

**MINUTES of MEETING of POLICY AND RESOURCES COMMITTEE held in the COUNCIL
CHAMBER, KILMORY, LOCHGILPHEAD
on THURSDAY, 13 DECEMBER 2018**

Present:

Councillor Aileen Morton (Chair)

Councillor Robin Currie	Councillor Elaine Robertson
Councillor Kieron Green	Councillor Sandy Taylor
Councillor Roderick McCuish	Councillor Richard Trail
Councillor Gary Mulvaney	Councillor Lorna Douglas
Councillor Alan Reid	Councillor Audrey Forrest

Also Present:

Councillor Jim Anderson	Councillor Jim Findlay
Councillor Jim Lynch	Councillor George Freeman

Attending:

Cleland Sneddon, Chief Executive
Douglas Hendry, Executive Director of Customer Services
Pippa Milne, Executive Director of Development and Infrastructure Services
Kirsty Flanagan, Head of Strategic Finance
Fergus Murray, Head of Economic Development and Strategic Transportation
Patricia O'Neill, Central Governance Manager

The Chair intimated that a request had been received from Councillor Jim Finlay, who was not a member of the Committee, to speak to item 12 of the agenda (Strategic Events and Festivals Grant 2019/10). She advised that the request was not compliant with Standing Order 22.1, however he would be entitled to take part in the discussions generally. She advised that as she would be declaring an interest in this item, Councillor Mulvaney would be taking the Chair, and that he had advised that he would be willing to let Councillor Finlay speak on the item.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Rory Colville, Yvonne McNeilly, Ellen Morton, Douglas Philand and Len Scoullar.

2. DECLARATIONS OF INTEREST

Councillor Aileen Morton declared a non-financial interest in item 12 of the agenda (Strategic Events and Festivals Grant 2019/20) due to her being a member of the Helensburgh Winter Festival Committee.

Councillor Kieron Green declared a non-financial interest in item 12 of the agenda (Strategic Events and Festivals Grant 2019/20) due to him being a member of the Royal Highland Games Committee.

Councillor Lorna Douglas declared a non-financial interest in item 12 of the agenda (Strategic Events and Festivals Grant 2019/20) due to her being a member of the Helensburgh Winter Festival Committee.

Councillor Gary Mulvaney advised in relation to item 12 (Strategic Events and Festivals Grant 2019/20), that he was previously a member and Chair of the Helensburgh Winter Festival Committee. He had ceased to be a member and Chair

of the Committee 2 years previously and therefore would not be declaring an interest and would be taking part in the discussion of the item.

3. MINUTES

The Minutes of the meeting of the Policy and Resources Committee held on 18 October 2018 were approved as a correct record.

4. FINANCIAL MONITORING PACK - OCTOBER 2018

A report which provided a summary of the financial monitoring reports as at the end of October 2018 were given consideration by the Committee. There were six detailed reports summarised in the executive summary including; the Revenue Budget Monitoring Report as at 31 October 2018, Monitoring of Service Package Policy Options as at 31 October 2018, Monitoring of Financial Risks as at 31 October 2018, Capital Plan Monitoring Report as at 31 October 2018, Treasury Monitoring Report as at 31 October 2018 and Reserves and Balances as at 31 October 2018.

Decision

The Policy and Resources Committee –

1. Noted the Revenue Budget Monitoring Report as at 31 October 2018.
2. Noted the comments in respect of the Health and Social Care Partnership Position.
3. Noted the progress of the Service Package Policy Saving Options as at 31 October 2018.
4. Noted the current assessment of the Council's Financial Risks.
5. Noted the Capital Plan Monitoring Report as at 31 October 2018 and approved the proposed changes to the Capital Plan as detailed at Appendix 7 to the submitted report.
6. Noted the Treasury Monitoring Report as at 31 October 2018.
7. Noted the Reserves and Balances report as at 31 October 2018.

