

Motherwell, 12 March 2020 at 10 am.

A Meeting of the FINANCE AND RESOURCES COMMITTEE

PRESENT

Councillor Burrows, Convener; Councillor McNeil, Vice-Convener; Councillors D. Ashraf, J. Ashraf, Burgess, Campbell, Castles, Cullen, Curran, Docherty, Farooq, Fisher, Goldie, Gourlay, Graham, Hume, C. Johnston, T. Johnston, Jones, Lennon, MacGregor, McManus, Morgan, O'Rourke, Reddin, Shields and Watson.

CHAIR

Councillor Burrows (Convener) presided.

IN ATTENDANCE

The Head of Financial Solutions; Head of Legal and Democratic Solutions; Head of People and Organisational Development; Employability Resources Manager; Finance Manager; Group Manager (Assets Management); Group Manager (Estates) and Committee Officer.

APOLOGIES

Councillors Baird, M. Coyle, Currie, Di Mascio, Feeney, Logue, Shevlin and Annette Valentine.

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

1. Councillor Curran declared an interest in paragraph 5, by virtue of his appointment as a Member of Routes to Work Limited, left the meeting and took no part in the determination of the item.

Councillors Burgess, Castles, Reddin and Shields each declared an interest in paragraph 13, by virtue of their appointment as Members of the Lanarkshire Valuation Joint Board and took no part in the consideration thereof.

Councillors Lennon, McNeil and O'Rourke each declared an interest in paragraph 19, by virtue of their appointment as Members of North Lanarkshire Properties Limited Liability Partnership, left the meeting and took no part in the determination of the item.

MINUTES OF THE MEETINGS OF THE EMPLOYEE APPEALS SUB-COMMITTEE OF 21 JANUARY, 7 FEBRUARY AND 26 FEBRUARY 2020

2. There was submitted the Minutes of the meetings of the Employee Appeals Sub-Committee held on 21 January, 7 February and 26 February 2020.

Decided: that the Minutes be approved.

REGISTRATION SERVICE PERFORMANCE FOR 2018

3. There was submitted a report by the Head of Legal and Democratic Solutions (1) advising of the performance of the Registration Service for 2018; (2) detailing the key highlights for the Service during that period; (3) providing, in Appendix 1 to the report, the registration statistics split by area from 2016

to 2018; (4) highlighting that following inspection by the District Examiner, National Records of Scotland, the Registration Service had achieved 99.4% accuracy in the Registration of Births, Deaths, Marriages and Civil Partnerships for 2018, which was an improvement on the previous year's figure of 99.03%; (5) outlining, in Appendix 2 to the report, the Registration Service Performance Indicators for 2018 across each council area in Scotland, with North Lanarkshire Council currently ranked as the third highest performer in Scotland, in terms of the accuracy of recording events, and (6) confirming the next steps for the Service.

Decided: that the content of the report be noted.

REGISTRATION SERVICE DISCRETIONARY FEE INCREASE

4. There was submitted a report by the Head of Legal and Democratic Solutions (1) advising (a) that the core fees for the Registration Service to register births, deaths and marriages were set by the National Register of Scotland, and (b) that in order to cover administration and staffing costs, local authorities also charged a discretionary fee for carrying out these functions; (2) setting out, in Appendix 1 to the report, the current fee structure for services undertaken by the Registration Service; (3) seeking approval to increase the discretionary fees charged for conducting life event ceremonies on a Friday, effective as of 1 April 2020; (4) detailing, in Appendix 2 to the report, the proposed revised fee structure, and (5) proposing the introduction of a priority same day service for a copy extract at an additional fee of £5.

The Head of Legal and Democratic Solutions gave an overview of the report. Following discussion, the Committee requested that an Equality Impact Assessment (EIA) be undertaken in relation to the introduction of increased charges for Friday ceremonies and that approval be subject to the successful completion of the EIA.

