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26<sup>th</sup> November 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 12<sup>th</sup> September to 20<sup>th</sup> November 2015.
- 1.2 Work on progressing Service Choices and Planning our Future is, inevitably, dominant at the moment, and this will continue and increase over the coming months ahead of the budget meeting in February.
- 1.3 We are not alone in facing funding challenges with other Scottish councils having to make very difficult decisions about services and jobs. This has also been the focus of discussions at a national level through COSLA and, where possible, there is more information about this in the Leader's Report pack which can be viewed in the Leader's office.
- 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** 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.

The council agreed to launch a consultation on all savings options at its meeting on 22<sup>nd</sup> October. The consultation is ongoing and concludes at the end of December.

Additional information about each of the savings options out for consultation is being provided for both members of the public and all councillors. At time of writing, this additional information is being finalised but all members will be contacted with details on how to access it. It will feature as part of the consultation material available to people through the council's website.

### **4. CONVENTION OF THE HIGHLANDS AND ISLANDS, 5<sup>th</sup> October 2015**

- 4.1** I attended the latest Convention of the Highlands and Islands (COHI) at Moray College on 5<sup>th</sup> October.

A key issue for Argyll and Bute and our COHI colleagues is digital/mobile connectivity and this was the focus of the morning session. Following a series of presentations, members considered a number of discussion points, including:

- To what extent can coverage be increased through current and new technologies?
- What are the key constraints facing mobile operators delivering in the Highlands and Islands and how can they be addressed?
- What more can be done, individually and collectively, to increase availability and usage and to facilitate connectivity rollout?

The afternoon session focused on the changing Highlands and Islands economy, including future challenges and growth opportunities.

This included a progress update on the Highlands and Islands Skills Investment Plan. The Compelling Argyll and Bute and its Administrative Areas study, completed in August 2015, was noted in this paper, providing a detailed evidence base and a range of suggested interventions for consideration. The original H&I Skills Investment Plan had taken a light touch approach to Argyll and Bute, and this study addresses that.

We also had an opportunity to highlight some of our own projects of national significance, including work on development of the European Marine Science park, regional airport development and the Lorn Arc.

All the COHI papers and briefings are available in the Leader's Report Pack.

## **5. EMPLOYEE EXCELLENCE AND RECOGNITION AWARDS, 9<sup>th</sup> October**

- 5.1** It was a great pleasure to attend the council's Employee Excellence and Recognition Awards in Kilmory on 9<sup>th</sup> October. While we – and our employees – are undoubtedly going through a time of change and challenge, throughout that everyone has been aware that there is a need for the organisation to look at being more innovative, more efficient, at finding ways of doing things differently. The Excellence Awards offered an opportunity to showcase where that is already happening across the council, and this is an excellent foundation to build on and to expand.

This was an encouraging and inspiring day for everyone and my congratulations go to all employees who were shortlisted and who took home awards.

## **6. ROYAL NATIONAL MOD, OBAN, from 9<sup>th</sup> October**

- 6.1** Oban played host to yet another Royal National Mod this year from 9<sup>th</sup> October. Once again this was an excellent event which helped to put Argyll and Bute on the national cultural map. This exciting celebration of Scottish culture was much enjoyed by the many competitors and spectators who travelled to Oban. It is also a significant contributor to the local Oban and wider Argyll and Bute economy. Argyll and Bute is well versed in hosting the Royal National Mod and it is the turn of Dunoon in 2018.

## **7. COSLA CONVENTION, 30<sup>th</sup> October**

- 7.1** Along with the council's Chief Executive, Sally Loudon, I attended the COSLA Convention in Edinburgh on Friday 30<sup>th</sup> October.

The items considered in public session are outlined below.

- Minutes of Convention, 26<sup>th</sup> June
- Minutes of Leaders, 29<sup>th</sup> May and 28<sup>th</sup> August
- Minutes of Review Group, 4<sup>th</sup> and 30<sup>th</sup> September

- Zero Waste Task Group, 10<sup>th</sup> June
- Consumer Protection Task Group, 22<sup>nd</sup> May

All other items were taken in private session. 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 all members to review.

**Private session agenda items:**

- Creating a Fair Scotland – Report and Presentation from Cabinet Secretary for Social Justice, Communities and Pensioners Rights, Alex Neil MSP
- Child Poverty
- Healthier Scotland National Conversation
- Protection of Local Democracy
- Annual Report on Migration *Enriching Communities, Improving Outcomes*
- Local Government Boundary Commission
- Zero Waste Taskforce
- Trading Standards Strategic Review Group
- COSLA Review

On the same day, a special meeting of the COSLA Leaders Group was convened to discuss the Spending Review. Once again this was in private session, which means I am restricted from reporting here, but the papers are available in the Leader's Report Pack.

**8. TASTE OF TOURISM CONFERENCE, OBAN, 4<sup>th</sup> November**

**8.1** The Taste of Tourism Conference took place in Oban on 4<sup>th</sup> November. This focused on food tourism, which is an important sector for Argyll and Bute and is becoming an increasingly significant growth industry nationally and globally.

