

Argyll and Bute Council
Comhairle Earra-Ghàidheal Agus Bhòid

Customer Services
Executive Director: Douglas Hendry



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11 March 2016

NOTICE OF MEETING

A meeting of the **POLICY AND RESOURCES COMMITTEE** will be held in the **COUNCIL CHAMBER, KILMORY, LOCHGILPHEAD** on **THURSDAY, 17 MARCH 2016** at **10:00 AM**, which you are requested to attend.

Douglas Hendry
Executive Director of Customer Services

BUSINESS

1. **APOLOGIES FOR ABSENCE**
2. **DECLARATIONS OF INTEREST (IF ANY)**
3. **MINUTES** (Pages 1 - 4)
Policy and Resources Committee held on 11 February 2016
4. **FINANCIAL REPORT MONITORING PACK – JANUARY 2016** (Pages 5 - 10)
Report by Head of Strategic Finance
5. **PERFORMANCE REPORT FQ3 2015/16** (Pages 11 - 18)
Report by Executive Director – Customer Services
- * 6. **SERVICE PLANNING 2016-17** (Pages 19 - 82)
Report by Executive Director – Customer Services.
- * 7. **SCOTTISH GOVERNMENT FUNDING FOR WELFARE REFORM AND DISCRETIONARY HOUSING PAYMENTS - REPORT ON SPEND TO DATE AND FUTURE PROPOSALS** (Pages 83 - 90)
Report by Executive Director – Customer Services
8. **BROADBAND PATHFINDER NORTH UPDATE** (Pages 91 - 96)
Report by Executive Director – Customer Services

9. **CIVIC FURNITURE AND MEMORABILIA MANAGEMENT** (Pages 97 - 100)
Report by Executive Director – Customer Services
10. **PETITION FOR JUDICIAL REVIEW - ROTHESAY HARBOUR** (Pages 101 - 104)
Report by Executive Director – Customer Services
11. **BUSINESS LOANS SCOTLAND** (Pages 105 - 116)
Report by Executive Director – Development and Infrastructure Services
- * 12. **LONG AND WINDING WAY** (Pages 117 - 174)
Report by Executive Director – Development and Infrastructure Services
- * 13. **DEVELOPING A STATUTORY REGIONAL MARINE PLAN FOR THE FIRTH OF CLYDE** (Pages 175 - 210)
Report by Executive Director – Development and Infrastructure Services
14. **POLICY AND RESOURCES COMMITTEE WORK PLAN** (Pages 211 - 214)
15. **LORN ARC - UPDATE REPORT**
 - (a) Report by Executive Director - Development and Infrastructure Services (Pages 215 - 226)
 - E1 (b) Appendices (Pages 227 - 236)
16. **MAJOR CAPITAL REGENERATION PROJECT - PROGRESS REPORT**
Report by Executive Director – Development and Infrastructure Services
 - (a) Report by Executive Director - Development and Infrastructure Services (Pages 237 - 244)
 - E1 (b) Appendices (Pages 245 - 256)
- E2 17. **NEW SCHOOLS REDEVELOPMENT PROJECT**
 - (a) **NEW SCHOOLS REDEVELOPMENT PROJECT** (Pages 257 - 274)
Report by Executive Director – Community Services and Executive Director – Customer Services
 - (b) **NEW SCHOOLS REDEVELOPMENT PROJECT INVESTMENT OPPORTUNITY - HUB CO SUB DEBT** (Pages 275 - 282)
Report by Executive Director – Customer Services and Head of Strategic Finance

The Committee will be asked to pass a resolution in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the public for items of business with an “E” on the grounds that it is likely to involve the disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 7a to the Local Government (Scotland) Act 1973.

The appropriate paragraphs are:-

E1 Paragraph 8 The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services.

Paragraph 9 Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

E 2 Paragraph 9 Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

Items marked with an “asterisk” are items, on the basis of information available at the time this Agenda is published, on which the Committee may not have delegated powers to act, and which may therefore require to be referred to the Council or another Committee, and that referral may depend on the decision reached at the meeting.

Policy and Resources Committee

Councillor Dick Walsh (Chair)	Councillor Rory Colville
Councillor Robin Currie	Councillor Maurice Corry
Councillor Mary-Jean Devon	Councillor Roderick McCuish
Councillor Iain MacLean	Councillor Alistair MacDougall
Councillor Neil MacIntyre	Councillor Aileen Morton
Councillor Ellen Morton (Vice-Chair)	Councillor Gary Mulvaney
Councillor James Robb	Councillor Len Scoullar
Councillor Isobel Strong	Councillor Sandy Taylor

Contact: Hazel MacInnes Tel: 01546 604269

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MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL CHAMBER, KILMORY, LOCHGILPHEAD on THURSDAY, 11 FEBRUARY 2016

Present: Councillor Dick Walsh (Chair)

Councillor Rory Colville	Councillor Ellen Morton
Councillor Robin Currie	Councillor Gary Mulvaney
Councillor Maurice Corry	Councillor James Robb
Councillor Donald Kelly	Councillor Len Scoullar
Councillor Roderick McCuish	Councillor Isobel Strong
Councillor Alistair MacDougall	Councillor Sandy Taylor
Councillor Aileen Morton	

Also present: William Marshall, Teacher Rep Alison Palmer, Teacher Rep

Councillor Michael Breslin	Councillor Donald MacMillan
Councillor Vivien Dance	Councillor Alex McNaughton
Councillor Bruce Marshall	Councillor James McQueen
Councillor John MacAlpine	Councillor Elaine Robertson

Attending: Sally Loudon, Chief Executive
 Douglas Hendry, Executive Director of Customer Services
 Cleland Sneddon, Executive Director of Community Services
 Pippa Milne, Executive Director of Development and Infrastructure Services
 Patricia O'Neill, Central Governance Manager
 Kirsty Flanagan, Head of Strategic Finance
 Peter Cupples, Finance Manager
 Jane Jarvie, Communications Manager
 Anne Marie Knowles, Head of Education

1. APOLOGIES FOR ABSENCE

Apologies for absence were intimated on behalf of Councillor Iain MacLean.

The Central Governance Manager advised that Councillor Donald Kelly had intimated his resignation from the Policy and Resources Committee before the agenda was issued for this meeting. She advised that Members would note that his name still appears on the agenda for the meeting and that Councillor Kelly had requested that it be clarified that he was no longer a member of the Committee. The Executive Director of Customer Services advised that this vacancy would be filled in due course.

2. DECLARATIONS OF INTEREST

There were no declarations of interest intimated.

3. MINUTES

The Minute of the Policy and Resources Committee held on 17 December 2016 were approved as a correct record.

* **4. BUDGETING PACK**

(a) **Revenue Budget 2016 - 2017**

Consideration was given to the full package of papers included in the budget pack in relation to the Revenue Budget for 2016-2017. The budget pack included - Planning our Future Consultation – Findings Report; Service Choices – Assessing Equality Impact; Revenue Budget Overview; Fees and Charges; Revenue Budget Monitoring as at 31 December 2015; Financial Risks Analysis 2016-17; and Reserves and Balances. An amended page 270 of the Revenue Budget pack was tabled to the meeting.

Decision

The Committee agreed to refer this item, without recommendation, for consideration by the Council at their meeting on 11 February 2016.

(Reference: Report by Head of Strategic Finance dated 3 February 2016 and Revenue Budget Pack for 2016-20, submitted; amended page 270, tabled)

(b) **Capital Plan 2016 - 2020**

Consideration was given to the full package of papers included in the budget pack in relation to the Capital Plan 2016 – 2020. The budget pack included – Capital Plan Summary; Corporate Asset Management Strategy; Corporate Asset Management Plan; and Service Asset Management Plans.

Decision

The Committee agreed to refer this item, without recommendation, for consideration by the Council at their meeting on 11 February 2016.

(Reference: Report by Head of Strategic Finance and Capital Plan Budget Pack for 2016-20, submitted)

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

A report setting out the Council's strategy for borrowing and investment for the forthcoming year along with the Council's Prudential Indicators which require to be set for a three year period was considered.

Decision

The Committee agreed to recommend to the Council approval:-

1. of the proposed Treasury Management Strategy Statement and Annual Investment Strategy subject to review by the Performance Review and Scrutiny Committee in February; and
2. of the removal of Abu Dhabi (UAE) and Qatar from the list of approved countries for investment.

(Reference: Report by Head of Strategic Finance dated 3 February 2016 and Treasury Management Strategy Statement and Annual Investment Strategy 2016-17, submitted)

6. FINANCIAL REPORTING 2015/16 SUMMARY

The Committee considered a report providing a summary of the financial monitoring reports as at the end of December 2015. The report provided summaries of the Revenue Budget Monitoring Report as at 31 December 2015; Monitoring of Financial Risks; Reserves and Balances; Capital Plan Monitoring Report as at 31 December 2015; and Treasury Monitoring Report as at 31 December 2015.

Decision

The Committee noted:-

1. the Revenue Budget Monitoring report as at 31 December 2015;
2. the current assessment of the Council's financial risks;
3. the overall level of reserves and balances and monitoring of the earmarked reserves;
4. the Capital Plan Monitoring report as at 31 December 2015; and
5. the Treasury Monitoring report as at 31 December 2015.

(Reference: Report by Head of Strategic Finance dated 26 January 2016, submitted)

7. COMPLIANCE WITH TEACHER NUMBERS COMMITMENT

At its meeting of 10 December 2015, the Community Services Committee considered a report updating Members on the Council's position in respect of meeting the teacher numbers commitment in relation to the financial settlement for 2015-16. As part of its decision the Committee agreed to refer the report to the Policy and Resources Committee to give consideration to the financial implications arising from the position represented in the report which was before this Committee for consideration.

Decision

The Committee agreed:-

1. to note the report referred to the Policy and Resources Committee by the Community Services Committee; and
2. to note the position outlined in the letter from Angela Constance, Cabinet Secretary for Education and Lifelong Learning in relation to the financial consequences arising from the 2015 -16 teacher numbers census.

(Reference: Reports by Executive Director – Community Services dated 12 November 2015 and 11 January 2016, submitted)

8. POLICY AND RESOURCES COMMITTEE WORK PLAN

The Committee considered their Work Plan as at February 2016.

Decision

The Committee noted the Work Plan.

(Reference: Policy and Resources Committee Work Plan as at February 2016, submitted)

ARGYLL AND BUTE COUNCIL**POLICY AND RESOURCES COMMITTEE****STRATEGIC FINANCE****17 MARCH 2016**

EXECUTIVE SUMMARY**FINANCIAL REPORT MONITORING PACK – JANUARY 2016**

1. INTRODUCTION

1.1 This report provides a summary of the financial monitoring reports as at the end of January 2016. There are five detailed reports summarised in this Executive Summary:

- Revenue Budget Monitoring Report as at 31 January 2016
- Monitoring of Financial Risks
- Reserves and Balances
- Capital Plan Monitoring Report as at 31 January 2016
- Treasury Monitoring Report as at 31 January 2016

The web link to the detailed reports is as follows:

<http://www.argyll-bute.gov.uk/financial-monitoring>

2. DETAIL**2.1 Revenue Budget Monitoring Report**

2.1.1 This report provides a summary of the current revenue budget monitoring position to ensure net expenditure is contained within budget. It provides corporate and departmental information with comparisons on a forecast outturn and a year to date basis.

2.1.2 The current forecast outturn position is a projected underspend of £1.036m, of this £0.130m will require to be earmarked at the year-end to fund the Waste Model resulting a reduced forecast underspend of £0.906m. This compares to an underspend reported at 31 December 2015 of £0.739m, an increase in the forecast underspend of £0.167m.

2.1.3 The current underspend includes balances that are non-recurring underspends totalling £1.464m. These specifically include

- £0.514m for the excess pay award – when the 2015-16 budget was prepared the pay award was estimated at 2%, however, was subsequently settled at 1.5% resulting in an underspend equivalent to 0.5%
- £0.500m council tax empty homes income
- £.0450m for loans charges.

2.1.4 The changes from the position reported at 31 December 2015, contributing to the revised underspend as at 31 January 2016, are noted as:

- Integration: Decrease in the forecasted overspend of £0.144m. This relates mainly to a reduced forecast in demand for homecare and supported living services within Adult Care. In addition, the forecasted expenditure for Central Management and Criminal Justice has reduced.
- Development and Infrastructure: Decrease to the forecasted overspend of £0.023m. This is mainly due to car parking and DPE income being better than forecast and increased vacancy savings. These are offset by a further reduction in berthing dues at Rothesay Harbour due to maintenance work at Wemyss Bay an increase to the projected overspend in relation to Winter Maintenance.

2.2 Monitoring of Financial Risks

2.2.1 This report outlines the process and approach developed in carrying out a financial risks analysis and provides an update on the current assessment of financial risks.

2.2.2 There are a number of Council wide risks identified, none of which have been classed as likely or almost certain. The risk in respect of Auto Enrolment has been classed as possible; however, the majority of staff will not be auto enrolled until 2017 and the estimated worst case financial impact has been built into the medium term budget outlook.

2.2.3 There are currently 62 departmental risks totalling £8.397m. Only 9 of the risks are categorised as likely, with a potential impact of £2.373m, and no risks have been categorised as almost certain. These will continue to be monitored and action taken to mitigate or manage these risks.

2.2.4 The top 3 risks in terms of their likely financial impact are noted in the table below.

SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	LIKELIHOOD	FINANCIAL IMPACT £000
Adult Care	Increased complexity of care packages - Older People, Physical Disability, Learning Disability and Mental Health	Level of service demand remains at current commitment or increases due to needs becoming more complex.	3	950
Adult Care	Growth in Older People population	Growth in elderly population exceeds expectation reflected in Demand Pressure thereby putting increased demand on services.	3	700
Roads and Amenity Services	Winter Maintenance	Adverse weather conditions which require greater than budgeted number of gritting runs.	4	700

2.3 Reserves and Balances

- 2.3.1 This report summarises the overall level of reserves and balances and monitors the spending of the earmarked reserves, providing detailed information on the unspent budget earmarked balances.
- 2.3.2 The Council has usable reserves of £50.478m. Most of these are earmarked for specific purposes. The General Fund contingency level remains at 1.5% of net expenditure. There is currently an estimated surplus over contingency and this is being directed towards the delivery of the Single Outcome Agreement.
- 2.3.3 The total surplus over contingency is now £12.625m which represents an increase of £0.167m compared to the surplus reported at the end of December of £12.458m. The reason for this decrease is the change to the forecast outturn for 2015-16.

2.4 Capital Plan Monitoring Report

- 2.4.1 Capital Plan Monitoring Report – this report provides a summary of the current capital plan monitoring position. Information is provided in terms of monitoring year to date budget, current full year budget, future years total budget and funding and non-financial in terms of project performance.
- 2.4.2 Actual net expenditure to date is £18.556m compared to a budget for the year to date of £18.204m giving rise to an overspend for the year to date of £0.352m. The forecast outturn for the year is a forecasted underspend of £1.758m.
- 2.4.3 The £0.352m year to date overspend is made up of an overspend with fleet , projects funded by external grant income which has yet to be received and a number of small non-material variances within a number of projects.
- 2.4.4 The forecast underspend for the year is £1.758m. The main reasons are summarised below:
- £0.319m of net overspends within Education projects.
 - £0.223m overspends in fleet management, work where expenditure is as per approved business cases, and £0.107m on the Mid Argyll Office Rationalisation and Rothesay Library projects
 - £0.690m of underspend in respect of the TIF projects for Lorn/Kirk road and the North Pier extension with a proposal to slip funds into 2016-17.
 - £0.158m of net underspend in respect of the CHORD projects for Campbeltown, Dunoon and Oban with a proposal to slip funds into 2016-17.
 - £0.508m underspend in the A83 South of Muasdale project, due to final payments being withheld until snagging issues are resolved.
 - £0.492m underspend in the Kintyre Renewables Hub project, due to

decreased expenditure and additional grant funding received.

- £0.554m, relates to underspends in the Bridge Strengthening, Health and Safety, IT archiving, Kilmory Castle, Kilmory Biomass and Manse Brae Office projects.
- £0.250m underspend in the Riverside Leisure Centre project due to delays in the tendering process and it is proposed to slip these funds into 2016-17.
- The remaining balance of £0.215m overspend is made up of non-material variances less than £0.050m each.

2.5 Treasury Monitoring Report

- 2.5.1 This report provides information on the current levels and recent transactions in relation to the capital financing limit, total borrowing, temporary borrowing and long term borrowing and investments.
- 2.5.2 No new borrowings were taken out nor repaid in January.
- 2.5.3 Borrowing is estimated to be below the capital financing requirement for the period to 31 March 2016. This reflects the approach taken to minimise surplus cash on deposit in order to avoid overdue exposure to investment/credit worthiness risks. However, if it becomes clear that longer term interest rates are likely to increase significantly the position will be reviewed to ensure the Council locks in funding at low interest rates.
- 2.5.4 Investments at 31 January 2016 were £54.4m with a return for the last quarter of 0.711% compared to the average 7 day rate of 0.359%.

3. RECOMMENDATIONS

- 3.1 Members to note the revenue budget monitoring report as at 31 January 2016.
- 3.2 Members to note the current assessment of the Council's financial risks.
- 3.3 Members to note the overall level of reserves and balances and note the monitoring of the earmarked reserves.
- 3.4 Members to note the capital plan monitoring report as at 31 January 2016.
- 3.5 Members to note the treasury monitoring report as at 31 January 2016.

4. IMPLICATIONS

- | | | |
|-----|--------------------|--|
| 4.1 | Policy – | None. |
| 4.2 | Financial - | Outlines the revenue and capital monitoring for 2015-16 as at 31 January 2016. |
| 4.3 | Legal - | None. |
| 4.4 | HR - | None. |
| 4.5 | Equalities - | None. |
| 4.6 | Risk - | Details of financial risks are included within the report. |
| 4.7 | Customer Service - | None. |

Policy Lead for Finance: Councillor Dick Walsh

**Kirsty Flanagan
Head of Strategic Finance
16 February 2016**

ARGYLL AND BUTE COUNCIL

POLICY AND RESOURCES
COMMITTEE

CUSTOMER SERVICES

17 MARCH 2016

PERFORMANCE REPORT FQ3 2015-16

1.0 EXECUTIVE SUMMARY

- 1.1 The Council's Planning and Performance Management Framework sets out the process for presentation of the council's quarterly performance reports.
- 1.2 This paper presents the Policy and Resources Committee with the Customer Services Departmental performance report with the scorecards for Strategic Finance and Customer Services for FQ3 2015-16 (October - December 2015).
- 1.3 It is recommended that the Policy and Resources Committee reviews the scorecards as presented.

PERFORMANCE REPORT FQ3 2015-16

2.0 INTRODUCTION

- 2.1 The Planning and Performance Management Framework sets out the process for presentation of the council's quarterly performance reports.
- 2.2 This paper presents the Policy and Resources Committee with the Customer Services Departmental performance report with the scorecards for Strategic Finance and Customer Services for FQ3 2015-16 (October - December 2015).

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee reviews the scorecards as presented.

4.0 DETAIL

- 4.1 The performance scorecard for the Customer Services Department was extracted from the Council's Pyramid performance management system and is comprised of key performance indicators incorporating the four services that make up Customer Services. Likewise the scorecard for Strategic Finance comprises the key performance indicators for this service.

5.0 IMPLICATIONS

5.1	Policy	None
5.2	Financial	None
5.3	Legal	The Council has a duty to deliver best value under the Local Government Scotland Act 2003.
5.4	HR	None
5.5	Equalities	None
5.6	Risk	Ensuring performance is effectively scrutinised by members reduces reputational risk to the council.
5.7	Customer Service	None

Douglas Hendry, Executive Director – Customer Services

For further information contact:

Jane Fowler, Head of Improvement and HR
Kirsty Flanagan, Head of Strategic Finance

Performance Report for Customer Services	Period October – December 2015
<p>Key Successes</p> <ol style="list-style-type: none"> 1. The Helensburgh & Lomond Civic Centre – temporary certificate of occupation received and staff have moved in. 2. Installation of solar pv in both Non-NPDO and NPDO schools successfully completed. The Council has now installed in excess of 1MW of generating capacity via solar pv installations. 3. Successful conclusion to partnership working with Oban Primary Schools Parent Councils relating to local transport issues. This included rescheduling of bus timetables in the Oban town area to alleviate concerns. 4. Community Council By-election process completed 5. Emergency response activities to the Clachan flooding incident 6. Audit Scotland has reported that we are third lowest across Scotland for our level of local authority error and administrative delay overpayments in 2014/15 for Housing Benefit. 7. Highest score achieved of all the local authority mock Procurement Capability Improvement Programme assessments. 	
<p>Key Challenges</p> <ol style="list-style-type: none"> 1. Delivery of Carbon Management Plan target of 20% saving on CO₂ emissions. 2. Preparation underway for Scottish Parliament election and commencing for By–Election in Oban North and Lorn 3. Number of modern apprenticeships – posts have been advertised, unfortunately they have not attracted enough suitable candidates. 4. To manage transition to Scottish Wide Area Network, and make contingency plans for any overrun beyond September 2016 5. Plan for go-live of new CRM and telephony system scheduled for 22 March 6. Finalise implementation planning for introduction of Universal Credit from 7 March 2016 	
<p>Action Points to address the Challenges</p> <ol style="list-style-type: none"> 1. Gap analysis undertaken and projects including 5 NPDO School Solar PV installations (all now completed) and 10 biomass installations (tenders accepted – pre-start meeting undertaken) have been identified to meet the target. Waste arising has recently been increasing so the relationship between waste arising and waste to landfill being reviewed with colleagues from Amenity Services 2. Experienced team in place to deliver nomination, administration and election process 3. Closer working with Schools and opening up age range to attract more suitable applicants for future Modern Apprenticeships posts, work more closely with Job Centre plus and run more promotions on the opportunities. 4. Continued engagement with PathfinderNorth and Capita to ensure Argyll and Bute sites migrate as early as possible, engage with Vodafone to ensure contingency in place if migration should take longer than expected 5. Regular review of progress against plan, managing all risks and issues as these arise. 6. Continued engagement with DWP and other key stakeholders, arranging and delivering awareness events, preparing data for website, agreement of Data Partnership Agreement with DWP, put services in place for assisted digital access and personal 	

budgeting support.



Making Argyll and Bute a place people choose to live, learn, work and do business

Customer Services Scorecard 2015-16

FQ3 15/16

[Click for Full Outcomes](#)

P Priorities for 2015-17: Customer Services

IMPROVEMENT					Status Trend	
Improvement Plan Outcomes CU	Outcomes	Total No	Off track	On track	Complete	A
		63	1	41	21	
CARP Customer Services		Total No	Off track	On track	Complete	G →
		4	0	4	0	
Customer Service CU		Number of consultations				1
Customer Charter		Stage 1 complaints		87 %	G ↓	
Customer satisfaction 93 %		Stage 2 complaints		86 %	R ↓	
Customer Services Audit Recommendations		Overdue	Due in future	Future - off target		
		0 ↑	17 ↓	0 →		
CU Average Demand Risk		Score	6	Appetite	6	→
CU Average Supply Risk		Score	6	Appetite	6	→

RESOURCES				
People	Benchmark	Target	Actual	Status Trend
Sickness absence CU		1.88 Days	1.83 Days	G ↑
PRDs % complete		90 %	99 %	G
Financial		Budget	Forecast	
Finance Revenue totals CU		£K 39,608	£K 39,352	R ↑
Capital forecasts - current year CU		£K 20,787	£K 16,545	R ↓
Capital forecasts - total project CU		£K 118,397	£K 119,122	A ↑
Efficiency Savings CU	Actions on track Savings	Target	Actual	G →
		6	6	
		£K 241	£K 241	
Asset management red risks	7	On track	7	G →

Customer Services Scorecard 2015-16

FQ3 15/16

Click for Full Scorecard

SOA Outcome - The economy is diverse and thriving			
CS02 Businesses supported in claiming Non Domestic Rates relief	Success Measures	1	G
	On track	1	→
CS03 Maximise opportunities for SME's to sell to the Council ...	Success Measures	4	A
	On track	3	↑
CS05 Increased value is delivered from procurement ...	Success Measures	5	
	On track	2	
GL10 Timely provision of Liquor Licences & Civic Government Licences to the public	Success Measures	5	A
	On track	4	↓

SOA Outcome - Children and young people have the best possible start			
FS01 Children are healthier because nutritionally balanced school meals are available ...	Success Measures	6	G
	On track	6	→
GL06 The best interests of children at risk are promoted	Success Measures	1	G
	On track	1	↑

SOA Outcome - People live active, healthier and independent lives			
CS01 Benefits paid promptly whilst minimising fraud	Success Measures	5	A
	On track	4	→

SOA Outcome - People live in safer and stronger communities			
FS02 Communities are safer ... through improved facilities	Success Measures	9	A
	On track	7	→
FS03 We contribute to the sustainability of the local area	Success Measures	6	G
	On track	6	→
FS04 School & public transport meets the needs of communities	Success Measures	3	A
	On track	2	↓
GL01 Framework to support democratic decision making	Success Measures	12	A
	On track	10	→
GL02 Council compliance with governance & info arrangements	Success Measures	5	A
	On track	3	→
GL04 Improve quality of life & safety of residents & visitors	Success Measures	2	G
	On track	2	→
GL07 Community Councils are supported	Success Measures	5	A
	On track	4	→
GL08 Provision of high quality, timely legal advice	Success Measures	2	G
	On track	2	→
GL11 Communities and employees are prepared to deal with major incidents	Success Measures	3	G
	On track	3	→
IH01 We recognise and tackle discrimination and promote equality	Success Measures	3	G
	On track	3	→
IH02 Managers are enabled to manage health and safety effectively	Success Measures	8	A
	On track	8	→
IH05 The Gaelic language is supported and promoted	Success Measures	1	G
	On track	1	↑

Supporting Outcome - Service Delivery Enablers			
CS04 Income from local taxes and sundry debtors is maximised ...	Success Measures	5	A
	On track	4	↓
CS06 IT applications & infrastructure available ... and meet business needs	Success Measures	8	A
	On track	6	↓
CS07 Customers can access council services more easily ... service quality	Success Measures	11	A
	On track	7	→
GL03 Members enabled to deal with their caseload	Success Measures	1	R
	On track	0	→
GL05 Electors enabled to participate in the democratic process	Success Measures	2	G
	On track	2	→
GL09 Provision of high quality ... legal documentation	Success Measures	2	G
	On track	2	↑
IH03 Staff are supported to scrutinise performance and deliver continuous improvement ...	Success Measures	11	A
	On track	8	→
IH04 Our customers and employees are informed and engaged	Success Measures	7	A
	On track	4	→
IH06 Employees have skills/attitudes to deliver efficient/effective services	Success Measures	7	A
	On track	6	↓

Strategic Finance Scorecard 2015-16

FQ3 15/16

Click for full Outcomes

SF01 Effective planning, reporting and management of finance ...	Links to Enablers ABC 7	A →
SF02 Assurance...that financial and management controls are operating effectively	Links to Enablers ABC 7	A ↓

Corporate Support Team Scorecard

Departmental Support Team Scorecard

Internal Audit Team Scorecard

RESOURCES

People	Benchmark	Target	Actual	Status Trend
Sickness absence SF		1.6 Days	1.4 Days	🟢 ↓
PRDs SF		90 %	100 %	🟢 ↑
Financial	Budget	Forecast		
Finance Revenue totals SF	£K 1,899	£K 1,899	🟢	→
Capital forecasts - current year SF	£K 0	£K 0		
Capital forecasts - total project SF	£K 0	£K 0		
Efficiency Savings SF	Actions on track Savings	Target	Actual	🟢 →
		1	1	
		£K 22	£K 22	

IMPROVEMENT

					Status Trend	
SF Service Improvement Plan 2015-16	Actions	Total No	Off track	On track	Complete	
		15	4	0	11	
Strategic Finance Audit Recommendations	Overdue	Due in future	Future - off target			
	0 →	4 ↑	0	→		
CARP Strategic Finance	Total No	Off track	On track	Complete	🟢 →	
	1	0	1	0		
Customer Service SF	Number of consultations				0	
Customer Charter	Stage 1 complaints		100 %	🟢	→	
Customer satisfaction 90 %	🟢 ↑	Stage 2 complaints		100 %	🟢 →	
SF Average Demand Risk	Score	9	Appetite	9	→	
SF Average Supply Risk	Score	8	Appetite	8	→	

SF01 Effective planning, reporting and management of finance ...			Links to Enablers ABC 7	A	
SF01 Council Finances Managed Effectively - Net	£	Budget	£ 1,646,578	G	% rating public audit forum - practice
		Forecast	£ 1,646,578	→	
Unaudited Accounts Summarised Report by 30 June	Status	Complete	G	% rating public audit forum - satisfaction	R
	Target		→		
Annual accounts prepared on time and without qualification	Status	Yes	G	SF user satisfaction survey - quarterly	G
	Target	Yes	→		
Audited Accounts Summary Report by 15 October	Status	Complete	G	% investment returns	G
	Target	Complete	↑		
Budget Summary Report by 31 March	Status	On track	G	Average loans fund rate	G
	Target		→		
Summary Financial Report - Quarterly	Status	On track	G	Rate for new long term loans	G
	Target	On track	→		
Budget Preparation Timetable	Status	On track	G	Annual treasury assessment against good practice	G
	Target		→		
Medium Term Financial Strategy Review Regularly	Status	On track	G	Annual review of treasury management practice statements	G
	Target	On track	→		
Budget Monitoring Process	Status	On track	G	ARCHIVE Annual review of risk management policy etc - by 31 March	G
	Target	On track	→		
No of days to distribute monthly routine reports to budget holders	Actual	1.0 Days	G	ARCHIVE Risks are incorporated in service plans	G
	Target	4.0 Days	→		
	Benchmark	4.0 Days	→		
% of direct expenditure fully costed with perf measures	Actual	100.0 %	G		
	Target	100.0 %	→		
CIPFA FM Assessment	Status	Delayed not rescheduled	R		
	Target	On track	→		

Strategic Finance Scorecard 2015-16			Click for full Scorecard
FQ3 15/16			
SF02 Assurance...that financial and management controls are operating effectively			Links to Enablers ABC 7
SF02 Internal Audit - Net	£	Budget	£ 252,437
		Forecast	£ 252,437
Audit risk assessment prepared by 31 January	Status	On track	G
	Target		→
Annual Audit Plan	Status	On track	G
	Target	On track	→
Annual audit plan approved by 31 March	Status	On track	G
	Target		→
% of audit recommendations accepted.	Actual	100 %	G
	Target	100 %	→
	Benchmark	100 %	→
Annual report on risk management	Status	Complete	G
	Target		→
Percentage qualified staff	Actual	50 %	R
	Target	60 %	↓
	Benchmark		↓

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ARGYLL AND BUTE COUNCIL

POLICY AND RESOURCES
COMMITTEE

CUSTOMER SERVICES

17 MARCH 2016

Service Plans 2016-17

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to present to the Policy and Resources Committee the Service Plans 2016-17 for approval. The Service Plans 2016-17 are a robust framework within which to deliver the Corporate Plan for 2016-17.
- 1.2 Due to the Service Choices process the Service Plans 2016-17 were prepared outside the normal process of presentation at Strategic Committees prior to agreement. They were presented to SMT on 23 November 2015 following a facilitated workshop attended by each Head of Service, after which a quality assurance check was completed on the draft Service Plans.
- 1.3 The Service Plans are aligned to the Single Outcome Agreement and the Council's Corporate Outcomes, as stated in the Corporate Plan and contain employee and revenue resources available to the Council to deliver services.
- 1.4 A robust performance monitoring process through the Strategic Committees and the Performance Review and Scrutiny Committee is in place.
- 1.5 The Service Plans are attached to this report.
- 1.6 It is recommended that the Policy and Resources Committee approve the Service Plans 2016-17.

ARGYLL AND BUTE COUNCIL

POLICY AND RESOURCES
COMMITTEE

CUSTOMER SERVICES

17 MARCH 2016

Service Plans 2016-17

2.0 INTRODUCTION

- 2.1 The purpose of this report is to present to the Policy and Resources Committee the Service Plans 2016-17 for approval.
- 2.2 The 2016-17 Service Plans are a robust framework within which to deliver the Corporate Plan for 2016-17.
- 2.3 The Service Plans 2016-17 are attached to this report.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee approve the adoption of the Service Plans 2016-17.

4.0 DETAIL

- 4.1 Due to the Service Choices process the Service Plans have been prepared outside the normal process of presentation at Strategic Committees prior to agreement.
- 4.2 The Service Plans were presented to SMT on 23 November 2015 following a facilitated workshop attended by each Head of Service, after which a quality assurance check was completed on the draft Service Plans.
- 4.3 The Service Plans are aligned, as per the Planning and Performance Management Framework, to the Single Outcome Agreement Outcomes and to the Council's Corporate Outcomes, as stated in the Corporate Plan. These being –
- People live active, healthier and independent lives
 - People live in safer, stronger communities
 - Children and young people have the best possible start
 - Education, skills and training maximises opportunities for all
 - The economy is diverse and thriving
 - We have infrastructure that supports sustainable growth
- Plus our Service delivery enablers

- 4.4 The Service Plans contain employee and revenue resources available for the council to deliver services to our communities and to deliver on the SOA.
- 4.5 Performance against the Service Plans will be monitored through the quarterly scorecard performance review and scrutiny process undertaken by both the Strategic Committees and the PRS Committee.
- 4.6 Following the Service Choices decisions made by Council on 11 February 2016 the Service Plans are now populated with budget information.

5.0 CONCLUSION

- 5.1 The Policy and Resources Committee are requested to approve the Service Plans 2016-17.

6.0 IMPLICATIONS

- | | | |
|-----|------------------|---|
| 6.1 | Policy | None |
| 6.2 | Financial | None |
| 6.3 | Legal | None |
| 6.4 | HR | None |
| 6.5 | Equalities | None |
| 6.6 | Risk | Failure to approve the Service Plans could result in non-delivery of agreed Corporate Outcomes. |
| 6.7 | Customer Service | None |

Douglas Hendry, Executive Director of Customer Services
Policy Lead, Cllr Dick Walsh.
24 February 2016

For further information contact: Jane Fowler, Head of Improvement and HR

APPENDICES - Appendix 1 – Service Plans 2016-17

2016-17 SERVICE PLAN - COMMUNITY AND CULTURE

SERVICE OVERVIEW

Service Purpose:

Working together to support our communities to realise their potential by enhancing access to learning, leisure, culture and housing

Description of areas covered:

Developing and implement the local housing strategy in partnership with key stakeholders

Providing a comprehensive welfare rights service to reduce poverty and support independence

Improving the standard of private sector housing: energy efficiency; property condition and suitability for disabled people

Delivering a responsive and accessible housing option service to prevent homelessness

Providing a comprehensive public library service including free access to a wide range of lending materials, ICT facilities and lifelong learning support

Promoting the arts and culture through provision of advice and support to organisations and individuals; and provide advice and support to the independent museum and heritage sector

Delivering the Active Schools programme

Increasing participation in sport & physical activity through programmes, events and facility development at our pools, halls and gyms

Contributing positively to the Learning Needs of young people in schools and communities

Addressing the issues of exclusion, inequality and disadvantage through lifelong learning and literacies provision

Support the Community Planning Partnership Management Committee in the delivery of the Single Outcome Agreement

Facilitating community development and capacity building to support and sustain 3rd sector organisations and develop communities

Resources available to the service:

Staffing - 202.5 FTE

5 Community Centres

Management Information System (PIES)

7 flats

Park House

Lease 112 temporary homeless tenancies

Strategic housing land bank

ABRITAS Case Management System

6 halls

4 Leisure Centres

1 Sport Centre

1 3G All Weather Pitch

Dunoon Youth Centre

58 cardiovascular machines and 65 resistance machines

SYX Leisure Management System

4 mobile libraries

1 museum and Council Arts Collection

7 Libraries and 2 leased libraries

1 central archiving facility

Civica library, archives and digital content management system

Library book stock – 200,000 books

2016-17 SERVICE PLAN - COMMUNITY AND CULTURE

SERVICE OVERVIEW

Significant strengths:

Installation of Syx Leisure System

Four schools named amongst the first 15 schools in Scotland to be recognised with a gold Sport Scotland School Sport Award recognising innovation and achievement in delivering physical education and extra-curricular sport.

Secured £400,000 funding from Creative Scotland to help boost youth arts provision across Argyll & Bute

104 3rd sector groups received financial support totalling £217,000

164 new affordable social housing built with support from Strategic Housing Fund

£2.818m in additional benefits secured by the Welfare Rights Service. The highest amount ever achieved.

Argyll Active won the provost award and gold award at Employee Awards Ceremony in October 2014

Successful refurbishment and re-opening of Tarbert Library on 10th March 2015

1678 adults accessing learning that increases employability

Completion of SOA for 2013-23 and implementation of monitoring plan for delivery plans

Led the incorporation of HOMEARGYLL on line common housing register into the ABRITAS case management system

Led the expansion of Argyll and Bute Advice Network on line directory and referral system to 330 system users. Inter-agency referrals have increased by 64% in two years.

Local and National Awards, including COSLA Bronze Excellence Award for outstanding and Innovative Empty Homes Projects returning over 500 inactive properties into active use

562 measures were installed in properties via HEEPS:ABS improving energy efficiency and tackling fuel poverty.

Development of SOA:Local documents for each of the four Area Community Planning Groups

Review of CPP governance arrangements with inclusion of key partners such as Scottish Enterprise in CPP Management Committee and at Area Community Planning Group level (Helensburgh and Lomond)

Community and Culture was a key partner in the delivery of the Scottish Rural Parliament.

65 community volunteers received training to increase their capacity to manage village halls and community facilities

Community engagement training programme delivered to community councils across the Council area

Bute Community Sports Hub held sport engagement event attended by over 700 people – in excess of 10% of the island population and we have secured continuation of Community Sports Hub funding from sportscotland until 2019.

Implemented the key recommendations of the Cultural Strategy Action Plan. All geographical and thematic “Hubs” have now met and representatives from each Hub will form the “Cultural Assembly” that will take forward arts development within Argyll and Bute.

Library visits increased by 8% and use of libraries by outside agencies increased by 6% from the previous year (2013/14).

52 volunteers assisted with the delivery of adult literacy services

Opportunities to learn basic computer skills offered in 24 venues across Argyll and Bute, 18 of which were in rurally isolated locations

403 adults received accredited learning certificates in a range of basic skills, including employability, computer skills and communication

The MacMillan Cancer Information and Support service won gold award along with Provost Award at the Council's Excellence and Recognition awards in October 2015

The Queens Baton Relay team won the Outstanding Achievement award at the Council's Excellence and Recognition awards in October 2015

Significant challenges:

Increasing participation in sport and athlete development

Development and scrutiny of indicators within SOA Delivery Plans

Maintaining and developing qualified workforce required to deliver complex sport, physical activity and leisure services.

Secure continuation of accreditation status for Campbelltown Museum.

Sustainability of Macmillan Cancer Information and Support Service once Macmillan funding runs out in March 2018.

Sustaining supply of affordable housing

Service Choices implementation

Equalities:

E-books and talking books for visually impaired, housebound customers and remote rural locations

Concession rates for individuals, disadvantaged families and vulnerable groups in facilities and sports programmes

Partnership working with Housing Associations, Homeargyll common housing register and Abrisas

Customer Service:

Progress social media interaction and online facilities for relevant services

All housing staff trained to Scottish National Standards for Information and Advice providers by March 2016

Progression with on line bookings and payments for community lets

Complete the Customer Service Excellence Standard for Culture and Libraries

**2016-17 SERVICE PLAN - COMMUNITY AND CULTURE
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives	CC02	Raised lifelong participation levels in sport and physical activity to enable us to lead more active healthier lives
		CC04	Less people will become homeless each year in A&B as a result of our proactive approach to prevention & support
	People live in safer, stronger communities	CC06	Our Third Sector and communities have access to information and support which will enable them to engage more fully in developing communities
		CC08	Improved literacy, health and well-being by providing access to quality culture, archives, libraries and museums.
	Children and young people have the best possible start	CC01	Our young people are supported to lead more active and healthier lives
A place people choose to learn	Education, skills and training maximises opportunities for all	CC03	Our adults are supported to access learning opportunities through which they gain skills and confidence to participate fully in their work, family, community and social lives.
A place people choose to work and do business	The economy is diverse and thriving	CC05	Argyll and Bute's economic success is built on a growing population
	We have infrastructure that supports sustainable growth	CC07	People successfully access a choice of suitable & affordable housing options in the area that they want to live and can participate in the housing market
Making it happen	Service delivery enablers		

2016-17 SERVICE PLAN - COMMUNITY AND CULTURE

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
CC01	Our young people are supported to lead more active and healthier lives	Number of young people gaining Sports Leadership and Coaching Awards	175 qualified senior pupils by March 16	Active School Scotland 150	133	Failure to support our young people to lead more active and healthier lives
		Number of extracurricular sport opportunities for schools	Term 1 - 250, Term 2 - 270, Term 3 - 200	Active School Scotland 247		
CC02	Raised lifelong participation levels in sport and physical activity to enable us to lead more active healthier lives	Number of visits to council pools	Q1 - 75,000, Q2 - 70,000, Q3 - 60,000 Q4 - 80,000	Internal facility benchmark 24000	2,769	Failure to raise lifelong participation levels in sport and physical activity to enable us to lead more active healthier lifestyles
		Number of visits to council gyms	Q1 - 23,000, Q2 - 20,000, Q3 - 30,000 Q4 - 25,000	Internal facility benchmark 8500		
		Number of children's swimming lessons completed	Q1 - 4500, Q2 - 2500, Q3 - 4500 Q4 - 4500	Internal facility benchmark 15000		
CC03	Our adults are supported to access learning opportunities through which they gain skills and confidence to participate fully in their work, family, community and social lives.	Number of adults accessing Community Based Adult Learning	Q1 - 350, Q2 - 250, Q3 - 350 Q4 - 350	Internal benchmark 300	818	Failure to ensure our adults are supported to access "first steps"
		Number of participants in activities that improve literacy and numeracy	110 per quarter	Internal Benchmark 100		
CC04	Less people will become homeless each year in A&B as a result of our proactive approach to prevention & support	% of RSL relets to homeless people	50%	Local Housing Strategy (LHS) 51%	2,064	Failure to ensure less people will become homeless each year as a result of our proactive approach to prevention and support
		Number of people accessing housing advice and assistance	600 per quarter	Internal 600		
		% of clients leaving the Housing Support Service with a planned approach	80	Baseline 70		
		Amount of income generated by Welfare Rights	£2.5m per year	Internal benchmark £2.3m		
CC05	Argyll and Bute's economic success is built on a growing population	Maintain regular information updates and monitoring for the 6 SOA delivery plans	6 per quarter	Internal benchmark 6		Failure to improve communications and achievements with key CPP partners
		Outcome reports presented to CPP Management Committee	2 per quarter	Internal benchmark 2		
CC06	Our Third Sector and communities have access to information and support which will enable them to engage more fully in developing communities	Number of capacity building support sessions given to community groups	350 per quarter	Internal 300	725	Failure to ensure our Third Sector and communities have access to information and support which will enable them to engage more fully in developing communities
CC07	People successfully access a choice of suitable & affordable housing options in the area that they want to live and can participate in the housing market	Number of new affordable homes completed per annum	110	LHS 80	711	Inability to ensure people successfully access a choice of suitable and affordable housing options in the area that they want to live
		Number of empty properties back in use per year	50	LHS 10		
CC08	Improved literacy, health and well-being by providing access to quality culture, archives, libraries and museums.	Number of visits to libraries	850 per quarter	Scottish national quartile benchmark 1005	1,582	Failure to improve literacy, health and well-being by providing access to quality culture, archives, libraries and museums
		Number of times libraries are used by outside agencies	120 per quarter	Internal benchmark 100		
		Number of visits to council owned and/or funded museums	Q1 - 45000, Q2 - 65000, Q3 - 40000 Q4 - 45000	Internal benchmark 200,000 per year		
		Number of archive enquiries	130 enquiries per quarter	Internal benchmark 125		
Central Management					299	
					9,100	

2016-17 SERVICE PLAN - CUSTOMER AND SUPPORT SERVICES

SERVICE OVERVIEW

Service Purpose:

Customer and Support Services provides a range of first-line contact facilities for council customers for a growing range of services through a network of customer service points in all the main towns, a telephony based service and the council's web site. Customer and Support Services is also responsible for collection of local taxes, administering housing benefit and discretionary housing payments and the council tax reduction scheme, administering the Scottish Welfare Fund and registration of births, deaths and marriages. It also provides a range of services, relating to the provision of ICT, creditor payments, procurement and commissioning of goods and services, and the intranet Hub, internally to council departments.

