

**24 September 2020 at 2 pm.**

A Remote Meeting of the **FINANCE AND RESOURCES COMMITTEE**

**PRESENT**

Councillor Burrows, Convener; Councillors D. Ashraf, J. Ashraf, Beveridge, Burgess, Campbell, M. Coyle, Cullen, Curran, Docherty, Farooq, Feeney, Fisher, Gourlay, Graham, Hume, C. Johnston, T. Johnston, Jones, Larson, Linden, MacGregor, McKendrick, McManus, Morgan, O'Rourke, Reddin, Shields, Stubbs, Annette Valentine and Watson.

**ALSO PRESENT**

In accordance with Standing Order 64(A) Councillors Kelly, Quigley and Duffy substituted for Councillors McNeil, Carson and Castles respectively.

**CHAIR**

Councillor Burrows (Convener) presided.

**IN ATTENDANCE**

The Head of Financial Solutions, Head of People and Organisational Development, Head of Asset and Procurement Solutions, Group Manager (Assets Management), Group Manager Support Services, Group Manager (Estates), Legal Manager and Democratic Services Manager.

**APOLOGIES**

Councillor McNeil, Vice-Convener and Councillors Baird, Carson, Castles, Currie, Lennon, Logue and Shevlin.

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

1. Councillor Burrows declared an interest in paragraph 19 by virtue of being the local Ward Councillor and left the meeting during consideration of this item of business.

**COVID-19 PANDEMIC - FINANCIAL**

2. There was submitted a report by the Head of Financial Solutions advising of the operational impact of the Covid-19 pandemic on financial solutions and the response and recovery undertaken to continue to support other Council services, members of the public and local businesses.

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

**PO61.1 - LEARNNL PROGRESS UPDATE ON 2020/21 PROGRAMME OF WORK**

3. There was submitted a report by the Head of People and Organisational Development providing an overview of progress against the planned 2020/21 Programme of Work that continues to enhance and build on the Council's successful LearnNL provision (1) recalling that the workforce for the future Strategy 2020-23 was approved at the Policy and Strategy Committee on 19 March 2020 and made reference to a need to continue to focus on how employee learning and development, and continued

investment in workforce development, was vital to the delivery of the Council's ambition in the Plan for North Lanarkshire; (2) detailing that over the previous 12 months a full review of the Council's Learning Assets and Digital Learning Infrastructure has been undertaken; (3) providing details of the implementation of a new digital learning platform across the Council; (4) outlining work in relation to the development of leadership and management across the organisation, and (5) summarising the development underway in regards to increasing digital skills across the workforce.

**Decided:**

- (1) that the continued high level strategic direction for the work, as detailed in the report, be endorsed;
- (2) that the progress to date be noted and that the plans to further transform and digitise learning approaches be supported, and
- (3) that otherwise the contents of the report be noted.

**PO64 EMPLOYEE ENGAGEMENT AND WELLBEING**

4. There was submitted a report by the Head of People and Organisational Development providing an update on the progress of the Council's Employee Engagement and Wellbeing Programme of Work (1) explaining that the Employee Engagement Plan is fully aligned to the Investors in People (IiP) framework which is the internationally recognised industry standard of people management which sets out a measure of the extent to which all organisations are able to drive high levels of performance and employee engagement and is also used to benchmark the practices against those of other leading organisations; (2) reporting that in May of 2020 the Council achieved full IiP accreditation following the assessments of the Education and Families Service and that the next full Council IiP accreditation, using an enhanced question set aligned to the Council's direction and plans, is scheduled for January 2020/21, however, in support of its Developing the Young Workforce (DYW) goals, an employability programme of work, there will be a reassessment against the Investors in Young People (IiYP) framework in September 2020; (3) providing narrative on the five priority areas of focus for employee engagement namely (a) that leaders clearly communicate the organisation's vision and supporting behaviours; (b) that leadership capability is enhanced to engage and develop high performing teams; (c) that there be a continuation of improvement in internal communication and feedback channels; (d) that the Council wide approach to award recognition be built on and developed and (e) that the approaches that promote improved employee health and wellbeing be developed and rolled out; (4) reporting on progress to date and the future actions in terms of a forward plan; (5) informing of work underway, or planned to commence, regarding mental health and wellbeing of the workforce; (6) detailing how both employees, and managers, are supported across the organisation and providing detail on toolkits available on the Council's LearnNL system; (7) informing of the Work Well NL Project which was established to provide a one-stop virtual website that provides all health and wellbeing supports; (8) detailing a number of other initiatives ongoing to assist staff with wellbeing including the Cycle to Work Scheme, a Face to Face and Virtual Mindful Sessions, the "Be Alert" Suicide Prevention Web Sessions and "All of Us" Programme for Psychological Support and (9) outlining the next steps in terms of the continuation of the Programme of Support.

