

**MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL
CHAMBERS, KILMORY, LOCHGILPHEAD
on THURSDAY, 18 AUGUST 2016**

Present: Councillor Dick Walsh (Chair)

Councillor Rory Colville	Councillor Aileen Morton
Councillor Robin Currie	Councillor Ellen Morton
Councillor Mary-Jean Devon	Councillor Gary Mulvaney
Councillor Kieron Green	Councillor James Robb
Councillor Roderick McCuish	Councillor Len Scoullar
Councillor Iain Stewart MacLean	Councillor Isobel Strong
Councillor Alistair MacDougall	Councillor Sandy Taylor
Councillor Neil MacIntyre	

Also Present: Councillor John MacAlpine Councillor Elaine Robertson
Councillor Donald MacMillan

Attending: Cleland Sneddon, Chief Executive
Douglas Hendry, Executive Director of Customer Services
Patricia O'Neill, Central Governance Manager
Kirsty Flanagan, Head of Strategic Finance
Fergus Murray, Head of Economic Development and Strategic Transportation
Jane Fowler, Head of Improvement and HR
Judy Orr, Head of Customer and Support Services
Ishabel Bremner, Economic Growth Manager
Helen Ford, Helensburgh CHORD Project Manager
Michael Casey, Schools Development Project Manager

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

There were none intimated.

3. MINUTES

The Minutes of the meeting of the Policy and Resources Committee of 12 May 2016 were approved as a correct record.

4. PERFORMANCE REPORT FQ1 2016-17

The Committee considered a report which presented the Customer Services departmental performance report with scorecards for Strategic Finance and Customer Services for FQ1 2016/17 (April to June 2016).

Decision

The Committee noted the Customer Services departmental performance report and associated score cards for FQ1 2016/17.

(Reference: Report by Executive Director – Development and Infrastructure Services dated August 2016, submitted)

5. EXECUTIVE SUMMARY - FINANCIAL REPORT MONITORING PACK - JUNE 2016

The Committee considered a report providing a summary of the financial monitoring reports as at the end of June 2016. Reports summarised included the Revenue Budget Monitoring Report as at 30 June 2016, Monitoring of Service Choices Savings, Monitoring of Financial Risks, Capital Plan Monitoring Report as at 30 June 2016, Treasury Monitoring Report as at 30 June 2016 and Reserves and Balances. The report also advised that following the establishment of the Argyll and Bute Integrated Joint Board on 1 April 2016; that the Board would now be responsible for financial and strategic oversight of social work and a range of health services. The report advised that financial reporting in respect of integrated services would now be submitted to the Integrated Joint Board via the Board's Chief Financial Officer and that it was expected that the Chief Financial Officer would also keep the Council up to date on the financial position.

Decision

The Committee noted –

1. The Revenue Budget Monitoring report as at 30 June 2016.
2. The progress of the service choices policy saving options as at the end of June 2016.
3. The current assessment of the Council's financial risks.
4. The Capital Plan Monitoring Report as at 30 June 2016.
5. The Treasury Monitoring Report as at 30 June 2016.
6. The overall level of reserves and balances.
7. The monitoring of the earmarked reserves.

(Reference: Report by Head of Strategic Finance dated 19 July 2016, submitted)

Councillors Len Scoullar and Alistair MacDougall joined the meeting at this point.

6. STRATEGIC RISK REGISTER UPDATE - FEBRUARY 2016 REVIEW

A report providing the Committee with an update on the Strategic Risk Register as per the agreed six monthly reporting cycle. The update followed on from the review undertaken in February 2016.

Decision

The Committee noted the content of the report and updated Strategic Risk Register.

(Reference: Report by Head of Strategic Finance dated 14 July 2016, submitted)

* **7. UPDATE TO CAPITAL PLAN 2016-17 TO 2019-20**

Consideration was given to a report detailing revisions proposed to the Capital Plan approved in February 2016 for the period 2016 to 2020. The revisions were based on updated capital plan funding assumptions, cost changes and proposed additions.

Decision

1. The Committee agreed to recommend to Council –

a) Approval of the revised capital plan as set out in the Appendix 2 to the report.

b) Approval of the following additions to the plan:

- An increase to the Helensburgh Waterfront project of £1.22m to allow for the reinstatement of the splash pool and play area and enhance the scope of the café as well as raising the level of the car park in light of flooding assessment.
- An increase to the Queen's Hall project of £1.951m to allow the tender of the building works to be accepted.

2. The Committee noted that the available balance of available resources was £1.812m.

Councillor James Robb, who had moved an amendment which failed to find a seconder, requested that his dissent be recorded from the foregoing decision.

