by 31 March 2021, be noted, and
- (3) that the report be otherwise noted.

**HEATING REPLACEMENT PROGRAMME**

6. There was submitted a report by the Head of Business (Housing Property and Projects) regarding progress of the replacement heating installations within the housing stock (1) informing (a) that the project was required to improve existing housing stock and help the Council deliver on its aims of reducing fuel poverty, achieving carbon management targets and succeeding in achieving the Energy Efficiency Standard for Scottish Social Housing (ESSH), and (b) that the project would incorporate the entire removal of the existing heating systems, including pipe work, to be replaced with modern and efficient heating systems in Council owned domestic dwellings; (2) advising that the gas central heating systems would replace older and more inefficient forms of gas central heating within the mainstream housing stock with rated high efficiency boilers, radiators, controls and new pipework; (3) intimating (a) that the scope of works would be explained to residents at the pre-works survey stage carried out jointly by the Clerk of Works and the Contractor, and (b) that, within the contract, Lot 1 allowed for electric to gas conversions which would further reduce fuel poverty and help achieve the ESSH; (4) indicating that the electric heating upgrade would predominately take place within the multi storey tower blocks which had outdated electric storage and electric panel heating; (5) confirming that the Air Source Heat Pump element of the project would be the first that had been undertaken on this scale, and would be based within the off-gas grid villages of Salsburgh, Greengairs, Gartness and Banton, where the heating systems were mainly electric wet systems, oil, LPG and electric storage, and (6) highlighting (a) that, during the programme, a number of tenants had refused to participate in the full gas central heating upgrade due to the disruption from uplifiting laminate flooring, and (b) that gas central heating systems installations, where 15mm pipework existed, would be left in situ and a power flush carried out in order to reduce refusal rates.

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

**STRATEGIC HOUSING INVESTMENT PLAN 2020/2021 - 2024/2025**

7. With reference to paragraph 9 of the Minute of the meeting of the former Enterprise and Housing Committee held on 5 September 2018, there was submitted a report by the Head of Planning and Regeneration (1) outlining the background to, and the need for, the Strategic Housing Investment Plan (SHIP) to be prepared and submitted to the Scottish Government in accordance with published guidance; (2) advising that a number of previously approved projects were scheduled to progress during the period 2020/21-2024/25 and were included within the new SHIP, as set out in Appendix 1 to the report; (3) enclosing, in Appendix 2 to the report, new projects proposed for inclusion within the SHIP for the period 2020/21-2024/25; (4) informing that the inclusion of projects within the Affordable Housing Supply Programme were subject to project viability, available funding and approval by the Scottish Government; (5) indicating (a) that the projects highlighted within the appendices to the report would require an estimated £160m in grant subsidy over the period 2020/21 to 2024/25, and (b) that the Affordable Housing Supply Programme was subject to on-going review to reflect available resources and necessary changes to the approved programme, and (6) seeking approval of the projects to be included within the next SHIP 2020/21 to 2024/25, which was due to be submitted to the Scottish Government by the deadline of 31 October 2019.

**Decided:**

- (1) that the projects previously approved, which had been included within the new SHIP as set out in Appendix 1 to the report, be noted;
- (2) that the new projects for inclusion within the SHIP, as set out in Appendix 2 and Section 2 of the report, be approved;
- (3) that it be noted that the SHIP would be submitted to the Scottish Government by the due date of 31 October 2019, and
- (4) that the report be otherwise noted.