**Decided:** that the excellent progress of the Programme of Work in terms of employee engagement and wellbeing, to support the ongoing direction of travel, be noted.

**ANNUAL ACCOUNTS OUTTURN**

5. There was submitted a report by the Head of Financial Solutions informing the Committee that the annual statutory accounts of the Council for the year ended 31 March 2020 had been submitted to the Council's External Auditors, Audit Scotland, by the statutory date of 30 June 2020, and subsequently

reported to the Audit and Scrutiny Panel at its meeting of 3 September 2020, and also detailing any major variations against the Council's annual budget for the year 2019/20.

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

#### **TREASURY MANAGEMENT ANNUAL ACTIVITY REPORT - 2019/20**

6. There was submitted a report by the Head of Financial Solutions which fulfilled the key requirements of the Council's reporting procedures for Treasury Management in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code of Capital Finance in Local Authorities in that it (a) outlined the Treasury Management activity undertaken during the year; (b) reported on the Council's performance in complying with the mandatory prudential indicators, and (c) provided a detailed summary of the Council's performance.

**Decided:** that the Treasury Management activity undertaken during 2019/20, and its resulting impact on the Council's borrowing and investment strategy, as set out within Appendix 1 to the report, be noted.

#### **PAYMENT OF LOCAL TAXATION AND BENEFIT UPDATE**

7. There was submitted a report by the Head of Financial Solutions providing an update on the payment performance for Council Tax and non domestic rates and the administration of welfare benefits and the Council Tax Reduction Scheme as at 31 July 2020 (1) detailing that as of 31 July 2020 36.5% of Council Tax for the year had been collected which was a 1% reduction at the same period the previous year, as a direct consequence of the Covid-19 outbreak; (2) advising that non domestic rates collection was lower by 5.1% in comparison with the same point in the previous year; (3) intimating that the average time taken to process new Housing Benefit applications had improved to 16 days from 19 days in comparison with the same point in the previous year, and (4) highlighting that the grants paid from the Scottish Welfare Fund amounted to £0.609m (or 13.4%) of the annual award budget of £4.558m.

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

#### **GENERAL DEBTORS DEBT WRITE-OFF 2019/20**

8. There was submitted a report by the Head of Financial Solutions summarising outstanding Debtor Accounts deemed uncollectable following all attempts at recovery or not economically viable to pursue and (1) advising that the Head of Financial Solutions, in terms of her delegated authority, had agreed to write-off debts with a value under £500 totalling £22,309.88 and (2) seeking approval to write-off debts with a value greater than £500 totalling £177,136.62.

**Decided:**

- (1) that the decision of the Head of Financial Solutions, under delegated authority, to write-off £22,309.88 for debts with a value under £500, be noted, and
- (2) that a total of £177,136.62, for debts with a value greater than £500, be approved.

**REMITTS FROM COMMITTEES**

**(1) REMIT FROM EDUCATION AND FAMILY COMMITTEE OF 15 SEPTEMBER 2020 – ANNUAL BAD DEBT WRITE-OFF EXERCISE**

9. There was submitted a report by the Executive Director (Education and Families) providing a summary of outstanding debtor accounts relating to previous financial years deemed uncollectable following all attempts at recovery and asking the Education and Families Committee to note the decision of the Executive Director and the Head of Financial Solutions, in terms of their delegated authority, to write-off a total of £11,047.50 for debts with a value under £500, and remitting the report to this Committee.

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

**(2) REMIT FROM THE HOUSING AND REGENERATION COMMITTEE OF 9 SEPTEMBER 2020 - GENERAL DEBTORS DEBT WRITE-OFF 2020**

10. There was submitted a report by the Head of Communities presenting a summary of outstanding debtor accounts deemed uncollectable following all attempts at recovery or considered uneconomically viable to continue pursuing and seeking approval from that Committee to (1) note the decision of the Executive Director (Enterprise and Communities) and the Head of Financial Solutions to write-off debts with a value under £500, totalling a net figure of £111,850.81, under the delegated authority and (2) to write-off four items with a value over £500 to the value of £62,160.21 and (3) that the report be remitted to this Committee.

