

**MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL
CHAMBER, KILMORY, LOCHGILPHEAD
on FRIDAY, 8 DECEMBER 2017**

Present: Councillor Aileen Morton (Chair)

Councillor Rory Colville	Councillor Gary Mulvaney
Councillor Robin Currie	Councillor Douglas Philand
Councillor Jim Findlay	Councillor Alan Reid
Councillor Kieron Green	Councillor Len Scoullar
Councillor Roderick McCuish	Councillor Sandy Taylor
Councillor Ellen Morton	Councillor Richard Trail

Attending: Cleland Sneddon, Chief Executive
Douglas Hendry, Executive Director of Customer Services
Ann Marie Knowles, Acting Executive Director of Community Services
Pippa Milne, Executive Director of Development and Infrastructure Services
Kirsty Flanagan, Head of Strategic Finance
Tricia O'Neill, Central Governance Manager
Fergus Murray, Head of Economic Development and Strategic Transformation
Ishabel Bremner, Economic Growth Manager
Jane Fowler, Head of Improvement and HR
Malcolm McMillan, MACC
Jeff Cole, Capital Ambassadors Ltd
James Paterson, Senior Economic Growth Officer

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Armour, McNeilly and Robertson.

2. NOTICE OF MOTION UNDER STANDING ORDER 14

The Central Governance Manager advised that in terms of Standing Order 14 the following Notice of Motion by Councillor Findlay, seconded by Councillor Taylor had been received for consideration as a matter of urgency at this meeting:-

The Policy and Resources Committee agrees that the decision to close branches of The Royal Bank of Scotland in the communities of Rothesay, Campbeltown and Inveraray will

- a. not only see the loss of key services to local business and personal banking customers but also impact the thousands of visitors who come to these communities each year.
- b. extend to the rural communities of Bute, Kintyre and Mid Argyll served by these branches
- c. leave the town of Inveraray, a town driven by a tourist economy, with many small retail businesses, without a bank.

The Policy and Resources Committee instructs the Chief Executive to write to the Chief Executive of The Royal Bank of Scotland expressing the Council's grave concerns over the impacts of the decision on our communities, fragile businesses and economy, urging the Bank to reverse the most damaging of these decisions.

The Chair ruled that the motion be considered as a matter of urgency by reason of the need to take a decision before the next meeting of the Policy and Resources Committee in February.

The Committee agreed to consider the motion and this is dealt with at item 14 of this minute.

3. DECLARATIONS OF INTEREST

Councillor Sandy Taylor declared a non financial interest in relation to the report on Kilmartin Museum Redevelopment which is dealt with at item 16 of this minute due to him being a Board member. He claimed the benefit of the dispensation contained at section 5.16 of the Standard Commission's Guidance and Dispensation note to enable him to speak and vote.

4. MINUTES

The Minutes of the meeting of the Policy and Resources Committee held on 19 October 2017 were approved as a correct record.

5. FINANCIAL MONITORING REPORTING AS AT 31 OCTOBER 2017

A report providing a summary of the financial monitoring reports as at the end of October 2017 was given consideration. There were six detailed reports summarised including the Revenue Budget Monitoring Report as at 31 October 2017, Monitoring of Service Choices Savings as at 31 October 2017, Monitoring of Financial Risks as at 31 October 2017, Capital Plan Monitoring Report as at 31 October 2017, Treasury Monitoring Report as at 31 October 2017 and Reserves and Balances as at 31 October 2017.

The Head of Strategic Finance clarified that under Reserves and Balances the figure stated at paragraph 2.65 on page 17 of the pack should read £3.839m in relation to the estimated surplus.

Decision

The Policy and Resources Committee –

1. Noted the Revenue Budget Monitoring Report as at 31 October 2017.
2. Noted the progress of the Service Choices Policy Saving Options as at 31 October 2017.
3. Noted the current assessment of the Council's financial risks.
4. Noted the Capital Plan Monitoring Report as at 31 October 2017 and approved the over project cost changes, the project slippages and accelerations noted within Appendix 7 of the Capital Plan Monitoring Report.
5. Noted the Treasury Monitoring Report as at 31 October 2017.
6. Noted the Reserves and Balances Report as at 31 October 2017.

(Reference: Report by Head of Strategic Finance dated 8 November 2017, submitted)

6. REVENUE BUDGET OUTLOOK 2018-19 TO 2020-21 - UPDATE

Consideration was given to a report which provided Members with an update on the budget outlook 2018-19 to 2020-21. The report summarised the figures contained within the August report and provided detail on any assumptions that had been updated.

