
LEADER'S REPORT: 23rd January to 23rd February 2012

ARGYLL AND BUTE COUNCIL EXECUTIVE MEETING: 8th March 2012

- 1.0 **COSLA Leaders Meeting, Friday, 27th January, at Verity House, Edinburgh.**
Although I was unable to attend the above meeting, Councillor Andrew Nisbet attended on my behalf.

The agenda was as follows:-

Items taken in Private Session:-

1. Address by Minister for Local Government and Planning, Derek Mackay MSP
2. Community Planning Review
3. Health and Social Care Integration
4. Resource Transfer
5. Care Home Fees
6. Free Personal Care Uplift
7. Rural Education Commission – Draft COSLA Submission
8. Early Years Taskforce and Change Fund
9. Secure Care Contract
10. Flooding
11. Council Tax Benefit Replacement Scheme
12. Operating Principles – Business Gateway Contract Renewal
13. Proposal to establish a Scotland Standing Committee of the UK PNB –
14. Roads Maintenance Review

Items taken in Public Session

15. Police and Fire Reform (Scotland) Bill
16. Enterprise Areas

I am unable to report on the outcomes of the items taken in private session, although further detail on these can be viewed in the Leaders Reports Pack; however, there is further detail of the items taken in public session below:-

1.1 **Item 15 - Police and Fire Reform (Scotland) Bill**

Purpose

1. The purpose of this report was to inform Leaders of the key provisions of the Police and Fire Reform (Scotland) Bill, alongside the previously agreed COSLA position in relation to each. The paper presented on the day provided Leaders with the opportunity to frame COSLA's evidence which will be developed and used throughout the parliamentary process. The full COSLA evidence submission was also brought to the February Leaders

meeting for approval.

Outcomes

Leaders:

- i. Agreed to consider and further develop COSLA positions in relation to the key provisions of the Bill, including any others that Leaders may have had, that were not covered by this report; and
- ii. Agreed that, taking this into account, the detail of COSLA's parliamentary evidence would be developed by the Police and Fire Reform Task Group and brought to the February Leaders meeting for approval and agreement of a lobbying strategy.

Note

It should be noted that the Police and Fire Reform Bill was also discussed at SMOG and the CPP Management Committee.

1.2 Item 16 - Enterprise Areas

Purpose

The purpose of this paper was to provide Leaders with a brief summary of discussions with Scottish Government on the 4 proposed Enterprise Areas (EAs) in regard to the planning and financial implications of the 14 sites granted EA status on 17 January.

Recommendations

Leaders agreed to:

- i. Note the 4 thematic areas identified and the specific 14 sites designated as Enterprise Areas, as announced by the Cabinet Secretary for Finance and Sustainable Growth on 17 January; and
- ii. Note the discussions COSLA has undertaken on the planning and financial implications for councils of Enterprise Area designation.

Note

It should be noted that there are no Argyll and Bute areas included on the list of 14 EAs.

2.0 Employee Joint Consultative Committee (EJCC) Meeting, Friday 3rd February, in the Council Chamber.

The main item on the agenda for this meeting was the Budget.

Bruce West, Head of Strategic Finance presented a report which summarised the position with regard to the principal issues surrounding the Corporate and Service Plans, Budget Consultations, Revenue and Capital Budget.

Chief Executive, Sally Loudon, also advised that the later Transformation Board liaison meeting would give another opportunity for any questions or issues raised by the Trades Unions.

Jane Fowler, The Head of Improvement and HR thanked the Trade Unions for all their contributions and support throughout the formal consultation process for the Service Reviews. She spoke of the many meetings that had been held with the Trades Unions and which had proved very helpful in working through issues, as they arose. Sally Loudon also thanked the Trades Unions for their input throughout the budget consultation process.

The Trades Unions advised that they wished to record their appreciation of the Council's approach, which had enabled them to be involved the budget process and to make meaningful contributions to it. It was confirmed that the Council had taken steps in improving employer / employee relations and that this placed the Council in a much better position than in previous years.

3.0 **Meeting with Alex Neil MSP, Cabinet Secretary for Infrastructure and Capital Investment, on 14th February at the Queen's Hall, Dunoon.**

Chief Executive, Sally Loudon and I very much welcomed the meeting with the Cabinet Secretary, Alex Neil (and others – see below), at the Queen's Hall, on the Dunoon to Gourock ferry. During the meeting, I outlined my desire for the Dunoon - Gourock Ferry to be safe, comfortable, accessible and regular.