(Reference: Report by Head of Strategic Finance dated 30 November 2018, submitted)

5. BUDGET OUTLOOK 2019-20 TO 2021-22

Consideration was given to a report which updated the Committee on the budget outlook 2019-20 to 2021-22 that had been last reported to the Committee on 18 October 2018. The report summarised the position based on previous assumptions that hadn't changed and provided information on any assumptions that had changed.

The Head of Strategic Finance provided the Committee with a verbal update on the budget outlook following the budget announcement from the Scottish Government the previous day and highlighted that the funding allocation for local government

could substantially increase Argyll and Bute Council's previous estimated funding gap for 2019/20 to around £9million.

Decision

The Policy and Resources Committee noted the current estimated budget outlook position for the period 2019-20 to 2021-22; including the verbal update given by the Head of Strategic Finance.

(Reference: Report by Head of Strategic Finance dated 30 November 2018, submitted)

6. BUDGET 2019-20 - SAVINGS OPTIONS

The Committee gave consideration to a report which provided them with information on savings options identified for 2019-20 and beyond via the work of the Transformation Board during 2018-19.

Motion

Members are asked to:

- a) recommend that Council, as part of the 2019-20 budget process, endorse the management/operational savings identified.
- b) note the policy options that have been identified with further information on the options to be brought forward to Council as part of the 2019-20 budget papers.
- c) endorse that the Transformation Board continue to pursue the longer term options as noted in paragraph 3.8.

Moved Councillor Richard Trail, seconded Councillor Audrey Forrest.

Amendment

Members are asked to:

- a) recommend that Council, as part of the 2019-20 budget process, endorse the management/operational savings identified.
- b) note the policy options that have been identified with further information on the options to be brought forward to Council as part of the 2019-20 budget papers.
- c) note that many of these savings proposals are undesirable but that the Scottish Government Budget announcement on Wednesday 12 December means that even more savings will need to be identified as Local Authority budgets have yet again been cut.
- d) endorse that the Transformation Board continue to pursue the longer term options as noted in paragraph 3.8.

Moved Councillor Aileen Morton, seconded Councillor Gary Mulvaney.

Decision

Following a show of hands vote the amendment was carried by 7 votes to 4 and the Committee resolved accordingly.

(Reference: Report by Head of Strategic Finance dated 30 November 2018, submitted)

7. DRAFT SERVICE PLANS 2019-22 FOR 2019/20 BUDGET ALLOCATION

The Committee considered a report which presented them with the Draft Service Plans 2019-22 for the 2019/20 budget allocation.

Decision

The Policy and Resources Committee –

1. Approved the Draft Service Plans 2019-22 for the 2019/20 budget allocation which would be proposed at the Policy and Resources Committee meeting on 14 February 2019 for final approval by Council on 21 February 2018.
2. Noted that further work would be carried out to standardise service plans across all services on an ongoing basis.

(Reference: Report by Executive Director – Customer Services dated 13 November 2018, submitted)

8. CUSTOMER SERVICES AND STRATEGIC FINANCE PERFORMANCE REPORTS - FQ2

The Committee gave consideration to a report that presented them with the Customer Services and Strategic Finance departmental performance reports and associated scorecards for financial quarter 2 2018/19.

Decision

The Policy and Resources Committee noted the departmental performance reports and associated scorecards for Customer Services and Strategic Finance for financial quarter 2 2018/19.

(Reference: Report by Executive Director – Customer Services and Head of Strategic Finance dated December 2018, submitted)

9. REQUESTS FOR ADDITIONAL FINANCIAL SUPPORT FOR COMMUNITY COUNCILS

The Committee gave consideration to a report which invited them to consider individual requests from community councils for additional financial support to support community councillors on island and more rural community councils who often require to personally meet the costs of travel associated with their voluntary roles.

