



COMHAIRLE NAN EILEAN SIAR

POLICY AND RESOURCES COMMITTEE

Minute of Meeting held in the
Council Offices, Stornoway,
on Thursday 31 March 2011
at 9.30am

PRESENT

Mr Angus Campbell (Chairman)	Mrs Agnes Rennie
Mr Norman A MacDonald (Vice -Chairman)	Mr John A Maciver
Mr Alexander A MacDonald	Mr Norman M Macleod
Mrs Morag Munro	Mr Roddie Mackay
Mr Archie K Campbell	Mr Charlie Nicolson
Mr Donald Manford	Mrs Annie Macdonald

Energy Matters

The Chairman referred to Coastguard modernisation and securing new grid inter-connection for the Outer Hebrides. He stated that an opportunity had recently presented itself to meet the Charles Hendry, Minister of State for Energy and Climate Change whom he had met the previous day in London. While in London, the opportunity had also been taken to meet with a range of political stakeholders and with senior officials from a number of key organisations including the Crown Estate; DECC and OFGEM.

In regard to Grid Infrastructure and the related key issue of transmission charging he indicated that some of the political direction and comment over the past period had been positive. Speaking at the recent Scottish Renewables Conference Chris Huhne, Secretary for Energy and Climate Change stated:

“We have to make sure that the right transmission charging regime is in place to meet the challenges of renewable generation throughout Scotland.

I know developers have real concerns about the current level of forecast transmission charges – particularly in the Scottish Islands, where major projects are on hold.

I also know OFGEM recognise these concerns, and like you I await their review of the transmission charging arrangements through Project TransmiT.

The key thing is to deliver a simple, fair and predictable charging regime that recognises our new energy landscape. Our purpose is not to build plant near consumers, but to wire up plant wherever the wind blows and the tides run.

I’m not going to prejudge OFGEM’s review, but I have asked my officials to look closely at whether there’s a case for adjusting transmission charges for renewable generation on the Scottish Islands under section 185 of the Energy Act 2004 – so we can act quickly if we need to”

At the meeting, Mr Hendry had confirmed this view and expressed a hope that Project TransmiT would deliver a solution to the iniquitous transmission charging regime faced in the islands.

One of the key issues discussed with the Minister had been the need for a Section 185 cap under the Electricity Act to be invoked if Project TransmiT did not deliver the required solution. The Minister and DECC officials had confirmed that preparatory work on Section 185 was on-going on a parallel track to TramsmiT.

The Minister confirmed that he would use his capping powers if need be, but that he was very hopeful of a Project TransmiT solution in the first instance.

It was agreed to recommend that the Chairman write to Mr Charles Hendry, Minister of State for Energy and Climate Change, inviting him to visit the outer Hebrides to discuss energy matters.

MCA
Consultation

The Chairman further stated that four political meetings had been held and as a result it was anticipated that a number of questions in regard to local coastguard issues would be asked in both the House of Commons and the House of Lords.

The contingent had also lobbied hard in regard to the Transport Select Committee coming to the Outer Hebrides to give evidence and it was hoped that the Committee would come to Stornoway in the near future.

Crown Estate

The contingent had also met with the Crown Estate and discussed issues around Community Benefit, Marine Activity west of the Hebrides and how unused aquacultures leases could be released for new entrants.

They had also taken the opportunity to discuss issues relating to the withdrawal of the emergency towing vehicle and how the Crown Estate could commit resources to their retention.

It had been agreed that it was essential to have further discussion around the Marine Renewables and Aquaculture issues and it had been agreed that representatives of the Crown Estate would meet representatives in the Outer Hebrides in the near future.

British Museum

A meeting had also taken place with the British Museum to provide an update on the Lews Castle Museum and Archives Project. A draft tri-partite Memorandum of Understanding between the Comhairle, National Museums of Scotland and the British Museum had been discussed. The British Museum was very keen to sign that MoU and hopefully that would be achieved as part of their visit in relation to the Lewis Chessmen in April 2011.

Capital
Contracts

The Chairman also referred to recent press coverage in respect of lack of work for local contractors and provided the Committee with the following update.

Works had recently been awarded in relation to the plumbing contract at Tolsta School and fender repair works at Lochmaddy Pier. The new care home in Tarbert (approximately £3.7m in value) was currently out to tender as were Castlebay Business Park Landscaping Improvements of approximately £55k in value. Recent capital works orders had been placed with the Comhairle's in-house contractor for Garrygall Depot Civil Engineering/Landscaping works (circa £40k), Pentland Drive Play Area (circa £20k), Carabhat, Carinish Play Area (circa £34k), Dun Eisdean Bathroom Works (circa £49k) and Smith Avenue Changing Room Refurbishment Works of approximately £35k. These awards would also result in work for local sub contractors and suppliers.

The Capital Grants recommended for approval by Sustainable Development Committee on 23 March 2011 would also lead to future opportunities for local contractors in relation to the projects by Urras Eaglais na h-Oidhe, Urras nan Gearranan and Obair Uibhist. £130k of Comhairle grant would allow delivery of works valued at £585k in these instances.

In addition to this approval of £2m of road strengthening works had been recommended by Transportation Committee and the Property Investment Programme was to be considered on the agenda.

In relation to the Western Isles Schools Project expenditure to the end of February was £15,733,156.00. Of this £4,729,088 was direct spend to the local supply chain (30.1%) and when indirect spend was added this figure increased to £6,379,698 (40.55%).

In relation to the Schools Project the Chairman stated that the 25% mark of the total overall projected contract expenditure had been achieved and monthly spend would accelerate and practically double between April and September 2011 as the peak period of activity was entered. Point and Balivanich Schools were scheduled to be handed over in late July, early August 2011.

MINUTES

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| Minute of Meeting of 17 February 2011 at 9.30am | 1 | The Minute of Meeting of 17 February 2011 at 9.30am was approved . |
| Minute of Meeting of 17 February 2011 at 2.30pm | 2 | The Minute of Meeting of 17 February 2011 at 2.30pm was approved |
| Declaration of Interest | 3 | <p>The Vice-Chairman declared an interest in items 17 and 18 due to a matter relating to a member of his extended family and left the meeting during consideration of the matter.</p> <p>Mrs Annie Macdonald declared an interest in item 29 as a relative was employed on the Western Isles Schools Project and left the meeting during consideration of the matter.</p> <p>The Chairman declared an interest in item 50 due to a business relationship with the current operator and left the meeting during consideration of the matter.</p> <p>The Vice Chairman declared an interest in item 55 as he had links to the organisation and left the meeting during consideration of the matter.</p> |
| Minute of Meeting of Outer Hebrides Community Planning Partnership of 2 December 2010 | 4 | The Minute of Meeting of Outer Hebrides Community Planning Partnership of 2 December 2010 was noted . |
| Minute of Meeting of Human Resources Sub-Committee of 7 March 2011 | 5 | The Minute of Meeting of Human Resources Sub-Committee of 7 March 2011 was noted . |
| Minute of Meeting of Local Government Employees Joint Consultative Committee of 16 March 2011 | 6 | The Minute of Meeting of Local Government Employees Joint Consultative Committee of 16 March 2011 was recommended for approval . |
| Minute of Meeting of ICT, Procurement and Asset Management Sub-Committee of 24 March 2011 | 7 | The Minute of Meeting of ICT, Procurement and Asset Management Sub-Committee of 24 March 2011 was recommended for approval . |

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Minute of Meeting of Comataidh Buileachaidh Plana Canan of 24 March 2011	8	The Minute of Meeting of Comataidh Buileachaidh Plana Canan of 24 March 2011 was recommended for approval .
Minute of Meeting of Human Resources Sub-Committee of 24 March 2011	9	The Minute of Meeting of Human Resources Sub-Committee of 24 March 2011 was noted , with the exception of item 18 which was recommended for approval .
Minute of Meeting of Joint Services Committee of 25 March 2011	10	The Minute of Meeting of Joint Services Committee of 25 March 2011 was recommended for approval .