(Reference: Report by Head of Strategic Finance and Head of Facility Services dated August 2016, submitted)

Councillor Mary Jean Devon joined the meeting at this point.

8. BUDGETARY OUTLOOK 2017-18 TO 2019-20

The Committee considered a report summarising the budgetary outlook covering the period 2017-18 to 2019-20 on a best and worst case scenario.

Decision

The Committee noted the current estimated budgetary outlook position 2017-18 to 2019-20.

(Reference: Report by Head of Strategic Finance dated 18 July 2016, submitted)

9. SIX MONTHLY REPORT ON CASH FLOW SUPPORT LOANS - 1 JANUARY 2016 TO 30 JUNE 2016

Consideration was given to a report that set out a summary of the cash flow support loans dealt with through delegated powers. Two loans had been granted within the period 1 January 2016 to 30 June 2016.

Decision

The Committee noted the content of the report.

(Reference: Report by Head of Strategic Finance dated 14 July 2016, submitted)

10. NEW SCHOOLS REDEVELOPMENT PROJECT: INVESTMENT OPPORTUNITY - HUB CO SUB DEBT

A report providing a update on the investment in Hub Co sub debt approved at the Policy and Resources Committee on 17 March 2016 was considered.

Decision

The Committee noted the content of the report.

(Reference: Report by Head of Strategic Finance dated 14 July 2016, submitted)

11. DRAFT STRATEGIC POLICE PRIORITIES FOR SCOTLAND - CONSULTATION

The Committee considered a draft response in respect of a consultation outlining draft Strategic Police Priorities for Scotland. The matter had previously been considered by Council in January 2016 in relation to the initial Scottish Government discussion paper on the review of Scottish Strategic Police Priorities. That discussion phase had informed the content of the consultation paper that was currently before the Committee for consideration.

Councillor Iain MacLean joined the meeting during consideration of this item.

Decision

The Committee -

1. Considered the consultation document outlining draft Strategic Police Priorities for Scotland.
2. Delegated the Executive Director of Customer Services, in consultation with the Leader, Depute Leader and leader of the largest opposition group, to arrange for submission of a response to the Scottish Government as close to the deadline as possible, taking into account the points raised by the Committee.

(Reference: Report by Executive Director – Customer Services dated 25 July 2016, submitted)

* **12. REVISION OF THE CORPORATE HEALTH AND SAFETY POLICY**

Consideration was given to a revised Health and Safety Policy for the Council. The current version of the Policy required to be updated to reflect organisational changes, the creation of the Argyll and Bute Health and Social Care Partnership and changes to the responsibilities related to the management of Council facilities.

Decision

The Committee agreed to recommend to the Council, approval of the revised Health and Safety Policy.

(Reference: Report by Executive Director – Customer Services dated 29 June 2016, submitted)

* **13. REDUCING STRESS IN THE WORKPLACE POLICY**

Consideration was given to a revised Reducing Stress in the Workplace Policy. A review of this Policy had been recommended following a Stress Audit undertaken as an outcome from the reporting and monitoring of attendance by the Council's Performance Review and Scrutiny Committee.

Decision

The Committee agreed to recommend to Council, approval of the updated Reducing Stress in the Workplace Policy.

(Reference: Report by Executive Director – Customer Services dated 8 July 2016, submitted)

* **14. PEOPLE STRATEGY 2016 - 2020**

A report presenting the Council's draft People Strategy 2016-2020 was given consideration. The Strategy set out the Council's approach to people and improvement, recognising that organisational success is rooted in the motivated and hardworking employees who deliver and continue to improve the Council's services.

Decision

The Committee agreed to recommend to the Council, approval of the People Strategy 2016-2020.

(Reference: Report by Executive Director – Customer Services dated 25 July 2016, submitted)

15. BROADBAND PATHFINDER NORTH UPDATE

The Committee considered a report updating them on the Broadband Pathfinder re-procurement for a wide area network for the Council which would provide connectivity to all schools, libraries and offices. The report detailed the progress following the report presented to Council on 13 February 2014 and the update report presented to the Policy and Resources Committee on 17 March 2016.

