

**THE FIFE COUNCIL - POLICY AND CO-ORDINATION COMMITTEE – REMOTE MEETING**

19th November, 2020.

10.00 a.m. – 2.40 p.m.

**PRESENT:** Councillors David Alexander (Convener), David Barratt, John Beare, Tim Brett, Altany Craik, Neil Crooks, Dave Dempsey, Linda Erskine, David Graham, Judy Hamilton, Andy Heer, Helen Law, Carol Lindsay, Donald Lothian, Mick Green (substituting for Mino Manekshaw), Karen Marjoram, Tony Miklinski, David Ross, Fay Sinclair, Ross Vettraino and Craig Walker.

**ATTENDING:** Steve Grimmond, Chief Executive; Eileen Rowand, Executive Director (Finance and Corporate Services), Elaine Muir, Head of Finance, Laura Robertson, Finance Operations Manager, Les Robertson, Head of Revenue and Commercial Services, Caroline MacDonald, Procurement Service Manager, Derek Hamilton, Category Manager (Fleet and Plant), Charlie Anderson, Head of ICT, Business Technology Solutions, Helena Couperwhite, Manager (Committee Services) and Michelle McDermott, Committee Officer, Legal and Democratic Services, Finance and Corporate Services; Neil Finnie, Service Manager (Policy and Prevention) and Avril Graham, Sustainable Estate Officer, Education and Children's Services; Gordon Mole, Head of Business and Employability and Ronnie Hair, Property Investment and Development Manager, Economy and Employability; John Mills, Head of Housing Services, Val Millar, Communications and Customer Insight Manager and Stuart Fargie, Programme Manager (Commercialisation), Communities and Neighbourhoods Service, Communities Directorate; Derek Crowe, Senior Manager (Roads and Transportation Services) and Ross Speirs, Service Manager (Structural Services), Assets, Transportation and Environment.

**237. CHANGE OF MEMBERSHIP**

**Decision**

The Committee noted that Councillor David Barratt had replaced Councillor Alice McGarry as a member of the Policy and Co-ordination Committee.

**238. DECLARATIONS OF INTEREST**

No Declarations of Interest were submitted in terms of Standing Order No. 7.1.

**239. MINUTES**

**(a) Policy and Co-ordination Committee of 8th October, 2020**

**Decision**

The Committee approved the minute.

(b)/

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### (b) **Appointments Sub-Committee of 28th September and 2nd November, 2020**

#### **Decision**

The Committee approved the minutes.

### (c) The following minutes were submitted for noting:-

- Assets and Corporate Services Committee of 20th August and 29th October, 2020.
- Community and Housing Services Committee of 3rd September, 2020.
- Economy, Tourism, Strategic Planning and Transportation of 1st October, 2020.
- Education and Children's Services Committee of 1st September and 3rd November, 2020.
- Environment and Protective Services Committee of 17th September, 2020.

#### **Decision**

The minutes were noted.

## **240. COVID-19 UPDATE**

Steve Grimmond, Chief Executive provided an update on the impact Covid-19 was having on the resilience of our Health and Social Care Services and also the social and economic impact the pandemic was having on our communities.

In Scotland, there was a sense that the second wave was beginning to level off but that it remained at a high level within large parts of the central belt. In Fife, Covid cases had been rising since mid-September to October and that situation had led Fife to move to Level 3 from 13th November.

There was a recognition of growing pressures being placed on health services and there was some concern on the demand being placed on the ICU. In relation to the social and community impact, the service data which had been received advised that we were coping with the demand placed on us.

It was noted that there was also significant demand on a number of services in relation to responding to Covid pressures including Environmental Health and Public Protection who were managing Covid outbreaks by providing advice to businesses across Fife.

Steve Grimmond highlighted the fact that the Committee had previously discussed the Council's approach on reform and recovery including the Council's economic and climate response and that this continued to be the main focus of discussion at the Sub-Committee Working Groups to help with all aspects of the Covid impact.