I had previously set up a meeting in December 2011, where all parties agreed to a "three part plan" for the route and the meeting with the Minister was to outline the progress made on this.

It was agreed that, within a month, Alex Neil MSP, would come back to the group to outline progress in identifying an alternative vessel to the Ali Cat. Finally, a group will be set up including Argyll and Bute Council, Inverclyde Council, The Scottish Government and the Ferry Users Action Group to look at the viability of an economic case for a vehicle and passenger service.

I welcome these proposals and am continuing to urge the Scottish Government Ministers to ensure clear and short timescales are attached to developing a way forward to ensure a vehicle passenger service on the Dunoon- Gourock route. Also in attendance were; Michael Russell MSP, Alan Reid MP, Professor Neil Kay, as well as representatives from; Scottish Government, Argyll and Bute Council, Inverclyde Council, CalMac, Argyll Ferries and the Dunoon Ferries Action Group.

4.0 **Council Budget Meeting, Thursday 16th February.**

I was delighted that the vast majority of Members voted to support the Council's Motion at the Budget meeting on Thursday 16th February and I would like to thank them for that support.

The whole budget process is a very painstaking one, and the level of detail that was required to produce the final budget took a team of council officers and members a huge amount of their work and personal time to produce and scrutinise.

In some ways, the final decisions on how to divide the budget were clear; not only did we take careful note of the Scottish Government's Spending Review priorities, but we consulted with local people using all of the most up-to date media at our disposal to find out what "the peoples priorities" were. For this reason, I would like to thank the Council Officers that produced an excellent quality of financial reporting from which informed decisions could be made, Council member colleagues who assisted with asking all the probing questions and being open about their concerns and, most of all, the members of the Argyll and Bute Community who took the time to contact us and share their thoughts and feelings. Thank you to you all.

5.0 Up-dates

5.1 Local Tax collection

Collections of Council Tax to 31 January 2012 are 94.52%, up by 0.03% on last year's at this time. This is better than the position reported at end of December which was down by 0.07%. Collections of Council Tax for 2010/11 year are 96.93%, which is down by 0.03% on the previous year's at this time; similar to the position at end of December.

Collections of Non-Domestic Rates to 31 January 2012 are 92.96%, up 0.04% on last year. This is a reduced improvement on the position at the end of December where it was reported that we were up 0.10%. Collections for 2010/11 are 98.60%, down 0.27% on the previous year's.

The Scottish Government has announced a new Non-Domestic Rates deferral scheme for 2012-13. Annual Rates will increase by 5.6% from 1 April 2012. This scheme allows businesses to defer 60% of this increase which is equivalent to 3.2% of their total 2012-13 Non-Domestic Rates bill. They will be expected to repay half of the deferred amount in 2013-14 and the remainder in 2014-15. Details and application forms are on the Council web site which will allow businesses time to apply prior to the annual bills being issued at the start of April. Businesses can apply at any time during the year provided at least 3.2% of the bill is outstanding and a final notice has not been issued.

The Rates poundage for 2012/13 has been announced and is set at 45.0p. The large business supplement is 0.8p for property with rateable values over £35,000. A new public health supplement of 9.3p will also be charged on retail property with a rateable value over £300,000 that is licensed to sell alcohol and registered for the sale of property for 2012-13. This supplement will increase to 13p in both 2013-14 and 2014-15. The supplement will apply for 3 years only. New Business Rates discounts have been announced for a number of new Scottish Enterprise Areas for 2012-13. Unfortunately none of these are available across Argyll and Bute.

I am pleased to advise that payments of Council Tax will be possible through Paypoint outlets from 1 March 2012 using existing Council Tax swipe cards. Payments can still be made through Post Offices and Council offices with these cards. This is due to a new collaborative contract with Allpay through Scotland Excel which has broadened coverage, and reduced transaction costs.

It is now possible for people to pay for regular Council services through direct debit. This facility has been successfully tested on the sundry debtors system and Social Work are now able to promote this to their regular customers. This should be a boon to customers and will reduce administration for our Council.

