
27th June 2019

LEADER'S REPORT

1. INTRODUCTION

- 1.1 This report gives colleagues an update on my activities as Leader of Argyll and Bute Council from 5th April to 14th June 2019. It also includes an update in relation to my Policy Lead portfolio, Economic Development.

2. RECOMMENDATIONS

- 2.1 Members are asked to consider 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 and other papers and briefings as referenced in the report. Any items discussed in public can be provided to members electronically; the papers for items taken in private session can be reviewed in the Leader's office.

3. ANNUAL LOCAL GOVERNMENT RESEARCH CONFERENCE CALL – PA ADVOCACY, 15th April 2019

- 3.1 For some years now, Scottish company PA Advocacy has been engaged to carry out research with all Scottish councils and other public sector organisations on an annual basis. The purpose of this is to identify trends, themes, challenges and opportunities faced by the public sector in Scotland today. Discussions are normally held with local authority leaders and chief executives and it was helpful to be able to contribute to this process this year.

This year's focus – on behalf of organisations who provide support to the public sector – was on challenges for local government. We are all aware that these are changing and challenging times for councils, as we seek to respond to the current financial climate in ways that protect and preserve

services and jobs as far as possible at the same time as recognising the changing aspirations of local communities and their views on democracy and decision-making.

I am still awaiting feedback from the company's research, carried out with all 32 Scottish councils, and will report back on receipt.

4. TRANSFORMATION BOARD, 16th April 2019

- 4.1** The council's Transformation Board, chaired by the Executive Director of Customer Services, is responsible for developing change and transformational work across the organisation. At the budget meeting in February this year, it was agreed that the Board would explore a number of matters to help support and drive forward council priorities, including further development of partnership working and ways that the organisation can enhance innovation. It was therefore very helpful to be able to attend the Board meeting on 16th April, as an observer, and hear more about its work, including our progress on digital transformation.

People frequently tell us, through budget consultations for example, that they want to see us making more use of technology – not only to help us achieve savings in challenging financial times but, more importantly, to make our services easier to use and to access. Customer service is therefore very much at the heart of our digital agenda. There are visible benefits for our customers like online council tax account management, enhanced payment systems and the Tell Us Once process – but there are also improvements to our own internal systems and procedures which may not be seen by customers but which make a real contribution to improved services.

This meeting was also attended by Bernard Chisholm, the Director of Education, Skills and Children's Services at Comhairle nan Eilean Siar (Western Isles Council). It's always helpful to have an opportunity to talk over ideas and best practice with our fellow local authorities, especially those who understand the challenges of delivering services across remote, rural and island communities, and the Board were very grateful to Bernard for coming along to share with us.

5. BEST VALUE 3: INTERVIEW WITH ROSS REID, AUDIT SCOTLAND, 17th April 2019

- 5.1** Colleagues will be aware that Argyll and Bute Council is working with Audit Scotland on its Best Value 3 Audit this year. A number of themes will be explored through the audit, the first one being Equalities. I met with Ross Reid of Audit Scotland for a discussion around that on 17th April.

We've made great progress as an organisation over the past few years and particularly in the life of this council, despite the very significant challenges that all local authorities deal with in the current climate. It was useful to be able to outline just some of that progress during this initial meeting with Ross. There will be further engagement with Audit Scotland over the course of the BV3 audit as they focus on the other themes including governance, accountability, budget and planning.

On a related matter, on 10th May I took part in an Improvement Service online seminar about Best Value. Paul Reilly from the Accounts Commission presented and answered questions on the following:

- What is Best Value?
- Why does it matter to councils and councillors?
- What are the key messages for elected members from recent audits?
- What does Best Value look like in a council?
- What is involved in a Best Value audit?

Anyone interested in this can view the seminar online at the Improvement Service's resource website for elected members.

6. HIGHLANDS AND ISLANDS LEADERS GROUP, 25th April 2019

- 6.1** The group met for the second time this year on 25th April. We had proposed a number of agenda items of key interest to the Highlands and islands region and our officers prepared a number of papers to support the meeting. Agenda items were:

- Scottish Sea Fisheries National Discussion on Future of Fisheries Management (paper from Argyll and Bute Council)
- EU Structural Funds Position Paper (Argyll and Bute Council)
- Biodegradable Municipal Waste (BMW) Ban (Argyll and Bute Council)

Other agenda items were discussions on councils' transformation activity and views on submitting feedback to the Scottish Government's briefing on proposed regulations for establishing a scheme for requests from local

authorities to promote legislation for devolving particular functions, duties or responsibilities to councils.

At this meeting, member authorities agreed to write to the Cabinet Secretary for Environment, Climate Change and Land Reform, Roseanna Cunningham MSP, in relation to the BMW ban and island impact assessment. Councils reiterated their support for the aims and objectives of the BMW ban and their wish to comply – but felt it was imperative to highlight the challenges and significant financial risks to rural and island authorities. As well as asking to meet with the Cabinet Secretary, the group made a formal request for a retrospective islands impact assessment of the regulations relevant to the ban as well as consideration of the issue of potential funding or derogation.

