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**24th September 2015**

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**LEADER'S REPORT**

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**1. INTRODUCTION**

- 1.1 This report provides members with an update on my activities as Leader of the Council during the period 8<sup>th</sup> June to 11<sup>th</sup> September 2015. Even though this period includes the annual July recess, it has been a busy and productive time.
- 1.2 There has been considerable work on progressing Service Choices and Planning our Future. Alongside scheduled meetings this period has included a number of workshops for members. This will of course increase over the coming months as we move towards our budget meeting in February.
- 1.3 The summer months have included a number of good news stories for Argyll and Bute, including the very successful Argyll and Bute Community Planning Partnership event in August, the visit of the Scottish Cabinet to Oban, and the bid for Kintyre to become the home of the UK's first spaceport. There is more detail about these in the report and they offer us a sound platform to build on as we rise to the challenge of securing a thriving economy for Argyll and Bute, built on a growing population.
- 1.4 I have also provided updates in respect of my role as Policy Lead Councillor for Finance, IT, HR and Governance and Law.

**2. RECOMMENDATIONS**

- 2.1 Members are asked to note the report,
- 2.2 Members are asked to note that the full Leader's Report Pack is available in the Leader's office. This includes COSLA papers and briefings as referenced in the report. Any COSLA items heard in public session can be provided to members electronically; the papers for items taken in private session can be reviewed in the Leader's office.

### **3. PLANNING OUR FUTURE**

- 3.1** Throughout June and August, there have been a number of scheduled meetings to progress Service Choices and Planning our Future. Feedback from the workshop for all members on 5<sup>th</sup> June helped to shape the report for the Special Policy and Resources Committee meeting on Service Choices on 22<sup>nd</sup> June. There was a further workshop for members on 3<sup>rd</sup> August and, by the time this report is published, another session will have taken place on Friday 18<sup>th</sup> September.

Work continues apace on Planning our Future as we consider the dual challenge of delivering services alongside investing in the future, growing our population and securing a vibrant future for our people and our communities.

### **4. LEADERSHIP – COSO, 23<sup>rd</sup> June 2015**

- 4.1** Oban was the venue for the latest Chief Officers and Senior Officers (COSO) event on 23<sup>rd</sup> June. This session focused on leadership and proved to be an inspiring and encouraging day for everyone. I was honoured to be asked to speak to the group about leadership, highlighting the message that everyone has a part to play in leading Argyll and Bute Council through a time of change and challenge. The benefits of working collectively were a key theme throughout the day. I know that officers continue to examine the feedback from this session to see how we can build on it as we work together within the organisation, with people in our communities and with our partner agencies.

The COSO event included presentations on the Community Empowerment Bill; an exercise on making leadership principles real when faced with change; working as a team to create capacity and resilience; and how, working collectively, we can communicate change more effectively.

We also had an interesting presentation from Alison McBride of West Dunbartonshire Council who shared her experiences of implementing service changes in challenging times through a dedicated Change Team model. It is always helpful and useful to hear from our local authority colleagues about their experiences and practice – every council in Scotland faces challenging times and again, by working together wherever possible, we can find solutions and new ideas for doing things differently.

## **5. COSLA CONVENTION, 26<sup>th</sup> June 2015**

- 5.1** Along with Sally Loudon, Chief Executive, I attended the COSLA Convention in Edinburgh on Friday 26<sup>th</sup> June.

The items considered in the public session are outlined below.

### **Appointment of COSLA's Education, Children and Young People Spokesperson**

Councillor Stephanie Primrose from East Ayrshire Council was appointed to this position by the Convention.

### **Strengthening Local Democracy in Scotland – progress**

This paper updated the Convention on the work that COSLA has been doing in pursuit of the objectives outlined in the Commission on Strengthening Local Democracy's final report, which was in turn adopted by COSLA's Convention.