Description of areas covered:

Collection of local taxes (council tax, domestic water and sewerage charges on behalf of Scottish Water, non-domestic rates) and sundry debts and other income.
Billing and collection of income for Oban and Dunoon Business Improvement Districts, and water and sewerage for Machrihanish Airbase Community Company.
Administration of housing benefit and council tax reduction scheme, discretionary housing payments, and Scottish Welfare Fund.
Registration of births, deaths and marriages.
Provision of customer services - through a range of channels including website, telephone contact centre and network of service points.
Development and maintenance of external website and intranet hub.
Payment of suppliers.
Payments of travel and subsistence claims for employees and Members, maintenance of register of Members expenses.
Procurement and commissioning of goods and services for all council departments, central teams for travel and accommodation, education and construction purchasing.
Corporate ICT and print services.
Provision of ICT infrastructure for education.
ICT support for primary schools.

Resources available to the service:

Staffing - 207.05 FTE
60.14 FTE for ICT (including 2 for workforce deployment and 2 modern apprentices funded from disposal contract)
32.31 FTE for procurement and commissioning
48.87 FTE for customer service centre and registration and digital services team
62.23 FTE for revenues and benefits
3.50 FTE for support team

2016-17 SERVICE PLAN - CUSTOMER AND SUPPORT SERVICES

SERVICE OVERVIEW

Significant strengths:

The ICT service is particularly low cost compared to other councils. It provides a fully converged voice and data network with leading edge unified communications which supports the area's challenging geography. Applications are provided through a carefully planned approach to the deployment of market leading packaged solutions. IT engineers are deployed on a geographically dispersed model allowing fast responses to local issues. Satisfaction levels are measured regularly and are increasing. ICT development framework agreed for assessing ICT capital programme proposals and approved through ICT Steering Board. Benchmarking is regularly undertaken through SOCITM.

The Procurement service has won national Procurement awards in 2010 and 2011 and was a finalist in various categories in 2013, 2014 and 2015 and has received improving Procurement Capability Assessment scores from 21% in 2009 to 72% in 2014. Particular strengths are strategy and objectives, defining the supply need and people. Formal contract management introduced for all large or high risk contracts and commodity sourcing strategies introduced. Sustainable procurement policy in place with community benefits considered for all services contracts over £100k and works contracts over £500k. Council website has been re-engineered onto an open source mobile adaptive platform which is state of the art and rated as a 4 star Better Connected site. There have also been significant improvements to the intranet.

A dedicated team is working on increasing the range of customer services available through the customer service centre and online transactions are above targeted levels.

A new digital services team is in place to deliver the council's Digital First policy and new telephony and customer contact management systems have been recently acquired. Customer Service Action Managers are active in all departments with key customer service improvement actions now included in service plans.

Institute of Rating, Revenues and Valuation silver award won in 2014 for effective implementation of double council tax on empty homes.

New sheriff officer contract put in place in 2014 with significant savings which are used to fund improved single person review process ensuring fraud in this area is minimised. Benefits processing well within Scottish averages. Well prepared for introduction of Universal Credit through being a trial site for Universal Support Delivered Locally.

Significant challenges:

To implement "service choices" savings options.

To increase the adoption of ITIL service management framework and provide more customer responsive ICT services with more formal service level agreements.

To maintain PSN accreditation.

To manage the transition to Universal Credit starting March 2016 and ensure the new counter fraud team is cost effective.

To ensure that funds provided for Discretionary Housing Payments and Scottish Welfare Fund are fully utilised but not overspent.

To ensure local tax collection levels do not drop given the continuing difficult economic circumstances.

To encourage take-up of more efficient customer channels and provide a greater range of council services through the website through a single authentication and promoting digital first.

To increase the value that the council gets from its bought in goods and services, whilst ensuring that local suppliers are given every opportunity to win work from the council, and move to a more commercial approach.

To improve council's invoice payment performance, and improve levels of orders placed through systems in order to provide better management information on purchases as well as support commitment accounting.

To respond to customers' demands for services beyond "normal" council hours and start to move systems to the Cloud for added resilience.

To commence transition to SWAN wide area network following end of Pathfinder contract extension in March 2016, and ensure this goes smoothly with minimum disruption to services.

To support health and social care integration through making it easy to access relevant council applications securely and through commissioning appropriate services to meet the requirements of the new locality plans.

To support those adversely affected by welfare reforms.

Equalities:

To provide equality of access to council contracts and to pay council suppliers promptly.

To maximise take-up of benefits from those who are eligible whilst minimising fraud and error.

To provide a range of channels for council customers to access services which do not disadvantage any sectors.

To ensure that income is collected from customers fairly and sensitively in relation to their circumstances.

Customer Service:

To improve the customer experience when transacting with Argyll and Bute Council ensuring that customer charter standards are adhered to as much as possible, and that all staff interacting with customers are well trained in customer service principles.

To ensure that customer feedback is taken into account when designing or re-designing services.

To ensure that the council's Customer Service Board effectively champions customer service across the council.

**2016-17 SERVICE PLAN - CUSTOMER AND SUPPORT SERVICES
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives	CS01	Benefits are paid promptly whilst minimising fraud
		CS08	Financial and digital inclusion barriers are removed from disadvantaged citizens through effective joint working
	People live in safer, stronger communities		
	Children and young people have the best possible start		
A place people choose to learn	Education, skills and training maximises opportunities for all		
A place people choose to work and do business	The economy is diverse and thriving	CS02	Businesses are supported in claiming Non-Domestic Rates (NDR) relief
		CS03	Opportunities for SMEs to sell services to the Council are maximised and all suppliers paid promptly
		CS05	Increased value is delivered from procurement, with key contracted services of better quality and effectiveness
	We have infrastructure that supports sustainable growth		
Making it happen	Service delivery enablers	CS04	Income from local taxes and sundry debtors is maximised and properly controlled
		CS06	IT applications and infrastructure are available to users when they want to use them, and meet business needs
		CS07	Customers (internal and external) can access council services more easily and these services are of better quality

2016-17 SERVICE PLAN - CUSTOMER AND SUPPORT SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
CS01	Benefits are paid promptly whilst minimising fraud	Process all changes promptly and accurately	New claims processed within average of 23 days, changes within 8 days, accuracy rate of 94%	Scottish average 2014/2015 24 days for new claims and 8 days for changes, Scottish average error rate 2014/2015 is 94%	1,120	Failure to pay Benefits promptly and risk of paying benefit where no entitlement with commensurate loss of subsidy.
		Scottish Welfare Fund claims processed promptly and accurately and annual spend is maximised.	95% of Crisis Grant claims within 2 days and 90% of Community Care grant applications in 15 days	Scottish avg 2014/15 CGs 94% within 2 days; CCGs 82% within 15 days		
		Discretionary Housing Payment (DHP) funding is maximised and distributed to those that need the support most	Annual spend as a percentage of programme funding is a minimum 97.5%	Scottish average 2014/2015 is 95%		
		Discretionary Housing Payment (DHP) funding is maximised and distributed to those that need the support most	Annual spend as a percentage of overall funding is a minimum 95%	62% of local authorities in the UK spent up to 100% of DHP funding in 2014/2015; source DWP website		
CS02	Businesses are supported in claiming Non Domestic Rates (NDR) relief	Cost of NDR discretionary relief within the annual budget	Within budget throughout year. Measured quarterly.	No external benchmark	106	Failure to maintain discretionary NDR relief within budgeted amounts.
		Increase value of total relief awarded	Target £9.2m by 31 March 2017	No external benchmark. £9.1m awarded in year to August 2015		
CS03	Opportunities for SMEs to sell services to the Council are maximised and all suppliers paid promptly	Increase percentage of suppliers paid within 30 days	Min 94% of invoices paid within 30 days for 2016/17	91.8% for full year 2014/15; Scottish Avg 91.5%	244	Failure to maximise opportunities for local businesses to sell services to the Council and failure to pay suppliers promptly.
		Increase percentage of SMEs winning council contracts	90% throughout 2016/17	85% in 2014/15		
		Increase percentage of local suppliers bidding for business on portal	35% by 31 March 2017	23% in 2014/15		
		Increase percentage of local suppliers winning contracts where local suppliers have placed a bid	70% by 31 March 2017	66% in 2014/15		
		Increase number of community benefits delivered through contracts	25% of all contracts > £100k for services or > £500k for works deliver tangible community benefits	No external benchmark		
CS04	Income from local taxes and sundry debtors is maximised and properly controlled	Maintain collections of Council Tax and NDR	96.3% Council Tax, 97.5% NDR cumulatively at March 2017 (including year end accruals)	Scottish average 2014/15 Council Tax 95.62%; NDR 97.08%	332	Failure to ensure income from local taxes and sundry debtors is maximised and properly controlled.
		Maintain the cost of collecting Council Tax per chargeable dwelling at current levels	Cost £6.25 per chargeable dwelling at 31 March 2017	Performance at £6.25 per chargeable dwelling in 2014/2015 as per CIPFA Directors of Finance Stats		
		Increase percentage of Council Tax payers paying by Direct Debit	Target of 78%	76.4% July 2015		
		Amount of Outstanding Sundry Debtors' balances aged over 3 months	Aged debt over 3 months not to exceed £900k by 31 March 2017	£1.00m at March 2015		
		100% of bank reconciliations completed within 2 weeks of month end with no unreconciled balances	100%	No external benchmark		
		Minimise erroneous claims for discount and exemption in Revenues	Error detection target of £17,250 per quarter	No external benchmark		

2016-17 SERVICE PLAN - CUSTOMER AND SUPPORT SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
CS05	Increased value is delivered from procurement, with key contracted services of better quality and effectiveness	Increase percentage of all spend under contract or SLA	Target of 90%	Avg contracted spend 2014/15: 88%	814	Failure to increase value from procurement with key contracted service of better quality and effectiveness
		Key/high risk contracts continually and actively managed to ensure quality of services being provided	Top 80 contracts	68 at June 15		
		Achieve target cost savings	Target £1.25m new savings in year	£2.37m procurement savings in 2014/15		
		Increased % of orders placed electronically through Oracle purchasing project	40% for Q1; 45% Q2 50% Q3; 55% Q4	40.2% in 2014/15		
		Improved annual Procurement Capability Assessment (PCA) score in new Procurement Commercial Improvement Programme assessment	Target for assessment is equivalent to PCA score of 75%	72% achieved in 2014		
CS06	IT applications and infrastructure are available to users when they want to use them, and meet business needs	Less than 0.8% unscheduled application downtime during specified core time linked to users' service requirements	All year with monthly figures	Less than 1% unscheduled application downtime during specified core time linked to users service requirements - SOCITM Benchmarking	3,962	Failure to ensure availability of IT applications when business needs them or to meet demand from services for assistance with implementing new technological advances
		Less than 1% unscheduled infrastructure downtime during specified core time	All year with monthly figures	Less than 1% unscheduled downtime during specified core time - SOCITM Benchmarking		
		85% of applications and databases within one version of current – to maintain vendor support and enable use of new applications facilities	All year with monthly figures	No external benchmark		
		Maintain average time to resolve ICT incidents under 5 hour benchmark	Year to March 2017	No direct external benchmark - SOCITM uses more complex time bandings depending on type of incident		
		100% Seasonal upgrades done in time	Dates determined by users each year	No external benchmark		
		Average success score for projects	82% annual average	SOCITM KPI 3 (80%)		
		Regular scheduled replacement of PCs, laptops and MACs	Target replacement of 500 corporate devices and 1100 Education devices each year (133 per month)	No external benchmark		
		Clear strategic direction is gained from the Health and Social Care Partnership Integrated Joint Board and Council IT services and systems are available to appropriate IJB staff	Appropriate council systems published externally and available by September 2016	No external benchmark		

2016-17 SERVICE PLAN - CUSTOMER AND SUPPORT SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
CS07	Customers (internal and external) can access council services more easily and these services are of better quality	Improved quality of registration service	Target error rate 1.7%	Scottish average 1.7% 2014, ABC current error rate 1.8%	1,411	Failure to meet growing Customer expectations for improved access to Council services
		Increased demand for civil marriages in Argyll and Bute	Target 450 in year	442 civil marriages and 11 civil partnerships for 2014 but only 306 to Sept 2015		
		Improved %age of calls through CSC dealt with at first point of contact.	Targets: 65% for Planning 60% for Social Work 75% for Regulatory 65% for General Enq 90.5% for all other services	Stats at Sept 2015 Planning 63.6% Social Work 60% Regulatory 75.8% All other services 91%		
		Reduced call abandon rate	Abandon rate below 7.5% Average answered talk time 3.00 dec minutes	Abandon Rate Sept 2015 6.32% Average answered talk time Sept 2015 2.34 dec mins		
		Increase percentage of self service directory calls successfully routed	Target 75%	Sept 2014 73%		
		Reduce face-to-face transactions as a percentage of total CSC interactions	Target of max 20% for year	Avg of 20% to end Sept 2015. Will decline in 2016/17 once council tax payments end at servicepoints		
		Reduce Agent handled telephony as percentage of total CSC interactions	Target of max 25% for year	Avg of 25% to end Sept 2015. May increase in 2016/17 once council tax payments end at servicepoints, but this will be offset by channel shift on other transactions		
		Increase number of online transactions	50K trans Q1, 55K Q2, 60K Q3, and 65K in Q4	88K to end Sept 2015. Targets based on CRM business case for channel shift		
		Maintain Better Connected score for the website	4 star Better Connected score	4 star 2014/15		
		Improve employee satisfaction with the content of The Hub	Target 90% are satisfied with the content of the Hub	Currently 90% satisfaction rate		
	Improve customer satisfaction levels	% satisfied or very satisfied with service: 90% for face to face 90% telephony 77% web 90% emails	Customer satisfaction survey Sept 2015: face to face: 92% telephony: 91% web: 91% emails: 79%			
CS08	Financial and digital inclusion barriers are removed from disadvantaged citizens through effective joint working	IT capital programme projects delivered to time and budget	Annual spend within plans; 100% projects delivered within agreed timescales	No external benchmark	0	Failure to secure funding from ESF/BLF will mean that financial and digital inclusion barriers will still exist for disadvantaged citizens in Argyll and Bute.
		Successful bids for funding from ESF and BLF	Bids agreed by 31 December 2016, monies available from 1 April 2017	No external benchmark		
		Council Wi-fi and ICT Infrastructure supports the needs of the Council's Digital Inclusion learning projects	Dates determined by users each for each project	No external benchmark		
Central Management Costs					324	
					8,313	

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

SERVICE OVERVIEW

Service Purpose:

To assist in the delivery of the overarching aim of the agreed Single Outcome Agreement, endorsed by the 2014 Economic summit, with a focus on key outcomes 1, 2 and 3 that aim to grow our local economy, create the necessary infrastructure to facilitate economic growth and ensure that local people have sufficient work skills to take advantage of available employment opportunities that enables our population to grow.

Description of areas covered:

Economic Growth (Business Gateway, Economic Growth (sectoral and skills development focus) European policy and funding, and Employability services), capital regeneration projects (CHORD, Lorn Arc Initiative), heritage led regeneration, renewables, film, broadband and mobile phone coverage and key sectors including tourism, food and drink and forestry, social enterprise providing third sector support and community empowerment activities, connectivity (roads, ferries, air, rail) and transport policy (including road safety) and strategic infrastructure. Sourcing and securing external funding to delivery physical regeneration projects delivered both directly by the Council and by third sector organisations.

Resources available to the service:

Staffing - 78 FTE (in addition this will reduce by 5 FTEs going into 2016/17 due to the scaling back of the Employability Team).

Staff resource includes the Head of Service, 4 Senior Managers (incl 1 sub-contracted Programme Manager); 1 Promotion & Marketing post; 7 team members in Business Gateway; 6 core team members in Employability; 10 team members in the European Team; 3 team members on the economic growth team, 5 Project Managers in Capital Regeneration Team and 2 Administrators; 10 team members in Projects and Regeneration including social enterprise staff and 3 officers and 2 finance/administrative staff delivering externally funded projects; and 21 team members in Strategic Transportation (incl Road Safety and Airport Operations);

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

SERVICE OVERVIEW

Significant strengths:

Creating an open for business environment through a robust and up to date set of area specific Economic Development Action Plans (EDAPs) aligned to the overarching EDAP, 2013-2018, that focus the Council's resources on the economic development activities (including strategic transportation) that are designed to have the greatest beneficial socio economic impact on the areas local communities as well as across Scotland as a whole. In particular the strategic EDAP provides a clear focus on the actions that we should focus our resources on delivering across the key sectors (tourism, renewables, forestry (marine science - no actions at present) and food and drink) in order to contribute to the outcomes outlined in the SOA and area-based EDAPs.

The Renewable Energy Action Plan (REAP), 2010-2013 (to be refreshed) has been developed by the Argyll and Bute Community Planning Partnership (CPP), and is a key action within our Community Plan/SOA, in order to assist Argyll and Bute realise its vision for the development of the renewable energy sector. The on-going delivery of the EDAP and REAP has resulted in good, effective, strong and robust partnership working throughout the Service. The Argyll and Bute Renewable Alliance (ABRA) is a partnership of both public and private stakeholders which seeks to secure the delivery of the REAP.

Establishing the Economic Forum and preparing a robust evidence base i.e. compelling skills report, for further economic interventions and initiatives such as Oban as a University Town, Continuing to maximise productive linkages between the Economic Development Service, Development and Infrastructure Directorate and the wider Council e.g. key officer representation from across the Council on the Argyll and Bute Employability Partnership.

Effective communication between senior management and staff below senior management level continues to improve due to reinstating utilising quarterly Economic Development Officer Group (EDOG) meetings which includes staff from the other services within the Development and Infrastructure Directorate. On an ongoing basis a more holistic knowledge of the Economic Development Service has been sought through regular team meetings and individual staff one-to-one meetings.

Reputation for robust and effective partnership working with key agencies such as HIE through taking a coordinated and complementary approach with all internal and external customers/partners and their respective delivery plans.

Significant success in progressing and developing key business sectors such as tourism, renewables and food and drink with external partners e.g. participation in the Argyll Tourism Partnership, food from Argyll, the establishment of the Argyll Economic Forum, the Argyll and Bute Renewables Alliance (ABRA).

A significant track record in sourcing, securing and delivering external funding that has allowed the delivery of capital regeneration projects, business support, creation of a substantial network of active travel routes, transport and infrastructure improvements together with the regeneration of a number of our town centres including economically fragile communities such as Rothesay and Campbeltown.

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

SERVICE OVERVIEW

Significant challenges:

The delivery of the key outcomes of the SOA associated with the economy and business growth, infrastructure and skills and endorsed by the 2014 Economic summit in order to facilitate population growth.

Improving the image of Argyll and Bute as a great place to live, invest, visit and work in.

To be able to quickly and effectively respond to the challenges arising from globalisation that impacts on the Argyll and Bute economy including the rise of competition and the current lack of public and private sector liquidity.

Staying focused on agreed strategic and area based EDAP priorities and actions including managing the delivery of SMART targets and effectively communication progress to a wide range of stakeholders.

To establish a sustainable financial model for the future delivery of the council's Employability service that is currently delivered on a commercial basis. In order to meet its contractual obligations, Argyll and Bute Council has agreed to finance the Employability team until the end of 2017/18.

To ensure that the economic and social interests of our island communities are protected and enhanced through the work of the Argyll Islands Task Force.

Ensuring sufficient service capacity and breadth of skills to continue to effectively deliver the Capital Regeneration projects (currently 21 projects being taken forward) including CHORD, Inveraray CARs, the Lorn Arc TIF, Hermitage Park, Helensburgh Waterfront and Dunoon piers and other area wide regeneration priorities.

Delivering the key outcomes and actions arising from private sector partnerships e.g. AISTP/AITC and ABRA and recommended actions arising out of the of the Argyll and Bute Economic Forum and budget process including the Mid Argyll Regeneration project.

Maintaining effective partnership working with CPP partners and the private sector to deliver the 'Compelling' component of EDAP.

Maintaining the continued delivery of the Council's Maximising Attendance at Work Procedures in order to increase average attendance levels during 2015/16 through 2016/17.

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

SERVICE OVERVIEW

Equalities:

The Economic Development Service is aligned with the Council's Equal Opportunities policies and practices and Equality Impact Assessments are undertaken as appropriate.

Customer Service:

The Economic Development and Strategic Transportation Service is committed to providing excellent customer service further to its regular contact with customers and clients through the service activities delivered by teams such as, Business Gateway, Employability, European Policy and Funding (including Argyll and the Islands LEADER Programme), Social Enterprise, Renewables, Projects (Tourism, Food and Drink, and Forestry), Town Centre Regeneration activity and Strategic Transportation (which includes transport policy and the Road Safety Unit) and Marine Operations. The Economic Development and Strategic Transportation Service's strong customer focus is evidenced by excellent feedback from customers. A range of research methods are utilised by the service to measure performance, reliability and better understand how the service is regarded by customers in order to continuously improve service delivery.

**2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives		
	People live in safer, stronger communities	ET03	Renewables are further developed in the area in partnership for the benefit of our communities.
		ET04	Harness the potential of the third sector and increase their capacity to deliver sustainable communities.
	Children and young people have the best possible start		
A place people choose to learn	Education, skills and training maximises opportunities for all		
A place people choose to work and do business	The economy is diverse and thriving	ET01	Sustainable economic growth in Argyll and Bute
	We have infrastructure that supports sustainable growth	ET02	Argyll and Bute is better connected, safer and more attractive
Making it happen	Service delivery enablers		

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000		Risk summary
					2015/16	2016/17	
ET01	Sustainable economic growth in Argyll and Bute	Maximising the sustainable economic opportunities within Argyll and Bute.	The updating of all our plans and strategies, as appropriate, in response to the findings of the Compelling Skills report and the Argyll and Bute Economic Forum's report during 2016/17.	As appropriate.	1,018		SRR01: Population and economic decline.
		To undertake a detailed action plan for the tourism industry across Argyll and Bute and by administrative area, with input from the Compelling study and the recent Tourism Barometer work at the local level being undertaken by Argyll and the Isles Tourism Co-operative (AITC).	Identify opportunities and gaps in the market that can be taken forward with appropriate stakeholders and partners by end of March 2017.				
		To undertake a detailed action plan for the food and drink sector across Argyll and Bute and by administrative area, with input from the Compelling study and Economic Forum report.	Identify opportunities and gaps in the market that can be taken forward with appropriate stakeholders and partners by end of March 2017.				
		To undertake an updated and detailed action plan, (referencing the Argyll and Bute woodland and forestry strategy) of the forestry sector across Argyll and Bute and by administrative area, with input from the Compelling study and the Economic Forum report.	Identify opportunities and gaps in the market that can be taken forward with appropriate stakeholders and partners by end of March 2017.				
		Number of start-up businesses supported.	100 by March 2017.	Data is now available through the SLAED Economic Indicators work prepared by the Improvement Service.			
		One year survival rate for business start-ups (rolling 12 month average)	77%	National benchmark data available.			
		Three year survival rate for business start-ups (rolling 12 month average)	62%	National benchmark data available.			
		Number of existing businesses supported.	200 by March 2017.	Not applicable: With regard to benchmarking, support to existing businesses is not a Business Gateway national performance measure so benchmarking data is not available.			

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000		Risk summary
					2015/16	2016/17	
ET01	Sustainable economic growth in Argyll and Bute	Work Programme - number of job starts, subject to decision to enter into the contract extension with Working Links for 2016/17.	Secure 35 job starts for Argyll and Bute	The Council delivers the UK Government's Work Programme on behalf of Working Links, one of the two Scottish main contractors for the Department for Work and Pensions (DWP), any benchmarking information can only be published at the discretion of			
			Secure 95 job starts with Partners				
		Work Programme - number of sustainable job outcomes, subject to decision to enter into the contract extension with Working Links for 2016/17.	Secure 15 sustainable job outcomes for Argyll and Bute	The Council delivers the UK Government's Work Programme on behalf of Working Links, one of the two Scottish main contractors for the Department for Work and Pensions (DWP), any benchmarking information can only be published at the discretion of DWP.			
			Secure 25 sustainable job outcomes with Partners				
		Maximise European funding investment within Argyll and Bute.	Working with Employability partners to secure, as far as practicable, £3.66m of ESF funding allocated to Argyll and Bute Council to deliver an Enhanced Employability Pipeline; and £0.53 for Poverty and Social Inclusion measures. We will also be working through Business Gateway to lever in an allocation of £298,762 of ERDF funding. Launch of LEADER Programme early January 2015 (depending on governance issues being sorted out). Launch of EMFF FLAG programme - no date as Operational Programme not yet approved by European Commission. Working on 3 potential Interreg bids - currently working to assess viability of projects.	Not applicable			

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000		Risk summary
					2015/16	2016/17	
ET01	Sustainable economic growth in Argyll and Bute	Number of Capital Regeneration Full Business Cases completed and approved.	Oban Transit Berthing Facility; Helensburgh Waterfront development; Lorn Arc - Lorn Road/Kirk Road improvements; North Pier Extension/streetscape; Dunbeg development Road.	Not applicable: specific to Argyll and Bute.			
		Number of Capital Regeneration contract projects let.	Three contracts let: Refurbishment of Rothesay Pavilion, Redevelopment of Queens Hall, Dunoon and Oban Maritime Visitor Facility	Not applicable: specific to Argyll and Bute.			
		Delivery of physical economic regeneration projects in 2016/17.	Three physical economic regeneration projects completed in 2016/17: Oban public realm ph2; Oban Maritime Visitor Facility; and the Helensburgh Shopfront Initiative phase 1.	Not applicable: specific to Argyll and Bute.			
		Working with the community and partners to develop and deliver town/community wide development and action plans.	Charrette for Tiree, Rothesay and Crinan Canal. (complementing further work programmed by the councils Planning service)	Specific to those communities.			
		Delivery of projects and support to key sectors - Film and Argyll kayak trail.	One stop shop created for Film support, number of film enquiries received and productions made in Argyll and Bute and continued development and promotion of Argyll Kayak trail. Stalled spaces projects delivered. Development of cultural and heritage trail.	Not applicable: specific to Argyll and Bute.			
		Delivery of and support to partner heritage led regeneration projects.	Inveraray and Campbeltown CARS, and commence delivery of Hermitage Park Parks for People project. The implementation of investing for economic growth and the Mid Argyll Regeneration Project. Development phase delivery of Rothesay TH, Work with Kilmartin Museum, St Peters NVA and Campbeltown Cinema.	Not applicable: specific to Argyll and Bute.			

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000		Risk summary
					2015/16	2016/17	
ET02	Argyll and Bute is better connected, safer and more attractive.	Secure external funding for the delivery of strategic transport projects.	Annual target: £400,000	Not applicable: specific to Argyll and Bute.	1,178		Failure to deliver lifeline area services to the islands.
		Actively influence partner agencies to assist in the delivery of strategic transport projects.	95% delivery against programme of work incorporating Argyll and Bute representation at national strategic transportation forums	Not applicable: specific to Argyll and Bute.			
		Maintain Airport safety essential for service delivery	Monthly Target: 70% pass mark on Red Kite Fire Fighting Training Systems of staff at Oban Airport	Investigating the suitability of benchmarking			
		Number of passengers carried on Argyll and the Isles Air Services.	Annual target: 3,500 (based on 8 passenger seat airplane)	2011: 2510; 2012: 3,224; 2013: 3,334 2014: 3,516			
		Delivery of Strategic Infrastructure Plan to form the foundation for a justification for a Rural Deal Initiative	Stage 1: Understanding the current situation, March – April 2016. Stage 2: Defining strategic economic goals for a positive economy (consultation), May – June 2016 Stage 3: Using the key economic goals to identify priority (through consultation feedback), July – August 2016 Stage 4: Funding Options, July – September 2016 Stage 5: Finalising the Strategic Infrastructure Plan, Oct – November 2016	Not applicable: specific to Argyll and Bute.			
		Delivery of road safety education and training publicity programme across educational establishments.	Annual target: 80 -pre-schools, primary and secondary schools.	Not applicable: specific to Argyll and Bute.			
ET03	Renewables are further developed in the area in partnership for the benefit of our communities.	Promote the new community benefit guidance to secure socio-economic benefit for the communities across Argyll and Bute and review this every two years. Continue the development of CROP - online community renewables portal.	New Community Benefit Framework finalised and launched Summer 2015. 95% delivery against programme of work promoting the opportunities associated with the Community Renewable Web Portal.	Not applicable: specific to Argyll and Bute.	30		Failure to deliver the Renewable Energy Action Plan and related ambitions.
		Maintain the planned rate of delivery of the REAP (Action Plan to ensure that we maximise the local socio economic opportunities for our communities and businesses from renewables.)	Revised REAP to be finalised end of 2015/16 aligned to revised EDAP, 2013-18 and SOA; further detail over timescales will follow.	Not applicable: specific to Argyll and Bute.			

2016-17 SERVICE PLAN - ECONOMIC DEVELOPMENT AND STRATEGIC TRANSPORTATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000		Risk summary
					2015/16	2016/17	
ET04	Harness the potential of the third sector and increase their capacity to deliver sustainable communities.	Support Third Sector organisations to access external funding to deliver projects.	30; this will be assessed through an annual survey carried out after the final quarter of the year.	Not applicable: specific to Argyll and Bute.	160		Failure to deliver sustainable communities through limited resources and inadequate partnership working and commitment to outcome delivery.
		No. of third sector organisations being supported through Council agreed asset transfer process.	Initiate 2 projects per annum to progress through the third sector asset transfer process. This may take approx. two years to complete the full transfer.	Not applicable: specific to Argyll and Bute.			
		No of Argyll and Bute Council services implementing new models of service delivery in partnership with local communities.	1	Not applicable: specific to Argyll and Bute.			
Central/Management Costs					241		
					2,627		

2016-17 SERVICE PLAN - EDUCATION
SERVICE OVERVIEW

Service Purpose:

The Education Service is forward looking and ambitious, continuously improving the quality of its education provision through self-evaluation, reflection and action for all children and young people in Argyll and Bute.

Description of areas covered:

Education Services is responsible for the delivery of all aspects of Education, as prescribed in the Education Act and subsequent Standards in Scotland's Schools etc. Act of 2000. This includes Early Years, Primary, Secondary Education provision and the implementation of the requirements of various Acts including: Additional Support for Learning Act, Parental Involvement Act, Children and Young Peoples Act. The Service also provides Education Psychological Services, 16+ Learning Choices and Youth Services. The Quality Improvement team support all education services in the delivery of high quality learning and teaching and improving educational outcomes for children and young people. The service is supported by administrative, clerical and janitorial functions.

Resources available to the service:

Primary and secondary school teachers and educational psychology, area principal teachers, early learning childcare and education workers, clerical assistants, additional support needs assistants, school technicians, librarians, janitors, Quality Improvement Team, 3 education offices, 73 primary schools and 5 secondary schools, 4 x 3-18 schools, 1 joint campus, 6 Gaelic Medium Units, 1 school for pupils with complex additional needs, 54 Local Authority Pre-school Units (2 of which are stand-alone and 4 of which provide Gaelic preschool within the school). There are currently 22 commissioned preschool providers. The FTE staffing for the service currently stands at 1505.55 FTE.

Significant strengths:

Continued development and implementation of Curriculum for Excellence in all schools.

Overall, the curriculum design models in place across Argyll and Bute Secondary Schools meet the requirements of the Early Years Curriculum, the Broad General Education and the Senior Phase.

Approaches to improvement, through effective self-evaluation are increasingly evident across the service.

Teacher Learning Communities model used to take forward the assessment agenda to improve educational attainment.

Our robust approach to delivering a downward trend in the small number of children and young people placed out with Argyll and Bute for education, whilst ensuring that educational needs are being met coupled with legislative compliance.

All primary aged looked after children are assessed to support their educational development.

Our robust approach in securing continuous improvement in the Council's performance in securing positive destinations when leaving school.

Significant progress has been made in taking forward the key aspirations of the Early Years Collaborative family pathway and Developmental Milestones toolkit.

Good partnership working at all levels; Getting It Right from the Start; The implementation of the GIRFEC practice model; Commitment to continuous improvement; Self-evaluation; improved inspection gradings across in house and commissioned providers; Early and Effective Intervention (EEI).

GIRFEC implementation across Argyll and Bute Schools and Early Years settings.

Implementation of increased ELCC for children aged from 2 years.

Stronger liaison between local ELCC settings, leading to high quality area transition experiences.

Robust ASN review leading to the update of the policies on staged intervention and highly able pupils over 2015-16.

2016-17 SERVICE PLAN - EDUCATION

SERVICE OVERVIEW

Significant challenges:

Maintaining a high quality of service in a time of reducing resources whilst undergoing a significant national curriculum change and the introduction of new legislation relating to Wellbeing (Children and Young People (Scotland) Act 2014).

Improving educational attainment and wider achievement experiences and outcomes for all children and young people whilst responding to a number of key national challenges eg National Improvement Framework, revised approach to self-evaluation and improvement (HGIOS 4), Education Bill.

Raising educational attainment for all LAC with a particular focus on those at the secondary stage.

Pressures arising from the requirements of the Additional Support for Learning Act

Ensuring all S3 pupils have a pupil profile

Continuing to support schools and fulfil statutory functions.

Continued implementation and evaluation of our coherent and partner focused strategy for Opportunities for All.

Maintaining and improving the downward trend in the number of young people placed out with Argyll and Bute for education where educationally appropriate.

Implementation of the ICT Strategy Paper in particular, enhancing the use of technology to deliver aspects of the curriculum where teacher availability and expertise is limited.

Responding to the challenges around recruitment and retention of teaching staff levels in all Argyll and Bute establishments through workforce planning and growing our own.

Continued implementation of key aspects of the Early Years and Childcare national policy directive.

Implementing increasing flexibility of ELCC provision as outlined within CYP Act 2014.

Implementation of free meals for children accessing ELCC over lunch times as outlined within CYP Act.

Implementation of a revised self-evaluation framework ie HGIOS4 and the revision of School Review processes.

Declining school rolls.

New Legislative duties (Education Act; C&YP Act; Community Empowerment Act)

Equalities:

All service planning, design and delivery is underpinned by the Education Service's explicit ethos of inclusion and access to broad and high quality education for all.

Customer Service:

Ensure our schools and their communities are engaged and informed and issues raised are dealt with timeously and effectively. Embracing technology, to communicate with pupils and parents (text, school websites, etc). Improving our transactional capability on-line.

**2016-17 SERVICE PLAN - EDUCATION
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives		
	People live in safer, stronger communities		
	Children and young people have the best possible start	ED04 ED07	The educational additional support needs of children and young people are effectively met, ensuring compliance with legislative requirements. Young children and their families are given assistance to help them achieve the best start in life, ensuring compliance with legislative requirements.
A place people choose to learn	Education, skills and training maximises opportunities for all	ED01	Primary school children are enabled to increase levels of attainment and achievement and realise their potential.
		ED02	Secondary School children are enabled to increase levels of attainment and achievement and realise their potential.
		ED03	Education Central management team ensures continuous improvement in service delivery.
		ED05	An effective system for Opportunities for All will operate in all Secondary schools.
		ED06	Education staff have improved capacity for leadership, professional learning and knowledge.
		ED08	Young people have the opportunity to access accredited wider learning opportunities.
A place people choose to work and do business	The economy is diverse and thriving		
	We have infrastructure that supports sustainable growth		
Making it happen	Service delivery enablers		

2016-17 SERVICE PLAN - EDUCATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
ED01	Primary school children are enabled to increase levels of attainment and achievement and realise their potential.	Increase the overall percentage of primary attendance rates.	96.50%	96%	26,268	Failure to enable Primary school children to realise their potential through CfE will result in the reduction of attainment and achievement and widen the attainment gap.
		Number of pupils excluded are reduced	17	19		
		Number of exclusion openings per 1,000 are reduced	105	114		
		Number of exclusion incidents are reduced.	25	27		
		Increase in % of P4 pupils attaining their expected levels in the Suffolk reading test	85%	82.5% of P4 pupils will attain a score of 85 or more in the Suffolk reading assessment		
		The percentage of children in P1 who are achieving CfE early level in reading.	66% FQ1	New Measure. No benchmark currently available.		
		The percentage of children in P1 who are achieving CfE early level in writing.	66% FQ1	New Measure. No benchmark currently available.		
		The percentage of children in P1 who are achieving CfE early level in numeracy.	66% FQ1	New Measure. No benchmark currently available.		
		The percentage of children in P4 who are achieving CfE first level in reading	66% FQ1	New Measure. No benchmark currently available.		
		The percentage of children in P4 who are achieving CfE first level in writing	66% FQ1	New Measure. No benchmark currently available.		
		The percentage of children in P4 who are achieving CfE first level in numeracy.	66% FQ1	New Measure. No benchmark currently available.		
		The percentage of children in P7 who are achieving CfE second level in reading	66% FQ1	New Measure. No benchmark currently available.		
		The percentage of children in P7 who are achieving CfE second level in writing.	66% FQ1	New Measure. No benchmark currently available.		
		The percentage of children in P7 who are achieving CfE second level in numeracy.	66% FQ1	New Measure. No benchmark currently available.		
		Secure retention of 2015-16 probationers as newly qualified teachers.	6 FQ2	New Measure. No benchmark currently available.		
Secure retention of 2015-16 probationers as newly qualified teachers.	12 FQ2	New Measure. No benchmark currently available.				

2016-17 SERVICE PLAN - EDUCATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
ED02	Secondary school children are enabled to increase levels of attainment and achievement and to realise their potential.	Increase the overall percentage of secondary attendance rates.	93%	92%	26,418	Failure to enable Secondary school children to realise their potential through CfE will result in the reduction of attainment and achievement, widen the attainment gap and impact on positive destinations.
		Number of pupils excluded are reduced.	126	132		
		Number of exclusion openings per 1,000 are reduced.	850	874		
		Number of exclusion incidents are reduced.	181	191		
		Increase the overall percentage of attainment across National Improvement Measures:				
		The percentage of children in S3 who are achieving CfE third level in reading	66% FQ1 (June 16)	New Measure. No benchmark currently available.		
		The percentage of children in S3 who are achieving CfE third level in writing.	66% FQ1 (June 16)	New Measure. No benchmark currently available.		
		The percentage of children in S3 who are achieving CfE third level in numeracy.	66% FQ1 (June 16)	New Measure. No benchmark currently available.		
		Improvement in School leaver attainment data reported within INSIGHT:				
		The percentage of school leavers achieving SCQF Level 4 or better in Literacy.	92.75% Update in FQ4	Argyll and Bute 91.75% Virtual Comparator 94.65%		
		The percentage of school leavers achieving SCQF Level 4 or better in Numeracy.	83.51% Update in FQ4	Argyll and Bute 82.51% Virtual Comparator 86.91%		
		The percentage of school leavers achieving SCQF Level 5 or better in Literacy.	72.40% Update in FQ4	Argyll and Bute 71.40% Virtual Comparator 76.24%		
		The percentage of school leavers achieving SCQF Level 5 or better in Numeracy.	61% Update in FQ4	Argyll and Bute 59.96% Virtual Comparator 65.07%		
		Increase the Average Total Tariff Score of leavers in the Lowest Attaining 20% of School Leavers	180 Update in FQ4	Argyll and Bute 174 Virtual Comparator 208 National 163		
		Increase the Average Total Tariff Score of leavers in the Middle Attaining 60% of School Leavers	842 Update in FQ4	Argyll and Bute 838 Virtual Comparator 897 National 806		
		Increase the Average Total Tariff Score of leavers in the Highest Attaining 20% of School Leavers	1790 Update in FQ4	Argyll and Bute 1773 Virtual Comparator 1844 National 1818		
		Secure retention of 2015-16 probationers as newly qualified teachers.	4 FQ2	New Measure. No benchmark currently available.		
		Provide probationer placements.	6 FQ2	New Measure. No benchmark currently available.		

2016-17 SERVICE PLAN - EDUCATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
ED03	Education Central Management Team ensures continuous improvement in Service delivery.	Completion of a maximum of 8 Reviews across Early Years, Primary and Secondary.	2 in FQ1; 3 in FQ3; 3 in FQ4	Minimum of 8 annually	3,993	Failure to embed a programme of Quality Reviews, HT Meetings, and scrutiny of key documents ie Standards and Quality Reports, School Improvement Plans, Performance Reports would prove difficult to ensure improvement in Service Delivery.
		Maintain the percentage of positive primary inspection report gradings including Gaelic medium establishments.	75%	75%		
		Maintain the percentage of positive secondary inspection report gradings at good or very good.	75% FQ4	75%		
		Maintain the overall percentage of positive local authority Care Commission Inspection Evaluations	75% FQ4	75%		
		Percentage of positive Care Commission Inspection Evaluations in commissioned Early Learning and Childcare Providers.	75% FQ4	75%		
		Delivery of a minimum of 5 Head Teacher meetings that has learning and teaching at its core.	FQ3=3 FQ4=2	Minimum of 5 annually		
		Sample school usage of Insight data to ensure effective intervention.	FQ2=2 FQ4=2	100%		
		Roll-out of the secondary school domain extension programme.	FQ4=80%	80% of secondary schools by FQ4		

2016-17 SERVICE PLAN - EDUCATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary	
					2016/17		
ED04	The educational additional support needs of children and young people are effectively met, ensuring compliance with legislative requirements.	Number of young people placed outwith the Authority.	<26		25	8,374	Failure to meet the additional support needs of children and young people would be a failure to adhere to legislation.
		Number of Looked After Children excluded are reduced.	30		32		
		Number of Looked After Children exclusion openings per 1,000 are reduced.	128		133		
		The Number of Looked After Children exclusion incidents are reduced.	33		35		
		Overall percentage of attainment of all Looked After Children in Argyll and Bute across National Improvement Measures:					
		S4 SCQF Level 4 or better in Literacy and Numeracy.	35% Update in FQ4	33% - Argyll and Bute 37% - National			
		S4 SCQF Level 5 or better in Literacy and Numeracy.	1% Update in FQ4	0% - Argyll and Bute 5.6% - National			
		S5 SCQF Level 4 or better in Literacy and Numeracy.	68% Update in FQ4	66.7% - Argyll and Bute 50.2% - National			
		S5 SCQF Level 5 or better in Literacy and Numeracy.	18% Update in FQ4	16.7% - Argyll and Bute 13.7% - National			
		S5 SCQF Level 4 or better in Literacy and Numeracy.	84.5% Update in FQ4	100% - Argyll and Bute 84.5% - National			
		S5 SCQF Level 5 or better in Literacy and Numeracy.	46.6% Update in FQ4	42% - Argyll and Bute 46.6% - National			
		1 or more qualification at SCQF Level 3 or better	85% Update in FQ4	83.3% - Argyll and Bute 91% - National			
		1 or more qualification at SCQF Level 4 or better	85% Update in FQ4	83.3% - Argyll and Bute 74% - National			
		1 or more qualification at SCQF Level 5 or better	50% Update in FQ4	50% - Argyll and Bute 40% - National			
		1 or more qualification at SCQF Level 6 or better	20% Update in FQ4	27.8% - Argyll and Bute 12% - National			
1 or more qualification at SCQF Level 7 or better	8% Update in FQ4	11.1% - Argyll and Bute 2% - National					
Adherence of statutory timescales for Co-ordinated Support Plans.	100% compliance by end of each quarter.	100%					
ED05	An effective system for Opportunities for All will operate in all Secondary Schools.	Percentage of school leavers achieving positive destinations.	92% Update in FQ4	91.53% Skills Development Scotland	674	Failure to meet the additional support needs of children and young people would be a failure to adhere to legislation.	
		Percentage of Looked After Children achieving positive destinations.	78% Update in FQ4	78% Update in FQ4			
		Percentage of young people moving into a positive destination after the completion of an Activity Agreement.	70% FQ4	69% National			
		Maintain and develop the provision of appropriate Vocational and Training Courses (including Skills for Work) in line with Developing Young Workforce within Argyll and Bute.	Appropriate Courses in place in all Secondary Schools. FQ4	New Measure. No benchmark currently available.			

