

**MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL
CHAMBER, KILMORY, LOCHGILPHEAD
on THURSDAY, 20 AUGUST 2015**

Present: Councillor Dick Walsh (Chair)

Councillor Rory Colville	Councillor Gary Mulvaney
Councillor Robin Currie	Councillor Douglas Philand
Councillor Mary-Jean Devon	Councillor James Robb
Councillor Roderick McCuish	Councillor Len Scoullar
Councillor Alistair MacDougall	Councillor Isobel Strong
Councillor Aileen Morton	Councillor Sandy Taylor
Councillor Ellen Morton	

Also Present: Councillor Duncan MacIntyre

Attending: Sally Loudon, Chief Executive
Douglas Hendry, Executive Director – Customer Services
Pippa Milne, Executive Director – Development and Infrastructure Services
Cleland Sneddon, Executive Director – Community Services
Charles Reppke, Head of Governance and Law
Steve Barrett, Interim Head of Strategic Finance
Kirsty Flanagan, Finance Manager
Michael Nicol, Trainee Solicitor
Peter Cupples, Finance Manager
Judy Orr, Head of Customer and Support Services
Jane Fowler, Head of Improvement and HR
Malcolm MacFadyen, Head of Facility Services
Mike Casey, Schools Development Project Manager
Margaret Moncur, Finance Manager

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Donald Kelly and Councillor Iain MacLean.

2. DECLARATIONS OF INTEREST

Councillor Rory Colville declared a non financial interest in item 23 of the agenda (Request for Cash Flow Loan by South Kintyre Development Trust) due to the fact that he was a member of the South Kintyre Development Trust.

3. MINUTES

(a) POLICY AND RESOURCES COMMITTEE HELD ON 14 MAY 2015

The Minutes of the Meeting of the Policy and Resources Committee held on 14 May 2015 were approved as a correct record.

(b) SPECIAL POLICY AND RESOURCES COMMITTEE HELD ON 22 JUNE 2015

The Minutes of the Meeting of the Special Policy and Resources Committee held on 22 June 2015 were approved as a correct record.

4. FINANCIAL REPORTING 2015-16 SUMMARY

The Committee considered a report providing a summary of the financial monitoring reports as at the end of June 2015.

Decision

The Committee –

1. Noted the Revenue Budget Monitoring Report as at 30 June 2015.
2. Noted the current assessment of the Council's financial risks.
3. Noted the overall level of reserves and balances and noted the monitoring of the earmarked reserves.
4. Noted the Capital Plan Monitoring Report as at 30 June 2015.
5. Noted the Treasury Monitoring Report as at 30 June 2015.

(Reference: Report by Interim Head of Strategic Finance dated 10 August 2015, submitted)

5. SERVICE CHOICES

A report was considered which updated Members on the progress to date with the Service Choices process and which outlined recommendations on the way forward with the Service Choices process over the coming months.

Motion

That the Committee approve the recommendations contained within the report –

1. Members to note the progress being made on Service Choices through the Project Board, with feedback from the Member's Workshop of 5 June being taken on board and informing actions and work going forward.
2. The report to the Policy and Resources Committee on 22 June envisaged that service targets would be brought to the meeting on 20 August. The Project Board of the 30 June considered the savings options and now recommend the following which Members are asked to approve –
 - Category 1 Management/Operational options where there are no policy or HR implications are noted and will be delivered as part of normal business.
 - Category 2 Policy Options are all progressed through to Stage 3 with further consideration of these options prior to consultation.

- Category 3 Other Alternative Options are not progressed at this stage as they are alternative to the options already being further developed in Category 2.
3. Members to endorse the Project Board recommendation that for planning purposes an indicative target range of savings of 4% to 6% is applied to Social Work Services. This is in line with the average percentage reduction applied across other Council services included within Service Choices and provides a degree of flexibility in developing options, until confirmation of the financial settlement is received. The final decision on the reduction will require approval by Council.

