



COMHAIRLE NAN EILEAN SIAR

POLICY AND RESOURCES COMMITTEE

Minute of Meeting held in the
Council Offices, Stornoway,
on Thursday 5 November
2009 at 9.30am

PRESENT

Mr Angus Campbell (Chairman)	Mrs Agnes Rennie
Mr Norman A MacDonald (Vice-Chairman)	Mr John A Maciver
Mr Alex 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

Renewable Energy

The Chairman welcomed SHETL's announcement that they were now minded to opt for a subsea route in the grid infrastructure between Gravir and Stornoway. This was the preferred option of the community and on behalf of the Comhairle he thanked SHETL for recognising the validity of the concerns of the local community. This was an important development in the ongoing struggle to make renewables a beneficial reality in the Islands. Furthermore it showed that local opinion was, quite rightly and properly, a powerful factor in that development. The Chairman hoped that this decision would pave the way for much needed further developments in the Islands' renewable energy sector.

CPMR

The Chairman stated that he had recently attended a workshop, hosted by the CPMR Energy Working Group, in Falmouth which was looking at how the EU could, through its policies, ensure that communication in maritime energy technologies could benefit peripheral maritime regions. The speaker at the workshop represented government at both European and regional levels, together with the marine energy industry. There was widespread perception of the lead that Scotland, and indeed the Outer Hebrides had in terms of the marine energy resource. For example, people were well aware of the significance of the proposed 4MW development at Siadar, Lewis. At the same time there was a recognition of the significant barriers all peripheral regions faced in relation to moving from small scale demonstration projects to commercialisation. A significant barrier was that of good connection.

National Grid

The Chairman stated that there had been a useful meeting held on 30 October 2009 between the Energy MOWG and representatives of National Grid. It was intended that the Comhairle would respond both individually, and in concert with others, to the current consultation from DECC (Department of Energy and Climate Change) on Transmission Access reform and the Chairman requested that the Comhairle authorise the Chief Executive, in consultation with the Energy MOWG, to respond by the deadline of 17 November 2009.

It was agreed to recommend that the Chief Executive, in consultation with the Energy MOWG, be authorised to respond on behalf of the Comhairle and with other bodies to the DECC consultation on Grid Transmission.

Scottish Marine Bill

The Chairman stated that there had been a considerable amount of publicity recently in relation to the Scottish Marine Bill which presented a unique opportunity to promote sustainable marine energy, an area where the Comhairle had the best resource in Europe. In this context any new marine planning system should be neutral, giving similar weight to socioeconomic and environmental considerations. He suggested that the Bill required to present marine energy and conservation as complementary and energy developers must not be automatically excluded from protected areas. Criteria for protected areas must be flexible to accommodate new knowledge and the ongoing impact of climate change on the marine environment. Coming from the Bill, the Comhairle would like to see a simplified consenting procedure, baseline data collection in the marine environment and a central database for marine data which marine users, developers, investors and conservation interests could all access. The Marine Bill required to give confidence to investors in a high cost, high risk market which had huge potential to help meet UK and European carbon reduction targets.

The Chairman further stated that the Scottish Marine Bill must increase local management and accountability. The Bill identified Scottish Marine Regions as the means by which marine planning and management would take place at the sub-Scotland level. Any management measures required to be implemented through this regional level ensuring effective local consultation and agreement. The best way to address this issue would be for the Outer Hebrides and its surrounding seas to be defined as a distinct Scottish Marine Region with delegated powers given to the local Marine Planning Partnership having responsibility for preparation of the regional marine plan for the Outer Hebrides.

Capital Investment

The Chairman indicated that the Comhairle was seeking expressions of interest from building contractors for the redevelopment of a former Mill Building on Seaforth Road in Stornoway to create a new Creative Industries and Media Centre. This redevelopment, which was being funded by the Comhairle, Highlands and Islands Enterprise and the European Regional Development Fund, offered opportunities for local contractors and suppliers. The estimated construction value was £2.1m, with a 10 month contract period, starting on site early in 2010. The project demonstrated the Comhairle's commitment to moving ahead with capital investment in order to stimulate the local economy.

The Chairman further stated that, subject to confirmation of ERDF match-funding, the approval of the Project Initiation Document for the Spinal Route should result in over £4.2 million of capital monies being released into the local economy over the next three years on four projects. The first scheme (Stockinish) was scheduled to go out to tender before the end of the year.

The contract for Stoneybridge Coast Protection had been awarded in October 2009 and Craigston Scheme with an estimated value of £ 800K should be tendered by December 2009.

MINUTES

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| Minute of Meeting of 3 September 2009 | 1 | The Minute of Meeting of 3 September 2009 was approved . |
| Declaration of Interest | 2 | Mr Charlie Nicolson declared an interest in Item 22 as Chairman of the Stornoway Trust and remained in the meeting during consideration of the matter.

Mr Archie K Campbell, Mr Charlie Nicolson, Mr Gerry Macleod and Mr David Blaney declared an interest in item 26 as Board members of HHP and left the meeting during consideration of the matter.