**241. GENERAL FUND REVENUE BUDGET 2021-24**

The Committee considered a report by the Executive Director (Finance and Corporate Services) outlining the financial challenge the Council faced in the medium-term and the approach taken to respond to it.

**Decision**

The Committee:-

- (1) agreed the strategy contained within section 6 of the report as the basis for the development of a balanced budget for 2021-22;
- (2) noted that the figures were subject to change following the UK Comprehensive Spending Review and the Scottish Government Budget. The budget gap would be communicated to Group Leaders by the Executive Director (Finance and Corporate Services) once the information was available; and
- (3) noted that details of directorate proposals, fiscal flexibilities and corporate solutions would be provided to Group Leaders this year to allow political groups to develop budget proposals.

**242. CAPITAL INVESTMENT PLAN UPDATE - PROJECTED OUTTURN 2020-21**

The Committee considered a report by the Executive Director (Finance and Corporate Services) providing a strategic financial overview of the Capital Investment Plan and advised on the projected outturn for the 2020-21 financial year.

**Decision**

The Committee noted:-

- (1) the projected outturn position, the risks and mitigating actions for the major projects within the Capital Investment Plan;
- (2) the projected outturn position for the 2020-21 Capital Investment Plan;
- (3) that more detailed capital outturn reports for 2020-21 would be submitted to relevant Sub-Committees of the Council, in accordance with agreed financial reporting arrangements; and
- (4) that budget variances would be managed by the appropriate Directorate in conjunction with the Investment Strategy Group.

**243. SHORT-TERM FINANCIAL STRATEGY AND REVENUE BUDGET MONITORING 2020-21**

The Committee considered a report by the Executive Director (Finance and Corporate Services) providing members with a strategic overview of Fife Council's forecast financial position for 2020-21 noting that significant financial pressures had emerged/

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emerged as a result of the Covid-19 pandemic as outlined in previous reports. The report provided an update detailing the changes to both the anticipated financial impact and the impact on the financial strategy to ensure the Council remained financially sustainable.

### **Decision**

The Committee:-

- (1) noted the updated high level financial position as detailed in the report;
- (2) noted that the estimated shortfall in funding was well within the agreed financial strategy to use up to £10m of Council balances;
- (3) instructed all Services to continue to mitigate additional costs and to contain expenditure within the approved budget provision wherever possible;
- (4) approved the commitments against balances to be reduced as detailed in section 7 of the report;
- (5) noted that further monitoring reports would be submitted to the Policy and Co-ordination Committee and relevant Sub-Committees as outlined in section 8 of the report;
- (6) agreed to a temporary extension to a variation within the financial regulations to ensure the continued operation of the Supplier Relief Scheme; and
- (7) agreed to a temporary extension to the policy of deferral rather than abatement of debt.

### **244. TREASURY MANAGEMENT ANNUAL REPORT 2019-20 AND UPDATE 2020-21**

The Committee considered a report and update prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) publication, Treasury Management in the Public Services - Code of Practice and Cross-Sectorial Guidance Notes, which had been adopted by the Committee on 12th April, 2018. The Council were required to comply with the Code through the Local Government in Scotland Act 2003.

### **Decision**

The Committee noted the contents of the report.

*The meeting adjourned at 11.30 a.m. and reconvened at 11.45 a.m.*

### **245. DEPARTURE TO THE SCHOOL ADMISSIONS POLICY - COVID**

The Committee considered a report by the Executive Director (Education and Children's Services) seeking approval to depart from the existing Schools Admissions Policy for Primary One enrolment from January, 2021. As a result of the/

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the Coronavirus restrictions, the education authority was looking to depart from the current approach to allow enrolment for pupils for session 2021/22 using a digital, online process.

### **Decision**

The Committee:-

- (1) noted the contents of the report; and
- (2) approved the departure from the existing schools admission policy for Primary One enrolment for academic session 2021/22.

