

**MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL
CHAMBER, KILMORY, LOCHGILPHEAD
on THURSDAY, 15 DECEMBER 2016**

Present: Councillor Dick Walsh (Chair)

Councillor Rory Colville	Councillor Ellen Morton
Councillor Robin Currie	Councillor James Robb
Councillor Kieron Green	Councillor Len Scoullar
Councillor Alistair MacDougall	Councillor Isobel Strong
Councillor Neil MacIntyre	Councillor Sandy Taylor
Councillor Aileen Morton	

Also Present: Councillor Dougie Philand

Attending: Cleland Sneddon, Chief Executive
Douglas Hendry, Executive Director of Customer Services
Pippa Milne, Executive Director of Development and Infrastructure Services
Charles Reppke, Head of Governance and Law
Kirsty Flanagan, Head of Strategic Finance
Jane Fowler, Head of Improvement and HR
Judy Orr, Head of ICT and Financial Services
Fergus Murray, Head of Economic Development and Strategic Transportation
Rona Gold, Community Planning Manager
Don McAllister, Education Manager
Anna Watkiss, Senior Planning Development Officer

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Mary Jean Devon, Roddy McCuish and Gary Mulvaney.

2. DECLARATIONS OF INTEREST

There were none intimated.

3. MINUTES

The Minutes of the meeting of the Policy and Resources Committee held on 27 October 2016 were approved as a correct record.

4. FINANCIAL REPORT MONITORING PACK - OCTOBER 2016

Consideration was given to a report which provided a summary of the financial monitoring reports as at the end of October 2016. There were six detailed reports summarised including the Revenue Budget Monitoring Report as at 31 October 2016; the Monitoring of Service Choices Savings; Monitoring of Financial Risks; Capital Plan Monitoring Report as at 31 October 2016; Treasury Monitoring Report as at 31 October 2016; and a report on Reserves and Balances.

Decision

The Committee –

1. Noted the revenue budget monitoring report as at 31 October 2016.
2. Noted the progress of the service choices policy saving options as at the end of October 2016.
3. Noted the current assessment of the Council's financial risks.
4. Noted the capital plan monitoring report as at 31 October 2016; and noted the over project cost changes, the project slippages and accelerations; and the updated capital plan reflecting these changes.
5. Noted the treasury monitoring report as at 31 October 2016.
6. Noted the overall level of reserves and balances and noted the monitoring of the earmarked reserves.

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

5. BUDGETARY OUTLOOK

The Committee gave consideration to a report providing Members with an update on the position with regards to the Budgetary Outlook 2017-18 and 2019-20, and which contained detail on the assumptions that had been updated. This report was further to the reports provided to the Committee on 18 August 2016 and 27 October 2016.

Decision

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

(Reference: Report by Head of Strategic Finance dated 1 December 2016, submitted)

*** 6. INTEGRATION JOINT BOARD - FUNDING REQUEST**

The Committee gave consideration to a report advising of two requests for additional funding which had been received from the Integrated Joint Board. The report provided Members with some background information on both issued and referred to relevant points within the Scheme of Integration. The requests for additional funding were for additional costs in respect of implementing the Living Wage from 1 October 2016 and the unachievable savings due to the pause in the redesign of Services at Struan Lodge and Thomson Court.

Motion

That the Policy and Resources Committee make the recommendation to Council to:

- a) approve that an additional £0.110m of funding in respect of the Living Wage is added to the IJB's 2016-17 recurring baseline budget allocation and note that, the 2016-17 allocation, would be funded from the General Fund Balance.
- b) not approve an additional payment of £0.185m in respect of the decision to pause the redesign of service in Struan Lodge and Thomson Court for a period of 6 months on the basis that the IJB should look for alternative savings options and report back later in the financial year.

That the Policy and Resources Committee instruct the Head of Strategic Finance to obtain a copy of the recovery plan and assess the current forecast overspend against the recovery plan in order to quantify the risk that the Council may require to make an additional payment to the IJB at the financial year end.

Moved Councillor James Robb, seconded Councillor Sandy Taylor.

Amendment

The Policy and Resources Committee makes a recommendation to Council to:

- a) Approve that an additional £0.110m of funding in respect of the Living Wage is added to the IJB's 2016-17 recurring baseline budget allocation and note that the 2016-17 allocation would be funded from the General Fund Balance;
- b) Note that the IJB agreed a Quality and Financial Plan for 2016-17 and this included savings options in respect of Struan Lodge and Thomson Court;
- c) Note that if a forecast overspend situation arises within Council departments, the Council department in the first instance would be expected to find alternative savings within their department to fund any overspend and requests that the IJB prepares a financial recovery plan setting out how it proposes to address any forecast overspend;
- d) Not to approve an additional payment of £0.185m and to request that the IJB looks for alternative savings and report back to the Council later in the financial year as required within the Scheme of Integration.
- e) Instruct the Head of Strategic Finance to obtain a copy of the recovery plan and assess the current forecast overspend against the recovery plan in order to quantify the risk that the Council may require to make an additional payment to the IJB at the financial year end.

