

**MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL
CHAMBER, KILMORY, LOCHGILPHEAD
on THURSDAY, 17 AUGUST 2017**

Present: Councillor Aileen Morton (Chair)

Councillor John Armour	Councillor Ellen Morton
Councillor Rory Colville	Councillor Gary Mulvaney
Councillor Robin Currie	Councillor Alan Reid
Councillor Jim Findlay	Councillor Elaine Robertson
Councillor Kieron Green	Councillor Len Scoullar
Councillor Roderick McCuish	Councillor Sandy Taylor
Councillor Yvonne McNeilly	

Also Present: Councillor Sir Jamie McGrigor

Attending: Cleland Sneddon, Chief Executive
Douglas Hendry, Executive Director of Customer Services
Ann Marie Knowles, Acting Executive Director of Community Services
Pippa Milne, Executive Director of Development and Infrastructure Services
Kirsty Flanagan, Head of Strategic Finance
Charles Reppke, Head of Governance and Law
Donald MacVicar, Head of Community and Culture
Judy Orr, Head of ICT and Financial Services
Fergus Murray, Head of Economic Development

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Douglas Philand and Richard Trail.

2. DECLARATIONS OF INTEREST

Councillor Roddy McCuish declared a non-financial interest in item 15 of the agenda (Land at Graham's Point, Kilmun) due to his appointment to the Argyll Community Housing Association Board.

3. MINUTES

(a) Policy and Resources Committee held on 16 March 2017

The Minutes of the Meeting of the Policy and Resources Committee held on 16 March 2017 were approved as a correct record.

(b) Special Policy and Resources Committee held on 29 June 2017

The Minutes of the Special Meeting of the Policy and Resources Committee held on 29 June 2017 were approved as a correct record.

4. FINANCIAL MONITORING PACK SUMMARY

A report which provided a summary of the financial monitoring reports as at the end of June 2017 was given consideration. Six detailed reports were summarised in the

executive summary including the Revenue Budget Monitoring report as at 30 June 2017; Monitoring of Service Choices Savings as at 30 June 2017; Monitoring of Financial Risks as at 30 June 2017; Capital Plan Monitoring Report as at 30 June 2017; Treasury Monitoring Report as at 30 June 2017; and Reserves and Balances as at 30 June 2017. A web link to the detailed reports was provided within the executive summary.

Decision

The Policy and Resources Committee –

1. Agreed recommendations 3.1a), b), d), e) and f) as set out on page 17 of the report.
2. In relation to recommendation 3.1c), the Committee -
 - a) Noted the current assessment of the Council's financial risks.
 - b) Noted the comments in paragraph 3.2.3 of the Financial Risks Analysis Report in relation to management of the Argyll and Bute Health and Social Care Partnership's financial resources, and the risks arising to the Council from any overspend or unsuccessful budget recovery plan.
 - c) Noted that at the end FQ1 the projected year-end outturn position for the HSCP is an overspend of £5m, an increase from the start of the financial year where a £2m budget gap was identified.
 - d) Noted that the HSCP, in common with all council departments in the context of significantly reduced funding, needs to identify, manage and implement savings across all relevant service areas.
 - e) Noted that at its 2017/18 budget meeting in February 2017, the council agreed to provide one-off transitional funding of £2.137m, in excess of the Scottish Government recommendations on funding levels, to the HSCP to assist in meeting living wage requirements, supporting transformational change and smoothing its projected budget gap.
 - f) Instructed the Chief Executive to write to the HSCP Integrated Joint Board expressing concern at the escalating financial gap and the potential risk this brings to highly valued, essential local services, to the Council and to the Partnership itself if action to address this gap is not taken urgently.
 - g) Agreed to seek confirmation from the HSCP Board that a robust action plan will be put in place to mitigate the risks arising from an increasing budget gap and to focus on meeting service and savings targets.

(Reference: Report by Head of Strategic Finance dated 7 August 2017, submitted; Motion by Councillor Aileen Morton, seconded by Councillor Gary Mulvaney, tabled)

5. BUDGET OUTLOOK 2018-19 TO 2020-21

The Committee gave consideration to a report which summarised the budget outlook covering the period 2018-19 to 2020-21. The budget outlook report had been prepared using best case, worst case and mid-range scenarios.