Moved Councillor Dick Walsh, seconded Councillor Ellen Morton.

Amendment

That the Committee approve –

1. Members to note the progress being made on Service Choices through the Project Board, with feedback from the Member's Workshop of 5 June being taken on board and informing actions and work going forward. To note that a majority of Members didn't have access to the information that was provided to the Project Board.
2. The report to the Policy and Resources Committee on 22 June envisaged that service targets would be brought to the meeting on 20 August. The Project Board of the 30 June considered the savings options and now recommend the following which Members are asked to approve –
 - Category 1 Management/Operational options where there are no policy or HR implications are noted and will be delivered as part of normal business.
 - Category 2 Policy Options are all progressed through to Stage 3 with further consideration of these options prior to consultation.
 - Category 3 Other Alternative Options are not progressed at this stage as they are alternative to the options already being further developed in Category 2.
3. Members to endorse the Project Board recommendation that for planning purposes of the Health and Social Care Partnership, an indicative target range of savings of 4% to 6% is applied to Social Work Services. This is in line with the average percentage reduction applied across other Council services included within Service Choices and provides a degree of flexibility in developing options, until confirmation of the financial settlement is received. The final decision on the reduction will require approval by Council.

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 Interim Head of Strategic Finance dated 30 July 2015, submitted)

6. PERFORMANCE REPORTING FQ1 2015-16

The Committee considered a report presenting the Customer Services departmental performance report with the scorecards for Strategic Finance and Customer Services for FQ1 2015-16.

Decision

The Committee –

1. Noted the scorecards as presented.
2. Agreed the removal of redundant measure 'actual audit days as % of planned' from the Strategic Finance scorecard.
3. Noted that revised performance indicators for internal audit would be proposed to the Audit Committee, in the first instance, at its meeting in September 2015.

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

7. AUDIT SCOTLAND ACTION PLAN - UPDATE

A report providing Members with a further update on the Audit Scotland Action Plan was considered.

Decision

The Committee noted the content of the report and the updated Action Plan as detailed at appendix one to the report.

(Reference: Report by Executive Director – Customer Services dated 20 July 2015, submitted)

8. LAND REFORM (SCOTLAND) BILL 2015

A report outlining some of the main provisions contained within the Land Reform (Scotland) Bill was considered. The report also identified some potential implications for the Council and recommended that Members make representation to the Scottish Government in respect of these. The Scottish Parliament had issued two calls for evidence from the Rural Affairs Committee and from the Finance Committee.

Decision

The Committee -

1. Noted the information contained in the report by the Executive Director of Customer Services in relation to the Land Reform (Scotland) Bill 2015.
2. Recognised that while the Land Reform (Scotland) Bill is an important and far reaching piece of legislation, the intention of which is to be broadly welcomed, there are a number of issues arising in relation to the Bill.
3. Recognised that the nature of the Argyll and Bute area is such that there are differing views in relation to the various provisions contained within the Bill.

The Committee therefore agreed -

1. That Officers note the key points of concern as expressed by Members in the debate, and that the Council's response to the Scottish Government is made on the basis as set out in the report.
2. That the Executive Director of Customer Services be delegated to, in consultation with the Leader and Deputy Leader of the Council and the Leader of the largest opposition party, to draft the final response of the Council to the Scottish Government's call for evidence in relation to the Bill.
3. To encourage any council Member who has an interest in, or strong views on any of the provisions contained within the Bill, or the Bill as a whole, to make representations to the Scottish Government on an individual basis, provided that those views are consistent with the standards of conduct required of them as Council Members.

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

9. LOCAL GOVERNMENT BOUNDARY COMMISSION FOR SCOTLAND - PUBLIC CONSULTATION ON PROPOSED ELECTORAL WARDS

The Committee considered a report providing Members with an update on the Local Government Boundary Commission for Scotland's Fifth Review of Electoral Arrangements. The report provided members with an outline of Argyll and Bute Council's engagement with the local authority consultation phase, details of the Council's official response, the public consultation arrangements and the next stages of the Local Government Boundary Commission for Scotland's Fifth Electoral Review Process.