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

**(3) REMIT FROM THE ADULT HEALTH AND HEALTH AND SOCIAL CARE COMMITTEE OF 8 SEPTEMBER 2020 - SUNDRY DEBT WRITE-OFF 2020**

11. There was submitted a report by the Chief Officer, Health and Social Care summarising outstanding debtor accounts deemed uncollectable following all attempts at recovery or considered uneconomically viable to continue pursuing and seeking approval from that Committee to (1) note the decision of the Chief Accountable Officer and the Head of Financial Solutions, under delegated responsibilities to write-off £13,310.87 for debts with a value under £500; (2) note that debts with a total value of £71,865.62, with an individual value greater than £500, be written-off, and (3) that the report be remitted to this Committee.

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

**PROCUREMENT STRATEGY 2020-2022**

12. There was submitted a report by the Head of Asset and Procurement Solutions updating the Council's current Procurement Strategy which had first been published in September 2017 advising that the Council was required to review its Strategy annually and make changes to it where appropriate and that this update was the outcome of a third review undertaken since the Strategy had been first introduced (1) explaining that the Council spends circa £450m externally each year on supplies, services and works which represent over 40% of the Council's net expenditure; (2) informing the Committee that the Strategy reflects the Council's priorities and incorporates the legislative requirements of the Procurement Reform (Scotland) Act 2014, the EU Procurement Directives, associated strategy guidance and best practice; (3) advising that the Strategy required to include statements about how the Council's procurement activity contributes to the themes of (a) delivery of value for money, and (b) how procurements would be undertaken in accordance with the Council's

general duties, and (4) attaching, as an Appendix to the report, the Procurement Strategy April 2020 – March 2022.

**Decided:**

- (1) that the Procurement Strategy for the period 1 April 2020 to 31 March 2022 be approved, and
- (2) that, otherwise, the contents of the report be noted.

**ANNUAL PROCUREMENT REPORT 2019-20**

13. There was submitted a report by the Head of Asset and Procurement Solutions advising the Committee of the Council's Annual Procurement Report 2019-20 which had been prepared as required by the Procurement Reform (Scotland) Act 2014 (1) explaining that legislation requires Scottish public bodies with annual procurement spend greater than £5m to develop and publish an organisational Procurement Strategy and to keep that Strategy under regular review and that such public bodies are required to also prepare and publish an annual Procurement Report; (2) informing the Committee that legislation sets out that, as a minimum, each annual Procurement Report must contain a number of specific areas as detailed in the report; (3) highlighting that this was the Council's third annual Procurement Report and covered the period 1 April 2019 to 31 March 2020 and evaluated the extent to which regulated procurement activity during the period, by way of the monitoring of a wide range of performance measures, was undertaken in accordance with the Council's published Procurement Strategy and reminding the Committee that regulated procurement refers to any procurement above £50,000 for supplies and services or £2m for works and attaching, as an Appendix to the report, the annual Procurement Report 2019-20.

**Decided:**

- (1) that the contents of the Council's annual Procurement Report 2019-20 be noted;
- (2) that it be noted that the annual report will be published on the Council's website, and
- (3) that it be noted that the publication of the annual report will be notified to the Scottish Government to help inform a consolidated report to be prepared by Scottish Ministers on annual procurement activity across Scotland during 2019-20.

**MONITORING**

**(1) TREASURY MANAGEMENT MONITORING REPORT QUARTER ENDED 30 JUNE 2020**

14. There was submitted a report by the Head of Financial Solutions fulfilling the key requirements of the Council's reporting procedures for Treasury Management in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance and Local Authorities and informing the Committee of the quarterly Treasury Management Activity for the period 1 April 2020 to 30 June 2020 and compliance with the mandatory treasury and prudential indicators.

**Decided:** that the Treasury Management Activity for the quarter ended 30 June 2020, including the positive performance against the key treasury and prudential indicators, be noted.

**(2) REVENUE BUDGET AND MONITORING REPORT: CHIEF EXECUTIVE AND OTHER CORPORATE SERVICES 1 APRIL TO 24 JULY 2020 (PERIOD 4)**

15. There was submitted a report by the Head of Financial Solutions providing a summary of the Chief Executive and other corporate services financial performance for the period 1 April 2020 to 24 July 2020 (Period 4) illustrating the provisional outturn as at 31 March 2020, with major outturn variances highlighted and explained per the Council's approved financial regulations.

**Decided:** that the financial position of the 2020/21 Chief Executive and other corporate services revenue budget be noted.