**PROPOSAL TO PILOT A HOUSING DEVELOPMENT PATHFINDER APPROACH**

8. With reference to paragraph 2 of the Minute of the special meeting of the Policy and Strategy Committee held on 28 February 2019 when, *inter alia*, the information presented within the report, as the ambition statements for The Plan for North Lanarkshire, had been approved, there was submitted a report by the Head of Planning and Regeneration (1) seeking approval to pilot a Development Pathfinder Approach, which had the potential to deliver new and affordable homes, stimulate private sector development, and create mixed tenure communities; (2) informing (a) that The Plan for North Lanarkshire outlined how the Council would deliver on its shared ambition for inclusive growth and prosperity for all the residents and communities of North Lanarkshire, and (b) that the Plan committed to ensuring a “housing mix” that supported social inclusion in economic growth, with the modified Local Development Plan supporting this ambition by identifying sufficient land for delivering almost 21,000 new homes on 330 sites across North Lanarkshire; (3) advising of a proposal to pilot an innovative new “development pathfinder” approach for purchasing new affordable homes for affordable housing in North Lanarkshire; (4) setting out the benefits to the Council of using a “development pathfinder”; (5) intimating that, by using the development pathfinder approach, the Council would engage directly with the market, providing outline guidance on its ambitions in terms of location and site mix for acquisition of units in particular geographical areas; (6) detailing, within the report, the process the Council is required to undertake for engagement with the market for the use of “off the shelf” acquisitions of completed homes from private developers; (7) proposing that, as this was a new approach for the Council, and the level of potential interest was unknown, and to ensure that the Council could effectively engage with interested parties and efficiently consider and respond to any enquiries, (a) the Council would pilot the approach in Airdrie, Bellshill, Coatbridge and Motherwell, and (b) a further report on the pilot would be submitted to a future meeting of the Committee, and (8) setting out within the report the process for engagement with the market for the pilot project.

**Decided:**

- (1) that a pilot Housing Development Pathfinder approach be undertaken to potentially acquire housing on an “off the shelf” basis as set out within the report;
- (2) that the outcome of the pilot be reported to a future meeting of the Committee, and
- (3) that otherwise the report be noted.

**NORTH LANARKSHIRE FUEL SWITCHING SCHEME**

9. With reference to paragraph 12 of the Minute of the meeting of the former Housing and Social Work Committee held on 24 April 2014 when, *inter alia*, approval had been given for the development of a fuel switching promotional campaign and the associated appointment of a recognised energy broker
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through the appropriate procurement route, there was submitted a report by the Head of Business (Housing Property and Projects) (1) providing an update on the re-development of the Council's fuel switching scheme and related proposals to promote the next iteration of the scheme; (2) outlining the background to the original "It Pays to Switch" scheme (formerly "The Big Switch"); (3) advising (a) that in December 2016 the Council appointed an independent Fairness Commission to examine fairness, equality and poverty in North Lanarkshire, with its findings published in November 2018, accompanied by 16 recommendations, and (b) of the content of Recommendation 7 which stated that the Council should refocus and extend its fuel switching scheme; (4) intimating (a) that, in December 2018, a small team had been formed to review, develop and procure an alternative fuel switching campaign; (b) that a Prior Information Notice (PIN) had been published via the Public Contract Scotland Advertising Portal, and five companies had offered to meet with Council officers, and (c) that these meetings had helped the Council understand the market and potential delivery models, as well as the impact of the price-cap, and had been used to influence the design of the Fuel Switching Service which was primarily based on Recommendation 7 of the Fairness Commission Report; (5) setting out within the report information regarding the new Fuel Switching Service which was aimed at encouraging households to switch domestic energy supplier in order to maximise savings in terms of associated costs; (6) indicating (a) that the Fuel Switching Service would have a positive impact on the level of fuel-poor households within North Lanarkshire, and (b) that the service would not be restricted to all residents of North Lanarkshire, and had the potential to contribute to a reduction in the local and national fuel poverty level, and (7) informing (a) that the service would be free to households, offering competitive tariffs and provide support and assistance to those using the service; (b) that the service would be available online, as well as via telephone, with the online service being a "white label" partnership incorporating the Council's branding; (c) that the service provider would participate in public events to promote the use of the service, and (d) that the tender for the Fuel Switching Service had been published in June 2019, and a new contract was scheduled to be in place by late September 2019.

### **Decided:**

- (1) that the use of a Fuel Switching Service to reduce fuel poverty within North Lanarkshire be approved;
- (2) that the use of a "white label" partnership to provide the Fuel Switching Service, subject to a successful tendering process, be approved, and
- (3) that the report be otherwise noted.