Decision

The Policy and Resources Committee noted the current estimated budget outlook position 2018-19 to 2020-21.

(Reference: Report by Head of Strategic Finance dated 22 November 2017, submitted)

7. PERFORMANCE REPORT - FQ2 2017-18

The Customer Services departmental performance report, with the scorecards for Customer Services and Strategic Finance, for financial quarter two 2017-18 (July to September) was before the Committee for review.

Decision

The Policy and Resources Committee noted the departmental performance report and scorecards as presented.

(Reference: Report by Executive Director – Customer Services dated November 2017, submitted)

8. DRAFT SERVICE PLANS 2017-20 FOR 2018-19 BUDGET

The Policy and Resources Committee gave consideration to a report which presented them with the Draft Service Plans 2017-20 for Customer Services and Strategic Finance, for the 2018-19 budget.

Decision

The Policy and Resources Committee endorsed the Draft Service Plans 2017-20 for onward submission to the Policy and Resources Committee and Council Meeting in February for the 2018-19 budget allocation.

(Reference: Report by Executive Director – Customer Services dated 28 November 2017, submitted)

9. TARBERT AND LOCHGILPHEAD REGENERATION PROJECT - GLEANER PHASE 1 FULL BUSINESS CASE

The Policy and Resources Committee gave consideration to a recommendation from the Mid Argyll, Kintyre and the Islands Area Committee held on 6 December 2017 in respect of the Tarbert and Lochgilphead Regeneration Fund – Gleaner Phase 1 Full Business Case.

Decision

The Committee agreed to:

1. The maximum grant funding of up to £250,000 should be allocated to the Gleaner Phase 1 from the Tarbert and Lochgilphead Regeneration Fund; and
2. Delegated authority to the Executive Director of Development and Infrastructure Services to confirm the final grant amount. The Executive Director will only have the delegated authority to approve grant where it would not exceed the contribution made by Scottish Canals/Scottish Waterways Trust.

(Reference: Recommendation by Mid Argyll, Kintyre and the Islands Area Committee held on 6 December 2017 and report by Executive Director – Development and Infrastructure Services dated 7 November 2017, submitted)

10. ARGYLL AND BUTE EMPLOYABILITY TEAM - UPDATE ON FINANCIAL POSITION AND SERVICE PROVISION GOING FORWARD

A report which provided Members with an update on the current financial position of the Argyll and Bute Council's Employability Team was given consideration. The report also sought approval to deliver the new Fair Start Scotland contract over a three year period commencing 3 April 2018.

Decision

The Policy and Resources Committee agreed –

1. That the Employability Team deliver the Fair Start Scotland Contract which has an indicative value of £866,150 (net of management fees) over the lifetime of the contract).
2. That the unused earmarking be released back to the general fund, estimated to be approximately £435k (better than anticipated).
3. To thank the Economic Development team for their hard work, determination and achievement in the delivery of the employability provision across Argyll and Bute.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 2 November 2017, submitted)

11. COWAL FIXED LINK FUNDING REQUEST

The Policy and Resources Committee gave consideration to a request for funding from the Cowal Fixed Link Funding Group. The Group had requested £3000 each from the Council, Highlands and Islands Enterprise and Transport Scotland.

Decision

The Policy & Resources Committee noted:

- a) The aspirations of the Cowal Fixed Link Working Group in its efforts to connect South Argyll & Bute to the Central Belt by either rail and/or road to avert population decline and consequent economic threat;

- b) That this request is expected to have a consequential ask of substantially more than £3k;
- c) The ongoing issues with other national transportation infrastructure such as the Dunoon – Gourock ferry and the lack of a permanent solution at the A83 Rest and be Thankful, which both have an impact on Cowal and Dunoon;
- d) That the HIE Transport Connectivity Report, considered by Argyll and Bute Council at its meeting on 29th September 2016, identified that fixed links brought risks as well as benefits and listed a wide range of potential fixed link options within Argyll and Bute;
- e) That the Faroe Islands are reportedly able to construct tunnels at a cost of £11million per kilometre.