FINANCE

Treasury Management Strategy 2011/12	11	With reference to Item 18 of the Minute of Meeting of 18 February 2010 the Director of Finance and Corporate Resources submitted a Report detailing the Borrowing and Investment Strategy for 2011/12 and the Prudential Indicators for 2011-14. The Report outlined the requirement to adopt an Annual Treasury Management Strategy. The Annual Investment Strategy detailed in the Report set out treasury management objectives, described the current position, took account of the Comhairle's revenue budget and capital programme, reviewed the prospects for interest rates and, in the light of these forecasts, considered strategy options for the financial year 2011/12. As was the Comhairle's practice it was a prudent and risk averse strategy.
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It was agreed to recommend that:

- (1) the Prudential Indicators, detailed in Section 6 of the Report, be adopted;**
- (2) the borrowing strategy, set out in section 8 of the Report be approved; and**
- (3) the investment strategy, set out in section 9 of the Report be approved.**

Treasury Policy Statement 2011/12	12	With reference to Item 17 of the Minute of Meeting of 18 February 2010 the Director of Finance and Corporate Resources submitted a Report detailing the Comhairle's approach to all treasury operations. The Report stated that, in April 2010 the Local Government (Scotland) Regulations 2010 had come into force requiring all local authorities to produce and adopt an Annual Investment Strategy, which was incorporated in the Treasury Management Strategy. This statement sought to achieve best value in treasury management and to employ performance management techniques within the context of effective risk management.
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It was agreed to recommend that the Comhairle agree to amend its Treasury Management Policy to reflect the requirements of The Local Government Investments (Scotland) Regulations 2010.

Budget Strategy 13

With reference to Item 11(a) of the Minute of Meeting of 17 February 2011 the Director of Finance and Corporate Resources submitted a Report detailing the proposed strategy for the development of the Comhairle's Budget Strategy for 2012-15. The Report stated that the planning assumptions of 5% savings per year remained significant and challenging and whilst Government had committed to retaining Local government's share of funding it would not be until after the Scottish Government election that further detail would emerge, which may change if the new government reviewed the distribution of funding among authorities. It was proposed that the Comhairle consider five distinct areas to achieve savings as follows:

- (i) **HR Strategy:** This was the subject of a separate Report and encompassed all employee related matters including voluntary severance and conditions of service and would be taken forward through the Local Government Employees JCC and LNCT;
- (ii) **Operational Efficiencies:** This would cover further stages of the Diagnostic Pathway Programme, implementation of school estate changes and departmental efficiency initiatives;
- (iii) **Alternative Service Delivery:** Including consideration of Leisure Trusts; partnership working (community planning partners, voluntary sector, private sector);
- (iv) **Income Generation:** Including a review of charging and Revenue income optimisation; and
- (v) **Service Choices:** Savings that could not be realised through the first four options would require reductions in revenue or capital budgets through service choices

A proposed timetable was also set out:

- **March:** Approval of overall strategy and timetable;
- **April and May 2011:** Identification of potential savings for elements (i), (ii) and (iii) above, and development of options for options (iv) and (v); **plus** implementation of HR strategy;
- **June 2011:** Approval of options in relation to HR Strategy for further consultation with Local Government Employees JCC and LNCT; operational efficiencies and alternative service delivery and establishment of savings required from service choices and income generation;
- **July and August 2011:** Member evaluation of service choices including income generation **plus** implementation of efficiency proposals and alternative delivery models
- **September / October 2011:** Public Consultation on outcome of Member evaluation;
- **December 2011:** Committees consider service and income choices;
- **January 2011:** Further public consultation
- **February 2011:** Budget and Council Tax Setting

It would be even more critical to engage effectively with communities and trade unions as even more challenging choices were likely to be faced.

It was agreed to recommend that the Comhairle agree the budget strategy and timetable as set out in the Report and that the budget seminars referred to therein be open to the press and public.

VER and 14
Mileage Rates

With reference to Item 5 of the Minute of Meeting of Local Government Employees Joint Consultative Committee of 16 March 2011 a joint Report was submitted by the Chief Executive and the Director of Finance and Corporate Resources to enable the Committee to consider a mileage rate for all employees. The Report stated that the Comhairle currently paid around £927k per year in mileage expenses to employees. As part of the budget proposals for 2011/12 it had been identified that savings of around £100k could be achieved by moving all staff to the 40p per mile rate and the budget had been set on that basis.

At the meeting of the LNCT on 3 February 2011 Teaching staff had not been in favour of the proposal and their subsequent submission was attached at Appendix B to the Report. They supported a common rate but believed that the current rate did not represent a fair reimbursement of costs. Since that meeting the HMRC rate, which was the rate payable to Councillors, had been amended to 45p and in terms of the Comhairle's policy on equality of treatment between councillors and officers it was proposed to adopt a rate of 45p for all employees.

It was agreed to recommend that Comhairle agree:

- (1) from 1 April 2011 to adopt a mileage rate for all employees of 45 pence per mile for the first 10,000 miles in any year and 25 pence per mile thereafter;**
- (2) that this be funded from an overall reduction in mileage and that the Chief Executive and Directors implement measures to achieve this on a pro rata basis;**
- (3) that, in the event that savings could not be achieved from mileage reductions, any shortfall be met from the savings in Insurance Premiums set out in the concurrent Report; and**
- (4) that mileage rates be reviewed again as part of the 2012/13 budget.**

General Fund 15
Revenue
Monitoring
2010/11 Update

With reference to Item 10 of the Minute of Meeting of 17 February 2011, the Director of Finance and Corporate Resources submitted a Report which stated that the fore-cast balances for the end of the financial year were £2952k which was just below the desired level. The costs incurred with regard to the settlement of a contractual matter had been met from contingency, leaving a balance of £130k and of this balance, it was proposed to use £85k to offset costs incurred on the Hebrides Range and Coastguard Task Groups.

The forecast overspend on winter maintenance had improved which should bring balances closer to the desired level. The actual outturn for 2010/11 would be reported in June 2011 but no urgent action was required to restore balances.

It was agreed to recommend that the Comhairle note the Report and agree to establish a budget of £35k, funded from Contingency, for the work of the Coastguard Task Group.

It was agreed that the public, including the press, be excluded from the Meeting during consideration of the following item on the grounds that exempt information as defined in Paragraphs 8 and 9 of Schedule 7A to the Local Government (Scotland) Act 1973, namely, information relating to the amount of any expenditure proposed to be incurred by the Comhairle under any particular contract for the acquisition of property or the supply of goods or services and any terms proposed, or to be proposed by, or to the Comhairle, in the course of negotiations for a contract for the acquisition, or disposal of property or the supply of goods or services, would be disclosed.