2016-17 SERVICE PLAN - EDUCATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
ED06	Education staff have improved capacity for leadership, professional learning and knowledge.	Continuing professional learning opportunities for all staff.			17	Failure to increase capacity for leadership, professional learning and knowledge will reduce the successful learning processes for the children and young people within our schools. It will also hinder our capacity for succession of leadership
		Targetted Events	FQ1=2; FQ3=4; FQ4=4	FQ1=2; FQ3=4; FQ4=4		
		Aspiring Leaders	FQ1=1; FQ3=1; FQ4=1	3 annual events		
		Newly appoined Head Teachers	FQ1=1; FQ3=1; FQ4=1	3 annual events		
		Opportunities for All	FQ1=1	1 annual event		
		GTCS Professional Update requirements	100% by FQ4	100% of teaching staff required to		

2016-17 SERVICE PLAN - EDUCATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
ED07	Young children and their families are given assistance to help them achieve the best start in life, ensuring compliance with legislative requirements.	The overall percentage of uptake of pre-5 education (PS2)	100% of those parents who request it by FQ4	98%	6,242	Failure to ensure that vulnerable children and their families are given assistance to achieve the best start in life.
		Overall percentage of Early Education and Childcare staff holding Scottish Social Services Council (SSSC) qualifications.	100% by FQ5	94%		
		The overall percentage of uptake of Early Learning and Childcare (PS2)	100% of those parents who request it by FQ4	98%		
		% of Children achieving their developmental milestones by the time they start P1 (EYC Stretch Aim 3)	80% by FQ1	Not Yet Captured		
		Implementation of the Development Milestone Tool 0-3 Years within 1 area of Argyll and Bute	1 Locality within Argyll and Bute by FQ1	Not yet Implemented		
		% of Early Level Classes in Argyll and Bute	25% by FQ4	15%		
		% of ELCC settings delivering PATHS (emotional literacy programme)	35% by FQ1	25%		
		Increase the number of Bookbug volunteers across Argyll and Bute	120 volunteers by FQ1	100 volunteers		
		Increase the overall percentage of Early Learning and Childcare staff holding or working towards Scottish Social Services Council (SSSC) qualifications.	100% by FQ4	94%		
		Increase the overall percentage of Care Inspectorate gradings with a minimum of grade 4 within each Quality Theme	95% by FQ4	90%		
		Increase number of settings making provision for family learning and family engagement	35% by FQ1	25%		
		Increase uptake of eligible 2 year olds for ELCC (PS2c) (CYP Act)	80 Children by FQ1	48 children		
		Maintain the number of Community Childminders to support vulnerable children and their families when they need it	26 CCMs by FQ1	26 CCMs		
		Maintain the number of Providers commissioned by the Local Authority to provide ELCC to ensure flexibility of provision within each area of Argyll and Bute	23 Commissioned Providers by FQ1	23 Commissioned Providers		
		Increased flexibility of ELCC provision within Local Authority Providers (CYP Act)	3 settings by FQ1	1 Setting		
		Increase the number of Partner Childminders Providing ELCC for Two Year Olds (CYP Act)	25 partner childminders by FQ4	22 partner childminders		
Increase the number of local authority ELCC settings which meet CI requirements for 2 year old children (CYP Act)	Increase to 15 settings by FQ4	6 Settings				

2016-17 SERVICE PLAN - EDUCATION

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
ED08	Young people have the opportunity to access accredited wider learning opportunities.	Increase the number of young people successfully completing accredited wider learning opportunities.	350 accredited learning opportunities successfully completed by FQ4	338 accredited learning opportunities successfully completed 14/15	0	Failure to offer alternative learning opportunities may have an impact on levels of attainment and achievement and positive and sustained destinations.
		Youth Service team members trained in delivery of Youth achievement Awards.	100% by FQ4	60% of team have completed required training.		
		Improve data collection and information sharing amongst youth work providers.	Hold 3 multi agency meetings per year - FQ1=1, FQ3=1 and FQ4=1	New Measure. No benchmark currently available.		
					71,985	

**2016-17 SERVICE PLAN FACILITY SERVICES
SERVICE OVERVIEW**

Service Purpose:

Facility Services provides a range of support to all other Council Services through teams which manage assets, catering, cleaners, pool cars, school transport, property design and improvement, property maintenance, energy consumption and estates services. The service has responsibility for the Council's Corporate Asset Management processes together with the design and delivery of property related capital projects. In addition, Facility Services manages and supports public transport contracts and community transport initiatives.

Description of areas covered:

Catering and Cleaning: The core service provided by Catering Services is the school meals service. Annually 1.02 million school meals are prepared and served from 66 production units to 14 dining centres, 10 secondary schools and 76 primary schools. Cleaning is undertaken in 104 offices and 37 schools across the Council, with the remainder of janitor/cleaners in schools being directly managed by Education. Approximately 15.7 million m2 per annum is cleaned with the bulk of the input being in schools.

Property Services: provides a range of support to all other Council Services through teams which manage assets, property design and improvement, property maintenance, energy consumption and estates services. The service has responsibility for the Council's Corporate Asset Management processes together with the design and delivery of property related capital projects.

Integrated Transport: manage the Council's light vehicle fleet which comprises 204 vehicles including 19 pool cars; manage school transport contracts which carry 3,188 pupils on a daily basis; 74 school contracts are delivered in-house; responsible for transport infrastructure including bus stops and shelters; prepare and display timetable information.

Resources available to the service:

Staffing - 346.25 FTE

This comprises Catering 167.15 FTE; Cleaning 80.1 FTE; Catering and Cleaning Management and Support - 8 FTE; Asset and Estates Management – 4.5 FTE; Property Design – 19 FTE; Property, Energy and Building Services Maintenance – 11 FTE; Integrated Transport Team - 49 FTE; Admin Support Team – 5.5 FTE; Head of Facility Services Team - 2 FTE.

Significant strengths:

- 1 Successful implementation of Universal Free School Meals for P1 – P3 pupils was achieved by January 2015
- 2 Successful implementation of Oban/Dalmally train service from start of 2014/15 academic year
- 3 Successful implementation of remaining contracts for planned/emergency maintenance
- 4 Revised customer satisfaction process introduced as a pilot with the Education client to improve the amount and quality of customer feedback received for property maintenance
- 5 Disposal of property assets
- 6 Roll out and installation of IT equipment across all Primary school kitchens was achieved by March 2015
- 7 Successful roll out of the Allergen legislation in school kitchens and Kilmory was achieved by December 2014
- 8 Successful pilot of a Recruitment Fayre for catering, cleaning and driver/escort staff in Helensburgh and Lochgilphead, leading to the filling of 26 vacant posts
- 9 Award of school transport contracts in Islay, Mid Argyll and Lorn, achieving savings
- 10 Installation of solar pv on 8 Non NPDO schools successfully completed
- 11 Kilmory Biomass heating system is now fully operational
- 12 Mid-Argyll Office Rationalisation delivered and Dalriada House now vacated by Council staff
- 13 Successful implementation of the Community Services and Facility Services Capital Programme 2014/15
- 14 Central Repairs (Emergency, Planned and Statutory Maintenance Works) budget fully committed at financial year end

2016-17 SERVICE PLAN FACILITY SERVICES
SERVICE OVERVIEW

Significant challenges:

1 Delivery of carbon Management Plan target of 20% saving on CO₂ emissions to a revised date of March 2015

Central Management Costs

3 Delay to completion of Helensburgh Office Rationalisation Project.

Equalities:

In the School Transport service, all directly employed drivers and escorts are provided with appropriate equalities training.

Where required, appropriate transport is provided for pupils with additional support needs

The public transport team consult with users of rural transport through local community transport forums

All Council offices and schools have appropriate public access areas which are suitable for disabled visitors.

Any office rationalisation or facility redesign work includes taking cognisance of individual users needs

In schools, any necessary design works required for pupils with additional support needs are designed in consultation with the appropriate Quality Improvement Officer

School meals are provided, where appropriate, to pupils with special dietary requirements, as a result of religious, cultural or dietary needs.

The school meals service has a rolling programme of pupil focus groups that include participants from protected groups, to ensure that they are consulted on menu changes

Equality Impact Assessments are conducted as part of any policy or process change, to ensure that consideration is given to the impact of any changes on minority groups

Customer Service:

The Property Maintenance team undertake quarterly customer satisfaction surveys on the maintenance programme for schools to establish lessons learnt and areas for improvement

On going customer satisfaction surveys are carried out for Capital Property Works on completion of each project.

The Catering and Cleaning Service conducts a monthly Customer Satisfaction Survey with all clients. The results are monitored through the Team Plan and these are published on Pyramid quarterly.

The Catering and Cleaning Service consults with pupils and Head Teachers during the menu preparation process, so that customers have direct input into the service they are offered.

The Integrated Transport team holds quarterly service standard meetings with main contractors to ensure compliance with contract terms and conditions

**2016-17 SERVICE PLAN FACILITY SERVICES
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives		
	People live in safer, stronger communities	FS02	Communities are safer and more successful through improved facilities
		FS03	We contribute to the sustainability of the local area
		FS04	School and public transport meets the needs of communities
	Children and young people have the best possible start	FS01	Children are healthier because nutritionally balanced school meals are available to as many pupils as possible, and uptake is encouraged.
A place people choose to learn	Education, skills and training maximises opportunities for all		
A place people choose to work and do business	The economy is diverse and thriving		
	We have infrastructure that supports sustainable growth		
Making it happen	Service delivery enablers		

2016-17 SERVICE PLAN FACILITY SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
FS01	Children are healthier because nutritionally balanced school meals are available to as many pupils as possible, and uptake is encouraged.	All school pupils are provided with menus that comply with Schools (Health Promotion and Nutrition)(Scotland) Act 2007. This will ensure that nutritionally balanced school meals are provided.	Achieve acceptable nutrition levels for all measurable vitamins and minerals. This is measured using Nutmeg nutritional analysis software. New Primary menus are produced twice annually: April and October.	100%. Provision of nutritionally balanced meals is benchmarked by APSE annually.	288	Failure to ensure that the number of pupils opting to choose a nutritionally balanced school meal is maximised.
		The uptake of free school meals provided to eligible pupils is maintained and, where appropriate, improved to maximise the number of pupils benefitting from a nutritional lunch.	Achieve average uptake of 86.28% for free primary meals.	86% (Scottish average uptake 2014/15 APSE benchmarking data).		
			Achieve average uptake of 60.21% for free secondary meals.	55% (Scottish average uptake 2014/15 APSE benchmarking data).		
		The uptake of paid school meals, is maintained and, where appropriate, improved to maximise the number of pupils benefitting from a nutritional lunch.	Achieve average uptake of 42.78% for paid primary meals.	42% (Scottish average uptake 2014/15 APSE benchmarking data).		
			Achieve average uptake of 39.80% for paid secondary meals.	38%(Scottish average uptake 2014/15 APSE benchmarking data).		
		Quality meals are provided to all pupils, within managed cost margins.	Minimise quarterly food cost variance of ≤ 5%.	No external benchmarking is available. Benchmarking will be against last year's performance: 4.89%.		

2016-17 SERVICE PLAN FACILITY SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
FS02	Communities are safer and more successful through improved facilities.	Customers report improved cleaning and improved facilities through customer satisfaction reports.	≥ 90% rated good or above.	85% (APSE benchmarking average customer response rate 2014/15).	2,227	Failure to ensure are improved to make communities safer and more successful.
		Council buildings are improved and safer due to the implementation of the Capital Plan.	Maintain 80% of operational buildings included in the LGBF/Core Facts return in a satisfactory condition (B rated or above)	Scottish average LGBF return rate 81%		
			Maintain 65% of operational buildings included in the LGBF/Core Facts return to be suitable for their current use. (B rated or above)	Scottish average LGBF return rate 78%		
			On an annual basis, deliver 90% of capital projects, project managed by Property Services, that are programmed for practical completion in the financial year.	No external benchmarking is available. Benchmarking will be against last year's performance: 92.8%		
			Minimum 94% of Property Design Team payments processed within 14 days	Benchmarking will be against last year's performance: 96.4% and the Scottish average of 90.7%		
		The Council has maintained public buildings which are safe, efficient and fit for purpose.	Maintain 100% completion of statutory tests, inspections and remedial maintenance. There are approximately 3700 checks per annum, but this figure changes due to the number of assets the Council holds.	No external benchmarking is available. Benchmarking will be against last year's performance; 100%		
			Attain cumulative percentage reduction in Gross Internal Floor Area of 15% through office rationalisation	No external benchmarking is available. Benchmarking will be target of 15% by FQ4 2015-16		
			Attain cumulative year-on-year savings of £170k through office rationalisation	No external benchmarking is available. Benchmarking will be target of £170k by FQ4 2015-16		
		The Council ensures that its property assets are aligned to support service delivery requirements	A corporate challenge is applied to services for 100% of assets subject to lease renewal to determine whether properties are required to sustain service delivery in accordance with Council objectives	No external benchmarking is available. Benchmark will be the reduction in leased assets		
		Income from leased properties is maximised.	Non operational properties- 95% of rent due successfully collected (a total of £715k)	No external benchmarking is available. Benchmarking will be against last year's performance: 95%		

2016-17 SERVICE PLAN FACILITY SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
FS03	We contribute to the sustainability of the local area	The Council's use of energy and utilities is monitored and its carbon emissions are reduced	Deliver a new Carbon Management Plan to take cognisance of project opportunities and align where possible with national targets by March 2017.	No external benchmarking is available. Target is completion of the new plan.	120	Failure to reduce Carbon footprint.
			Expend and start re-investment of Central Energy Efficiency Fund (CEEF) by March 2016	No external benchmarking is available. Target is to expend £275k of CEEF Fund and to re-invest £35k by March 2016.		
		The Council's services work collaboratively to add value to the local economy through effective estate management	The Council's non-operational property portfolio is successfully managed to ensure available units are quickly brought to market. Where technically possible, all available properties are brought to market within 20 working days.	No external benchmarking is available. Benchmark will be 95%		
		Have a high quality and efficient light vehicle fleet which is more environmentally friendly	Ensure the total pool car mileage exceeds the breakeven mileage. This ensures best value is achieved by deploying pool cars.	No external benchmarking is available. Benchmarking will be against last year's performance: 188,000 miles (FY 14/15).		
			Maintain the average age of the light vehicle fleet at below 5 years at March 2017	No external benchmarking is available. Benchmarking will be against last year's performance: 3.5 years (FY 14/15).		
FS04	School and public transport meets the needs of communities	Improved public transport infrastructure across Argyll and Bute	Increase the number of bus stops by 10 during 2016/17	No external benchmarking is available. Benchmarking will be against last year's performance: New bus stops - 11.	9,178	Failure to deliver adequate school and public transport service.
		Maintain average subsidy per passenger accessing council funded public transport, taking into account the seasonal passenger fluctuation.	£1.78 by March 2017	No external benchmarking is available. Performance will be measured against the rolling annual average.		
		Maintain number of school bus inspections across Argyll and Bute	48 Inspections by March 2017	No external benchmarking is available. Benchmarking will be against last year's performance: 48.		
Central Management Costs					430	
					12,243	

2016-17 SERVICE PLAN - GOVERNANCE AND LAW
SERVICE OVERVIEW

<p>Service Purpose: Governance and Law administers the core services against which the governance arrangements and corporate objectives of the Council and Community Planning Partnership are pursued. It includes a range of largely (but not exclusively) internal services in supporting other Council Services, Elected Members and Council Committees, and delivers key legal services including litigation, licensing and conveyancing. The service is responsible for delivering all elections, and provides support to Community Councils and the Children's Panel. The Council's Civil Contingencies function is managed by Governance and Law, along with information compliance matters such as Freedom of Information, Data Protection, corporate complaints and records management.</p>
<p>Description of areas covered: The areas covered are: Governance arrangements & compliance with Council Constitution; Committee management and administration; election services, Elected Member Services; risk management; freedom of information; data protection; records management; complaints compliance; community safety & anti-social behaviour duties; Community Planning (operational & administration) and support for partnership working; Community Councils; business continuity and Civil Contingencies. Legal advice, litigation, licensing, conveyancing, contracts, insurance, debt recovery.</p>
<p>Resources available to the service: Staffing - 53.46 FTE (2015-16 figure) A range of customised IT systems are used by the Service, including the following: MOD Gov (Committees), Members Portal, Eros / Avantguard (election management), IKEN (case management and time recording), Westlaw (legal research), Northgate (licensing), Lagan (corporate complaints), AXLR8 (Freedom of Information), Authority Financials (debt recovery)</p>
<p>Significant strengths: Governance and Law has an extensive knowledge base, providing technical guidance across all council services and partner agencies, supported by strong internal & external networks. The service consists of a professionally qualified workforce; with many staff achieving sector specific qualifications. The team have an in-depth knowledge of election processes, and experienced staff provide valuable legal expertise across a wide range of issues. The service is committed to delivering excellent customer care, and has achieved the Customer Service Excellence accreditation.</p>
<p>Significant challenges: Implementation of the Community Empowerment Bill Introduction of the Integrated Joint Board for Health and Social Care and associated governance arrangements Management of Scottish Government Elections in 2016, and potential European Union Referendum Preparation for implementation of revised arrangements following the local government boundary commission review Preparation for new Council in 2017 following local government elections in 2017 Preparation for the next review of the Scheme for Establishment of Community Councils Effective implementation of the new Members Portal Revised election franchise to include 16-17 year olds Implementation of the Records Management Plan and delivery of associated Development Plan</p>
<p>Equalities: Equalities are embedded in the Service. Prior to elections, all polling stations are checked that they are suitable for access by all citizens. In addition, the Council promotes electoral participation including postal and proxy voting. Electoral management arrangements adhere to the requirements in respect of equalities. Equality issues in terms of access are considered when arranging meetings and events.</p>
<p>Customer Service: The Customer Service Excellence award has been achieved by the service, and requires ongoing commitment in order to maintain this accreditation.</p>

**2016-17 SERVICE PLAN - GOVERNANCE AND LAW
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives		
	People live in safer, stronger communities	GL3	Improved quality of life and reduced risks for residents and visitors.
		GL7	Communities and employees are prepared to deal with major incidents
	Children and young people have the best possible start	GL4	The best interests of children at risk are promoted
A place people choose to learn	Education, skills and training maximises opportunities for all		
A place people choose to work and do business	The economy is diverse and thriving		
	We have infrastructure that supports sustainable growth		
Making it happen	Service delivery enablers	GL1	A high quality support and governance framework enables open and transparent decision making to take place
		GL2	Council compliance with governance and information management arrangements
		GL5	Provision of high quality, timely legal advice and documentation
		GL6	Timely provision of liquor licences and Civic Government licences to the public

2016-17 SERVICE PLAN - GOVERNANCE AND LAW

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risks
					2016/17	
GL1	A high quality support and governance framework enables open and transparent decision making to take place	(a) Maintain the percentage of draft minutes published and action mandates issued on time	95%	2015/16 to date FQ1 - 100 FQ2 - 100	1,100	Failure to ensure a quality framework supporting democratic decision making is in place.
		(b) Percentage of participants in the Members CPD framework with a development plan in place	75% by September 2016	N/A		
		(c) Increase the percentage of members very satisfied or satisfied with member services support	90%	2013/14 - 100% 2014/15 - 85%		
		(d) Maximise the number of transactions dealt with via the Members Portal	600 per annum FQ1 - 150 FQ2 - 150 FQ3 - 150 FQ4 - 150	2015/16 to date FQ1 - 118 FQ2 - 146		
		(e) Performance standards set by the Electoral Commission are met	100%			
		(f) Maximise the percentage of community councils with more than 70% membership	75%	2015/16 to date FQ1 - 78.4% FQ2 - 78.7%		
		(g) Maximise the percentage of community councils who feel supported	75%	2013/14 - 65% 2014/15 - 81.8%		
GL2	Council compliance with governance and information management arrangements.	(a) Maximise the percentage of responses within timescales for subject access requests under Data Protection Act	100%	2015/16 to date FQ1 - 100% FQ2 -	123	Failure to ensure Council compliance with governance and information management arrangements.
		(b) Maximise the percentage of Freedom of Information responses within timescales	100%	2015/16 to date FQ1 - 93% FQ2 -		
		(c) Maximise the percentage of complaints resolved by frontline (Stage 1) resolution.	75%	2015/16 to date FQ1 - 96.3% FQ2 -		
GL3	Improved quality of life and reduced risks for residents and visitors.	(a) Maintain the percentage of antisocial behaviour cases subject to joint tasking and problem solving - % of cases which have a multi-agency action plan	70%	2015/16 to date FQ1 - 84% FQ2 - 78%	48	Failure to improve quality of life and reduce risks of residents and visitors.

2016-17 SERVICE PLAN - GOVERNANCE AND LAW

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risks
					2016/17	
GL4	The best interests of children at risk are promoted.	(a) Maximise the percentage of satisfaction of Children's Panel members / Area Support Team with Council support	75%	2014/15 - 75%	34	Failure to ensure the best interests of children at risk are promoted.
		(b) Achieve optimum number of fully trained and serving Children's Panel members	optimum range 40-50			
GL5	Provision of high quality, timely legal advice and documentation	(a) Provide substantive response to all requests for advice in cases of urgent nature within one working day	100%	2015/16 to date FQ1 - 100% FQ2 - 100%	708	Failure to provide high quality, timely, legal advice and documentation
		(b) Provide full response for other requests for advice within 20 working days unless an extension has been agreed with client department	100%	2015/16 to date FQ1 - 100% FQ2 - 100%		
		(a) Complete all property transactions (Conveyances, Leases, Securities, Discharges) by agreed date of entry	100%	2015/16 to date FQ1 - 100% FQ2 - 100%		
		(b) Register all Section 75 Planning agreements within 4 months from receipt of titles	100%	2015/16 to date FQ1 - 100% FQ2 - 75%		
GL6	Timely provision of liquor licences and Civic Government licences to the public	(a) Determine all new Civic Government licence applications (with the exception of taxi licences) within 32 working days, provided there are no objections or representations	100%	2015/16 to date FQ1 - 98% FQ2 -	-121	Failure to ensure Timely processing of liquor and Civic Government licences to the public.
		(b) Where there are objections or representations, or where it is an application for a taxi licence, determine all such Civic Government licence applications within 50 working days	95%	2015/16 to date FQ1 - 50% FQ2 -		
		(c) Determine all personal liquor licence applications within 32 working days (with the exception of those where this is an objection)	95%	2015/16 to date FQ1 - 96.1% FQ2 -		
		(d) Determine all extended hours liquor licence applications within 32 working days	100%	2015/16 to date FQ1 - 100% FQ2 -		
		(e) Determine all occasional liquor licence applications within 32 working days	100%	2015/16 to date FQ1 - 100% FQ2 -		
GL7	Communities and employees are prepared to deal with major incidents	(a) Maximise the percentage of key partners satisfied with the administration and delivery of emergency planning exercises	75% (annual survey to be carried out by Dec 16)	New target	93	Failure to ensure Communities and employees are prepared to deal with major incidents
Central Management Costs					199	
					2,182	

2016-17 SERVICE PLAN - IMPROVEMENT AND HR

SERVICE OVERVIEW

Service Purpose:

Improvement and HR service provides a range of professional support, advice and training for over 5000 council employees, managers and elected members. It is responsible for enabling management to put arrangements in place to ensure the health and safety of employees and service users under the Health and Safety at Work Act. The service provides the council's professional HR and payroll service in line with our legal responsibilities as an employer. Improvement and organisational development delivers planning, performance and scrutiny support to officers and members, improvement planning and business improvement tools and techniques, ensuring Best Value. The service also supports the council to comply with its statutory duties in Equalities and Gaelic. Learning and development provide employees with the skills that they need to deliver services through training and learning opportunities. The Corporate Communications Team supports business change, improvement and delivery of council objectives by promoting the work of the council, and contributing to customer and employee engagement.

Description of areas covered:

Health and Safety, Corporate communications, social media, Planning and Performance Management, Best Value, Improvement, Learning and Development, Leadership and Management Development, Organisational Development, HR, Payroll and pensions, employment contracts and recruitment, trade union relations

Resources available to the service:**Staffing - 82.4 FTE**

The service is responsible for the management of a number of corporate IT systems including Pyramid, Resourcelink and ETC (Enrolment, Training and Certification) systems. There are training materials and equipment resources owned by the service including laptops, projectors cameras, TR1 equipment and coffee machines. There are no other fixed assets other than IT equipment and a share of office accommodation.

2016-17 SERVICE PLAN - IMPROVEMENT AND HR SERVICE OVERVIEW

Significant strengths:

The service provides comprehensive people management and improvement services for the council. The team is responsible for delivering all aspects of the Council's strategic Planning and Performance Management Framework which underpins improvement and best value. The HR service provides efficient end to end processes for transactional HR with tight targets to ensure that the organisation has the right employees with the right skills at the right time to deliver services. Professional HR advice and guidance is provided through comprehensive policies and procedures on the Hub and through personal HR advice through the HR enquiries advice line available to all employees by telephone. Automated systems provide real time HR management information such as attendance and regular reporting on metrics assists managers to manage their teams and deliver improvements. The service is developing our approach to becoming the employer of choice 2020. ICT improvements are underway across the service on the HR and payroll database Resourcelink; Health and Safety management; learning and development systems including e-learning, webinars and the nationally recognised SVQ centre's remote assessment and verification. Learning and development achieves an average of 85% satisfaction rates for training delivered, including the Argyll and Bute Manager Programme. Communications are extending the Council's connection with its customers, and supporting achievement of the Council's objective to attract people and jobs to the area by developing improved online services and increased social media presence. We deliver a wide range of health and safety training and the H&S team provide practical advice which enables operational services to be provided safely. The team has a strong partnership and networking approach to service development and improvement, ensuring that the service is at the forefront of support service delivery. The research function of the service supports improvement in services and informs policy and strategy across the council, through data collation survey and analysis.

Significant challenges:

Supporting organisational change and improvement in the context of ongoing efficiencies alongside an ambitious agenda for economic and population growth, service choices and health and social care integration as well as delivering business as usual will be a challenge for the service. There is a demand for and plans in place for improvement and new developments in systems, processes, campaigns and change programmes. Ongoing management of attendance and employee engagement during this period of uncertainty across the council will remain a challenge for the service. The strategic action plans the service has in place for delivery will aim to manage these issues and deliver improvements. The service will also be required to implement the reduction in the health and safety team by 24.9% or 2.5 posts and to design an effective, newly structured HR/OD team, planning for the reduction of 24.7% and 12.2 further posts. This will be a fundamental restructure of roles and responsibilities and will require retraining of staff. Increased demand on existing resources will require prioritisation of outcomes for the Communications Team.

2016-17 SERVICE PLAN - IMPROVEMENT AND HR SERVICE OVERVIEW

Equalities:

The service has led on the council's compliance with our specific duties in the Equality Act 2010 including the operation of an equal pay environment. The service leads on the Equality Forum, developing Equality Outcomes and Actions and oversees the completion of quality assured Equality Impact Assessments. The service is responsible for ensuring that all employer related policies are fully compliant with equalities legislation. The council's recruitment policy and procedures ensure that we are able to use the double tick positive about disabled

Customer Service:

Improvement and HR has both internal and external customers and seeks to improve engagement and satisfaction with all of our customers. We have a role in supporting and driving improvement across the whole council and seek to lead by example in improving our own service's approach. Improvement and HR places a high priority on all employees completing the Customer Service Management training, has undertaken a Customer Service Healthcheck and developed an improvement plan as a result. We carry out and record customer satisfaction questionnaires on a quarterly basis and for all training courses delivered.

**2016-17 SERVICE PLAN - IMPROVEMENT AND HR
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives		
	People live in safer, stronger communities	IHR01	Managers are enabled to manage health and safety effectively.
	Children and young people have the best possible start	IHR02	We, as a Council, recognise and tackle discrimination and promote equality.
A place people choose to learn	Education, skills and training maximises opportunities for all		
A place people choose to work and do business	The economy is diverse and thriving		
	We have infrastructure that supports sustainable growth		
Making it happen	Service delivery enablers	IHR03	Our customers and employees are informed and engaged.
		IHR04	Improve the Council's efficiency and service delivery through the use of systems and frameworks.
		IHR05	Performance, continuous improvement and organisational change is developed and supported.
		IHR06	Our workforce has the skills, knowledge and behaviours that support our culture and vision
		IHR07	Provide high quality support services to our workforce

2016-17 SERVICE PLAN - IMPROVEMENT AND HR

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
IHR01	Managers are enabled to manage health and safety effectively.	Contractors health and safety competence assessments carried out promptly	100% carried out and forwarded to the customer within 10 working days of receipt by the health and safety team	100%	309	Risk that the Council fails to meet its equalities duties
		Number of persons made competent to manage specific health and safety hazards	700 by the end of the financial year	1200		
		Number of employee Health and Safety assessments / tests	150 by end of the financial year	200		
		Percentage of accidents and incidents processed and investigation initiated within 1 working day	100%	100%		
		Number of fire risk assessments carried out	26 by March 2017	28		
		RIDDOR - The number of reportable incidences per 1,000 employees	Annual rate of 4 per 1,000	Annual rate of 4 per 1000 (national average)		
IHR02	We, as a Council, recognise and tackle discrimination and promote equality.	Increase % of workforce who have completed equalities training	20% of the workforce have completed equalities training by March 2017	Current figures around 10% of workforce have completed equalities training since 2013 (381)	0	Risk that the Council fails to meet its equalities duties
		Equality forum increases awareness of and promotes equalities issues	4 promotional activities per year	New measure - no benchmark		
		Maintain high quality of equality impact assessments completed	100% of Equality Impact Assessments quality assured	100%		
IHR03	Our customers and employees are informed and engaged.	Increase Facebook followers	20% increase from 2015-16		234	Risk that the Council fails to meet its equalities duties
		Increase Twitter followers	20% increase from 2015-16			
		Enquires are dealt with promptly and within deadlines	95% enquiry deadlines met	91%		
		Develop and implement internal branding design	Jun-16	N/A		
		Develop and Implement designed templates	Aug-16	N/A		
		Revise Citizen's Panel contract to broaden opportunities for involvement	Aug-16	N/A		
		Develop and issue plain English guide for employees	Oct-16	N/A		
		Change is supported by developing internal communication	Cascade is redesigned to include a people element by December 2016	N/A		
Increase response rate to employee survey	35% of the workforce complete the employee survey	25%				

2016-17 SERVICE PLAN - IMPROVEMENT AND HR

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
IHR04	Improve efficiency and service delivery through the use of systems and frameworks.	Increase councils compliance rating against assessment of Public Performance Reporting	69%	67%	267	Risk the council fails to demonstrate best value
		Maintain low cost of HR service per employee	£349	Council current figure £349 Average from CIPFA benchmarking group £339		
		Increase efficiency of the IHR service through improvements to the Resourcelink system	RL4 and 5 Project milestones delivered			
IHR05	Performance, continuous improvement and organisational change is developed and supported.	Services complete self assessment in accordance with agreed programme of self assessment activity.	Self Assessment framework and programme to be agreed by March 2016. Target will be confirmed following approval of the programme	New measure	547	Risk the council fails to demonstrate best value through continuous improvement and organisational development
		Maintain high level of performance scorecards created or reviewed in Pyramid in alignment with demand.	100%	100%		
IHR06	Our workforce has the skills, knowledge and behaviours that support our culture and vision	Increase percentage of current managers enrolled on Argyll and Bute Manager programme	60% by March 2017	44%	592	Risk that the workforce does not have the skills knowledge and behaviours required to support the achievement of the Council's objectives
		Increase percentage of current managers who have completed Argyll and Bute Manager programme	14% by March 2017	7%		
		Maintain high satisfaction levels with Argyll and Bute Manager courses	85% of candidates satisfied with courses	85%		
		Maintain high level of satisfaction with all courses delivered (including corporate training and social work training)	85% of learners satisfied with courses	85%		
		Percentage of all learners satisfied with E-learning courses	85% of learning satisfied with elearning courses	New measure		
		Maintain high proportion of Corporate training delivered against agreed Corporate learning and development plan following learning needs analysis	100% of training delivered in line with agreed corporate learning and development plan by March 2017			
		Council continues to attract Modern Apprentices by providing skills development opportunities	15 new Modern Apprentices appointed by March 2017	12 (20 by March 2016)		

2016-17 SERVICE PLAN - IMPROVEMENT AND HR

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
IHR07	Provide high quality support services to our workforce	All contracts are issued promptly	100% HR contracts issued within 5 working days of receipt of the successful candidate form	98%	1,125	Risk that the HR service does not meet the needs of our internal customers
		All vacancy adverts are processed promptly	100% of vacancy adverts processed within 5 working days of receipt of paperwork	100%		
		HR transactions are processed promptly	100% of all other HR transactional targets met	99%		
		Employees are paid accurately and on time	99.75% of all employees are paid accurately and on time	99.70%		
Central Management Costs					131	
					3,205	

2016-17 SERVICE PLAN - PLANNING AND REGULATORY SERVICES

SERVICE OVERVIEW

Service Purpose:

Planning and Regulatory Services is an outward looking service which seeks to harness development opportunities, support businesses, protect the public and improve the economic, social and environmental well being of the area by ensuring development takes place in a sustainable manner.

Description of areas covered:

Development Management - facilitating the delivery of the place-shaping vision for the community, environment and economy as set out in the Development Plan through the processing of planning applications and related submissions. Activities extend beyond the scrutiny and determination of planning applications to include: pre-application shaping of developments to promote desired outcomes, monitoring the delivery of proposals and evaluating their outcomes.

Building Standards - processing of building warrants and completion certificates. Primary aims are to ensure health, safety and wellbeing of people in and around buildings and the conservation of energy and power.

Development Policy - preparation, monitoring, review and implementation of the Argyll and Bute Local Development Plan together with all associated strategies including the Local Biodiversity Action Plan; Woodland and Forestry Strategy; Integrated Coastal Zone Management Plans and the access function under the Land Reform Act and delivering the Council's GIS functions.

Environmental and Animal Health - to protect public health having regard to physical, chemical and psychological factors which impact on health, and to ensure compliance with statutory requirements through working with business and to initiate enforcement action where appropriate. The nature of the work is wide ranging and includes food safety (farm to fork), workplace health and safety, environmental protection, public health including investigation and control of communicable disease and animal health and welfare.

Trading Standards - to ensure fair, safe and competitive trading within the council area. The service supports legitimate businesses in meeting statutory duties related to fair trading, consumer safety and metrology, as well as helping consumers to access and enforce their rights under that legislation. Debt counselling/advice service provided for complex debt cases.

Licensing Standards - for licensed premises work is undertaken to support the industry and the public by Licensing Standards Officers focusing on the principles of compliance, mediation and support.

Resources available to the service:

Staffing - 101.87 FTE

Supported by customised ICT systems - Civica/Uniform/Arcinfo.

Environmental Health have 5 small vans (4 hired, 1 owned) used for operational purposes.

2016-17 SERVICE PLAN - PLANNING AND REGULATORY SERVICES
SERVICE OVERVIEW

Significant strengths:

Effective and embedded Planning & Performance Management Framework e.g. Development Management performance set against peers notably above both the Scottish Average and over Rural Authority benchmarking partners.
Implementation and review of Building Standards Balanced Scorecard which received positive feedback from the Scottish Building Standards Division.
Positive feedback (no red markers) from the Scottish Government on Council's submission of the Planning Performance Framework Annual Report.
Project driven and managed activities based on strong partnership working e.g. adoption of the Argyll and Bute Local Development Plan and associated Action Programme; approval by the Council of the Joint Health Protection Plan for 2014-16.
Customer-centric services with high and sustained levels of stakeholder satisfaction. Building standards retention of the National Customer Services Excellence Award.
Implementation and review of Balanced Scorecard for Regulatory Services.
Developed national performance measure benchmarks for environmental health with the association of public services excellence which are used by other Scottish Local Authorities.
We successfully secured an extension to the shellfish monitoring contract which we provide on behalf of the Food Standards Agency to the 31st March 2017.
Building Standards successful attainment of contract with Babcock International to provide verification process for MOD projects.

Significant challenges:

To continue to demonstrate that customer care is embedded within our service delivery arrangements e.g. Building Standards retention of Customer Services Excellence.
Implement e-development project (new national portal to deliver on-line submission of planning and building warrant applications).
To review and develop a Regulatory Enforcement Policy to meet the Scottish Regulatory Strategic Code.
Review our arrangements as a Food Authority in light of the new Food Standards body and deliver our Food Improvement Plan.
Implementation of Regulatory Reform Act and associated 'penalty' clause related to the Planning Performance Framework.
Development of a range of national benchmarks for Trading Standards.
Recruitment and retention of professional staff.
Improved focus on delivery of development through housing site assessments, key sites action programme and key sites task force working group.
Responding to national and strategic review of Trading Standards.

Equalities:

Planning & Regulatory Services (PRS) is aligned with the Council's Equal Opportunities policies and practices and Equality Impact Assessments are undertaken as appropriate.
Improve engagement and involvement with Local Access Panels to help improve service delivery arrangements and disability outcomes.

Customer Service:

Planning & Regulatory Services (PRS) has undertaken a customer health check which has identified scope for improvement in customer service. This has resulted in a new Customer Service Development Plan which is now being implemented (improvements include better customer information through the expansion of social media to all PRS services; improved performance information; tailored consultation methods to better reflect customer needs; action plans generated from User Forums).

**2016-17 SERVICE PLAN - PLANNING AND REGULATORY SERVICES
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives	PR08	Protect the health of our communities through effective partnership working.
	People live in safer, stronger communities	PR02	Empowered confident customers capable of successfully exercising their legal rights and accessing advice / support.
		PR03	We secure standards relating to public health and health protection through working with businesses, partner agencies and the public, through risk-based proportionate enforcement.
		PR04	The health, safety, welfare and convenience of people in and around buildings is protected and improved.
		PR06	We live and work in an environment which is safe, promotes health and supports the local economy.
	Children and young people have the best possible start		
A place people choose to learn	Education, skills and training maximises opportunities for all		
A place people choose to work and do business	The economy is diverse and thriving	PR01	The local economy is improved through the delivery of sustainable development.
	We have infrastructure that supports sustainable growth	PR05	We have improved and enhanced our access and enjoyment of the natural environment and built heritage.
		PR07	The creation of well-designed and sustainable places where people are able to access employment, housing, recreation opportunities supported by essential services and necessary infrastructure.
Making it happen	Service delivery enablers		

2016-17 SERVICE PLAN - PLANNING AND REGULATORY SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
PR01	The local economy is improved through the delivery of sustainable development.	Improve speed of determination of Planning Applications	Determine "All Local" Planning Applications in the whole of Argyll and Bute on average in less than 12 weeks	Large Rural Local Authority Benchmarking Group (HoPS) - Current Average of Group is 17 Weeks.	403	Failure to deliver the sustainable development of land through the positive management and regulation of development
		Increase Speed of responses for pre-application enquiries	Process 75% of pre-application enquiries within 20 working days	Large Rural Local Authority Benchmarking Group - Benchmarking data not currently available but shall be sought by May 2015		
		Demonstrate that the service is 'Open for Business' by approving Sustainable Development Proposals in accordance with the LDP	Achieve a planning application approval rate of over 95%	Large Rural Local Authority Benchmarking Group. Average is 92%.		
		Increase the speed of consultation / notification for valid Planning Applications	Register and neighbour notify 90% of valid applications within 5 days.	Large Rural Local Authority Benchmarking Group (HoPS) - Benchmarking data not currently available but shall be sought by May 2015		
PR02	Empowered, confident customers capable of successfully exercising their legal rights and accessing advice / support.	Provide advice and intervention for consumers in relation to service requests to allow them to make informed choices and to undertake formal interventions as appropriate.	80% resolved within 14 days from receipt	SPI for Scottish local authorities and we will compare our performance against the published SPI average.	513	Failure to support consumers leading to consumers being unsupported and being vulnerable to illegitimate business
		Reduction in customers facing significant financial problems through the provision of debt counselling support and intervention	90% of clients satisfied that they are better able to deal with their debt following our intervention	Being developed Benchmarking data not currently available but will be sought by May 2016		

2016-17 SERVICE PLAN - PLANNING AND REGULATORY SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
PR03	We secure standards of public health and health protection, through working with business partner agencies and the public through risk-based proportionate enforcement.	Increase the number of compliant businesses following intervention relating to food safety	80% of all premises are broadly compliant	SOLACE Benchmarking Club and national measure. Benchmark will be available June 2016	1,208	Failure to deliver Councils statutory functions as food authority and health and safety authority Non-compliant business which may lead to increased risks to public health/consumer safety , who are unable to trade safely and promote high quality goods from Argyll and Bute.
		The provision of appropriate advice to businesses to assist them in meeting current and emerging challenges across environmental health, animal health and trading standards	Complete 80% of alternative enforcement plan	No benchmark but internal service measure. Will assess progress against our previous years performance		
		To undertake fair and proportionate enforcement action	90% of those surveyed through our customer surveys are satisfied that the enforcement decisions taken were risk based; proportionate and discussed with them	Under development. Internal measure and can compare against previous years		
PR04	The health, safety, welfare and convenience of people in an around buildings is protected and improved.	Increase the efficiency and speed of the processing of building warrants.	Respond to 80% Building Warrant applications within 20 days	Quarterly with members of Clyde Valley Benchmarking group	11	Failure to protect the health, safety, welfare and convenience of people in and around buildings
		Production of a Balanced Scorecard (Business Plan) and Continuous Improvement Plan	Annual Balanced Scorecard submission and quarterly performance reports accepted by the Building Standards Division of the Scottish Government - currently August each year for Balanced Scorecard with quarterly reports due July, October, January and April (See our webpages under performance where our Balanced scorecard is published)	Annual review with other 31 LAs. Annual report issued retrospectively by the Building Standards Division of the Scottish Government (BSD) based on the quarterly returns we submit to the BSD which shows the national picture. The quarterly returns provide info on number and type of BW applications received, fees taken, costs of service, time taken to issue approvals etc.		
		Increase the efficiency and speed of the processing of completion certificates	Determine all applications within 10 days	Statutory target is 14 days. Benchmarking data not currently available but shall be sought by December 2015		

2016-17 SERVICE PLAN - PLANNING AND REGULATORY SERVICES

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
PR05	We have improved and enhanced our access and enjoyment of the natural environment and built heritage.	Produce 5 Conservation Area Appraisals	5X CAs adopted by FQ4	Explore performance measure / benchmark with other Local authorities with view to measure by end of 2016 (Suggest % of CAs with Appraisals??)	88	Failure to achieve better access to the natural environment
		Increase visitor numbers to the Argyll and Bute Core Path network by promoting awareness and knowledge of footpath routes.	Create 80 online guides for footpaths identified in the Core Path Plan per annum	Explore with other access authorities (suggest % of Core Footpaths with online guide)		
PR06	We live and work in an environment which is safe, promotes health and supports the local economy	To deliver our agreed service plans for food safety and health and safety, meeting the Councils statutory duties and with the aims of health protection and supporting business.	100% of high risk premises inspected	SOLACE Benchmarking Club and national measure. Benchmark will be available June 2016	86	Illness associated with the environment through failure to ensure that risks are adequately controlled
		Improve performance in the delivery of the shellfish monitoring programme which supports the shellfish industry and protect public health	95% compliance with specified sampling plan for each of the programmes-(i) phytoplankton; (ii) biotoxin and (iii) E.coli.	Benchmark will be available quarterly and in April 2016		
		Provide an effective response to public health incidents which have an immediate impact on public health.	Resolve 85% of environmental health service requests within 20 working days	SOLACE Benchmarking Club and national measure. Benchmark will be available June 2016		
PR07	The creation of well-designed and sustainable places where people are able to access employment, housing, recreation opportunities supported by essential services and necessary infrastructure.	Maintaining a Local Development Plan less than 5 years old.	Adoption of the Local Development Plan Scheme by end of FQ1. Complete 3 LDP Community Plans end of FQ4. Launch Call for Sites end of FQ3. Quarterly Reporting for Key Sites Access Programme FQ2	Large Rural Authorities Benchmark Club: percentage of population coverage by Local Development Plan (100%); LDP scheme on track	495	Failure to produce an up to date Local Development Plan with appropriate settlement strategy will adversely impact on the delivery of sustainable economic growth.
		To improve the supply of our housing	Maintain an effective five year housing land supply at all times. Complete Housing Site Assessment Appraisal end of FQ3.	(Explore with large rural authorities: Suggest, Av. no of years effective supply)		
PR08	Protect the health of our communities through effective partnership working.	To deliver the formally approved Joint Health Protection Plan with NHS Highland, Highland Council and Argyll and Bute Council	90% of JHPP 2015-17 plan 90% of plan achieved by 31/3/2017	Not applicable	(2)	Failure to work with NHS Highland and other partners to deliver the health protection priorities to our communities increase incidence of illness (e.g. E.coli 1057) due to consumption of poor quality drinking water.
		Monitoring the quality of private water supplies within Argyll and Bute Council and initiating public health interventions as necessary	95% of planned category A commercial supplies sampled in accordance with statutory requirements	SOLACE Benchmarking Club and national measure. Benchmark will be available June 2016		
Central Management Costs					300	
					3,102	

2016-17 SERVICE PLAN - ROADS AND AMENITY SERVICES
SERVICE OVERVIEW

Service Purpose:

To ensure that Argyll and Bute's roads and marine infrastructure enables the safe and convenient movement of people and goods across a geographically diverse and sparsely populated area. The service also maintains the physical appearance of Argyll and Bute by managing open spaces, cemeteries, street cleaning, refuse collection and waste management. Priority is given to services which are likely to contribute greatest to economic growth and improved quality of life.