The Head of Customer and Support Services gave a verbal update and advised the Committee that she had received a site by site forecast from Capita on 16 August which indicated that 40 sites would be delivered after the current Vodafone contract end date. The majority of these were expected to be delivered before the end of the calendar year. Vodafone had now confirmed pricing for continued service on all sites for a further period of up to 12 months. This was very much welcomed and overall pricing was broadly comparable to the existing costs. That ensured that we would be guaranteed continuity of service for all our sites. The pricing was structured in such a way that it became relatively more expensive when there were fewer sites in scope. This meant that towards the end of 2016 when we were expected to have relatively few sites which were not transitioned to SWAN, we needed to examine alternative interim options for service. For Argyll and Bute there were 8 fibre sites where the circuit delivery date was expected to be around December/January. There were reasonably acceptable copper based alternatives for 6 of these sites, and we would place orders shortly for these alternative interim arrangements. We

would also ensure that any wayleave issues were expedited for these few sites. Overall, costs were still expected to be maintained within the funds currently provided.

Decision

The Committee noted –

1. The details provided.
2. The actions being undertaken to mitigate the risks described within the report.

(Reference: Report by Executive Director – Customer Services dated 19 July 2016, submitted)

16. GENERAL ARRANGEMENTS FOR THE ASSET MANAGEMENT INVESTMENT FUND

A report was considered which updated Members on the proposed remit of the Asset Management and Investment Fund, the governance arrangements for its operation and the operational responsibility for its management.

Decision

The Committee agreed the governance arrangements, remit and operational arrangements for the Asset Management and Investment Fund as outlined within the submitted report.

(Reference: Report by Executive Director – Customer Services dated August 2016, submitted)

17. RURAL RESETTLEMENT FUND

A report outlining the options for delivery of a one off Rural Resettlement Fund of £500,000 which had been announced in the Argyll and Bute Council Budget 2016/17 was considered.

Motion

That members of the Committee –

- Agree the Rural Resettlement Fund includes all types of support listed in table 1;
- Agree the fund operates on a first come first served basis;
- Agree £10,000 of the fund be allocated to marketing;
- Agree that the Rural Resettlement Fund will be administered within Economic Development and Strategic Transportation using existing structures;
- Agree that officers proceed with the development and delivery of the Rural Resettlement Fund.

Moved Councillor Dick Walsh, seconded Councillor Aileen Morton

Amendment

That members of the Committee agree the recommendation but make changes to table 1 as follows –

- Remove the reference to ‘young’ from each of 3 target audiences.
- Change recipients to 16+ rather than 18+
- Item 3 to refer to families relocating to Argyll and Bute to “take up or continue employment” rather than “to take up a job”.

Moved Councillor James Robb, seconded Councillor Sandy Taylor

Decision

Following a show of hands vote the Motion was carried by 11 votes to 3 and the Committee resolved accordingly.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 20 June 2016, submitted)

18. REPORT ON OPTION TO TAKE OWNERSHIP OF SITE OF FORMER WEST KIRK, ROTHESAY

Consideration was given to a report updating Members on the demolition of the West Kirk, Rothesay. It further reported on the legal options for taking ownership of the building, exploring the potential end uses of the land and recommended a course of action in accordance with the resolution of full Council taken in September 2015.

Decision

The Committee –

1. Noted the removal of public danger from the West Kirk and the current safe and clean condition of the cleared site.
2. Agreed to take ownership of the site and to apply to the Court to make a vesting order under Section 1021 of the Companies Act.
3. Agreed that Development and Infrastructure Services should include the site on a very limited maintenance regime.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 4 May 2016, submitted)

19. MAJOR CAPITAL REGENERATION PROJECTS - UPDATE REPORT AS AT 4 AUGUST 2016

Consideration was given to a report which updated the Committee on the progress of the delivery of the 12 major capital regeneration projects, excluding the 9 Lorn Arc projects. The highlight report along with a programme plan submitted outlined the current position of the projects as at 18 June 2016. The paper also reported on key issues that would impact on the successful delivery of the projects from the development stage through to procurement and implementation.

Decision

The Committee –

1. Noted the current progress and agreed allocation of budget resources to date against each of the projects.
2. Noted the homologation of the £100k of works to Rothesay Pavilion.
3. Approved the projected increased cost of £375k to deliver the Rothesay Pavilion enabling works contract.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 4 August 2016)

20. ALLOCATION OF CHORD SURPLUS FUNDS

Consideration was given to a report which invited the Committee to consider how any surplus CHORD funds would be allocated.

Decision

The Committee agreed -

1. To delegate the allocation of any CHORD surplus funds from the original Council allocation on the 27 November 2008, to Area Committees to approve in accordance with the original CHORD objectives detailed at 4.3 of the submitted report and the town centre project activities as outlined in Appendix A.
2. Any deviation from the aforementioned terms and conditions of the award of surplus funds would, in line with CHORD governance, require the approval of the Policy and Resources Committee.

