

SOUTH AYRSHIRE COUNCIL.

Minutes of meeting in County Buildings, Wellington Square, Ayr,
on 2nd March 2010 at 2.00 p.m.

Present: Councillors Winifred Sloan (Provost), John Allan, Eddie Bulik, Andy Campbell, Douglas Campbell, Ian Cavana, Brian Connolly, Peter Convery, Hywel Davies, Ian Douglas, Stan Fisher, Ian Fitzsimmons, Ann Galbraith, Sandra Goldie, Bill Grant, John Hampton, Hugh Hunter, Mary Kilpatrick, Elaine Little, Mairi Low, John McDowall, Nan McFarlane, Bill McIntosh, Helen Moonie, Alec Oattes, Mike Peddie, Robin Reid, Philip Saxton, Tom Slider and Margaret Toner.

Attending: D. Anderson, Chief Executive; J. G. Peterkin, Depute Chief Executive and Executive Director - Development and Environment; E. Howat, Executive Director – Corporate Services; V. Andrews, Head of Legal and Administration; C. Monaghan, Head of Policy, Performance and Communication; D. Alexander, Head of Corporate Resources; J. McQuillan, Head of Property and Neighbourhood Services; W. Gray, Property and Asset Manager, A. Greenwood, Asset Co-ordinator; D. Robertson, Communications Manager; C. Bradshaw, Assistant Public Communications Officer; and D. Knight, Committee Services Officer.

1. Provost.

The Provost

- (1) welcomed Elected Members to the meeting;
- (2) welcomed Brian Sweeney, Chief Officer, and Paul Tanzilli, Area Commander (North and South Ayrshire), Strathclyde Fire and Rescue to the meeting who would shortly be giving a presentation to the Council;
- (3) welcomed Joyce White, Director of Corporate Services, West Dunbartonshire Council who was attending the meeting as an observer; and
- (4) advised that two urgent additional items of business had arisen in relation to Contracts and an acquisition of a property and that these matters would be taken after consideration of the last item on the agenda.

2. Sederunt.

The Chief Executive called the Sederunt for the meeting.

3. Presentation.

Chief Officer Brian Sweeney gave a presentation to the Council on his aims and objectives for Strathclyde Fire and Rescue within South Ayrshire.

A full discussion then took place and a number of questions were raised and answers given in relation to whether additional resources had been received for implementing new statutory duties in terms of the Fire (Scotland) Act 2005, the number of fires in Council houses in Ayr North, the relationship with the RNLI, the implications for Fire and Rescue of Houses in Multiple Occupation, possible amalgamation of this service with the ambulance service, whether the Chief Officer gave advice on health and safety issues relating to road traffic accidents and the use of fire wardens in community housing, etc.

The Provost, on behalf of the Council, thanked the Chief Officer for his interesting and informative presentation.

4. Minutes of previous Council meetings.

The Minutes of 17th December 2009 and the Special Meetings on 26th January and 3rd, 10th and 15th February 2010 (issued) were submitted and authorised to be signed as correct records of these meetings.

5. Minutes of previous meetings of Panels.

The Minutes of the undernoted Panels (issued) were submitted and approved as a correct record of these meetings:-

- (1) Appeals Panel of 10th December 2009.
- (2) Leadership Panel of 12th January and 9th February and 24th February (Special) 2010.
- (3) Regulatory Panel of 14th January and 11th February and 15th February 2010 (Special).
- (4) Chief Officers' Appointments / Appraisal Panel of 15th January 2010.
- (5) Development and the Environment Standing Scrutiny Panel of 19th January and 16th February 2010.
- (6) Community Services Standing Scrutiny Panel of 20th January and 17th February 2010.
- (7) Corporate and Community Planning Standing Scrutiny Panel of 21st January and 18th February (Special) and 18th February 2010.
- (8) Scrutiny and Governance Management Panel (Special) of 26th January and 23rd February 2010.
- (9) General Purposes Panel of 27th January 2010.
- (10) Rural Panel of 11th February 2010.