There are three themes used to pursue these priorities: promotion and campaigning, policy development and partnerships, and capacity building and delivery. The paper (available in the Leader's Report Pack) provides more detail around each of these three general themes. Another major focus of COSLA's work has been around the Community Empowerment Bill.

The recommendations were:

- Note the update on the work COSLA has done to pursue strengthening local democracy;
- Decide whether or not a more proactive approach to maintaining the partnership that gave rise to the Commission and its findings is now warranted;
- Provide any comments or suggestions regarding work Convention would like to see us pursuing under each of the three main headings.

The council's position was to agree with the recommendations. The Convention agreed the paper.

### **COSLA Evidence to the Commission on Local Tax Reform**

The Convention was asked to approve the draft submission of evidence to the Commission, which had been approved by the Resources and Capacity Executive Group and by the Fiscal Empowerment Task Group.

The submission was based on well-established pieces of work already approved by COSLA – the 2013 Local Government Funding Review, and the 2014 Commission on Strengthening Local Democracy report. An officer group including representatives from SOLACE, Directors of Finance, Revenues Practitioners, Assessors and others with relevant expertise supported the development of the response.

The recommendations were:

- Note the draft submission which is recommended to Convention by both the Fiscal Empowerment Task Group and the Resources and Capacity Executive Group;
- Consider and approve the submission as COSLA's formal evidence to the Commission on Local Tax Reform.

The council was in agreement with the recommendations. The Convention agreed the recommendations, adding also 'submission to the Commission for Fair Taxation'.

### **Trading Standards Scotland – Governance Arrangements**

This paper proposed new governance arrangements for the Trading Standards Scotland (TSS) team, and the service improvement work in relation to local trading standards services. It included an update on an options appraisal exercise for the long-term delivery of the TSS team.

The recommendations were:

- Agree the new governance arrangements for TSS and, consequently, the establishment of a TSS Board and the dissolution of the Consumer Protection Task Group;
- Agree that political group leaders be asked to make the necessary nominations for membership of the Board;
- Note the update on the options appraisal exercise for the long term delivery model for the TSS team;
- Note the formation of the Trading Standards Strategic Review Working Group, comprising relevant officers, and its initial actions to implement the recommendations from the Audit Scotland report *Protecting Consumers*;
- Agree that the work of both the TSS Board and the Strategic Review Group be overseen in the first instance by the Community Wellbeing Executive Group and reported on to Convention or Leaders as appropriate.

The council's position was to agree with all recommendations in general terms, with one exception:

- The Society of Chief Officers for Trading Standards Scotland (SCOTSS) should have more than one member on the Board as the work of TSS is dependent on effective working relationships with councils. It is proposed that the number of SCOTSS members remains unchanged.
- The council also noted that it is important to progress the *Protecting Consumers* report which, on publication two years ago, identified serious risks to the future delivery of trading standards in Scotland. A performance and benchmarking group for trading standards has been set up through SCOTSS, led by Argyll and Bute Council's Regulatory Services Manager.

Following debate and a vote, the paper and its recommendations were accepted by majority decision.

### **COSLA's Audited Financial Statements for the year ending 31<sup>st</sup> March 2015**

COSLA's accounts for the year 2014/15 were presented. The budgeted position for the year was a surplus of £192K and the actual surplus transferred to general reserve was £288K.

The recommendation was:

- Adopt the audited financial statements

The council's position was to agree with approval of the accounts.

Convention agreed to adopt the audited financial statements.

### **Private session agenda items**

Some items were taken in private session and, while I cannot therefore report on them here, the papers and associated briefings are included in the Leader's Report Pack which is available for members to review.

- Developing the Young Workforce
- Tackling Low Pay in Social Care
- Health and Social Care Partnerships
- COSLA Review

## **6. SCRUTINY SKILLS TRAINING – 7<sup>th</sup> August 2015**

**6.1** I joined member and officer colleagues for a session on Scrutiny Skills Training delivered by the University of Birmingham School of Government and Society. This was a fascinating and useful session and I am sure that everyone there found it to be of interest. As well as looking at the place of the Performance, Review and Scrutiny Committee in our governance structure, we also had the opportunity to reflect on what works well and what could be improved. Different sessions on trust building, questioning and listening skills were also extremely helpful and this was another example of a valuable training opportunity for members.

