

**MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL
CHAMBER, KILMORY, LOCHGILPHEAD
on THURSDAY, 19 MARCH 2015**

Present: Councillor Dick Walsh (Chair)

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| Councillor Robin Currie | Councillor James Robb |
| Councillor Vivien Dance | Councillor Len Scoullar |
| Councillor Alistair MacDougall | Councillor Isobel Strong |
| Councillor Roderick McCuish | Councillor Sandy Taylor |
| Councillor Aileen Morton | Councillor Richard Trail |
| Councillor Gary Mulvaney | |

Also Present: Councillor Rory Colville Councillor Elaine Robertson

Attending: Sally Loudon, Chief Executive
Douglas Hendry, Executive Director – Customer Services
Cleland Sneddon, Executive Director – Community Services
Pippa Milne, Executive Director – Development & Infrastructure Services
Jane Fowler, Head of Improvement and HR
Judy Orr, Head of Customer and Support Services
Stephen Barrett, Interim Head of Strategic Finance
Fergus Murray, Head of Economic Development
Tricia O'Neill, Central Governance Manager
Michael Casey, Schools Development Project Manager

The Chair ruled, and the Committee agreed, to consider an urgent recommendation from Bute and Cowal Area Committee in respect of the refurbishment of Castle Lodge Gate House as Capital Funding may be required which would require a recommendation from the Policy and Resources Committee to the April Council meeting when the Capital Programme will be considered. This report is dealt with at item 17 of this Minute.

The Chair ruled, and the Committee agreed, to consider supplementary papers relating to Item 19 of this Minute (**Major Capital Regeneration Projects – Update Report as at 20 February 2015**). This additional information required an element of a drawdown of funds from the CHORD Project previously agreed by the Bute and Cowal Area Committee which required approval from the Policy and Resources Committee.

The Chair ruled, and the Committee agreed, to consider an additional report relating to item 20 of this Minute (**New Schools Redevelopment Project – Campbeltown, Oban, Kirn, Dunoon**) in respect of the new schools proposed in Dunoon and decant arrangements.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Donald Kelly, Duncan MacIntyre and Ellen Morton.

2. DECLARATIONS OF INTEREST

Councillor Sandy Taylor declared a non-financial interest in item 15b of this Minute

(Assessment of External Financial Request – Kilmartin Museum) as he was a Trustee of Kilmartin House Museum Trust. He claimed the benefit of the dispensation contained at Section 5.18 of the Standards Commission for Scotland Guidance on the Councillors' Code of Conduct dated November 2011 to allow him to speak and vote of this item.

Councillor Alistair MacDougall declared a financial interest in item 11 of this Minute as he was the owner of an empty property. He left the room and took no part in the consideration of this item.

3. MINUTES

The Minutes of the Meeting of the Policy and Resources Committee held on 5 February 2015 were approved as a correct record.

4. FINANCIAL MONITORING PACK AS AT 31 JANUARY 2015

The Committee considered the financial reports monitoring pack which consisted of six reports including the Revenue Budget Monitoring Report as at 31 January 2015; Monitoring of 1% Savings for 2014/15 and 2015/16; Monitoring of Financial Risks; Reserves and Balances; Capital Plan Monitoring Report as at 31 January 2015 and Treasury Monitoring Report as at 31 January 2015.

Decision

The Committee noted the –

1. Revenue budget monitoring report as at 31 January 2015
2. Progress towards the 1% savings target for 2014-15 and 2015-16 and approved the policy option referenced EDUC07.
3. Current assessment of the Council's financial risks.
4. Overall level of reserves and balances and note the monitoring of the earmarked reserves.
5. Change in profiles as noted in paragraphs 3.3.6 to 3.3.11 in the reserves and balances report.
6. Capital plan monitoring report as at 31 January 2015.
7. Treasury monitoring report as at 31 January 2015.

Having moved an Amendment which failed to find a seconder, Councillor James Robb required his dissent from decision 2 above to be recorded.

(Reference: Report by Interim Head of Strategic Finance dated 17 February 2015, submitted)

5. PERFORMANCE REPORT FQ3 2014-15

The Committee considered a paper which presented the Customer Services and Strategic Finance departmental performance reports with associated scorecard performance for financial quarter 3 2014/15 (October to December 2014); and scorecards.

Decision

The Committee noted the performance information for financial quarter 3 2014/15.