The Provision of Insurance Services 2011-14 16* The Director of Finance and Corporate Resources submitted a Report on the procurement procedure and tender award allocation of the provision of insurance services for the Comhairle for the period 2011-14. The Report detailed the Comhairle's decision to un-package the Comhairle's insurance business and award the contract in lots which was supported by a full evaluation report by Marsh Limited, the Comhairle's insurance brokers. The Report further stated that the contract had been awarded at a total cost of £607,600, a saving of £169,122 in insurance premiums taking into account the increase in Insurance Premium Tax to 6%.

It was agreed to recommend that the Comhairle note:

(1) the decision to place the Comhairle's insurance business on the basis set out in the Report with the companies detailed in paragraph 4.4 at a total cost of £607,600; and

(2) the annual saving in insurance premium charges.

The Vice-Chairman declared an interest in relation to the following item due to a matter relating to a member of his extended family and left the meeting during consideration of the matter.

Debt Recovery: Sundry Debts 17 With reference to Item 12 of the Minute of Meeting of 2 September 2010 the Director of Finance and Corporate Resources submitted a Report providing an update on the collection of Sundry Debts. The Report stated that a great deal of progress had been made in assessing the outstanding debts and the mechanism being used to recover these debts. It was stated that the revised monitoring systems and use of new IT systems have assisted in the recovery of debts. However, debts to the value of £101,431.49 had been identified as potential write offs. Invoices totalling £966k were being pursued for payment

It was agreed to recommend that the Comhairle note:

(1) the position in relation to outstanding sundry debt invoices as at 8 March 2011; and

(2) the analysis of amounts written off during the period 1 April 2008 to 8 March 2011.

The Vice-Chairman declared an interest in relation to the following item due to a matter relating to a member of his extended family and left the meeting during consideration of the matter.

Write Off of Debts 18 With reference to Item 15 of the Minute of Meeting of 17 February 2011 the Director of Finance and Corporate Resources submitted a Report which recommended that a number of irrecoverable debts, totalling £66,276.01, in respect of Council Tax and Sundry Debt, be written off. Proposed write offs in respect of sums in excess of £2,000 were detailed in the Appendix to the Report as was the total sum to be written off in respect of Council Tax and Non Domestic Rates in 2010/11.

It was agreed to recommend that the debts listed in Appendix 1 to the Report, totalling £66,276.01 be written off.

Changes to 19
Housing and
Council Tax
Benefit

The Director of Finance and Corporate Resources submitted a Report highlighting the impact of changes to the Council Tax and Housing Benefit system which was being introduced by the UK Government. The Report stated that the changes were going to have a major impact on the Western Isles, which could have an impact on HHP's rent collection rates and also create pressure on the Private Rented sector. Further Reports would be brought before the Committee as more details became available.

These were concerning developments which would impact on the most vulnerable in society with issues such as the changes on Council Tax benefit which would mean that a maximum of 90% would be funded by benefits. It was also proposed that housing and other benefits be paid directly to claimants which could cause difficulty for some claimants in prioritising the use of their benefits. It was essential to continue to engage with Government and representative groups with a view to minimising the impact on the Comhairle and the people of the Western Isles.

It was agreed to recommend that the Comhairle:

- (1) **note the changes to the benefits system being implemented by the UK Government;**
- (2) **agree that further Reports including worked examples of the implications would be presented as more details of the changes became available and that a seminar for Members would be arranged to provide information;**
- (3) **authorise the Chief Executive to make representations to the Department of Work and Pensions seeking discussion and consultation on the impact of these changes; and**
- (4) **discussions take place with HHP through the Strategy Group to consider the implication for social housing and homelessness in the Outer Hebrides.**

Council Rebate 20
Insulation
Scheme

Tax

With reference to Item 36 of the Minute of Meeting of 18 December 2010 the Director of Development submitted a Report detailing a Council Tax rebate scheme proposed for the financial year 2011/12 following the approval of the Climate Change (Scotland) Act 2009. This Scheme allowed householders to obtain a discount on Council Tax if they installed qualifying energy insulation works. It was proposed to produce a guide to the various insulation schemes in the Western Isles, which would be published on the Comhairle's website.

It was agreed to recommend that the Council Tax Rebate Insulation Scheme be approved and that an update Report be submitted to the Comhairle in February 2012.

It was agreed that the public including the press be excluded from the meeting during consideration of the following two items on the grounds that exempt information as defined in Paragraph 1 of Schedule 7A to the Local Government (Scotland) Act 1973 namely information relating to a particular employee, former employee or applicant to become an employee of, or a particular office holder or former office holder, or applicant to become an office holder under, the Comhairle would be disclosed.

Technical Services: 21*
Building
Maintenance
STO Progress
Update

With reference to Item 14(a) the Minute of Meeting 17 February 2011 the Director of Technical Services submitted a Report providing an update on the financial and operational position within the Property Maintenance Delivery STO. The Report indicated that there was a forecast overall deficit for the STO of £499k taking into account corporate overheads, estimated FRS17 costs and one-off redundancy costs. Although this remained a concerning sum, it demonstrated an improvement on previous Reports.

It was agreed to recommend that the Comhairle note the Report.

Property Maintenance 22* With reference to Item 14(b) of the Minute of Meeting of 17 February 2011 the Director of Technical Services submitted a Report and supplementary Report seeking approval from the Comhairle for a revised operating model for the delivery of property maintenance services. The Report indicated that the financial performance of the COU/PMDT had been poor and that the operating deficits were no longer affordable.

An appraisal of options had identified the retention of internal resources within a significantly revised operating model as the preferred option. In addition to breaking even at year-end, a number of performance indicators were proposed which would seek to continually reduce the level of overhead costs borne by the operation, to achieve and maintain improvements in productivity and to adhere to agreed timescales for the delivery of works and minor projects. The model being proposed fitted workforce to budget and there should therefore be no question of a loss being made.

It was proposed that the revised operating model set out in the Report be implemented from 1 April 2011.

It was agreed to recommend that the Comhairle:

- (1) **approve the revised operating model for the delivery of property maintenance services with effect from 1 April 2011; and**
- (2) **note that the financial and non-financial performance of the operation would continue to be reported to the STO/TO Member Officer Working Group on a monthly basis and to the Comhairle at each series of meetings.**

It was agreed that the public, including the press, be excluded from the Meeting during consideration of the following item on the grounds that exempt information as defined in Paragraphs 6 of Schedule 7A to the Local Government (Scotland) Act 1973, namely, information relating to the financial or business affairs of any particular person other than the Comhairle, would be disclosed.

Request to Consider Reimbursement of Project Costs 23* With reference to the Minute of Meeting of Appeals Panel of 18 January 2011 the Chief Executive submitted a Report requesting that Members consider whether to reimburse a complainant for certain costs incurred by it. Further information in relation to the circumstances was provided in the Report.

It was agreed to recommend that the Comhairle not make any payment in respect of the circumstances outlined in the Report.

Winter Maintenance Expenditure 2010/11 24 With reference to Item 17 of the Minute of Meeting of 17 February 2011 the Director of Technical Services submitted a Report informing Members of the current position with regard to winter maintenance expenditure. The Report stated that the current estimated position at 25 February 2011 was £1,942,000, a deficit of £594,021 on a budget of £1,347,979 and the estimate to the year end of £2,217,000 was based on an additional 23 days operation to 31 March 2011 (1 out of 3 days requiring action) at £25k per day.