Mr Alex A MacDonald declared an interest in Item 26 as the owner of a second home and remained in the meeting during consideration of the matter. |
| Minute of Meeting of Comataidh Buileachaidh Plana Canan of 29 October 2009 | 3 | The Minute of Meeting of Comataidh Buileachaidh Plana Canan of 29 October 2009 was recommended for approval . |

- Minute of Meeting of Human Resources Sub-Committee of 29 October 2009
- 4 The Minute of Meeting of Human Resources Sub Committee of 30 October 2009 was noted and items 5 and 8 recommended for **approval**.
- Minute of Meeting of ICT, Procurement and Asset Management of 29 October 2009
- 5 The Minute of Meeting of ICT, Procurement and Asset Management Sub-Committee of 29 October 2009 was recommended for **approval**.
- Minute of Meeting of Joint Services Committee of 30 October 2009
- 6 The Minute of Meeting of Joint Services Committee of 30 October 2009 was recommended for **approval**, in so far as the Committee's interests were concerned, with the exception of item 4 which was deferred to the next meeting.
- Minute of Meeting ICT, Procurement and Asset Management of 4 November 2009
- 7 The Minute of Meeting of ICT, Procurement and Asset Management Sub-Committee of 4 November 2009 was recommended for **approval**.
- Arising from consideration of this Item it was agreed to recommend that a seminar be arranged to enable all Members to be fully informed on the issues prior to the consideration of the Director of Finance and Corporate Resources' Report on Connected Communities by the Policy and Resources Committee on 17 December 2009.**

PRESENTATION

- Treasury Management
- 8 Mr Mark Horsfield, of Arlingclose gave a presentation relating to the proposed requirement from CIPFA for training to be available to Council Members with responsibility for Treasury Management.

The Chairman stated the Comhairle had become the first authority in Scotland to appoint Arlingclose as their Treasury Advisers in April 2007. Arlingclose provided treasury advice to around 15% of UK local authorities and to other public sector bodies. They delivered an independent and impartial service including advice on debt restructuring, long-term capital finance decisions and investment counterparty advice.

Over the past 12 to 18 months there had been the collapse and near-collapse of several major banking institutions and building societies including the Icelandic banks. Several authorities throughout Scotland had funds invested with Icelandic banks and had suffered losses as a result. When credit ratings were suggesting otherwise and unlike some other treasury advisory providers, Arlingclose had consistently advised against investments within the Icelandic banks. In addition the Comhairle had received tailored borrowing and rescheduling advice regarding its debt portfolio. Given the financial crisis, the level of advice received from the Comhairle's advisers had left the Comhairle in a good position and had contributed towards savings in loan charges in the years 2007/08 and 2008/09.

The Chairman further stated that as a result of the collapse of the Icelandic banks CIPFA had proposed revisions to the Treasury Management Code with the intention of publishing it this Autumn. One of the proposed key changes was the requirement for those who are responsible for the scrutiny of treasury management to have access to relevant training.

An opportunity was afforded for Members to ask questions of Mr Horsfield. The Chairman thanked Mr Horsfield for his presentation.

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

FINANCE

Budget Strategy Update 9 With reference to Item 14 of the Minute of Meeting of 3 September 2009 the Director of Finance and Corporate Resources submitted a Report providing an update on progress with the implementation of the Comhairle's 2010-13 Budget Strategy. The Report provided an update on progress on the strategy by reference to the five strands of work detail and also proposed that the consideration of the former ring fenced funding would be undertaken as part of the service choices rather than a stand alone process. The proposed Budget Communications Plan was attached as Appendix 2 to the Report and detailed how consultation with members, community and employees would take place throughout the budget setting process. It was stated at the meeting that the Members' seminar would take place on 17 November 2009 but that the Financial Settlement details would not be available until 23 November 2009.

It was agreed to recommend that the Comhairle:

- (1) note the update on the 2010/11 Settlement;**
- (2) agree in principle that the savings required from capital should be taken from the as yet unallocated capital grant;**
- (3) agree that a Report on options for phasing the introduction of the Concordat commitments on pre-school hours and free school meals be presented to the December series of meetings;**
- (4) agree that former ring fenced grants as detailed at Appendix 1 to the Report be considered as part of service choices;**
- (5) agree the Communication Plan set out in Appendix 2 to the Report; and**
- (6) agree that the next Members' Budget Seminar be held on 17 November 2009.**

Write Off of Debts 10 With reference to Item 15 of the Minute of Meeting of 3 September 2009 the Director of Finance and Corporate Resources submitted a Report which recommended that debts totalling £34,308.68 in respect of Council Tax and Sundry Debt, as detailed in Appendix A to the Report, be written off as they were considered to be irrecoverable.

It was agreed to recommend that the debts listed in Appendix 1 to the Report, totalling £34,308.68 be written off.

Debt Recovery Policy 11 With reference to Item 17 of the Minute of Meeting of 3 September 2009 the Director of Finance and Corporate Resources submitted a Report to seek approval of the Debt Recovery Policy. The Report stated that the Policy had been circulated throughout the Comhairle and to the Community Planning Partnerships for comments. Responses had been received and the Policy had been updated in light of these comments. The Debt Recovery Policy was attached as Appendix 1 to the Report.