Moved Councillor Kieron Green, seconded Councillor Ellen Morton.

Decision

On a show of hands vote the amendment was carried by 8 votes to 4 and the Committee resolved accordingly.

(Reference: Report by Head of Strategic Finance dated 21 November 2016, submitted)

7. PERFORMANCE REPORT - FQ2 2016-17

A report presenting the Committee with the Customer Services Departmental Performance Report and associated Scorecards was considered. The report covered the period of Financial Quarter 2 2016-17 (July to September 2016).

Decision

The Committee noted the Customer Services Departmental Performance Report and associated Scorecards for the period July to September 2016.

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

8. PEOPLE STRATEGY ACTION PLAN - PROGRESS REPORT

The Committee considered a report updating Members on the progress against the actions in the People Strategy with a view to keeping Members informed. The People Strategy included actions on people management, organisational development and performance and improvement including best value.

Decision

The Committee noted the progress that was being made with the agreed actions in the Council's People Strategy.

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

9. BIG LOTTERY FUND CONTRACT

The Committee gave consideration to a report which advised of a bid to the Big Lottery Fund for the delivery of financial inclusion services in partnership with 8 other local bodies. The tender had closed on 7 November 2016 and would be awarded in January 2017. The contract would be worth up to £3.77m for Argyll and Bute.

Decision

The Committee –

1. Noted that a bid has been lodged with the Big Lottery Fund for financial inclusion services and that if successful the contract would be awarded early January 2016.
2. Noted that the financial exposure to the Council is limited to the value of the support services delivered by the Council's Adult Learning and Literacy Team circa £45,000, in addition to a small portion of the operational costs in meeting the criteria for acceptance of the final version of the final report.
3. Noted that arrangements would be put in place for back to back contracts to be created and signed by subcontracts should the bid be successful and that this would transfer the financial risks on delivering the outcomes onto the

subcontractors, with the exception of the small amount of services that will be delivered by Adult Learning and Literacy.

(Reference: Report by Executive Director – Customer Services and Head of Strategic Finance dated 9 December 2016, submitted)

10. NEW SCHOOLS REDEVELOPMENT PROJECT - CAMPBELTOWN GRAMMAR SCHOOL, OBAN HIGH SCHOOL AND KIRN PRIMARY SCHOOL - CONTRACT MONITORING

Consideration was given to a report updating Members on ongoing monitoring covering financial, legal and technical risk in respect of Campbeltown Grammar School, Oban High School and Kirn Primary School which were now in construction.

Decision

The Committee noted the content of the report.

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

11. FUTURE GRANT DISTRIBUTION: THIRD SECTOR AND EARLY YEARS GRANTS

The Committee considered a report outlining the potential to combine grants, the ability for Community Councils to apply for third sector grants and the future of grant distribution including participatory budgeting.

Motion

That the Committee agree –

1. Third Sector Grant funding is allocated by Area Committees in one round from April 2017.
2. The criteria for grant funding are extended to allow community councils and parent councils to apply.
3. The scoring of grant applications is opened to community participation through a panel of community members making recommendations to Area Committee, for funds distributed from April 2018.
4. Participatory budgeting as a method to distribute grant funding is looked at in future following the pilot participatory budgeting project run with the Argyll and Bute Gaelic Forum, funded by Scottish Government in 2016/17.
5. The Third Sector Grant fund is renamed 'Supporting Communities Fund'.
6. The Argyll and Bute 'Supporting Communities Fund' is not combined with Early Years fund due to the risk this poses to Early Years provision within Argyll and Bute.

7. The Early Years Grant is improved to provide an overview, to members of the relevant Area Committees, on decisions taken on such matters.
8. A recommendation is made to the Integrated Joint Board for Officers to explore the potential to combine the Argyll and Bute Supporting Communities Fund with the Health and Wellbeing Grant Fund run by the Health and Social Care Partnership.
9. That a report is brought back to a future meeting reviewing the impact of the aforementioned changes to the distribution of grants.

Moved Councillor Dick Walsh, seconded Councillor Robin Currie.

Amendment

That the Committee agree –

1. That Area Committees are invited to provide input on the matter of whether Third Sector Grant funding is allocated by Area Committees in one round from April 2017 or allocated in two rounds as is currently done.
2. The criteria for grant funding are extended to allow community councils and parent councils to apply.
3. The scoring of grant applications is opened to community participation through a panel of community members making recommendations to Area Committee, for funds distributed from April 2018.
4. Participatory budgeting as a method to distribute grant funding is looked at in future following the pilot participatory budgeting project run with the Argyll and Bute Gaelic Forum, funded by Scottish Government in 2016/17.
5. The Third Sector Grant fund is renamed 'Supporting Communities Fund'.
6. The Argyll and Bute 'Supporting Communities Fund' is not combined with Early Years fund due to the risk this poses to Early Years provision within Argyll and Bute.
7. The Early Years Grant is improved to provide an overview, to members of the relevant Area Committees, on decisions taken on such matters.
8. A recommendation is made to the Integrated Joint Board for Officers to explore the potential to combine the Argyll and Bute Supporting Communities Fund with the Health and Wellbeing Grant Fund run by the Health and Social Care Partnership.
9. That a report is brought back to a future meeting reviewing the impact of the aforementioned changes to the distribution of grants.