6. **Council Policy on Leases of Council Land and Property.**

The Depute Chief Executive and Executive Director - Development and Environment advised that, in view of the differing recommendations by the Leadership Panel of 9th February 2010 and the Corporate and Community Planning Standing Scrutiny Panel of 18th February 2010, the Council was now asked to consider the report on the proposed Council Policy on Leases of Council Land and Property.

Councillor McIntosh, seconded by Councillor McFarlane, moved that the Council should approve the recommendations of the Leadership Panel of 9th February 2010 that the revised Policy be approved and agree that it be implemented with immediate effect for new leases and upon renewal for existing leases on the basis set out within the report of 3rd February 2010 by the Depute Chief Executive and Executive Director – Development and Environment.

By way of an Amendment, Councillor Moonie, seconded by Councillor Goldie, moved that the Council should agree that Officers prepare a report setting out a clear criteria under which discretion / exemptions might be applied to the Policy, all to be submitted to the Council for its consideration. In addition, there should be consultation with all groups falling within the terms of the proposals prior to 2015, and with all Community Councils, following which consideration would be given to responses prior to approval and implementation of the proposals contained with the report.

A full discussion then took place and a number of comments were raised by Elected Members in relation to the maintenance and repairs of leased properties by Community Groups and consultation issues and the Head of Property and Neighbourhood Services responded accordingly.

There was a request that the vote be taken by calling the roll.

The Depute Chief Executive and Executive Director – Development and Environment took the vote by calling the roll as follows:-

Winifred Sloan (Provost)	Motion
John Allan	Motion
Eddie Bulik	Motion
Andy Campbell	Amendment
Douglas Campbell	Motion
Ian Cavana	Amendment
Brian Connolly	Motion
Peter Convery	Motion
Hywel Davies	Motion
Ian Douglas	Motion
Stan Fisher	Motion
Ian Fitzsimmons	Motion
Ann Galbraith	Motion
Sandra Goldie	Amendment
Bill Grant	Motion
John Hampton	Motion
Hugh Hunter	Motion
Mary Kilpatrick	Motion
Elaine Little	Motion

Mairi Low	Motion
John McDowall	Amendment
Nan McFarlane	Motion
Bill McIntosh	Motion
Helen Moonie	Amendment
Alec Oattes	Motion
Mike Peddie	Motion
Robin Reid	Motion
Philip Saxton	Amendment
Tom Slider	Motion
Margaret Toner	Motion

Six members voted for the Amendment and twenty four members voted for the Motion. The Motion was therefore declared carried.

Decided: to approve the recommendations of the Leadership Panel on 9th February 2010 that the revised Policy be approved and to agree that it be implemented with immediate effect for new leases and upon renewal for existing leases on the basis set out within the report.

7. Variation in order of business.

In terms of Council Standing Order No. 10, the Council agreed to vary the order of business as hereinafter minuted.

8. Adoption of the CIPFA Treasury Management Code of Practice 2009.

There was submitted a report (issued) of 22nd February 2010 by the Head of Corporate Resources

(1) advising

- (a) that the CIPFA Code of Practice on Treasury Management in Local Authorities had been last updated in 2001 and had been revised in 2009 in the light of the default by Icelandic banks in 2008;
- (b) that the revised Code would require that a report be submitted to the Council, setting out four amended clauses which should be formally passed in order to approve adoption of the new version of the Code of Practice and Cross-Sectoral Guidance Notes;
- (c) that the revised Code also included an amended version of the Treasury Management Policy Statement (TMPS) incorporating three clauses and a revised definition of treasury management activities;
- (d) that the Code did not require this statement to be formally approved by Council, however, for reference, the Council's revised Treasury Management Policy Statement, incorporating these three clauses was attached at Appendix 1 to the report; and