Decided:

- (1) that it be agreed that the discretionary fees charged for Civil Marriage and Civil Partnership ceremonies conducted on a Friday be increased from £79 to £87 (with more than two witnesses/guests and if the ceremony took place within a Registration Office) and from £167 to £184 (if the ceremony was conducted in an outside venue), subject to the successful completion of an EIA;
- (2) that it be agreed that the discretionary fees charged for Naming Ceremonies for a Child and the Renewal of Marriage Vow Ceremonies conducted on a Friday be increased from £147 to £162 (if the ceremony took place within a Registration Office) and from £235 to £259 (if the ceremony was conducted in an outside venue), subject to the successful completion of an EIA, and
- (3) that the introduction of a priority same day service for a copy extract be approved at an

Councillor Curran, prior to consideration of the following item of business, declared an interest by virtue of his appointment as a Member of Routes to Work Limited, left the meeting and took no part in the determination of the item.

EUROPEAN SOCIAL FUND (ESF) PAYMENTS SUSPENSION UPDATE

5. There was submitted a report by the Head of Communities (1) intimating (a) that on 14 November 2019, the Scottish Government wrote to lead partners of the European Social Fund (ESF) Employability Programmes advising that the Scottish ESF Programme moved into suspension as of 15 November 2019, and (b) that as a consequence, the European Commission would not pay out claims for reimbursement submitted by the Scottish Government, and as a result the Scottish Government would not pay out on claims submitted by lead partners; (2) detailing, in Appendix 1 to

the report, recent correspondence from the Scottish Government, which indicated that they would be releasing claims already verified and awaiting payment, which would enable backdated claims to be submitted; (3) highlighting (a) that the Scottish Government had indicated in discussions with COSLA that, following some additional work, the suspension would be lifted in May/June 2020, which would enable future claims to be paid, and (b) that until the suspension from the European Commission was formally lifted there was no guarantee of future claims being paid; (4) setting out the outstanding claims awaiting payment and the future expenditure that was at risk if the suspension was not lifted, and (5) seeking approval (a) to continue match funding for the programme, and (b) to monitor the Scottish Government's progress with lifting the suspension, with the proviso that should the suspension not be lifted by June 2020, then the Head of Communities be instructed to undertake an options appraisal, the results of which would be reported to a future meeting of the Committee.

Decided:

- (1) that the recent correspondence from the Scottish Government, included as Appendix 1 to the report, be noted;
- (2) that the continued match funding of the programme be approved, and
- (3) that the Scottish Government's progress in lifting the suspension be monitored, with the proviso that should it not be lifted by June 2020, an options appraisal exercise be undertaken by the Head of Communities and the results reported to a future meeting of the Committee.

REVENUE MONITORING

(1) REVENUE BUDGET MONITORING REPORT – CHIEF EXECUTIVES AND OTHER CORPORATE SERVICES 1 APRIL 2019 TO 31 JANUARY 2020

6. There was submitted a report by the Head of Financial Solutions (1) summarising the Chief Executive and other corporate services' financial performance for the period 1 April 2019 to 31 January 2020; (2) illustrating the projected outturn as at 31 March 2020; (3) highlighting and explaining the major outturn variances, as per the Council's approved Financial Regulations; (4) intimating that the Council approved its General Fund Revenue Budget on 21 February 2019, of which £71.662m represented the Net Revenue Budget for the Chief Executive and other corporate services; (5) advising that the Service was currently projecting a surplus of £0.477m for the financial year, and (6) detailing (a) that the 2019/20 budget incorporated £1.957m worth of savings previously approved by the Council, and (b) that it was anticipated that £1.719m worth of savings would be delivered by the financial year-end.

Decided: that the financial position of the 2019/20 Chief Executive and other corporate services' Revenue Budget be noted.