On 12th June we received a response from the Cabinet Secretary's office, offering to arrange an early meeting and acknowledging the concerns and the challenges outlined by the Highlands and Islands Leaders Group.

7. COSLA LEADERS, 26th April 2019

7.1 I attended the COSLA Leaders meeting on 26th April in Edinburgh where the following items were discussed:

- Fiscal empowerment and local taxation
- Distribution
- Early Learning and Childcare: guidance on transition options
- Scotland's Learning Estate Strategy: Connecting People, Places and Learning
- Living Wage in Adult Social Care
- Barriers to Elected Office Special Interest Group Update
- Councillors Code of Conduct review
- COSLA Priorities Update
- Review of Improvement Service and COSA

While these items were all heard in private session, if any member would like to read the papers and accompanying briefings from our officers, please contact the Leadership Support Manager.

8. INTEGRATION JOINT BOARD NON-BUSINESS MEETING, 30th April 2019

8.1 A non-business meeting of the Argyll and Bute Health and Social Care Integration Joint Board was held on 30th April. This afforded board members to consider and discuss the IJB's self-evaluation response to the Ministerial Strategic Group for Health and Community Care Integration Review.

The Scottish Government has set out an expectation that health boards, local authorities and IJBs should collectively evaluate their current positions in relation to the findings of the Ministerial Steering Group review, which also took account of the November 2018 Audit Scotland report on integration, and to use this self-evaluation process to identify actions for improvement.

Our position in relation to the majority of criteria is that best practice/approaches are established or in some cases partly established – like most partnerships across Scotland, as highlighted by Audit Scotland, there is still work to do and the drive for progress continues.

9. ISLANDS TRANSPORT FORUM CONFERENCE CALL, 9th May 2019

9.1 I attended the Islands Transport Forum conference call on 9th May, chaired by the Minister for Transport and Islands, Paul Wheelhouse. Discussion items were:

- National Transport Strategy and Strategic Projects Review (STPR2)
- Islands Act – update on consultation exercise for islands plan and on islands impact assessments
- HIAL Strategy update
- Ferries paper – including the Vessel Replacement Deployment Plan. RET updates and funding and delivery of internal islands ferry services

Members will recall that at our own Policy and Resources Committee meeting on 16th May, there was an agenda item in relation to the funding of internal ferry services, which is also due to be heard by council in June. In the interim period I and other members have written to MSPs setting out Argyll and Bute's position in relation to internal ferry services.

We face a shortfall of almost £1m in terms of funding these vital services – a considerable financial pressure in already straitened times. However, other councils have been able to access £21m over the past two years to assist them in funding internal ferry services. We believe that Transport Scotland should take over responsibility for operating these internal routes – as it has a statutory obligation to provide lifeline ferry services.

As previously reported, I have written to the current Minister for Transport and his predecessor on several occasions about this, it would be good to see this matter move forward.

10. PRESENTATION OF THE BRITISH EMPIRE MEDAL TO CLLR DONALD MACMILLAN, 10th May 2019

10.1 It was with great pleasure that I joined family, friends and colleagues of Cllr Donnie MacMillan on Friday 10th May to see Donnie presented with the British Empire Medal by the Lord Lieutenant for Argyll and the Isles, Patrick Stewart. Donnie was nominated in the New Year Honours List for his long and dedicated service in local government, representing the people of Mid Argyll on Strathclyde Regional Council, Argyll and Bute District Council and of course on the council of today. This was a really happy occasion and a well-deserved honour and recognition of Donnie's care for and commitment to the role of councillor – carried out always with his characteristic good cheer.

11. RURAL GROWTH DEAL, 22nd May 2019

11.1 Following the formal submission of our Rural Growth Deal to both governments in November last year, officers continue to work with their counterparts in the Scottish and UK governments to refine and progress our Deal proposals. The political side of the matter is particularly important too and, while ministers from both governments have been positive, we need to press ahead with discussions in order to secure the potentially transformational Deal for Argyll and Bute. Our constituency MSPs and MP remain positive and supportive and have indicated they will do what they can to help progress this politically, most recently with a telephone call with Brendan O'Hara MP on 4th June.

I wrote again to Michael Matheson MSP, Cabinet Secretary for Transport, Islands and Connectivity, and to David Mundell MP, Secretary of State for Scotland, on 22nd May, seeking to meet with them as soon as possible.

Mr Mundell's office have offered to arrange a meeting in Edinburgh before the end of June. Arrangements are still being finalised and I will update members as soon as possible.

