

The background of the slide features a large, light blue watermark of the City of Vancouver's coat of arms. The crest is a shield divided into four quadrants. The top-left quadrant shows a city skyline with a diagonal beam of light. The top-right quadrant depicts a stag's head with antlers. The bottom-left quadrant shows a three-masted sailing ship on wavy water. The bottom-right quadrant features a grizzly bear standing on a rocky outcrop. Above the shield is a crown with four maple leaves. A banner at the bottom contains the motto "A NE FOR A'".

Agenda Item 3

Minutes

Draft

FALKIRK COUNCIL

Minute of meeting of the Scrutiny Committee held in the Municipal Buildings, Falkirk on Thursday 15 September 2016 at 9.30 am.

COUNCILLORS:

Allyson Black
Stephen Bird
Colin Chalmers
Cecil Meiklejohn (convener)
Joan Paterson
Provost Patrick Reid

OFFICERS:

Jack Frawley, Committee Services Officer
Tracey Gillespie, Human Resources Manager
Gary Greenhorn, Head of Planning & Resources
Elizabeth Hood, Neighbourhood & Access to Housing Manager
Jennifer Litts, Head of Housing
David McGhee, Head of Procurement & Housing Property
Colin Moodie, Depute Chief Governance Officer
Robert Naylor, Director of Children's Services
Brian Smail, Chief Finance Officer

S8. Apologies

An apology was intimated on behalf of Councillor Carleschi.

S9. Declarations of Interest

There were no declarations of interest.

S10. Minutes

Decision

- (1) The minute of the meeting of the Scrutiny Committee held on 26 June 2016 was approved;**
- (2) The minute of the meeting of the Performance Panel held on 19 May 2016 was noted;**

- (3) The minute of the meeting of the Performance Panel held on 26 May 2016 was noted, and**
- (4) The minute of the meeting of the Performance Panel held on 11 August 2016 was noted.**

S11. Rolling Action Log

A rolling action log detailing the status of actions arising at previous meetings was provided.

Decision

The committee noted the rolling action log.

Provost Reid joined the meeting during consideration of the following item.

S12. Devolved School Management System (DSM)

The committee considered a report by the Director of Children's Services which provided information on points previously raised by committee in relation to devolved school management. Robert Naylor and Gary Greenhorn provided an overview of the report.

The committee asked what the totality of funding devolved to schools was. Gary Greenhorn advised that £101m was devolved in some way including funds for property costs and teachers salaries which was not discretionary spend. However, there was local autonomy in relation to the use of the budget for supply teachers. Approximately £1.5m of devolved funding could be influenced by schools for matters such as photocopying and purchase of resources like textbooks.

Members asked if any devolved funding was used specifically for clusters. Gary Greenhorn stated that it was but that it would be held by a specific school for cluster use, usually the school whose Head Teacher was leading on the project.

The committee discussed the consultation on 'Empowering teachers, parents and communities to achieve excellence and equity in education - A Governance Review'. Robert Naylor stated that part of the review would be to ask for views on what level of control around spend head teachers should have. The initial impression received from head teachers was that the general principle of more money going to the school level was good but that extra responsibilities would arise as a result.

Following discussion on the non alignment of the financial year and school year, Gary Greenhorn stated that schools were required to submit a business case to the Service in order to carry funding forward. Examples were provided in the appendices to the report. He further advised that if schools carry forward overspend then they need to rein this back in future years.

Members asked why there were large amounts of funding devolved which schools had no control over. Gary Greenhorn highlighted that where possible budgets should reflect spend and that in order to be able to give a true cost of running a school and cost per pupil the exercise was important.

Decision

The committee requested a further report after receipt of Scottish Government proposals following the consultation on the “Empowering teachers, parents and communities to achieve excellence and equity in education - A Governance Review” including information on how DSM will progress going forward.

The committee agreed to a short adjournment at 11.55am and reconvened at 12.00pm with members present as per the sederunt.

S13. Allocations Outcome Report 2015/16

The committee considered a report by the Director of Corporate and Housing Services which provided statistical information on housing allocations during 2015/16 and analysis of the allocations outcomes. An updated Allocation Policy had been agreed by the Executive in January 2015. Jennifer Litts provided an overview of the report.

The committee discussed band one priorities and if ground floor properties could be reserved for applicants with medical disabilities. Jennifer Litts advised that the majority of suitable properties were already adapted where appropriate but adapted properties are advertised to everyone. Few properties for the Housing with Care group had become available in the previous year. The end of the right to buy scheme coupled with the Council building new properties was leading to an increase in Council Housing stock which would increase available for the Housing with Care group. However, she noted that there was a lack of adapted properties in high demand areas. There would be an opportunity for members and communities to comment on the Local Housing Strategy and Older People’s Housing Plan which were being developed. The Service had carried out an analysis of all properties to identify which would be suitable for adaptation and this information was held in a database as part of the asset management survey.