Description of areas covered:

Roads Management and Maintenance - maintaining road network including co-ordination of public utilities, asset management, policy and strategy
Amenity - Refuse collection and street cleaning, grounds maintenance, cemeteries, warden service
Design Infrastructure - design and project management of infrastructure projects
Fleet, Waste and Infrastructure - Fleet maintenance, O Licence, Waste Management, management and coordination plant. Operation and management of 37 piers, harbours and slipways. Operation of 4 ferry services.

Resources available to the service:

Internal works and professional teams. A range of national contractors and SMEs. Highlands and Islands Professional Services Framework. Shanks PPP Contract. Resources from other Local Authorities, Transport Scotland including their operating companies and other partners through innovative and collaborative working. The service also has responsibility for depots, a range of vehicles and plant, piers and harbours.

Significant strengths:

Management of the Waste PPP Contract. Proven effective response to severe weather incidents, both winter and flooding/storms. Delivery of capital programme, improved rigour for performance and programme management for a range of projects across the service. Maintain high level of vehicle pass rate and maintain O Licence. Successful alternative weekly refuse collection in Helensburgh and Lomond, and high diversion of waste from landfill and Oban and Lorn, Mid Argyll and Kintyre and Bute during 2014/15.

Significant challenges:

Maintaining acceptable levels of service with reducing revenue budgets and responding to requests for service/service demands etc. Recruitment of staff. Delivery of Winter Maintenance Plan within budget given the lack of control to weather patterns. . Delivering Capital and Revenue Programmes on budget, time and specification. Delivery of a revised waste strategy that is affordable and compliant.

Equalities:

The Council's design standards for Roads & Amenity Services will reflect the requirements of the Disability Discrimination Act (DDA) and will aim for inclusive design in the construction, operation and maintenance of services.

Customer Service:

The Roads and Amenity Service is committed to providing excellent customer service further to its regular contact with various customers and clients through the service activities delivered by teams such as, roads maintenance, refuse collection, street cleansing, grounds maintenance, cemeteries and crematorium and marine services. The Roads and Amenity Service's strong customer focus is evidenced by excellent feedback from customers, excellent results from LEAMS assessments and good performance in introducing innovation such as the co-mingled recycled collections and improved carriageway condition through a range of in-house and contractor delivered treatments.

**2016-17 SERVICE PLAN
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives		
	People live in safer, stronger communities	RA01	Road and lighting defects repaired timeously
		RA02	High percentage of planned road repairs rather than reactive repairs
	Children and young people have the best possible start		
A place people choose to learn	Education, skills and training maximises opportunities for all		
A place people choose to work and do business	The economy is diverse and thriving	RA05	Streets are maintained to a clean standard
		RA04	Projects delivered to time, budget and specification
		RA06	We continue to recycle and divert waste from landfill
	We have infrastructure that supports sustainable growth	RA07	Safe and available piers, harbours and slips to support the ferry services, fishing industry, commercial activity and tourism/leisure.
Making it happen	Service delivery enablers	RA03	Council vehicle and plant maintained to a high standard and are available to provide and deliver services

2016-17 SERVICE PLAN

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
RA01	Proportionate, safe and available roads infrastructure	% category 1 defects repaired timeously	90%	88.25% APSE Performance	8,712	Risk of reduced funding resulting in a deterioration to carriageway and footway condition.
		Roads operations % productivity	100%	No, new local measure		
		Average response time for completion of	2.5 hours	2.52 hours APSE Performance		
		% street lighting faults repaired in 7 days	88%	92% APSE Performance Networks		
RA02	Roads maintenance strategies prioritise routes which are likely to contribute to economic growth and improved quality of life.	% road repairs carried out right first time (rolling	75%	No, new local measure	(525)	Risk of reduced funding having a negative impact on existing businesses and potential new businesses looking elsewhere should infrastructure not be maintained to an acceptable level.
		Planned roads repairs 'v' reactive repairs as % of revenue budget	73%	72.82% APSE Performance Network		
RA03	Reliable, safe and efficient vehicles fleet	MOT HGV % of vehicles passed first time	82%	79% VOSA. National Benchmark	(1,380)	
		% of down time for vehicles	*%	Benchmark		
		MOT LV % of vehicles passed first time	95%	99% (outturn 11/1)		
RA04	Capital projects improve the transport infrastructure	% roads reconstruction capital projects on time	90%	No, local measure	423	Reduced funding resulting in infrastructure not being fit for purpose and possibly no being available.
		% road reconstruction projects on Budget	90%			
		% infrastructure capital projects on time	94%	93.6% (outturn 11/12)		
		% infrastructure projects on budget	94%			
		% bridge inspections complete per 2 year plan (907 bridges in total)	Target no of bridges to inspect over 2013/14 = 460 rolling to be reported	No, local measure		
		No of bridges where time between inspections exceeds 2 years	Maximum of 45 at any one time	No, local measure		

2016-17 SERVICE PLAN

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
RA05	High level of street cleanliness	% overall street cleanliness	74%	67% LEAMS (Keep Scotland Beautiful)	3,910	Risk of litter and untidy streets.
RA06	Sustainable disposal of waste	% waste recycled, composted and recovered	40%	38% SEPA published average LA	11,298	Risk of managing a compliant service within budget with changes to legislation and codes of practice
		No of tonnes of Biodegradable Municipal	Annual number of tonnes 21,500	21,382 (outturn 10/11)		
RA07	Marine Services - maintenance and management of piers, harbours and slips.	Argyll and Bute is better connected, safer and more attractive	TBC	Investigating the possibility of benchmarking against Clyde Marine Services and/or introducing a measure relating to the condition of the infrastructure asset..	(1,100)	Failure to deliver lifeline ferry services to rural and island communities and lifeline are services to the islands.
Central Management Costs					309	
					21,647	

2016-17 SERVICE PLAN - STRATEGIC FINANCE

SERVICE OVERVIEW

Service Purpose:

The service purpose is to maintain high standards of financial management and control whilst contributing to corporate management and leadership alongside supporting officers and members in an effective and responsive manner. It does this through provision of strategic financial advice, provision of accounting and budgeting services, treasury management, risk management, internal audit and assurance. The Head of Strategic Finance is the Council's Chief Financial Officer (Section 95 Officer).

Description of areas covered:

The service works across four main functions:

Corporate Support prepare the Council's statutory accounts, complete statutory returns, provide technical advice, VAT advice/returns, indirect tax advice, carry out the treasury management function and create and monitor the capital programme.

Departmental Support provide accounting support, advice and guidance to departments on all aspects of the revenue budget, lead the revenue budget monitoring process, maintain the medium term financial model and are supporting Service Choices

Income Maximisation provide Social Work with accounting and budgeting support, advice, contractual and specialist financial support.

Internal Audit work to an annual audit plan as agreed by the Audit Committee. Assurance and Risk Management is also provided via Internal Audit which is required to operate to Public Sectors Internal Audit Standards and is an important independent internal scrutiny activity. The Section 95 officer must ensure Internal Audit is adequately resourced and fit for purpose and that the Audit Committee receives necessary advice and information.

Resource available to the service:

The service currently has full time equivalent staff of 44.5FTE.

There are no significant fixed assets other than a share of office accommodation. Various IT systems from Oracle FMS which is the Councils main accounting system to specific systems for treasury, loans fund records, capital expenditure monitoring, capital accounting, audit analysis tools and internal recharges.

Significant strengths:

The service supports the organisation in preparing, monitoring and reporting on the revenue and capital budgets in a timely and comprehensive manner

The Statutory Accounts continue to be unqualified which is testament to the high standard of work throughout the year end process.

The service continues to achieve treasury targets for borrowing costs and investment returns.

Internal audit plan is delivered on time and within budget.

Significant challenges:

Whilst accommodating Service Choices changes maintain the existing level of performance but seeking to improve systems and processes and address challenges that exist between financial and performance information. Aligning financial information to the SOA . Undertaking longer term financial planning whilst incorporating unit costs and cost drivers

Equalities:

Equalities Impact assessment has been carried out in respect of the service choice savings options. Assessments are also carried out in respect of the overall budget process.

Customer Service:

The service is mainly internally focussed. Customer satisfaction is measured through periodic surveys, liaison with heads of service and departmental management teams, benchmarking and CIPFA Financial Management Model.

**2016-17 SERVICE PLAN - STRATEGIC FINANCE
OUTCOMES**

Corporate Theme	Corporate Outcome	Code	Service Outcomes
A place people choose to live	People live active, healthier and independent lives		
	People live in safer, stronger communities		
	Children and young people have the best possible start		
A place people choose to learn	Education, skills and training maximises opportunities for all		
A place people choose to work and do business	The economy is diverse and thriving		
	We have infrastructure that supports sustainable growth		
Making it happen	Service delivery enablers	SF01	Effective planning, reporting and management of finance, risk and money and capital market transactions
		SF02	Assurance is provided that financial and management controls are operating effectively

2016-17 SERVICE PLAN - STRATEGIC FINANCE

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary
					2016/17	
SF01	Effective planning, reporting and management of finance, risk and money and capital market transactions.	The Councils financial position is reported effectively	Unaudited accounts complete by 30 June	Unaudited accounts complete by 30 June	1,539	Failure to effectively plan, report and manage finance, risk and treasury transactions
			Audited accounts complete by 30 September	Audited accounts complete by 30 September		
			No qualifications in audit certificate	No qualifications in audit certificate		
			Annual Efficiency statement produced by 30 June	Annual Efficiency Statement published by mid August		
		Unaudited accounts summary and snapshot complete by 30 June	Unaudited accounts summary report prepared by 30 June			
		Audited accounts summary and snapshot prepared by 15 Oct	Audited accounts summary report prepared by 15 Oct			
		The Councils finances are planned and managed effectively	Revenue budget prepared within agreed timescales	Revenue budget agreed by mid February		
			Capital budget prepared within agreed timescales	Capital budget agreed by mid February		
			Budgetary outlook reviewed and updated at the end of each financial quarter - June, September, December and March	Budget outlook reviewed regularly		
			Comprehensive revenue and capital budget monitoring reports prepared monthly within 20 days of month end	Monitoring reports prepared within 20 days of month end		
			Average timescale of no more than 4 working days after period end for distribution of routine reports to budget holders - monthly target	Average timescale is 9 days based on VFM 2013-14 Benchmarking report.		
		Strategic Finance provide a quality service	Maintain current CIPFA FM Model score of 2.7 out of 4 - annual assessment by 31 March	Average score at end of 2013-14 was 2.7 out of 4.		
			Compliance with 7 out of 10 (70%) of the CIPFA VFM management practice indicators	Benchmark average is 7 out of 10 (70%) , upper quartile is 8 out of 10 (80%)		
			Maintain score of 4.26 out of 5 from user satisfaction surveys carried out annually.	An average score of 3.61 out of 5 based on VFM Benchmarking return 2013-14.		
			Maintain score of 3.72 out of 5 from user satisfaction surveys carried out annually.	An average score of 3.5 out of 5 based on VFM Benchmarking return 2013-14.		

2016-17 SERVICE PLAN - STRATEGIC FINANCE

FULL SERVICE SUMMARY

Code	Service Outcome	Success Measures	Target / Timescale	Benchmark	Budget £000	Risk summary					
					2016/17						
SF01	Effective planning, reporting and management of finance, risk and money and capital market transactions.	Cashflow, banking, money market and capital market transactions are managed effectively	Return on investment of surplus funds at least equal to 7 day money market rate - monitor quarterly but target is for 31 March each year	7 day money market rate		Failure to effectively plan, report and manage finance, risk and treasury transactions					
			The average loans fund rate is 5.5% - monitored quarterly but target is for 31 March each year	Average rate at 31 March 2015 was 4.83%							
			Annual assessment against good practice target is 90% - completed by 31 March each year	Annual assessment against good practice carried out and score is at least 90%							
			Review 100% of treasury management practice (TMP) statements by 31 March each year.	100% of TMPs reviewed annually							
		Risks are planned, managed and reported effectively	Risk management policy, strategy and guidance manual reviewed by 31 March each year	Risk management policy, strategy and guidance manual reviewed regularly							
			Risks are incorporated in approved service plans by 1 April each year	Risks are incorporated in approved service plans by 1 April each year							
			Annual report on Risk Management Activity to 31st March prepared by September	Annual report on Risk Management Activity to 31st March prepared by September							
			Bi-annual reports on strategic and operational risk registers prepared August and February	Bi-annual reports on strategic and operational risk registers prepared August and February							
			SF02	Assurance is provided that financial and management controls are operating effectively.			Audit activity is targeted towards key audit risks	Draft Audit risk assessment complete by December each year	Draft Audit plan supported by a risk assessment	235	Failure to ensure Financial and Management controls are operating effectively
								Final Audit plan approved by 31 March each year	Audit plan approved March Audit Committee		
The audit plan is completed effectively	100% of audits in the audit plan completed	100% of audits in the audit plan completed									
	High and medium risk audit recommendations accepted by management. monitored monthly but target is for 31 March	100%									
	Continuous Monitoring Programme report quarterly to Audit Committee	Quarterly Summary Activity Report completed									
	Effective participation in National Fraud Initiative - data completion	Data Matches completed as per agreed timetable.									
Internal Audit deliver a quality service	A mean score of 3 or more out of 4 - monitored monthly but target is for 31 March each year	Average mean score for 2014/15 was 3.5 out of 4									
	Central Management Costs				191						
					1,965						

ARGYLL AND BUTE COUNCIL**POLICY & RESOURCES COMMITTEE****CUSTOMER SERVICES****17 MARCH 2016**

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

1.0 EXECUTIVE SUMMARY

- 1.1 The Council was allocated additional grant monies by the Scottish Government in March 2014 to be used in order to provide additional Discretionary Housing Payments (DHPs) to mitigate the impact of the spare room subsidy also known as the “bedroom tax” in Argyll and Bute. This was additional to the core DHP funding provided by The Department of Work and Pensions (DWP). In March 2015 Policy & Resources Committee approved the carry forward of the balance of earmarked funds estimated at £411.5k and a number of proposals for their use related to welfare reform mitigations. It also approved the carry forward of the balance of DHP monies estimated at £140k into 2015/16 to be used to maintain current priorities supported.
- 1.2 This report provides an update on the spending against welfare reform mitigations and estimates that £232,100 will be unspent at 31 March 2016. It seeks approval for the carry forward of the unspent balance to be used in a continuation of this work. This would plug the gap before the European Social Fund funding streams become available. These funding streams have been delayed and are now expected to result in new services from January 2017 at the earliest. Updated proposals are presented for the use of the balance of the earmarked reserves.
- 1.3 In 2015/2016 the new allocation for DHPs from DWP was £371,352 (a 9.3% reduction on 2014/2015 levels). The initial allocation from Scottish Government is £65,991. The carry forward underspend from 2014/15 was £138,368. So the total for DHP was £575,711 for 2015/16. Our updated estimate is that there may be c. £30,000 unspent at 31 March 2016, which could be carried forward to 2016/17.
- 1.4 In his Autumn Statement the UK chancellor announced a number of further changes which are expected to increase the demand for DHPs in 2016/17. These include the restriction of housing benefit for those in temporary accommodation and also the reduction in the benefit cap from £26,000 to £20,000 due to come into force in Autumn 2016. DWP has recently advised us that there will be between 0 and 199 families affected by the benefit cap in our area. DHP funding announced for 2016/17 totals £461,901. This will be added to in June by the final distribution of 2015/16 funding from Scottish Government estimated at £95,329, giving a total of £557,230. With the expected increased demand as described above, this is likely to be insufficient to maintain current priorities and so approval is requested for the carry forward of the expected underspend of £30k from this year end.

**SCOTTISH GOVERNMENT FUNDING FOR WELFARE REFORM AND
DISCRETIONARY HOUSING PAYMENTS – REPORT ON SPEND TO DATE AND
FUTURE PROPOSALS**

2.0 INTRODUCTION

- 2.1 The Council was allocated additional grant monies by the Scottish Government in March 2014 to be used in order to provide additional Discretionary Housing Payments (DHPs) to mitigate the impact of the spare room subsidy also known as the “bedroom tax” in Argyll and Bute. This was additional to the core DHP funding provided by The Department of Work and Pensions (DWP). In March 2015 Policy & Resources Committee approved the carry forward of the balance of earmarked funds estimated at £411.5k and a number of proposals for their use related to welfare reform mitigations. It also approved the carry forward of the balance of DHP monies estimated at £140k into 2015/16 to be used to maintain current priorities supported.
- 2.2 This report provides an update on the spending against welfare reform mitigations and estimates that £232,100 will be unspent at 31 March 2016. It seeks approval for the carry forward of the unspent balance to be used in a continuation of this work. Approval is also requested for the carry forward of the expected underspend of £30,000 DHP monies from this year end.

3.0 RECOMMENDATIONS

- 3.1 Policy & Resources Committee is asked to note the information provided in respect of progress made, and the estimate of projected expenditure to 31 March 2016 of £232.6k from the balance of Scottish Government funding for DHPs of £464.7k in March 2015.
- 3.2 The Committee approves the continued carry forward of the balance of this as earmarked funds estimated at £232.1k and approves the proposals for their use as summarised at 4.20.
- 3.3 The Committee approves the carry forward of the balance of the unspent 2015/16 DHP monies estimated at £30,000 as earmarked funds to be used to fund DHP payments in 2016/17 in order to help maintain current priority levels into 2016/17.
- 3.4 To require a further report to be brought back to a future meeting on the progress with the proposals approved at 3.2 and 3.3 above.

4.0 DETAIL

4.1 There are two figures for earmarked reserves that relate to the government's welfare reforms and to the Discretionary Housing Payment (DHP) spend. The first is in respect of DHPs which had an opening balance of £138,368. The second earmarked reserve is in relation to wider welfare reforms and had an opening balance of £464,706 at 31 March 2015.

DHPs

4.2 At the end of January 2016, the council has paid and committed a total of £524,256 which exhausts the total funding from DWP and Scottish Government available for the year. We have £51,455 remaining in the fund including the carry forward funding from last year of £138,368. There are a total of 23 applications outstanding or requiring further information at the end of January. Nearly all the awards to date (84.8% by value) have been for bedroom tax cases and there are still another 12 of these cases awaiting processing.

4.3 Expenditure is being kept under very close review. Levels of monthly spend have dropped significantly with only £9,511 being paid/ committed in January. At this rate of spend we could have c. £30,000 remaining of our earmarked reserve to be carried forward to 2016/2017.

4.4 In his Autumn Statement the UK chancellor announced a number of further changes which are expected to increase the demand for DHPs in 2016/17. These include the restriction of housing benefit for those in temporary accommodation and also the reduction in the benefit cap from £26,000 to £20,000 due to come into force in Autumn 2016. DWP has recently advised us that there will be between 0 and 199 families affected by the benefit cap in our area.

4.5 DHP funding announced for 2016/17 now totals £461,901. This will be added to in May or June by the final distribution of 2015/16 funding from Scottish Government estimated at £95,329, giving a total of £557,230. This is only £11k higher than our estimate of 2015/16 spending of £545,711 and is not expected to be sufficient to cover the new benefit cap pressures. We therefore request approval to carry forward the estimated £30,000 unspent earmarked reserve plus £95,329 still to be distributed by the government to provide further support for non-bedroom tax cases in 2016/17.

4.6 The table below summarises the position with respect to DHP earmarked reserve:

	Planned Spend 2015-16 £	Est. draw down £	Remaining Balance £
Discretionary Housing Payments	138,368	108,368	30,000

Wider Welfare Reforms Mitigations

4.7 In terms of the earmarked reserve set-a-side for the wider welfare reforms, £464,706 was carried forward from 2014/2015 following approval of Policy and Resources Committee in March 2015. The table overleaf shows the updated spend in 2015/2016 and the balance remaining:

Ref	Proposal description	Planned Spend 2015-16	Drawn Down to Budget	Remaining Balance	Comment
1	Tenants Incentive Scheme	25	3	22	Fully spent. £22k not drawn down in 2014/15 as covered by other budgets.
2	Digital Access Expansion	80	90	(10)	£80k spent. Additional £10k being allocated to cover shortfall to end of year
3	Bute Advice Centre	30	30	0	Fully committed to 31 March 2018 @ £10k p.a.
4	ACHA Bid in relation to Welfare Rights project	10	10	0	Fully spent
5	Personal Budgeting Support (PBS). Universal Services Delivered Locally (USDL) trial	110	10	100	Fully funded by DWP to December. £10k allocated to Housing to end of year.
6	Additional Throughcare Workers	120	56.9	63.1	Posts only filled by Children & Families in July 2015
7	Additional Welfare Rights Officer	25	25	0	Fully committed/spent
8	Extension of Scottish Welfare Fund Support	33.7	0	33.7	Money not drawn down as contained within 2015/16 spend.
9	Support materials	31	7.7	23.3	Costs less than anticipated
	TOTAL	464.7	232.6	232.1	

Proposal 1 – Tenants Incentive Scheme

4.8 A limited HOMEArgyll Tenants Incentive Scheme was agreed to incentivise tenants who are impacted by the removal of the spare room subsidy (bedroom tax) to downsize. The scheme offers an incentive of £500 for those considering a transfer. The funds were used to remove financial barriers faced by tenants in moving. This scheme was launched at the end of October 2013. The scheme was initially very popular with registered social landlords and their tenants and it was estimated that uptake would be c 50 households in a year. However, the effective removal of the under-occupancy restrictions by the Scottish Government has reduced uptake. Expenditure of £25,000 has been achieved (50 households). It is proposed to close the scheme with effect 31 March 2016.

Proposal 2 – Expansion of Digital Access across Argyll and Bute

4.9 Universal Credit is based on the premise that at least 80% of all claims will be made online and claimants will manage their Universal Credit account online. This

is a big change and requires a greater level of access to the internet that we currently have in Argyll and Bute, as well as enhanced digital skills on the part of the claimant. Community Learning and Development purchased 18 additional laptops, recruited 40 new bank tutors, and are now delivering additional IT literacy courses in rural schools (which minimises travel for those being assisted) using Guest access. A budget transfer of £80k was made in order that the service could be provided in 2015/16. A further £10k is required to meet demand to the end of the year. This included the provision for a training co-ordinator at £30k to handle the additional caseload. Universal Credit goes live in March 2016 and it is anticipated that there will still be a need for this service in the coming year. Therefore **£80k** is set-a-side to provide funding to allow this service to be delivered in 2016/2017. In future it is expected that this type of assistance could be funded from a combination of European Social Fund funding streams.

Proposal 3 – Support Bute Advice Centre

- 4.10 Money was allocated to support Bute Advice Centre to assist them to continue to operate in providing critical welfare advice of £30,000 p.a. for 3 years to 31 March 2018. The first year is funded from these earmarked reserves with the later years being funded from Development & Infrastructure budget. The Bute Advice Centre Manager now attends the Welfare Reform Working Group and makes a very useful contribution at that forum. They provide regular reports on clients supported. This will continue as already planned and approved.

Proposal 4 - ACHA bid to Peoples and Communities Fund

- 4.11 £10,000 was given ACHA as match funding to support their bid to the Peoples and Communities Fund. They are now bidding for continuation funding and it is proposed to offer them a further **£10,000**. If successful, this bid would allow ACHA to continue their welfare rights service to their tenants throughout 2016/2017. This amount matches ACHA's own contribution. The service is valued by their tenants and if not provided, ACHA's tenants would be sign posted to the council's own welfare rights service which would struggle to cope.

Proposal 5 – Personal Budgeting Support

- 4.12 The existing housing support contracts were extended to provide personal budgeting support as part of our delivery of the USDL trial. Referrals are made to this service from benefit claimants through all the Job Centres in our area. DWP job centre managers carry out a high level triage and then make a referral to a housing support co-ordinator in Community and Culture who undertakes a detailed triage to assess needs, and then makes an onward referral if there appears to be a need for service to a housing support provider (for personal budget support needs) and to Community Learning and Development for digital and/or literacy skills training. This trial commenced on 1 September 2014 and ended after 15 months on 31 November 2015. DWP paid directly for a full-time project manager and for an additional housing support co-ordinator and have provided £45,000 for housing support provider costs. The council has therefore not needed to make any expenditure from its original allocation of £110,000 for this service provision to date.
- 4.13 A new delivery partnership arrangement is being put in place for the Council to support the implementation of Universal Credit on 7 March 2016 and provides some limited funding for a continuation of this service. New services will be provided through the Big Lottery Fund. These have been delayed and are now expected to come into operation in January 2017. (These services will be procured through a competitive tender and the Council intends to facilitate a bid from local

third sector groups for this work). The funding from DWP provides just 2 hours support per case which is not sufficient – we have typically provided between 6 to 12 hours support per household for this work. We are therefore seeking to allocate the sum of **£20,000** to supplement the DWP funded provision until January 2017. Failure to provide this resource could jeopardise our chances of securing the additional Big Lottery Fund resources in 2016/2017.

Proposal 6 – Additional through care workers to assist looked after children.

- 4.14 The proposal was to have an additional 4 temporary through care workers in 2014/15 to work with the Council's looked after children and former looked after children many of these are also struggling with literacy and IT skills, and money and debt management. Unfortunately, these posts were only filled by Childrens & Families Service in July 2015. We have drawn down £56,900 and it will be necessary to carry forward **£49,400** to cover the costs in order to fund the posts for the anticipated full 12 months from their start dates.

Proposal 7 – Welfare Rights Support

- 4.15 The funding for an additional welfare rights officer ended at 30 June 2015 and a further £25k was provided to extend the post to 31 March 2016. The service has indicated that demand is not yet declining and they have a continuing need to support those transitioning to Personal Independence Payments which are rolling out very slowly in this area and is expected to continue into 2017. The service would benefit from resource to fund two temporary Welfare Rights Assistants at LGE6 to cover the Helensburgh and Islay localities. This will cost **£52,700** in 2016/2017.

Proposal 8 – to extend Scottish Welfare Fund support

- 4.16 Approval was granted to utilise £33.7k to accommodate these high priority claims for the Scottish Welfare Fund because of higher than anticipated demand at the end of 2014/2015. The final overspend amounted to £10,640 and a further spend on 2014/15 applications of £26,453 has been incurred in 2015/16, just slightly higher than anticipated. The service was able to meet the cost without needing to draw down the monies. Current projections are that no overspend is anticipated at 31 March 2016.

Proposal 9 – Producing comprehensive support material for those affected by welfare reform to include details of support available covering employability support, money management advice, digital access locations and training

- 4.17 The requirement was to map out all the points where those affected by welfare reform require support – effectively documenting the customer journey. This was then expanded to include a database of service provision across the Argyll and Bute area. The work was carried out by Arneil Johnson and has proved very worthwhile. There are no further requirements for this.

New Proposal 10 - Support for the Argyll Networks Project

- 4.18 The Argyll Networks project provides vital crisis intervention and support to tenants of Fyne Homes, West Highland Housing Association and Dunbritton Housing Association. They employ 2.5 FTE crisis intervention support workers to assist tenants who are in crisis by providing money advice and welfare rights support and a range of training to help tenants gain critical skills to maintain their tenancies.

4.19 The project was originally funded by a grant from the Big Lottery Fund which ends on 31 March 2016 and, like ACHA, they have an opportunity to apply for continuation funding. There is a requirement for the service to continue for a further year to 31 March 2017. The service is valued by their tenants and if not provided, their tenants would be sign posted to the council's own welfare rights service which would struggle to cope. It is proposed that the Council provide £10,000 to be used as match funding for the continuation application. This will help plug the gap before the Big Lottery Fund/European Social Fund contract is awarded.

Summary of proposals

4.20 A summary of how the unspent monies could be utilised is set out below:

Ref	Proposal description	2016/2017 Proposed £000s
2	Digital access expansion – additional courses delivered by Adult Learning & Literacy	80.0
4	ACHA bid to Peoples and Communities Fund	10.0
5	Personal budgeting support through housing support contracts	30.0
6	Additional through care workers	49.4
7	Additional welfare rights assistants for 12 months	52.7
10	Argyll Networks bid to Peoples and Communities Fund	10.0
	TOTAL	232.1

Carry forward of the funding

4.21 Approval is therefore requested to continue to carry forward the balance of these funds as earmarked reserves. The balance at 31 March 2016 is estimated at £232,100. These would be used for the purposes outlined above.

5.0 CONCLUSIONS

5.1 The funds have not been fully utilised in 2015/16 as originally planned for a number of reasons explained above. This report seeks approval to continue to carry forward the unspent balance as earmarked reserves which will be utilised to support claimants affected by the government's welfare reforms. Proposals are put forward for how these remaining funds could be utilised.

6.0 IMPLICATIONS

6.1 Policy: In line with existing policy for DHPs. In line with corporate plan corporate objective 1 – working together to realise the potential of our people.

6.2 Financial: This paper provides proposals on utilising the balance of the monies received from Scottish Government in March 2014. It also seeks approval to carry forward the unspent balance of the DHP

monies from Scottish Government received in 2015/16 to be spent on DHPs in 2016/2017 to offset pressures from the reduction in the benefit cap.

- 6.3 Legal: None
- 6.4 HR: None
- 6.5 Equalities: Groups with protected characteristics are expected to benefit particularly from these proposals as they are more highly represented in benefit claimants adversely affected by welfare reforms
- 6.6 Risk: These proposals reduce the risk of more major interventions being required to support these vulnerable families at a later stage and will enable them to be better prepared for the introduction of Universal Credit in our area.
- 6.7 Customer Service: These targeted interventions provide valuable support to vulnerable citizens.

Douglas Hendry
Executive Director Customer Services
24 February 2016

Policy Lead: Councillor Dick Walsh

For further information please contact Judy Orr, Head of Customer and Support Services Tel 01586-555280 or Fergus Walker, Revenues and Benefits Manager Tel 01586-555237

Background papers

Scottish Government funding for Welfare Reform and Discretionary Housing Payments – report on spend to date and future proposals: Policy & Resources Committee 19 March 2015

ARGYLL AND BUTE COUNCIL**POLICY & RESOURCES COMMITTEE****CUSTOMER SERVICES****17 MARCH 2016**

BROADBAND PATHFINDER NORTH UPDATE

1 EXECUTIVE SUMMARY

- 1.1 This report updates the Policy & Resources Committee on the Broadband Pathfinder re-procurement for a wide area network for the council providing connectivity to all schools, libraries and offices. It details the progress following the paper presented to the Council meeting on 13 February 2014 which approved the business case and associated costs, and delegated authority to the Executive Director Customer Services to conclude the Minute of Agreement with Highland Council.
- 1.2 It highlights that there has been a six month delay to finalising the order for sites with Capita, and that Capita has served a notice on the partnership claiming relief for delay of up to 6 months. At present their plans for transition show that all our sites should be implemented by end of September 2016 as per the original milestones. However, there is risk of a delay which would bring risks to business continuity and possible additional costs. The paper sets out the actions being taken to mitigate these risks and the Committee is asked to note these.

BROADBAND PATHFINDER NORTH UPDATE

2 INTRODUCTION

- 2.1 This report updates the Policy & Resources Committee on the Broadband Pathfinder re-procurement for a wide area network for the council providing connectivity to all schools, libraries and offices. It details the progress following the paper presented to the Council meeting on 13 February 2014 which approved the business case and associated costs, and delegated authority to the Executive Director Customer Services to conclude the Minute of Agreement with Highland Council
- 2.2 It highlights that there has been a six month delay to finalising the order for sites with Capita, and that Capita has served a notice on the partnership claiming relief for delay of up to 6 months. At present their plans for transition show that all our sites should be implemented by end of September 2016 as per the original milestones. However, there is risk of a delay which would bring risks to business continuity and possible additional costs. The paper sets out the actions being taken to mitigate these risks and the Committee is asked to note these.

3 RECOMMENDATIONS

- 3.1 The Committee is asked to note the details provided and to note the actions being taken to mitigate the risks described.

4 DETAIL

- 4.1 The Pathfinder North 1 (PFN1) contract provided connections to 145 sites in Argyll and Bute. Our cost was £367k p.a. which was a lot less than the real cost of this service due to the substantial subsidy from the Scottish Government. The full annual cost of these connections was £1.48m p.a.. The contract expired on 20 March 2014.
- 4.2 As previously reported to Council, we agreed to delay implementation of SWAN services until early 2016 in order to enable Partners to benefit from the Next Generation Broadband (NGB) infrastructure rolled out by BT across the Highlands & Islands area.
- 4.3 Final pricing for a contract extension was confirmed by Cable & Wireless on 19 December 2012 with the price for Argyll and Bute Council sites finalised at £814,330 p.a. This was for a 2 year contract extension from 21 March 2014 to 20 March 2016 and also allows for up to 6 months extension as part of a handover period to a new service provider.

Scottish Wide Area Network (SWAN) update

- 4.4 Following approval by Council of the PFN2 business case on 13 February 2014, a new Minute of Agreement was eventually signed by us in July 2015 between the new PFN2 partners (now including Western Isles and excluding Shetland) to bind partners together and allowing Highland Council to sign both a SWAN Membership Agreement with NHS National Services Scotland (NSS) on behalf of Pathfinder North 2 partners and a Call-Off contract with Capita.
- 4.5 We expected to confirm our order to SWAN by 19 June 2015 in line with signing the Minute of Agreement. However this was delayed until December largely because of difficulties with supplying the originally agreed bandwidths and associated technology to a significant number of Highland Council sites. During this process, we have taken the opportunity to reassess our own requirements, particularly for smaller schools, against actual bandwidth being utilised, and have lowered our bandwidth requirements at a number of sites in order to reduce costs. This was reflected in the service choices saving put forward. These sites are ones where NGB access is not yet available. Once it does become available, there will be the opportunity to increase bandwidth at a more reasonable cost.
- 4.6 Detailed transition planning has now commenced following the submission of the Confirmed Initial Order by the partnership. Capita, as the supplier for SWAN, submitted a relief notice to Highland Council on 25 November 2015 claiming up to 6 months' extra time on the transition programme. Their specific grounds for this notice relate only to Highland Council sites. However the notice applies to the whole programme. They have verbally confirmed that the delay notice should only apply to the Highland Council and we are awaiting written confirmation of this. Their latest forecast is that for other partners, including ourselves, all sites should be transitioned by end of September as originally planned. A full 6 month delay would potentially delay completion of transition until March 2017. The biggest risk is of loss of continuity of service as our contract with Vodafone does not envisage their service continuing beyond September 2016. They have indicated that much of their equipment is end of life.
- 4.7 There is an option to procure an extension of services directly from Vodafone in a similar way as we procured the original contract extension. However, it would be contractually simpler if Capita procured these services directly from Vodafone in the same way as they have done for Pathfinder South when it became obvious that their transition would overrun. In order to progress this matter, initial meetings have taken place with both Vodafone and Capita. The meetings have progressed positively. The agreed next step is to clearly establish which sites will not be completed by the current contract end date in order to make contingency plans in detail for each site.
- 4.8 At present, whilst it is possible that some individual sites could potentially slip further than the September date indicated, it is not likely that this would apply to a large number of sites. Of our total of 134 sites, 24 are fibre and 110 are copper and the latter should be more straightforward and unlikely to be subject to any substantial delay. However, Capita's track record of delivery on transition of sites for earlier SWAN members is very poor. The national SWAN programme board is aware of our concerns about delays and are assisting with putting pressure on Capita at a national level.
- 4.9 As of 22 February, 19 of the fibre sites are in progress following surveys and just 5 are currently known to be subject to delay for a number of reasons. Two key fibre

sites are our data centres and we cannot connect any site until at least one of these sites is connected. We are promised a connection to the Kilmory data centre in late March but initially this may be for a single connection only. Capita have had a number of issues with providing the resilient and diversely routed circuits which we have requested. For Kilmory, we have had to compromise on two separate connections which are routed in the same duct and this order has now been placed. For Helensburgh, we are insisting that the two circuits are diversely routed as per the catalogue description.

- 4.10 As of 22 February, there are 36 copper sites which are progressing, with 13 already complete, and 7 being subject to delay for various reasons. There were 53 copper sites shown as still to be ordered, and we are now assured that these orders were placed the following week. Capita are not expecting any issues with these sites.

Risks and Issues

- 4.11 There are risks that the migration to the new contract could take longer than the 6 months allowed for and this might affect continuity of service. There is also a risk of disruption to services during implementation. It would be helpful if Capita were to be able to negotiate services from Vodafone and that is still a possibility.
- 4.12 We have calculated that each 3 month delay will cost the council an additional £105k based on the difference between annual rental costs with Vodafone and Capita. We have allowed for such a delay in our financial projections when agreeing the cost pressure needed in the budget set by the Council in February. There are also other potential costs such as external legal fees (all met so far by Highland Council as the claim relates to their sites), an increase to Vodafone costs for a further extension period, potential for alternative contingency circuits to be obtained from a different supplier at higher costs, and potential liability to Capita for costs in relation to their claim for relief although none have been notified as yet.

5 CONCLUSION

- 5.1 The Council is actively managing the risks of potential delay with transition of its sites to the new SWAN contract. As yet, we do not expect costs to exceed the amounts budgeted, but there is a risk that this position could change and this will continue to be carefully monitored. Detailed contingency plans are being drawn up for all sites where there is a potential for transition not to be completed by 20 September and these will be actioned as required.

6 IMPLICATIONS

- 6.1 Policy: No change. In line with ICT strategy.
- 6.2 Financial: In line with budget set in February 2016. Potential for cost increases but these will be actively managed to keep within budget.
- 6.3 Legal: External legal advice is being obtained via Highland Council and NSS.
- 6.4 HR: Additional short term requirement for resources for implementation in 2016/17 is already budgeted for.
- 6.5 Equalities: None

- 6.6 Risk: Significant risk to service continuity if there is an overrun to transition beyond 20 September when provision for service from Vodafone expires. Detailed contingency plans being progressed for all sites where risk is identified as high.
- 6.7 Customer Service: Significant potential impact on services if network services are disrupted.

Douglas Hendry
Executive Director Customer Services
3 March 2016

Policy Lead: Councillor Dick Walsh

For more information contact:

Judy Orr, Head of Customer and Support Services or Gerry Wilson, IT Infrastructure Manager

Background Papers:

Broadband Pathfinder Re-Procurement: PFN2 Business Case: Council 13 February 2014

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ARGYLL AND BUTE COUNCIL**POLICY AND RESOURCES COMMITTEE****CUSTOMER SERVICES****17 MARCH 2016**

CIVIC FURNITURE AND MEMORABILIA MANAGEMENT

1.0 EXECUTIVE SUMMARY

1.1 This report highlights issues relating to furniture and other items that have been held in buildings which are now surplus to requirements as part of the office rationalisation projects and invites determination of some general principles

1.2 The Committee is being asked to agree the protocol set out in para 4.3 below namely :-

The protocol proposes the following stages of consideration

- 1) When a building is to be disposed of (a) any furniture of historical or local significance will be identified, as will (b) any art work or other civic items.
- 2) The building user as at the date of departure, together with nominated officers from Community and Culture and Governance and Law, will detail the items specified at (a) and (b) above and will determine if any item may have a significant value. Any such item will only be disposed of after consideration by the relevant Area Committee and referral to Policy and Resources for final determination.
- 3) All other items in category (a) will then be considered by the relevant Area Committee to establish
 - If the items should be stored for future use by the Council
 - If the items should be offered for sale locally
 - If the items should be offered free to a local community group having first sought expressions of interest by notice on the Council website, either on loan or as a disposal
 - If the items should be released for recycling
- 4) All other items in category (b) will be considered by the relevant Area Committee, which shall receive the views of the Provost prior to their consideration of the matter, and who may determine
 - If the items should be stored for future use by the Council
 - If the items should be offered for sale locally
 - If the items should be offered free to a local community group having first sought expressions of interest by notice on the Council website, either on loan or as a disposal
 - If the items should be given into the custody of the Archivist or the museum service, or lent to a Private Archive
 - If the items should be released for recycling

- 5) If there is any dispute as to whether an item is of significant value the matter will be determined by the Executive Director of Customer Services after such inquiry as he determines reasonable.
- 6) In reaching a determination on such matters the Area Committee will have regard to the local interest in any items and will be guided by the principle of the strength of local connection and identity with any of the items as may be ascertained by the Committee

CIVIC FURNITURE AND MEMORABILIA MANAGEMENT

2.0 INTRODUCTION

2.1 This report highlights issues relating to furniture and other items that have been held in buildings which are now surplus to requirements as part of the office rationalisation projects and invites determination of some general principles.

3.0 RECOMMENDATIONS

3.1 To agree the protocol as set out in para 4.3

4.0 DETAIL

4.1 The Council has been rationalising its office and general building estate over the last few years and an issue has arisen in respect of items of furniture and other memorabilia held in such offices which may not be compatible with the new arrangements

4.2 This report invites members to agree a protocol to address such matters and for any decision required on such matters to be determined by the relevant Area Committee after consultation with the Provost, in certain circumstances.

4.3 The protocol proposes the following stages of consideration

- 1) When a building is to be disposed of (a) any furniture of historical or local significance will be identified, as will (b) any art work or other civic items.
- 2) The building user as at the date of departure, together with nominated officers from Community and Culture and Governance and Law, will detail the items specified at (a) and (b) above and will determine if any item may have a significant value. Any such item will only be disposed of after consideration by the relevant Area Committee and referral to Policy and Resources for final determination.
- 3) All other items in category (a) will then be considered by the relevant Area Committee to establish
 - If the items should be stored for future use by the Council
 - If the items should be offered for sale locally
 - If the items should be offered free to a local community group having first sought expressions of interest by notice on the Council website, either on loan or as a disposal
 - If the items should be released for recycling

- 4) All other items in category (b) will be considered by the relevant Area Committee, which shall receive the views of the Provost prior to their consideration of the matter, and who may determine
 - If the items should be stored for future use by the Council
 - If the items should be offered for sale locally
 - If the items should be offered free to a local community group having first sought expressions of interest by notice on the Council website, either on loan or as a disposal
 - If the items should be given into the custody of the Archivist or the museum service, or lent to a Private Archive
 - If the items should be released for recycling
- 5) If there is any dispute as to whether an item is of significant value the matter will be determined by the Executive Director of Customer Services after such inquiry as he determines reasonable.
- 6) In reaching a determination on such matters the Area Committee will have regard to the local interest in any items and will be guided by the principle of the strength of local connection and identity with any of the items as may be ascertained by the Committee

5.0 CONCLUSION

- 5.1 The proposed protocol would assist the Council in protecting key assets whilst undertaking the rationalisation of property.

6.0 IMPLICATIONS

- 6.1 Policy -None
- 6.2 Financial –might be a cost if items were to be stored commercially
- 6.3 Legal-none
- 6.4 HR -none
- 6.5 Equalities-none
- 6.6 Risk- Local knowledge will be important to establish where there is significant community interest
- 6.7 Customer Service-none

Douglas Hendry - Executive Director of Customer Services
Policy Lead – Dick Walsh

For further information contact: Charles Reppke

APPENDICES: None

ARGYLL AND BUTE COUNCIL

POLICY AND RESOURCES COMMITTEE

CUSTOMER SERVICES

17 MARCH 2016

PETITION FOR JUDICIAL REVIEW – ROTHESAY HARBOUR

1.0 EXECUTIVE SUMMARY

- 1.1 This report advises members that an action of Judicial Review has been raised against the Council by Calum McMillan / Argyll workboats in respect of the operation of Rothesay harbour at various points since 2007.

ARGYLL AND BUTE COUNCIL

POLICY AND RESOURCES COMMITTEE

CUSTOMER SERVICES

17 MARCH 2016

PETITION FOR JUDICIAL REVIEW – ROTHESAY HARBOUR

2.0 INTRODUCTION

2.1 This report advises members that an action of Judicial Review has been raised against the Council by Calum McMillan /Argyll workboats in respect of the operation of Rothesay harbour at various points since 2007.