It was agreed to recommend that the Comhairle approve:

- (1) the Debt Recovery Policy contained in Appendix 1 to the Report; and**
- (2) that the Policy be reviewed in 2012.**

Specialist Mainland Placements for Children 2009/10 12 With reference to Item 19 of the Minute of Meeting of 3 September 2009 the Chief Executive submitted a Report which detailed the current position with regard to Specialist Mainland Placement for Children and highlighted the continuing budgetary pressures arising from these placements. The Report stated that the estimated budget deficit for the Comhairle for 2009/10 in relation to Children's Mainland Placements was estimated at £635,245 as at 5 October 2009. It was stated at the meeting that the estimated budget deficit for the Comhairle in 2009/10 had been reduced to £765,000 which was higher than the figure in the Report due to two additional placements. It was further intimated that reviews of foster care and services for children with a disability were due to start in October 2009 and would be the subject of further Reports to the Comhairle in 2010.

It was agreed to recommend that the Comhairle note the forecasted costs for specialist mainland placements, as detailed in the Report and updated at the meeting, and the actions being taken to address this issue.

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.

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| Mainland Placement Panel | 13* | With reference to Item 20 of the Minute of Meeting of 3 September 2009 the Director of Social and Community Services submitted a Report advising of the decisions of the Ninth meeting of the Mainland Placement Panel and of the current updated list of mainland placements. The Report further stated that the Panel was considering the issue of reviewing the membership of the Panel in order to enhance and inform decision making. Following this consideration a Report would be submitted to the Comhairle and NHS Eilean Siar making recommendations as appropriate. |
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It was agreed to recommend that the Comhairle:

- (1) note the decisions taken by the Mainland Placement Panel;**
- (2) note the forecasted combined expenditure of £1.2m detailed in Appendix 1 to the Report; and**
- (3) agree that a further Report be submitted to the December 2009 meeting in relation to increasing the membership of the Mainland Placement Panel.**

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 relating to 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.

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| Commercial Operations Unit First Quarter Monitoring Report 2009/10 | 14* | With reference to Item 22 of the Minute of Meeting of 3 September 2009, the Director of Technical Services submitted a Report providing details of the trading performance of the Commercial Operations Unit (COU) in 2008/09 and which identified the key areas and causes of the lack of profitability and how these issues are being addressed in 2009/10. The Report stated that the COU was projecting an overall deficit of £15k at the end of the first quarter. The key reasons for the deficits were detailed in the Report. An analysis of the income and expenditure was provided in Appendix 2 to the Report. |
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It was agreed to recommend, in so far as the Committee's interests were concerned, that the Comhairle note the Report.

Arising out of consideration of this matter it was agreed to recommend that the Director of Technical Services submit a Report to the next meeting of Transportation Committee providing details of the allocation of costs, particularly staff costs, in the streetlighting element of the Roads Trading Operation.

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| Overspend in Social and Community Services 2008/09 | 15 | The Clerk sought and obtained the Chairman's permission to withdraw this item. |
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CAPITAL PROGRAMME

- Proposal to Replace the Library Management System 16 The Director of Social and Community Services submitted a Report to seek approval for prudential borrowing to enable the current Library Management System (Dynix) to be replaced. The Report stated that the current system had reached the end of its development cycle and a new system was required to enable the library service to better meet the needs of users, improve processes and procedures, achieve integration with the national entitlement card, and improve efficiency through use of electronic procedures and new technologies rather than paper based. The Report further stated that the approval of the recommendation would permit the purchase of the new Library Management System, Online Public Access Catalogues and allow for the future development of a library self issue system. The Report identified the revenue stream proposed to fund prudential borrowing.

It was agreed to recommend, in so far as the Committee's interests were concerned, that the Comhairle give approval for Prudential borrowing of up to £50k to enable the Library Service to purchase a new Library Management System.

BUILDINGS

- Capital Works: Programme and Progress 17 With reference to Item 26 of the Minute of Meeting of 3 September 2009 the Director of Technical Services submitted a Report detailing programme and progress in respect of properties held on the Policy and Resources and Social Work accounts at pre-construction and construction stages.

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

- Western Isles Schools Project Update 18 With reference to Item 27 of the Minute of Meeting of 3 September 2009 the Chief Executive submitted a Report concerning the Western Isles Schools Project and intimated that the Western Isles Schools Project Board had, at its meeting on 5 October 2009, approved the latest Stage C designs for the Western Isles Schools Project, subject to resolution of matters relating to Matheson Hall and the Pentland Building at The Nicolson Institute and that the Board had also agreed a process and programme to be followed thereafter.

The Report stated that both the Project Board and the Sgoiltean Ùra Board were of the view that the Western Isles Schools Project should be presented to the market, as soon as possible and that the current layout plans and related documents had formed the basis of the planning applications and would also be utilised in the subsequent tendering process. The Report intimated that prior to tender the Comhairle was required to complete and submit a Key Stage Review to the Scottish Futures Trust for approval. The Report referred to some of the key issues which should be considered by the Comhairle and these included:

- (a) the Gross Internal Floor Area (GIFA) : Update ;
- (b) Accommodation Schedules : Update;
- (c) Stage C : Update;
- (d) Project Affordability;
- (e) Risk Register;
- (f) Output Specification;
- (g) Facilities Management and Lifecycle Maintenance Output Specification;
- (h) Stakeholder Consultation;
- (i) Sir E Scott's School De-camp and Phasing; and
- (j) the Scottish Government Pre-tender Key Stage Review

The Report further stated that the scheduled date for the issue of tenders was 20 November 2009.