### **246. FIFE INDUSTRIAL INNOVATION INVESTMENT PROGRAMME - EDINBURGH AND SOUTH EAST SCOTLAND CITY REGION DEAL - FULL BUSINESS CASE FOR TRANCHE 2**

The Committee considered a report by the Executive Director (Enterprise and Environment) seeking approval for the second tranche of investment (years 4-6) of the Fife Industrial Innovation Investment (i3) Programme noting that the Fife i3 Programme was a ten year investment programme which formed part of the Edinburgh and South East Scotland City Region Deal.

### **Decision**

The Committee:-

- (1) approved the Full Business Case (FBC) included in Appendix 1 to the report, noting that the approval was subject to the agreement of the Scottish and UK Governments and the Regional Joint Committee for the Edinburgh & South East Scotland City Region Deal;
- (2) delegated authority to the Executive Director (Enterprise and Environment), the Head of Legal and Democratic Services and the Head of Finance to secure partner agreement and authorised them to submit the Full Business Case to the Edinburgh and South East Scotland City Region Deal Joint Committee and Government partners for final approval;
- (3) agreed that the capital receipts from the disposal of land at The Industrial Park, Lochgelly and the former skate park site at Ridgeway, Dalgety Bay would be reinvested in the Fife i3 Programme, noting that the principle of capital receipts being retained by the Fife i3 Programme formed part of the agreed Full Business Case (FBC) and was a requirement of the Government investment. The total amount of receipts proposed for retention by the Programme did not exceed the previously agreed total of £5.2m;
- (4) agreed the transfer of £388,000 from within the EPES Council capital programme that arose as a result of the updated business case, from Growing the Economy to the Fife i3 Programme;
- (5)/

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- (5) noted that the report followed the Full Business Case for the Fife i3 Programme, which was approved by the Policy and Co-ordination Committee in January 2019. Approval was given at that time for Fife Council capital funding to support delivery of the Programme; and
- (6) noted that a further Full Business Case for the third tranche (years 7–10) of investment would be prepared in 2023/24.

*Councillor Craig Walker left the meeting during consideration of the above item.*

### **247. SCOTTISH GOVERNMENT TOWN CENTRE FUND - ADDITIONAL ALLOCATION OF £1.56M AND PROGRESS UPDATE**

The Committee considered a report by the Head of Business and Employability seeking agreement for an approach to disbursing a further allocation of £1.56m from the Scottish Government's Town Centre Capital Fund and provided an update on the existing £4.335m programme of projects agreed at the Policy and Co-ordination Committee on 18th June, 2019. The further allocation of funding would be used specifically to support town centre projects which would stimulate the construction industry and support jobs during the current financial year 2020-2021. The Scottish Government had set rigid timescales and conditions to which Fife Council would be required to adhere, including that monies were to be legally committed and/or spent on projects commenced within financial year 2020-2021 with an expectation that projects would be completed by the end of September, 2021.

#### **Decision**

The Committee:-

- (1) noted the background to the fund, including conditions and timescales involved in delivering projects;
- (2) agreed that the over profiling of projects reported to the Policy and Co-ordination Committee in June 2019 to manage risk of underspend or slippage in project delivery be accounted for in the additional £1.56m and noted that there was some flexibility to allow movement of funds from one project to another as necessary with the agreement of the Executive Director (Enterprise and Environment); and
- (3) agreed that the existing projects listed in Table 1 of the report, which already had the necessary approvals in place, would receive investment from the additional £1.56m fund.

### **248. HOUSING REVENUE ACCOUNT (HRA) CONSULTATIVE BUDGET 2021-22**

The Committee considered a joint report by the Head of Housing Services and Head of Finance seeking approval to agree an appropriate increase for HRA rents and associated charges for 2021-22, reflecting the impacts of the Covid-19 emergency on tenant households and housing finances noting that the proposed rent increase would form the basis of statutory consultation with tenants to inform HRA budget discussions at full Council on 25th February, 2021.