3.0 RECOMMENDATIONS

3.1 To note the position.

4.0 DETAIL

4.1 Members may be aware of concerns having been raised by Mr McMillan at various times in respect of his access to Rothesay Harbour. The Council has sought to respond to these concerns in a number of ways. The background to the matter was considered by the Policy and Resources Committee in October 2014.

4.2 The Council has retained Roddy Dunlop QC and Scott Blair, Advocate, to represent the Council in this action and work progresses on providing a robust defence to the terms of the action.

4.3 The case will likely be heard in mid spring 2016.

5.0 CONCLUSION

5.1 Members will be advised of the outcome of proceedings.

6.0 IMPLICATIONS

6.1 Policy – None.

6.2 Financial - There will be significant costs involved in defending the action which will be affected by the eventual outcome of the case.

6.3 Legal - The Council has taken advice from Counsel at various points on issues relating to this matter and continues to be so advised.

6.4 HR - None at this time.

6.5 Equalities - None

6.6 Risk – The Council recognizes there is an element of risk associated with any Court action.

6.7 Customer Service - None

Douglas Hendry
Executive Director of Customer Services

24 February 2016

For further information contact: Charles Reppke, Head of Governance and Law,
Tel: 01546 - 640192

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ARGYLL AND BUTE COUNCIL**Policy & Resources Committee****DEVELOPMENT AND
INFRASTRUCTURE SERVICES****17th March 2016**

Business Loans Scotland Ltd (previously named Scottish Local Authority Business Loan Fund)

1.0 EXECUTIVE SUMMARY

- 1.1 The Policy & Resources Committee has agreed in principle to support the creation of a Scotland wide local authority loan fund, proposed as the Scottish Local Authority Business Loan Fund (SLABLF), now renamed Business Loans Scotland Ltd (BLS).
- 1.2 Via the Policy & Resources Committee 19th March 2015 members:
- a) endorsed the proposal to join SLABLF;
 - b) approved the proposed transfer all existing West of Scotland Loan Fund (WSLF) monies allocated to Argyll and Bute (at that date, £183,702), to SLABLF; and
 - c) endorsed the estimated demand for SLABLF loans over the initial three year period at £300,000 for Argyll and Bute.
- 1.3 The endorsed estimated loan demand of £300,000 will require a £100,000 contribution from the Council, including management charges estimated at £10,000. The Council contribution can be made via the transfer of funds from WSLF, therefore no additional Council funds were requested last year, nor are additional funds being requested now.
- 1.4 Whilst the core proposal for BLS remains the same, since the Policy & Resources Committee approval last year, there have been some proposed changes to operations, which require consideration and approval by committee members as they involve policy and resources. The changes relate to:
- Whether BLS will conduct regulated consumer credit lending activities or not. This has implications on whether BLS would be able to offer loans of under £25k to Sole Traders and Partnerships with fewer than four members; and/or
 - Whether the Council wishes to transfer all funds held by WSLF and allocated to Argyll and Bute into BLS, or wishes to seek to transfer any potential surplus to “like-minded” organisations for the purpose of ‘providing financial assistance to promote commerce’.
- 1.5 Specifically the Policy & Resources Committee is being asked to confirm:
- Does Argyll and Bute Council require BLS to be able to provide loans of less than £25k to Sole Traders and Partnerships with fewer than four members?;
 - If yes, is Argyll and Bute Council willing to nominate an individual to become an Approved Person (as defined by the Financial Conduct Authority) and Director of BLS?;
 - Is Argyll and Bute Council’s decision to join BLS dependent on the Fund being able to lend to Sole Traders and Partnerships?;
 - Does Argyll and Bute Council wish to transfer all of their WSLF “property” (currently cash of £184,016) to BLS?;

- If no, would the Council seek to transfer any “surplus” cash (after the Council membership contribution has been paid) to “like minded” organisation(s), for the purpose of providing financial assistance to promote commerce? If the Council wants to transfer any surplus to its Economic Development Service (if deemed a “like-minded” organisation), this may be possible but WSLF legal advice is that unanimous approval of the Member Authorities will be required; and
- Does Argyll and Bute Council wish to pay the estimated management fees of 3% per year up front from the WSLF contribution, taking the fees from the initial contribution, or be invoiced year-on-year?

1.6 It is recommended that the Policy & Resources Committee:

- Endorses the proposal to join BLS without BLS conducting consumer lending;
- Endorses the proposal to transfer the minimum Council contribution (£90k) from WSLF to BLS;
- Endorses the proposal to pay BLS management charges upfront for the first three years (estimated at £10k total) by transfer of funds from WSLF; and
- Endorses the proposal to seek to transfer any WSLF surplus to the Council’s Economic Development Service, or other appropriate body able to provide loans, for the purposes of promoting commerce by giving financial assistance by way of loans, donations or subscriptions, noting that this may require the unanimous approval of all WSLF Member Authorities.

Business Loans Scotland Ltd (previously named Scottish Local Authority Business Loan Fund)

2.0 INTRODUCTION

- 2.1 An opportunity exists to create a pan Scotland local authority loan fund modelled on the successful West of Scotland Loan Fund (WSLF) and East of Scotland Investment Fund (ESIF). A pan Scotland Loan Fund is eligible to secure ERDF funding from the next European Structural Funds Programme 2014-2020. A collective bid from Scottish Local Government is actively being encouraged by Scottish Government.
- 2.2 The BLS proposal is being led by the West of Scotland Loan Fund (WSLF), of which Argyll and Bute Council is already a member, in partnership with the East of Scotland Investment Fund (ESIF).
- 2.3 The proposal is to merge both WSLF and ESIF into the new national BLS.
- 2.4 As of 28th September 2015, 25 local authorities, including Argyll and Bute, have confirmed their commitment to participate in BLS.
- 2.5 Plans are now progressing to create BLS and plan the winding up/dissolution of WSLF.
- 2.6 As planning of this change progresses, issues regarding the detailed operations of BLS have emerged that were not identified last year when the Policy & Resources Committee agreed to join the new fund.
- 2.7 The proposed changes to operations require Policy & Resources Committee members' consideration and approval. The changes relate to:
- Whether BLS will conduct regulated consumer credit lending activities or not. This has implications on whether BLS would be able to offer loans of under £25k to Sole Traders and Partnerships with fewer than four members; and/or
 - Whether the Council wishes to transfer all funds held by WSLF and allocated to Argyll and Bute into BLS, or wishes to seek to transfer any surplus to "like-minded" organisations for the purpose of providing financial assistance to promote commerce.

- 2.8 Specifically the Policy & Resources Committee is being asked to confirm:
- Does Argyll and Bute Council require BLS to be able to provide loans of less than £25k to Sole Traders and Partnerships with fewer than four members?;
 - If yes, is Argyll and Bute Council willing to nominate an individual to become an Approved Person (as defined by the Financial Conduct Authority) and Director of BLS?;
 - Is Argyll and Bute Council's decision to join BLS dependent on the Fund being able to lend loans of <£25k to Sole Traders and Partnerships with fewer than four members?;
 - Does Argyll and Bute Council wish to transfer all of their WSLF "property" (currently cash of £184,016) to BLS?;
 - If no, would the Council seek to transfer any "surplus" cash (after the Council membership contribution has been paid) to "like minded" organisation(s), for the purpose of providing financial assistance to promote commerce? If the Council wants to transfer any surplus to its Economic Development Service (if deemed a "like-minded" organisation), this may be possible but WSLF legal advice is that unanimous approval of the Member Authorities will be required; and
 - Does Argyll and Bute Council wish to pay the estimated management fees of 3% per year up front from the WSLF contribution, or reduce its contribution and be invoiced year-on-year?

3.0 RECOMMENDATIONS

It is recommended that the Policy & Resources Committee:

- 3.1 Endorses the proposal to join BLS without BLS conducting consumer lending.
- 3.2 Endorses the proposal to transfer the minimum Council contribution (£90k) from WSLF to BLS.
- 3.3 Endorses the proposal to transfer £10k from WSLF to BLS to cover BLS management charges for the first three years (estimated at 3% per year).
- 3.4 Endorses the proposal to seek to transfer any WSLF surplus to the Council's Economic Development Service, or other appropriate body able to provide loans, for the purposes of promoting commerce by giving financial assistance by way of loans, donations or subscriptions, noting that this may require the unanimous approval of all WSLF Member Authorities.

4.0 DETAILS

The provision of regulated consumer credit lending

- 4.1 The provision of small loans (under £25k) to Sole Traders and Partnerships is now deemed consumer credit lending regulated by the Financial Conduct Authority (FCA). Conducting this type of regulated lending requires a Consumer Credit License, ongoing annual compliance costs and that key staff become Approved Persons under the FCA regime. Additional costs will be incurred to obtain a FCA licence namely; application fee, compliance fees and compliance manual estimated to be in the region of £10,000. There will be an annual recurring cost to maintain the FCA licence, the compliance manual and six-monthly monitoring visits, estimated to be in the region of £6,000.

4.2 Individuals required to become Approved Persons include Directors and staff with FCA compliance oversight, money laundering, systems and controls and significant management functions. Once a person has become an Approved Person, they are effectively individually regulated by the FCA and are therefore personally accountable to the Regulator. This has implications for the standards of conduct Approved Persons are expected to maintain and the disciplinary action that the Regulator can take against them.

Each person required to become an Approved Person will need to apply to the FCA, who in turn will determine if that person meet their rules on fitness and propriety which are set out in the Fit and Proper Test for Approved Persons. The most important considerations are; honesty, integrity and reputation, competence and capability and financial soundness.

4.3 If BLS were to conduct regulated lending, all Directors of BLS including the representative for Argyll and Bute Council will need to be approved by the FCA to become an Approved Person and be fully aware of the personal responsibility they are undertaking. Approved Persons would be accountable and responsible for the actions of all Member Authorities, not just their own, and are responsible for ensuring BLS meets its regulatory obligations.

4.4 At the October 2015 WSLF Board Meeting consideration was given to whether BLS should offer regulated lending given the added cost, administrative burden and requirement for all Directors of the new company to become Approved Persons.

After being briefed on the responsibilities of an Approved Person, WSLF Directors were not unanimously willing to become Approved Persons. The key concerns arising were;

- Elected Members/Directors rely on the competence and capability of Officers doing their job properly to be compliant with FCA regime
- Certain skills lie with Officers rather than Directors
- Directors are responsible and accountable for actions of the company
- Directors must represent the company first as opposed to their local authority Member
- Sanctions can be against the individual Approved Person for non-compliance with FCA regime

4.5 The decision taken by the Board was that WSLF and BLS will not offer this type of regulated consumer lending. Subsequently WSLF exited this type of lending and transferred the administration and collection of existing loans of this type to an authorised agency, DSL Business Finance.

4.6 As the Policy & Resources Committee approved the recommendation to join BLS before this exclusion was agreed, committee members' approval is now required to support membership of BLS on the new terms. Specifically the Policy & Resources Committee is being asked to confirm:

- Does Argyll and Bute Council require BLS to be able to provide loans of less than £25k to Sole Traders and Partnerships with fewer than four members in our area?
- If yes, is Argyll and Bute Council willing to nominate an individual to become an Approved Person and Director of BLS? and

- Is Argyll and Bute Council's decision to join BLS dependent on the Fund being able to lend to Sole Traders and small Partnerships?

4.7 Since 1st April 2009, WSLF and ESIF have invested £787,625 in 39 sole traders or partnerships with three or fewer partners to date. This equates to 8% by number of loans issued and 6% by value for WSLF and 12% by number of loans issued and 5% by value for ESIF. When taken into context of for all loans across all of the Members of both funds including unregulated loans, the overall percentage of loans to sole traders and partnerships with three or fewer partners accounts for less than 10% of the activity of both funds. No loans have been made in Argyll and Bute during this period.

4.8 In addition to banks there are other sources of finance available to sole traders and partnerships with three or fewer partners operating across Scotland, including;

- DSL Business Finance www.dsl-businessfinance.co.uk;
- The Prince's Trust www.princes-trust.org.uk; and
- UK Government's Start Up Loans programme www.startuploans.co.uk

The Scottish Government is also looking to set up a pan Scotland micro credit fund in the 2014- 2020 European Programme operating in the range of £1,000 - £25,000, although further details are not yet available.

4.9 DSL Business Finance offers fast and flexible business loans to businesses based in Scotland and is actively lending to businesses based in Argyll and Bute. It is a not-for-profit lender, which specialises in finance for start-up businesses, small to medium-sized businesses and third sector social enterprises. As an ethical lender, any profit made is recycled to allow DSL to lend to more businesses. The three loan areas DSL provide finance in are:

- SMEs - DSL offer Business Loans to enterprise located in Scotland, with loans up to the value of £50,000. There are no age or sectoral restrictions and the loans can be used for many purposes including working capital and vehicles.
- Start-Ups - DSL Business Finance is one of the first Scottish delivery partners for the Start Up Loan Company, a government funded initiative to provide start up support in the form of a repayable loan. DSL Business Finance has produced a dedicated website for start-up businesses New Start Up Scotland.
- Third Sector - Big Issue Invest Scotland (BIIS) is a joint venture between DSL Business Finance and Big Issue Invest. BIIS provides loans of between £5,000 and £1.5 million to socially minded ventures throughout Scotland.

4.10 Given the low uptake of WSLF when loans of <£25k were available to Sole Traders and small Partnerships in Argyll, and the current availability of loan funding to this type of business from DSL Business Finance, the pragmatic recommendation would be to agree to join BLS without conducting regulated consumer lending. This removes the need for Argyll and Bute Council's nominated Director of BLS to become an Approved Person.

The transfer of funds from WSLF to BLS

4.11 As at November 2015, the WSLF allocation for Argyll and Bute stands at:

Cash at bank	£278,345
Investments / Loans	£0
Unspent ERDF	(£94,329)
Net position	£184,016

4.12 Due to delays in the new European Structural Funds programme, WSLF is now expected to remain operational until summer 2016. If no WSLF loan applications are made and approved before BLS becomes operational, the £184,016 currently allocated to Argyll and Bute within WSLF could be transferred.

4.13 Based on an estimated BLS loan demand of £300,000 across the first three years from businesses in Argyll and Bute, the Council would need to make no additional financial contribution to BLS if all the current WSLF funds are transferred, as the £184,016 more than meets the £90,000 minimum contribution required plus £10,000 for management costs.

4.14 In March 2015 the Policy & Resources Committee approved the transfer of all WSLF funds to SLABLF (now BLS) when the new fund is launched.

4.15 Previously it was understood that no WSLF allocation for Argyll and Bute could be transferred to the Council. Whilst the WSLF Articles of Association are clear that on the winding-up or dissolution of WSLF, any “property” cannot be paid or distributed amongst the Member Authorities, recent advice from WSLF is that that Articles of Association of WSLF do permit funds to be transferred to ‘like minded’ organisations.

4.16 WSLF’s solicitors, Wright, Johnston & Mackenzie have been consulted regarding what type of organisations would constitute being “like minded”. Their advice is that such organisations would require to meet the test of being “*trusts, companies, organisations, associations or institutions having objects similar to the objects of the Company (WSLF) and subject to the same or similar restrictions to and which are at least as strict as those contained in Article 4.2 and Article 20*”.

The further provisions in Article 20 describe entities with “objects” similar to WSLF and “subject to the same or similar restrictions to and which are at least as strict as those contained in Article 4.2”. The provisions of Article 4.2 say that the “income and property of the Company are to be used in furtherance of the Company’s objects as set out in Article 4.1”.

The primary objects of the Company at Article 4.1 relate to holding and managing a “fund”, for the purposes of promoting “commerce by giving financial assistance by way of loans, donations or subscriptions” (4.1.1) and also relate to “raising funding for such purposes from the Company’s Members and other entities and sources (including ERDF)”.

4.17 Officers have requested advice from the Council’s legal Service on this matter. The working assumption in the interim, until such advice is received, is that funds may

be transferred into an alternative fund if used to provide financial assistance to promote commerce.

- 4.18 If there is any doubt over whether the Council's Economic Development Service would meet the test of being a "like minded" organisation, then WSLF solicitors advise that the best course of action would be to seek the unanimous approval of the WSLF Member Authorities that this is the case.
- 4.19 An investment target of £300,000 over the first three years of BLF, which requires £90,000 Council contribution, is optimistic based on the historical low demand for WSLF support in Argyll and Bute.
- 4.20 For this reason, rather than moving all monies allocated to Argyll and Bute within WSLF (currently £184,016), it would be prudent to explore whether any surplus can be utilised by the Council, either directly or via an other appropriate body able to provide loans, to provide financial assistance to promote commerce.
- 4.21 It should be noted that if any new WSLF applications are approved before BLS is operational, the funds will be withdrawn from the Argyll and Bute allocation. For example, if loans worth £50,000 were made, the transfer from WSLF would reduce to £134,016. This would reduce any potential surplus to £34,016.
- 4.22 If a large WSLF loan of £100,000 were to be approved before BLS launched, the transfer from WSLF would reduce to £84,016. This would mean no surplus and the Council would need to contribute £6,000 plus management costs to BLS to meet the target fund size, or reduce the size of the loan fund available to Argyll and Bute businesses for the first three years. Based on current demand and application lead times, it is not expected that the WSLF allocation will be significantly reduced before transfer to BLS.
- 4.23 As any new WSLF loans cannot now lever ERDF funding due to the closure of the previous programme, it is understood that some local authorities are considering offering no further WSLF loans prior to the BLS transfer.

Payment of management fees

- 4.24 In addition to the initial Council contribution required of £90,000, membership of BLS creates a requirement for ongoing management fees at an estimated 3% per year of the funds available for lending. For Argyll and Bute Council this would represent a management charge of circa £9,000 over the three years, based on the £300,000 investment target.
- 4.25 The management fees for the first three years can be paid:
- as upfront payment with the original match contribution;
 - yearly by payment of a separate invoice; or
 - by taking the payment upfront from the minimum match contribution and reducing the funds available for lending.
- 4.26 Upfront payment made by adding management costs to the initial match funding is the recommended option. The cost can be met by the transfer of funds from WSLF, so there is no additional budget requirement. This option also permits 40% ERDF funding to be leveraged on the management charge.

- 4.27 Payment by yearly invoice to the Council is not recommended. This would require additional budget of circa £3,000 per year to be found. Management charges cannot leverage ERDF via this route.
- 4.28 Taking the payment upfront from the minimum match contribution is also not recommended at this stage, as this would reduce the size of the lending fund available to businesses. However, this may be the preferred option for payment of management charges after the first three years if actual lending is lower than target.

5.0 CONCLUSION

- 5.1 The Policy & Resources Committee has already agreed in principle to support the creation of a Scotland wide local authority loan fund, proposed as the Scottish Local Authority Business Loan Fund (SLABLF), now renamed Business Loans Scotland Ltd (BLS).
- 5.2 As planning for this change progresses, issues regarding the detailed operation of BLS have emerged that were not identified last year when the Policy & Resources Committee agreed to join the new fund.
- 5.3 Therefore the proposed changes to operations require Policy & Resources Committee members' consideration and approval.
- 5.4 The Policy & Resources Committee is asked to endorse the recommendations of this paper.

6.0 IMPLICATIONS

6.1 Policy Making a local authority loan fund available to businesses across Argyll and Bute will support the Council's overarching Economic Development Action Plan 2013-2018 objective of assisting more businesses to start-up and grow. Furthermore this will align with the SOA Delivery Plans, in particular outcomes one and three.

6.2 Financial It is proposed that £100k of existing WSLF monies would transfer (currently £184,016). This would provide the required £90k Argyll and Bute contribution to SLABLF and cover the first three years management costs. No additional funds are required from the Council.

Seeking to transfer any WSLF surplus to the Council's Economic Development department, or other appropriate body able to provide loans, could, if approval is given by WSLF members, provide the Council with additional resources for the purposes of promoting commerce by giving financial assistance by way of loans, donations or subscriptions.

- 6.3 Legal
- Officers have requested advice from the Council’s legal department on the potential to transfer any surplus funds to the Council’s Economic Development department. The working assumption in the interim, until such advice is received, is that funds may be transferred into an alternative fund if used to provide financial assistance to promote commerce.
- If there is any doubt over whether the Council’s Economic Development department would meet the test of being a “like minded” organisation, then WSLF solicitors advise that the best course of action would be to seek the unanimous approval of the WSLF Member Authorities.
- 6.4 HR
- No additional personnel within the Business Gateway Team are required to support the BLS delivery.
- As the Council is not currently resourced to run an in house loan scheme, options using some other appropriate body able to provide loans will also be considered if any WSLF surplus becomes available.
- 6.5 Equalities
- This will have no adverse impact on key equality groups. BLS will comply with all Equal Opportunities policies and obligations.
- 6.6 Risk
- Due to the operational overlap between the current method of Business Gateway delivery and the proposed BLS delivery, there is limited risk for the Council as it is well placed to support clients seeking funding.
- Legal advice will be considered before any proposed transfer of surplus is completed.
- As the Council is not currently resourced to run an in house loan scheme, options using some other appropriate body able to provide loans will also be considered if any WSLF surplus becomes available.
- 6.7 Customer Services
- Provision of affordable loan finance to businesses will have a positive impact and contribute to an improved customer experience. Clients unable to access BLS funding (Sole Traders and Partnerships with fewer than four members, for loans of <£25k) will be referred to other providers in the market such as DSL Ltd.

**Pippa Milne, Executive Director of Development and Infrastructure
Policy Lead, Cllr Aileen Morton**

For further information contact:

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ARGYLL AND BUTE COUNCIL**POLICY & RESOURCES COMMITTEE****DEVELOPMENT AND INFRASTRUCTURE SERVICES****17 MARCH 2016****LONG AND WINDING WAY – FUNDING REQUEST**

1. EXECUTIVE SUMMARY

- 1.1 In February 2015 the Long and Winding Way Ltd (LWW) which manages the Kintyre Way Long Distance path made an emergency funding request to the Council.
- 1.2 Following this request the LWW secured emergency funding from a variety of other sources including SNH, Campbeltown Common Good Fund and the Development and Infrastructure Access and Economic Development Budgets. Additional in December 2015, £100,000 from the Coastal Communities Fund was awarded for specific projects, but this must be spent in 2016 and cannot be used for core funding.
- 1.3 The LWW is making a core funding request to the Council for a three year Service Level Agreement of £60,000 equally split over years 16/17, 17/18, 18/19.
- 1.4 The Kintyre Way was opened in 2006 but has not yet established viable ongoing funding despite being provided £72,000 by the Council to support its continued development to date. The business plan submitted and appended, articulates its approach to operating the Kintyre Way and their approach to risk. However, the LWW is proposing to gain £85k of funding between 2017/19 from wind farm developments via Section 75 Agreement. There is a risk that this may not be achieved and there would subsequently be an equivalent funding gap in the LWW business plan. This is partly because the wind farms are not certain to be implemented; and also because the Council currently seeks planning gain via voluntary contributions from renewable energy developers instead of S75 agreements, and has an existing commitment to allocate this money to a Trust rather than directly to the LWW or other groups. The LWW could make a bid to this trust but would be competing with other groups. If there are any localised impacts from wind farm developments directly upon the Kintyre Way there may be the opportunity for the negotiation of mitigation of that impact through a S75 agreement, but this could only be determined at the time of such planning applications and directly relating to the identified impact. In any case, should the LWW fail the Council has no responsibility for the maintenance of the Kintyre Way.

2.0 RECOMMENDATIONS

- 2.1 Members note the content of the assessment process and determine whether or not to grant the LWW request for a £60,000, three year funding agreement, which if granted would be agreed with the LWW through a detailed Service Level Agreement.
- 2.2 Members should consider whether any grant of funding should be;
- offered subject to the LWW continuing to develop its partnership working with the Argyll & the Isles Coast and Countryside Trust (ACT) and its

Long Distance Routes Forum.

- be considered a final grant payment by the Council; and
- note that if the LWW cannot find a sustainable way forward no burden would fall upon the Council.

3. Introduction

- 3.1 The Long & Winding Way (LWW) maintains and manages the Kintyre Way Long Distance Path on behalf of the Council. In February 2015, the MAKI Committee considered an emergency funding request from the LWW which was referred to Policy and Resources Committee and then to Full Council on the 12th February. Full Council determined a detailed assessment of the funding request should be carried out, and subsequently on the 19th March the P&R Committee approved an assessment methodology for all such requests received by the Council (“Assessment Process for Additional Funding”). This report is the assessment of the funding request using the approved methodology.
- 3.2 Since the initial request, the LWW managed to secure emergency funding to cover its 2015/16 operating period. Following further discussion with the LWW, their funding request has been amended from one of short term emergency funding to a three year request of £60,000 (this was originally £81,800 for two years) beginning in 2016 to allow the LWW to continue to maintain the Kintyre Way during that period whilst continuing to explore a viable long term funding solution.

4. RECOMMENDATIONS

- 4.1 Members note the content of the assessment process and determine whether or not to grant the LWW’s request for a £60,000 three year funding agreement, which if granted would be agreed with the LWW through a detailed Service Level Agreement.
- 4.2 Members should consider whether any grant of funding should be;
- offered subject to the LWW continuing to develop its partnership working with the Argyll & the Isles Coast and Countryside Trust (ACT) and its Long Distance Routes Forum.
 - be considered a final grant payment by the Council; and
 - note that if the LWW cannot find a sustainable way forward no burden would fall upon the Council.

5.0 DETAIL

5.1 BACKGROUND

- 5.1.1 The Kintyre Way was conceived by members of the local community who subsequently worked with the Forestry Commission Scotland and Scottish Natural Heritage to establish the route. Following the establishment of the path the Long & Winding Way Ltd (LWW) was established to maintain and manage the path. The Council in its role as the Access Authority signed a formal agreement appointing the LWW to act as the Council’s agent in March

2006, prior to the opening of the 93 mile long route in June 2006. In 2013 the Coastal Communities Fund (CCF) provided a grant of £240,000 which allowed the LWW to extend the route to 100 miles and carry out significant improvements to the path in addition to an extensive marketing campaign for the Kintyre Way. Following the successful delivery of this project the CCF made a further award of £99,825 for the period January to December 2016 to fund further improvements to the route and further marketing. These grants cannot be used to fund ongoing maintenance or the core costs of managing the route.

5.1.2 Scottish Natural Heritage and Visit Scotland jointly market the Kintyre Way nationally and internationally as one of 26 of “Scotland’s Great Trails”. The LWW estimates that 2,500 people per annum walk the whole route and that many more are attracted into the area to walk parts of the path and explore the surrounding area. However these figures have not been independently verified. More detail is provided in appendix 1.

5.1.3 The current employees include;

- Route Maintenance Manager – Full Time
- Membership and PR Officer – Part Time
- Education & Community Liaison / Ranger – Full Time*

*NB this post is managed by the LWW and funded separately by four other funders. In addition the Kintyre Way will provide employment for three people and training opportunities for a number of people as a result of the recent grant from CCF.

5.1.4 The Council provided funding of £72,000 to the Long & Winding Way between 2007 and 2013 to support the development and improvement of the Kintyre Way.

See Table below for a breakdown of the funding.

Year	Purpose	Sum
2006-07	Funding for Route Manager and path maintenance	£10,000
2007-08	Funding for Route Manager and path maintenance	£10,000
2008-09	Emergency repairs to collapsed culvert	£7,000
2009-10	Funding for Route Manager and path maintenance	£10,000
2010-11	Vehicle hire and costs, tools and materials to support a 3 person Path Maintenance Team (Salary costs of £30,000 funded through the Future Jobs Fund for 12 months)	c£15,000
2011-12	Emergency funding	£15,000
2012-13	South Kintyre Development Trust and LWW to part fund an application to Coastal Communities Fund for £240,000	£5,000
2008-13	The Council provided office/storage space for the route manager in Tarbert until 2013	
Total		£72,000

5.1.5 At the beginning of 2015 a request was made to the Council for emergency funding to allow the LWW to continue to trade in 2015. Since that preliminary request the LWW have managed to secure emergency funding to cover the 2015/16 financial year. This included a grant of £5,000 from the Campbeltown Common Good Fund and £10,000 from the existing D&I Access and Economic Development Budgets.

5.1.6 As a result of securing this emergency funding, the LWW have revised their request to one of £60,000 over a three year period 2016/19. This would be phased as follows:

2016/17 £20,000 from A&B (with approved funding of £77,000 coming from CCF, Burcote Wind and LWW Membership. A further £60,000 will be sought from the Scottish Government's Improving Public Access Fund.

2017/18 £20,000 from A&B (with approved funding of £5,000 coming from LWW Membership. Funding of £60,000 will be sought from the Scottish Government's Improving Public Access Fund and £45,000 from wind farm developers via Section 75 Agreements.

2018/19 £20,000 from A&B (with approved funding of £5,000 coming from LWW Membership. Funding of £60,000 will be sought from the Scottish Government's Improving Public Access Fund and £50,000 from wind farm developers via Section 75 Agreements.

- 5.1.7 It should be noted that the LWW is seeking £45k for 2017/18 and £50,000 for 2018/19 via Section 75 Agreements with Wind Farm Developers and that this funding is not guaranteed and therefore represents a risk to the overall funding strategy. This is partly because the wind farms are not certain to be implemented; and also because the Council currently seeks planning gain via voluntary contributions from renewable energy developers instead of S75 agreements, and has an existing commitment to allocate this money to a Trust rather than directly to the LWW or other groups. The LWW could make a bid to this trust but would be competing with other groups. If there are any localised impacts from wind farm developments directly upon the Kintyre Way there may be the opportunity for the negotiation of mitigation of that impact through a S75 agreement, but this could only be determined at the time of such planning applications and directly relating to the identified impact. The LWW has made applications to the Esmee Fairburn and Robertson Trusts which it will progress with if match funding has been confirmed and this will help to reduce the risk.
- 5.1.8 The proposed funding would contribute to the ability of the LWW to maintain the Kintyre Way in a safe condition; continue to maintain its liability insurance; continue to act in maintaining the access agreements, continue to employ the staff outlined above, continue to market the route to the benefit of the wider economy, and continue to try and explore possibilities of a sustainable funding future. It is the view of officers that the LWW should be encourage to develop its emerging partnership relationship with ACT and other members of the Long Distance Routes Forum which may eventually assist in identifying viable ongoing funding.
- 5.1.9 When the Kintyre Way was established fifteen legal agreements with landowners were put in place to establish the route and outline responsibilities for maintenance and liability. All the responsibilities and liabilities created by these legal agreements are the direct responsibility of the Long & Winding Way Ltd. None of the responsibilities or liabilities of the LWW could be passed to the Council in the event that the company folds. In such circumstances the agreements would be redundant. Most of the Kintyre Way is a Core Path and whilst the Council has powers to maintain Core Paths it has no duty to maintain them.

5.2 ASSESSMENT PROCESS FOR ADDITIONAL FUNDING

5.2.1 Appendix 1 includes the detailed assessment process for additional funding as approved by P&R Committee for funding requests of this nature.

The assessment:

- considers the potential impacts of refusing or granting the application;
- examines the relationship with the Single Outcome Agreement and Council priorities;
- carries out a SWOT analysis of the proposal;
- looks at the economic impact of supporting the application;
- identifies how many jobs will be created or secured;
- carries out a Governance & Financial Review of the LWW;
- examines the LWW Business Plan;
- identifies risks; and
- examines the LWW approach to Risk Management.

6. CONCLUSION

6.1 The LWW has managed funding from HIE, LEADER and CCF over a number of years to bring the Kintyre Way from idea to 100 miles of working route and has attracted another £100k of CCF funding for further improvements to the route during 2016 but not covering core funding. The LWW asserts that this route now provides economic and community benefit to the local area.

Despite these successes, not unlike other Long Distance Routes, the LWW has failed to establish ongoing sustainable core funding and this has resulted in their request to the Council.

The LWW has provided all the necessary detail to assess their ongoing Governance, management of risk and Business Plan and these are all assessed in the attached appendices. The core funding request from the Council is now 60k over three years. However there is still risk that the LWW will not secure all of its other proposed funding during that period. Should the LWW fold, the Council has no responsibility for maintenance of the Kintyre Way

7. IMPLICATIONS

7.1 **Policy** - The Single Outcome Agreement supports work that delivers a diverse and thriving economy with ambitions to reposition the Argyll and Bute tourism product and profile

Within the Corporate Plan, a strategic objective is promoting our cultural, social and natural heritage and protecting our unique area.

Within the Economic Development Action Plan a key outcome is to move the tourism industry up the value chain, extend the season and improve its profile and propositions

7.2 **Legal** – There could be potential legal challenges to a decision not to maintain the Kintyre Way, by landowners or members of the public, but Legal Services advise that these would be unlikely to be successful.

7.3 **Human Resources** – None.

7.4 **Financial** – If Approved the proposed three year Service Level Agreement will provide £60,000 to the Long & Winding Way during Financial Years 2016-19.

7.5 **Equal Opportunities** – None.

7.6 **Risk** – That the LWW is unable to continue to maintain the Kintyre Way and that it loses its status as one of Scotland’s Great Trails. There is also the risk that should further funding be granted the future sustainability of the LWW cannot be guaranteed.

7.7 **Customer Service** – None

Appendices

- **Appendix 1 Assessment Process For Additional Funding**
- **Appendix 2 Approved Agent Agreement**
- **Appendix 3 Business Plan**
- **Appendix 4a LWW Budget for 2015-19**
- **Appendix 4b Budget for 2015-19 for the Education & Community Liaison / Ranger**
- **Appendix 5 Annual Accounts 2013-14**

Executive Director of Development & Infrastructure Services – Pippa Milne
Policy Lead – Councillor Aileen Morton

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APPENDIX 1

ASSESSMENT PROCESS FOR ADDITIONAL FUNDING

ASSESSMENT PROCESS FOR ADDITIONAL FUNDING

1.1 Potential Impacts If Funding Request Refused & the Long & Winding Way Ceases Trading

The risks only arise if the Long & Winding Way ceases to trade because insufficient funding is available and are as follows;

- Maintenance of the path may cease and sections may no longer be accessible.
- Scottish Natural Heritage may consider its status as one of Scotland's Great Trails. Since management and maintenance are criteria for inclusion on the list of Great Trails it is possible that the path would be removed from the list.
- If the Kintyre Way ceases to be one of Scotland's Great Trails this will potentially reduce the number of users.

2.1 Impact of Granting Request

Contributes to the maintenance of the 100 mile long Kintyre Way Long Distance Path until 2019. The path links towns and villages along the Kintyre peninsula between Tarbert and Campbeltown. The Long & Winding Way Ltd estimated 2,500 walkers per annum undertake the Kintyre Way. A survey of users carried out in 2014 estimated that these walkers spent a total in excess of £1 million in the local economy. Although these are unverified estimated figures to be treated with caution, the Kintyre Way undoubtedly contributes to supporting many small businesses that provide accommodation, transport and food to walkers using the route. The Kintyre Way is also used for an annual ultra-marathon attracting individuals and teams of people to run the entire length in 24 hours or less. In 2014 146 runners took part.

Subject to the full funding package being secured, there will be continued maintenance of the Kintyre Way, continued employment by the LWW, and continued marketing of the Kintyre Way thus attracting visitors to the area.

The LWW will continue to make applications for funding from a range of government and lottery funds. In 2016 the LWW will spend £99,825 of funding from the Coastal Communities Fund. In addition the LWW will make applications for circa £60,000 per annum to improve the route from the Scottish Government's Improving Public Access Fund.

2.1 Measurable Benefits

- 100 miles of Long Distance Route maintained
- Continued marketing and maintenance of this asset
- 3.5 FTE Jobs
 - Full Time Route Manager
 - Full Time Education & Community Liaison / Ranger
 - Part- time Marketing/PR Officer

- 2 x 5 month seasonal Employability posts maintaining the route
In the past people in Training for Work posts have received on the job and work experience. Over the past 2 years the Employability workers have all received First Aid Training, 2 attended a Basic Chainsaw Course and one completed CSCS Card Training which enabled him to seek employment on construction sites.

2.3 Locations Which Will Benefit

100 miles of path between;

- Tarbert
- Skipness
- Carradale
- Clonaig
- Campbeltown
- Southend
- Machrihanish



2.4 Relationship with SOA and Council priorities

Outcome 1 - In Argyll & Bute the economy is diverse and thriving – supporting a facility which attracts tourists in to the area, in turn supporting a range of businesses and helping to secure economic benefit for the local economy (LWW Survey).

Outcome 2 - We have infrastructure that supports sustainable growth – the Kintyre Way is a key part of Argyll & Bute’s infrastructure for visitors and offers an opportunity for visitors to take a sustainable holiday in the area. The economic beneficiaries are chiefly local business based in small communities and given the small scale of many of those businesses, this is likely to recirculate in the local economy. The Kintyre Way provides a tourism facility that links a number of small communities across Kintyre tackling geographical inequality, and addressing economic inequality by providing opportunities in these marginal communities.

Outcome 3 - Education, skills and training maximises opportunities for all. – The funding will help to support 2 Training Posts via Employability and a number of volunteers

Outcome 5 - People live active, healthier and independent lives. – In many of the small communities along the route the Kintyre Way provides an important part of the local path network and an opportunity to engage in physical activity.

Engagement & Empowerment – The Long & Winding Way is a community based Social Enterprise which exists to support the ongoing improvement, maintenance and promotion of the Kintyre Way. The LWW has developed working relationships with a number of landowners and managers along the route without whose support the

route would not be possible. The Long & Winding Way has 90 businesses which are members and collectively contribute £5,000 per annum towards the maintenance of the path.

2.5 Does Supporting this Application Conflict with Current and Other Projects?

No, but this could create a precedent for other long distance paths which might subsequently apply for Council funding during this time of severe financial pressure.

2.6 Does supporting this application support other projects/initiatives?

LWW Marketing

The LWW are marketing at national level and have promoted Kintyre through;

- national leaflet campaign
- advertising campaign in walking press
- bus back promotion in Glasgow
- BBC "Landward" programme
- BBC Scotland "Out of Doors" radio programme
- Journalist's visits.

LWW Work with Local Schools

The "Wee Mull" is a character which was created by a Kintyre Way walker. He also wrote an illustrated book on the character's walk of the Kintyre Way.

The "Wee Mull" Educational Project has been used by 2 schools to date – Drumlemble and Southend Primaries. The pupils have used the character and the route to learn about the local environment including mapping, history, photography and wildlife. They have learnt about the economic contribution of the Kintyre Way, marketing techniques and created their own advertisements. Poems and stories have been created and music, artwork and Power Point presentations have been used to express the pupil's creativity and awareness.

The LWW have also been involved in visits to all the Kintyre primary schools and have produced a leaflet of the route which is aimed at families and children in association with Burcote Wind. The LWW employ an Education & Community Liaison / Ranger, details of the funding are in Appendix 4b.

3.1 SWOT Analysis

Strengths

- Presence of Route Manager and experienced staff.
- Managed by 1 organisation.
- LWW operate more flexible management than a local authority could.
- Board of directors represent key businesses located on walk.
- 90 Business Members.
- Quality of route, physical infrastructure.
- Recognised as one of 26 National Trails.
- Route established since 2006.
- Wide Community support and existing funding support from other organisations.

Weaknesses

- Limited labour resources, compared to other Long Distance Routes.
- Board members are volunteers (have own businesses to run).
- Moderate level of promotion to date, & lack of labour resources for marketing.
- Lack of market research data (from local trade & trail users).
- Low levels of income from other private sector sources (e.g. membership fees, sponsorship, merchandise).
- Inability to establish sustainable funding prior to date.
- Sustainability, continuity of staff and projects due to funding constraints

Opportunities

- Continue to maintain and develop physical infrastructure of route
- Income generation from Renewable Energy
- Partnership working with other Long Distance Routes through ACT
- Collaborative marketing opportunities with other Scottish & Irish long distance routes.
- Promote route to key target audiences, within limitations of budget & labour resources.
- Fee Paying Guided Walks
- Maximise other income opportunities such as sponsorship
- Improve market research to quantify local economic impact of route.
- Additional partnership opportunities with specialist overseas tour operators.

Threats

- Lack of funding to continue to maintain the route may lead to the LWW ceasing to trade
- Loss of wider economic benefits.
- Funding uncertainty after 2016 may hinder medium to long term planning/future developments.
- Lack of effective promotion will hinder potential to attract more walkers, and knock-on effect may be fewer local trade members.
- Time constraints prevent necessary focus on identifying/exploiting additional income streams.
- Identifying/securing additional income streams labour-intensive and the need for this is increasing.

4.1 **What Is The Economic Impact of Supporting The Application?**

A recent but unverified survey by LWW indicates that walkers may spend in the region of £1,000 000 mostly in small and local businesses on accommodation, food & drink and gifts. The level of spend per walker reflects other accepted data, although there is question over the exact numbers actually walking the route.

90 businesses are currently members of the Kintyre Way including;

- 67 accommodation providers from campsites and small B&Bs to the four star Ugadale Hotel
- 15 businesses selling anything from sandwiches to a three course dinner
- 8 attractions/ activity providers including cycle hire, golf courses and sea tours
- 6 art galleries
- 6 companies offer package holidays for walkers which feature the route and help to promote the area internationally
- 2 Taxi companies who move baggage and people along the route, West Coast Motors and one offering car hire

NB some businesses offer more than one service i.e. accommodation and food. There are also a number of businesses which currently benefit but are not members

The majority of these businesses employ local people and reinvest their profits in the local economy creating a strong economic multiplier.

4.2 **How Many Jobs Will be Created or Secured?**

The funding being sought will allow the Kintyre Way to retain the following posts equivalent to 3.5 full time posts

- Full Time Route Manager.
- Full Time Education & Community Liaison / Ranger.
- Part- time Marketing/PR Officer.
- 2 x 5 month seasonal Employability posts maintaining the route.

5.1 GOVERNANCE REVIEW

5.2 What Is the Legal Status of the Applicant?

Long and Winding Way Ltd (known as the Kintyre Way) is a charity run by a Board of voluntary directors.

- Reg. Charity No SCO37382
- Company No SC302356.

5.3 Is This Confirmed?

Strategic Finance has confirmed the registration numbers above and they have been found to be in order.

5.4 Does the LWW have the Necessary Legal Powers to maintain the Kintyre Way?

The LWW has stated that its Company Articles does allow it to enter into a contract / service level agreement with the Council. A copy of the already agreed Memorandum of Agreement between the Council and LWW is available in Appendix 2, Approved Agent Agreement.

Summary

The Agreement Authorised the Long & Winding way to negotiate path agreements with landowners and to manage and maintain the Kintyre Way on behalf of the Council under section 26 of the Land Reform (Scotland) Act 2003. There are currently 13 Agreements which have been signed by the Council and a similar number signed by the Kintyre Way. There is no current obligation on the Council to make a financial contribution towards the cost of maintaining the path under the existing agreements.

5.5 Have the Board of the LWW agreed to Maintain the Kintyre Way?

The Board of the Long & Winding Way Ltd have unanimously backed this proposal at its last several meetings, adopting the position that future funding for Kintyre Way will be a package of funders supporting different elements of its work. Core maintenance and Marketing/PR work will be funded by a package partly from Argyll & Bute Council and the Company's own subscribing Members with additional funding from Sponsors from the Renewable Energy Sector (of which Burcote is already in place). The post of the Education & Community Liaison / Ranger will be funded by some sponsorship already in place from Burcote Wind, Rotary, East and West Kintyre Windfarm Trusts and subject to applications, Esmee Fairbairn Foundation and Robertson Trust.

Further Information can be found in Appendix 3 the Business Plan and Appendix 4 Budgets for 2015-19 demonstrate clearly the level and timing of financial funding from the broad range of funders involved.

5.6 Is the Long & Winding Way Ltd. Duly Registered if Required e.g. OSCR?

Yes Charity No. on OSCR SC037382

5.7 Any Related Company / Organisation?

The Forestry Commission Scotland spends £10,000 per annum maintaining sections of the Kintyre Way which crosses their estate.

Scottish Natural Heritage made a grant of £10,000 to the Long & Winding Way Ltd in the current financial year to enable the company to continue to trade and continues to actively support the LWW.

6.1 FINANCIAL REVIEW

6.2 Proposal in the Application:

The Kintyre Way plan to consolidate the work of the CCF project and ensure sufficient strength of resource remains in place to deliver further outcomes. It aims to increase the number of walkers on the route year on year through national marketing campaigns, and also increase use by local residents through educational programmes and local marketing. They also plan to start marketing the route in Germany, Netherlands, Canada and the United States. Working with third sector groups to support use of the route by vulnerable groups through guided walks, talks and volunteering. Extend the current Education Project involving the Wee Mull character. Maintenance of the route will be continued to keep the route in a safe and useable state.