## **7. VISIT BY DAVID STEWART, MSP – 10<sup>th</sup> to 12<sup>th</sup> August 2015**

**7.1** David Stewart, the Highlands and Islands MSP and Shadow Transport Spokesman, visited Argyll and Bute over three days, 10<sup>th</sup> to 12<sup>th</sup> August.

His visit started at the Machrihanish Airbase where, along with Councillor Rory Colville, we met with representatives from MACC - the Machrihanish Airbase Community Company. Members will be aware that MACC, along with the council and other agencies, are striving to become the site of the UK's first spaceport – this has tremendous potential for Kintyre and, indeed, all of Argyll and Bute in terms of jobs, population and boost to the local economy. This visit offered an opportunity to learn more about the MACC airbase and the considerable advantages it has as a desirable location for the UK spaceport – including the longest runway in Europe.

Alongside the spaceport bid, MACC is doing much to regenerate the former RAF airbase as a business park, with around 50 local businesses now using premises on site and more investment planned. They are incredibly enthusiastic about what the area has to offer and it was encouraging to see this kind of activity under way.

Mr Stewart was equally enthusiastic about the facility and is very supportive of Argyll and Bute's bid to become the site for the UK spaceport.

Elsewhere in Kintyre, Mr Stewart saw examples of the council's investment in the area, including the Aqualibrium centre and all weather pitches in Campbeltown, the New Quay and berthing facilities, and some of the conservation work that is going on in the town, including the Town Hall project.

Mr Stewart also visited Islay, where he met with Councillor Robin Currie and the Islay Ferry Users Group, as well as touring local businesses and affordable housing developments on the island.

The final leg of his visit saw him joining us in Dunoon for a visit to the Queen's Hall to hear about the council's plans for the facility, and a tour of Dunoon's Victorian pier. He ended his Argyll trip in Oban where, along with Councillors Ellen and Aileen Morton, he toured the council's public realm and maritime visitor projects and visited the Scottish Association for Marine Science.

The visit was a great opportunity to highlight the work that the council is doing in communities across Argyll and Bute and Mr Stewart expressed his enthusiasm and support for the initiatives that are under way.

## **8. SCOTTISH CABINET VISIT TO OBAN – 24<sup>th</sup> August 2015**

- 8.1** The Scottish Cabinet visited Oban on Monday 24<sup>th</sup> August and a number of colleagues were involved in this. It was a busy day with a packed programme, and Cabinet members had the opportunity to see for themselves the activity going in the Oban area at the moment.

It was an honour to formally welcome the Cabinet to Oban ahead of their own private session in the Corran Halls.

The programme included a very successful Children and Young People's Summit and a lively public question session in the evening.

During the visit, I had the opportunity to meet with Richard Lochhead, Cabinet Secretary for Rural Affairs, Food and the Environment, during the Cabinet visit. Although this was a short meeting, we had the opportunity to discuss a number of key issues for Argyll and Bute, including the dairy industry crisis and the impact on Argyll and Bute; proposals for Marine Protected Areas (MPAs) and the potential for Machrihanish to become the site of the first UK spaceport.

A very welcome aspect of the visit was a short meeting with the First Minister, Nicola Sturgeon, which provided another opportunity for reinforcing our good working relationship with the Scottish Government and highlighting some of the unique aspects of Argyll and Bute and its communities.

It was a privilege to be asked to open the public question session in the evening, which took place at Atlantis Leisure. In my opening remarks I commented upon how passionate people in Argyll and Bute are about their communities, and this was certainly evident in the public session.

The Cabinet's visit to Oban was an opportunity for everyone to focus on what we can all achieve together in Argyll and Bute, where every one of us has a part to play in securing a bright future.