Moved Councillor James Robb, seconded Councillor Sandy Taylor.

Decision

On a show of hands vote the Motion was carried by 8 votes to 3 and the Committee resolved accordingly.

(Reference: Report by Executive Director – Community Services dated November 2016, submitted)

12. CARBON MANAGEMENT: WIND TURBINE AT GLENGORM LANDFILL SITE UPDATE

Consideration was given to a report updating Members on the installation of a wind turbine on the Glengorm Landfill Site on the Isle of Mull. The project had been agreed by Council on 21 January 2016 to assist in the reduction of the Council's carbon footprint.

Decision

The Committee noted the progress made in respect of successfully commissioning the turbine and securing accreditation under the Feed in Tariff.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 24 November 2016, submitted)

13. FIREWORKS DISPLAY - HELENSBURGH PIER CAR PARK

The Committee gave consideration to a report which sought homologation of a decision to suspend parking charges for the annual Round Table Helensburgh fireworks display in the pier car park. The report also sought a change to the Parking Policy to allow that type of decision to be delegated to the Executive Director in future.

Decision

The Committee –

1. Noted the process undertaken and agreed to homologate the decision to approve a temporary suspension of parking charges in relation to Helensburgh Pier car park.
2. Approved the delegation of responsibility to the Executive Director – Development and Infrastructure Services to waive the charge for loss of car parking income for established annual festivals (eg. Fireworks displays) up to a maximum of £1,000 following consultation with local members.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 1 November 2016, submitted)

14. KERRERA LINK ROAD

The Committee considered a report which set out the position regarding a community led initiative to provide a link road connecting the communities of Kerrera.

The report proposed that the Council progress the detailed design subject to agreement from the community group to take the lead on the funding application.

Decision

The Committee –

1. Agreed that the Council carries out the detailed design of the road on behalf of the community on the understanding that the community group lead in progressing grant applications and seek to secure contributory funding via the sale of building plots on the island.
2. Instructed the Executive Director – Development and Infrastructure Services to write to the community group seeking their agreement to the arrangement prior to the commencement of the detailed design.
3. Noted that the Social Enterprise Team would provide advice and support to the community group on accessing external funding.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 24 November 2016, submitted)

15. TARBERT AND LOCHGILPHEAD REGENERATION FUND

The Committee, at their meeting on 12 May 2016, agreed criteria and objectives for the Tarbert and Lochgilphead Regeneration Fund. Following the principles set down at that meeting, a number of potential projects were identified and an assessment process undertaken. The Committee considered a report requesting agreement to undertake further assessment on shortlisted projects with a view to developing outline business cases.

Decision

The Committee –

1. Noted the projects shortlisted by the Mid Argyll, Kintyre and the Islands Area Committee detailed at paragraph 4.2 of the submitted report.
2. Approved development funding of up to £250,000 to undertake the feasibility and initial design works, as set out in paragraph 4.2 to 4.4 of the submitted report to enable outline business cases to be developed for the shortlisted projects agreed by the Mid Argyll, Kintyre and the Islands Area Committee on 7 December 2016.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 7 December 2016; recommendation from Mid Argyll, Kintyre and the Islands Area Committee held on 7 December 2016 and report by Executive Director – Development and Infrastructure Services dated 10 November 2016, submitted)

16. POLICY AND RESOURCES COMMITTEE WORK PLAN AS AT DECEMBER 2016

The Committee gave consideration to the Work Plan as at December 2016.

Decision

The Committee noted the Work Plan.

(Reference: Policy and Resources Committee Work Plan dated December 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.

17. MAJOR CAPITAL REGENERATION PROJECTS - UPDATE REPORT AS AT 4 NOVEMBER 2016

Consideration was given to a report updating the Committee on progress in delivering the 12 major capital regeneration projects, excluding the 9 Lorn Arc projects. The report also gave information on the key issues that could impact on the successful delivery of the projects from the development stage through to procurement and implementation.

Decision

The 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 4 November 2016, submitted)

The Head of Economic Development and Strategic Transportation advised the Committee of the retirement of Archie Crawford, Technician, on 14 December 2016; who had provided an exceptional length of service of 41 and a half years to the Council. He recognised Archie's efforts working behind the scenes within his Service, specifically his recent work on promoting the area for location work for film and TV. The Committee recognised Archie's significant achievement and recorded their appreciation for the exceptional service he had provided to the Council.