(Reference: Report by Executive Director – Customer Services dated March 2015; Financial Quarter 3 Performance Report and Scorecard – Customer Services; and Financial Quarter 3 Performance Report and Scorecard – Strategic Finance)

6. ARGYLL AND BUTE COUNCIL EQUALITIES MAINSTREAMING REPORT AND PROGRESS ON EQUALITY OUTCOMES 2015

The Committee considered a report which presented Argyll and Bute Council's Equalities Mainstreaming Report as is a requirement of the Scottish Public Sector Equality Duty and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

Decision

The Committee –

1. Noted that the content of the report meets the requirement of the Act.
2. Noted the positive progress being made by the Council to deliver on the Equality Outcomes.
3. Noted that the Council operates an equal pay environment.

(Reference: Report by Executive Director – Customer Services dated March 2015, submitted)

7. REVISED REDUNDANCY POLICY AND PROCEDURES

The Committee considered a report which presented an updated Redundancy Policy and accompanying procedures for approval.

Decision

The Committee –

1. Noted the rationale for amending the Policy.
2. Noted that the revised Policy has been discussed with the Trade Unions.
3. Approved the revised Policy.
4. Referred the Policy to Council for noting the revisions.

Having moved an Amendment which failed to find a seconder, Councillor James Robb required his dissent from the foregoing decision to be recorded.

(Reference: Report by Executive Director – Customer Services dated February 2015, submitted)

8. INFORMATION MANAGEMENT STRATEGY

The Committee considered a report which presented a proposed Information Management Strategy which would set a direction and inform the development of a strategic framework for information management across the Council. The draft Strategy was before the Committee for approval.

Decision

The Committee approved the draft Information Management Strategy for Argyll and Bute Council.

(Reference: Report by Executive Director – Customer Services dated 5 February 2015, submitted)

9. 2015 - 2019 CUSTOMER SERVICE STRATEGY

The Committee considered a draft Customer Services Strategy based on customer input, market research and benchmarking information which sought approval from the Committee. The Strategy was supported by a revised Customer Services Charter which also sought approval by the Committee.

Decision

1. Noted the results of the customer consultation attached at Appendix 1 to the report by the Executive Director.
2. Considered the draft 2015-2019 Customer Service Strategy including revised Customer Service Charter and associated action plan attached at Appendix 2 to the report by the Executive Director and approved this.
3. Approved the outline business case for replacement customer contact systems attached at Appendix 3 to the report by the Executive Director and associated revenue and capital consequences.
4. Approved the tendering approach on a collaborative basis with Highland Council as the preferred option but if not possible Argyll and Bute Council to progress on an individual basis.
5. Approved the earmarking of £94,680 from year end underspend in Customer Services to be carried forward to meet the additional one-off revenue requirements in 2015/16 and 2016/17 for the replacement customer contact systems.

(Reference: Report by Executive Director – Customer Services dated 2 February 2015, submitted)

10. SCOTTISH GOVERNMENT FUNDING FOR WELFARE REFORM AND DISCRETIONARY HOUSING PAYMENTS - REPORT ON SPEND TO DATE AND FUTURE PROPOSALS

The Committee considered a report seeking approval to continue to carry forward an unspent balance as earmarked reserves which will be utilised to support the remaining period of the USDL trial which concludes on 31 August 2015, and to continue this work until the end of the 2015/16 financial year.

Decision

The Committee –

1. Noted the information provided in respect of progress made, and the estimate of projected expenditure to 31 March 2015 of £138.7k from the balance of Scottish Government funding for DHPs of £550,390 received in March 2014.
2. Approved the continued carry forward of the balance of this as earmarked funds estimated at £411.7k and approved the proposals for their use as summarised at paragraph 4.20 of the report by the Executive Director.
3. Approved the carry forward of the balance of the £375,838 Scottish Government 2014/15 DHP monies as earmarked funds to be used to fund DHP payments in 2015/16. It is estimated that the balance will be c £140k and will be sufficient to maintain current priority levels into 2015/16.
4. Requested a further report to be brought back to a future meeting on the progress with the proposals approved at 2 and 3 above.

(Reference: Report by Executive Director – Customer Services dated 5 March 2015, submitted)

Having previously declared an interest in the following item, Councillor Alistair MacDougall left the room.

11. COUNCIL TAX ON EMPTY PROPERTIES

A report was considered requesting the Committee to note the Valuation Appeal Committee decision on 10 December 2014 about the imposition of a double council tax charge on a long term empty property, and to amend the current policy on charging double council tax on long-term empty properties to give effect to the Valuation Appeal Committee's recommendations and to replace the 6 month transitional period for buildings under repair approved in January 2014.