Further discussion raised points in relation to allowing a tenant to occupy a property and then have adaptations made after entry. Elizabeth Hood stated that there were occasions where further adaptations to properties were made after occupancy but highlighted that not all properties were suitable for adaptation. Further, new build properties were constructed to be as suitable as possible to all groups. Members commented that the waiting time for priority one applicants in the Housing with Care group needed work to be reduced.

In response to a question on allowing tenants to arrange adaptations themselves, Jennifer Litts stated that the Service did not ask people to do their own adaptations and that the aim was to carry out adaptations prior to entry.

Members stated that Home Seekers, who comprised 2.5% of the waiting list were able to bid for 33% of properties while the Home Starters group was significantly larger. Jennifer Litts advised that homeless applicants were the highest priority group under legislation. Under the previous approach they had access to 66% of properties but the ratios between groups were now equal at a third. She stated that only 25% of Home Seekers were obtaining lets and that not all properties were suitable for each applicant's individual needs. The Service also worked with, and referred people to, Registered Social Landlords. Where potential lets were not taken up by Home Seekers the properties were offered to other applicant groups.

Information was sought on how many Home Seekers did not make bids for properties. Jennifer Litts stated that there were none as applicants would lose their priority if they did not bid. Where an applicant is not bidding the case worker intervenes and seeks to match them to a suitable property.

The committee asked about the proposal to change priority for under occupancy. Jennifer Litts stated that the change would only be made if it was approved through consultation.

Members sought information on the allocation of properties to people who also owned private residences. Jennifer Litts advised that the legislation did not allow for differentiation to be made on such grounds. The only requirement was that tenants showed that the Council house was their main residence.

Members discussed the allocations policy in respect of an applicant's income. In response to the discussion, Colin Moodie stated that an uncommenced provision of the Housing (Scotland) Act 2014 would allow the Service to take ownership into account but not income. Following further discussion, a report to the next committee was requested providing an update relating to tenants who also own private properties or who have a high income.

The committee raised that some applicants felt that priority did not help them secure a let. Elizabeth Hood stated that there were not enough of the most desired properties in terms of area and house type.

Decision

The committee:-

- (1) noted the allocation outcomes for 2015/16;**
- (2) noted that further analysis and consultation will be carried out and reported back to a future meeting, and**
- (3) requested a report to committee in November to include statistical information of the number of allocations to property owners or those with high incomes.**

Provost Reid left the meeting prior to consideration of the following item of business.

S14. An Overview of Local Government in Scotland 2016

The committee considered a report by the Director of Corporate and Housing Services which provided a summary of the findings from the Accounts Commission publication “An Overview of Local Government in Scotland 2016”. Bryan Smail provided an overview of the report.

Members asked about the use of reserves for revenue spending and noted that nearly half of Councils had used reserves for this. Bryan Smail stated that commentary on this issue is provided in the budget report to Council where it is noted that the use of reserves as a plug in the revenue budget was not sustainable. Reserves are a finite resource but can be used to ‘buy time’ if aligned with making fundamental changes to how services are delivered. Such spend could be described as a positive application of resources.

The committee sought an update on the impact of the UK’s vote to leave the European Union. In terms of access to financial markets, Bryan Smail advised that there was some risk of financial institutions moving part of their operations to the continent. In relation to interest rates he stated that it was unlikely interest rates would increase due to current global dynamics including dampened growth. Further, as inflation was low the driver for an increase in borrowing rates was not present.

Members asked if, while interest rates were low, the Council had considered maximising its long term borrowing for projects such as spend to save. Bryan Smail stated that such an option was under consideration but that short term borrowing rates were still lower than

long term ones. If the Council borrowed on a longer term but did not need to spend immediately then a carry cost would be incurred. The Council also carefully considered the advice of its treasury advisors.

The committee asked about how the pension fund is invested and if that could include investments in the arms trade. Bryan Smail advised that this was not a straightforward area as the fund would invest in companies with a diversity of operations. There would be a Pensions Conference held in October which would include consideration of ethical investments. There was a requirement that the fund earns a sufficient amount to pay its liability. The Council had received legal opinion which advised that there could be consideration of ethics in investments but that the primary objective of covering liability must remain primary.

Decision

The committee noted the report.

S15. Audit Scotland Report: Scotland's Public Sector Workforce Impact Report 2015

The committee considered a report by the Director of Corporate and Housing Services which provided a summary of the Audit Scotland Impact report which assessed the actions taken as a result of an earlier report on Scotland's Public Sector Workforce. Tracey Gillespie provided an overview of the report.

The committee asked for an update on work to develop improvement plans. Tracey Gillespie advised that each Service would have its improvement plan in place by October while the Council's overall plan would be in place by December. These improvement plans would then be kept under review.

Decision

The committee noted the:-

(1) summary of the report.

(2) position of the Council in relation to the recommendations outlined in the report.