(2) REVENUE BUDGET MONITORING REPORT - COUNCIL SUMMARY 1 APRIL 2019 TO 31 JANUARY 2020

7. There was submitted a report by the Head of Financial Solutions (1) providing an update on the overall position for the General Fund Account, Housing Revenue Account and Adult Health and Social Care for the financial year to 31 March 2020; (2) advising that the report consolidated the budget monitoring position of all Services; (3) highlighting and explaining major variances, as per the Council's approved Financial Regulations; (4) setting out (a) in Appendix 1 to the report, a financial summary by Service; (b) in Appendix 2 to the report, the anticipated commitments against earmarked funds, and (c) in Appendix 3 of the report, availability of one-off funds from the Change Management Fund; (5) intimating (a) that the Council approved its General Fund Revenue Budget on 21 February 2019, and (b) that the issue of the Local Government Finance Circular 1/2020 in February 2020, gave a revised budget of £766.478m against which the Council was currently reporting a surplus of £4.825m, and (6) detailing that the 2019/20 budget incorporated £27.666m worth of savings of which it was

anticipated that £24.859m worth of savings would be delivered by the financial year-end, with replacement savings of £2.628m identified to date, leaving a shortfall of £0.179m.

Decided:

- (1) that the financial position of the 2019/20 Revenue Budget be noted, and
- (2) that the content of the report be noted.

CAPITAL PROGRAMME 2019/20 MONITORING REPORT 1 APRIL 2019 TO 31 JANUARY 2020

8. There was submitted a report by the Head of Financial Solutions (1) providing an update on resources and expenditure on 2019/20 budgets for the Council's Capital Programmes; (2) advising the provisional year-end outturn position and the resultant variances; (3) detailing, in the Appendices to the report (a) the Capital Programme 2019/20 budget movements; (b) the General Fund and Housing Revenue Account Capital Investment Programme summaries 2019/20, as at 31 January 2020, and (c) a summary of the proposed budget acceleration and reprofiling requests, and (4) highlighting (a) that the Community Investment Fund (CIF) had been established to support new investment over and above the Council's core composite and other capital programmes; (b) that an initial capital investment into the CIF of £40m had been approved in 2019/20, and (c) that it had been agreed at the meeting of the Strategic Capital Delivery Group (SCDG) on 23 January 2020 to reprofile £13.383m to 2020/21 subject to approval by the Committee and, in order to reflect the current status and continued work to establish priorities for the fund, in line with The Plan for North Lanarkshire over a ten year planning period.

Decided:

- (1) that the financial position of the Council's Capital Programmes, as at 31 January 2020, be noted;
- (2) that the SCDG's decision to reprofile £13.383m of the CIF budget to 2020/21 be approved, and
- (3) that it be noted that the reprofiling of the CIF budget reflected current progress as work continued in order to establish priorities for the fund, in line with The Plan for North Lanarkshire over a ten year planning period.

TREASURY MANAGEMENT MONITORING REPORT FOR QUARTER ENDED 31 DECEMBER 2019

9. There was submitted a report by the Head of Financial Solutions (1) advising on the quarterly Treasury Management Activity for the period 1 April to 31 December 2019; (2) informing of debt restructuring, borrowing, investments and the interest rate movements during that period, and (3) providing, in Appendix 2 to the report, a summary of key treasury and prudential indicators as at quarter ended 31 December 2019.

Decided: that the Treasury Management Activity for the quarter ended 31 December 2019, including the positive performance against the key treasury and prudential indicators, be noted.

TREASURY MANAGEMENT STRATEGY 2020/21 – TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS 2020/21 TO 2022/23

10. There was submitted a report by the Head of Financial Solutions (1) outlining, in Appendix 1 to the report (a) the Treasury Management Strategy for 2020/21 in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management, and (b) the Treasury Management Indicators and Prudential Indicators for 2020/21 to 2022/23, as required by the CIPFA Code of Practice on Treasury Management and CIPFA Prudential Code for Capital Finance in Local Authorities, and (2) highlighting that the key mandatory indicators required by both the Treasury Management Code and the Prudential Code were illustrated for 2020/21 to 2022/23 and that local indicators had also been included in order to inform the decision making process.