5.2 **Benefits Up-date**

Community Care Grants and Crisis Loans are two elements of the Discretionary Social Fund administered by Jobcentre Plus. Funding for this is transferring to the Scottish Government from April 2013 and they are looking to local government to deliver this role in future. The Scottish Government is proposing an interim solution while other changes in the welfare system feed through, with funding being ring fenced within the Local Government settlement, for a limited time, by mutual agreement. They propose a set of nationally agreed criteria for access to these support monies. There is also a proposal for a funded Development Officer post, to drive forward and co-ordinate the work and creation of a joint Scottish Government and local government design and implementation group, to steer the development of successor arrangements. In Argyll and Bute in 2009/10 the total spend on Community Care Grants was £264,200 with an average award of £503; with a further spend of £122,200 on Crisis Loans living expenses with an average award of £53. Consideration of local government's potential role in the delivery of Universal Credit (UC), is continuing under 3 broad headings:

- Claiming UC and navigating the system
- Promoting financial inclusion and financial capability
- Promoting work

These activities would have significant resource implications and will be dependent on the approach taken by Department of Work and Pensions to the migration of Housing Benefit between 2013 and 2017 and the reduction of current funding, recognition of the resource implications of new responsibilities, how much involvement is sought from local authorities and whether this is a transitional activity only, or part of an on-going steady state delivery, post 2017.

5.3 **Procurement and Commissioning Up-date**

Tenders have been issued for the provision of professional services in connection with implementation of Oracle purchasing, and the supply, delivery, implementation and support services for housing services IT. Tenders have also been issued for Tayvallich Village Hall improvements; resurfacing at Victoria Parade, Dunoon; and works on A83 and U59 in conjunction with Kintyre renewables hub.

Two framework contracts have been awarded for Rothesay THI for the provision of architect services; one for shops and small repairs, and one for priority building.

The evaluation of the Helensburgh CHORD contract has been completed and a challenge has been received in the mandatory standstill period.

Following the close monitoring of the quality of services from SAGA in Kintyre, we have been able to lift the moratorium on placing new clients with them.

5.4 **Customer Services**

Just under 79% of enquiries were dealt with at first point of contact through the Customer Service Centre (CSC) in January, which is down from the level in December (88%). Excluding Social Work and Planning, 90% of calls were dealt with at first point of contact. For Social Work, the figure was 64.8% and for planning the figure was 49.0%. Planning went live with all their enquiries through the CSC as planned from 24 January with 355 calls being answered on the new Planning line.

The percentage of abandoned calls was 5.8% which is a big improvement on the December figures reported of 10.7%. The December figures were affected by staff using up their remaining annual leave in December.

A one year service level agreement has been agreed with the Here We Are service point for 2012-13. Here We Are expect to be fully self funding from that point.

5.5 IT

I reported previously on a concern over the funding of our IT wide area network from March 2014. A full options appraisal and business case was presented to the Director Digital on 17 January. He has now responded that it is clear that any successor arrangements to Pathfinder North must ensure the maintenance of the connectivity and services that are currently available. However, the Scottish Government's Spending Review has made no provision for any future funding of Pathfinder, although the picture is evolving rapidly. Their working assumption is that HIE's current broadband project and any future national approach will be the focus for getting the national infrastructure in place to serve the needs of the Highlands and Islands area, and there needs to be close collaboration between these two projects. They recommend a stop-gap approach with a further re-procurement in September 2014, when it may be possible to align to a Scottish Public Sector Network.

I welcome the approach being taken by Scotland's Digital Future – Infrastructure Action Plan, which was published by the Scottish Government on 31 January 2012. The purpose of the plan is to deliver a step change in people's ability to access the internet, enabling people to connect from their homes, businesses and while on the move. Modern digital infrastructure is recognised as one of the essential components of creating a successful country. There are four main programmes. The first programme aims to put in place infrastructure to provide a significant uplift in speeds for everyone by 2015 with speeds of 40-80Mbps to 85-90% of premises, and the best possible speeds where this is not possible at this stage. The second programme is longer term to achieve "world class" connectivity by 2020. The third programme establishes a seed fund of £5m over three years to support innovative local solutions. The fourth programme is to increase take-up rates, working with HIE, Scottish Enterprise and Business Gateway, launching a business support programme in Spring 2012. Funding includes £68.8m from BDUK (of which £10m is committed to the HIE project) and £79.5m from the Scottish Budget, including up to £25.5m of EU funds.

In our area this will largely be delivered through the HIE/BDUK project. There is still considerable uncertainty about the amount of funding which will be available for this project and modelling is underway for various funding scenarios. If take-up increases, this reduces much of the need for public sector

funding, so assumptions about the level of take-up are fairly crucial.

The plan also recognises the UK Government's fund of £150m to address 2G "not spots" to take UK mobile coverage to 99% coverage. Scotland only has 85% coverage at present. The 4G spectrum auction is due before the end of 2012. The Scottish Government is pressing for a commitment for coverage of 98% to each region (including Scotland) and not just 98% for the UK as a whole.

I await with interest the National Broadband Plan which is due to be published at the end of March 2012.