We are holding some dates in August in order to meet with Mr Matheson in Argyll, and show him exactly how and where our Deal will bring about the transformative success that Argyll and Bute deserves. I hope that the Scottish Government will be in a position to confirm this meeting very soon.

12. INTEGRATION JOINT BOARD MEETING, 29th May 2019

12.1 The agenda for the May IJB business meeting included the following items of key interest:

- Review of the progress of integration self-evaluation (following on from the non-business day discussion in April)

- Governance progress
- Health and Social Care (Staffing) (Scotland) Bill
- Sturrock Report
- Visible Changes Improvement Plan
- Budget Monitoring

Papers for all items are available for members to read online.

13. COSLA LEADERS, 31st May 2019

13.1 The May COSLA Leaders session took place in Edinburgh on 31st May and the following matters were discussed in private session:

- Devolved School Management Guidelines
- Fiscal Empowerment
- Non Domestic Rates
- Council Tax Reduction Scheme
- Supporting Destitute Migrants with No Recourse to Public Funds
- Early Learning and Childcare Expansion – Eligibility for Two Year Olds
- Education Reform
- Mental Health
- Digital Transformation
- Local Governance Review Update
- Distribution

As normal, if any member wishes to see the reports and briefings provided by our officers, this can be arranged through Leadership Support.

14. A83 TASKFORCE MEETING, ARROCHAR – 5th June 2019

14.1 The A83 Taskforce met in Arrochar on 5th June. Unfortunately the Cabinet Secretary, Michael Matheson, was unable to attend due to parliamentary business, so the meeting was chaired by Hugh Gillies, Director of Roads for Transport Scotland.

The first session focused on the Strategic Transport Projects Review (STPR) in relation to the A83. Issues including pinch points, narrow lanes and lack of overtaking opportunities were covered, along with the Rest and Be Thankful, but A82 issues and train access were also raised. An update on STPR is scheduled for the June members' seminar.

In relation to the Rest and Be Thankful, there will be a summer hiatus between July and October/November when the traffic lights will be removed and no substantial works will be planned. The existing catch pit works are due to finish in May 2020, with further phases planned for 2021 and 2022.

A permanent solution is being explored separately through the STPR process.

The meeting also heard updates on planned works elsewhere along the A83, including footpath improvements for Lochgilphead and Campbeltown.

15. COSLA ENVIRONMENT AND ECONOMY BOARD, 7th June 2019

15.1 I was unable to attend this COSLA Environment and Economy Board meeting as I was involved in the interview process for the council's new Heads of Service on the same day.

Agenda items at COSLA EE were as follows, and if anyone is interested to see the reports, these can be obtained through Leadership Support:

- Clean Air for Scotland Strategy Review (presentation)
- Climate Change
- Regional Economic Partnerships
- COSLA Response to the Scottish Government's Future of Fishers Management in Scotland National Discussion Paper
- Scottish Countryside Ranger Services
- UK's Exit from the European Union (verbal update)
- Broadband
- Planning (Scotland) Bill – Performance Provisions
- Transport (Scotland) Bill and Restricted Roads (20mph Limit) (Scotland) Bill (verbal update)
- Public Energy Company
- Waste Management
- Interruption of European Social Fund Payments

16. FASLANE MARITIME CHANGE PROGRAMME: SDDF BOARD MEETING, HELENSBURGH, 12th June 2019

16.1 The HM Naval Base Clyde Strategic Delivery and Development Framework Board (SDDF) met in the Helensburgh and Lomond Civic Centre on 12th June. Agenda items included:

- High level update on Faslane Maritime Change Programme from Cdre Donald Doull
- Clyde Future Accommodation Model – Royal Navy presentation
- Verbal update on business accommodation/supply chain requirements
- Private sector housing update
- Cross sectoral working

17. CHIEF OFFICER CHANGES

17.1 June sees a number of chief officer changes, with some leaving the council and others taking up new posts. To those who are leaving, I would like to personally record my thanks to you all for your many years of service and commitment to the people of Argyll and Bute through your work for the local authority. I wish you all the very best for the future and you go with our grateful thanks for everything you have done for Argyll and Bute Council.

As noted above, interviews took place on 7th June for two Heads of Service positions. Congratulations to David Logan, appointed Head of Legal and Regulatory Services, and Ross McLaughlin, Head of Commercial Services, who were appointed.

18. POLICY LEAD FOR ECONOMIC DEVELOPMENT UPDATE, April to June 2019

18.1 Helensburgh and Lomond Cycle Way: A funding application has been submitted to Sustrans for 2019/20 funding to contribute to a section of cycle way through Cardross Park, including a bridge over Geilston Burn.

Public consultation activity during May included information and questionnaires sent to over 1,100 homes in the Cardross area, as well as online and on social media, and a public drop-in event on 16th May. A report is going to the Area Committee meeting in June.