This was a three-day event which included flavour tours around Argyll and Bute and opportunities for our local food producers and tourism industries to showcase their offerings to key influencers within the global food tourism industry. I was present only at the conference but am sure that the whole experience proved useful for our local businesses. Argyll and Bute can rightly be very proud of its food tourism offer and this is an area where there is significant potential for growth and success.

## **9. NEW COUNCIL OFFICE/CIVIC CENTRE, HELENSBURGH, 9<sup>th</sup> November**

- 9.1** Along with the council's Depute Leader, Councillor Ellen Morton, and Councillor Gary Mulvaney, I had the opportunity to visit the new Helensburgh council offices and civic centre on Monday 9<sup>th</sup> November.

This is a fantastic new facility for the organisation, its employees and for local people, as the building is designed to provide space for community groups and recreation. It can be used for club meetings and a range of group activities, and the new marriage rooms offer a fantastic venue for couples to celebrate their special day.

A significant investment in the community of Helensburgh and Lomond, it provides a one-stop shop for all services as well as a range of indoor and outdoor community spaces.

Around 140 employees across a range of council services will be based in the bespoke office building which combines new build work as well as the restoration of the much-loved former Clyde Street School.

They have been relocating to the new facility throughout November with all staff and services expected to be in place by Monday 30<sup>th</sup> November.

To be known as the Helensburgh and Lomond Civic Centre, the building will be open to members of the public tomorrow, Friday 27<sup>th</sup> November, so that they can explore all the public areas of the building including a café, the marriage suite, gallery and meeting rooms.

I was very impressed with this new facility which promises to be a real asset for the Helensburgh and Lomond community.

## **10. MEETING WITH LOCAL MSPS AND MP, 6<sup>th</sup> November**

- 10.1** Along with Councillors Ellen Morton and Gary Mulvaney, the council's Chief Executive and Executive Director for Development and Infrastructure, I met with Argyll and Bute MSPs Michael Russell and Mike McKenzie, Brendan O'Hara MP and Councillor Iain S Maclean on Friday 6<sup>th</sup> November.

This was a constructive meeting to discuss the funding gap we face and yielded a positive agreement to work together on making a strong case to the Scottish Government for additional support for Argyll and Bute.

This meeting was our first opportunity to meet officially with Mr O'Hara and officers outlined the work that the council has been doing to stimulate

population and economic growth. All three politicians said that they were very impressed by this.

Our discussions were very helpful and constructive and, most importantly, concluded with all of us agreeing that there were key areas where we can work together to secure the best possible outcome for Argyll and Bute.

There remain, of course, areas where we agreed to disagree, but the most important outcome from this meeting was the consensus about what we can and will do together.

The commitment from Mr Russell, Mr McKenzie and Mr O'Hara to work together on making that strong case for more support is very much appreciated in these challenging times.

## **11. COSLA RESOURCES AND CAPACITY GROUP, 12<sup>th</sup> November**

- 11.1** Due to a prior commitment I was unable to attend the COSLA Resources and Capacity Group meeting in Edinburgh on 12<sup>th</sup> November. However, the reports pack and associated briefings obtained from officers are available in the Leader's Report Pack.

All items on the agenda were due to be heard in private session, the topics being:

- Spending Review
- Apprenticeship Levy
- Carers' Legislation
- Council Tax Reduction Scheme
- Temporary Accommodation
- Land Registration

## **12. COSO – CULTURE AND REPUTATION, 13<sup>th</sup> November**

- 12.1** Tarbert Academy was the venue for the latest Chief Officers and Senior Officers (COSO) event on 13<sup>th</sup> November, focusing this time on Culture and Reputation.

The COSO sessions are proving to be useful, inspiring and constructive and will, no doubt, help to contribute to the kind of culture we want to enhance and develop at Argyll and Bute Council. The focus on culture and reputation was a useful follow-up to the last COSO session on Leadership.

We opened with a very interesting talk from Yvonne Greeves, the Enterprise Manager for Royal Bank of Scotland, who joined that

organisation shortly before the banking crash of 2008. Her experience of an organisation in crisis transforming its brand and reputation was fascinating and we are very grateful to her for taking the time to come and speak to us.

After workshop sessions where we all looked at various aspects of the council's current culture and reputation, what we would like to see in the future and how we can change and grow, we heard from Peter Russian, the Chief Executive of Investors in People Scotland. Peter gave us another interesting account of his personal experiences at the organisation with plenty of food for thought.

### **13. POLICY LEAD UPDATE – as at 11<sup>th</sup> November**

#### **13.1 Local Tax Collections**

Collections of Council Tax for the 2015/16 were 66.67% at end of October, up 0.46% on this time last year – an improvement of a further 0.23% when last reported as at the end of August. Collections on the 2014/15 year continue to be slow and are now 96.06% down 1.09% on the previous year at this time, but earlier years are well up.

Collections of non-domestic rates for 2015/16 are 74.75% at end of October up 0.53% on this time last year. Collections on 2014/15 year are now at 98.49%, down by 0.28% on the previous year at this time, although well up on the year end position of 96.09%.