**(3) REVENUE MONITORING REPORT COUNCIL SUMMARY 1 APRIL 2020 TO 24 JULY 2020 (PERIOD 4)**

16. There was submitted a report by the Head of Financial Solutions advising of the latest financial position of the General Fund, including the impact of the Council's response to, and recovery from, the Covid-19 pandemic, and summarising the financial support received to date from the Scottish Government to mitigate actions the Council had been able to take (1) advising that the Council had approved a General Fund Revenue Budget on 24 February 2020 and subsequently on 19 March 2020 and that, following notification from Scottish Government of further funding in relation to the cost of responding to Covid-19, the budget had been revised to £803.216m; (2) intimating that the Council was currently projecting a deficit of £18.326m, including net additional costs as a result of the Covid-19 pandemic of £46.270m, partially offset by non specific grant funding, of £21.832m; (3) explaining that the 2020/21 budget incorporated £31.213m of savings, and (4) projecting that £27.724m of the savings (89%) required to still be delivered within the financial year with replacement savings of £1.397m identified to date leaving a shortfall of £2.092m.

**Decided:**

- (1) that the 2020/21 latest net forecast financial impact on the General Fund Revenue Account, incorporating the anticipated impact of Covid-19, be noted;
- (2) that the mitigating actions taken to date, as detailed in the report, to reduce the anticipated budget gap by £9.157m, be noted;
- (3) that the forecast in year deficit of £18.326m, the resultant projected short-fall in the Change Management Fund of £8.970m and the impact on the Council's financial resilience in the absence of any additional UK or Scottish Government funding, additional flexibilities or further action by the Council be noted, and
- (4) that the next steps and actions required be noted.

**(4) CAPITAL PROGRAMME 2020/21 MONITORING REPORT 1 APRIL TO 24 JULY 2020 (PERIOD 4)**

17. There was submitted a report by the Head of Financial Solutions providing an update on the 2020/21 resources and expenditure for the Council's Capital Programmes and providing the provisional outturn position and resultant variances.

**Decided:**

- (1) that the decisions taken by the Strategic Capital Delivery Group at its meeting on 15 July 2020, to fund essential and legally committed Capital Programme Expenditure for 2020/21,

accepting that this may be subject to change whilst awaiting the outcome of the Council's Medium Term Financial Plan, be noted;

- (2) that the financial position of the Council's Capital Programmes as at 24 July 2020 be noted, and
- (3) that the commencement of work to prepare a rolling five year Capital Programme for 2021/22 to 2025/26 for presentation to the Policy and Strategy Committee in March 2021 be noted.

## **LAND/PROPERTY**

### **(1) 12-14 DRAFFEN STREET, MOTHERWELL**

18. There was submitted a report by the Head of Asset and Procurement Solutions detailing the proposed acquisition of the property at 12-14 Draffen Street, Motherwell.

#### **Decided:**

- (1) that the proposed acquisition, as detailed in paragraph 2.3 of the report, be approved, and
- (2) that all other terms and conditions be adjusted by the Head of Asset and Procurement Solutions.

**Councillor Burrows, prior to consideration of the following item of business, having declared an interest by virtue of being a local Ward Member, left the meeting during its consideration.**

**In the absence of the Convener and Vice Convener, Councillor Fisher assumed the Chair.**

### **(2) LAND AT BAIRDS AVENUE, VIEWPARK**

19. There was submitted a report by the Head of Asset and Procurement Solutions seeking homologation of the decision taken by the Executive Director (Enterprise and Communities), in consultation with the Convener of this Committee, to agree to the expansion of the lease area at Bairds Avenue, Viewpark and to provide the tenant with an unexpired term of 25 years.

#### **Decided:**

- (1) that the decision taken by the Executive Director (Enterprise and Communities), in consultation with the Convener of the Finance and Resources Committee, to approve the lease terms detailed at Sections 2.2 and 2.3 within the report be homologated, and
- (2) that all other terms and conditions be adjusted by the Head of Asset and Procurement Solutions.

**Councillor Burrows resumed the Chair**

### **(3) PURCHASES OF NEW HOUSES AT GLENBOIG-MUIR HOMES**

20. There was submitted a report by the Head of Asset and Procurement Solutions detailing the proposed acquisition of 15 new build houses from Muir Homes at Garnqueen, Glenboig.

**Decided:**

- (1) that the proposed acquisitions as detailed in Section 2.3 of the report be approved, and
- (2) that all other terms and conditions be adjusted by the Head of Asset and Procurement Solutions.

**(4) PROPOSED PURCHASE OF HOUSES AT GARTFERRY ROAD, CHRYSTON FROM ALLANWATER HOMES**

21. There was submitted a report by the Head of Asset and Procurement Solutions detailing the proposed acquisition of 22 new houses at Gartferry Road, Chryston from Allanwater Homes Limited to support the Council's new Housing Supply Programme.