Decision

The Committee –

1. Noted the contents of the report.
2. Agreed to maintain its objection in principle to the proposals that will reduce councillor numbers in Argyll and Bute by 3, notwithstanding the

previous submission of a technical response.

3. Agreed to further reinforce the Council's position regarding the apparent disregard by the Local Government Boundary Commission to deprivation, rurality and Island issues as well as natural community links within the boundaries of Argyll and Bute.
4. Agrees to support community engagement activity to encourage a wide response to the Public Consultation.
5. Agreed that a letter be issued to all 16 MSPs who represent Argyll and Bute signed by the Leader, Depute Leader, and Leader of the main opposition group requesting that they support the Council's position and asking that, when the matter comes before Scottish ministers by way of an order before finalisation by the Scottish Parliament, the status quo is maintained for Argyll and Bute in terms of councillor numbers and ward boundaries.

(Reference: Report by Executive Director – Customer Services dated 4 August 2015, submitted)

10. DISCRETIONARY HOUSING PAYMENTS POLICY UPDATE

A report was considered advising of the need to update the policy for awarding Discretionary Housing Payments to claimants in receipt of Housing Benefit, and who are deemed to be in high, medium and or low levels of hardship.

Decision

The Committee approved the proposed amendment to the policy for awarding Discretionary Housing Payments as detailed at appendix one to the report by the Executive Director.

(Reference: Report by Executive Director – Customer Services dated 12 August 2015, submitted)

The Chair ruled and the Committee agreed to adjourn for lunch at 1.10pm and to reconvene at 1.45pm.

The Committee reconvened at 1.45pm. Councillor Mary Jean Devon was not present at this point.

11. COUNCIL TAX ON EMPTY PROPERTIES

The Committee considered a report proposing amendments to the Policy for the imposition of a double council tax charge on a long term empty property to provide a new owner with a minimum of a 12 month period before the double charge is imposed, where it is undergoing major repairs or structural alteration.

Decision

The Committee approved the amendment to the policy for charging double council tax on long term empty properties so that where major repairs are underway which require planning permission and/or building warrant and the property has recently been purchased by a new owner, the double charge is only applied after a 12 month period.

(Reference: Report by Executive Director – Customer Services dated 15 June 2015, submitted)

12. CONSULTATION ON REGULATIONS AND GUIDANCE UNDER THE WELFARE FUNDS (SCOTLAND) ACT 2015

The Committee considered a report containing a draft response to the consultation on Regulations and Guidance under the Welfare Funds (Scotland) Act 2015.

Decision

The Committee approved the draft response to the consultation as detailed at appendix one to the report by the Executive Director.

(Reference: Report by Executive Director – Customer Services dated 12 August 2015, submitted)

13. CONSULTATION ON PROPOSAL FOR A CYBER RESILIENCE STRATEGY FOR SCOTLAND

The Committee considered a draft response from the Council on the consultation on a proposal for a Cyber Resilience Strategy for Scotland.

Decision

The Committee approved the draft response to the consultation as detailed at appendix one to the report by the Executive Director.

(Reference: Report by Executive Director – Customer Services dated 17 July 2015, submitted)

14. SMITH AGREEMENT INQUIRY: CALL FOR EVIDENCE FROM WELFARE REFORM COMMITTEE

A report containing a draft response to a call for evidence from the Welfare Reform Committee in respect of the Smith Agreement Inquiry was considered.

Motion

That the Committee approve the draft response as detailed at appendix one to the report by the Executive Director.

Moved Councillor James Robb, Seconded Councillor Isobel Strong.

Amendment

That the Committee approve the draft response as detailed at appendix one to the report by the Executive Director subject to the deletion of the first two sentences of paragraph two of the response to question (a) on Page 117 of the agenda pack.