(Reference: Report by Executive Director – Development and Infrastructure Services dated August 2016, submitted)

21. PROJECTS AND REGENERATION TEAM - LARGE SCALE PROJECT UPDATE REPORT

A report updating the Committee on progress in delivering the larger scale project work of the Project and Regeneration Team with a focus on those projects that are mainly externally funded was considered. The Highlight Report attached at Appendix A outlined the current position of the projects as at July 2016. The paper also reported on key issues that would impact on the successful delivery of the projects.

Decision

The Committee noted the current progress and agreed to future update project reports coming before the Committee every six months.

(Reference: Report by Executive Director – Development and Infrastructure Services dated August 2016, submitted)

22. UPDATE ON IMPLEMENTATION OF THE PAVEMENT CAFE LICENCE POLICY

Consideration was given to a recommendation from the Environment, Development and Infrastructure Committee held on 11 August 2016 in respect of the implementation of the Pavement Café Licence Policy.

Decision

The Committee approved the waiving of the Pavement Café Licence fee for a further year.

(Reference: Recommendation from Environment, Development and Infrastructure Committee held on 11 August 2016, submitted)

23. POLICY AND RESOURCES COMMITTEE WORK PLAN

Consideration was given to the Policy and Resources Work Plan as at August 2016.

Decision

The Committee noted the content of the Work Plan.

(Reference, Policy and Resources Committee Work Plan dated August 2016, submitted)

The Chair advised that in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, the appendices relating to the following item of business would require him to exclude the press and public should any Member wish to discuss the content of those appendices on the grounds that it was likely to involve the disclosure of exempt information as defined in Paragraphs 8&9 respectively of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

*** 24. QUEENS HALL TENDER UPDATE**

The Committee gave consideration to a report which updated Members on the tender evaluation process in respect of the Queen's Hall. The paper included information on the tendered prices and the variation between the approved budget and the anticipated final cost.

Decision

The Committee agreed to recommend to the Council that they –

1. Note that the Queens Hall Refurbishment and Public Realm Works Contract has been the subject of a competitive procurement exercise involving three Tenderers. This exercise identified the Most Economically Advantageous Tender and the detail of the tender evaluation process and determination of the project's Anticipated Final Cost is at Appendix A.
2. Note that the Most Economically Advantageous Tender results in an Anticipated Final Cost for the project at variance with the Approved Budget.

3. Approve the recommendation to award the Contract as shown at Section 5.5, with the balance of funding to be met from available Capital Reserves.

(Reference: Report by Executive Director – Development and Infrastructure Services dated August 2016, submitted)

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

25. NEW SCHOOLS REDEVELOPMENT PROJECT

A report providing the Committee with an update on the project to build new secondary schools in Campbeltown and Oban; and a new primary school in Kirn, Dunoon was considered. The report also contained an update on the project in respect of Dunoon Primary School.

Decision

The Committee agreed the recommendations as contained within the submitted report.

(Reference: Joint report by Executive Director of Customer Services and Executive Director of Community Services dated 5 August 2016, submitted)

26. OBAN MARITIME QUARTER - PHASE 2 - TRANSIT BERTHING FACILITY - PROJECT DEVELOPMENT FUNDING

The Committee considered a report in relation to the drawdown of funding to facilitate the development of the Oban Maritime Quarter – Phase Two – Transit Berthing Facility project to full business case and detailed design.

Decision

The Committee agreed the recommendations as contained within the submitted report.

(Reference: Report by Executive Director – Development and Infrastructure Services dated August 2016, submitted)

27. HELENSBURGH WATERFRONT PROJECT INITIATION DOCUMENT (PID) AND DEVELOPMENT FUNDING

The Committee gave consideration to a report requesting the drawdown of development funding and approval of the Helensburgh Waterfront Development Project Initiation Document.

Decision

The Committee agreed the recommendations as contained within the submitted report.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 27 June 2016, submitted)

28. LORN ARC - UPDATE REPORT AS AT 19 JULY 2016

The Committee gave consideration to a report updating them on the progress in the delivery of the Lorn Arc Tax Incremental Financing Programme. The highlight report outlined the current position of the three most immediate projects as at 19 July 2016. The paper also reported on key issues that would impact on the successful delivery of the projects from the development stage through to procurement and implementation and on the overall affordability of the Lorn Arc Programme. The Chair gave a verbal update on information that had recently become available following the Oban, Lorn and the Isles Area Committee held on 10 August 2016 that hadn't been included in the submitted report.

Decision

The Committee noted -

1. The current progress with the Lorn Arc Programme.
2. That a meeting was scheduled to be held on 7 September 2016 for further consideration over the current position of the project.
3. That an update report would be provided to the October meeting of the Committee.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 19 July 2016, submitted)