Decided:

- (1) that the Treasury Management Strategy for 2020/21 be endorsed;
- (2) that the Treasury Management and Prudential Indicators for 2020/21 to 2022/23 and the Policy on Repayments of Loan Fund Advances for 2020/21, as set out in Appendix 1 to the report, be adopted, and
- (3) that the Treasury Management Strategy 2020/21 be remitted to the Council for approval.

PAYMENT OF LOCAL TAXATION AND BENEFIT UPDATE

11. There was submitted a report by the Head of Financial Solutions (1) providing an update on the payment performance for Council Tax and Non Domestic Rates and the administration of Welfare Benefits and Council Tax Reduction Scheme as at 31 January 2020; (2) advising (a) that the current year collection of Council Tax at the end of December 2019 was 90.1%, which was up by 0.1% in comparison to the same point in the previous year; (b) that the Non Domestic Rates collection as at 31 January 2020 was 87.5%, which was down 0.8% from the same position in the previous year; (c) that the percentage decrease in the Non Domestic Rates collection was attributed to a large property being entered on the roll during January 2020, and (d) that it was anticipated that following the application of rates relief to this property, the collection performance would be in line with the previous year; (3) detailing a comparison of the performance at the end of January against the same period in the previous year, in relation to the speed of processing benefit applications and changes, which had significantly improved in line with expectations, and (4) highlighting (a) that the Scottish Welfare Fund (SWF) spend at current levels would exceed the Scottish Government allocation, and (b) that the priority level for the SWF had been assessed and had now moved to "high most compelling" to ensure that spend was in line with budget at year-end.

Decided: that the report be noted.

REVIEW OF 2019/20 BUDGET SAVINGS

12. There was submitted a report by the Head of Financial Solutions (1) providing an update on the achievement of Financial Solutions totalling £27.666m agreed as part of the 2019/20 budget; (2) advising that as of 3 January 2020, it was anticipated that £24.860m (89.9%) of savings would be delivered by the financial year end, with a further £1.951m (7.1%) in place for the beginning of 2020/21 with the remaining balance of £0.855m under review; (3) outlining, in the Appendix to the report, further details in relation to the 2019/20 budget savings; (4) intimating (a) that the 2018/19 budget had incorporated £20.017m of approved savings, and (b) that it had been previously reported to the Committee that £15.587m worth of savings were achieved during 2018/19, which resulted in a balance of £4.430m to be achieved during 2019/20, and (5) detailing that a further review had identified that £4.367m (20.8%) of savings would be achieved prior to 2020/21, with a balance of £0.063m (0.3%) currently under review.

Decided: that the content of the report be noted.

Councillors Burgess, Castles, Reddin and Shields, prior to consideration of the following item of business, each declared an interest by virtue of their appointment as Members of the Lanarkshire Valuation Joint Board and took no part in the consideration thereof.

STATUTORY BODIES: LANARKSHIRE VALUATION JOINT BOARD (LVJB) ANNUAL OVERSIGHT REPORT 2018/19

13. There was submitted a report by the Head of Financial Solutions summarising, in the Appendix to the report, the 2018/19 performance of the Lanarkshire Valuation Joint Board (LVJB).

Decided: that the 2018/19 performance of the LVJB be noted.

REMIT FROM THE HOUSING AND REGENERATION COMMITTEE OF 19 FEBRUARY 2020 – FORMER TENANT ARREARS WRITE-OFF TO 31 MARCH 2018

14. With reference to paragraph 16 of the Minute of the meeting of the Housing and Regeneration Committee held on 19 February 2020, there was submitted a report by the Head of Housing Solutions (1) presenting a summary of outstanding housing rent debts which were deemed uncollectable following all attempts at recovery by the Housing, Rent and Court Teams or were considered uneconomically viable to continue pursuing; (2) advising that the Head of Housing Solutions and Head of Financial Solutions, under delegated authority, had written-off £260,062.46 for debts under £500, and (3) seeking approval for (a) the write-off of £2,148,544.41 for individual debts greater than £500, and (b) the write-off of credit balances totalling £61,153.06 that had arisen in some former tenancy rent accounts.