It was agreed to recommend, in so far as the Committee's interests were concerned, that:

- (1) the Comhairle note the current status of the Western Isles Schools Project;
- (2) the Chief Executive, in consultation with the Project Board, be granted delegated authority to:
 - (i) approve all necessary tender documentation pertaining to construction, facilities management, and lifecycle maintenance for the Comhairle's interests;
 - (ii) submit the Key Stage Review to the Scottish Futures Trust; and
- (3) the Chief Executive be granted delegated authority to approve the route of an alternative right of way through the Nicolson Institute site.

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 relating to 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.

Purchase of 50-52 Seaforth Road, Stornoway	19*	The Director of Development submitted a Report seeking approval to purchase land and buildings at 50-52 Seaforth Road, Stornoway from within the existing provision of £190k in the Creative Industries and New Media Development budget under the current Capital Programme with the proposition that this would bring significant additional benefits to the Comhairle in its vision for the 56 Seaforth Road development as well as the provision of car parking. The Report stated that the Comhairle had agreed in October 2007 to purchase 56 Seaforth Road due to the potential for new economic opportunities as a result of the Gaelic Digital Channel and the capital cost of the redevelopment was £2.6m with funding being contributed from European Funding, the Comhairle and Highlands and Islands Enterprise. However, due to constraints on the current site, the initial proposals for car parking were to lease additional land from the Stornoway Trust at the back of the Media Village complex on Seaforth Road and carry out infill to gain the land required. However, an alternative opportunity had arisen to purchase the land and property at 50-52 Seaforth Road which, it was suggested, would be an asset for the Comhairle and provide general improvements to the amenity of the area.
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It was agreed to recommend, in so far as the Committee's interests were concerned, that the Comhairle

- (1) agree to purchase land and buildings at 50-52 Seaforth Road;
- (2) undertake other works associated with the proposal as detailed at paragraph 6.3 of the Report; and
- (3) authorise the Chief Executive, in consultation with the Director of Development and the Director of Finance and Corporate Resources, to negotiate the purchase of the property in consultation with the District Valuer and on such terms and conditions as the Chief Executive should deem appropriate.

Translation Booth Construction Costs	20	With reference to Item 25 of the Minute of Meeting of 3 September 2009 the Director of Technical Services submitted a Report advising of the costs associated with the construction of the new Translation Booth in the Council Chamber. The Report stated that improvement to the translation booth in the Council Chamber had been required and the work had now been completed. The Report further stated that the actual costs demonstrated a small surplus to the in-house contractor of £1339.26. Appendices 1, 2 and 3 to the Report showed a breakdown of estimated and final costings.
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It was agreed to recommend that the Comhairle note the Report.

ECONOMIC DEVELOPMENT

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 & 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 relating to 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.

Kallin Ice-Plant
Power Supply 21*

The Director of Development submitted a Report providing details of issues regarding the power supply for Kallin Ice Plant, the proposed timetable for completion, and approval for additional capital required for the project to be funded through Prudential Borrowing. The Report stated that the Comhairle had secured funding to construct an ice plant at Kallin Harbour in October 2005 to meet demand for ice from local fishing and aquaculture businesses, but installation of the ice plant was dependent on finalising the pier extension at Kallin which had not been completed until June 2008. The Report further stated that the contract for ice plant construction was awarded to Refrigeration Aberdeen (RA) in April 2008 and initially the ice plant was to be powered by a generator whilst a longer term permanent power supply solution was investigated. However, delays in receiving information about the actual power required by the ice plant had prevented consideration of this issue until the summer of this year.

The Report stated that the option to purchase a generator was not considered a long term financial or operational solution and it would cost approximately £400 per week to hire a suitable generator. However, given the timescales involved to address long term power supply issues, it was considered viable in the short term and a more appropriate solution was to upgrade the local transformer and provide a power supply direct to the ice plant. The Report further stated that in discussions with the Technical Services Department and Scottish and Southern Energy (SSE), the overall cost of upgrading the transformer with the Comhairle arranging the cable track work was estimated at £30,000 with approximately 18 weeks to completion. It was reported at the meeting that the timescale for delivery of the Ice Plant had now been amended and it was anticipated that the Plant would be fully commissioned before Christmas and delivered on site early in the new year.

It was agreed to recommend that the Comhairle note the issue regarding power supply for Kallin Ice Plant and agree that the additional capital required for the project be secured through Prudential Borrowing.

Mr Charlie Nicolson declared an interest in Item 22 as Chairman of the Stornoway Trust and remained in the meeting during consideration of the matter.