### **NEW BUILD PROGRAMME - PROCUREMENT**

10. With reference to (1) paragraph 11 of the Minute of the meeting of the former Enterprise and Housing Committee held on 14 November 2018, when inter alia, a final price had been agreed to allow contract award for the new build housing at Dimsdale Road, Wishaw, and (2) paragraph 5 of the Minute of the meeting of this Committee held on 22 May 2019, there was submitted a report by the Head of Planning and Regeneration providing an update on current procurement activity relating to the New Build Programme and (a) seeking approval to commence procurement for (A) the former site of Columbia High School, Coatbridge, utilising the Scottish Procurement Alliance (SPA) Housing Construction Framework, and (B) the re-provisioned site at Dykehead Road, Holehills, Airdrie, utilising the Scotland Excel New Build Residential Construction Framework (b) outlining the background to various procurement routes which were being used to help to ensure delivery of 5,000 new homes by 2035; (c) advising that the Council had recently agreed to participate in the establishment of a future new build framework through Scotland Excel and it was anticipated this would be available for use in October 2019, and (d) proposing (A) that, following consideration of available options, the Council would seek to obtain tender costs utilising the Scotland Excel New Build Residential Construction Framework for the new build housing site at the re-provisioned site at Dykehead Road, Holehills, Airdrie, with the site having capacity for around 150 new build homes; (B) that, as the site was at design stage and feasibility costs had still to be obtained, the project be progressed, subject to Best Value being demonstrated, and in accordance with the contract standing orders; (C) that, should the

final price be determined to represent Best Value, then, subject to finalisation of a Sourcing Methodology, including an options appraisal, it would be reported to a future meeting of the Committee, prior to entering into a contract with the Contractor; (D) that the Council would seek to obtain tender costs, utilising the most appropriate SPA Housing Construction Framework, for the new build housing site at the former site of Columbia High School, School Street, Coatbridge, with the site being considered for mixed tenure housing, comprising around 100 new build Council homes and approximately 60 homes to be considered for mid-market rent and/or shared equity; (E) that an award of call-off for the new build housing at Dimsdale Road, Wishaw had been made to CCG (Scotland) Limited in a revised sum of £9,947,183.07; (F) that tender prices were now finalised for 56 units at Caledonian Avenue and Community Road, Bellshill with CCG (Scotland) Limited, in the sum of £10,320,000, and for 19 units at Berwick Street, Coatbridge with Crudens Buildings and Renewals, in the sum of £3,500,000, both figures including a 10% contingency allowance; (G) that, following receipt of the ground investigation report for Bon Accord Crescent, Shotts, part of the site was no longer considered viable due to the extent of the abnormal costs associated with the ground conditions, and a new layout had been agreed which avoided this area of the site; (H) that, as the current proposal was to construct 16 units instead of 19 units, the final tender price had still to be agreed to allow the contract award, and, consequently, the programme site start date had been delayed until January 2020, and (I) informing of the current position with the procurement exercises already underway.

**Decided:**

- (1) that the commencement of procurement activity with the Scottish Procurement Alliance (SPA) to deliver new build housing at the site of the former Columbia High School, School Street, Coatbridge be approved;
- (2) that the commencement of procurement activity with Scotland Excel to deliver new build housing at the site at Dykehead Road, Holehills, Airdrie be approved;
- (3) that the outcome of the procurements with SPA and Scotland Excel be noted, and that a further report be submitted to a future meeting of the Committee once the costs had been agreed;
- (4) that the award of a call-off contract for the construction of new build housing at Dimsdale Road, Wishaw to CCG (Scotland) Limited in the revised sum of £9,947,183.07 be noted;
- (5) that the award of call-off contracts, in line with the SPA framework conditions, for the construction of new build housing at Caledonian Road and Community Road, Bellshill to CCG (Scotland) Limited, and at Berwick Street, Coatbridge, to Crudens Buildings and Renewals Limited, up to the value of £13.82m, be approved, and
- (6) that the current position with other procurement exercises, highlighted within the report, be noted.

**SCOTTISH HOUSING REGULATOR - 2019 ASSURANCE STATEMENT**

11. With reference to paragraph 6 of the Minute of the meeting of this Committee held on 22 May 2019 when, inter alia, it had been agreed that a copy of the North Lanarkshire 2019 Assurance Statement be submitted to the next meeting of this Committee for consideration, there was submitted a report by the Head of Housing Solutions (1) seeking approval to sign off the annual Assurance Statement, as enclosed in Appendix 1 of the report, and (2) advising that the Service required to comply with the regulatory requirements set out in Chapter 3 of the Scottish Housing Regulator Framework, attached as Appendix 2 to the report, and mechanisms had been put in place to support the signing off of the Self-Assurance Statement.

**Decided:** that the Scottish Housing Regulator, North Lanarkshire Council, Annual Assurance Statement 2019 be signed off.