The Report further stated that the forecasted overspend of £869k was partially offset by additional funding received from the Scottish Government for additional winter and roads maintenance arising from the severe weather conditions experienced in 2010/11.

It was agreed to recommend that, insofar as the Committee's interests were concerned, the Comhairle note the Report.

It was agreed that the public, including the press be excluded from the meeting during consideration of the following item on the grounds that exempt information as defined in Paragraph 3 of Schedule 7A to the Local Government (Scotland) Act 1973 namely information relating to any particular application for, or recipient or former recipient of, any service provided by the Comhairle, would be disclosed.

Mainland Placement Panel 25* With reference to Item 12 of the Minute of Meeting of 17 February 2011 the Director of Social and Community Services submitted a Report detailing the current list of mainland placements. The Report further stated that currently, there are 27 mainland placements costing £1.763m, also stating that the anticipated expenditure for 2010/11 being £1.694m.

It was agreed to recommend that:

(1) the decisions taken by the Mainland Placement Panel be noted; and

(2) the forecasted combined expenditure of £1.649m in respect of the placements detailed in the Appendix attached to the Report be noted.

It was agreed that the public including the press be excluded from the meeting during consideration of the Appendix to the following item on the grounds that exempt information as defined in Paragraph 5 of Schedule 7A to the Local Government (Scotland) Act 1973 namely information relating to the adoption, care, fostering or education of any particular child or relating to the supervision or residence of any particular child in accordance with a supervision requirement made in respect of that child under the Social Work (Scotland) Act 1968 would be disclosed.

Specialist Mainland Placements for Children: February 2011 26* With reference to Item 13 of the Minute of Meeting of 17 February 2011 the Director of Education and Children's Services submitted a Report which detailed the current position in relation to specialist mainland placements for children and detailed the budgetary implications arising from these placements. The total projected costs for Mainland Placements in 2010/11 was £1,821,605 and this represented a projected overspend of £357.472 against the revised budget of £3,010,972. It was stated in the Report that there were currently fifteen children and young people in mainland placements and updated costs of full time residential and foster care on the mainland and of residential respite costs on the mainland for 2010/11 were detailed in the Appendix to the Report.

It was indicated in the Report that the strategy to develop foster care resources locally was currently underway but that it was not anticipated that this would impact on the mainland placement budget until near the end of the current financial year.

It was agreed to recommend, in so far as the Committee's interests were concerned, that the Comhairle note the forecasted costs for specialist mainland placements, as detailed in the Report, and the actions being taken to address this issue.

COMMUNITY CARE

Change Fund – Update 27 With reference to Item 18 of the Minute of meeting of 17 February 2011 the Director of Social and Community Services and Medical Director NHS Western Isles submitted a Joint Report informing Members of the updated position in respect of the Change Fund. The Report stated that the Local Change Plan outlined how the funding, building on current strategy plans, would be used to achieve a shift in the balance of care. The key priorities and outcomes to meet the challenge of demography were shown on page 2 of the Western Isles - Local Change Plan. The Partnership recognised that a step change was required to achieve these and other outcomes in a comprehensive and sustainable manner. Critical to the process was that the various initiatives were self-funding during the four year funding period of the Change Fund. Final Local Change Plans required to be agreed and in place by June 2011, with the draft plan being considered in the first instance by the Ministerial Strategic Group at its meeting in March 2011. The final Western Isles – Local Change Plan would be drafted by the Western Isles Partnership during the period April/May 2011, taking into account the commentary from the Ministerial Strategic Group. For the Comhairle's interests, the final Local Change Plan would be submitted to the May 2011 meeting of the Outer Hebrides Community Planning Partnership and for consideration at the June 2011 Committee series. Thereafter, the approved final local Plan would be submitted to the Scottish Government.

A update was provided at the meeting that the outline plan had been approved by the Ministerial Strategic Group and that guidance was awaited from Scottish Government in relation to the next phase and how the plan would be prioritised and taken forward.

The Report further stated that the Western Isles Partnership had been allocated £531k for 2011/12. Subject to parliamentary approval, partnerships had been advised that it was reasonable to plan on the basis of the Change Fund being available over the period 2011/12 to 2014/15.

It was agreed to recommend that:

- (1) the draft Western Isles Local Change Plan be noted; and**
- (2) it be noted that a further Report on this matter would be provided for the August 2011 Committee series and that detailed feedback from Scottish Government would be circulated to Members when received.**

BUILDINGS

Capital Works: 28
Programme and
Progress

The Director of Technical Services submitted a Report providing an update on Capital Works in respect of properties in the Policy and Resources and Social Work Accounts.

It was agreed to recommend that the Comhairle note the Report.

Mrs Annie Macdonald declared an interest in the following item as a relative was employed on the Western Isles Schools Project and left the meeting during consideration of the matter.

Western Isles 29
Schools Project
Update

The Chairman ruled that in accordance with the provisions of Section 50 of the Local Government (Scotland) Act 1973, as amended, the following item be considered as a matter of urgency in order to allow the Comhairle to take a view on the matter prior to the next series of meetings.

With reference to item 18 of the Minute of Meeting of 8 February 2011 the Chief Executive submitted a Report providing an update of the Western Isles Schools project. The Report stated that there had been no delays at any of the sites which would negatively impact on the service ability dates of the schools. Appendix 1 to the Report contained the latest Sgoiltean Ùra LLP Progress Report which provided an overview of progress at each of the sites of those schools included in the Western Isles Schools Project in addition to other project information. It was further stated that the reviewable design data process was well underway and that officers of the Comhairle were responding to all information as appropriate. The Report also referred to discussions which were underway between the Comhairle and the Scottish Futures Trust and the Scottish Government in relation to the funding of Daliburgh School.

It was agreed to recommend that the Comhairle note the Report, insofar as the Committee's interest were concerned.

CAPITAL PROGRAMME

Capital 30
Programme
2008-13

With reference to Item 9 of the Minute of Meeting of 17 February 2011 the Director of Finance and Corporate Resources submitted a Report providing an update on the 2011/12 Local Government Finance Settlement on the 2008-13 Capital Programme.

The Report further stated that the Local Government Finance Settlement for 2011/12 had changed the method of allocating capital funding to Local Authorities and the effect on the Comhairle's capital resources was an increase in capital grant of £2.7m and a loss of supported borrowing of £4.3m, albeit with no associated revenue support grant reduction.

It was proposed that a further Report be brought to the next meeting of the Committee which set out the remaining projects along with details of their priority within the Capital Programme, the estimated cost and anticipated delivery timescales to enable the Comhairle to agree a deliverable set of projects for the remainder of the Programme.

The Report also sought approval of the match funding for the CPP ERDF bid and the amounts proposed were those allocated in the Capital Programme. In relation to the funding package for Valtos it was clarified that any additional allocation would require to be considered by the Committee.

