

**MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL
CHAMBER, KILMORY, LOCHGILPHEAD
on THURSDAY, 20 FEBRUARY 2020**

Present: Councillor Aileen Morton (Chair)

Councillor Rory Colville	Councillor Ellen Morton
Councillor Robin Currie	Councillor Gary Mulvaney
Councillor Lorna Douglas	Councillor Douglas Philand
Councillor Bobby Good	Councillor Alastair Redman
Councillor Kieron Green	Councillor Sandy Taylor
Councillor Yvonne McNeilly	Councillor Richard Trail

Also Present: Councillor Jim Findlay Councillor Jim Lynch
Councillor George Freeman Councillor Donald MacMillan

Attending: Pippa Milne, Chief Executive
Douglas Hendry, Executive Director
Kirsty Flanagan, Interim Executive Director
Jane Fowler, Head of Customer Support Services
Patricia O'Neill, Governance Manager
Laurence Slavin, Chief Internal Auditor/Interim Head of Financial Services
Anne MacDougall, Finance Manager

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Audrey Forrest, Elaine Robertson and Len Scoullar.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

(a) Policy and Resources Committee held on 17 December 2019

The Minutes of the meeting of the Policy and Resources Committee held on 17 December 2019 were approved as a correct record.

(b) Sub-Committee of the Policy and Resources Committee held on 17 December 2019

The Minutes of the Meeting of the Sub-Committee of the Policy and Resources Committee held on 17 December 2019 were noted.

*** 4. FINANCIAL REPORT MONITORING PACK – 31 DECEMBER 2019**

The Committee gave consideration to a report providing a summary of the financial monitoring reports as at the end of December 2019. There were six detailed reports

summarised within the executive summary including the Revenue Budget Monitoring Report as at 31 December 2019, monitoring of Policy Savings Options as at 31 December 2019, Monitoring of Financial Risks as at 31 December 2019, Capital Plan Monitoring Report as at 31 December 2019, Treasury Monitoring Report as at 31 December 2019 and Reserves and Balances as at 31 December 2019.

Decision

The Policy and Resources Committee –

1. Noted the revenue budget monitoring report as at 31 December 2019 and note the comments in respect of the Health and Social Care Partnership.
2. Noted the progress with the policy savings options as at 31 December 2019.
3. Noted the financial risks for 2019-20.
4. Noted the current financial position with the employability team and note that a report will be brought to the Policy and Resources Committee in May 2020.
5. Noted the capital plan monitoring report as at 31 December 2019 and approved the proposed changes to the capital plan as detailed in Appendix 4 to the report.
6. Noted the treasury monitoring report as at 31 December 2019.
7. Noted the reserves and balances report as at 31 December 2019.
8. Agreed to recommend to Council that the revenue virements over £0.200m during November and December are approved.

(Reference: Report by Interim Head of Financial Services dated 13 February 2020, submitted)

Councillor Rory Colville joined the meeting during consideration of the following item of business.

*** 5. TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY**

The Committee gave consideration to a report which sought approval of the proposed Treasury Management Strategy Statement and Annual Investment Strategy which set out the Council's Strategy for borrowing and investment for the forthcoming year. The report also set out the policy for the repayment of loans fund advances for 2020-21.

Decision

The Policy and Resources Committee –

1. Noted the substantial amount of work undertaken by the Finance team in respect of the loan charges review and welcomed the positive impact of the work.

2. Agreed to refer to Council, at their meeting on 27 February 2020, to –

a) Approve the proposed Treasury Management Strategy Statement and Annual Investment Strategy and the indicators contained within.

b) Approve the use of the statutory method for the repayment of loan fund advances prior to 1 April 2019 in respect of existing capital expenditure using a 5.1% annuity interest rate over an average period of 32 years. For those loans fund advances outstanding at 1 April 2004 a repayment period of 14 years will be used.

c) Approve the use of the asset life method for the repayment of loan fund advances after 1st April 2019 using a 5.1% annuity interest rate, with the exception of spend to save schemes where the funding/income profile method could be used.

d) Approve the proposed asset repayment periods as detailed within section 2.6 of the Treasury Management Strategy Statement.

e) Approve the ability to continue to use countries with a sovereign rating of AA- and above, as recommended by Link Asset Services.

(Reference: Report by Section 95 Officer dated 13 February 2020, submitted)

* **6. BUDGETING PACK 2020-2021**

The Committee gave consideration to the full package of papers included in the Budget Pack 2020/21 in relation to the Revenue and Capital Budgets for 2020/21.

The Interim Head of Financial Services highlighted amendments to be made to the Budget Pack and advised that a supplementary pack would be issued before the Council budget meeting on 27 February 2020.

Decision

The Committee agreed to refer consideration of the Budget Pack 2020/21 to the Council meeting on 27 February 2020, without recommendation.

(Reference: Budgeting Pack 2020/21 dated 13 February 2020, submitted)

* **7. CHANGES TO CHIEF OFFICER RECRUITMENT**

The Committee gave consideration to a report that proposed changes to the protocol for appointing Chief Officers.

Decision

The Policy and Resources Committee agreed –

1. The following changes to the recruitment procedure for Chief Officers -

a) Head of Service assessment centres are conducted online rather than onsite.

- b) Panel sizes are amended for Executive Director and Head of Service interviews, membership comprising:
- Executive Director – 6 Elected Members plus Chief Executive as a voting member (4 from the Administration and 2 from the Opposition)
 - Head of Service – 3 Elected Members (2 from the Administration and 1 from the Opposition) plus Executive Director and Chief Executive as voting members
- c) Recruitment training is introduced to the elected members' induction programme, which will ensure that there is a cohort of trained members and enable up to 50% of any Appointment Panel's members to be trained.
- d) The approach taken to the HSCP (Health and Social Care Partnership) Integrated Chief Officer and Head of Service appointments be reviewed and put in place by NHS Highland and Argyll and Bute Council.
2. To recommend to the Council that the Council's Constitution is updated to reflect the agreed changes to the Appointments Panel as outlined.

(Reference: Report by Interim Executive Director with responsibility for Customer and Support Services dated 12 February 2020, submitted)

8. POLICY AND RESOURCES COMMITTEE WORKPLAN

The Policy and Resources Committee Workplan as at February 2020 was before the Committee for noting.

Decision

The Policy and Resources Committee noted the work plan as at February 2020.

(Reference: Policy and Resources Committee Workplan as February 2020, submitted)

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

9. HELENSBURGH WATERFRONT DEVELOPMENT (HWD) - DEVELOPMENT FUNDING FOR ELECTRICAL POINT OF CONNECTION (POC), ENABLING WORKS AND FEES

The Committee gave consideration to a report requesting the approval of drawdown of development funding from the Helensburgh Waterfront Development projects' capital budget allocation to enable mitigation of risks associated with utility connections for the development site and to cover all fees through to the end of July 2020.

Decision

The Policy and Resources Committee –

1. Noted the contents of the report.
2. Approved a further drawdown from the approved budget to facilitate the delivery of the electrical point of connection, electrical enabling works contract, and professional fees.

(Reference: Report by Executive Director with responsibility for Commercial Services dated 28 January 2020, submitted)