Decision

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

(Reference: Report by Head of Strategic Finance dated 7 August 2017, submitted)

6. STRATEGIC RISK REGISTER

The Committee gave consideration to a report which updated Members on the Strategic Risk Register and which introduced proposed revisions to both the content and the format.

Decision

The Policy and Resources Committee approved the content of the proposed revised Strategic Risk Register.

(Reference: Report by Head of Strategic Finance dated 7 August 2017, submitted)

*** 7. PAY SETTLEMENT 2017-18**

Consideration was given to a report which advised the Committee of an additional cost in respect of the pay award over and above the budgeted provision for 2017-18. The report sought approval of a supplementary estimate of £0.123M in order to fund the full pay award in 2017-18.

Decision

The Policy and Resources Committee agreed to recommend to Council the approval of a supplementary estimate of £0.123M from allocated reserves and noted that the increase had been added to the projected budget gap for 2018-19.

(Reference: Report by Head of Strategic Finance dated 7 August 2017, submitted)

8. CUSTOMER SERVICES AND STRATEGIC FINANCE PERFORMANCE REPORT FINANCIAL QUARTER 1 APRIL TO JUNE 2017

Consideration was given to a report which presented the Customer Services Departmental Performance Report with associated scorecards for Customer Services and Strategic Finance for Financial Quarter One 2017-18 (April to June 2017).

Decision

The Policy and Resources Committee noted the Customer Services Departmental Performance Report for Financial Quarter One 2017-18 and associated scorecards.

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

9. REVIEW OF THE SCHEME FOR THE ESTABLISHMENT OF COMMUNITY COUNCILS

A report which sought authorisation to commence a review of the Scheme for the Establishment of Community Councils was given consideration by the Committee following on from the decision by Council on 18 May 2017 to continue the current Scheme for a period of six months.

Decision

The Policy and Resources Committee agreed to commence the consultation on the Scheme for the Establishment of Community Councils on 24 August 2017 in accordance with the timescales and process outlined within Appendices A, B and C of the submitted report.

(Reference: Report by Executive Director – Customer Services dated 10 July 2017, submitted)

10. ICT AND DIGITAL STRATEGY 2017-20

A report which presented the new draft ICT and Digital Strategy for approval was given consideration by the Committee. The last Strategy had been approved by Council in September 2013. The new Strategy had been developed to help all services design and use ICT and Digital Services and Structures to deliver positive outcomes for staff and customers; and included a new set of principles which would provide a framework for how ICT Services would be designed, sourced and delivered.

Decision

The Policy and Resources Committee –

1. Approved the ICT and Digital Strategy for 2017-20 as attached at Appendix 1 to the submitted report.
2. Welcomed the Strategy and recognised that the Strategy builds on the outstanding cost effectiveness and customer service already delivered by the Service.

(Reference: Report by Executive Director – Customer Services dated 14 July 2017, submitted)

11. CONSULTATION ON SOCIAL SECURITY

Consideration was given to a report which invited the Committee to comment on draft responses to a call for views on The Social Security (Scotland) Bill; and for written evidence on the estimated financial implications of the Bill in an accompanying financial memorandum. Written submissions on the Bill were due to be returned by 23 August 2017, with written evidence in respect of the financial implications of the Bill by 18 August 2017.

Decision

The Policy and Resources Committee agreed the draft responses as attached at Appendix 1 and 2 of the submitted report for submission by the due dates.

(Reference: Report by Executive Director – Customer Services dated 17 July 2017, submitted)

12. LEISURE AND LIBRARIES TRUST - FINANCIAL AGREEMENT

The Committee gave consideration to a report which updated them on the progress of the Leisure and Libraries Trust and which invited them to agree the management fee between the Council and the Trust.

Decision

The Policy and Resources Committee –

1. Noted the progress update.
2. Agreed the management fee and contract terms between the Council and the Trust as set out in paragraphs 4.5.3 and 4.5.4 of the submitted report.
3. Agreed the “go live” date for LiveArgyll of 2 October 2017.