6.3 Costings Provided?

Costings have been provided for the operation of the LWW for the next 3 years see Appendix 4 Budget for 2015-19

6.4 Have Costings Been Verified?

Strategic Finance has said that the costings appear to be in order and acceptable clarification was requested and this is copied below.

LWW Ltd have budgeted for the purchase of some consumables for strimming, path repair, replacement of fences/gates etc. The LWW have established relationships with Renewable Energy companies for donations in kind, of which an existing example is Siemens, who rebuilt 300 metres of path at Saddell and carried out shrub/brush clearance at Killean under LWW supervision, and who have donated £2,000 plus worth of quality timber for construction. In the past, when a bridge was required, for example, a donation from Scottish Water provided the solution, and donations in kind are often the preferred means of providing sponsored support.

A substantial amount of construction/repair has been effected in the period of Coastal Communities Funding, but after a year or so of less maintenance being needed as a result, larger amounts will have to be spent on maintenance once again due to wear and tear and adverse weather.

6.5 Is Funding In Place?

The Long & Winding Way has budgeted for a total expenditure of £422,000 over the three year period of 2016/19. The £60,000 sought from Argyll & Bute Council is 14% of the total. £15,000 will come from LWW members including 90 business members. The CCF will provide £67,000 during 2016. Applications will be made to the Improving Public Access fund for £180,000 over the three years.

Burcote Wind has committed to provide £5,000 in 2016/17 and the LWW hopes to secure a further £95,000 in 2017/19 from Windfarm developers or Section 75 Agreements. There is a risk that this funding will not be secured.

The LWW has made applications to the Esmee Fairburn and Robertson Trusts which it will progress with once match funding has been confirmed and this will help to reduce the risk. In addition the Board will continue to seek additional funding where opportunities arise.

In addition a separately funded full time Education & Community Liaison / Ranger will be employed at a cost of circa £19,000 per annum.

6.6 Any Ongoing Costs – Is There An Operating Business Plan?

The LWW has submitted a Business Plan which includes annual projected expenditure and income budgets for the four years to 2019 (Appendix 4).

6.7 Cash Flow Forecasts and Income and Expenditure Assumptions

Budgets for 2015 to 2019 can be found in Appendix 4.

The LWW are seeking £60,000 from Argyll & Bute Council equivalent to 14% of the total budget of £422,000 for the four year period 2016-19;

Funding through Service Level Agreement worth £60,000

- 2016 -17 - £20,000
- 2017 -18 - £20,000
- 2018 -19 - £20,000

Income from 90 Business Members c£5,000 is fairly constant year on year.

Other funding applications are already in process to bodies such as Esmee Fairbairn Foundation and Robertson Trust with both of whom Board members already have experience over many years. These will be progressed once match funding is available.

The Board is continuing to negotiate with Renewable Energy developers for funding which it is hoped would fill the £45,000 funding gap for 2017/18 and beyond £50,000 2018/19 it is hoped this will be a significant funding stream in future.

Future Sustainable Funding

There will be many strands of approach and the LWW is talking to all Wind Farm Developers of which RES and Burcote have already been very supportive and have expressed a wish to continue the existing relationship. Scottish Power attended the July Board meeting in respect of Beinn an Turk 3, the LWW have met SSE several times. Siemens have provided help in kind recently with materials and labour for construction/repair and this is expected to continue for some years as they will be working in Kintyre for a long period. Financial input may come from direct sponsorship, compensatory funding, or from joint ventures in the form of income from a specific site or turbine over an extended period. Solar array remains a possibility and discussions with MACC will continue who seem likely to develop their own site regarding partnership or joint venture. The LWW recently had a small scale study completed by an expert into Solar Arrays at individual farm level, which whilst limited by the network connections available is not to be ruled out as worth following at a later date.

Joint working with Argyll and the Isles Coast and Countryside Trust and other Long Distance Routes is enabling all the Long Distance Routes in Argyll & Bute to share their marketing budgets and increase their impact. There is also the potential to develop joint funding applications and sharing of knowledge and resources and this is considered a high priority by the Board.

6..8 Proposer

Long & Winding Way Ltd a registered charity which maintains and develops the Kintyre Way.

6.9 Copy of Annual Accounts

A full copy of the Annual Accounts for 2013-14 is available in Appendix 5 and are the most recent available

Summary of Financial Year 2013-14

Income £186,199

Expenditure £175,373

Net Income £10,826

Unrestricted Balance £18,739

Restricted Balance £18,792

Total Balance £37,531

Grants

Forestry Commission £500

Awards for All (restricted) £7,654

Skills Development (restricted) £472

DWP (restricted) £2,275

RES UK & Ireland £10,020
Coastal Communities Fund (restricted) £146,467
Highlands & Islands Enterprise (restricted) £7,538
Total £175,226

Memberships / Sponsorships £5,505

6.10 **Copy of 3 Month Bank Statement**

Copies were provided and have been reviewed by Strategic Finance and found to be satisfactory.

Balance at 30 December 2015 - £7,745.49

6.11 **Copy of Current Year Financial Reports / Management Accounts**

No current year accounts have been supplied

6.12 **Copy of Audited Annual Accounts**

Attached in Appendix 5

6.13 **Copy of Budget Proposals**

Attached in Appendix 4

7.1 **DELIVERABILITY/ RISK REVIEW**

7.2 **Do We Have Business Plan / Business Case?**

This has been received and assessed by Strategic Finance and a copy can be found in Appendix 3.

LWW BUSINESS PLAN EXECUTIVE SUMMARY

The Kintyre Way - Take a Walk on the Wild Side!

Walk in the remote and beautiful countryside of the Kintyre peninsula. Enjoy the varied landscapes, seascapes and tranquillity which are unique to Kintyre. The fully waymarked route will gently guide you whilst allowing you to discover the joys of the route at your own pace. Wildlife and history will accompany you on this wonderful journey.

BUSINESS AIMS The Kintyre Way aims to increase the number of walkers on the route year on year through national marketing campaigns and also increased community awareness and usage among local residents through educational programmes and local marketing. Working with local third sector groups we plan to encourage use and enjoyment of the route for vulnerable groups through guided walks, talks and volunteering as well as extending our Educational Project involving the Wee Mull character. We have also recognised that a commercial market exists locally for guided walks in conjunction with organisations such as Cal Mac.

FINANCIAL SUMMARY The Development of the Kintyre Way was underwritten

for 2 years by the Coastal Communities Fund. This project ended on March 31st, 2015 and the route needed to find new funding sources to enable staff to be retained and project work extended. In December 2015 the CCF provided an additional £99,825 for the period Jan to Dec 2016. This funding will enable further improvements to sections of the path and some additional marketing but cannot be used to fund the maintenance of the route which needs to continue in order to keep the whole route in a safe and usable state. It is anticipated that access to significant community funds from windfarm development will be available after 2017 when many installations have been granted planning consent, and sponsorship by firms has already started to be paid by RES and now Burcote Wind.

7.3 Are The Assumptions Clearly Stated And Reasonable /Supported?

These are reasonable and clearly stated.

7.4 Who Are Partners / Advisers?

The LWW has an experienced Volunteer Board, who are all also Directors and/or Company Secretaries of other Private, Public or Community Companies. It includes a Solicitor, an Accountant, and members of the Farming and Tourism Communities of many years standing.

Forestry Commission, SNH and A&BC are active partners who regularly attend Board and other meetings of LWW for close and frequent consultation. All have been involved since the start of the development in 2005 leading to formation of the Company in 2006, have been or are active contributors financially or in kind, and are valued advisers to LWW and its staff. One-third of the route is on land managed by the Forestry Commission Scotland.

7.5 **Are They Sufficiently Experienced?**

Yes for the purposes of this application

7.6 **Directors / Key People In The Group**

- **Chairman** – Marcus Adams –Hotel Owner
- **Treasurer** - Clive Good –AFTA, CeMAP, DipFM
- Niall Macalister Hall – Land Agent & Estate Owner
- Campbell Read – Partner Stewart, Balfour & Sutherland Solicitors
Campbeltown
- Rhona Elder
- Rob Reid– Organiser of the popular annual Kintyre Way Ultra run.
- Stewart Rafferty – Campsite owner

7.7 **Do They Have Relevant Experience?**

The Board has managed the Kintyre Way improving the route, increasing the number of walkers' year on year since 2006.

In 2013 the Long & Winding Way was awarded a sum of £240,000 to extend the path from 93 to 100miles and create a number of employment opportunities.

The following jobs were funded during this 2 year period.

- Route Manager
- Marketing Officer
- Project Officer
- 3 x Countryside Apprentices
- 4 Employability posts

The project was completed on time and on budget and CCF made a second award of £99,825 in December 2015. This funding will be spent during 2016 on further improvements to the route and additional marketing and will enable the posts identified above to continue.

7.8 **Have Risks Been Clearly Articulated?**

The Board of LWW clearly recognises that the maintenance of the Kintyre Way in safe condition is paramount to its continued use. There is a risk that funding may not be secured for the period after April 2016 to enable continued maintenance and the Board meets 4-6 weekly to monitor current financial viability and plan ahead to ensure that it will be possible to keep the Kintyre Way open.

The annual expenditure and budget projections (Appendix 4) clearly show which elements of funding have been secured over which time period and where funding is not yet agreed and where a financial shortfall exists. The Board has set an ambitious target of securing £45,000 in 2017/18 and £50,000 in 2018/19 through Section 75 agreements or sponsorship from wind farm developers.

There is a risk that even if the proposed £60,000 service level agreement is approved by the Council that this gap is still not filled by other funders.

The LWW has made applications to the Esmee Fairburn and Robertson Trusts which it will progress with once match funding has been confirmed and this will help to reduce the risk. In addition the Board will continue to seek additional funding where opportunities arise.

7.9 Have They Set Out Their Approach To Managing Risks?

LWW are very risk averse. The policy of the Company is not to have any indebtedness, and not to arrange or use any overdraft facility. All financial management is based upon planned expenditure within limits which are consistent with guaranteed availability of funding. Should sufficient funding not be available to maintain the Kintyre Way in a safe condition for Public use, then the Board would not be able to maintain its insurance cover to adequately cover itself for public liability along the route. In this eventuality, the LWW would terminate its management agreement for the Kintyre Way with the Council

7.10 Are Risk Assumptions And Proposed Risk Management Reasonable?

The assumptions made by the Board of the LWW are based upon many years of experience in fund raising for Community projects, and current negotiation/ proposal/ application involving many appropriate potential sources of funding, but backed by the knowledge that it may be necessary to terminate its management of the Kintyre Way if funding cannot be secured.

The risk assumptions and the proposed approach to risk management are both reasonable.

However given the past history there is always the risk that should further funding be granted the future sustainability of the LWW still cannot be guaranteed.

APPENDIX 2

APPROVED AGENT AGREEMENT

Argyll and Bute Council
Comhairle Earra Ghàidheal agus Bhòid



Corporate Services
Area Corporate Services Manager: Deirdre Forsyth

Corporate Services

Dalriada House, Lochnell Street,
Lochgilphead, Argyll, PA31 8ST
Tel: 01546 604558 Fax: 01546 604530
e.mail – deirdre.forsyth@argyll-bute.gov.uk
www.argyll-bute.gov.uk

Mr Marcus Adams
Kintyre Marketing Group
Carradale Hotel
Carradale

Direct Line 01546 604558
Ask for Deirdre Forsyth
Our Ref:
Your Ref:
Date: 17 March 2006

Dear Mr Adams

Approved Agent Agreement

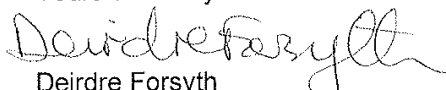
Argyll and Bute Council (hereinafter referred to as the Council) hereby appoints "The Long and Winding Way Company Limited" (hereinafter referred to as the Company) as their agents to manage and maintain the Kintyre Way, to negotiate path agreements with landowners under the Land Reform (Scotland) Act 2003 and to take over all its liabilities set out within the said path agreements which may arise from the provision of the Kintyre Way.

1. The Council is the local authority for the area which includes the route of the Kintyre Way.
2. The Council is committed to developing and promoting access across Argyll and Bute.
3. Under the Land Reform (Scotland) Act 2003 only local authorities can enter into path agreements with the local landowners, but they can delegate the management and maintenance of the path to an approved agent.
4. The Council has agreed to appoint the Company as their agents to manage and maintain the Kintyre Way. The Company has been formed by the Kintyre Marketing Group specifically to take on this role. The Council will not pay any costs or charges to the Company arising out of this agreement. The Company will not be entitled to receive any fee for acting as agents of the Council.

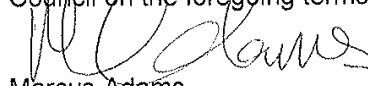


5. The Company has agreed to act as agents for the Council and to manage and maintain the Kintyre Way, and to take responsibility for its liabilities under the said path agreements which may arise from the provision of the Kintyre Way.
6. The Company will indemnify the Council to the extent of £5000 only, in respect of any insurance claim.
7. The Forestry Commission has been working with Kintyre Marketing Group in discussions with willing landowners. The route will alter as and when new path agreements are entered into.
8. It is intended that all necessary path agreements will be concluded by 10th June 2006 when the Kintyre Way will open.
9. Since all path agreements will be signed by the Council, the Council hereby agrees to provide the Company with a copy of each path agreement.
10. This letter covers responsibilities for new agreements entered into after the route opens on 10th June 2006 as well as those entered into before that date.
11. By signing this agreement both Argyll and Bute Council and "The Long and Winding Road" Company Limited demonstrate their support for the Kintyre Way, their willingness to encourage landowners to manage the new statutory access rights across their land and the opportunity for the local communities along the route to develop new tourism businesses.

Yours sincerely


Deirdre Forsyth
Area Corporate Services Manager

On Behalf of the Company, I hereby accept appointment as agents for the Council on the foregoing terms and conditions.


Marcus Adams
Kintyre Marketing Group and Long and Winding Way Company
Dated.....17th March 2006

APPENDIX 3

BUSINESS PLAN

Appendix 3 Business Plan

THE KINTYRE WAY

BUSINESS PLAN

EXECUTIVE SUMMARY

The Kintyre Way

Take a Walk on the Wild Side!

Walk in the remote and beautiful countryside of the Kintyre peninsula. Enjoy the varied landscapes, seascapes and tranquillity which is unique to Kintyre. The fully waymarked route will gently guide you whilst allowing you to discover the joys of the route at your own pace. Wildlife and history will accompany you on this wonderful journey.

BUSINESS SUMMARY The Kintyre Way is a fully waymarked, 100 mile, long distance walking route on the Kintyre peninsula on Scotland's west coast. It has formalised agreements with all landowners along the route and operates the route on behalf of Argyll & Bute Council. It presently employs 3 full-time members of staff carrying out admin, maintenance and marketing functions. All route maintenance is presently carried out in-house and all equipment and vehicles necessary for this belong to the Kintyre Way. The route employs staff from the Community Jobs Fund on a seasonal basis and also provides training and work experience to them. There are 85 business members who support the route annually through a membership fee.

BUSINESS AIMS The Kintyre Way aims to increase the number of walkers on the route year on year through national marketing campaigns and also increased community awareness and usage among local residents through educational programmes and local marketing. Working with local third sector groups we plan to encourage use and enjoyment of the route for vulnerable groups through guided walks, talks and volunteering as well as extending our Educational Project involving the Wee Mull character. We have also recognised that a commercial market exists locally for guided walks in conjunction with organisations such as Cal Mac.

FINANCIAL SUMMARY The Development of the Kintyre Way has been underwritten for the last 2 years by the Coastal Communities Fund. This project ends on March 31st, 2015 and the route needs to find new funding sources to enable staff to be retained and project work extended. The maintenance of the route needs to continue in order to keep the route in a safe and usable state. It is anticipated that access to significant community funds from windfarm development will be available after 2017 when many installations have been granted planning consent, and sponsorship by firms has already started to be paid by RES and now Burcote Wind.

Route Development in 2013/2014

In 2013 the Kintyre Way received a grant of £240,000 for route development from the Coastal Communities Fund and has been very successful in achieving the following:

- Increasing the length of the route to from 87 to 100 miles – split into 7 distinct sections
- Removing sections of road walking that were hazardous for walkers
- Improving off road sections
- Promoting the area's assets using the route as a tool in schools, via a blog and through advertising
- Employing a full time Route Manager, Part time Marketing Manager and part time Project Manager
- Hiring and training of 3 apprentices
- Creation of 6 temporary posts utilising the Community Jobs Fund
- Temporary staff securing permanent positions in the countryside sector
- Establishing a Volunteer Ranger Scheme
- Researching long term funding resources from renewable energy partners such as RES, Burcote Wind, SSE and Scottish Power.

2015/2016 Status

The route is in very good condition and we have excellent current staff with a wealth of local experience in managing the route, countryside management and PR skills.

The Kintyre Way is a vital economic resource to the fragile Kintyre economy providing opportunities to a diverse range of businesses such as Accommodation Providers, Food and Drink operators, Taxi, Tours and Transport, Baggage Handlers, Campsites and Shops.

- An average of 2500 visitors walk the Kintyre Way each year. Via our user questionnaire information we can confirm that each walker spends between £200 and £800 per person on food, transport and accommodation. We estimate that this brings in at least £1 million annually to the Kintyre economy.
- The Kintyre Way is the only vehicle through which local businesses can participate in the rapidly expanding Scottish walking market, estimated by Visit Scotland to bring in over £1 billion to the national economy. It provides an alternative marketplace in what is a fragile economic area.
- Opportunities exist through an increase in visitor numbers, the extension of the traditional season, exposure to new markets, the prospect of alternative income streams (e.g dairy farmers diversifying into accommodation provision), introduction of new categories of customers, the ability to package product more effectively through themed breaks and the confidence to diversify
- The Kintyre Way is also used by many local residents as a leisure and health amenity.
- We have grown to over 90 fee paying business members.

THE MARKET

The Kintyre Way will be promoting the 100 mile, fully waymarked long distance walking route to a variety of markets local, national and international with a different strategy for each.

- The walking market is constantly expanding and growing
- There are many different types of walker
- Businesses can tailor their activities to attract the type of walker you want
- The majority of walkers want to do another activity during their walk

Local market – Aimed at families looking to enjoy an activity which is healthy and can be carried out close to their home. We have developed close links with the local schools and produced a leaflet specifically targeted at families. Our route mascot “Wee Mull” will be used to facilitate learning through the route. We also have established links with ferry operator, Cal Mac, with a view to providing a guided walks service for their customers.

National – we have utilised planned marketing campaigns to target our core national walker demographic of over 45’s living in Scotland and the north of England.

International – our close links with package tour companies who specialise in walking on the Kintyre Way allows us access to these walkers through exit evaluations and social media interaction.

Kintyre Way Business Members – provide vital funding for maintenance and admin of the route. Part of our marketing strategy is to show them how much the Kintyre Way benefits the local economy. This will be achieved through personal contact, promotions, our website and social media.

THE FUTURE

The Kintyre Way plan to consolidate the work of the highly successful CCF project and ensure sufficient strength of resource remains in place to deliver further high achieving outcomes. An educational programme based on the highly successful “Wee Mull” creation has been fully tested in one primary school and the course work is now ready to be rolled out to other participants. (Appendix 1)

FINANCIAL FORECASTS

A two year budget is attached for the Kintyre Way

APPENDIX 4A

LWW BUDGET FOR 2015-19

MAIN KINTYRE WAY BUDGET 2015-2016

Expenditure	2015/16												Totals	
	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH		
Route Manager (Inc Emps Ni	1833	1833	1833	1833	1833	1833	1833	1833	1833	1833	1833	1833	1833	22000
Marketing/PR (" ")	750	750	750	750	750	750	750	750	750	750	750	750	750	9000
Seasonal Staff/Apprentice		375	375	375	375	375				275	1000	1000	1000	5150
Vehicle Lease	450	450	450	350	350	350	350	350	350	350	350	350	350	4500
Vehicle Insurance	179	179	179	179	179	179	179	179	179	179	179	179	179	2148
Liability Insurance	135	135	135	135	135	135	135	135	135	135	135	135	135	1620
Workshop/Office Rent	275	275	275	275	275	275	275	275	275	275	275	275	275	3300
Fuel	400	425	425	520	420	420	450	300	300	300	300	300	300	4560
Phones/Internet	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Electricity	30	30	30	30	30	30	30	30	30	30	30	30	30	360
Website Hosting	0	0	1500	50	0	0	0	0	50	0	0	0	0	1600
Marketing	167	167	167	167	167	167	167	167	167	167	167	167	167	2000
Strimming Fuel	80	80	80	80	80	80	0	0	0	0	0	0	0	480
Workwear	200	0	0	200	0	0	0	0	0	0	0	0	0	400
Maintenance	167	2867	3500	2400	990	725	167	167	167	500	500	500	500	12648
	4766	7666	9799	7444	5684	5419	4436	4286	4611	5619	5619	5619	5619	<u>70966</u>

Income	2015/16
<i>Approved</i>	
CCF	25900
LWW Membership	5000
Mactaggart Trust	5000
SNH	10000
Common Good Fund	5000
RES	10000
A & BC	10000
	<u>70900</u>

Expenditure	2016/17													Totals
	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH		
Route Manager (Inc Emps Ni	1870	1870	1870	1870	1870	1870	1870	1870	1870	1870	1870	1870	1870	22440
Marketing/PR (" ")	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	13200
Apprentice/Seasonal	1000	2500	2500	2500	2500	2500	2500	2500	2500	2500	1020	1020	1020	23060
Vehicle Lease	350	350	350	350	350	350	350	350	350	350	350	350	350	4200
Vehicle Insurance	183	183	183	183	183	183	183	183	183	183	183	183	183	2191
Liability Insurance	138	138	138	138	138	138	138	138	138	138	138	138	138	1652
Workshop/Office Rent	275	275	275	275	275	275	275	275	275	275	275	275	275	3300
Fuel	408	434	434	530	428	428	459	306	306	306	306	306	306	4651
Phones/Internet	102	102	102	102	102	102	102	102	102	102	102	102	102	1224
Electricity	31	31	31	31	31	31	31	31	31	31	31	31	31	367
Website Hosting	500	0	0	51	0	0	0	0	51	0	0	0	0	602
Marketing	750	750	750	170	170	170	170	170	170	170	170	170	170	3780
Strimming Fuel	82	82	82	82	82	82	0	0	0	0	0	0	0	480
Workwear	500	250	250	204	0	0	0	0	0	0	0	0	0	400
Maintenance	10000	25000	25000	12500	500	500	500	500	500	500	500	500	500	76500
	17287	33063	33063	20085	7728	7728	7677	7524	7575	6044	6044	6044	6044	<u>158048</u>

Income	2016/17
<i>Approved</i>	
CCF	67000
Burcote Wind	5000
LWW Membership	5000
<i>Subject to Approval</i>	
Argyll & Bute Council	20000
Improving Public Access	60000
	<u>157000</u>

Expenditure	2017/18													Totals
	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH		
Route Manager (Inc Emps Ni	1907	1907	1907	1907	1907	1907	1907	1907	1907	1907	1907	1907	1907	22889
Marketing/PR (" ")	1122	1122	1122	1122	1122	1122	1122	1122	1122	1122	1122	1122	1122	13464
Seasonal Staff	0	1500	1500	1500	1500	1500	0	0	0	0	0	0	0	7500
Vehicle Lease	350	350	350	350	350	350	350	350	350	350	350	350	350	4200
Vehicle Insurance	281	281	281	281	281	281	281	281	281	281	281	281	281	3366
Liability Insurance	416	442	442	541	437	437	468	312	312	312	312	312	312	4744
Workshop/Office Rent	275	275	275	275	275	275	275	275	275	275	275	275	275	3300
Fuel	416	31	31	31	31	31	31	31	31	31	31	31	31	759
Phones/Internet	104	104	104	104	104	104	104	104	104	104	104	104	104	1248
Electricity	31	31	31	31	31	31	31	31	31	31	31	31	31	375
Website Hosting	510	0	0	52	0	0	0	0	52	0	0	0	0	614
Marketing	175	175	175	175	175	175	175	175	175	175	175	175	175	2100
Strimming Fuel	82	82	82	82	82	82	82	82	82	82	82	82	82	480
Workwear	250	33724	33724	250	7882	7882	7830	7674	7726	6165	6165	6165	6165	400
Maintenance	10000	25000	25000	500	500	500	500	500	500	500	500	500	500	64500
	15919	65025	65025	7201	14678	14678	13157	12845	12949	11335	11335	11335	<u>129940</u>	

Income	2017/18
<i>Approved</i>	
LWW Membership	5000
<i>Subject to Approval</i>	
Argyll & Bute Council	20000
Windfarms/Section 75 Agr	45000
Improving Public Access	60000
	<u>130000</u>

Expenditure	2018/19												Totals	
	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH		
Route Manager (Inc Emps Ni	1946	1946	1946	1946	1946	1946	1946	1946	1946	1946	1946	1946	1946	23347
Marketing/PR (" ")	1144	1144	1144	1144	1144	1144	1144	1144	1144	1144	1144	1144	1144	13733
Seasonal Staff	0	1500	1500	1500	1500	1500	0	0	0	0	0	0	0	7500
Vehicle Lease	350	350	350	350	350	350	350	350	350	350	350	350	350	4200
Vehicle Insurance	286	286	286	286	286	286	286	286	286	286	286	286	286	3433
Liability Insurance	424	451	451	552	446	446	478	318	318	318	318	318	318	4839
Workshop/Office Rent	275	275	275	275	275	275	275	275	275	275	275	275	275	3300
Fuel	424	32	32	32	32	32	32	32	32	32	32	32	32	775
Phones/Internet	281	281	281	281	281	281	281	281	281	281	281	281	281	3366
Electricity	424	32	32	32	32	32	32	32	32	32	32	32	32	775
Website Hosting	0	0	0	52	0	0	0	0	52	0	0	0	0	104
Marketing	175	175	175	175	175	175	175	175	175	175	175	175	175	2100
Strimming Fuel	82	82	82	82	82	82	82	82	82	82	82	82	82	984
Workwear	250	0	0	250	0	0	0	0	0	0	0	0	0	500
Maintenance	10000	25000	25000	500	500	500	500	500	500	500	500	500	500	64500
	16062	31553	31553	7456	7048	7048	5580	5421	5473	5421	5421	5421	5421	<u>133456</u>

Income	2018/19
<i>Approved</i>	
LWW Membership	5000
<i>Subject to Approval</i>	
Argyll & Bute Council	20000
Windfarms/Section 75 Agr	50000
Improving Public Access	60000
	<u>135000</u>

APPENDIX 4B

**BUDGET FOR 2015-19 FOR THE EDUCATION
& COMMUNITY LIAISON / RANGER**

Kintyre Way Education & Community Liaison/Ranger

Expenditure	2015/16												Totals
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	
Salary	1233	1233	1233	1233	1233	1233	1233	1233	1233	1233	1233	1233	14796
Employers NI	83	83	83	83	83	83	83	83	83	83	83	83	999
Training			150			150			150			150	600
Educational Activities & Pubs	120	120	120	120	120	120	120	120	120	120	120	120	1440
Phone & Broadband	30	30	30	30	30	30	30	30	30	30	30	30	360
Transport	100	100	100	100	100	100	100	100	100	100	100	100	1200
													<u>19395</u>
Income	2015/16												
<i>Approved</i>													
Rotary	1000												
Third Sector Grant	3000												
East Kintyre W/Farm Trust	3000												
CCF	12000												
	<u>19000</u>												

Expenditure	2016/17												
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Totals
Salary	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	15092
Employers NI	85	85	85	85	85	85	85	85	85	85	85	85	1016
Training			150			150			150				600
Educational Activities & Pubs	100	100	100	100	100	100	100	100	100	100	100	100	1200
Phone & Broadband	50	50	50	50	50	50	50	50	50	50	50	50	600
Transport	100	100	100	100	100	100	100	100	100	100	100	100	1200
													<u>19708</u>

Income	2016/17
<i>Subject to Approval</i>	
Esmee Fairbairn Foundation	6000
Robertson Trust	6000
East/West Kintyre Wind Trusts	3222
Burcote Wind	5000
	<u>20222</u>

Expenditure	2017/18												
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Totals
Salary	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	15096
Employers NI	87	87	87	87	87	87	87	87	87	87	87	87	1040
Training			150			150			150			150	600
Educational Activities & Pubs	100	100	100	100	100	100	100	100	100	100	100	100	1200
Phone & Broadband	50	50	50	50	50	50	50	50	50	50	50	50	600
Transport	100	100	100	100	100	100	100	100	100	100	100	100	1200
													<u>19736</u>

Income	2017/18
<i>Subject to Approval</i>	
Esmee Fairbairn Foundation	6000
Robertson Trust	9565
Burcote Wind	5000
	<u>20565</u>

Expenditure	2018/19												
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Totals
Salary	1326	1326	1326	1326	1326	1326	1326	1326	1326	1326	1326	1326	15912
Employers NI	89	89	89	89	89	89	89	89	89	89	89	89	1065
Training			150			150			150			150	600
Educational Activities & Pubs	100	100	100	100	100	100	100	100	100	100	100	100	1200
Phone & Broadband	50	50	50	50	50	50	50	50	50	50	50	50	600
Transport	100	100	100	100	100	100	100	100	100	100	100	100	1200
													<u>20577</u>

Income	2018/19
<i>Subject to Approval</i>	
Esmee Fairbairn Foundation	6000
Windfarms/Section 75 Agr	10000
Burcote Wind	5000
	<u>21000</u>

APPENDIX 5

ANNUAL ACCOUNTS 2013-14

Charity Registration No. SC037382

Company Registration No. SC0302356 (Scotland)

THE LONG AND WINDING WAY
DIRECTORS' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

THE LONG AND WINDING WAY

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Malcolm Holder Clive Good Rob Reid Marcus Adams Stewart Rafferty Campbell Read Rhona Eider Niall MacAlister Hall
Secretary	Alison Clements
Charity number	SC037382
Company number	SC302358
Principal address	Carradale Hotel Airds Carradale East Campbeltown Argyll PA28 8RY
Registered office	Carradale Hotel Airds Carradale East Campbeltown Argyll PA28 8RY
Independent examiner	William Duncan & Co Chartered Accountants Loch Awe House Bannock Road Tarbert Argyll PA29 6TW
Bankers	Bank of Scotland 9 Longrow South Campbeltown Argyll PA28 6AL

THE LONG AND WINDING WAY

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Statement of financial activities	5
Balance sheet	6-7
Notes to the accounts	8 - 14

THE LONG AND WINDING WAY

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2014

The directors presents K's report and accounts for the year ended 30 June 2014.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles and Memorandum of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a company limited by guarantee not having share capital.

The members of the directors who served during the year were:

Malcolm Holder	
Alan Minshaw	(Resigned November 2013)
Clive Good	
Rob Reid	
Marcus Adams	
Stewart Rafferty	
Campbell Read	
Rhona Elder	(Appointed August 2013)
Nial MacAlister Hall	(Appointed December 2013)

The Directors are appointed from the full membership of The Kintyre Way. Increased efforts have been made to represent all interested parties, i.e. hoteliers, landowners, local businesses and individual members. Frequent local Press publicity, newsletters and other activities are organized to increase local awareness of The Kintyre Way and encourage local businesses/local residents to become involved.

None of the directors have any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The company is controlled by a maximum of twelve directors elected by the full members. They meet regularly to discuss the day to day running of the company. The Long and Winding Way has an appointed chairman, secretary and financial secretary who report back to the board and membership. An Annual General Meeting is held, along with a number of open meetings. The directors are responsible for monitoring the financial position of the company as well as day to day business decisions affecting The Kintyre Way.

The Long and Winding Way is the lead organisation working to manage The Kintyre Way, along with Argyll and Bute Council, The Forestry Commission, and Scottish Natural Heritage.

The directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE LONG AND WINDING WAY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

Objectives and activities

The charity's objects are:

Route The Kintyre Way

To ensure the route is safe and easy to follow

To ensure route users are well informed

Monitoring the use of the route

Building community involvement

Securing a sustainable funding base

Ensuring responsible and enjoyable use of the route

Funding obtained to meet specific projects from specified grants from related parties, local Authority and Wind Farm Trusts. Membership fees, sponsorships and sales of calendars also help.

Achievements and performance:

The Long and Winding Way has continued to oversee the development of The Kintyre Way with the management of the route being controlled by the Route Manager under the direction of The Board of Directors. Our Route Manager, Andy Holtby, left in the April of 2014 to return to Yorkshire. A reorganization was made to make best use of skills and resources, and Anne Martin took over as Manager, looking after administration, marketing and PR and fundraising, with former Apprentice Aidan Keogh promoted to Route Manager for maintenance and development of the route assisted by Duncan Leokie and Employability Staff, and Neil Donaldson continuing in his previous valuable role.

Our main focus during the year was to carry out the programme funded by the Coastal Communities Fund, who have been supportive and encouraging and every stage. With the help of CCF we achieved a significant majority of our first year objectives, getting approval for some adjustments to timetables of activity and funding in the light of experience and daily exigencies. Argyll & Bute Council have provided continuing advice and support in dealing with official bodies and landowners. We were in receipt of the second year's input of the three year commitment of £10000 per year from RES - a wind farm developer. This funding has allowed us to continue developing and maintaining the original Way.

We have continued to market the Way and tried to increase its public profile, with considerable success, including a BBC Landward programme filmed on the Way, BBC Radio Scotland's 'Out of Doors' featuring the Way, various magazine features and Bus advertising in Glasgow during the Commonwealth Games. As a fundraising exercise we again produced a Kintyre Way Calendar sold through local outlets and using photographs from the Photographic competition. One of our directors again organised the Kintyre Way Relay- a long distance running event, although this is separately organised from LWW. Various sponsorship packages were offered to generate funds such as sponsoring mile markers and benches, and this is being pursued.

THE LONG AND WINDING WAY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

Financial review

As a non-profit making charity, all monies raised are fed back into the project to ensure the long-term future of the route.

Funding to continue developing the Way for future years continues to be a major concern, particularly to fund the normal maintenance of the Way and the ongoing activities of LWW. Funding from the Council and RES is unrestricted and has been very helpful in this respect. The Coastal Communities Funding will cease in April 2015 and work is underway to secure funds elsewhere for the medium term and ensure that maintenance and promotion of the Route continues.

It is the policy of the charity that no indebtedness must be incurred and expenditure must remain at all times within available funds.

On behalf of the board of directors



GIVE GOOD
Director/Treasurer

21/1/15

THE LONG AND WINDING WAY

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF THE LONG AND WINDING WAY

I report on the accounts of the charity for the year ended 30 June 2014, which are set out on pages 5 to 14.

Respective responsibilities of directors and examiner

The charity's directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's directors consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts as required under section 44(1) (c) of the Act and
- (ii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and regulation 4 of the 2006 Accounts Regulations;
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John W. Hardie CA

John W Hardie CA
William Duncan & Co Chartered Accountants
Loch Awe House
Barmore Road
Tarbert
Argyll
PA296TW

Dated: 7/6/15

THE LONG AND WINDING WAY

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
<u>Incoming Resources from generated funds</u>					
Donations and legacies	2	-	-	-	315
Activities for generating funds	3	5,468	-	5,468	792
		<u>5,468</u>	<u>-</u>	<u>5,468</u>	<u>1,107</u>
Incoming Resources from charitable activities					
Other incoming resources	5	5,505	-	5,505	3,850
		<u>5,505</u>	<u>-</u>	<u>5,505</u>	<u>3,850</u>
Total incoming resources		<u>21,493</u>	<u>164,706</u>	<u>186,199</u>	<u>51,591</u>
<u>Resources expended</u>					
Costs of generating funds					
Fundraising trading: costs of goods sold	3	1,504	-	1,504	1,992
		<u>1,504</u>	<u>-</u>	<u>1,504</u>	<u>1,992</u>
Net incoming resources available		<u>19,989</u>	<u>164,706</u>	<u>184,695</u>	<u>49,599</u>
Charitable activities					
Website	7	-	2,922	2,922	338
Trail Management	7	19,221	148,925	168,144	28,544
		<u>19,221</u>	<u>148,925</u>	<u>168,144</u>	<u>28,882</u>
Total charitable expenditure	6	<u>19,221</u>	<u>151,845</u>	<u>171,066</u>	<u>28,962</u>
Governance costs	8	4,307	-	4,307	2,466
		<u>4,307</u>	<u>-</u>	<u>4,307</u>	<u>2,466</u>
Total resources expended	6	<u>23,528</u>	<u>151,845</u>	<u>175,373</u>	<u>33,440</u>
Net income(expenditure) for the year					
Net movement in funds		(2847)	12,861	10,014	18,151
Fund balances at 1 July 2013		<u>20,774</u>	<u>5,931</u>	<u>26,705</u>	<u>8,554</u>
Fund balances at 30 June 2014		<u>18,739</u>	<u>18,792</u>	<u>37,531</u>	<u>26,705</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE LONG AND WINDING WAY

BALANCE SHEET

AS AT 30 JUNE 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	11		2,029		1,641
Current assets					
Stocks		1,250		1,090	
Cash at bank and in hand		42,353		27,226	
		43,603		28,316	
Creditors: amounts falling due within one year	12	(8,101)		(3,252)	
Net current assets			35,502		25,064
Total assets less current liabilities			37,531		28,705
Income funds					
Restricted funds	13		18,792		5,931
Unrestricted funds			18,739		20,774
			37,531		28,705

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2014. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

THE LONG AND WINDING WAY

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2014

The accounts were approved by the Board on 21/1/15



Clive Good
Director



Marcus Adams
Director

Company Registration No. SC302358

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

All income is recognised in the year in which it is received.

1.3 Resources expended

All costs are recognised in the year in which they are due and payable.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	18% reducing balance
Computers	18% reducing balance

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Accumulated funds

Restricted funds comprise the net book value of fixed assets and the unexpended balance of restricted income.

2 Donations and legacies

	2014	2013
	£	£
Donations and gifts	-	315
	<u> </u>	<u> </u>

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

3	Activities for generating funds			2014	2013
				£	£
	Activities for generating funds			5,468	792
	Fundraising trading: costs of goods sold			(1,504)	1,992
				<hr/>	<hr/>
	Net activities for generating funds			3,964	(1,200)
				<hr/>	<hr/>
4	Incoming resources from charitable activities				
		Unrestricted funds	Restricted funds	Total 2014	Total 2013
		£	£	£	£
	Grants	10,250	184,708	175,226	46,634
	Included with income relating to grants are the following				
	Argyll & Bute Council			-	15,000
	Forestry Commission			500	-
	Awards for All (restricted)			7,954	-
	Skills Development (restricted)			472	-
	DWP (restricted)			2,275	-
	RES UK & Ireland			10,020	10,000
	Coastal Communities Fund (restricted)			146,467	-
	Highlands & Islands Enterprise (restricted)			7,538	-
				<hr/>	<hr/>
				175,226	46,634
				<hr/>	<hr/>
5	Other incoming resources			2014	2013
				£	£
	Membership/Sponsors			5,505	3,850
				<hr/>	<hr/>

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

6 Total resources expended	Staff costs £	Depreciation £	Other costs £	Total 2014 £	Total 2013 £
Costs of generating funds					
Fundraising trading: costs of goods sold	-	-	1,504	1,504	1,992
Charitable activities					
Website					
Activities undertaken directly	-	-	2,922	2,922	338
Trail management					
Activities undertaken directly	91,930	-	76,214	168,144	28,644
	91,930		79,136	171,066	28,982
Governance costs		812	4,307	5,119	2,466
	91,930	812	83,443	176,185	33,448

Governance costs includes payments to the independent accountants of £1236 (2012: £1146) for examination fees.

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

7	Activities undertaken directly	2014 £	2013 £
	Website development and hosting (RF)	2,922	338
	Other costs relating to Trail Management comprise:		
	Marketing	4,000	83
	Trail maintenance	5,432	10,399
	Lease Costs	-	2,268
	Insurance	-	362
	Post & Stationery/Office/Workshop	9,789	315
	Motor Costs	-	276
	Marketing (RF)	6,926	20
	Trail Maintenance (RF)	21,379	223
	Computers etc	923	-
	Insurance (RF)	1,803	1,046
	Post & Stationery	508	60
	Professional fees (RF)	-	500
	Recruitment (RF)	208	789
	Motor Costs (RF)	13,482	345
	Training (RF)	5,525	-
	Travel & Subsistence (RF)	3,315	-
	Wages & Employers Costs	91,930	-
		<u>168,144</u>	<u>17,588</u>
8	Governance costs	2014 £	2013 £
	Other governance costs comprise:		
	Postage and stationery	17	-
	Travel	227	212
	Meeting Expense	-	100
	Independent Accountant Fees	1,236	1,146
	Liability Insurance	1,694	197
	Telephone	1,133	250
	Sundry	-	13
		<u>4,307</u>	<u>1,918</u>

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

9 None of the directors (or any persons connected with them) received any remuneration or benefits from the charity during the year. However, one of the directors received a total of £227 in traveling expenses

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2014 Number	2013 Number
Service provision	6	3
Employment costs	2014 £	2013 £
Wages and salaries	91,930	10,956

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Fixtures, fittings & equipment £	Computers £	Total £
Cost			
At 1 July 2013	2,000	1,310	3,310
Addition	1,200	-	1,200
At 30 June 2014	3,200	1,310	4,510
Depreciation			
At 1 July 2013	1,341	328	1,669
Charge for the year	578	238	812
At 30 June 2014	1,917	564	2,481
Net book value			
At 30 June 2014	1,283	746	2,029
At 30 June 2013	659	982	1,641

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

12 Creditors: amounts falling due within one year	2014	2013
	£	£
Taxes and social security costs	2,281	1,823
Accruals	5,820	1,429
	<u>8,101</u>	<u>3,252</u>

9 Restricted funds

13 The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 30 June 2014
	Balance at 1 July 2013	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Fixed asset fund	1,541	-	(812)	1,200	2,029
Funders	5,102	164,706	(151,845)	(1,200)	16,763
	<u>6,743</u>	<u>164,706</u>	<u>(152,657)</u>	<u>-</u>	<u>18,792</u>

The transfer represents fixed assets purchased from restricted income.

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 30 June 2014 are represented by:			
Tangible fixed assets	-	2,029	2,029
Current Assets	21,020	19,621	40,641
Creditors: amounts falling due within one year	(2,281)	(5,820)	(8,101)
	<u>18,739</u>	<u>18,792</u>	<u>37,531</u>

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

15 Commitments under operating leases

At 30 June 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£	£
Expiry date:		
Within one year	5,820	564
Between two and five years	-	-
	<u>5,820</u>	<u>564</u>

ARGYLL AND BUTE COUNCIL**POLICY AND RESOURCES COMMITTEE****DEVELOPMENT AND
INFRASTRUCTURE SERVICES****17 MARCH 2016**

DEVELOPING A STATUTORY REGIONAL MARINE PLAN FOR THE FIRTH OF CLYDE

1.0 EXECUTIVE SUMMARY

- 1.1 A Marine Planning Partnership is being set up to develop a statutory Regional Marine Plan for the Firth of Clyde. This report sets out the current proposals for the establishment of a Marine Planning Partnership (MPP) for the Scottish Marine region for the Clyde, the proposed constitution for the partnership and the proposed Direction from Scottish Ministers which sets out the marine planning functions under the Marine (Scotland) Act 2010 that they wish to delegate to the partnership.
- 1.2 The report also identifies the legal duties and implications for the Council in relation to the proposed delegation under the Marine (Scotland) Act 2010 and involvement as a member and board member of the Clyde MPP and considers the benefits, risks and resource implications of direct involvement in regional marine planning and membership of the Clyde MPP.
- 1.3 Regional Marine Planning will seek to influence the future use and development of our marine waters and adjacent coast and it is therefore essential that the Council positively influence the development of Regional Planning in the Firth of Clyde. Engagement by the Council in the marine planning process is not expected to require additional resources and presents a key opportunity to ensure that marine planning actively contributes to and supports delivery of Council priorities, in particular our SOA outcomes for sustainable economic growth.
- 1.4 A report on this matter was considered by PPSL Committee on 16th March, focussing on the specific implications for the Council's Planning Service and the decision of this committee will be provided verbally on the day of the meeting.
- 1.5 The report recommends that Policy and Resources Committee:
- (i) Note the contents of this report;
 - (ii) Note the decision of PPSL Committee on 16 March 2016; and
 - (iii) Recommend that the Council:
 - a) Agree to be a Member of the Clyde MPP, to be represented by an officer from Development and Infrastructure Services;
 - b) Agree to accept the offer of a permanent position on the Partnership Board of the Clyde MPP, and seek appointment by Council of an elected member;
 - c) Approve the constitution for the Clyde MPP, as detailed in Appendix 2; and
 - d) Give consent to the draft Direction from Scottish Ministers delegating functions under the Marine (Scotland) Act 2010 to the Clyde Marine Planning Partnership, as detailed in Appendix 3.