We are awaiting comments from Sustrans in relation to the Rosneath Shared Cycle Way and have made an application to Sustrans for continued design funding.

18.2 Digital: Currently, 91.5% premises in Argyll and Bute are connected to the fibre network, with 82.5% able to access speeds of more than 30mps.

HIE has released a report which outlines detail on mast construction and upgrade in the area:

- 133 existing sites upgraded to 4G
- 108 complete and in service (up from 104 in October last year)
- 81 new sites planned by EE/Three/Vodafone/02
- 41 new sites in services (3 Vodafone, 38 EE)

18.3 R100: On 7th June, Paul Wheelhouse, the Scottish Government's Minister for Connectivity, confirmed that Scotland's R100 Broadband Contract will be delayed until the end of this year. This may have an impact on the planned rollout completion by the end of 2021. Mr Wheelhouse has said publicly that this is due to structuring a procurement process which will ensure that R100 delivers the best value and benefit across the country.

Contract bidders have been given an extension to allow them to remodel their solutions and remain competitive. It is understood that a preferred bidder or bidders will be appointed by the end of September, with contracts signed by the end of the year.

- 18.4** Business Gateway: The Local Growth Accelerator Programme 2015/22 levers ERDF funding for grants and specialist advice to support growth in small and medium enterprises. The total programme value is £855,239. A third claim to finalise and complete the first phase was submitted on 14th May, with a total spend in Phase 1 of £347,842. All activity and spending targets have been met for Phase 1.

Phase 2 launched in May with registration available online from 15th May.

72 individual businesses were supported, with a combined turnover of £13.7m and total workforce of 229. While it is still too early to fully assess the impact of the support provided by Business Gateway, positive impacts are already visible. Combined turnover has increased by more than £3.1m and in staffing terms there are a further 54 FTE posts.

- 18.5** Fair Start Scotland: 60 people have accessed the Fair Start Scotland service (15 Helensburgh, 25 Campbeltown, 7 Rothesay, 6 Dunoon, 7 Oban). Participation is voluntary, which means that active promotion is important to raise awareness and increase referrals. It is currently being promoted across Argyll and Bute through continued liaison with Jobcentreplus staff and active engagement with third party referral organisations, alongside traditional poster campaigns and social media and online activity.

Nine people have been successfully supported into employment with others close to finding jobs.

- 18.6** Film Argyll and Bute: As the EDI Committee heard earlier in June, over £1m was spent on film production in Argyll and Bute in 2018. Forty productions were filmed in the area during the year including the first feature film shot entirely in Argyll and Bute and a number of high profile advertising campaigns including Stella McCartney and Skoda.

We have a wealth of stunning film locations to offer and our focus is on ensuring that Argyll and Bute is one of the country's leading locations for screen industry productions and film tourism. In the longer term this activity can have a positive impact on the wider Argyll and Bute economy. The team's focus is therefore firmly set on the following in order to achieve even more silver screen success for Argyll and Bute:

- Attracting more production activity to Argyll and Bute – marketing and promotion, developing screen industries skills, identifying and developing potential locations and providing incentives
- Facilitating production – free provision of local knowledge, advice, contacts and expertise, and supplying appropriate information on locations, facilities and crew
- Working in partnership with Screen Scotland and other agencies, locally and nationally, to support production and be the key production contact in the area
- Attracting film tourism through mapping locations and developing trails, promotional material and working with tourism partners

18.7 All Energy, Glasgow: Along with Economic Development officers I attended the All Energy renewable energy conference in Glasgow on 15th May. This afforded an opportunity to meet with a number of renewable industry contacts including CS Wind, Renewable Parts and Nova Innovation, raising the profile and the possibilities for renewables activity in Argyll and Bute.

18.8 Visit to Hill House, Helensburgh, National Trust for Scotland – 13th May and 6th June 2019: I had an opportunity to meet with National Trust for Scotland representatives at Hill House in Helensburgh to find out about their plans for the historic venue, currently encased in a special steel ‘box’ to protect it while essential restoration works are investigated and carried out. The ‘Hill House Box’ was officially opened on 6th June and, along with a new visitor centre, means that visitors to Hill House will be able to discover parts of the property normally hidden from view.

The protective steel frame structure is a significant conservation project for NTS who are concerned at the impact of the environment on this very significant Charles Rennie Mackintosh structure. As well as providing vital protection while the Trust looks to safeguard the future of Hill House, it really does make for a fascinating overview of this iconic building. It is expected to substantially increase the visitor numbers to the site and is well worth a visit if you are in the area.

19. CONCLUSION

19.1 This report highlights my recent activities as Leader of Argyll and Bute Council, together with a brief update on my Policy Lead portfolio. I hope that this update is helpful for members and will be happy to provide more information wherever possible.

Councillor Aileen Morton
Leader, Argyll and Bute Council and Policy Lead for Economic Development

14th June 2019

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