## **9. ARGYLL AND BUTE COMMUNITY PLANNING PARTNERSHIP – MOVING FORWARD TOGETHER – 25<sup>th</sup> August 2015**

- 9.1** Immediately after the Scottish Cabinet's visit to Oban came the Argyll and Bute Community Planning Partnership full partnership. This year's well-attended event had the title and theme 'Moving Forward Together' and took place at the Machrihanish Airbase – an excellent venue for a very positive and inspiring day.

It was very clear on the day that the spirit of positivity and of moving forward together is more than a title or a theme – it is, quite simply, what we must do and how we must think as we play our part in securing a growing economy and increasing the population of Argyll and Bute.

The keynote speaker was Marco Biagi, the Minister for Local Government and Community Empowerment. He reiterated that bringing more people and more jobs to the area is not a task for just one agency – it needs everyone to come together, to work together and to focus together.

Mr Biagi gave us a very interesting and useful outline of the Community Empowerment Act, recognising that community planning partnerships can tackle challenges by bringing people together – especially when it comes to negotiating between the priorities and aspirations of different communities.

After an opportunity for questions and answers with Mr Biagi, we heard from Nick Ferguson about the work of the Argyll and Bute Economic Forum. The forum itself is an excellent example of what moving forward together can achieve, bringing the private and public sector together. Nick outlined some of Argyll and Bute's key challenges and opportunities:

### **Challenges**

- Connectivity – especially mobile
- Affordable housing
- Transport links

### **Opportunities**

- Tourism and leisure
- Food production and aquaculture
- Education and training



Nick reiterated that strong leadership from everyone involved in the process can lead to success.

The meeting also heard from John Kelly of Ekos, who have carried out the Compelling Argyll and Bute study, and Stuart Robertson of HIE spoke about overcoming barriers to broadband.

We also had the opportunity to take part in various breakout sessions which covered the following topics:

- Co-production
- Participatory budgeting
- Single Outcome Agreement
- Community Empowerment Bill
- Dementia Friends
- Health and Social Integration

The final session of this positive and encouraging day was a joint presentation from council officers and NHS Highland colleagues on the importance of prevention and the Early Years Collaborative.

## **10. COSLA LEADERS – 28<sup>th</sup> August 2015**

**10.1** Our Chief Executive, Sally Loudon, accompanied me to the COSLA Leaders meeting in Edinburgh on Friday 28<sup>th</sup> August. All of the agenda items were taken in private session, so I am unable to report on them here, but have listed them below. The papers and briefings are available for review in the Leader's Report pack.

- Leaders Workplan –
  - Scottish Government Consumer and Competition Policy
  - Ofcom Digital Communications and Royal Mail Reviews
  - Planning Modernisation
- Thematic Update on Deepening Local Democracy
- Spending Review
- Procurement Reform (Scotland) 2014
- Scotland's Economic Strategy Political Oversight
- National Transport Strategy Refresh
- Planning Penalty Clause
- Distribution Issues
- Rurality Review
- Household Recycling Charter
- Remaining Workplan Issues –
  - Local Government Pay and Conditions Update

- National Collective Bargaining
- Carers Legislation
- Kinship Care
- National Improvement Framework on Education
- Broadband Funding
- Roads Collaboration

## **11. MEMBERS DROP-IN DAY – 31<sup>st</sup> August 2015**

- 11.1** On 31<sup>st</sup> August I held a members drop-in day to provide time and space for colleagues to come in and discuss any particular issues. It was very encouraging to be able to speak with a number of colleagues on a wide variety of issues – both local and strategic in nature. I hope that members who took part found this useful and plan to have more sessions like this on a regular basis. As always, though, if anyone has a particular matter they would like to discuss, I will be happy to do so at any time.