(Reference: Report by Acting Executive Director – Community Services dated 3 August 2017, submitted)

13. ROTHESAY TOWNSCAPE HERITAGE - HLF AWARD

A report which requested the Committee’s acceptance of the Heritage Lottery Fund’s grant offer of £1,888,500 to deliver a Townscape Heritage in Rothesay was given consideration. The report detailed the proposed use of the funding.

Decision

The Policy and Resources Committee accepted the Heritage Lottery Fund offer of grant based on the purposes as detailed within the submitted report; and delegated authority to the Chief Executive to sign the permission to start letter once all necessary preconditions had been satisfied.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 30 June 2017, submitted)

14. LORN ARC - UPDATE REPORT AS AT 14 JULY 2017

A report which provided the Committee with an update on progress in relation to the Lorn Arc TIF, and the latest budget position as at the end of June 2017, was given consideration.

Decision

The Policy & Resources Committee -

1. Noted the updates on the Lorn Arc programme provided in the paper and the attached Appendices A through to I of the submitted report.
2. Noted the detail provided in para 4.4 of the submitted report and endorsed officers continuing to explore alternative funding models that would unlock the economic potential of Oban.
3. Agreed that the remaining available drawdown of £90k could be used as a contingency fund for Project 1. Lorn/ Kirk Road and noted that the Lorn Arc team would continue to manage Project 1. Lorn/ Kirk Road until the infrastructure (road and associated utilities) element of the project was delivered, and that once delivered, the project would be removed from the TIF programme.
4. Noted and endorsed that with regard to Project 3. Halfway House Roundabout, officers were working with the private sector on potential investment opportunities, and were presently awaiting feedback from private sector commercial agents.
5. Agreed to the development of a Strategic Development Framework for Project 4. Oban South and a report coming back to members in the first quarter of 2018.
6. Agreed to the development of an options appraisal for Project 5. North Pier Extension, which would be discussed with members in December.
7. Noted that with regard to Project 9. Oban Airport Access and Enablement, the Lorn Arc team were working with a range of Council Services to enable the work on this project to be completed.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 11 August 2017, submitted)

Councillor Roddy McCuish having previously declared an interest in the following item of business, left the room, and took no part in the consideration of the item.

Councillor Sandy Taylor left the room at this point.

15. LAND AT GRAHAM'S POINT, KILMUN

The Committee gave consideration to a report which provided background information to a recommendation from the Bute and Cowal Area Committee held on 4 April 2017 in relation to land known as Graham's Point Community Park being transferred back to Council ownership.

Decision

The Policy and Resources Committee –

1. Noted the information contained in the report.
2. Welcomed the confirmation from Argyll Community Housing Association that it will carry out grass cutting at the land at Graham's Point, given that the site remains in its possession and the council does not wish to take the land back into council ownership.

3. Agreed that should any community group come forward expressing interest in becoming involved in the future of the site, the council will do what it can to support and facilitate this.

(Reference: Joint report by Executive Director – Customer Services and Executive Director – Development and Infrastructure Services dated 6 June 2017, submitted; Motion by Councillor Aileen Morton, seconded by Councillor Gary Mulvaney, submitted)

16. RURAL RESETTLEMENT FUND

A report which provided an update on the one-off Rural Resettlement Fund of £500,000, which had been announced in the Argyll and Bute Council budget 2016/17, was before the Committee for information.

Decision

The Policy and Resources Committee noted the content of the report.

(Reference: Report by Executive Director – Customer Services dated 17 July 2017, submitted)

17. POLICY AND RESOURCES COMMITTEE WORK PLAN AS AT AUGUST 2017

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

Decision

The Policy and Resources Committee noted the content of the workplan as at August 2017

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

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

Councillor Sandy Taylor joined the meeting again at this point.

*** 18. POTENTIAL PURCHASE OF LAND - HELENSBURGH TOWN CENTRE**

The Committee gave consideration to a report in relation to the potential purchase of land in Helensburgh Town Centre.

Decision

The Committee agreed the recommendations within the submitted report.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 27 July 2017, submitted)