Decided:

- (1) that the decision of the Head of Housing and Head of Financial Solutions, under delegated authority, to write-off £260,062.46 for debts under £500 be noted;
- (2) that the write-off of £2,148,544.41 in relation to individual debts greater than £500 be approved, and
- (3) that the write-off of credit balances totalling £61,153.06, which had arisen in some former tenancy rent accounts, be approved.

NATIONAL FRAMEWORK CONTRACT FOR THE SUPPLY OF WATER AND WASTE WATER BILLING SERVICES

15. There was submitted a report by the Head of Asset and Procurement Solutions (1) advising that the Council had a requirement to secure a regulated water supply to provide its operational properties for the supply of water and disposal of waste water, including any associated billing costs for the services provided; (2) intimating (a) that the Council currently participated in the National Framework Contract for the Supply of Water and Waste Water Billing Services which was procured by Scottish Procurement in 2015, and (b) that the current contract was awarded to Anglian Water Business (National) Limited and was due to expire on 31 March 2020; (3) detailing that the next generation of the National Framework Contract had been procured by Scottish Procurement, with the contract awarded to Scottish Water Business Steam Limited and was due to commence on 1 April 2020 for an initial supply period of three years to 31 March 2023, with the option to extend for a further one year until 31 March 2024; (4) highlighting, that based on historic spend patterns and ongoing remedial action to improve consumption within the Council's operational properties, it was anticipated that the Council would spend £6m throughout the full term of the contract, and (5) seeking approval for the Council's continued participation in the National Framework Contract for the Supply of Water and Waste Water Billing Services for the entire term, as guided by Scottish Procurement.

Decided: that the Council's participation in the National Framework Contract for the Supply of Water and Waste Water Billing Services, for the entire contract term as defined by the Scottish Procurement, be approved.

CONTRACT AWARD FOR BUILDING MANAGEMENT SERVICES

16. There was submitted a report by the Head of Asset and Procurement Solutions (1) seeking approval to award the Contract for Building Management Services to ENGIE Services Limited; (2) advising that the contract was for an initial period of three years commencing 1 May 2020, with a right to extend the contract for up to a maximum of a further 24 months, and (3) intimating that the value of the contract had a potential maximum value of £3.6m.

Decided: that it be agreed that the Contract for Building Management Services be awarded to ENGIE Services Limited for a potential maximum value of £3.6m.

CONTRACTS AWARDED BELOW COMMITTEE APPROVAL THRESHOLD

17. There was submitted a report by the Head of Asset and Procurement Solutions providing, in the Appendix to the report, details of contracts which had been awarded by him, under delegated authority, during the period 1 October to 31 December 2019.

Decided: that the content of the report and Appendix be noted.

SUBSTATION LEASES FOR ELECTRIC VEHICLE CHARGING POINTS AT VARIOUS LOCATIONS

18. With reference to the paragraph 6 of the Minute of the meeting of the Environment and Transportation Committee held on 12 February 2020, when the development and implementation of Electric Vehicle (EV) charging hubs across North Lanarkshire, in partnership with Scottish Power Energy Networks, Transport Scotland Limited and the Scottish Government was approved, there was submitted a report by the Head of Asset and Procurement Solutions (1) advising that in order to facilitate the installation of EV charging points, Scottish Power Energy Networks required a number of new substations to be built; (2) detailing, in the Appendix to the report, nine potential substation locations within North Lanarkshire, including the pedestrian access and routes of cables for each location, and (3) highlighting that the locations were indicative at this stage and may be subject to change once further detailed technical investigations had been undertaken.

Decided:

- (1) that it be agreed to grant leases to Scottish Power Energy Networks, or their nominees, to install sub-stations and associated equipment and the servitude rights for vehicle and pedestrian access and cables to be laid on land at Drungelloch Railway Car Park, Airdrie; Sir Matt Busby Sports Centre, Bellshill; Time Capsule Car Park, Coatbridge; Drumpellier Country Park Car Park, Coatbridge, Summerlee Car Park, Coatbridge; Broadwood Stadium, Cumbernauld; School Road Car Park, Wishaw; Glebe Street Car Park, Bellshill and Burnhead Community Centre Car Park, Viewpark, and
- (2) that the Head of Asset and Procurement Solutions be authorised to adjust all terms and conditions, including variation of the locations of the substations and the route of the servitude rights of access and cables.