**POLICY ON IMPACT OF UNIVERSAL CREDIT**

12. With reference to paragraph 12 of the Minute of the meeting of the former Enterprise and Housing Committee held on 5 September 2018, when, *inter alia*, it had been agreed to note the current situation affecting tenants in receipt of Universal Credit, particularly where they were eligible for housing costs to cover their rent, there was submitted a report by the Head of Housing Solutions providing an update on the impact of Universal Credit on tenants and the housing revenue collected through rents (1) advising that the impact on mainstream tenants had been significant since April 2018, and had resulted in a significant increase in rent arrears overall for tenants in receipt of Universal Credit; (2) indicating that the Council had witnessed a considerable migration to Universal Credit which was higher than anticipated, with statistics, highlighted within the report, demonstrating the correlation between Universal Credit and increasing arrears; (3) intimating (a) that arrears were largely due to the “technical arrears” of there being no payment of Universal Credit for one calendar month following the date of claim, plus an additional waiting period of one week, and (b) that many tenants who had moved to Universal Credit from Housing Benefit, which had been paid directly to their rent account from the start of their claim, had never experienced rent arrears before; (4) providing details, within the report, as to why the Council did not receive payments timeously from the Department of Work and Pensions; (5) proposing (a) that the Service investigate the appropriateness of establishing a fund to assist tenants who were falling into arrears due to the waiting time for Universal Credit Payments to be processed and paid, and (b) that further work be undertaken to determine how the fund would be administered, and (6) indicating that an estimated £1m would initially be required to help mitigate against technical arrears being experienced by tenants claiming Universal Credit.

**Decided:**

- (1) that the Head of Housing Solutions investigate the appropriateness of establishing a fund to assist tenants, who were falling into arrears due to the built-in waiting time for Universal Credit payments to be processed and paid, and
- (2) that the report be otherwise noted.

**SMOKE AND HEAT DETECTOR INSTALLATION PROGRAMME**

13. With reference to paragraph 7 of the Minute of the meeting of this Committee held on 22 May 2019 when, *inter alia*, it had been agreed to note the amendments to the Housing (Scotland) Act 1987 in relation to smoke and heat detection, with a deadline for complying with these of February 2021, and that a further report would be submitted to the future meeting of the Committee on anticipated budget requirements, there was submitted a report by the Head of Business (Housing Property and Projects) regarding the financial impact that these statutory changes would have on funding required for 2020/21 and (1) seeking approval of the potential requirement for additional funding for the Smoke and Heat Detector Installation Programme for 2019/2020 up to a maximum of £6,600,000 (2) highlighting, within the report, the requirements of the Smoke and Heat Detector Programme, following the recent amendments to the Housing (Scotland) Act 1987; (3) advising (a) that the current budget only covered smoke/heat detector replacements as part of the Housing Investment Programme projects, and (b) that the Housing Property and Projects Service had explored the most suitable method for procuring the works; (4) intimating (a) that it had been determined that the Council would not be required to procure a new delivery vehicle, and would make use of existing contractual arrangements, and (b) that the majority of the programmed installations would be carried out by Saltire Facilities Management Limited, with further options remaining available should there be a need to accelerate the programme in order to achieve the February 2021 deadline, and (5) indicating (a) that it was anticipated that the value of the works would be up to a maximum of £10m, and, as the strategy for implementation had now changed, the Council would now be arranging for all smoke detectors to be replaced in all properties; (b) that the anticipated budget for the work was expected to be up to a maximum of £15m over the course of the next two financial years, and (c) that the Service would endeavour to manage spend through the Capital Programme for 2019/2020, with the anticipated spend for this financial year being up to the maximum of £6,600,000.

**Decided:**

- (1) that the potential requirement for additional funding for 2019/2020, up to a maximum of £6,600,000, be approved;
- (2) that the financial impact of the amended legislation on the funding required for 2020/2021 be noted, and
- (3) that the report be otherwise noted.

**CONTRACT VARIATION: SCHOOL UPGRADE WORKS**

14. There was submitted a report by the Head of Asset and Procurement Solutions regarding the variation in costs against tender price incurred on the contract to refurbish Taylor High School and Braidhurst High School and (1) outlining the background to, and the reasons why, additional monies were required to complete the contracts; (2) detailing, within the report, all action taken to respond to additional issues identified, remedial action taken, and the subsequent variation in costs as a result, and (3) advising that the variation in costs had been contained within the contingency fund allocated to the project and that no other budgets were affected.

**Decided:**

- (1) that the action taken to respond to additional issues identified, remedial action taken, and the subsequent variation in costs as a result be noted;
- (2) that it be noted that the funding for the variation was contained within the contingency fund allocated to the project, and that no other budgets were affected, and
- (3) that the report be noted.