Creed
Enterprise Park
Feasibility
Study 22

With reference to Item 25 of the Minute of Meeting of 6 September 2007 the Director of Development submitted a Report updating Members on the outcome of a feasibility study into the potential development opportunities for "green businesses" at Creed Enterprise Park. The Report stated that the Comhairle had, in 2007, approved the procurement of external consultancy support to investigate the development of "green business" and other opportunities at Creed Enterprise Park. The study had now been finalised. The Report identified that the lack of scale of industrial activity and the geographical location of the park made it difficult to set up by-product synergies with a strong economic value. The Report suggested that a green business park should focus on environmental management of businesses and that potential business development opportunities related mainly to by-products from the waste plant; alternative re-cycling opportunities and establishing a research base. The feasibility study recommended that the Action Plan appended to the Report undergo further consultation and consideration by the stakeholder group. The Report further stated that the Stakeholder Group included the Comhairle, HIE and the Stornoway Trust.

It was agreed to recommend that the Comhairle:

- (1) note the submission of the Creed Feasibility Study; and
- (2) agree that the conclusions and recommendations contained in the feasibility study, and the Action Plan at Appendix 1 to the Report undergo further consultation and consideration by the stakeholder group on the basis that other appropriate business opportunities should not be excluded as part of the ongoing consideration and that Lews Castle College/UHI be involved in future discussions.

St Kilda 23
Trademark

With reference to Item 24 of the Minute of Meeting of 30 April 2009 the Director of Development submitted a Report providing an update on progress regarding the St Kilda Trademark and seeking approval to enter into contractual arrangements with the National Trust for Scotland (NTS). The Report stated that it had been agreed in principle that the trademark be transferred to NTS, subject to reimbursement of all costs to the Comhairle, and that a royalty free licence be granted to the Comhairle to ensure the interests of the Outer Hebrides were protected and discussions were currently on-going regarding royalty payments for the use of the trademark.

Under consideration of this item an update was provided at the meeting regarding the Comhairle's registration of St Kilda/Hiort trademark. It was noted that NTS had filed an opposition to both trademark applications and as a result the Comhairle, and NTS as the opposers, would enter into a cooling off period for an agreed period of time in order to allow a negotiated settlement to take place. If the parties did not reach a settlement, the proceedings would move to the evidentiary stages, at which point NTS would require to justify its claims.

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

- (1) note the progress regarding the European Commission Trade Mark Application for St Kilda and Hiort; and
- (2) proceed to seek to register the trademark on such terms and conditions as the Chief Executive, in consultation with the Director of Development, should determine including, without prejudice to the foregoing generality, that references to "Hiort" be amended to "Hirte" to reflect the practice of previous St Kilda residents.

Community 24
Land Initiatives

The Director of Development submitted a Report seeking support for a range of outcomes from the Community Land Conference held in Tarbert on 29 and 30 September 2009. The Report stated that the purpose of the conference had been to explore progress in communities who had successfully purchased their own land and to identify areas where progress was required. Concerns had been expressed that the land reform movement was losing momentum and funding streams had come to an end. The Report indicated that Comhairle had supported the land reform movement over the past years and had provided financial support to buy-outs. It was proposed in the Report that a Member be nominated to meet with community land representatives to take forward this agenda.

It was agreed to recommend that the Comhairle:

- (1) endorse the outcomes from the recent Community Land Conference as follows:
 - (a) the reinstatement of the Scottish Land Fund, to be financed from taxation revenues;
 - (b) to facilitate the process for communities wishing to take ownership of government-owned land;
 - (c) to ask the Scottish Government to give direction to Highlands and Islands Enterprise (HIE) to ensure a higher priority to the provision of funding, advice and support to community land initiatives;

- (2) **agree to facilitate a meeting to bring together representatives of the community land movement in the Outer Hebrides in order to explore and discuss issues of mutual interest; and**
- (3) **nominate the Leader, the Chairman and Vice-Chairman of the Sustainable Development Committee to represent the Comhairle in discussions with community land representatives.**

Apprentice
Support

25 The Director of Social and Community Services submitted a Report advising of issues regarding redundant apprentices and seeking approval of a protocol for supporting redundant apprentices unable to be placed with an employer. The Report stated that as a result in the economic downturn a number of apprentices who were in their final year had been made redundant and despite efforts that had been made by Training Providers they had been unable to find alternative employers for apprentices. Discussions had taken place on possible options with Skills Development Scotland, Training Providers and the Comhairle's trading operations. It was proposed that the Comhairle adopt the "Apprentice Redundancy Protocol" appended to the Report and consider establishing a fund to support redundant apprentices where the Training Provider had been unable to place them with a suitable employer. It was stated at the meeting that the Scottish Government had also recognised the importance of training young people by offering grants to employers of £75 per week as part of its Safeguard an Apprentice scheme. The Chairman suggested that the recommendations be approved subject to application to the Government scheme being introduced at an appropriate stage in the process.