Decision

The Committee –

1. Noted the decision by the Valuation Appeal Committee on 10 December 2014 attached at Appendix 1 to the report by the Executive Director.
2. Approved an amendment to the policy for charging double council tax on long term empty properties so that where major repairs are underway which require planning permission and/or building warrant, the double charge is only applied after a property has been empty for 2 years.

(Reference: Report by Executive Director – Customer Services dated 11 February 2015, submitted)

Councillor MacDougall returned to the meeting.

12. COUNTER FRAUD TEAM - BUSINESS CASE

A report was considered which presented the case for the Council to create a new Counter Fraud Investigation Team in order to prevent and detect fraud in relation to the Council Tax Reduction Scheme and to fulfil the residual responsibilities in relation to the Single Fraud Investigation Service.

Decision

1. Noted the residual responsibilities for preventing and detecting fraud following the transfer to Single Fraud Investigation Service.
2. Approved the formation of a new Counter Fraud Investigation Team from 1 October 2015 within existing budgetary resources.

(Reference: Report by Executive Director – Customer Services dated 5 February 2015, submitted)

13. DIRECT PAYMENTS POLICY AND PROCEDURAL GUIDANCE FOR STAFF AND MANAGERS 2014

A report providing the Policy and Resources Committee with an update on progress made in relation to managing Option 1 (Direct Payments) of the Social Care (Self-directed Support) (Scotland) Act 2013 was considered. The report sought approval on amendments made to the existing Direct Payment Policy and Procedures in line with new regulations.

Decision

The Committee approved the changes to the Direct Payment Policy and Procedures which reflected new regulations.

(Reference: Report by Executive Director – Community Services dated 14 October 2014, submitted)

14. MEMBERSHIP OF THE PROPOSED SCOTTISH LOCAL AUTHORITY BUSINESS LOAN FUND

A report which outlined the options for Argyll and Bute regarding membership of the proposed Scottish Local Authority Business Loan Fund was considered.

Decision

The Committee –

1. Endorsed the proposal to join the Scottish Local Authority Business Loan Fund.
2. Confirmed approval for Argyll and Bute's allocation of funds within the West of Scotland Loan Fund (currently £183,702) to be transferred to the Scottish Local Authority Business Loan Fund.
3. Endorsed the estimated demand for loans over the initial three year period at £300k.

(Reference: Report by Executive Director – Development and Infrastructure Services dated March 2015, submitted)

15. ASSESSMENT PROCESS FOR ADDITIONAL FUNDING REQUESTED AS PART OF REVENUE BUDGET 2015/16

(a) ASSESSMENT PROCESS FOR ADDITIONAL FUNDING

Consideration was given to a report addressing the process for handling financial requests outwith Area Committee Grant Schemes.

Decision

The Committee –

1. Agreed the proposed process for assessing ad hoc funding requests subject to the first sentence of paragraph 11 of Appendix 1 to the report being amended to read “SMT submit report in the political process reporting through Policy Leads and to the Policy and Resources Committee for a decision.
2. Agreed that should any of these funding requests be agreed following assessment that the Committee identify how the cost can be contained within available resources to avoid adding to the existing funding gap.

(Reference: Report by Interim Head of Strategic Finance dated 4 March 2015, submitted)

(b) ASSESSMENT OF EXTERNAL FINANCIAL REQUEST - KILMARTIN MUSEUM

Consideration was given to a request received from Kilmartin Museum for £400,000 to support the capital costs of the proposed extension to the Museum.

Decision

The Committee –

1. Noted the assessment of the project and associated business plan by Officers.
2. Agreed to support in principle the request for a maximum of £400,000 subject to
 - i. A successful stage 1 application to HLF
 - ii. A further detailed assessment of the Full Business Case as set out in the report entitled “Request for Grant Funding” also before this Committee, in advance of the stage 2 submission to HLF and that this business case fully meets the Council’s own criteria
 - iii. The release of any monies being reliant upon a fully approved deliverable and fully funding project being in place.
3. Agreed that this expenditure is treated as capital and provision made from within the Capital Programme for 2018/19.
4. Agreed to refer this proposal to Council for consideration in the Capital Programme.

(Reference: Report by Executive Director – Development and Infrastructure Services dated February 2015, submitted)

Councillor Vivien Dance left the meeting at this point.

16. POLICY AND RESOURCES COMMITTEE WORKPLAN

The Committee considered the outline work plan to facilitate forward planning of reports to the Policy and Resources Committee.

Decision

Noted the outline work plan and agreed that the frequency of when the Financial Reporting packs are brought to the Committee should be reviewed.

(Reference: Report by Executive Director – Customer Services dated March 2015, submitted)

Councillor Rory Colville left the meeting at this point.