It was agreed to recommend that the Comhairle:

- (1) note the increase in resources detailed of the Report in lieu of supported borrowing;**
- (2) confirm the Comhairle's funding for the CPP ERDF bid as £75k for the Stornoway Inner Harbour Regeneration Project (of which £12k was already spent); £240k for the Hebridean Way from the Tourism Projects budget and £300k for the Valtos project;**
- (3) approve the allocation of the £1m Core and Statutory budget approved for year 5 of the Capital Programme and £0.861m from the additional capital grant to the Spend to Save Capital Investment Fund; and**
- (4) agree that a further Report on the remaining projects be presented to the June 2011 meeting of the Policy and Resources Committee to enable the Comhairle to agree a deliverable set of projects for the remainder of the Programme.**

It was agreed that the public, including the press, be excluded from the Meeting during consideration of the following item on the grounds that exempt information as defined in Paragraphs 6, 8 and 9 of Schedule 7A to the Local Government (Scotland) Act 1973, namely, information relating to the financial or business affairs of any particular person other than the Comhairle, information relating to the amount of any expenditure proposed to be incurred by the Comhairle under any particular contract for the acquisition of property or the supply of goods or services and any terms proposed, or to be proposed by, or to the Comhairle, in the course of negotiations for a contract for the acquisition, or disposal of property or the supply of goods or services, would be disclosed.

Daliburgh
School

31*

With reference to Item 47 of the Minute of Meeting of 16 December 2010 the Chief Executive, Director of Finance and Corporate Resources and the Director of Education and Children's Services jointly submitted a Report advising the Comhairle of the latest position regarding the funding package for the proposed new school in Daliburgh, South Uist. The Report detailed options for the procurement of the school and to address the funding gap. Option 1 detailed how the funding gap could be met from the Comhairle's own resources. It was indicated that this could be done without impacting adversely on any project currently within the capital programme

It was agreed to recommend that the Comhairle:

- (1) note the current position regarding the costs of provision of a new Primary School at Daliburgh, South Uist;
- (2) adopt Option 1 as detailed in the Report for delivery of the new school, and
- (3) delegate authority to the Chief Executive, in consultation with the Directors of Education and Children's Services, Finance and Corporate Resources and Technical Services, to take all necessary actions to implement the preferred option.

Roads to 32
Communities
Programme
2008-12:
Gearraidh
Ghuirm
Improvement
PID

With reference to Item 47 of the Minute of Meeting of 16 December 2010 the Director of Technical Services submitted a Report which sought the approval of Members for the project budget as detailed in the project initiation document (PID) attached to the Report. The Report stated that the Comhairle had approved a prioritised list of Roads to Communities projects to be funded from the Roads to Communities budget. The Tong to Gearraidh Ghuirm project had been identified as the second priority in the list.

It was agreed to recommend in so far as the Committee's interests were concerned that the Comhairle approve the Project Initiation Document for the B895 Tong to Gearraidh Ghuirm included as Appendix 1 to the Report to be funded from the Roads to Communities Capital Budget.

CONTRACTUAL MATTERS

Waste Water 33
Discharge from
Creed Park

The Director of Technical Services submitted a Report providing information in relation to difficulties being experienced in meeting trade effluent discharge parameters set by Scottish Water in their consent for Creed Park. The Report detailed a number of options in relation to achieving compliance with the Scottish Water Consent Conditions namely:

- (a) the provision of an alternative and independent discharge pipe being laid by the Comhairle from the Creed Anaerobic Digester Plant to a point beyond the Creed River Pumping Station, thereby eliminating the risk of overflow spillage to the Creed River;
- (b) Upgrading the Scottish Water Creed River Pumping Station to create additional diversion storage and the provision of additional fixed pumping; and
- (c) Upgrading the Scottish Water sewer pumping arrangement to bypass the Creed River pump. It was suggested in the Report that Option 1 above appeared to be the most appropriate for implementation at this time but that it would be necessary to undertake further option appraisal so as to secure the best outcome which would address operational, financial and legal considerations. The Report emphasised that there could be substantial costs to the Comhairle if the option to discharge to the Scottish Water Waste Water Collection System was to be denied as a consequence of a failure to meet consent conditions.

It was agreed to recommend, insofar as the Committee's interests were concerned, that the Comhairle:

- (1) note the actions being taken to regularise the trade effluent discharge issues associated with the Creed Waste Treatment Plant; and
- (2) authorise the Director of Technical Services to identify and appraise options associated with addressing the concerns highlighted by Scottish Water, in relation to Waste Water Discharge from the Creed Park, on the basis that a further Report on this matter would be submitted to the next scheduled meeting of the Environment and Protective Services Committee on 31 May 2011.

Udal Archaeology Project Update 34 With reference to item 21 of the Minute of Meeting of Sustainable Development Committee of 27 October 2010 the Director of Development submitted a Report to consider the management, financial and procurement arrangements of the Udal Project. The Report stated that a grant of £80,000 had been made available to the Comhairle from Historic Scotland, to carry out post-excavation work on the Udal site in the village of Grenitote, North Uist for one year from April 2011. A previous Report had discussed a grant of circa £100,000 from Historic Scotland to sponsor a university fellowship but in the current economic climate the offer had now been confirmed as £80,000. It was also suggested that a further Report be submitted in relation to future development and resourcing. The value of the contract would normally trigger competitive procurement but it was proposed that, as Ms Ballin Smith had the necessary expertise, had legal custody of the archaeological material and sole support from the Crawford family, it was proposed that a voluntary ex ante transparency notice which detailed the proposal to appoint her would be placed on the Public Contracts Scotland Portal and the appointment would be confirmed subject to no concerns being raised about the appropriateness of the appointment.

It was agreed to recommend that the Comhairle:

- (1) note the update in regard to progress; and**
- (2) subject to no adverse responses being received in response to the voluntary ex ante transparency information notice to be published on the Public Contracts Scotland Portal, approve the engagement of Beverley Ballin Smith under a single source supplier arrangement for the delivery of the post excavation assessment report.**

North Territory hub Programme 35 With reference to Item 28 of the Minute of Meeting of 4 November 2010 the Chief Executive submitted a Report providing an update on the Comhairle's participation in the Northern Territory hub Programme. The Report stated that the North territory had achieved close of contract in the procurement of a private sector development partner and the establishment of hub Scotland Ltd. The Comhairle was a Participant and Shareholder in the hub Programme and hubco, enabling it to take full advantage of the Programme. These arrangements did not place the Comhairle under any obligation to use hub, did not present any new financial implications and presented no identifiable risk to the Comhairle. An Officers Working Group had been established to take Ardseileach Core and Cluster project forward.

It was agreed to recommend that the Comhairle note the Report.

CONSULTATION

Scottish Government Consultation: The Future of Policing in Scotland 36 The Chief Executive submitted a Report advising the Members of the publication by Scottish Government of a Consultation Paper on the Police Service in Scotland. The Police Service in Scotland had been the subject of recent debate, sometimes as part of a wider debate on Public Sector Reform and the future delivery of public services, and sometimes separate from the debate. The Report further stated that the Cabinet Secretary for Justice had published a Consultation Paper in February 2011 on three options for reform of the Police service in Scotland seeking consultees' views. It was requested that responses to the Consultation be submitted by Thursday 5 May 2011. The Report further stated that Mr Fergus Ewing MSP, Minister for Community Safety, had visited the Comhairle and had met with the Leader and Chief Executive. Discussions had been held in relation to reforms to both the Police and Fire and Rescue Services and strategic, structural and operational issues of the Outer Hebrides. The Chairman suggested that it was appropriate to remain focused on the importance of regional service delivery notwithstanding that the major political parties appear to be united in their support for a single force.