It was agreed to recommend that the Comhairle:

- (1) **adopt the Apprentice Redundancy Protocol detailed at Appendix 1 to the Report subject to such amendment as the Chief Executive, in consultation with the Director of Social and Community Services, should deem appropriate to ensure that the Comhairle's Scheme would complement the recently announced Scottish Government "Safeguard an Apprentice" Scheme; and**
- (2) **agree to establish an Apprentice Redundancy Support fund, based on the protocol set out in the Report, to be funded from existing relevant budgets in the first instance.**

HOUSING

Mr Archie K Campbell, Mr Charlie Nicolson, Mr Gerry Macleod and Mr David Blaney declared an interest in item 26 as Board members of HHP and left the meeting during consideration of the matter.

Mr Alex A MacDonald declared an interest in Item 26 as the owner of a second home and remained in the meeting during consideration of the matter.

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 6, 8 & 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 relating to 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.

Proposed Reallocation of ACTISH Funding 26* The Director of Development submitted a Report advising of matters relating to the use of Additional Council Tax Income from Second Homes (ACTISH) to support the Affordable Housing Development Programme. The Report stated that HHP had requested financial support for four housing developments and the use of a "soft loan" for two shared ownership housing developments. The Report further stated that the Comhairle and HHP were actively engaged in discussions with the Scottish Government to seek to ensure that HHP could implement its business plan. The Report referred to a Working Group which had been established to consider the options available to HHP and the Comhairle, which was due to Report back to the Minister for Housing and Communities on 16 November 2009.

The Report indicated that a number of funding options for the Supported Accommodation model had been explored by officers and the Report proposed that a Report detailing the proposals for funding the Supported Accommodation model be brought to the December series of meetings based around the principle of using the existing Strategic Housing Reserve and Prudential Borrowing supported by the ACTISH fund.

It was agreed to recommend that the Comhairle:

- (1) approve the use of £126k unspent Additional Council Tax Income from Second Homes funding to support the housing developments at Bunavoneader, Harris, St Brendan Road, Castlebay and Bridge Cottages Newmarket, as set out at Paragraph 7.6 of the Report subject to:**
 - (a) confirmation from HHP that a complete funding package was in place to enable the said projects to proceed; and**
 - (b) the Director of Finance and Corporate Resources being satisfied that the business plan of HHP was sustainable;**
- (2) consider the wider support required by Hebridean Housing Partnership, including the loan facility, in February 2010 following the conclusion of the Ministerial Housing Working Group and the Comhairle's budget setting process; and**
- (3) approve in principle the approach to funding the Homeless Supported Accommodation model as set out at Paragraph 8.2 of this Report.**

BEST VALUE

Best Value Service Review Update 27 With reference to Item 35 of the Minute of Meeting of 30 April 2009 the Chief Executive submitted a Report to provide an update on the programme of Best Value Service Reviews for 2009/10. The Report stated that the Comhairle had agreed the programme of Best Value Service Reviews which consisted of Project Delivery, Significant Trading Operations and Trading Operations and Integrated Transport which was added at the last meeting of the Committee, given the forecast outturn.

The current position was as follows:

External Funding – Although this was now the substitute review, data collection had commenced and would continue to the stage of establishing a clear picture of funding applied for during 2008/09.

Project Delivery - Data collection had commenced for the review and information had been requested directly from departments. The information would be used to compile a list of corporate projects completed in 2008 in addition to projects on-going or completed in 2009. The focus would be on projects which had a direct impact on service delivery or were restricted by regulation. The return of detailed information directly from departments was awaited.

STOs and TOs - The review was progressing well. The review of the Client and Contractor Split, Building Maintenance and Building Cleaning were at the final research stage and final draft reports were expected to be available in November 2009. Initial information collection had begun in relation to Refuse Collection and School Catering. The review on Street Lighting had not commenced.

Integrated Transport - Initial contact had been made with the key contact officer in relation to the review and preliminary research would begin in November 2009.

It was agreed to recommend, in so far as the Committee's interests were concerned, that the Comhairle note the current position of the 2009/10 programme of Best Value Reviews and agree to monitor future progress.

INTEGRATED SERVICES

Public Services Reform (Scotland) Bill 28 With reference to Item 36 of the Minute of Meeting of Audit and Scrutiny Committee of 17 June 2009 the Chief Executive submitted a Report advising of the provisions of the Public Services Reform (Scotland) Bill and of the potential changes to the Audit and Scrutiny Regime for Councils and other public bodies in Scotland. The Report stated that the Bill contained a number of separate but linked proposals in order to improve the delivery of public functions. These were:

- The abolition of some public bodies with similar or related functions;
- The creation of new scrutiny bodies; and
- Amendments to enable Scottish government and Councils to respond more quickly to changes of circumstances.

The Report further stated that the Bill also included the provisions which would permit the Scottish Government to respond more quickly to agreed changes of circumstances, in order to improve the delivery of public functions and facilitate integrated service delivery at a local level.

It was agreed to recommend, in so far as the Committee's interests were concerned, that the Comhairle note the contents of the Public Services Reform (Scotland) Bill.

Diagnostic Pathway 29 With reference to Item 26 of the Minute of Meeting of 18 February 2009 the Chief Executive submitted a Report providing an update on the Diagnostic Pathway Programme and seeking authority to establish a Project Board as part of the governance structure of the programme. The Report stated that at the meeting of 18 February 2009 the Comhairle had agreed to proceed with Option 3 of the draft Implementation Plan. The Report also stated that a Diagnostic Programme Manager had been appointed to support the delivery of the plan. It was proposed in the Report that Diagnostic Pathway Programme Board would be established, formed from officers and Members.