The Policy & Resources Committee therefore:

1. Agreed that the scale of this project makes it a national infrastructure project that should be led by Transport Scotland on behalf of the Scottish Government;
2. Instructed the Executive Director of Development & Infrastructure to write to the Scottish Government asking them to urgently investigate the feasibility of constructing tunnels at the following locations in Argyll and Bute, in order of priority:
 - a. At the A83, near the Rest and be Thankful, where the road is most prone to landslides
 - b. From Gourock to Dunoon, and on to Bute
 - c. Across Loch Fyne;
3. As part of the communication with the Scottish Government, the Executive Director should also ask for Transport Scotland to consult within the Bute and Cowal area on the prioritisation of infrastructure investment;
4. Agreed that while the Council is not in a financial position to become a funder for this project, the Cowal Fixed Link Working Group should be directed to the local Supporting Communities Fund, where funding of up to £2.5K is potentially available to them.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 29 November 2017, submitted)

12. MAJOR CAPITAL REGENERATION PROJECTS - UPDATE REPORT

A report which set out the current position of each of the twelve capital regeneration projects, excluding the nine Lorn Arc Projects, was before the Committee for information.

Decision

The Policy and Resources Committee noted the current progress and agreed allocation of budget resources to date against each of the projects.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 2 November 2017, submitted)

13. POLICY AND RESOURCES COMMITTEE WORK PLAN 2017/18

The Policy and Resources Committee Workplan as at December 2017 was before the Committee for information.

Decision

The Policy and Resources Committee noted the content of the Policy and Resources Committee Workplan as at December 2017.

(Reference: Policy and Resources Committee Workplan as at December 2017, submitted)

14. NOTICE OF MOTION UNDER STANDING ORDER 14

In terms of Standing Order 14 the following Notice of Motion had been received for consideration as a matter of urgency at this meeting.

The Policy and Resources Committee agrees that the decision to close branches of The Royal Bank of Scotland in the communities of Rothesay, Campbeltown and Inveraray will

- a. not only see the loss of key services to local business and personal banking customers but also impact the thousands of visitors who come to these communities each year.
- b. extend to the rural communities of Bute, Kintyre and Mid Argyll served by these branches
- c. leave the town of Inveraray, a town driven by a tourist economy, with many small retail businesses, without a bank.

The Policy and Resources Committee instructs the Chief Executive to write to the Chief Executive of The Royal Bank of Scotland expressing the Council's grave concerns over the impacts of the decision on our communities, fragile businesses and economy, urging the Bank to reverse the most damaging of these decisions.

Moved by Councillor Findlay, seconded by Councillor Taylor.

Decision

The Committee agreed the terms of the Motion.

(Reference: Notice of Motion by Councillors Findlay and Taylor, tabled)

The Committee resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the press and public for the following 2 items of business on the grounds that it was likely to involve the disclosure of exempt information as defined in Paragraphs 6 and 4 respectively of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

15. REVIEW OF THE DSUK BUSINESS CASE

(a) Presentation by Capital Ambassadors Ltd (CapAm)

Capital Ambassadors Limited (CapAm) accompanied by Malcolm McMillan, Machrihanish Airbase Community Company (MACC) gave the Committee a very informative presentation in relation to the Discover Space UK Business Case.

Decision

The Policy and Resources Committee noted the content of the presentation given by Capital Ambassadors Limited (CapAm).

(Reference: Presentation by Capital Ambassadors Limited (CapAm))

(b) **Public Report by Executive Director - Development and Infrastructure Services**

The Committee gave consideration to a report which highlighted the main findings of Capital Ambassadors Ltd (CapAm) which had been given in further detail during the presentation on “CapAm Deliverables for DSUK, October 2017” under the previous item 13a. The report also proposed that the next phase of activity, to be carried out by CapAm would provide information to inform a business case which would intend to determine the direction that DSUK would take in developing a space based business plan.

Councillor Len Scoullar left the meeting at this point.

Decision

The Policy and Resources Committee –

1. Approved the Council’s continued involvement with DSUK including an investigation of a possible joint venture with the Benbecula launch site to accommodate the possible development of facilities at Machrihanish.
2. Welcomed the content of the presentation given by Capital Ambassadors Ltd.
3. Strongly endorsed the positive activity being undertaken with the private sector to develop a strong and vibrant business base.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 24 October 2017, submitted)

16. KILMARTIN MUSEUM REDEVELOPMENT - FURTHER ASSESSMENT OF EXTERNAL FINANCIAL REQUEST

A report providing an update on the proposals for the redevelopment of the Kilmartin House Museum and a request for a financial contribution from the Council was given consideration by the Committee.

Decision

The Committee agreed the recommendations as contained within the submitted report by the Executive Director.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 29 November 2017, submitted)