It was agreed to recommend that:

- (1) the Comhairle note the publication of a Consultation Paper by Scottish Government on the future of policing in Scotland; and**
- (2) the Chief Executive be authorised to submit the proposed response set out in paragraph 7.1 of the Report, following receipt of Members' comments and observations and that a paper received from the Area Commander be circulated to Members for their information.**

BEST VALUE

Best Value Service Review 6 Month Follow Up – School Catering 37 With reference to item 34 of the Minute of Meeting of 4 November 2010 the Chief Executive submitted a Report updating Members on progress made following the Best Value Review of School Catering. The Report stated that several areas of weakness and areas of concern had been identified across the service. Six key themes had been used as a framework for outlining recommendations for Service improvements; the creation of a "Whole School" Food Policy, focus on costs, increase meal uptake, performance management and benchmarking, a review of individual catering facilities and looking to the future. Six months following the completion of the Review an action plan had been created and the service was making inroads into achieving its stated objectives relating to the Best Value Review.

It was agreed to recommend that the Comhairle note the progress following the completion of the Best Value Review of School Catering.

Best Value Service Review 6 Month Follow Up – Civic Catering 38 With reference to Item 33 of the Minute of Meeting of 4 November 2010 the Chief Executive submitted a Report updating the members on progress made following the Best Value Review of School Catering. The Report stated that several areas of weakness and areas of concern had been identified across the service. Six key themes had been used as a framework for outlining recommendations for Service improvements; the creation of a "Whole School" Food Policy, focus on costs, increase meal uptake, performance management and benchmarking, a review of individual catering facilities and looking to the future. Six months following the completion of the Review an action plan had been created and the service was making inroads into achieving its stated objectives relating to the Best Value Review.

It was agreed to recommend that the Comhairle note the progress following the completion of the Best Value Review of School Catering.

Civic Catering 39 With reference to Item 38 above the Director of Education and Children's Services
Progress Report submitted a Report detailing the progress of Civic Catering Best Value improvement
Plan and seeking approval of proposals for future service delivery on break-even basis.

It was agreed to recommend that the Comhairle note the contents of the Report and agree:

- (1) to remove the allocation of subsidy from the Civic Catering Trading Organisation;
- (2) to provide teas and coffees on Committee and Comhairle week only;
- (3) the catering provision of high teas be withdrawn;
- (4) the menu prices and opening hours; and
- (5) that table service be withdrawn with self service available to staff and Members.

EUROPEAN STRUCTURAL FUNDS

Final Call For 40 With reference to Item 39 of the Minute of Meeting of 16 December 2010 the Chief
European Executive submitted a Report providing an update on the "mini-round" of European
Regional Development Fund (ERDF) projects. The Report stated that three Stage 1
Development applications from the Comhairle had been unsuccessful at the Fifth Round of ERDF
Fund Projects bids in December 2010. However, it had since been decided by Highlands and Islands
Partnership Programme (HIPP) that it was possible to hold a final "mini-round" for
ERDF Stage 1 applications and, following consultation with the European Structural
Funds MOWG, the three projects had been resubmitted as follows:

- a. Supporting the Outer Hebrides Hydrogen Infrastructure (Revenue);
- b. Developing the Outer Hebrides Hydrogen Infrastructure (Capital); and
- c. Lews Castle/Museum nan Eilean (Capital).

The Comhairle's contribution towards both capital projects was from the 2008-13 Capital Programme. The original funding package relating to the Outer Hebrides Hydrogen Infrastructure revenue project included a contribution from Lews Castle College. The College's contribution towards this project was not yet confirmed. In the event that the College did not make a contribution the project would have to be redefined and sized to match the funding package available.

It was anticipated that the Comhairle would be informed if the three re-submitted projects had been successful at Stage 1 by early April 2011.

It was agreed to recommend that the Report be noted.

Islepact - 41 With reference to Item 41 of the Minute of Meeting of 4 November 2010 the Director of
Update Development submitted a Report providing an update on Islepact. The Report stated
that the Comhairle was Project Co-ordinator for Islepact, a pan European project to
reduce carbon emissions in the twelve participating island groups by 20% by 2020.
Baseline energy data for the Outer Hebrides was currently being compiled and would
shortly be submitted to the European Commission. Work would then begin on the
Island Sustainable Energy Action Plan for the Outer Hebrides, to be complete by July
2011. Following that, a short list of Bankable Projects would be produced before this
phase of the ISLEPACT project closed in July 2012. On 12 April 2011 in Brussels, the
Convener would host the official Signing Ceremony for the Pact of Islands which
formed the wider framework for the ISLEPACT project.

It was agreed to recommend that the Comhairle note the level of progress made to date in respect of the ISLEPACT project.

ENERGY UNIT

Energy Unit 42

With reference to item 41 of the Minute of Meeting of 4 November 2010 the Director of Development submitted a Report updating Members on the development of an Energy Unit within the Development Department and to outline the short term resource requirements for the Unit. The Report stated that the embryonic Energy Unit had been working on key external tasks such as: a) engagement with Project TransmiT - OFGEM's consultation on the UK Transmission Charging regime; b) support for a possible Transmission Charge cap by the Secretary of State for Energy and Climate Change under section 185 of the Electricity Act 2004; c) confirmation of Crown Estate / Scottish Government Saltire Prize status for 20MW marine deployments West of Hebrides; and, d) submission of evidence in response to the Scottish Government's 'Securing the Benefits' consultation on The Crown Estate's role in Scotland. Internally, the Unit had taken over responsibility for the ISLEPACT and GPWIND pan-European projects, ensuring that the projects were on schedule to deliver significant benefits for the Comhairle within pre-determined timescales.

The Report provided an opportunity to discuss the composition, role and resourcing of the Energy Unit over the next period. The remit of the Unit was significant and additional resources would be required if the potential of renewables in the Outer Hebrides was to be realised.

It was agreed to recommend, insofar as the Committee's interests were concerned, that the Comhairle agree:

- (1) the composition and role of the Energy Unit as set out in the Report;**
- (2) the prioritisation of tasks as detailed in paragraph 6.5 of the Report; and**
- (3) that the Director of Development, in consultation with the Director of Finance and Corporate Resources, submit a Report to the June 2011 Series of meetings detailing options in respect of the resourcing requirements identified in the Report.**

HUMAN RESOURCES

Policy on Workforce Planning 43

The Chief Executive submitted a Report outlining the proposals to manage Workforce Planning in the Comhairle which would meet the demands of the changing financial environment. The Report stated that each Head of Service/Director would be required to provide detailed information on each post and postholder with a view to informed decisions being made on retaining critical skills. As the Comhairle was facing a period of uncertainty with regard to the future of level of service provision in some areas, it was important that the Comhairle ensure that the right people continued to be attracted through recruitment, the existing workforce was developed and performance was managed effectively. The Local Government Employees Joint Consultative Committee had agreed this policy for its interest. The Chairman stated that he was heartened by the recognition by the recognised trade unions of the challenges faced and their commitment to working together to address these in implementing this policy.

It was agreed to recommend that the Policy on Workforce Change attached at Appendix 1 to the Report be approved.