Councillors Lennon, McNeil and O'Rourke, prior to consideration of the following item of business, each declared an interest by virtue of their appointment as Members of the North Lanarkshire Properties Limited Liability Partnership, left the meeting and took no part in the consideration thereof.

ACQUISITION – MOTHERWELL OLD TOWN HALL

19. There was submitted a report by the Head of Asset and Procurement Solutions (1) seeking approval to purchase Motherwell Old Town Hall from North Lanarkshire Properties Limited Liability Partnership (NLP LLP) in order to create 20 flats as part of the Council's new supply programme; (2) proposing to fund the acquisitions from the Town Centre Fund, and (3) confirming that a provisional price of £700,000 had been agreed with NLP LLP for the transfer of the property.

Decided:

- (1) that it be agreed to purchase Motherwell Old Town Hall from NLP LLP for the purpose of creating 20 flats as part of the new supply programme, and
- (2) that the Head of Asset and Procurement Solutions be authorised to adjust all other terms and conditions.

RE-ALLOCATION OF LAND

(1) CALEDONIAN AVENUE, BELLSHILL

20. There was submitted a report by the Head of Asset and Procurement Solutions seeking approval to reallocate two areas of land at Caledonian Avenue, Bellshill, from the remit of the Council's Environmental Asset Service to the Planning and Regeneration Service for inclusion in the Council's new build programme.

Decided:

- (1) that it be agreed that the two areas of land at Caledonian Road, Bellshill be reallocated from the Council's Environmental Assets Service to the Planning and Regeneration Service, as per the terms and conditions detailed in paragraph 2.2 of the report, and
- (2) that the Head of Asset and Procurement Solutions be authorised to adjust all other terms and conditions.

(2) COMMUNITY ROAD, BELLSHILL

21. There was submitted a report by the Head of Asset and Procurement Solutions seeking approval to reallocate the area of land at Community Road, Bellshill from the remit of the Council's Environmental Assets Service to the Planning and Regeneration Service for inclusion in the Council's new build programme.

Decided:

- (1) that it be agreed that the area of land at Community Road, Bellshill be reallocated from the Council's Environmental Assets Service to the Planning and Regeneration Service, as per the terms and conditions detailed in paragraph 2.2 of the report, and
- (2) that the Head of Asset and Procurement Solutions be authorised to adjust all other terms and conditions.

(3) ROBERTS STREET, WISHAW

22. There was submitted a report by the Head of Asset and Procurement Solutions seeking approval to reallocate two areas of land at Roberts Street, Wishaw from the remit of the Council's Health and Social Care Service to the Planning and Regeneration Service for inclusion in the Council's new build programme.

Decided:

- (1) that it be agreed that the two areas of land at Roberts Street, Wishaw be reallocated from the Council's Health and Social Care Service to the Planning and Regeneration Service, as per the terms and conditions detailed in paragraph 2.2 of the report, and
- (2) that the Head of Asset and Procurement Solutions be authorised to adjust all other terms and conditions.

It was agreed in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, that the public be excluded from the meeting for the following item on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

PROPOSED ASSIGNATION AND MINUTE OF VARIATION OF LAND AT STRATHCLYDE COUNTRY PARK, MOTHERWELL

23. There was submitted a report by the Head of Asset and Procurement Solutions advising of the proposed Assigation and Minute of Variation in relation to the ground lease at Strathclyde Park, Motherwell.

Decided:

- (1) that the content of the report and Appendix be noted;
- (2) that the proposed terms and conditions for the Assigation and Minute of Variation be noted, and
- (3) that the Head of Asset and Procurement Solutions be authorised to adjust all other terms and conditions.