## **12. LAUNCH OF SCHOOLS REFURBISHMENT GUIDE – 2<sup>nd</sup> September 2015**

- 12.1** On Wednesday 2<sup>nd</sup> September, along with the Policy Lead for Education and Lifelong Learning, Councillor Rory Colville, and officers from our Education service, I visited Dunoon Primary School for the launch of the Scottish Government's School Refurbishment Guide.

Dr Alastair Allan, the Minister for Learning, Science and Scotland's Languages, was present to formally launch the guide. Dunoon Primary School was a fitting venue for this in light of our refurbishment plans funded through the Scottish Government. The guide highlights how refurbishment is about making the most of buildings that already exist, working with the spirit of the building to inform how it can be best adapted for modern needs.

As well as the launch of the new guide, we enjoyed a tour of Dunoon Primary School and the opportunity to meet with pupils and staff.

## **13. HEAD OF STRATEGIC FINANCE INTERVIEWS – 11<sup>th</sup> September 2015**

- 13.1** Along with colleagues I was part of the interview panel for the council's Head of Strategic Finance vacancy. It is with great pleasure that we have appointed Kirsty Flanagan to the post. Kirsty will be known to many of you, having worked for the council for 20 years. She has steadily progressed in her career within the Strategic Finance team and her appointment truly is a great example of 'growing our own' in practice. Over the past few months Kirsty has been working extremely hard as we progress service

choices. Her knowledge and experience of Argyll and Bute and of the organisation have been and will be invaluable to the council as we plan our future. She formally takes up the post of Head of Strategic Finance on 1<sup>st</sup> October.

I would also like to thank Steve Barrett, our interim Head of Strategic Finance, for all his effort and co-operation over the past few months which have been challenging in light of the service choices process. His support has been very much appreciated.

## **14. EXCELLENCE AWARDS**

- 14.1** Over the past few weeks, along with member colleagues, I have been involved in judging the Argyll and Bute Council Employee Excellence Awards. As you would expect, the standard of entries has been extremely high and we have had to make some tough decisions. The awards ceremony takes place on Friday 9<sup>th</sup> October here in Kilmory. We have much to be proud of in Argyll and Bute and our people are one of our biggest assets. It is important to take the opportunity to celebrate their successes, their achievements and their innovation.

## **15. REFUGEE CRISIS**

- 15.1** In early September the national news was dominated by the plight of hundreds of thousands of refugees fleeing civil war in Syria. Argyll and Bute Council was one of the first Scottish local authorities to publicly respond to this, agreeing to welcome 20 refugee families initially to the area.

On 10<sup>th</sup> September I had the opportunity to address the Community Services Committee and reaffirm our position and our desire to play a part in the global response to this humanitarian crisis. There has also been an overwhelming response from people in our communities who are equally moved by the plight of the refugees and who have come forward to offer their assistance.

COSLA held a Refugee Resettlement Session for local authorities on Thursday 17<sup>th</sup> September and I attended this along with our Executive Director of Community Services, who is leading our Refugee Resettlement Group. There is a report on our response on the agenda for the council meeting on 25<sup>th</sup> September 2015.

## **16. POLICY LEAD UPDATE – as at 11<sup>th</sup> September 2015**

### **16.1 Local Tax Collections**

Collections of Council Tax for the year 2015/16 were 48.88% as at the end of August, up by 0.22% to this time last year. This is the highest we have ever achieved at this point of the year. Collections on the 2014/15 year continue to be slow and are now 95.87%, down 1.05% on the previous year at this time, but earlier years are well up.

Collections of non-domestic rates for 2015/16 are 62.18% at end of August up 0.57% on this time last year. Collections on 2014/15 year are now at 98.36%, down by 0.24% on the previous year at this time, although well up on the year end position of 96.09%.

### **16.2 Scottish Welfare Fund**

At the end of August we have spent £155,067 compared to the profiled budget of £155,316 (99.8% of profiled spend). Since the start of April we have been supporting both medium and high priority cases and we hope to continue with this level of support for the remainder of the year. Twenty-seven applications are currently awaiting processing and a further 15 were part paid at the end of August.