Decision

The Policy and Resources Committee –

1. Agreed that officers look at the current terms of the discretionary grant in effort to address the concerns raised.

2. Noted that any financial increase to some community councils would impact negatively on the discretionary funds paid out to other community councils.

(Reference: Report by Executive Director – Customer Services dated 27 November 2018, submitted)

Councillor McCuish left the meeting at this point.

10. COMMUNITY EMPOWERMENT (SCOTLAND) ACT 2015 - IMPLEMENTATION UPDATE

The Committee gave consideration to a report that provided an overview of the progress made against each element of the Community Empowerment (Scotland) Act 2015, which was now considered as business as usual and was embedded within the day to day operations of the Council and its Partners.

Decision

The Policy and Resources Committee agreed that –

1. The Community Empowerment Working Group had fulfilled its role and could now be disbanded.
2. The required annual reports in respect of Asset Transfer Requests and Participation Requests will continue to be tabled at the Policy and Resources Committee.
3. Such other reports as may be required will come forward to the appropriate Committee as and when required in the future.

(Reference: Report by Executive Director – Customer Services dated 16 November 2018, submitted)

*** 11. PROPOSED REVISION TO CHARGES FOR PRE-APPLICATION PLANNING ADVICE**

Consideration was given to a report that sought approval for the implementation of a revision to non-statutory charges which were currently levied for the provision of pre-application planning advice.

Decision

The Policy and Resources Committee agreed to recommend to Council that the Council's scale of non-statutory charges be revised to include new charges for pre-application initiation and follow up meetings as detailed in paragraph 4.7 of the submitted report.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 13 November 2018, submitted)

Councillor McCuish re-joined the meeting.

Having declared an interest in the following item of business Councillors Lorna Douglas, Kieron Green and Aileen Morton left the meeting and took no part in the consideration of the item.

Councillor Gary Mulvaney, in his role as Vice-Chair, took the Chair in the absence of Councillor Aileen Morton.

12. STRATEGIC EVENTS AND FESTIVALS GRANT 2019/20

The Committee gave consideration to a report that provided details in respect of the bids submitted for grant funding for strategic events and festivals in 2019/20, the assessment process and the decision in respect of the bids being put forward to receive grant funding.

Decision

The Policy and Resources Committee –

1. Noted the information provided within the report including the assessments process undertaken.
2. Endorsed the recommendation to award grant funding to the strategic events and festivals taking place in 2019/20 as detailed in tables 2 and 3 of the submitted report.
3. Agreed that officers conduct a lessons learnt exercise, the results of which to be brought back to Committee for review prior to any future assessment process being undertaken.

(Reference: Report by Executive Director – Development and Infrastructure Services dated November 2018, submitted)

Councillors Lorna Douglas, Kieron Green and Aileen Morton re-joined the meeting.

Councillor Aileen Morton resumed her role as Chair.

13. REVIEW OF ADVICE SERVICES: PROGRESS REPORT

Consideration was given to a report which provided the Committee with an update on the position with the implementation of the new arrangement for advice services relating to debt, welfare rights and homelessness advice.

Decision

The Policy and Resources Committee –

1. Noted the progress to date.
2. Agreed with the proposal to extend the existing contracts with the current providers on a monthly rolling basis, subject to their agreement, as a contingency for the mobilisation period.
3. Requested that a further report be brought to a future Policy and Resources Committee.

(Reference: Report by Executive Director – Development and Infrastructure dated December 2018, submitted)

* **14. CONSERVATION AREA REGENERATION SCHEME (CARS) - FUNDING OPPORTUNITY**

The Committee gave consideration to a report which requested them to give consideration to making financial commitments against two proposed heritage-led regeneration projects for Lochgilphead and Helensburgh.