#### **Decision/**

**Decision**

The Committee:-

- (1) agreed to survey all Council tenants around the proposal for a rent increase of 1.5% in 2021-22, to also apply to associated charges for services, garage sites and temporary accommodation with lock-up rents being frozen for one further year;
- (2) noted that Committee's preferred prudential threshold of 30% would be reached through the specific rent proposal based on current HRA borrowing and risk assumptions, adding a higher level of risk to the HRA; and
- (3) noted that the outcome of the full tenant consultation would be reported to full Council on 25th February, 2021.

**249. ADVERTISING ON COUNCIL ASSETS**

The Committee considered a report by the Executive Director (Communities) seeking approval for a refreshed Council's Advertising and Sponsorship Policy and an updated approach to advertising that included new measures to support local businesses through the current Covid-19 pandemic.

**Decision**

The Committee:-

- (1) approved the refreshed Advertising and Sponsorship Policy as detailed in Appendix 1 to the report;
- (2) endorsed the priority and approach being placed on supporting local businesses and wider economic recovery;
- (3) noted the intention to test advertising opportunities across a range of Council assets over the next twelve months; and
- (4) agreed that a further report be brought back to this Committee in twelve months' time providing a review of the new policy.

**250. ANNUAL PROCUREMENT REPORT**

The Committee considered a report by the Head of Revenue and Commercial Services providing members with a summary of Procurement activity and its impact during the financial year 2019/20.

**Decision**

The Committee noted the contents of the Annual Procurement Report which would subsequently be published and notified to Scottish Ministers.

*Councillors Dave Dempsey, Carol Lindsay and Tony Miklinski left the meeting during consideration of the above item.*

**251./**

**251. DIGITAL STRATEGY 2020 TO 2023**

The Committee considered a report by the Head of ICT introducing the Fife Council Digital Strategy covering the period from October, 2020 to October, 2023.

**Decision**

The Committee:-

- (1) agreed the Digital Strategy as the foundation for the Council's Digital and Reform agenda over the next three years;
- (2) agreed the Strategy as the basis for scrutiny of plans for digital redesign and transformation by ensuring alignment with the six themes referenced in para. 1.6 of the report and, in particular, noted the requirements laid out in Section 10 of the Strategy; and
- (3) noted the potentials laid out in the Strategy as a basis for forward reform and redesign of services through the adoption of digital solutions.

**252. SEVERE FLOODING - AUGUST 2020**

The Committee considered a report by the Head of Assets, Transportation and Environment updating members on the severe flooding that occurred throughout Fife on 11th/12th and 25th August, 2020 and provided details on immediate mitigation measures put in place and additional works provided after the events and also outlined follow-up actions to mitigate future problems.

**Decision**

The Committee:-

- (1) noted the scale of the flooding events, the number of recorded locations and the scale of the follow-up drainage investigations to be carried out and the use of funding from an underspend on Quality of Life funding of £0.325m to instigate the initial list of follow-up drainage investigations and the completion of a programme of offlet cutting and priority gully cleaning this financial year;
- (2) noted that a review of roads drainage maintenance policy and standards, including gully cleaning, ditch and offlet clearing to align policy within the available budget;
- (3) noted that the record of flood events was incomplete;
- (4) agreed that a report be submitted to the Environment and Protective Services Sub-Committee which would include a full register of flood events across Fife detailing the location and key processes involved;
- (5) agreed that the Council be proactive following each flood event by inviting external bodies (Police, Fire, SEPA) and local representatives to detail all flooding events;
- (6)/

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- (6) agreed that a full report be submitted back to this Committee looking at the Council wide response to flooding events and lessons learned; and
- (7) agreed to examine additional resources for the full list of Appendix 1 actions this year and provide information on how Fife may benefit more from Scottish Government funding.

*Councillor Dave Dempsey re-joined the meeting during consideration of the above item and Councillors Tim Brett and Donald Lothian left the meeting during consideration of the above item.*

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