DEVELOPING A STATUTORY REGIONAL MARINE PLAN FOR THE FIRTH OF CLYDE

2.0 INTRODUCTION

2.1 This report sets out current proposals for the establishment of a Marine Planning Partnership (MPP) to develop a statutory Regional Marine Plan for the Scottish Marine region for the Clyde and identifies the legal duties and implications, including benefits, risks and resources, associated with direct involvement in regional marine planning and membership of the Clyde MPP.

3.0 RECOMMENDATIONS

3.1 It is recommended that this committee:

- (i) Note the contents of this report;
- (ii) Note the decision of PPSL Committee on 16 March 2016; and
- (iii) Recommend that the Council:
 - a) Agree to be a Member of the Clyde MPP, to be represented by an officer from Development and Infrastructure Services;
 - b) Agree to accept the offer of a permanent position on the Partnership Board of the Clyde MPP, and seek appointment by Council of an elected member;
 - c) Approve the constitution for the Clyde MPP, as detailed in Appendix 2; and
 - d) Give consent to the draft Direction from Scottish Ministers delegating functions under the Marine (Scotland) Act 2010 to the Clyde Marine Planning Partnership, as detailed in Appendix 3.

4.0 DETAILS

4.1 Background

4.1.1 The [Marine \(Scotland\) Act 2010](#) and Marine and Coastal Access Act 2009 established a new legislative and management framework for the UK marine environment with the aim of managing competing demands on the sea in a sustainable way.

4.1.2 The Marine (Scotland) Act 2010 requires Scottish Ministers to prepare and adopt a National Marine Plan for Scotland's marine area and allows them to prepare and adopt Regional Marine Plans for Scottish Marine Regions.

4.1.3 The Marine (Scotland) Act 2010 provides the Scottish Ministers with powers to give directions which designate any of the delegable functions in relation to a Regional

Marine Plan which would be exercisable by the Scottish Ministers to a delegate acting on behalf of the Scottish Ministers. The designated delegate must comprise of a person nominated by the Scottish Ministers and one or more of (i) a public authority (ii) a person nominated by a public authority with an interest in the Scottish marine region to which the regional marine plan applies as the Scottish Ministers consider appropriate.

- 4.1.4 The Scottish Ministers may give direction only with the consent of the public authority.

4.2 Marine Planning in Argyll and Bute

National Marine Plan

- 4.2.1 Scotland's first [National Marine Plan](#) was laid before Parliament on 27 March 2015 and sets out strategic policies for the sustainable use of Scotland's marine resources out to 200 nautical miles. It contains objectives and policies for the sustainable development of key marine industries and provides guidance for the development of Regional Marine Plans.

Regional Marine Planning

- 4.2.2 Regional Marine Planning will be implemented within defined regional areas known as Scottish Marine Regions. Two regions cover the Argyll and Bute area (see **Appendix 1**), the Argyll region which is fully within Argyll and Bute, and the Clyde region which encompasses our coastal waters from the Mull of Kintyre to Helensburgh.
- 4.2.3 Scottish Ministers intend to delegate regional marine planning powers to MPPs to give local stakeholders ownership and decision making opportunities when developing statutory Regional Marine Plans that best reflect the economic and environmental needs and sensitivities of their area. Each MPP will be responsible for forming a Regional Marine Plan for their area in accordance with any direction to it by Scottish Ministers. The Regional Marine Plan must meet the requirements of the Marine (Scotland) Act 2010 and be consistent with the National Marine Plan. Regional Marine Plans will be subject to adoption by Scottish Ministers.
- 4.2.4 The Scottish Government do not have the resources to support the development of all eleven Regional Marine Plans at the same time and have therefore decided that the Clyde and Shetland regions will be the first areas to set up MPPs and develop statutory regional plans. There is currently no timescale for developing a Regional Marine Plan for the Argyll region.

4.3 Implications for the Council

- 4.3.1 The importance of Local Authority involvement and membership of MPP's is recognised in the National Marine Plan and associated [Planning Circular 1/2015: The relationship between the statutory land use planning system and marine planning and licensing](#), in order to develop effective and achievable marine plans that are consistent with regional development plans and strategies. These documents clearly outline the necessity for integration between the marine and terrestrial planning systems and identify that alignment should be achieved through consistency of policy guidance, plans and decisions.

- 4.3.2 The Marine (Scotland) Act 2010 places a number of duties on Argyll and Bute Council as a public authority, including having regard to marine plans:
- In the development of our Local Development Plan. There is also a reciprocal duty for the MPP to consider relevant LDPs when developing marine plans;
 - In relevant planning authorisation and enforcement decisions for aquaculture and coastal development where proposals might affect the marine area; and
 - In making any decision which relates to the exercise by them of any function capable of affecting the whole or any part of the Scottish marine area, but which is not an authorisation or enforcement decision. This requirement could be relevant to any proposed management action, strategy or policy which has potential to affect the marine area.

4.4 Proposals for Regional Marine Planning in the Firth of Clyde

Marine Planning Partnership

- 4.4.1 Marine Scotland has tasked the existing Firth of Clyde Forum, of which the Council is a member, with setting up the MPP for the Scottish Marine region for the Clyde. It is intended that the initial membership of the MPP will be based on the existing membership of the Clyde Forum which includes a wide range stakeholders including public bodies, marine and coastal industry sectors and environmental organisations.
- 4.4.2 As a key local authority with a significant area of coastline within the Clyde region, Argyll and Bute Council has been identified as a key public body which should be a Member of the Clyde MPP and have a permanent position on the Partnership Board. Partnership Board members are required to act in the wider interests of the partnership, rather than representing their own organisation and the Board will supervise the activities of the association, including making final decisions on any issue where Members cannot agree.
- 4.4.3 The [Constitution](#) for the Clyde MPP is detailed in **Appendix 2** and has been developed in consultation with Clyde Forum members. Members and Board Members of the partnership are required to conform to the constitution. The proposed legal form of the partnership is an Unincorporated Association.

Direction from Scottish Ministers

- 4.4.4 Under Section 12 of the Marine (Scotland) Act 2010, Scottish Ministers can direct a delegate to carry out marine planning functions at a regional level. The delegate must comply with the direction, and is taken to have all the powers necessary to do so. Scottish Ministers may give Directions only with the consent of the public authority and the terms of the Direction should be discussed with the delegate before the Directions are finalised and given by Scottish Ministers.
- 4.4.5 The [Draft Ministerial Direction](#) detailed in **Appendix 3** sets out the powers that Scottish Ministers propose to delegate and identifies the 'delegate' as the Clyde MPP and those public authorities which form part of the Clyde MPP and which have given consent to the Direction. Letters from Scottish Ministers were sent to the Chief Executives of Public Bodies in the Clyde area at the end of February 2016 asking for a reply to confirm that they consent to the Direction once they are in a position to do so.

4.4.6 The Clyde MPP was formally established on 10 February 2016 at a Clyde Forum meeting with some members able to sign up to the constitution and consent to the draft Direction from Scottish Ministers on this date. The majority of public bodies in the Clyde require longer seeking approval within their organisations and so are able to adopt and sign these documents at a later date.

Stages of plan development

4.4.7 The Clyde MPP will start the development of the Regional Marine Plan in spring 2016 with some preparatory work already started on a Clyde Marine Region baseline assessment. It is estimated that it could take three years to develop a Regional Marine Plan and this timescale may fit with the key stages of development of the next LDP which has to be adopted prior to March 2020.

4.4.8 Marine Scotland will support the Partnerships with access to research and science, provision of data and guidance on policy development. Marine Scotland is providing fixed funding for the Clyde MPP to take forward the development of the Regional Marine Plan for the Scottish Marine region for the Clyde.

4.4.9 The key stages of plan development will include:

1. Approval of 'assessment of the Clyde' report;
2. Approval of 'Statement of Public Participation';
3. Approval of 'Main Issues Report';
4. Approval of 'draft plan' for consultation; and
5. Approval of 'final plan' for submission to Scottish Ministers.

It is proposed that at these key stages of plan development, relevant documents would be reported to the relevant Council committees for consideration and approval.

4.4.10 Members should note that it may be necessary to amend the Council's constitution to delegate to the Director of Development and Infrastructure Services the nomination of an officer to sit as a member on the Clyde MPP.

4.5 Views on proposals

Membership of the Clyde Marine Planning Partnership

4.5.1 The coastal area of Argyll and Bute is an exceptional economic, environmental and social asset. The extensive and varied coastline is of national, and in some parts international significance, containing many areas of special landscape and ecological significance. It is also home to the majority of Argyll and Bute's population and a major focus for economic activity, recreation and tourism. The Argyll and Bute economy and many of our coastal communities, particularly in remote rural or island communities, are heavily dependent on a range of maritime economic sectors including fishing, aquaculture, marine transport and shipping, marine tourism, military use, marine services and marine science. These established sectors in addition to emerging sectors such as marine renewables offer considerable potential for economic growth in Argyll and Bute. It is therefore essential that the national and regional framework of marine planning is consistent with our Council priorities and policy, in particular our LDP and EDAP, in order to maximise delivery of our SOA outcomes for sustainable economic growth.

4.5.2 In addition, active involvement in the development of regional marine planning policies provide the Council opportunities to ensure regional plans are consistent with and promote delivery of Council priorities, and directly influence decision making by other consenting bodies on marine development proposals that do not require planning permission. For these reasons it is clearly in the Council's interest to directly influence the development and implementation of a Regional Marine Plan for the Scottish Marine region for the Clyde and therefore this report recommends that the Council agrees to be a Member and a Partnership Board Member on the Clyde MPP.

Legal form of the MPP

4.5.3 Members should note that the MPP is formed as an unincorporated association, which means that liability will fall to any or each of the Members as the association cannot be sued in its own right. While a legal challenge to the process of developing the plan is possible, it is considered that the main risk of liability of the association will be to the Scottish Ministers should the association fail to meet their obligations under the Direction. Any legal challenge to the finalised Regional Marine Plan itself is likely to be addressed against Scottish Ministers.

4.5.4 It should also be noted that the proposed legal structure of the MPP does not allow it to directly employ staff, which would instead need to be employed by a Member of the MPP. Where Scottish Ministers and SNH are employers of MPP staff they will be responsible for those staff members.

Constitution and Direction

4.5.5 The Direction is considered to be short on detail in some areas but it is acknowledged that this document needs to be read in conjunction with the [Marine \(Scotland\) Act 2010](#). While there are currently considered to be a number of points which could be improved upon, these concerns, if not amended, are not considered to be of detriment to the Council.

4.5.6 Members should note that some of the terms and conditions set out in the Schedule to the Direction identify requirements which should be undertaken only if Scottish Ministers decide that they are required. This means that there is absence of certainty as to all of the requirements which will definitely require to be undertaken by the MPP. This absence of uncertainty is however mitigated by the fact that the MPP has accounted for all potential tasks in its work planning and resources committed from Marine Scotland.

4.5.7 Members will note that the Constitution identifies under objectives and powers that the MPP will focus on Integrated Coastal Zone Management (ICZM) activities in addition to marine planning at a regional scale whereas the draft Direction only includes powers relating to regional marine planning. The reason for this is because the MPP will replace the current Clyde Forum which has been operating as a voluntary Local Coastal Partnership for many years and undertaking a range of projects under the banner of ICZM. Clyde Forum members, who will become members of the MPP, have agreed that once a regional marine plan has been developed that the MPP should have the ability to undertake ICZM projects if it has time and resource to do so, and it contributes to the implementation of the regional marine plan.

4.5.8 Council officers have made a number of comments and recommendations on these documents during their development. While all of our comments have not resulted in changes to the documents, overall they are considered appropriate and no unacceptable risks have been identified. Taking account of the points raised above (paras.4.5.1 - 4.5.8), it is recommended that the Council sign up to the Constitution and give consent to the Direction.

Resource implications

4.5.9 The Direction from Scottish Ministers will remain in effect until it is revoked by the Scottish Ministers. It is anticipated that the Direction will be reviewed after a three year period and that a further Direction may be given by the Scottish Ministers, with agreement of the MPP and relevant public bodies, following the adoption of the Regional Marine Plan. The Marine (Scotland) Act provides that Scottish Ministers with powers to make grants to a delegate for the exercise of designated functions. Marine Scotland have committed to the funding of MPP staff and other associated running costs for a period of two years, with staff to be employed and housed by SNH, who are a member of the MPP. This is set out in a grant agreement between Marine Scotland and SNH. Marine Scotland fully intend to continue funding in the final year covered by the Direction but at this time are not able to commit to funding beyond a two year period.

4.5.10 The Constitution allows in-kind contributions to be made by Members to the partnership, including but not limited to, staff employment, office accommodation, meeting rooms, geographical information systems services and relevant financial management services. There is no expectation or requirement on any Member of the partnership to make any in-kind contributions and therefore there are no financial obligations for the Council should it become a member of the Clyde MPP. There may be opportunities for joint working between the Council and the MPP during the development of the Regional Marine Plan and the next LDP which might identify areas of work which directly benefits both parties and for which the Council may wish to consider in-kind contributions of some form. Any proposals which might have resources implications for the Council would be brought to the relevant committee(s) for approval.

4.5.11 There is a clear requirement for officer and member time in attending Clyde MPP meetings, acting on outputs and reporting to relevant departments and committees. This expected officer time can be met under current staff levels within Planning Services.

4.5.12 The duties on the Council from the Marine (Scotland) Act 2010, outlined in section 4.3 of this report, will be implemented largely by officers in the Development Policy and Development Management sections of Planning Services. These duties are not anticipated to result in a significant increase in work load and therefore can be met under current staffing levels.

5.0 CONCLUSION

5.1 Regional Marine Planning will seek to influence the future use and development of our marine waters and adjacent coast, and it is therefore essential that the Council continues to positively influence the development of Regional Planning in the Scottish Marine region for the Clyde. Engagement by the Council in the marine

planning process is not expected to require additional resources and presents a key opportunity to positively influence marine plans affecting Argyll and Bute to ensure that marine planning actively contributes to and supports delivery of Council priorities, in particular our SOA outcomes for sustainable economic growth.

6.0 IMPLICATIONS

- 6.1 Policy Positively influencing the development of Regional Marine Plan for the Clyde region assists the Council deliver its commitments for the environment and SOA local outcomes and objectives for the economy, communities and environment.
- The Council will have to ensure that our Local Development Plan is consistent with and complements the National Marine Plan, and ensure that National and relevant Regional Marine Plans are consistent with our own development policy and corporate priorities where possible.
- 6.2 Financial None
- 6.3 Legal While liability could fall to any or each of the Members of MPP, as an unincorporated association, the main liability of the association will be to the Scottish Ministers should the association fail to meet their obligations under the Direction.
- 6.4 HR Meeting duties and engagement in marine planning process can be met under current staff resources.
- 6.5 Equalities None
- 6.6 Risk No significant risks identified.
- 6.7 Customer Services None

Executive Director of Development and Infrastructure

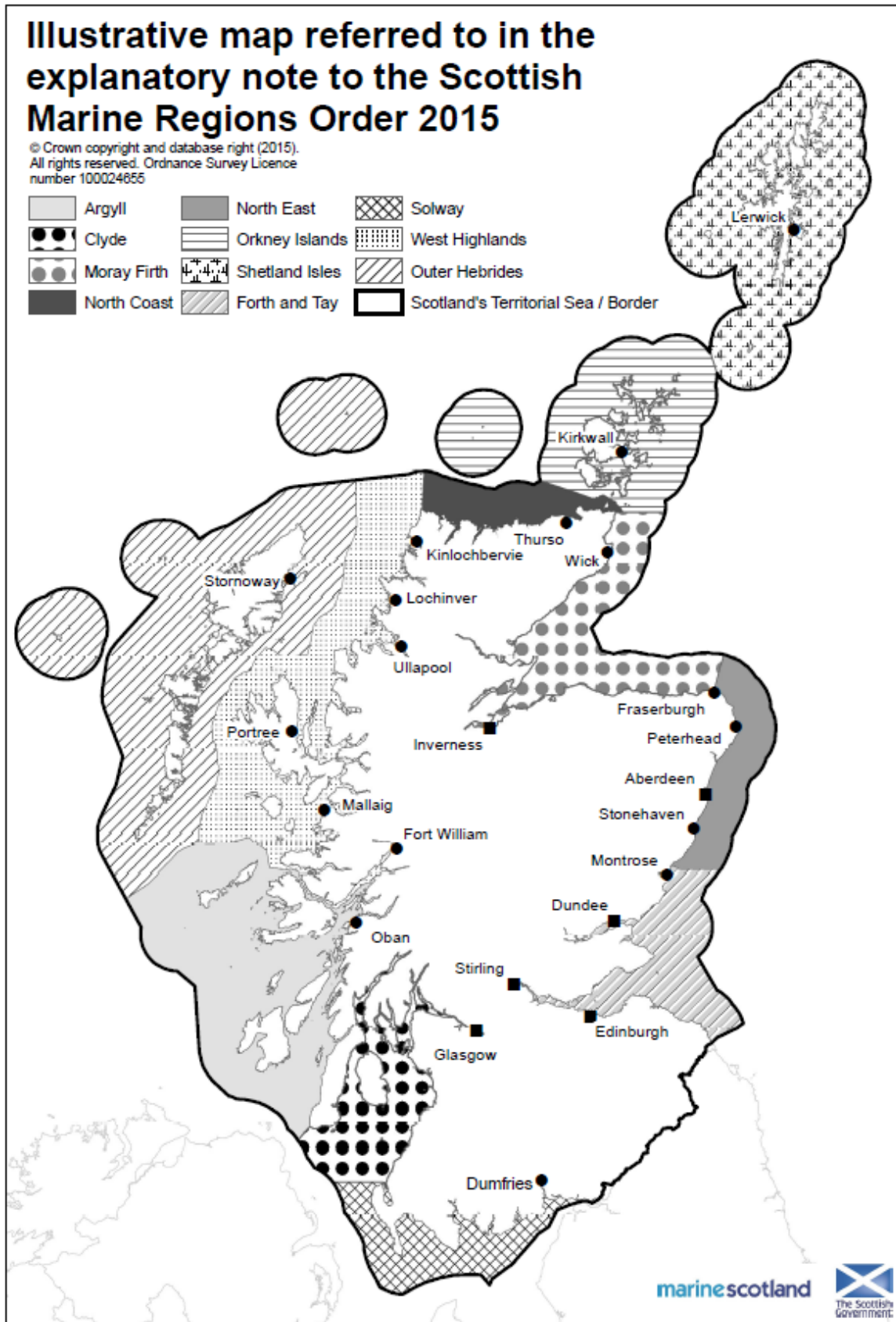
Policy Lead David Kinniburgh

24 February 2016

For further information contact: Mark Steward; Marine & Coastal Development Manager; mark.steward@argyll-bute.gov.uk; 01631 567972

APPENDICES

Appendix 1 – Map of Scottish Marine Regions for Regional Marine Planning



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CONSTITUTION

of

The Clyde Marine Planning Partnership

Adopted at the first Members Meeting of the Clyde Marine Planning Partnership
on 10th February 2016

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Name

1. The name of the association is The Clyde Marine Planning Partnership.

Type of association

2. The association will be an Unincorporated Association.

Objectives

3. The association's objectives are:
 - a) To collaborate in working towards integrated, sustainable and co-ordinated planning and management of the Clyde Marine Region's environmental, economic and community resources (where sustainable management means

management which meets the needs of the present without compromising the ability of future generations to meet their own needs).

- b) To use the ecosystem approach to develop and implement marine planning/Integrated Coastal Zone Management (ICZM) initiatives through engagement with local communities and other coastal and marine stakeholders, and facilitation of discussions on key coastal and marine issues.
 - c) To develop a regional marine plan which meets the legal requirements of the Marine (Scotland) Act 2010 for the Scottish Marine Region for the Clyde as defined by the Scottish Marine Regions Order 2015, in compliance with any direction given to the association by the Scottish Ministers under Section 12 of the Marine (Scotland) Act 2010, and the associated powers thereunder.
 - d) To undertake projects, activities and further research in order to implement the statutory regional marine plan for the said Scottish Marine Region for the Clyde and to keep matters under review in order to inform development of any future regional marine plans in the Clyde or other regions as appropriate.
 - e) To carry out any further functions as agreed and delegated to the association by Scottish Ministers under the Marine (Scotland) Act 2010 and associated legislation, including acting as a statutory consultee in marine licensing processes under the Marine Licensing (Pre-application Consultation) (Scotland) Regulations 2013.
4. For the avoidance of doubt, the association can deliver both regional marine planning and other ICZM activities as previously undertaken by the Firth of Clyde Forum, resources permitting.

Powers

5. In pursuance of the objectives set out in clause 3 (but not otherwise), the association shall have the following powers:
- a) To undertake the development of a regional marine plan for the Clyde Marine Region in line with the Marine (Scotland) Act 2010 and as delegated by Scottish Ministers for their ultimate approval and potential adoption as a statutory regional marine plan.
 - b) To undertake ICZM activities as previously undertaken by the Firth of Clyde Forum.
 - c) To carry on any other activities which further any of the above objectives including those set out in clause 3.
 - d) To effect insurance of all kinds (which may include officers' liability insurance).
 - e) To invest any funds which are not immediately required for the association's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments).
 - f) To liaise with other voluntary sector bodies, local authorities, overseas, UK or Scottish government departments and agencies and other bodies, all with a view to furthering the association's objectives.
 - g) To form any company with similar objectives to those of the association, and, if considered appropriate, to transfer to any such company (without any payment being required from the company) the whole or any part of the association's assets and undertaking.

- h) To take such steps as may be deemed appropriate to support the raising of funds for the association's activities.
- i) To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- j) To do anything which may be incidental or conducive to the furtherance of any of the association's objectives.

General Structure

- 6. The structure of the association shall consist of:
 - a) the MEMBERS – who have the right to attend the members meetings and have important powers under the constitution; in particular, the members elect individuals from among those members without permanent partnership board positions to serve on the partnership board and take decisions in relation to changes to the constitution itself.
 - b) the PARTNERSHIP BOARD – who hold regular meetings and generally control and supervise the activities of the association; in particular, the partnership board is responsible for making the final decision on any issue where the members cannot agree and may in exceptional circumstances overrule any member decisions that they consider to be inconsistent with the objectives of the association and for controlling the financial position of the association.

Qualifications for membership

- 7. Membership shall be open to
 - a) all Firth of Clyde Forum Core Group members at December 2015 (see Appendix I) as long as the member signs the constitution by December 2016.
 - b) any corporate body which is a Public Body with coastal and marine duties in the Firth of Clyde or an organisation with relevant statutory duties or where the corporate body represents a national body, including non-governmental organisations, with relevant marine and coastal interests where 'corporate body' is defined as a person, association, or group of persons legally incorporated.
 - c) any corporate body or person which or who, in the view of members, can provide significant additional relevant skills or expertise in delivering the objectives of the association at a Clyde-wide level and which cannot be secured by the association by other means.
- 8. Each corporate member shall nominate in writing a voting representative to attend member meetings and vote on its behalf.

Application for membership

- 9. Any corporate body or person wishing to become a member must sign, and lodge with the association a written application for membership. In the case of the corporate body this should be signed by an appropriate officer of that body.
- 10. The members shall consider each application for membership at the first members meeting which is held after receipt of the application; the members shall, within a

reasonable time after the meeting, notify the applicant of the decision on the application. Should an application be unsuccessful, the members shall provide reasons for this decision to the applicant.

11. The members may, at their discretion, refuse to admit any corporate body or person to membership. The members shall provide reasons for this decision to the applicant.

Membership subscription

12. No membership subscription shall be payable.

Register of members

13. The partnership board shall maintain a register of members, setting out the full name and contact details of each member, the date on which he/she/it was admitted to membership, and the date on which he/she/it ceased to be a member.
14. If a member or partnership board member requests a copy of the register of members, the partnership board must ensure that a copy is supplied to him/her/it within 28 days, providing the request is reasonable. In the case of individual members, only contact email addresses will be supplied.

Withdrawal from membership

15. Any corporate body or person wishing to withdraw from membership shall sign, and lodge with the association, a written notice to that effect. In the case of a corporate body this should be signed by an appropriate officer of that body. On receipt of the notice by the association, he/she/it shall cease to be a member.

Transfer of membership

16. Membership of the association may not be transferred by a member.

Expulsion from membership

17. Any member may be expelled from membership by way of a resolution passed by majority vote at a members meeting, providing the following procedures have been observed:
 - a) at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion
 - b) the member concerned shall be entitled to be heard on the resolution at the members meeting at which the resolution is proposed.

In-kind contributions

18. Whenever appropriate, members may provide in-kind contributions to the partnership including, but not limited to, staff employment, office accommodation,

meeting rooms, geographical information systems services and relevant financial management services.

Members meetings and annual members meetings

19. The partnership board shall convene an annual members meeting in each year (but excluding the year in which the association is formed); not more than 15 months shall elapse between one annual members meeting and the next.
20. The business of each annual members meeting shall include:
 - a) a report by the chair on the activities of the association
 - b) the election/re-election of members of the partnership board as referred to in clauses 56-59.
21. The partnership board shall convene regular (minimum 3 per year) members meetings in order for members to input to development of the regional marine plan or any other business in accordance with the objectives of the association.

Notice of meetings

22. At least 14 clear days' notice must be given (in accordance with clause 91) of any members meeting and at least 28 clear days' notice must be given (in accordance with clause 91) of any annual members meeting; the notice must indicate the general nature of any business to be dealt with at the meeting and, in the case of a resolution to alter the constitution, must set out the terms of the proposed alteration.
23. The reference to "clear days" in clause 22 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, and also the day of the meeting should be excluded.
24. Notice of every annual members meeting and members meeting shall be given (in accordance with clause 91) to all the members of the association, and to all the members of the partnership board.

Procedure at annual members meetings and members meetings

25. No business shall be dealt with at any meeting unless a quorum is present; the quorum for an annual members meeting or members meeting shall be 8 members, present in person or attending by means of telephone or video conference or similar communications equipment whereby all members participating in the meeting can hear each other. The quorum can include partnership board members.
26. If a quorum is not present within 20 minutes after the time at which a meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.

27. The chair of the association shall (if present and willing to act as chairperson) preside as chairperson of each annual members meeting and members meeting; if the chair is not present and willing to act as chairperson within 20 minutes after the time at which the meeting was due to commence, the members of the partnership board present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.
28. The chairperson of an annual members meeting or members meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.
29. Every member shall have one vote, which (whether on a show of hands or on a secret ballot) must be given by its duly authorised representative present at the meeting.
30. If there are an equal number of votes for and against any resolution, the chairperson of the meeting shall be entitled to a casting vote.
31. A resolution put to the vote at a meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least three members present in person at the meeting); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.
32. If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded
33. The partnership board may, at its discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting; for the avoidance of doubt, any such person who is invited to attend a meeting shall not be entitled to vote.
34. Marine Scotland may attend any annual members meeting, members meeting or partnership board meeting in order to provide relevant marine planning expertise and to ensure efficient flow of information between Marine Scotland and the association.

Personal Interests

35. A member of the association who has a personal interest in any transaction or other arrangement which the association is proposing to enter into, must declare that interest at a meeting; he/she will be debarred (in terms of clause 81) from voting on the question of whether or not the association should enter into that arrangement.
36. For the purposes of clause 35, a person shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers **or** any firm of

which he/she is a partner **or** any limited company of which he/she is a substantial shareholder, director, or employee has a personal interest in that arrangement.

37. Provided

- a) he/she has declared his/her interest
- b) he/she has not voted on the question of whether or not the association should enter into the relevant arrangement and
- c) the requirements of clause 38 are complied with, a member of the association will not be debarred from entering into an arrangement with the association in which he/she has a personal interest (or is deemed to have a personal interest under clause 36) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

38. Where a member provides services to the association or might benefit from any remuneration paid to a connected party for such services, then

- a) the maximum amount of the remuneration must be specified in a written agreement and must be reasonable
- b) the partnership board members must be satisfied that it would be in the interests of the association to enter into the arrangement (taking account of that maximum amount).

Maximum number of partnership board members

39. The maximum number of members of the partnership board shall be twelve, not including the chair and staff.

Eligibility

40. A person shall not be eligible for election/appointment to the partnership board if he/she is employed as staff to support the activities of the association.

Partnership board structure

41. The partnership board shall be a combination of individuals nominated by organisations with a permanent board position and individuals elected at each annual members meeting.

Permanent board positions

42. Members with a permanent board position initially shall be:

- a. Argyll & Bute Council
- b. North Ayrshire Council or South Ayrshire Council (1 position)
- c. Clydeplan
- d. Scottish Natural Heritage
- e. Scottish Environment Protection Agency
- f. Peel Ports Clydeport

43. The list of members with a permanent board position will be reviewed at each annual members meeting to ensure that they remain appropriate. Any changes will be made following a majority vote by members.
44. Members with a permanent board position may opt not to nominate an individual to the partnership board for any given year.
45. Individuals nominated to the partnership board by members with a permanent board position shall be from within their organisation but nominated for their personal expertise and not to represent any particular business, industry body, interest group or authority. For the avoidance of doubt, the individual may or may not be the same individual that attends the members meetings on behalf of that member organisation.
46. For the avoidance of doubt, individuals nominated to the partnership board by members with a permanent board position can remain on the partnership board for successive years for as long as that member body deems appropriate.

Alternate partnership board members (partnership board members appointed by members with a permanent board position only)

47. Any member with a permanent board position may appoint any other person from within their organisation willing to be an alternate partnership board member and may remove from office an alternate partnership board member so appointed by them.
48. For the avoidance of doubt, an elected partnership board member shall not be entitled to appoint an alternate partnership board member.
49. Any appointment or removal of an alternate partnership board member may be effected by notice to the partnership signed by the partnership board member making or revoking the appointment, or may be effected in any other manner approved by the partnership board members.
50. A notice appointing an alternate partnership board member may specify that the appointment is to relate only to the particular meetings at which the originally nominated board member will not be present; in the absence of a statement to that effect, the appointment will be deemed to relate to carrying out all the functions of the nominated board member until such time as the appointment is revoked.
51. An alternate partnership board member shall, subject to the terms of the notice of appointment, be entitled to be given notice of all meetings of partnership board members and of all meetings of committees of partnership board members of which his/her appointer is a member, to attend and vote at any such meeting at which the partnership board member who appointed him/her is not personally present and generally to perform all the functions of his/her appointer as a partnership board member in his/her absence.

52. An alternate partnership board member shall not be entitled to receive any remuneration from the partnership for his/her services as an alternate partnership board member.
53. An alternate partnership board member shall, subject to the following article, cease to be an alternate partnership board member if his/her appointer ceases to be a partnership board member.
54. An alternate partnership board member shall alone be responsible for his/her own acts and defaults; an alternate partnership board member shall not be deemed to be the agent of the partnership board member appointing him/her.
55. References in these articles to partnership board members shall, unless the context otherwise requires, be interpreted as including alternate partnership board members.

Elected partnership board members, retiral, re-election

56. At each annual members meeting, the members without a permanent board position may nominate one individual each from their organisation or in the case of a person may nominate themselves, for election to the partnership board. A maximum of 6 further individuals will then be elected to the partnership board by those members without a permanent board position. They shall be elected to the partnership board for their personal expertise and not to represent any particular business, industry body, interest group or authority.
57. The combined expertise that elected individuals bring to the partnership board should represent whenever possible a balance of 'protection and enhancement', 'recreation' and 'commerce'.
58. No more than one individual nominated under clause 56 by each member may serve as a member of the partnership board at any given time.
59. At each annual members meeting, all of the elected members of the partnership board except the chair shall retire from office – but shall then be eligible for re-election.

Termination of office

60. A nominated or elected member of the partnership board shall automatically vacate office if:
 - a) he/she becomes debarred under any statutory provision from being a charity trustee
 - b) he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than six months
 - c) he/she ceases to be a member of the association or (if he/she was nominated by a corporate body) the corporate body which nominated him/her ceases to be a member of the association

- d) he/she becomes an employee of the association
- e) he/she resigns office by notice to the association
- f) he/she is absent (without permission of the partnership board) from more than three consecutive meetings of the partnership board, and the partnership board resolve to remove him/her from office.

Register of partnership board members

61. The partnership board shall maintain a register of partnership board members, setting out the full name and contact details of each member of the partnership board, the name of the member which nominated each partnership board member (if applicable), the date on which each such person became a partnership board member, and the date on which any person ceased to hold office as a partnership board member.

Office bearers

62. The chair of the association shall be elected from among the members (corporate bodies or persons) by simple majority of the members who must consider the individual to be qualified and able to discharge the role.

63. Where the work of the chair is not otherwise remunerated by a member organisation, it shall be a remunerated position due to the amount of work undertaken on behalf of the association by the chair, with the number of days and day-rate agreed annually with the partnership board.

64. The chair will have a three year term of office. At the end of the term of office, nominations supported by three existing members will be sought for a new chair. The outgoing chair is eligible for re-election.

65. The chair of the association will also be the chair of the partnership board. The chair will be a member of the partnership board.

66. In order to ensure continuity, the chair of the Firth of Clyde Forum will become the first chair of the association for an initial two year term.

67. None of the partnership board members will be office bearers as these services will be provided by the staff of the association.

Powers of partnership board

68. Except as otherwise provided in this constitution, the association and its assets and undertaking shall be managed by the partnership board, who may exercise all the powers of the association.

69. A meeting of the partnership board at which a quorum is present may exercise all powers exercisable by the partnership board.

Personal interests

70. A member of the partnership board who has a personal interest in any transaction or other arrangement which the association is proposing to enter into, must declare that interest at a meeting of the partnership board; he/she will be debarred (in terms of clause 81) from voting on the question of whether or not the association should enter into that arrangement.
71. For the purposes of clause 70, a person shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder, director, or employee has a personal interest in that arrangement.
72. Provided
- a) he/she has declared his/her interest
 - b) he/she has not voted on the question of whether or not the association should enter into the relevant arrangement and
 - c) the requirements of clause 74 are complied with,
- a member of the partnership board will not be debarred from entering into an arrangement with the association in which he/she has a personal interest (or is deemed to have a personal interest under clause 71) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.
73. No member of the partnership board may serve as an employee (full time or part time), and no member of the partnership board may be given any remuneration by the association for carrying out his/her duties as a member of the partnership board, with the exception of the chair (in terms of clause 63).
74. Where a partnership board member provides services to the association or might benefit from any remuneration paid to a connected party for such services, then
- a) the maximum amount of the remuneration must be specified in a written agreement and must be reasonable
 - b) the partnership board members must be satisfied that it would be in the interests of the association to enter into the arrangement (taking account of that maximum amount)
 - c) less than half of the partnership board members must be receiving remuneration from the association (or benefit from remuneration of that nature).

Procedure at partnership board meetings

75. Any member of the partnership board may call a meeting of the partnership board or request the chair to call a meeting of the partnership board.
76. Questions arising at a meeting of the partnership board shall be decided by a majority of votes (including those by alternate members); if an equality of votes arises, the chairperson of the meeting shall have a casting vote.

77. No business shall be dealt with at a meeting of the partnership board unless a quorum is present; the quorum for meetings of the partnership board shall be 6 (including, if appropriate, alternate members) and this number includes the chair. A partnership board member may participate in a partnership board meeting by means of telephone or video conference or similar communications equipment whereby all members participating in the meeting can hear each other; a member participating in a meeting in this manner shall be deemed to be present in person at the meeting.
78. If at any time the number of partnership board members in office falls below the number fixed as the quorum, the remaining partnership board members may act only for the purpose of filling vacancies or of calling an annual members meeting or members meeting.
79. Unless he/she is unwilling to do so the chair of the association shall preside as chairperson at every partnership board meeting at which he/she is present; if the chair is unwilling to act as chairperson or is not present within 20 minutes after the time when the meeting was due to commence, the partnership board members present shall elect from among themselves the person who will act as chairperson of the meeting.
80. The partnership board may, at its discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the partnership board; for the avoidance of doubt, any such person who is invited to attend a partnership board meeting shall not be entitled to vote.
81. A partnership board member shall not vote at a partnership board meeting on any resolution concerning a matter in which he/she has a personal interest which conflicts (or may conflict) with the interests of the association, he/she must withdraw from the meeting while an item of that nature is being dealt with.
82. For the purpose of clause 81, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder, director or employee, has a personal interest in that matter.

Conduct of members of the partnership board

83. Each of the members of the partnership board shall, in exercising his/her functions as a member of the partnership board of the association, act in the interests of the association; and in particular must
- a) seek, in good faith, to ensure that the association acts in a manner which is in accordance with its objectives (as set out in the constitution)
 - b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person
 - c) in circumstances giving rise to the possibility of a conflict of interest between the association and any other party
 1. put the interests of the association before that of the other party, in taking decisions as a member of the partnership board

- ii. where any other duty prevents him/her from doing so, disclose the conflicting interest to the association and refrain from participating in any discussions or decisions involving the other members of the management committee with regard to the matter in question
- d) act in accordance with the Ethical Standards in Public Life etc. (Scotland) Act 2000.
- e) ensure that any information clearly marked or clearly indicated to be confidential is not disseminated outwith board membership.

Establishment of sub-committees

84. The partnership board may establish any sub-committee consisting of one or more partnership board members and such other persons (if any) as the partnership board may determine.
85. The rules of procedure for any sub-committee shall be as prescribed by the partnership board.

Operation of accounts and holding of property

86. Authorisation by two partnership board members is required for payments from the association's accounts for sums over £5,000.

Minutes

87. The partnership board shall ensure that minutes are made of all proceedings at annual members meetings, members meetings, partnership board meetings and sub-committee meetings; a minute of any meeting shall include the names of those present, and the partnership board meeting minutes shall be signed by the chairperson of the meeting.
88. The partnership board shall ensure that all minutes are made publicly available.

Accounting records and annual accounts

89. The partnership board shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.
90. The partnership board shall ensure that annual accounts are prepared, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an audit of such accounts is carried out by a qualified auditor.

Notices

91. Any notice which requires to be given to a member under this constitution shall be in writing, such a notice may either be given personally to the member or be sent by post in a pre-paid envelope addressed to the member at the address last intimated

by him/her/it to the association or be sent by electronic mail to the address last intimated by him/her/it to the association.

Dissolution

- 92. If the partnership board determines that it is necessary or appropriate that the association be dissolved, it shall convene a meeting of the members; not less than 28 days' notice of the meeting (stating the terms of the proposed resolution) shall be given.
- 93. If a proposal by the partnership board to dissolve the association is confirmed by a two-thirds majority of those present and voting at the meeting convened under clause 92, the partnership board shall have power to dispose of any assets held by or on behalf of the association - and any assets remaining after satisfaction of the debts and liabilities of the association shall be transferred to some other association having objectives similar to those of the association; the identity of the body or bodies to which such assets are transferred shall be determined by the members of the association at, or prior to, the time of dissolution.
- 94. For the avoidance of doubt, no part of the income or property of the association shall (otherwise than in pursuance of the association's purposes) be paid or transferred (directly or indirectly) to the members, either in the course of the association's existence or on dissolution.

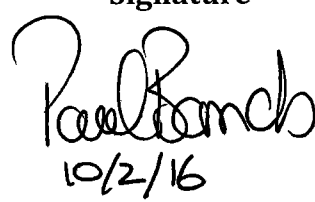
Alterations to the constitution

- 95. The constitution may be altered by a resolution passed by not less than two-thirds of those present and voting at a members meeting or annual members meeting, providing due notice of the meeting, and of the resolution, is given in accordance with clauses 22, 23 and 24.



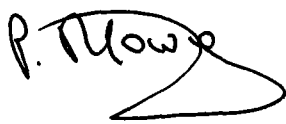
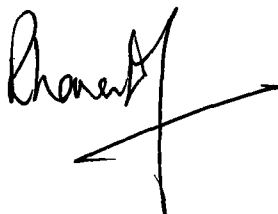
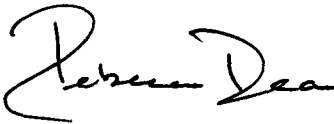
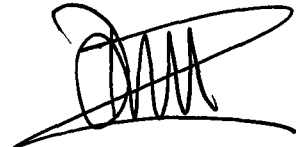
Interpretation

- 96. Any reference in this constitution to a provision of any legislation shall include any statutory modification or re-enactment of that provision in force from time to time.





This constitution was adopted at the first members meeting of the Clyde Marine Planning Partnership on 10th February 2016 by those present.

Signature	Name	Position, Organisation and Address
 10/2/16	PAUL BANKS ASSET MANAGER	THE CROWN ESTATE 6 BELLS BRAE, EDINBURGH EH4 3BJ

Contd.

Signature	Name	Date	Organisation and Address
	ISABEL GLASGOW	10/02/2016	INDEPENDENT FLAT 2 A 15 BALSHAGRAY PLACE, GLASGOW G11 7AR
	STUART TAIT	10/2/16	LYDEPLAN LOWER GROUND FLOOR 125 WEST REGENT STREET GLASGOW G2 2SA
	Phillip Cowie	10/2/16	Field Studies Council Scotland, Marine Parade, Millport, Isle of Cumbrae, WA28 0BQ
	RHONA E. FAIRGRIEVE	10/2/16	Independent / Scottish Coastal Forum % AREA 1A SOUTH VICTORIA QUAY EDINBURGH, EH6 6QQ.
	REBECCA DEAN	10/2/16	The Scottish Salmon Co Stronmeanach Lochcarron Rossshire IV54 8YH
	DAVID ADAMS M'GILL	10/02/16	VISITSCOTLAND ALBANY STREET GLASGOW ARZILL PARK 4AN

Contd.

Signature	Name	Date	Organisation and Address
	ARTHUR KELLER	10/2/16	Scottish Natural Heritage, Caspian Ho, Clydebank Business Park, GLASGOW G81 2NR
	BRIAN FORREST	10/2/16	CLYDE OPERATIONS ROBERTSON ST GLASGOW
	BRIAN FULTON	10/2/16	CALMAC FERRIES LTD THE FERRY TERMINAL Gourock PA19 1QP
	SIMON LAMB	10/2	BRITISH MARINE SCOTLAND 90 CLYDE MARINA THE HARBOUR ARROSSAN KA22 9DB

Contd.

Signature

Name

Date

Organisation and Address

Contd.

Signature

Name

Date

Organisation and Address

Appendix I

Firth of Clyde Forum members as at December 2015

Argyll & Bute Council
British Marine Scotland
Caledonian Maritime Assets Limited
CalMac Ferries Ltd
Clyde Fishermen's Association
Clydeplan
Field Studies Council Millport
Glasgow City Council
Historic Environment Scotland
HMNB Clyde
Loch Lomond & The Trossachs National Park
Peel Ports Clydeport
Royal Society for the Protection of Birds
Royal Yachting Association Scotland
Scottish Canals
Scottish Coastal Forum
Scottish Environment Protection Agency
Scottish Natural Heritage
South Ayrshire Council
The Crown Estate Commissioners
The Scottish Salmon Company
Visit Scotland

Members who are Individuals

Isabel Glasgow – Chair

Rhona Fairgrieve – from Scottish Coastal Forum which is not a corporate body

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[DRAFT]

DIRECTION**The Delegation of Functions in relation to the Regional Marine Plan for the Scottish Marine Region for the Clyde Direction 2016**

Given by: the Scottish Ministers

Given to: the Clyde Marine Planning Partnership and the public authorities referred to in article 2

Given on: [Date]

The Scottish Ministers give the following Direction in exercise of the powers conferred by sections 12 and 13 of the Marine (Scotland) Act 2010⁽¹⁾ and all other powers enabling them to do so.

By virtue of section 12(4) of the Marine (Scotland) Act 2010 this Direction is given to the Delegate having obtained the consent of the public authorities referred to in article 2.

In accordance with section 13(1) of the Marine (Scotland) Act 2010, the Scottish Ministers have published this Direction in such a manner as they considered most likely to bring it to the attention of persons likely to be interested in or affected by it.

Citation, commencement, duration in effect and application

1.–(1) This Direction may be cited as the Delegation of Functions in relation to the Regional Marine Plan for the Scottish Marine Region for the Clyde Direction 2016.

(2) This Direction comes into effect on [] and remains in effect until it is revoked by the Scottish Ministers.