The Chairman indicated that since writing the Report the following projects had been identified as priorities:

- Operational property portfolio
- Property function centralisation and review
- HR/Payroll systems and processes.

It was agreed to recommend that the Comhairle:

- (1) **note the Report;**
- (2) **agree to establish a Programme Board consisting of the Chief Executive, Director of Finance and Corporate Resources, Head of Executive Office and Head of Human Resources, Mr Angus Campbell, Mr Roddie Mackay and Mr Angus McCormack;**
- (3) **request that the Local Government Employee Joint Consultative Committee appoint two trade union representatives to the Programme Board;**
- (4) **note that an action plan would be prepared, in consultation with the Programme Board, and submitted to the next meeting of the Committee for approval; and**

(5) **agree that the Diagnostic Pathway Programme Manager, in conjunction with the relevant Heads of Service and the Programme Board, lead on the following projects:**

- **Operational property portfolio**
- **Property function centralisation and review**
- **HR/Payroll systems and process**

Public Social Partnership

30 The Chief Executive submitted a Report advising of the Public Social Partnership submission. The Report stated that the Public Social Partnership was an innovative model for public service delivery and was based upon the public sector and third sector working together to design and deliver public services.

The Outer Hebrides PSP pilot aimed to:

- Develop a shared agenda for services, in the first instance travel, transport, ground maintenance and environmental improvements which could be more effectively procured and delivered through social business and community-led mechanisms;
- Widen employment opportunities within the Outer Hebrides by maximising islands-based social entrepreneurship; and
- Improve the resilience of islands communities by demonstrating and sharing how social return on investment and quality evaluation could increase the confidence of both commissioning agents and procurement providers in the common interest; and create local tools, methodologies and frameworks which can be applied to other services.

The Report further stated that the Community Planning Partnership had supported the PSP submission. The PSP Selection Panel had convened on 22 October 2009, with recommendations being submitted to the PSP Project Steering Group on 6 November 2009. Prospective pilot projects would be notified of the Panels decision by 9 November 2009 and the launch of the national PSP Project would be on 23 November 2009.

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

HUMAN RESOURCES

Leadership Standards for Directors

31 The Chief Executive submitted a Report in relation to the proposed roll out of Leadership Standards for Directors. The Report stated that work had been on-going on the development of new performance appraisal and management standards based on the Management Standards Centre framework and that the Corporate liP Group and Corporate Management Team had agreed a set of standards for Directors based on the Welsh Local Government Authority Framework. The Report further stated that the Leadership Standards would assist the self assessment element of the performance appraisal and guide the appraiser in assessing performance.

It was agreed to recommend that the Comhairle approve the use of the new Leadership Standards for Directors appended to 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 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.

Structures for the Establishment of the Education and Children's Services Department 32* The Chief Executive and Director of Education and Children's Services submitted a joint Report relating to the establishment relating to the proposed structure for the Education and Children's Services Department. It was stated in the Report that the aim of the new integrated department of Education and Children's Services was to deliver high quality services to children on an area model which was effective and efficient.

The Chief Executive and Director of Education and Children's Services submitted a supplementary Report detailing the human resources implications of the proposed changes to the structure of the Education and Children's Services Department. The Report stated that full formal evaluation of the proposed changes for the range of posts under the Head of Service had not yet been completed and proposed that these posts be evaluated and reported to the next meeting of Human Resources Sub-Committee.

It was agreed to recommend, in so far as the Committee's interests were concerned, that:

- (1) the posts of Business Manager, Principal Officer, Administration and Human Resources, Extended Learning Manager, Authority Learning Support Manager and MIS Manager be evaluated and reported to the next meeting of Human Resources Sub Committee;**
- (2) the post of Head of Children's Services be advertised externally;**
- (3) the post of Head of Early Years, Education and Inclusion be disestablished and the post of Head of Education and Resources established;**
- (4) the current postholder of Head of Early Years, Education and Inclusion be matched to the post of Head of Education and Resources;**
- (5) the establishment of the Learning Community Principal (Area 2, 3 and 4) with the subsequent disestablishment of Learning Community Principals Area 2 and Area 3/4 be referred to Human Resources Sub-Committee for further consideration; and**
- (6) the Director of Education and Children's Services be required to submit a Report on the operation of the structure of the Education and Children's Services Department to the Comhairle in December 2010.**

Service Business Plans 2009/10 – Half Year Progress Report 33 The Chief Executive submitted a Report providing a half yearly progress update on the Comhairle's service business plans. The Report stated that the Comhairle's new Interplan system was now live and was a new approach to business planning and performance monitoring within the Comhairle. It was proposed that quarterly reports would come to Committee. The first progress report was attached as Appendix 1 to the Report.