Moved Councillor Ellen Morton, seconded Councillor Gary Mulvaney.

Decision

Following a show of hands vote the Amendment was carried by ten votes to three and the Committee resolved accordingly.

(Reference: Report by Executive Director – Customer Services dated 12 August 2015, submitted)

Councillor Mary Jean Devon rejoined the meeting at this point.

15. PROCUREMENT AND COMMISSIONING STRATEGY 2015-2018

A report setting out the updated Procurement and Commissioning Strategy covering the period 2015-18 was considered. The Strategy would replace the previous one covering the period 2012-15.

Decision

The Committee –

1. Approved the Procurement and Commissioning Strategy 2015-18.
2. Approved the increase in the closed tender threshold for works contracts from £350k to £500k which allows works contracts up to this value to be tendered via a pre-selected list allowing local suppliers the ability to bid for these, which supports the Strategy's principles.

(Reference: Report by Executive Director – Customer Services dated 21 July 2015, submitted)

16. CORPORATE IMPROVEMENT STRATEGY

A report which presented a draft Corporate Improvement Strategy for approval by the Committee was considered.

Decision

The Committee –

1. Noted the content of the report.
2. Approved the draft Corporate Improvement Strategy as detailed at appendix one to the report by the Executive Director.

(Reference: Report by Executive Director – Customer Services dated 15

July 2015, submitted)

17. VOLUNTARY REDUNDANCY

A report setting out proposals to invite expressions of interest from employees for voluntary redundancy was considered. The report set out the proposed approach and timeline and highlighted the policy position which underpinned the proposal.

Decision

The Committee –

1. Agreed that management proceed to invite expressions of interest in voluntary redundancy from employees starting in late August 2015.
2. Agreed to exclude Teachers and SSSC registered Social Care staff from the process.
3. Noted that employees will be made aware that an expression of interest in voluntary redundancy does not mean that it will be granted.
4. Acknowledged that additional staff resource will be required within HR to manage the process, and noted that this requirement is outlined in a separate report.
5. Noted that there will inevitably be staff reductions in order to achieve the savings requirements over the next five years and the Council will need to consider making an allowance for the cost of severance, which could be significant.

(Reference: Report by Executive Director – Customer Services dated 22 July 2015, submitted)

18. HERMITAGE PARK, HELENSBURGH

A report providing an update on the current development phase of the Hermitage Park, Heritage Lottery Fund, Parks for People Stage Two Bid was considered.

Decision

1. Approved in principle the final masterplan.
2. Approved and adopted in principle the ten year Management and Maintenance Plan and associated financial resources needed to deliver the plan, which must meet and achieve Green Flag Standards for ten years after project completion.

3. Delegated authority to the Director of Development and Infrastructure to intimate agreement to HLF.
4. Noted that funding will come from within existing amenity services budgetary spend for Hermitage Park.

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

19. ROTHESAY TOWNSCAPE HERITAGE PHASE 2 STAGE ONE BID

A report providing a background to the Townscape Heritage funding call and which highlighted the impact, deliverability, affordability and associated risk was considered. The report recommended that the Council submit a first round bid to the Heritage Lottery Fund by 31 August 2015.

Decision

The Committee –

1. Agreed to the submission of a stage one bid.
2. Noted that if the stage one bid is successful there will be a need to identify £200k of match funding to allow the project to progress to stage two.

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

20. UPDATE ON IMPLEMENTATION OF NEW POLICY - PAVEMENT CAFE LICENSES

The Committee considered a recommendation from the Environment, Development and Infrastructure Committee held on 13 August 2015 to approve an amended Pavement Café Licence Policy and to waive the Pavement Café Licence for a further year.

Decision

The Committee –

1. Agreed the proposal to waive the Pavement Café Licence fee for a further year.
2. Approved the amended Café Pavement Licence Policy as detailed at Appendix one to the report by the Executive Director.