**Decided:**

- (1) that the purchase of 22 houses from Allanwater Homes Limited, subject to a satisfactory legal agreement being concluded, be approved, and
- (2) that all other terms and conditions be adjusted by the Head of Asset and Procurement Solutions.

**(5) ORRS BUILDING, SOUTHBRIDGE STREET, AIRDRIE**

22. There was submitted a report by the Head of Asset and Procurement Solutions seeking homologation of the decision taken by the Executive Director (Enterprise and Communities), in consultation with the Convener of the Finance and Resources Committee, to enter into a conditional missive with Wilson Developments Limited, the Owner of the Orrs Building, to acquire 20 completed new build flats and two commercial units on the ground floor as part of the New Supply Programme to enable the demolition and redevelopment of the former Orrs Department Store in Airdrie to proceed.

**Decided:**

- (1) that the decision taken by the Executive Director (Enterprise and Communities), in consultation with the Convener of the Finance and Resources Committee, to approve the purchase of 20 flats plus ground floor commercial premises, on completion, from Wilson Developments Limited subject to a satisfactory legal agreement being concluded be homologated, and
- (2) that all other terms and conditions be adjusted by the Head of Asset and Procurement Solutions.

**During consideration of the following item of business, clarification was sought by a number of Members regarding the potential requirement to declare interests due to those Members' membership of the Planning Committee. Following such clarification being provided by the Deputy Monitoring Officer, Councillors Beveridge, Curran, Kelly and Reddin left the meeting for the remaining items of business.**

**(6) REALLOCATION OF LAND AT MORVEN STREET, COATBRIDGE FROM EDUCATION AND FAMILIES TO ENVIRONMENTAL FACILITIES**

23. There was submitted a report by the Head of Asset and Procurement Solutions seeking consent for the reallocation of land currently within the remit of Education and Families to Environmental Facilities to enable Environmental Facilities to develop plans for the expansion of Coltswood Cemetery.

Councillor Burrows, seconded by Councillor Fisher, moved the recommendations as detailed in the report.

Councillor Stubbs, seconded by Councillor Larson, moved as an amendment the following:-

- "(1) Consider the contents of this report;
- (2) Note the high demand from organisations throughout North Lanarkshire for playing fields which often goes unmet due an ongoing shortage of facilities;
- (3) Rejects the proposal for this site to be re-allocated from Education and Families to Environmental Facilities for the purpose of expanding Coltswood Cemetery, and
- (4) Agrees that the site be re-allocated to North Lanarkshire Culture and Leisure for the purpose of being brought back into use as a sports playing field."

Thereon, in terms of Standing Order 39, the vote was taken by calling the roll.

On the roll being called:-

16 Members voted for the amendment as follows:-

Councillors D. Ashraf, J. Ashraf, Burgess, Cullen, Farooq, Feeney, Hume, C. Johnston, T. Johnstone, Larson, Linden, MacGregor, McManus, Stubbs, Annette Valentine and Watson.

10 Members voted in favour of the motion, as follows:-

Councillors Burrows, Campbell, Docherty, Duffy, Fisher, Gourlay, Jones, Morgan, O'Rourke and Quigley.

There were no abstentions.

16 Members having voted for the amendment, 10 for the motion and no abstentions, the amendment was accordingly declared carried.

**Decided:**

- (1) that the contents of the report be noted;
- (2) that the high demand from organisations throughout North Lanarkshire for playing fields, which often goes unmet due to an ongoing shortage of facilities, be noted;
- (3) that the proposal for this site to be re-allocated from Education and Families to Environmental Facilities for the purpose of expanding Coltswood Cemetery be rejected, and
- (4) that the site is re-allocated to North Lanarkshire Culture and Leisure for the purpose of being brought back into use as a sports playing field.

**CONTRACTS**

**(1) CONTRACTS WITH SIGNIFICANT VARIATIONS**

24. There was submitted a report by the Head of Asset and Procurement Solutions notifying the Committee of contracts completed between 1 April 2019 and 14 August 2020 where the expenditure levels had exceeded the contract award levels by greater than 5% or £25,000 and setting out those contracts awarded with the value below the financial threshold requiring Committee approval and attaching, as an Appendix to the report, a summary of construction contracts containing significant variations.

**Decided:** that the contents of the report, and the attached Appendix, be noted.

**(2) CONTRACTS AWARDED BELOW COMMITTEE APPROVAL THRESHOLD**

25. There was submitted a report by the Head of Asset and Procurement Solutions notifying the Committee of contracts awarded between 1 January and 31 March 2020 with a value below the financial threshold requiring Committee approval.

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