Human Resources Strategy 44

With reference to Item 40 of the Minute of Meeting of 4 November 2010 the Chief Executive submitted a Report seeking an extension of the existing Human Resources strategy to cover future financial years. The Report stated that the Comhairle required to make substantial savings in future financial years and it was proposed to manage the decisions required on staffing through the Human Resources Strategy. The Strategy detailed aspects of conditions of service upon which the Comhairle wished to enter into consultation. The changes were radical and were designed to avoid compulsory redundancies where possible. The Local Government Employees Joint Consultative Committee had approved the recommendation in the report for its interest subject to consideration of the detailed implications for terms and conditions being the subject of further consultation and discussion. The JCC had sought and been given an assurance that this strategy would apply to all employees, other than teachers.

It was agreed to recommend that the Human Resources Strategy, attached at Appendix 1 to the Report be approved as a framework for the review of conditions of service during 2012-14, and that all changes to terms and conditions of employment be subject to full consultation and it be noted that the Strategy would apply to all Comhairle employees other than teaching staff.

LEGISLATION

Equality Act 2010 45

The Chief Executive submitted a Report providing details of the provisions of the Equality Act 2010 which would come fully into force in April 2011 and increased the number of protected characteristics. The Report stated that the Act imposed new legislative obligations on the Comhairle and failure to comply with these duties may result in complaints being made to the Commission for Equalities and Human Rights which would take enforcement action against the Comhairle. Guidance had also been issued in terms of the Act which detailed how the new Act impacted on existing policies and the prioritisation of their review. The Chief Executive would report back to the next meeting of the Committee in this regard.

It was agreed to recommend that the Comhairle:

- (1) note the provisions detailed in the Equality Act 2010; and**
- (2) authorise the Chief Executive to assess the Comhairle's policies in terms of the Equality Act 2010, propose a priority list for review in terms of the Guidance under the said Act and to recommend arrangements for such review to the next meeting of the Committee.**

POLICYPublic Sector 46
Reform

With reference to Item 35 of the Minute of Meeting of 17 February 2011 the Chief Executive submitted a Report presenting the report of the Centre for Scottish Public Policy (CSPP) on future public service provision in the Outer Hebrides. The Report further stated that the Comhairle and the Outer Hebrides Community Planning Partnership had prepared contributions to the debate on the Future of Public Service Provision in Scotland ("the Christie Commission"). The Report sought approval of the Comhairle's Strategy which had been presented to the Comhairle and CPP partners at a seminar on 18 February 2011. It was suggested that this Report form the basis of the Comhairle's response to the Christie Commission who would be visiting the islands on 20 April 2011. It was particularly important to communicate that a local authority takeover is not being proposed and to that end it was hoped that a better working title would be found than "Single Public Authority".

It was agreed to recommend that:

- (1) **the conclusions of the report prepared by the CSPP on Future Public Service provision in the Outer Hebrides, as the basis of the Comhairle's submission to the Christie Commission and other debates on Public Sector Reform be approved;**
- (2) **it be recommended that the OHCPP develop proposals on options on how a Single Public Authority might operate, taking into account potential efficiencies, increased democratic accountability, and greater integration of services, taking account of experience elsewhere;**
- (3) **the Comhairle, and as appropriate the OHCPP, continue to make representations for consideration of an integrated local services option for Scotland's Islands communities, as part of the ongoing political debate;**
- (4) **a Communications Strategy be developed through the OHCPP for direct engagement with the public throughout the Outer Hebrides on the SPA model; and**
- (5) **it be noted that the Chief Executive would engage with other public bodies including, without prejudice to the foregoing generality, the Scottish Ambulance Service to gauge their interest in participation.**

PERFORMANCE MONITORING

Comhairle's Performance Indicators 2011/12 for External Reporting 47

With reference to Item 34 of Minute of Meeting of 29 April 2010 the Chief Executive submitted a Report which sought approval of the Comhairle's draft list of Performance Indicators (PIs) 2011/12 for externally reporting. The Report stated that the draft list of proposed Performance Indicators (PIs) for external reporting, including reporting and responsible officers, was outlined in Appendix 1 to the Report and included twenty SPIs and twenty two LPIs. The SPIs were laid down in legislation but individual local authorities were required to agree LPIs according to criteria. The relevant criteria were detailed in Appendix 2 to the Report. The LPIs had been provided by the Heads of Service and reflected the breadth of services delivered by the Comhairle. An approved list of PIs for external reporting required to be submitted to Audit Scotland prior to 1 April 2011.

It was agreed to recommend that the Comhairle approve the draft list of Performance Indicators for external reporting in Appendix 1 to this Report.

Service Business Plans 2010/11- Third Quarter Report 48 With reference to item 42 of the Minute of Meeting of 16 December 2010 the Chief Executive submitted a Report which updated Members of the Comhairle's progress against its 2010/11 Service Business Plan objectives, at the end of the third quarter. The Report stated that specific information about actions and Performance Indicators (PIs) relating to individual services was contained in a more comprehensive second quarter Report which could be accessed through the Comhairle's web site.

It was agreed to recommend that the Comhairle note the Report.

PERFORMANCE REVIEW

Reports Outstanding: Progress 49 The Chief Executive submitted a Report detailing those Reports Outstanding arising from decisions of the Committee.

It was agreed to recommend that the Comhairle note the Report.

URGENT ITEMS

The Chairman ruled that, in accordance with the provisions of Section 50(B) (4) of the Local Government (Scotland) Act 1973 as amended, that the following seven items be considered as a matter of urgency in order to allow the Comhairle to take a view on the matter prior to the next series of Meetings.

It was agreed that the public including the press be excluded from the meeting during consideration of the following item on the grounds that exempt information as defined in Paragraph 1 of Schedule 7A to the Local Government (Scotland) Act 1973 namely information relating to a particular employee, former employee or applicant to become an employee of, or a particular office holder or former office holder, or applicant to become an office holder under, the Comhairle would be disclosed.

The Chairman declared an interest in the following item due to a business relationship with the current operator and left the meeting during consideration of the matter.

Operation of the Café Facility at Ionad Spòrs Leòdhais 50* The Director of Education and Children's Services submitted a Report detailing the decision of the Director of Education and Children's Services to submit a tender for operating the café facilities in Ionad Sports Leòdhais from 1 April 2011 until 31 March 2014. The basis of the bid and financial implications were detailed in the Report.

It was agreed to recommend that the Comhairle homologate the action of the Director of Education and Children's Services in submitting a tender for the Café facility at Ionad Spòrs Leòdhais.

Property Investment Programme 2011-2014 51 With reference to Item 31 of the Minute of Meeting of 17 February 2011 the Director of Technical Services submitted a Report seeking the approval of the Comhairle for a programme of property improvement projects to be carried out as the initial phase of the Property Investment Programme 2011-14. The Report stated that following consideration of the Members' Seminar held in October 2010, as part of the budget choices exercise and given the significant maintenance backlog in relation to property maintenance, the Comhairle had agreed at the last series of meetings to a capital funding package to be spent on property improvements over the next three years. Technical Services staff had undertaken an exercise to determine the current priorities in relation to property condition across all service Departments and the outcome of this exercise was detailed in Appendix 1 to the Report. This was a programme on which work was ongoing and would be refined by the Asset Management Working Group and re-submitted to the Committee. In the meantime a paper detailing priority works in the sum of £455K was circulated as Appendix 2 which it was suggested be approved as an initial programme.