Decision

The Policy and Resources Committee agreed to refer the consideration of a financial commitment to the Council as part of the budget process in respect of –

1. Making a financial commitment of £386,220 towards a Lochgilphead Conservation Area Regeneration Scheme.
2. Making a financial commitment of £500,000 towards a Helensburgh Conservation Area Regeneration Scheme.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 20 November 2018, submitted)

15. LORN ARC - UPDATE REPORT DECEMBER 2018

The Committee gave consideration to a report which provided them with an update on progress in relation to the Lorn Arc Tax Incremental Financing, the latest budget position as at the end of October 2018 and proposals to restrict future activities given the current status of ongoing projects and the lack of a positive business case to advance projects through a growth accelerator model.

Decision

The Policy and Resources Committee –

1. Noted the updates on the Lorn Arc Programme provided in the paper.
2. Agreed that in light of the updates provided on the individual projects (paragraphs 4.5 through to 4.16) that further consideration is given to the future of the Lorn Arc Programme with a report back to a future meeting of this Committee.
3. Agreed that future reporting in the Lorn Arc will be limited to projects with potential for Tax Incremental Financing and the financial monitoring of the overall programme.
4. Noted that the halfway house Roundabout remains as a potential project and that it will only be able to proceed if –
 - A robust business case shows that the additional NDR generated from the associated development would fund the necessary council borrowing.
 - The commercial developers of those NDR generating development sites provide appropriate legal agreements that contain sufficient certainty that those developments will go ahead within an appropriate timeframe.

(Reference: Report by Executive Director – Development and Infrastructure Services dated November 2018, submitted)

16. POLICY AND RESOURCES COMMITTEE WORKPLAN - DECEMBER 2018

The Policy and Resources Committee Work Plan as at December 2018 was before the Committee for noting.

Decision

The Policy and Resources Committee noted the Work Plan as at December 2018.

(Reference: Policy and Resources Committee Work Plan as at December 2018, submitted)

The Chair advised that in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, appendix 2 relating to the following item of business would require her to exclude the press and public should any Member wish to discuss the content of that appendix on the grounds that it was likely to involve the disclosure of exempt information as defined in Paragraph 6 of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

17. REQUEST FOR AMENDMENT TO CASH FLOW LOAN BY MULL & IONA COMMUNITY TRUST

Consideration was given to a report which set out a request received from Mull and Iona Community Trust for a cash flow support loan in relation to a storage and business unit facility at Ardmore on the outskirts of Tobermory, Mull. The request related to an amendment to a previous cash flow support loan sought by the Mull and Iona Community Trust for the same project but which covered a different time period.

Decision

The Policy and Resources Committee approved the request for a cash flow loan of £100,000 over the amended time period and that it be processed through the existing delegated controls.

(Reference: Report by Executive Director – Development and Infrastructure Services dated December 2018, 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 2 items of business on the grounds that it was likely to involve the disclosure of exempt information as defined in Paragraphs 8 and 9 respectively of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

18. CHORD - DUNOON - QUEEN'S HALL - PROJECT UPDATE

Consideration was given to a reporting providing the Committee with an update on the commercial aspects of the Queen's Hall refurbishment and public realm improvements project.

Decision

The Policy and Resources Committee –

1. Noted the update provided in the submitted report.
2. Agreed that the project would be funded and consideration would be given to this as part of the 2019-20 budget setting process.

(Reference: Report by Executive Director – Customer Services dated 29 November 2018, submitted)

19. PROVISION OF AIR SERVICES BETWEEN OBAN AND THE ISLANDS OF COLL, COLONSAY AND TIREE

Consideration was given to a report that briefed the Committee on the procurement that has been undertaken for the provision of air service between Oban and the Islands of Coll, Colonsay and Tiree due to the current contract expiring on 15 May 2019.

Decision

The Policy and Resources Committee –

1. Noted the outcome of the tender procurement exercise.
2. Endorsed the approach set out in paragraph 4.6 of the submitted report.
3. Requested that the Council consider the unbudgeted additional cost of continuing to operate the current contract until August 2019 as part of the budget in February 2019.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 4 December 2018, submitted)