**GENERAL DEBTORS DEBT WRITE-OFF 2019**

15. There was submitted a report by the Head of Communities (1) providing a summary of outstanding debtor accounts, which were deemed uncollectable following all attempts at recovery or were considered uneconomically viable to continue pursuing, including debts under £500, amounting to £91,106.19 and written off by the Executive Director (Enterprise and Communities) and the Head of Financial Solutions under delegated powers; (2) proposing that debts greater than £500, amounting to £147,290.77, be written off, with an analysis of the total write-off being detailed within the report, and (3) advising that the Council would continue to make every effort to collect outstanding debt.

**Decided:**

- (1) that it be noted that the Executive Director (Enterprise and Communities) and the Head of Financial Solutions had written-off debts under £500, amounting to £91,106.19, which were considered to be uncollectable;
- (2) that the write-off of a number of debts over £500 to the value of £147,290.77 be approved;
- (3) that the report be remitted to the Finance and Resources Committee for consideration, and
- (4) that the report be otherwise noted.

**REVENUE BUDGET MONITORING REPORTS**

**(1) HRA REVENUE MONITORING REPORT - 1 APRIL TO 19 JULY 2019**

16. There was submitted a report by the Executive Director (Enterprise and Communities) (1) providing a summary of the Housing Revenue Account (HRA) financial performance for the period 1 April to 19 July 2019 (Period 4); (2) illustrating the projected outturn as at 31 March 2020, with major outturn variances highlighted and explained in accordance with the Council's approved Financial Regulations, and (3) advising that the Service currently anticipated a surplus of £0.050m.

**Decided:** that the financial position of the HRA budget 2019/20 be noted.

**(2) ENTERPRISE AND COMMUNITIES - REVENUE MONITORING REPORT (NON-TRADING)**

17. There was submitted a report by the Executive Director (Enterprise and Communities) (1) highlighting the financial performance for the Enterprise and Communities' budget for the period from 1 April to 19 July 2019 (Period 4); (2) illustrating the projected outturn, as at 31 March 2020, with major outturn variances highlighted and explained as per the Council's approved Financial Regulations, and (3) advising (a) that the Enterprise and Communities' budget was forecasting a year-end balanced budget position based on performance to Period 4, and (b) that the Service had identified a number of financial pressures across each division which were being fully offset by planned management action, with further information highlighted within the appendices to the report.

**Decided:** that the financial position of the 2019/20 Enterprise and Communities Revenue Budget be noted.

**(3) ENTERPRISE AND COMMUNITIES - TRADING REPORT**

18. There was submitted a report by the Executive Director (Enterprise and Communities) (1) providing a summary of the Council's Trading Account financial performance for the period from 1 April to 19 July 2019 (Period 4); (2) illustrating the projected outturn, as at 31 March 2020, with major outturn variances highlighted and explained as per the Council's approved Financial Regulations, and (3) advising that the Council's Trading Account was projected to achieve the budgeted surplus of £0.534m for 2019/20 based on performance to Period 4.

**Decided:** that the financial position of the 2019/20 Enterprise and Communities' Trading Account revenue budget be noted.

**CAPITAL PROGRAMME MONITORING REPORTS**

**(1) HRA CAPITAL MONITORING REPORT - 1 APRIL TO 19 JULY 2019**

19. There was submitted a report by the Executive Director (Enterprise and Communities) (1) reviewing the progress towards the agreed spending plans within the 2019/20 HRA Capital Programmes; (2) providing, in the appendices to the report, a summary of (a) the mainstream working programme, and (b) the projected spend on the New Build Programme, and the Council Buy Back Schemes, and (3) indicating that the projected spend on the New Build Programme, which currently totalled £19,776,000, was funded by Prudential Borrowing and Scottish Government Grant, and that the projected spend on the Council Buy Back Scheme currently totalled £12.5m, jointly between the Empty Homes and the Open Market Purchase Schemes, and was funded by Prudential Borrowing and Scottish Government Grant.

**Decided:** that the financial position of the 2019/20 HRA Capital Programmes be noted.

Councillor Kelly, prior to the consideration of the following item of business, having declared an interest by virtue of his substitute membership of the City Deal Cabinet, further declared that he believed that the interest was so sufficiently remote that it would not preclude his participation in the consideration of this item of business.