(3) This Direction applies only in relation to the regional marine plan for the Scottish marine region for the Clyde.

Interpretation

2. In this Direction–

“the Act” means the Marine (Scotland) Act 2010;

“the public authorities” means–

[Note: Those public authorities which form part of the Clyde Marine Planning Partnership and which have given consent to this Direction. The list of public authorities below is, therefore, subject to change.]

⁽¹⁾ 2010 asp 5.

Argyll and Bute Council;
Caledonian Maritime Assets Limited;
CalMac Ferries Limited;
Glasgow City Council;
Glasgow and the Clyde Valley Strategic Development Planning Authority;
Historic Environment Scotland;
Loch Lomond and The Trossachs National Park;
Scottish Canals;
Scottish Environment Protection Agency;
Scottish Natural Heritage;
South Ayrshire Council;
The Crown Estate, and
VisitScotland;
“the Delegate” is as designated and as comprised by paragraph 5 of this Direction;
and
“the Plan” means the regional marine plan for the Scottish marine region for the Clyde.

Amendment and revocation

3. The Scottish Ministers may amend or revoke this Direction at any time by notice, in writing, to the Delegate.

Direction

4.–(1) The Scottish Ministers hereby–

- (a) designate all of the delegable functions referred to in section 12(7) of the Act in relation to the Plan which would (apart from under this Direction) be exercisable by the Scottish Ministers; and
- (b) direct that the functions so designated (the “designated functions”), instead of being so exercisable, are to be exercisable by the Delegate acting on behalf of the Scottish Ministers as is designated in this Direction.

(2) Sub-paragraph (1)(b) is subject to any provision to the contrary made by this Direction or included in a direction given by the Scottish Ministers under section 14 of the Act.

Delegate

5.–(1) The Scottish Ministers hereby designate–

- (a) the Clyde Marine Planning Partnership², a person nominated by the Scottish Ministers; and
- (b) the public authorities,

⁽²⁾ Detailed information about the Clyde Marine Planning Partnership (CMPP), to include a list of all of the members of the CMPP, can be found at [insert hyperlink].

as the Delegate.

(2) The Clyde Marine Planning Partnership is comprised of a relevant group of persons.

Consultation by the Delegate

6. The Delegate must consult on the exercise of its functions in relation to the Plan with—

- (a) representatives of persons with an interest in—
 - (i) the protection and enhancement of the Scottish marine region for the Clyde;
 - (ii) the use of that region for recreational purposes;
 - (iii) the use of that region for commercial purposes; and
- (b) any such other persons whom the Scottish Ministers consider appropriate.

Requirement for the Delegate to have regard to any representations

7. The Delegate must have regard to any representations made under that consultation.

Exercise of designated functions

8. The Delegate must exercise the designated functions subject to the terms and conditions set out in the Schedule.

[signature]

[address]

[date]

SCHEDULE

Terms and conditions

Governance

1. The governance arrangements of the Delegate must be set out within its constitution. In the event that any changes are made to the constitution, governance arrangements or membership of the Delegate then the Delegate must inform the Scottish Ministers of such changes as soon as practicable and without delay.

Performance

2. The Delegate must remain fully informed of all relevant issues pertinent to its marine planning functions so as to ensure that effective marine planning is delivered in full.

Reporting on performance and progress

3. The Delegate must submit to the Scottish Ministers a report on their performance and progress at regular intervals, commencing on a date no later than 6 months from the date on which this Direction is given and, thereafter, every 6 months from that date until such time as the regional marine plan for the Scottish marine region for the Clyde has been published.

Preparation of a draft statement of public participation

4.–(1) Where the Scottish Ministers have decided that a statement of public participation (“SPP”) should be prepared the Delegate must prepare a draft SPP and submit it to the Scottish Ministers for their approval.

(2) The Delegate must submit the draft SPP to the Scottish Ministers under subparagraph 1 within the period of 6 months from the date on which this Direction is given.

Publication of statement of public participation

5. Where the Scottish Ministers have decided that the SPP should be published the Delegate must, as soon as practicable after that decision is made, publish the SPP in such manner as it considers is most likely to bring it to the attention of interested persons.

Revision of statement of public participation

6.–(1) Where the Scottish Ministers have decided that the SPP should be revised the Delegate must revise the SPP.

(2) The Delegate must submit the SPP, as revised, to the Scottish Ministers for their approval.

(3) Where the Scottish Ministers have approved the SPP, as revised, the Delegate must publish the SPP, as revised.

Consultation

7. Following the decision of the Scottish Ministers to publish a consultation draft of the Plan the Delegate must—

- (a) publish the consultation draft of the Plan in such manner as it considers appropriate; and
- (b) take such further steps as it considers appropriate to secure that the proposals contained in the consultation draft are brought to the attention of interested persons.

Independent investigation

8.—(1) Following the publication of a consultation draft of the Plan the Scottish Ministers and the Delegate must, acting jointly, consider and make a decision as to whether to appoint an independent person to investigate and report upon the proposals contained within the draft.

(2) In the event of a disagreement between the Scottish Ministers and the Delegate as to whether to appoint an independent person under paragraph (1) the final decision made under that paragraph rests with the Scottish Ministers.

(3) The Scottish Ministers and the Delegate must, acting jointly, publish any report of an independent person.

Preparation of the regional marine plan for the Scottish marine region for the Clyde

9.—(1) The Delegate must prepare, and submit to the Scottish Ministers for their approval, the Plan, together with any supporting information which may be required, within 3 years of the date on which this Direction is given.

(2) The Delegate must, when preparing the Plan, have regard to matters which the Scottish Ministers consider relevant, to include Integrated Coastal Zone Management, terrestrial land use plans and planning circulars.

(3) “Supporting information” means—

- (a) [a business and regulatory impact assessment];
- (b) a Child Rights and Wellbeing Impact Assessment, in terms of the Children and Young People (Scotland) Act 2014;
- (c) an equality impact assessment, in terms of regulation 5 of the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012;
- (d) a strategic environment assessment, in terms of the Environmental Assessment (Scotland) Act 2005; and

- (e) any other relevant information, assessments or reports, including any report setting out any modifications which have been made to the proposals published in the consultation draft for the Plan.

Publication of the regional marine plan for the Scottish marine region for the Clyde

10. As soon as reasonably practicable following the decision of the Scottish Ministers to publish the Plan, the Delegate must publish the Plan, together with statements of each of the following—

- (a) any modifications that have been made to the proposals published in the consultation draft for the plan;
- (b) the reasons for those modifications;
- (c) if any recommendations made by any independent person appointed under paragraph 11 of Schedule 1 to the Act have not been implemented in the Plan, the reasons why any such recommendations have not been implemented.

Amendment of the regional marine plan for the Scottish marine region for the Clyde

11. When such a request is made by the Scottish Ministers, the Delegate must amend the Plan.

Compliance

12. In the event that the Delegate is not able to comply with this Direction, the Delegate must, as soon as practicable, notify the Scottish Ministers of that fact and the reasons for the non-compliance.

Policy and Resources Committee Work Plan 2016-17

March 2016 - This is an outline plan to facilitate forward planning of reports to the P&R Committee.					
17 March 2016					
	Financial Reporting 2015-16 Summary	Strategic Finance	Every meeting	16 February 2016	
	Performance Report FQ3 2015/16	Customer Services – Jane Fowler	Quarterly	16 February 2016	
	Service Planning 2016-17	IHR/Strategic Finance	Annual	16 February 2016	
	Scottish Government Funding for Welfare Reform and Discretionary Housing Payment	Customer Services – Judy Orr		16 February 2016	March 2015 - Requested further report in to a future meeting on progress with proposals.
	Pathfinder North/Swan Update	Customer Services – Judy Orr		16 February 2016	
	Civic Furniture and Memorabilia Management	Customer Services – Charles Reppke		16 February 2016	
	Petition for Judicial Review - Rothesay Harbour	Customer Services		16 February 2016	
	Business Loans Scotland	Development and Infrastructure Services		16 February 2016	

Policy and Resources Committee Work Plan 2016-17

	Long and Winding Way	Development and Infrastructure Services		16 February 2016	
	Regional Marine Planning for the Firth of Clyde	Development and Infrastructure Services – Mark Steward		16 February 2016	
	Lorn Arc – Update report	Development and Infrastructure Services – Helen Ford	Quarterly	16 February 2016	
	Policy And Resources Committee Work Plan	Customer Services	Every meeting	16 February 2016	
	Major Capital Regeneration Project Progress Report	Development and Infrastructure Services – Helen Ford	Quarterly	16 February 2016	
	Schools Redevelopment Project	Community Services		3 March 2016	
	Investment Opportunity – Hub Co Sub Debt – Update	Strategic Finance		8 March 2016	

Policy and Resources Committee Work Plan 2016-17

12 May 2016					
	Financial Reporting Arrangements 2016-17	Strategic Finance	Annual	12 April 2016	
	Medium Term Financial Outlook	Strategic Finance		12 April 2016	
	Carbon Management: Wind Turbine At Glengorm Landfill Site	Strategic Finance	Every meeting	12 April 2016	Council 21 January 2016 Noted that an update paper would be presented to Policy and Resources Committee in May 2016 to confirm the progress made with installation.
	Policy And Resources Committee Work Plan	Customer Services	Every meeting		
Future Items – date to be determined					
	Enhanced Employability Pipeline Strategic Intervention – European Social Fund	Development and Infrastructure Services - Ishabel Bremner			Email from Ishabel Bremner Removed by Pippa Milne before Pre-agenda in March 2016.
	SOA Delivery Plan Review	Customer Services			To come to future meeting – most likely June 2016.
	IHR Policies: <ul style="list-style-type: none"> • Recruitment and Selection Policy • Maximising Attendance Policy • Improving Employee Performance Policy 	Improvement and HR	Occasional		

Policy and Resources Committee Work Plan 2016-17

	Lorn ARC Tax Incremental Funding (TIF) Asset Project 5 – Oban North Pier Extension – Start Up Report	Development and Infrastructure			Agreed 14 May 2015 that FBC would be presented to a future Committee
	Lorn Arc TIF Asset Project 9 – Existing Access Improvements and Business Park Enablement, Oban Airport Start up Project	Development and Infrastructure	Quarterly		Agreed 14 May 2015 that quarterly updates would be provided to OLI and then P&R
	Improving Wages in the Care at Home/Housing Support Sector	Community Services			
	General Arrangements for the Asset Management Investment Fund and the Inward Investment Funds	Customer Services			Added at SMT PreAgenda IN March and removed at pre-agenda

ARGYLL AND BUTE COUNCIL

POLICY & RESOURCES COMMITTEE

DEVELOPMENT & INFRASTRUCTURE
SERVICES17th March 2016**LORN ARC – UPDATE REPORT AS AT 16th FEBRUARY 2016****1. EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to update the Policy & Resources Committee on progress in delivering the Lorn Arc Tax Incremental Financing Programme and its nine capital infrastructure investment projects led by Development and Infrastructure Services. The attached Highlight Report (Appendix A) outlines the current position of the three most immediate projects as at the 16th February 2016.
- 1.2 This paper also reiterates the need for the Lorn Arc and reports on key issues that will impact on the successful delivery of the projects from design development stage through to procurement and implementation.
- 1.3 This report sets out the envisaged timelines for the nine projects within the Lorn Arc programme and provides a brief synopsis of the current position relating to each of these projects.
- 1.4 Of particular note, is that the Phase 1 works at the new business park at Oban Airport (Project 9) has been completed.
- 1.5 Budget: Detailed below is the current budget position for both the revenue and capital approved budget allocations.

REVENUE	£000s
Total approved funds	1,607
Total project spend to date Jan 2016	71
Balance	1,536
CAPITAL	£000s
Total approved funds	1,388
Total project spend to date Jan 2016	483
Balance	905

- 1.6 It is recommended that the Policy & Resources Committee:
- Note the current progress with the Lorn Arc Programme;
 - Note that recruitment is underway for 1 full time Lorn Arc Programme Manager, 1 full time Lorn Arc Project Manager and a Secondment opportunity for a Lorn Arc Project Manager;
 - Approve Officers formally requesting from the Lorn Arc TIF Executive the removal of the two Barcaldine projects from the Lorn Arc Business Case but retaining the option to borrow up to £18.9m across the remaining projects or bringing forward additional projects in due course subject to approval and affordability.
 - Approve revising the reporting Tolerance levels in line with the levels set for the

Council's monthly Capital Financial Reporting i.e. Project Plan +/- 2 months on agreed completion and Project Budget +/- 5% of agreed budget subject to a minimum of £50,000.

LORN ARC – UPDATE REPORT AS AT 16th FEBRUARY 2016

2. INTRODUCTION

- 2.1 This report reiterates the need for the Lorn Arc and provides an update to the Policy & Resources Committee on progress in delivering the Lorn Arc Tax Incremental Financing Programme led by Development and Infrastructure Services. The attached Highlight Report (Appendix A) outlines the current position of the three most immediate projects as at the 16th February 2016.
- 2.2 The paper also reports on key issues that will impact on the successful delivery of the projects from development stage through to procurement and implementation.

3 RECOMMENDATION

- 3.1 It is recommended that the Policy and Resources Committee:-
- Note the current progress with the Lorn Arc Programme
 - Note that recruitment is underway for 1 full time Lorn Arc Programme Manager, 1 full time Lorn Arc Project Manager and a Secondment opportunity for a Lorn Arc Project Manager;
 - Approve Officers formally requesting from the Lorn Arc TIF Executive the removal of the two Barcaldine projects from the Lorn Arc Business Case but retaining the option to borrow up to £18.9m across the remaining projects or bringing forward additional projects in due course subject to approval and affordability
 - Approve revising the reporting Tolerance levels in line with the levels set for the Council's monthly Capital Financial Reporting i.e. Project Plan +/- 2 months on agreed completion and Project Budget +/- 5% of agreed budget subject to a minimum of £50,000.

4. DETAILS

- 4.1 **Background** – The Lorn economy and population continues to grow but this growth has been held back in recent decades by a lack of key infrastructure particularly in the Oban and the adjacent Dunbeg Corridor areas where the demand for growth has been greatest. A number of expansion plans have been put forward by both the private sector and local Housing Associations for inclusion in the Council's 2009 Local Plan and new 2015 Local Development Plan. Their implementation however has at best been partial due to a lack of available private finance to provide the necessary infrastructure. Whilst the council recognised this as a significant issue it had and continues to have insufficient access to capital funding of its own to help bridge this gap and allow identified these projects to proceed. Undeterred the council sought other funding mechanisms that could assist the

development process. One such mechanism is the Tax Incremental Finance (TIF) that was introduced by the Scottish Government and the Scottish Futures Trust to allow Councils to retain incremental Non Domestic Rates (NDR) within a defined area. TIF is an innovative approach to delivering economic growth by enabling Local Authorities to invest in public infrastructure projects designed to encourage economic regeneration and growth. This investment allows the Council to borrow funds based on the strength of future potential revenues raised from additional non-domestic rates. This is done in order to carry out specific agreed infrastructure works that enable both focused specific employment creating developments to take place and also ***enable and give confidence for others to enhance employment generation*** across a wider area, known as 'the red line area'.

- 4.1.1 An initial proposal for developing a TIF business case for the Oban area was submitted in August 2011 as part of the TIF pilot project identification case. This resulted in the Argyll & Bute TIF proposal being chosen to progress as one of six pilot projects and to develop a supporting business case.
- 4.1.2 On the 31 October 2013 the Council approved the Lorn Arc tax Incremental Financing (TIF) Business Case which outlined the proposals for borrowing up to £18.9m for delivering strategic road, port and site access infrastructure to enable the sustainable growth of the Oban and Lorn area and beyond. This package of infrastructure improvements delivered in partnership with external funders and the private sector, will lead to a total investment of circa £41m in local infrastructure. It should be noted that TIF was never envisaged to pay the total infrastructure cost of projects being taken forward by the private sector or any other public agency or association. The approved Lorn Arc Business Case sets out the affordable level of TIF contribution towards the delivery of the proposed projects. This investment will support the delivery of the Local Development Plan and assist population growth through the generation of new employment opportunities, which is the top priority of the Council and its CPP Partners as detailed in the Single Outcome Agreement (SOA).
- 4.1.3 On the 8 May 2014 The Scottish Ministers approved the Business Case subject the terms and conditions outlined in the Award letter. One of the key dates was that if the First TIF Investment had not occurred on or before 30 September 2015 the approval would cease to be valid and the TIF project would end on that date. The First TIF investment took place on the 1 September 2015. The TIF Project Period runs to the 25th year anniversary of the First TIF Investment i.e. September 2040. Another key date is that all the TIF Assets (projects) require to be Practically Complete on or before December 2020, unless otherwise agreed with Scottish Government. Table 1 below is indicating that all projects will have commenced by Q4 in 2017/18.

The £18.9m loan is repaid primarily through uplift in the NDR revenues within the red line areas which are generated by this increase in business activity which has been stimulated by the funded infrastructure. Any NDR uplift (adjusted for a displacement effect) within the Red Line Area is ring fenced and utilised by the Local Authority to repay the loan. The 'red line area' is identified in **Appendix B**.

The Council is entitled to retain 50% of the TIF Revenue uplift (adjusted for a displacement effect) following repayment in full of the TIF debt until the end of the 25 year TIF Programme Period, i.e. September 2040. The Council is required to use such TIF Revenue for further infrastructure investment for the purpose of long-term economic growth and/or regeneration. This will form an Economic Development Investment Fund providing a legacy to the Lorn Arc Programme. However it should be noted if NDR income is insufficient to repay the debt, this

shortfall will fall to the Council to repay. It is for this reason that the financial model is subject to constant monitoring by the strategic finance team that takes into account a number of factors such as timing, level of debt required and likely NDR generated by each project taken forward through TIF. Consequently, the Council must prioritise investment that can deliver sufficient NDR to cover borrowing costs otherwise there could be a negative impact on the provision of council services.

- 4.1.4 On the 22 January 2015 the Council approved the Lorn Arc TIF Programme Imitation Document (PID) which defined the aims and objectives and outcomes of the programme; outlined the work streams, key stages, activities, resources and responsibilities and set out the arrangements for governance and management of risks. The Council also approved six years revenue funding totalling £1.6m. It has to also be remembered that given the nature of the TIF funding, which is effectively permission to borrow, both the Scottish Government and Scottish Futures Trust require to approve any investment decisions in relation to the Lorn Arc which makes it an unique Argyll and Bute project.
- 4.1.5 The envisaged timeline, as at 22 January 2015, for start dates for each of the nine projects within the Lorn Arc programme are set out in table 1 below.

Table 1 : Capital investment start dates			
TIF Asset project	Construction start date (financial yearly quarter – Q1-4)		
	15/16	16/17	17/18
1 - Lorn Rd / Kirk Rd Improvements, Dunbeg Delivery 2014 -18		Q4	
2 - Gateway Features / Traffic Calming, Dunbeg Delivery 2015 -17		Q4	
3 - Halfwayhouse Roundabout / Dunbeg Development Road, Dunbeg Delivery 2016-19		Q4	
4 - South Oban Development Zone Delivery 2015-2020			Q4
5 - North Pier Extension, Oban		Q3	

Delivery 2015-18			
6 - North Pier Streetscape, Oban		Q4	
Delivery 2015 -18			
7 - Access Improvements, Barcaldine Project under review			
8 - Operations + Maintenance Port Infrastructure, Barcaldine Project under review			
9 - Existing Access Improvements and Business Park Enablement, Oban Airport Delivery 2014 -2018	Q2		

4.1.6 It should also be noted that the Lorn Arc is being taken forward by the Council in parallel with its separate capital regeneration initiative that is currently delivering the second phase of public realm works in Oban, significant investment in Lorn's affordable housing stock including 75 affordable houses at Dunbeg with proposals for a further 55 units, the new Oban High School that is scheduled to be on site this year and the proposed new berthing and step ashore facility and maritime reception centre on the North Pier. In addition to these Council investments phase 1 of the European Marine Science Park has been completed by HIE and a number of private sector developments are being taken forward including most recently a new retail store by Lidl together with a planning application being recently submitted for a new Premier Inn in Oban. The Council is also working with a number of partners to roll out digital connectivity in the Lorn area and establish Oban as a University Town.

4.2 **Current Position** - Project Managers are currently taking forward Oban Airport Access Road and Business Park, Lorn Road/Kirk Road and Oban North Pier extension. A review of the assumptions made in January 2015 PID will be undertaken to confirm they are still reasonable, the findings will be reported to the P& R Committee and OLI Members in due course. Meetings of the Lorn Arc Programme Board and Lorn Arc TIF Executive have been set for 2016. A brief synopsis of each of the projects progress is detailed below:-

4.2.1 Project 1 - Lorn Rd / Kirk Rd Improvements, Dunbeg – Start-up costs £238,000 were approved for this project on the 19th March 2015 by the Policy and Resources Committee. Initial design works are complete. Council has written to landowners intimating that they would like to purchase the land, a few have indicated they did not wish to sell their strip of land. Improvements to Kirk Road are necessary to allow further phases of the European Science Park to be completed and further houses to be constructed. Whilst it is standard practice for the developer to provide any necessary infrastructure to accommodate a new development this did not happen here and the Council subsequently gave a commitment to improve Kirk Road prior to the further development of the European Marine Science Park. The only funding mechanism the Council has at its disposal at this current time is TIF funding. Discussions on the wider Dunbeg Corridor road infrastructure with Link Housing Association have progressed to the point where it is prudent to review the Lorn Road/Kirk

Road design. This would require revised design work, revised financial modelling and a revised application for planning permission to be submitted. Preliminary discussions have taken place with Highland and Island Enterprise (HIE) on the aforementioned and they have accepted an invitation to the Dunbeg Corridor Working Group meeting in March to discuss how best to ensure that investment in road infrastructure in the area maximises development opportunities across the Dunbeg Corridor. The outcome of these discussions will be presented to members in due course.

4.2.2 **Project 2 - Gateway Features / Traffic Calming, Dunbeg** –Signage has been installed by Highlands and Islands Enterprise which provides direction to the European Marine Science Park and SAMs. Project will be further progressed following approval of the road infrastructure works at Lorn Road/Kirk Road and at the proposed Halfway Roundabout. A report will be presented to members at a later date requesting start-up costs for this project.

4.2.3 **Project 3 - Halfwayhouse Roundabout / Dunbeg Development Road, Dunbeg** – This project lies within the Dunbeg Corridor development area and as such has formed an element of discussions between the Council and the principle developer of this area, Link Housing Association (LHA) on how best they can develop their Masterplan for the development of this area, which includes the provision of approximately 800 homes, which will take over 20 years to deliver and commercial uses including retail and leisure. Following a senior officer meeting on the 20th October 2015 with LHA and the design team, Chaired by the Executive Director of Development and Infrastructure Services with Head of Services for: Economic Development and Strategic Transport, Planning and Regulatory Services and Community and Culture the Council has formed a cross directorate officer working group to support Link overcome the challenges of delivering this ambitious Masterplan. To date a further three meetings have subsequently taken place with LHA, a working group meeting, a presentation by LHA to the Lorn Arc TIF Executive and a meeting to discuss Dunbeg Option Agreement Structure. A further meeting of the working group is scheduled for the 3rd March. It is clear from earlier meetings with LHA that the working group will require to be expanded to include representation from across other council services, for example, Education, Leisure, Estates, and Legal etc. A paper will be presented to SMT on the 7 March seeking nominations from the relevant Services.

LHA has advised the Council that the cost of the road infrastructure is circa £12m for the initial distributor road and an additional £8m may be required to access the east side of site. LHA have been advised that from a Lorn Arc TIF perspective **any TIF investment needs to be paid off through an increase in Non Domestic Rates (NDR) and that Business Case will be required to demonstrate the affordability of the investment.** It has been acknowledged by LHA that other sources of public and private sector investment will therefore be required. For example, the Lorn Arc Business Case states “**the TIF Investment proposed (£2m) would part fund the enablement of the new Trunk Road junction and the first section of road to the west**”. TIF funded was never envisaged to pay for the full cost of the roundabout only as a contribution to private sector and other partner funding as necessary. Council officers are currently examining whether the roundabout as currently envisaged is in the right place and fit for purpose in terms of offering best value and having sufficient capacity to accommodate the anticipated level of development. A new access here is necessary as the Dunbeg Corridor requires two road accesses as the level of housing exceeds 300 dwellings. Transport Scotland have determined that a roundabout is the only acceptable way for this access to be taken from the Trunk Road. Council Housing officers are also currently framing a report to explore if the strategic housing fund could contribute towards the section of the road that would open up the first area of housing. A report on this will come to Members in due course.

4.2.4 **Project 4 - South Oban Development Zone** – This project requires a FBC to be prepared and submitted to the Scottish Government for approval. This FBC will need to scope out the infrastructure investments required along with the potential benefits and financial forecasts. To date, due to the resource issues outlined at 4.3 below the scoping exercise has been limited albeit negotiations have been taking place with private developers and HIE with regard to opening up access to business land zoned in the Local Development Plan. Given that this TIF investment is projected to lever the highest increase in NDR across the Programme – see Appendix C, it is vital that a significant focus is afforded to this project and that appropriate investment and resources are attached to it – see 4.3 below.

4.2.5 **Project 5 - North Pier Extension, Oban** – The Policy and Resources Committee approved start-up costs of £560,000 for this project on 14 May 2015. Options are currently being assessed for physical and financial viability and sequencing with other complementary capital regeneration projects to include the step ashore/ transit berthing facility and the maritime visitor facility. The meeting held on the 24th September 2014 to agree the best location for the interim berthing facility concluded that the north side of the north pier was the best location. This agreement now allows the design of the extension to be taken forwards on the North Pier. A consulting engineer was procured in January 2015 through an existing framework to assist with this. The findings of their marine investigations will be presented to members in the next couple of months.

4.2.6 **Project 6 - North Pier Streetscape, Oban** – Following the finalisation of the Oban Capital Regeneration Public Realm Schemes, projected completion date June 2016, and design approval of Project 5, discussions will take place on how best to proceed with this element.

4.2.7 **Project 7 - Access Improvements, Barcaldine** – . The port infrastructure was intended to cater for operation and maintenance of offshore renewable facilities, market conditions have altered whereby subsidies have been cut and competing oil prices have dropped significantly. Current market interest is for aquaculture use which is NDR exempt, therefore based on that projected end there would be no payback on the necessary TIF borrowing from an increase in NDR. As a result, this project is best taken forward by the private sector with the Council having a facilitator role. Initial discussions with Lorn Arc TIF Programme Board and the Lorn Arc TIF Executive support this view. The Financial Model Summary Output report – **Appendix C** shows that by removing these two projects the overall affordability of the Programme is enhanced, everything else remaining constant.

It is therefore proposed to formally seek the Lorn Arc TIF Executive approval, subject to approval by this Committee, to drop this project and project 8 below from the Lorn Arc Business Case but to retain the capacity to borrow up to £18.9m (subject to affordability/NDR uplift) at this time to explore if it is beneficial to the overall Programme to reallocate the investment for Project 7 and 8, £4.15m, in total, to another existing TIF investment(s) or to bring forward a new investment for approval.

4.2.8 **Project 8 - Operations + Maintenance Port Infrastructure, Barcaldine** – This project requires a FBC to be prepared and submitted to the Scottish Government for approval. This FBC will need to scope out the infrastructure investments required along with the potential benefits and financial forecasts. The above comments also apply to this project.

4.2.9 **Project 9 – Existing Access Improvements and Business Park Enablement, Oban Airport** – The Full Business Case report dated April 2015 defined the scope of the project

as 'an access road link of up to 140m to access the site of a new business park to the south of the existing Oban Airport Roundabout and support its effective marketing and attraction of inward investment. The FBC included an assessment of the Masterplan and incorporated a number of assumptions provided by external consultants using market evidence and professional judgement based on discussions with agents. This included:

- Plot 1 occupied first during 2017
- The remaining Plots will be developed incrementally;
- Starting with Plots 2 and 6 in 2018
- Plot 3 in 2020
- Plot 4 in 2022
- Plot 5 in 2024

Plot 6 was assumed to contain smaller units which would not produce NDR

The timescales for the delivery of all six plots by the private sector is ultimately dependent on both economic and property market conditions, the above timescales are purely indicative based on the aforementioned judgement.

The construction of the access road to facilitate the development of the new business park started on the 1 September, the design of the road, site supervision and works are being undertaken by the Councils Roads and Amenity Services. The commencement of the works meets **the Scottish Government's deadline for the First TIF investment**. Work on phase 1 is now complete. Feasibility studies, taking into account current expressions of interest from potential end users, to assess the capacity of the site in terms of power, water and sewage is currently underway. The utility providers have indicated that their report will be available within three months. The requirement to assess the sites utility capacity was outlined in the FBC, the timescales for undertaking these assessments are not wholly in the Council's control. Once the findings of the report are known the draft Masterplan will be updated and presented to members for discussions prior to submission for planning approval. This Masterplan will form the basis of a marketing promotion aimed at ensuring the site is developed as speedily as possible. Following approval of the Masterplan servicing design work can begin and a planning application submitted for water / sewerage and power / telecoms.

4.3 Resourcing –The current PID Resource Plan has made allowance for two full time Project Managers. At present due to requirements to allocate approximately 70% of one of these posts to cover the Oban Capital Regeneration Maritime projects and ongoing long term sick leave, the team is operating with approximately one FTE Project Manager. This is taking into account the recent appointment of an external project manager, contracted 3 days a week on a temporary basis.

4.3.1 Therefore to assist in addressing any slippage in project delivery which due to the above resource issues has taken place, particularly in relation to the scoping out of project nos 4 Oban South(a key project in the overall affordability of the TIF Lorn Arc Programme) a full time Project Manager will be appointed to take this project forward together with a full time Programme Manager to oversee the strategic delivery of the programme within the terms and conditions outlined in the Scottish Ministers Award letter of 8th May, the Lorn Arc TIF Business Case and the PID. A one-year Project Manager internal secondment opportunity is also currently being advertised, this will bring much needed additional resources to the team.

The above will assist the Council to meet Scottish Government's requirement that all the TIF projects are delivered by December 2020 if the Council wishes to retain 50% of any uplift in

NDR over 25 years from the date of the First Material Investment, September 2014 once the borrowing has been repaid

A review of the the existing Lorn Arc revenue allocation of £1.6m has demonstrated that the above posts are affordable.

- 4.4 **Programme Risks** – The Programme Risk Register - **Appendix C** outlines the main programme risks. The majority of the risks are deemed medium with the high risks around delivery of programme by 2020, increase in constructions costs and lack of private investor investment, all of which are currently being reviewed and will be reported to members in due course.
- 4.5 **Financial Model Summary Output** – The financial model calculates the affordability of the Programme over the life of the TIF agreement. Amendments to timescales, cost of the TIF investment, projected increases in NDR and their timing, cost of borrowing and inflation can all change the output of the Programme financial model. As shown in **Appendix D**, based on current assumptions the Programme remains affordable, in particular note positive impact of removal of projects 7 & 8 on affordability of programme based on all other assumptions remaining constant.
- 4.6 **Budget:** Detailed below is the current budget position for both the revenue and capital approved budget allocations.

REVENUE	£000s
Total approved funds	1,607
Total project spend to date Jan 2016	71
Balance	1,536
CAPITAL	£000s
Total approved funds	1,388
Total project spend to date Jan 2016	483
Balance	905

- 4.7 **Tolerances** The reporting tolerances in the current PID approved by Council on the 22 January are as follows:
- Project Plan +/- 15 working days
 - Project Budget +/- 10% or £10,000 – whichever is greater.

It is proposed that the above levels are revised to bring them in line with the Council’s monthly Financial Capital monitoring i.e. Project Plan +/- 2 months on agreed completion and Project Budget +/- 5% of agreed budget subject to a minimum of £50,000.

- 4.8 **Marketing and Promotion** A key part of the Lorn Arc is the Marketing and Promotion of the Oban and Lorn area as a place to do business in with a focus on attracting new businesses to the area. A draft Marketing plan, which can be made available to members if required, has been prepared and will be used to target particular businesses with a focus on our key sectors of tourism, retail, renewables, food and drink and marine sciences. This marketing plan will also be subject to regular review as the National and Global economies are in a constant state of rapid change. For example, it is now rare to attract a large food retail operator to open up a

new store as there is now a national preference for smaller stores or using home delivery to secure better market penetration. Also recent UK and Scottish Government initiatives such as the City deals and Enterprise Zones being rolled out across the country can also distort the market and make attracting new businesses to locate in our area more difficult.

5 CONCLUSION

The Lorn Arc continues to make progress but the funding model is complex and subject to careful monitoring. Most significantly **Project 9** – Existing Access Improvements and Business Park Enablement, Oban Airport, is on site, thus meeting the end of September 2015 deadline for a First Material Investment required by the Scottish Government. Resources require to be enhanced to accelerate the delivery of the Lorn Arc TIF Programme, in particular project Nos 4 South Oban Development zone given that this project levers the highest increase in NDR. The review of the assumptions made in the January 2015 PID remain ongoing, once completed the PID will be updated and the findings reported to Members and presented to the various governance Boards and Policy and Resources Committee for approval.

6. IMPLICATIONS

POLICY	The delivery of this project fits with the Council's Corporate Plan, Single Outcome Agreement and approved Development Plan policy for town centre regeneration. The economic outcomes from this project will contribute to the Government's Economic Strategy.
FINANCIAL	Revenue spend contained within agreed allocation already given. for recruitment of project managers. No other funds being requested at this juncture Note positive impact of removal of projects 7 & 8 on affordability of programme.
LEGAL	Each project will have differing legal requirements; this will be laid out in each project's Project Initiation Document. No legal issues at Programme level.
PERSONNEL	Additional Project Management resources will be recruited as outlined in 4.3 above.
EQUAL OPPORTUNITIES	There are no equal opportunities implications.
RISK	As outlined in Appendix B
CUSTOMER SERVICE	There are no customer service implications.

Executive Director Development and Infrastructure Services: Pippa Milne

Policy Lead: Aileen Morton, Economic Growth and Ellen Morton, Special Projects

16 February 2016

For further information - please contact :
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Appendices

Appendix A - Lorn Arc Programme Highlight Report 16 February 2016

Appendix B - Red Line Boundary Area

Appendix C - Risk Register

Appendix D - Programme Financial Model Summary Output

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ARGYLL AND BUTE COUNCIL**POLICY & RESOURCES
COMMITTEE****DEVELOPMENT &
INFRASTRUCTURE SERVICES****17 MARCH 2016**

**MAJOR CAPITAL REGENERATION PROJECTS – UPDATE REPORT AS AT 12
FEBRUARY 2016**

1. EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update the Policy & Resources Committee on progress in delivering the 12 major capital regeneration projects, excluding the nine Lorn Arc projects (covered in separate report to this committee), led by Development and Infrastructure Services. The attached Highlight Report (Appendix A) along with a Programme Plan (Appendix B) outlines the current position of the projects as at the 12 February 2016
- 1.2 The paper also reports on key issues that will impact on the successful delivery of the projects from design development stage through to procurement and implementation.
- 1.3 The Helensburgh Town Centre and Esplanade public realm works, Campbeltown Transit Berthing Facility Oban Stafford Street public realm works and Dunoon Wooden Pier Refurbishment Phases 1a and 1b have all been completed The Rothesay and Campbeltown Townscape Heritage Initiative (THI) projects and Oban Phase 2 public realm works (George St to Station Square) are on site, the remaining projects are at development/procurement stage.
- 1.4 Since the last report the majority of the projects remain on track, apart from the Oban North Pier Visitor Facility (NPVF) and the Oban Transit Berthing Facility which in terms of the former is due to ongoing legal challenge and for the latter reaching agreement with OBM Ltd on the location of berthing facility. Following a technical meeting with OBM Ltd it was agreed that the best location for the berthing facility is the north side of the north pier. Subsequently, marine engineers have been appointed and are currently undertaking the necessary marine investigations to inform the berthing facilities design. With regard the NPVF design options will be presented to OLI March Business Day for discussion on how members wish to proceed.
- 1.5 Budget: Following the February Budget additional capital allocation for the Rothesay Pavilion and the Helensburgh Waterfront development, projects are currently low to medium risk of being delivered within budget, the exception is the Dunoon Queens Hall project which is projecting a shortfall of circa £400k. The provision of additional funds in the February Budget for the aforementioned projects is to enable these projects to progress whilst officers continue to seek

additional external funding thereby releasing funds to deliver the Council's wider economic regeneration aspirations across Argyll and Bute. Budget details are contained within Appendix A.

1.6 It is recommended that the Policy and Resources Committee:-

1.6.1 Note the current progress and agreed allocation of budget resources to date against each of the projects.

ARGYLL AND BUTE COUNCIL

POLICY & RESOURCES
COMMITTEE

DEVELOPMENT &
INFRASTRUCTURE SERVICES

17 MARCH 2016

MAJOR CAPITAL REGENERATION PROJECTS – UPDATE REPORT AS AT 12
FEBRUARY 2016

2. INTRODUCTION

- 2.1 The progress report sets out the current position of each of the twelve capital regeneration projects, excluding the nine Lorn Arc projects.
- 2.2 The attached Highlight Report (Appendix A) along with a Programme Plan (Appendix B) outlines the current position of each project.
- 2.3 The paper also reports on key issues that will impact on the successful delivery of the projects from development stage through to procurement and implementation.

3. RECOMMENDATION

- 3.1 Note the current progress and agreed allocation of budget resources to date against each of the projects.

4. DETAILS

- 4.1 **Progress** –. Since the last report the majority of the projects remain on track, apart from the Oban North Pier Visitor Facility and the Oban Transit Berthing Facility which in terms of the former is due to ongoing legal challenge and for the latter reaching agreement with OBM Ltd on the location of berthing facility. Following a technical meeting with OBM Ltd it was agreed that the best location for the berthing facility is the north side of the north pier.

Subsequently, marine engineers have been appointed and are currently undertaking the necessary marine investigations to inform the berthing facilities design. With regard the NPVF design options will be presented to OLI March Business Day for discussion on how members wish to proceed. In terms of human resources, Leanne Stewart, Admin support, returned to work following maternity leave on the 7 January 2016.

- 4.1.1 **Campbeltown** – The Kinloch Road regeneration works and the Transit Berthing Facility are complete, the latter is reporting increased visiting boat numbers, a performance report prepared by the operator will go to

MAKI Business Day in due course. Works on the remaining two key target THI buildings - the Town Hall and 50-52 Main Street (both contribution projects to third parties) are on site but both projects are behind programme. The Council therefore formally requested a further extension of time (currently December 2015) to June 2016 from HLF, which has been granted. The expected completion dates are now the end of February 2016 and the 22 April 2016, respectively.

4.1.2 **Helensburgh – Town Centre Public Realm works** – Officially opened on the 20th June, continues to receive very positive feedback. The project has been shortlisted for the Scottish Property Awards (decision will be announced on the 3 March) and the Civic Trust Awards, judging will take place in spring 2016. **Helensburgh Waterfront development** – A review of the design specification and costs has been undertaken and the findings will be reported to members at Helensburgh and Lomond March Business Day. The provision of additional funds of £7m is to enable the project to progress whilst officers continue to seek additional external funding thereby releasing funds to deliver the Council's wider economic regeneration aspirations across Argyll and Bute.

4.1.3 **Oban - Oban Bay Public Realm works** - Phase 1 Stafford which was officially opened on the 7th October continues to receive positive feedback. The Phase 2 tender, which has come in under budget, has been awarded to Land Engineering. Works, which started on site on the 4 January are progressing well on site and are on schedule to be completed in June 2016.

North Pier Visitor Facility – Following a lengthy Mediation meeting on the 24th September 2015 draft Heads of Terms have been drawn up but are on hold due a bereavement.. If agreement is reached then this will avoid the need for a court hearing. In the interim, the design team are looking at revised design options to reflect the Heads of Terms with the focus on function and affordability. The findings of the review will be presented to members at the OLI March Business Day.

Oban South Pier – The April 2015 OLI Area Committee followed by the May Policy and Resources Committee meeting approved the recommendation that the remaining funds in this project be transferred to the public realm phase 2 works and as a result this project has now been removed from CHORD.

Oban – Short Stay Marina, it was reported to the April 2015 OLI Area Committee that Oban Bay Marina Limited's revised Business Plan was not financially viable based on a Council and HIE contribution of £200,000 each. As requested by members, officers met and had a productive meeting with OBM Ltd, the agreed minute of the meeting was reported to the August OLI Area Committee. A subsequent meeting was held on the 29th September with OBM Ltd's technical advisors, the council's technical advisors and marine engineer

specialists to discuss the best technical location for the transit berthing facility. It was agreed this to be the north side of the North Oban Bay Pier. Subsequently, marine engineers have been appointed and are currently undertaking the necessary marine investigations to inform the berthing facilities design.

- 4.1.4 **Rothesay – THI** All THI funds have been allocated. Projects are progressing well. Redevelopment of the gap site has significantly improved the gateway into Bute, however, following Tesco's decision not to trade the developer is in discussion with Tesco's to reach agreement on how best to proceed to allow the space to be occupied.

Rothesay Pavilion – The FBC was approved in April 2015, total cost £9,057,873. Funding applications of circa £6m have been approved. Grant applications continue to be made to close the funding gap. - see Appendix A for further details. The essential works contract was completed on the 24 July. The Pavilion closed its doors on the 27th September following a very successful closing weekend. Following which intrusive surveys were undertaken to enable the design team and cost consultants to get a better understanding on the extent of the required works. The results of the findings projected construction costs have risen by £1.9M, making the total cost circa £11m. The February Budget has made provision for an additional £1.9m to be made available to progress the project whilst the Rothesay Pavilion Charity and council officers continue to seek additional funding thereby releasing funds to deliver the Council's wider economic regeneration aspirations across Argyll and Bute. The Minute of Agreement between the Council and the Rothesay Pavilion Charity has been signed. The contract for the advance works, agreed by this committee in December is due to start on site at the end of March.

- 4.1.5 **Dunoon - Queens Hall** - planning application approved; Building Warrant and Transport Regulation Order submitted. With regard property matters all three properties have now been acquired. In terms of procurement of the main works, the Tender has been issued and subject to receiving an acceptable tender, an Award of Contract is expected to be made in June 2016. The Wooden Pier – Phases 1a and 1b are now substantially complete and the Final Accounts have been agreed. The project has been delivered within budget.

- 4.2 **Budget:** Following the February Budget additional capital allocation for the Rothesay Pavilion and the Helensburgh Waterfront development, projects are currently low to medium risk of being delivered within budget, the exception is the Dunoon Queens Hall project which is projecting a shortfall of circa £400k. The provision of additional funds in the February Budget for the aforementioned projects is to enable these projects to progress whilst officers continue to seek additional external funding thereby releasing funds to deliver the Council's wider economic regeneration aspirations across Argyll and Bute. Budget details are contained within Appendix A.

5. CONCLUSION

5.1 Delivering this number of complex capital budgets continues to be a challenge for the team but as outlined in report good progress is being made. For example, since the last report, the Oban public realm works have started on site and tenders for works contracts have been issued for the Queens Hall and Rothesay Pavilion. Inflation in the construction industry continues to put pressure on bringing projects within budget but to help mitigate against tender returns exceeding budgets, cost plans are regularly updated and actions required reported to Area Committees. Progress against the Programme Plan is regularly reviewed by the Programme Manager and at the monthly Development and Infrastructure Management Team meetings.

6. IMPLICATIONS

- | | |
|-------------------------|---|
| 6.1 POLICY | The delivery of this project fits with the Council's Corporate Plan, Single Outcome Agreement and approved Development Plan policy for town centre regeneration. The economic outcomes from this project will contribute to the Government's Economic Strategy. |
| 6.2 FINANCIAL | As outlined in section 4.2 above. |
| 6.3 LEGAL | Each project will have differing legal requirements; this will be laid out in each project's Project Initiation Document. No legal issues at Programme level. |
| 6.4 PERSONNEL | Recruitment is currently taking place. The resources required to deliver the Capital Regeneration projects will be continually monitored and reported to the Policy and Resource Committee. |
| 6.5 EQUAL OPPORTUNITIES | There are no equal opportunities implications. |
| 6.6 RISK | As outlined in Appendix A |
| 6.7 CUSTOMER SERVICE | There are no customer service implications. |

Executive Director Development and Infrastructure Services: Pippa Milne

Policy Lead: Ellen Morton

12 February 2016

For further information - please contact Helen Ford, CHORD Programme Manager,
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APPENDICES

Appendix A – CHORD Programme Highlight Report 12 February 2016
Appendix B – Programme Plan

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