17. CASTLE LODGE GATE HOUSE

Consideration was given to a request from Bute and Cowal Area Committee for capital funding to be allocated to renovate and visually improve Castle Lodge and to allow it to be considered by Council in April as part of the Capital Budget setting process.

Decision

Agreed to refer this proposal for consideration by Council in April as part of the Capital Budget setting process and noted that the Executive Director – Development and Infrastructure will draw up costs for this Project to feed into the Capital Programme process.

(Reference: Extract from Minutes of Bute and Cowal Area Committee of 3 February 2015, tabled)

Councillor Elaine Robertson left the meeting at this point.

18. LORN ARC TAX INCREMENTAL FINANCING (TIF) ASSET PROJECT 1 - LORN ROAD/KIRK ROAD IMPROVEMENTS - DUNBEG START UP REPORT

A report outlining the background to the Lorn Arc Tax Incremental Financing programme and requesting approval of a start up budget to enable Project 1 – Lorn Road/Kirk Road Improvements at Dunbeg to be taken to full business case was considered. The Oban, Lorn and the Isles Area Committee considered the matter on 25 February 2015 and recommended that the Policy and Resources Committee approve the drawdown of borrowing for this project.

Decision

The Committee –

1. Approved the drawdown of borrowing for a total of £238,100 for the development of a Full Business Case for Lorn Arc Project 1 – Lorn Road/Kirk Road Improvements at Dunbeg

noting that these resources will be held in a defined budget and managed as detailed in the Lorn Arc Programme PID.

2. Noted the Full Business Case for Project 1 will be reported to a future Oban, Lorn and the Isles Area Committee and subsequent Policy and Resources Committee before moving to the implementation stage.

(Reference: Report by Executive Director – Development and Infrastructure Services, submitted)

The Committee resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the public for the following 4 items of business on the grounds that they were likely to involve the disclosure of exempt information as defined in Paragraphs 8; 8; 8 and 9; and 6 respectively of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

19. MAJOR CAPITAL REGENERATION PROJECTS - UPDATE REPORT AS AT 20 FEBRUARY 2015

Consideration was given to a report setting out the current position of each of the thirteen major capital regeneration projects led by Development and Infrastructure Services. Consideration was also given to recommendations from Bute and Cowal Area Committee in respect of the Wooden Pier, the Queens Hall and the Rothesay CHORD Project.

Decision

The Committee –

1. Noted the current progress and agreed allocation of budget resources to date against each of the major capital regeneration projects.
2. Instructed Officers to bring progress reports to the Policy and Resources Committee on a quarterly basis.
3. Approved the Business Case (Interim Use) for Phase 1 works in respect of the Wooden Pier and the draw down of the remaining element of Argyll and Bute Council capital funds from the projects budget.
4. Agreed the terms of recommendation 1.2.3 in the Regeneration Manager's report regarding Queens Hall which was before the Bute and Cowal Area Committee on 3 February 2015.
5. Approved the draw down of funds from the allocated CHORD capital budget for Rothesay Pavilion as detailed in the Project Manager's report considered by the Bute and Cowal Area Committee on 3 March 2015.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 20 February 2015, submitted and Extracts from Minutes of Bute and Cowal Area Committee of 3 February 2015 and 3 March 2015, tabled)

20. NEW SCHOOLS REDEVELOPMENT PROJECT- CAMPBELTOWN, OBAN, KIRN, DUNOON

Consideration was given to a report updating the Committee on the schools

redevelopment project to build new secondary schools in Campbeltown and Oban, a new Kirn Primary School and the remodel/refurbishment of Dunoon Primary School. Consideration was also given to a report regarding the decant of Kirn Primary School.

Decision

The Committee agreed the recommendations detailed in both reports.

(Reference: Report by Executive Director – Community Services dated 23 February 2015, submitted and Report by Executive Director – Community Services dated 19 March 2015, tabled)

21. HELENSBURGH OFFICE PROJECT UPDATE

Consideration was given to a report updating Members on progress with the Helensburgh Office project.

Decision

The Committee agreed the recommendations detailed in the report.

(Reference: Report by Executive Director – Customer Services dated 11 February 2015, submitted)

22. COASTAL EROSION AT FURNACE

The Committee considered a report regarding the ongoing coastal erosion issue at Queen Elizabeth Cottages, Furnace.

Decision

The Committee agreed the recommendations detailed in the report.

(Reference: Joint report by Executive Director – Community Services and Executive Director – Development and Infrastructure Services dated January 2015, submitted)