**(2) ENTERPRISE AND COMMUNITIES - CAPITAL MONITORING REPORT**

20. There was submitted a report by the Executive Director (Enterprise and Communities) (1) highlighting the financial performance of the Enterprise and Communities' Capital Programme 2019/20 for the period from 1 April to 19 July 2019 (Period 4); (2) advising that the Service had a total capital budget of £76.557m across all workstreams, comprising the Composite Capital Programme, Enterprise Projects, Schools and Centres 21, and Early Years expansion; (3) intimating that the Service was forecasting a balanced budget position at this early stage in the financial year, with a number of management actions having been taken through the Strategic Capital Delivery Group to ensure this position, and (4) detailing, within the report and Appendix 4 to the report, the proposed budget virements required to help to ensure that the available resources more closely reflected operational activity across the themes.

**Decided:**

- (1) that the financial position of the 2019/20 Enterprise and Communities' Capital Programme be noted;
- (2) that the proposed budget virements, as detailed in the report, be approved, and
- (3) that the report be otherwise noted.

**CONTRACT APPROVAL - MEASURED TERM CONTRACT FOR ASBESTOS REMOVAL AND ENCAPSULATION SERVICES FOR DOMESTIC AND NON DOMESTIC PROPERTY 2019-2023**

21. There was submitted a report by the Head of Business (Housing Property and Projects) (1) reporting on the outcome of the tendering process for the Measured Term Contract for Asbestos Removal and Encapsulation Services for Domestic and Non Domestic Property 2019 to 2023; (2) advising that, after checking, the most economically advantageous tenders for Lot 1 – Non Domestic Property and Lot 2 – Domestic Property were those submitted by Rhodar Limited, and (3) proposing that the tenders from Rhodar Limited for the Measured Term Contract for Asbestos Removal and Encapsulation Services for Domestic and Non Domestic Property 2019 to 2023 Lot 1 – Non Domestic Property and Lot 2 - Domestic Property be accepted for a period of three years, with an option to extend for a further period of one year, at the sole discretion of the Council, up to the maximum value of £1,100,000 for Lot 1 – Non Domestic Property and £2,000,000 for Lot 2 – Domestic Property for the maximum period of the contract.

**Decided:**

- (1) that the tenders submitted by Rhodar Limited for the Measured Term Contract for Asbestos Removal and Encapsulation Services, for Domestic and Non Domestic Property 2019-2023, be accepted for a period of three years, with an option to extend for a further period of one year, at the sole discretion of the Council, up to the maximum value of £1,100,000 in respect of Lot 1 - Non Domestic Property, and £2,000,000 for Lot 2 – Domestic Property, for the maximum period of the contract, and
- (2) that the report be otherwise noted.

Councillor O'Rourke, prior to the consideration of the following item of business, having declared an interest by virtue of his membership on the Board of Mears Limited, left the meeting during consideration of this item.

**NEW BUILD PROGRAMME - FORMER PLAINS PRIMARY SCHOOL SITE - CONTRACT AWARD**

22. With reference to paragraph 11 of the Minute of the meeting of the former Enterprise and Housing Committee held on 14 November 2018 when, *inter alia*, approval had been given to the proposed procurement strategy for the sites at the former Plains Primary School, Plains, Mossburn Road, Waterloo and McArthur Avenue, Glenmavis, there was submitted a report by the Head of Planning and Regeneration (1) reporting on the outcome of the tendering process for the New Build Programme – former Plains Primary School Site; (2) advising that, after checking, the most economically advantageous tender for the New Build Programme – former Plains Primary School site was that submitted by Mears Limited, and (3) proposing that the tender from Mears Limited for the New Build Programme – former Plains Primary School site be accepted for the estimated total contract value, including defects and contingency, of £2,893,819.60.

**Decided:**

- (1) that the tender submitted by Mears Limited for the New Build Programme – former Plains Primary School site be accepted at the estimated total contract value, including defects and contingency, of £2,893,819.60, and
- (2) that the report be otherwise noted.

**CONTRACTS AWARDED BELOW COMMITTEE APPROVAL THRESHOLD**

23. There was submitted a report by the Head of Asset and Procurement Solutions intimating that the contracts, highlighted within Appendix 1 to the report, had been accepted by him in accordance with the General Contract Standing Orders during the period from 1 April to 30 June 2019.

**Decided:**

- (1) that the contracts accepted by the Head of Asset and Procurement Solutions in the reporting period from 1 April to 30 June 2019 be noted, and
- (2) that the report be otherwise noted.