(Reference: Recommendation from Environment, Development and Infrastructure Services Committee held on 13 August 2015 and report by Executive Director – Development and Infrastructure Services dated 13

July 2015, tabled)

21. POLICY AND RESOURCES COMMITTEE WORK PLAN

The Committee considered the Policy and Resources Committee Work Plan as at August 2015.

Decision

The Committee noted the updated work plan.

(Reference: Policy and Resources Committee Work Plan dated August 2015, submitted)

The Committee noted that, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, Appendix 2 of the following item of business contained exempt information as defined in Paragraph 1 of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

22. RESOURCING SERVICE CHOICES PROCESS - HR SERVICE

A report was considered which set out issues and proposed solutions to supporting the Council and its employees through the process of Service Choices.

Decision

The Committee –

1. Noted the additional work generated for HR by the Service Choices process and the inability for the service to deliver all of this additional work from existing resources. The professional advice and support will continue to be delivered from within existing HR resources, but there is a need to augment the administrative resources. This will be done by utilising wider Departmental funding.
2. Noted that the additional resources can be funded from the existing 2015-16 Customer Services departmental forecast underspend, and agreed that the budget to be earmarked and the balance permitted to be carried forward to fund the additional posts for a maximum of 2 years. This will allow the HR service to support the administrative elements of the service choices process. Earmarked balances are routinely monitored and any balance no longer required would be returned to the General Fund Reserve.
3. Agreed that the Year 2 savings of up to 25% for IHR, which involve the full implementation of service redesign, creating an integrated team that puts people at the heart of performance, are profiled for year 3 to ensure that the service has sufficient resource to support the organisation through the significant change of Service Choices in Years 1 and 2.
4. Agreed that the Service Choices proposal set out in Appendix 2 is accelerated for immediate implementation, noting that this will put in place a transitional structure that is equipped to support the organisation through Years 1 and 2 of

Service Choices.

(Reference: Report by Executive Director – Customer Services dated 22 July 2015, submitted)

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

Councillor Rory Colville, who had previously declared a non financial interest in the following item of business, left the meeting at this point and took no part in the consideration of this item.

23. REQUEST FOR CASH FLOW LOAN BY SOUTH KINTYRE DEVELOPMENT TRUST

The Committee considered a report outlining a request for a Cash Flow Loan from South Kintyre Development Trust.

Decision

The Committee agreed the recommendations as detailed within the report by the Interim Head of Strategic Finance.

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

Councillor Rory Colville rejoined the meeting.

24. HELENSBURGH OFFICE ACCOMMODATION - UPDATE

The Committee considered a report providing an update on the Helensburgh Office Project.

Decision

The Committee

1. Agreed the recommendations as detailed within the report by the Executive Director.
2. Agreed that a Press release providing an update on the current situation with regards to the project be produced by Executive Director of Customer Services, Head of Facility Services and Communications Manager in consultation with the Area Chair, Leader and Depute Leader and circulated to all Area Committee Members.

(Reference: Report by Executive Director – Customer Services dated 12 August 2015, submitted)

25. NEW SCHOOLS REDEVELOPMENT PROJECT

A report was considered which provided the Committee with details of the Stage 1 submissions by hubNorth Scotland Ltd (hubNorth) to build new secondary schools in Campbeltown and Oban; and a new primary school in Kirn. The report also detailed the review of the Stage 1 submissions together with an update on the project in respect of Dunoon Primary School.

Decision

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

(Reference: Report by Executive Director – Community Services dated 23 July 2015, submitted)

26. MAJOR CAPITAL REGENERATION PROJECT PROGRESS REPORT

A report was considered which updated the Policy & Resources Committee on progress in delivering the fourteen major capital regeneration projects led by Development and Infrastructure Services.

Decision

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

(Reference: Report by Executive Director – Development and Infrastructure Services dated 15 July 2015, submitted)