The Report proposed that the Comhairle adopt the following principles

- All service plans should be incorporated into Interplan.
- As agreed by Corporate Management Team, there should be, wherever possible, quarterly reporting of business plans and performance information.
- An Interplan users group should be established comprising departmental 'champions' and should meet monthly to monitor the system and discuss and resolve issues.
- The Performance Monitoring Officer will continue to take the lead in providing Interplan training, including 'drop in' sessions, to increase staff usage throughout the Comhairle and maximise the potential of the system.
- There should be at least two system administrators within the Comhairle with a higher level of proficiency and permissions to mitigate against any disruptions to the system and to ensure business continuity.

- Departmental 'champions' should continue to roll out Interplan training to their respective departments.
- Training should be provided to Members before the next quarter so that they could access the system.
- Corporate Management Team should consider and agree the best way forward to maximise the full potential of Interplan for the benefit of the Comhairle, e.g. Communities Portal, Risk Monitoring and Capital Programme Monitoring.

It was agreed to recommend that the Comhairle approve the key principles as detailed in paragraph 4.1 of the Report.

Comhairle
Performance
Indicators
2009/10 – Half
Year Progress
Report

- 34 The Chief Executive submitted a Report providing a half yearly progress update on the Comhairle's performance in relation to Statutory Performance Indicators and Local Performance Indicators that had been approved at the last meeting of the Committee. The first progress Report was attached as Appendix 1 to the Report and it was indicated that, in future, there would be quarterly reporting of the PIs. It was proposed in the Report that a Performance Monitoring Group be established to discuss and resolve pertinent issues with regard to performance reporting. This Group would be made up of departmental SPI co-ordinators.

It was agreed to recommend that the Comhairle note the Report and approve the proposals as detailed in paragraph 2.4 of the Report.

PERFORMANCE REVIEW

Reports
Outstanding:
Progress

- 35 The Chief Executive submitted a Report detailing the Reports Outstanding arising from the 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 three items be considered as a matter of urgency in order to enable the Committee to take a view on the matters considered therein.

Establishment
of Grid
Development
Group

- 36 The Director of Development submitted a Report to enable the Comhairle to consider the establishment of a strategic group to make the case for anticipatory grid development into the Outer Hebrides. The Report stated that Ms Kay, Commercial Director, Transmission at the National Grid had met with the Energy MOWG on 30 November 2009. The discussions had been mainly around an anticipatory grid investment and transmission charging and to make progress in this regard it was suggested that it would be appropriate to set up a Outer Hebrides Grid Development Group. The Report further stated that the membership would include the Comhairle, other relevant local authorities, developers, the transmission companies, OFGEM, National grid and the UK and Scottish Governments.

It was agreed to recommend that the Comhairle agree:

- (1) **to establish and lead on the formation of a Grid Development Group that would seek to make the case for anticipatory grid investment into the Outer Hebrides;**
- (2) **that it be delegated to the Chief Executive, in consultation with the Energy MOWG, to determine the constitution and membership of the said group including appropriate community representation; and**
- (3) **to appoint the Leader and Chairman of Sustainable Development Committee to the Grid Development 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 of Schedule 7A to the Local Government (Scotland) Act 1973 namely, information relating to 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.

Financial Assistance to Energy Projects at Lews Castle College

- 37* The Chief Executive submitted a Report to consider requests from the Lews Castle College for financial assistance towards energy projects. The Report stated that a joint meeting of the Energy and European Structural Funds Member Officer Working Groups on 5 October 2009 had considered financial and other support to Lews Castle College for four energy related projects. The recommendations of the joint MOWGs were detailed at paragraph 2.2 of the Report.

It was agreed to recommend that the Comhairle support the HyBEST project on a 50/50 basis with Lews Castle College, estimated to be €50,000 over four years, from the Comhairle's Revenue Match fund.

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.

Department of Technical Services: Integration of Commercial Operations Unit (COU)

- 38* The Chief Executive and Director of Technical Services submitted a joint Report setting out proposals regarding integration of the former Commercial Operations Unit (COU) within the Department of Technical Services and related matters. The Report stated that the Comhairle had agreed in June 2009 a process for integration and consultation on the optimum management structure to ensure appropriate efficiency gains. The former COU was currently in a transitional phase although it was acknowledged that the integration process had not proceeded sufficiently to take full integration forward within the Comhairle's desired timescale.

It was agreed to recommend that the Comhairle agree that:

- (1) the remaining contract units within the COU: Building Maintenance, Roads (including Street Lighting), and the Bus Operation, be transferred into their client sections, with effect from 1 January 2010;**
- (2) the post of Head of Resources (COU) be disestablished, on a date to be determined by the Chief Executive, in consultation with the Director of Technical Services;**
- (3) a Business Plan be developed within the next twelve months to examine in detail the Business Case for retention and development of integrated Significant Trading Operations and Trading Operations in future years;**
- (4) a timetable for consultation on all efficiencies resultant from the integration of the Contract Units be developed as a matter of urgency;**
- (5) an Improvement Plan be put in place immediately using the Investors in People Framework to address urgent issues arising from the integration of these services;**
- (6) a structure plan detailing the proposed structure of the integrated department be submitted to the next meeting of the Committee; and**
- (7) the requirement that the Technical Services' Department Business Plan for 2010/11 would incorporate relevant targets for all Significant Trading Operations and Trading Operations be noted.**