The next Settlement and Distribution Group meeting on 16<sup>th</sup> September will consider how to allocate administration and programme monies for Scottish Welfare Fund for the future. Current allocation has been based on historic DWP experience which does not reflect current patterns of demand and also take no account of fixed set up costs experienced by smaller councils.

### **16.3 Discretionary Housing Payments (DHPs)**

£456,950 has now been either paid out or committed as at the end of August, with awards made to 880 cases. There are 129 cases still awaiting processing. Of this spend, nearly all (91% by value) has been for under-occupancy cases. We are supporting medium and high priority cases for all non-bedroom tax cases. We continue to support all bedroom tax cases irrespective of hardship.

We have already spent the full allocation received from DWP and Scottish Government of £437,343 and are now using the carried forward amount of £138,368. The final allocation from Scottish Government is not expected to be announced till next June. The next Settlement and Distribution Group meeting on 16<sup>th</sup> September will consider how to allocate Scottish Government monies to cover bedroom tax cases in future.

The UK chancellor announced further £800m funding for DHPs over the next five years in the summer budget on 8th July along with further welfare

reform changes. The reduction in the benefit cap from £26,000 to £20,000 is expected to increase demand for DHPs for all those who will be affected by this. The change is expected to come in towards the end of this calendar year. We have no estimates of the potential numbers of cases at present or any indication if additional funding will be provided for this financial year.

#### **16.4 Benefits processing**

New claims processing year to date to end of August has taken on average 20.81 days which is well within the Scottish average of 27 days for 2013/14, and better than our target of 23 days. Changes in circumstances in the year to date to end of August have taken on average 7.29 days which is also below the Scottish average of 9 days for 2013/14 and our target of 8 days. Unfortunately we have not met our accuracy target of 95%, as we have only achieved 88.2%. We are putting more training in place to ensure that accuracy targets are met.

For the two latest months (June and July) for which we have data, we have now met the baseline fraud and error reduction thresholds, which is an improvement, although we have not yet achieved any incentive payments. We did not expect to achieve the target in the first quarter as it pre-dates the formal launch of the scheme and most of our new initiatives will only impact from May onwards.

#### **16.5 Pathfinder North migration to SWAN**

Preparation for placing the initial order under the Scottish Wide Area Network is continuing. We have finalised our order and are just waiting for the Pathfinder North team to submit the consolidated final order. The deadline is 1st October and will be achieved. The focus is now on transition planning and we are trying to transition as many sites early as possible. In general we are aware that Capita is struggling to meet transition targets and they are being pressed to engage in contingency planning for any sites which might be late.

#### **16.6 Customer Service Centre (CSC)**

The percentage of calls to CSC being abandoned for August was 4.5% - well below our 7.5% target. This has steadily improved since April and has been below target all year. The average call length for the quarter to date is 2.59 minutes – a little up on last quarter at 2.61 minutes, it is within the target of 3 minutes.

Following a detailed evaluation of the six responses received following the issue of our tender for new customer service centre systems we have now awarded the contract to Softcat and are commencing implementation planning.

## **17. CONCLUSION**

**17.1** This report highlights some of the main activities I have undertaken in my role as Leader of the council during the past three months, which period includes the July recess. I hope that this update is helpful for members and will be happy to provide more information wherever possible. The full Leader's report pack can be viewed in the Leader's office at any time.

## **18. IMPLICATIONS**

**18.1 Policy - None**

**18.2 Financial – None**

**18.3 Legal – None**

**18.4 HR – None**

**18.5 Equalities – None**

**18.6 Risk – None**

**18.7 Customer Service – None**

**Councillor Dick Walsh  
Leader, Argyll and Bute Council  
Policy Lead Councillor for Strategic Finance, IT, HR and Governance and Law  
16<sup>th</sup> September 2015**

**For further information or to access the Leader's Report Pack please contact  
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