#### **13.2 Scottish Welfare Fund**

At the end of October we have spent £221,484 compared to the profiled budget of £217,443 (101.9% 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. 28 applications are currently awaiting processing and a further 18 were part paid at the end of October.

The council's response to the Scottish Public Services Ombudsman's consultation on the proposed new independent review process for the new statutory SWF scheme was approved by the Policy and Resources Committee on 29<sup>th</sup> October and sent off. The settlement and distribution group are looking at proposals for the distribution of funding and administrative costs for the start of the permanent scheme on 1<sup>st</sup> April 2016. The proposal is that this should be based on the Income Domain of the Scottish Index of Multiple Deprivation (SIMD). We have commented that this does not take into account rural poverty. It includes pensioners who are a low source of SWF claims and is based on total members of households rather than numbers of household units and claims are usually for household

units. The proposal is to transition to this new distribution basis over a 3 year period, and during this period it will be based on a combination of spend to date and Income Domain of SIMD. Locally, officers are also working on an options appraisal for future delivery of the scheme as the current costs significantly outweigh the administrative grant received. Savings are required also as part of service choices.

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

£498,565 has now been either paid out or committed as at the end of October, with awards made to 1,011 cases. There are 44 cases still awaiting processing. Of this spend, nearly all (87.5% 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. We are likely to receive a further £50k in funding from Scottish Government for 2015/16 after the year end, but would like to keep these funds to provide further support for non bedroom tax cases in 2016/17.

The Settlement and Distribution Group are considering proposals for future distribution of DHP funds. It is proposed to continue to distribute 80% on an estimated basis in the Local Government Finance Order 2016 and to retain 20% for reconciliation following publication of DWP caseload statistics in May 2017. The caseload statistics do not reflect actual spend as this is dependent on applications. We have commented that distribution should be based on actual spend as this information will also be available in May 2017 and is routinely collated by the Scottish Government. It does not seem appropriate to recompense authorities for spend that has not actually been made.

The Summer budget proposes a reduction in the benefit cap from £26,000 to £20,000 which is expected to increase demand for DHPs for all those who will be affected by this. The change was expected to come in towards the end of this calendar year but this is no longer likely. No further announcements have been made about this matter so we have no indication of when it might come in now.

### **13.4 Benefits processing**

New claims processing year to date to end of October has taken on average 20.98 days which is well within the Scottish average of 27 days for 2013/14, and better than our target of 23 days, although it is a slight fall



from that previously reported at end of August of 20.81. Changes in circumstances in the year to date to end of October have taken on average 7.65 days which is also below the Scottish average of 9 days for 2013/14 and our target of 8 days, although it is also a slight fall from that previously reported at end of August of 7.29 days. Unfortunately we have still not met our accuracy target of 94% year to date, as we have only achieved 89.9%, but this is an improvement on the position reported at end of August of 88.2%. We met the target in September, but were slightly below in October. More training has been given to the specific staff concerned.

For the quarter to end of September for which we have data, we have exceeded the baseline fraud and error reduction thresholds, which is an improvement and means that we achieve the FERIS maintenance fund payments, although we have not yet achieved any incentive payments. It is now unlikely that we will achieve these targets this year

### **13.5 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 PathfinderNorth team to submit the consolidated final order. This has slipped from the earlier expected date of 1<sup>st</sup> October due to issues with Highland Council sites, but I am pleased to advise that these appear to have been resolved and the order is likely to be finalised within the last few days. Capita has already begun work on transition planning in advance of the formal order being submitted.

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

The percentage of calls to CSC being abandoned for October was 3.7% - well below our 7.5% target. This has steadily improved since April and has been below target all year. The average call length for October is 2.58 minutes – the same as last quarter's average and well below the target of 3 minutes.

Good progress is being made on the implementation of the new customer contact software and this is on track. The first design workshops have been held for council tax processes, and test environments have been created.

Our new Digital Development Officer was appointed in early October and in addition to the Members Seminar on this topic, he has presented to all the Departmental Management Teams and run an interactive workshop at the Chief Officer Group all with the aim of promoting the Digital First vision and helping to prioritise actions. A first meeting of the new Digital Working Group has also been convened and is actively engaged in updating our Digital Capability Map. We also have recently introduced a Facebook

page to promote civil marriages. A response was made to the recent civil partnership consultation and suggested that there is no need for this option to be retained in future as we now have same sex marriages and this would provide full equality between same sex and opposite sex couples.

Formal Service Choices consultation with the Trade Unions commenced on 9<sup>th</sup> November to discuss the CSC and Revenues and Benefits options.

## **14. CONCLUSION**

**14.1** This report highlights some of the main activities I have undertaken in my role as Leader of the council during the past three month period. 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.

## **15. IMPLICATIONS**

**15.1 Policy - None**

**15.2 Financial – None**

**15.3 Legal – None**

**15.4 HR – None**

**15.5 Equalities – None**

**15.6 Risk – None**

**15.7 Customer Service – None**

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

**For further information or to access the Leader's Report Pack please contact Aileen McNicol, Leadership Support and Member Services Manager, telephone 01546 604014 or email [aileen.mcnicol@argyll-bute.gov.uk](mailto:aileen.mcnicol@argyll-bute.gov.uk)**