It was agreed to recommend that the Comhairle approve the initial programme of property improvement projects included as Appendix 2 to the Report and note that a further Report seeking approval for the balance of the Programme, evaluated and prioritised on the basis of criteria approved by the Comhairle in February 2011.

It was agreed that the public including the press be excluded from the meeting during consideration of the following item on the grounds that exempt information as defined in Paragraph 1 of Schedule 7A to the Local Government (Scotland) Act 1973 namely any instructions to Counsel and any Opinion of Counsel (whether or not in connection with any proceedings) and any advice received, information obtained or action to be taken in connection with:

- (a) any legal proceedings by or against the Comhairle; or
 - (b) the determination of any matter affecting the Comhairle;
- (whether, in either case, proceedings have been commenced or are in contemplation), would be disclosed.

Review of 52*
Education
Provision:
Opinion of
Counsel

With reference to Item 9 of the Minute of Meeting of the Education and Children's Services Committee of 8 February 2011 the Chief Executive submitted a Report advising the Comhairle of the Opinion of Senior Counsel in respect of the decision of Scottish ministers to refuse consent to the Comhairle to discontinue education, or stages of education, at Carloway, Seilebost, Lionel and Shawbost schools.

Mr Donald Manford, seconded by Mrs Annie Macdonald moved as follows that the Comhairle:

- (a) note the terms of Senior Counsel's opinion on the prospects for seeking judicial review of Scottish Ministers' determinations to refuse consent to closure of Carloway and Seilebost Primary schools; and discontinuation of the S1 and S2 stages of education at Lionel and Shawbost schools;
- (b) authorise the Chief Executive to advise Scottish Government of Senior Counsel's opinion, for further discussion as to the status of Scottish Ministers' determination; and
- (c) agree that the Chief Executive submit a further Report to both Education and Children's Services, and Policy and Resources Committee, on further procedure.

The Chairman, seconded by the Vice Chairman, moved as an amendment that the Comhairle:

- (a) note the terms of Senior Counsel's opinion on the prospects for seeking judicial review of Scottish Ministers' determinations to refuse consent to closure of Carloway and Seilebost Primary schools, and discontinuation of the S1 and S2 stages of education at Lionel and Shawbost schools;
- (b) authorise the Chief Executive to advise Scottish Government of Senior Counsel's opinion, for further discussion as to the status of Scottish Ministers' determination; and
- (c) delegate authority to the Chief Executive, in consultation with the Chairs and Vice Chairs of Education and Children's Services and Policy and Resources Committees, to instigate proceedings for judicial review in the event that discussions with Scottish Government were not productive.

On the matter being put to the vote the amendment received the majority of the votes cast and became the recommendation of the Committee.

Marine Fuel – 53
Stornoway
Harbour

The Director of Technical Services submitted a Report seeking approval for additional prudential borrowing with regard to the provision of Marine fuel facilities at Stornoway Harbour. The Report stated that there had been additional costs and the total capital funding to be sourced from prudential borrowing was now £20,817, the total revenue cost of which was £1,685 per annum for a 20 year period. The forecasted year-end performance at the time of writing (at the end of Period 11) was for a net surplus of £8,092; the revenue costs associated with the additional borrowing were therefore considered affordable.

It was agreed to recommend that the Comhairle approve additional prudential borrowing of £10,000 and note that the associated revenue costs of £802 per year would be funded from the Marine Fuels Trading Operation.

Creed Enterprise Park Wind Turbine Wind Resource Assessment 54

With reference to Item 26 of the Minute of Meeting of 4 November 2010 the Director of Technical Services submitted a Report seeking approval of Capital Programme budget provision to enable a site specific wind resources assessment for the Creed Enterprise Park Wind Turbine. The feasibility of developing a wind turbine project at the Creed Enterprise Park to provide a source of renewable electricity for Comhairle facilities at the site was being assessed by the Director of Technical Services and the Comhairle had delegated authority to the Director of Technical Services to undertake all necessary enabling actions required to prepare a robust business case for the development prior to proceeding to the construction phase. It had originally been anticipated that the costs associated with these enabling actions could be funded from capital funding of £16k carried forward from the 2004-2008 Capital programme. However, additional funding was required and it was proposed that this be allocated from the provision for Developing Alternative and Renewable Energy. Subsequent construction costs for the turbine itself would be funded through prudential borrowing after a sound business case had been developed and approved. The total projected cost was £50k.

It was agreed to recommend that the Comhairle approve the reallocation of £34k from the approved Capital Project SD-G5 Developing Alternative and Renewable Energy (DARE) Programme 2008-2013 for the purpose of undertaking a wind resource assessment as part of the enabling actions for the Creed Enterprise Park Wind Turbine Project.

It was agreed that the public, including the press, be excluded from the Meeting during consideration of the following item on the grounds that exempt information as defined in Paragraphs 6 of Schedule 7A to the Local Government (Scotland) Act 1973, namely, information relating to the financial or business affairs of any particular person other than the Comhairle, would be disclosed.

The Vice Chairman declared an interest in the following item as he had links to the organisation and left the meeting during consideration of the matter.

Sgailean, Western Isles Foyer 55*

The Director of Finance and Corporate Resources submitted a Report providing an update on the Sgailean Project Funding.

It was agreed to recommend that the Comhairle agree to release their match funding of £70.5k to Sgailean annually on a pro-rata basis, unless and until the full funding package was confirmed.

It was agreed that the public, including the press, be excluded from the Meeting during consideration of the following item on the grounds that exempt information as defined in Paragraphs 8 and 9 of Schedule 7A to the Local Government (Scotland) Act 1973, namely, information relating to the amount of any expenditure proposed to be incurred by the Comhairle under any particular contract for the acquisition of property of the supply of goods or services and any terms proposed, or to be proposed by, or to the Comhairle, in the course of negotiations for a contract for the acquisition, or disposal of property or the supply of goods or services, would be disclosed.

Creative Industries and Media Centre (56 Seaforth Road, Stornoway)

56*

With reference to Item 25 of the Minute of Meeting of 2 September 2010 the Director of Development submitted a Report providing an update on additional works and future management of the Creative Industries and Media Centre (CIMC) at 56 Seaforth Road, Stornoway. The Report proposed that the additional works agreed by the Comhairle in September 2010 be allocated to the existing contractor for the reasons outlined in the report and that applications be sought for the lease and management of the first floor.

It was agreed to recommend that the Comhairle:

- (1) authorise the Chief Executive, in consultation with the Director of Technical Services and Director of Development, to extend the existing contract to include the additional works related to the development of the new Creative Industries and Media Centre agreed on 2 September 2010 and that competitive tenders not be sought for these works in terms of Contract Regulation 4 (2) (i) (n) for the reasons outlined in paragraph 2.4 of the Report subject to the consent of funding partners being obtained;**
- (2) authorise the Chief Executive, in consultation with the Director of Finance and Corporate Resources and Director of Development, to advertise the lease and management of the remaining elements of the Creative Industries and Media Centre on the Public Contracts Scotland Portal and to determine appropriate evaluation criteria taking account of the factors detailed in paragraph 2.5 of the Report; and**
- (3) submit a further Report in respect of the tenders received to the next meeting of the Policy and Resources Committee .**