- (e) that the revised Code also set out various recommendations and requirements which have been summarised in Section 3 of the Treasury Management Strategy Report for 2010/11 and had also been submitted as a separate agenda item; and
- (2) indicating that CIPFA had recommended that all public service organisations adopt, as part of their Standing Orders, Financial Regulations, or other formal policy documents appropriate to their circumstances, the following four clauses:-
- (a) “that the Council will create and maintain, as the cornerstones for effective treasury management:-
- a Treasury Management Policy Statement, stating the policies, objectives and approach to risk management of its treasury management activities; and
 - suitable Treasury Management Practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities;
- the content of the policy statement (Section 6 of the Code) and TMP’s (Section 7 of the Code) must follow the recommendations as required, and can only be subject to amendment where necessary to reflect the particular circumstances of the Council. Such amendments will not result in the Council materially deviating from the Code’s key principles;
- (b) the Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of each financial year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs;
- (c) the Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Council’s Leadership Panel, and for the execution and administration of treasury management decisions to the Executive Director of Corporate Services, who will act in accordance with the organisation’s policy statement and TMPs and, if he/she is a CIPFA member, CIPFA’s *Standard of Professional Practice on Treasury Management*; and
- (d) the Council nominates the Corporate and Community Planning Standing Scrutiny Panel to be responsible for ensuring effective scrutiny of the treasury management strategy and policies”.

Decided: to approve the adoption of the CIPFA Treasury Management Code of Practice 2009.

9. Treasury Management Strategy Report 2010/11.

There was submitted a report (issued) of 22nd February 2010 by the Head of Corporate Resources

- (1) advising
 - (a) that in the light of the Icelandic banking situation in 2008, the Chartered Institute of Public Finance and Accountancy (CIPFA) had amended the CIPFA Treasury Management in the Public Services Code of Practice (the Code), Cross-Sectoral Guidance Notes and the template for a revised Treasury Management Policy Statement; and
 - (b) that it was also a requirement that the Council should formally adopt the Code and as the Code had been revised, a separate report had been submitted to this Council meeting seeking formal adoption of the revised Code and the revised Treasury Management Policy Statement (as minuted at paragraph 10 of this Minute);
- (2) indicating that the Code had emphasised a number of key areas;
- (3) highlighting
 - (a) that this strategy statement had been prepared in accordance with the revised Code and for that reason, the Council's Treasury Management Strategy would be approved annually by the full Council and would be followed up with a mid-year report as a minimum requirement;
 - (b) that in addition, however, the Council would continue to receive quarterly update and monitoring reports submitted to the Council's Leadership Panel for approval and scrutiny; and
 - (c) that the aim of these reporting arrangements was to ensure that those with ultimate responsibility for the treasury management function appreciated fully the implications of treasury management policies and activities, and that those implementing policies and executing transactions had properly fulfilled their responsibilities with regard to delegation and reporting;

- (4) intimating that this Council would adopt the following reporting arrangements in accordance with the requirements of the revised Code:-

Area of Responsibility	Council/ Panel/Officer	Frequency
Treasury Management Policy Statement (revised)	Full Council	Initial adoption in 2010
Treasury Management Strategy	Full Council	Annually before the start of the year
Treasury Management Quarterly Reporting	Leadership Panel	Quarterly
Annual Treasury Outturn Report	Full Council	Annually by 30th September after the end of the year
Scrutiny of Treasury Management Strategy/Performance	Corporate and Community Planning Standing Scrutiny Panel	Per Call in procedures

- (5) seeking approval of the proposed Strategy for Treasury Management activities within the Council for the financial year 2010/11 as detailed in Appendix 1 of the report.

Questions were raised by Members of the Council in relation to the specific named body, relevant training for Elected Members and credit worthiness and the Head of Corporate Resources responded accordingly.

Decided: to approve the Treasury Management Strategy for 2010/11 as detailed in the report and its Appendix.

10. **Media Relations Protocol for South Ayrshire Council.**

There was submitted a report (issued) of 22nd February 2010 by the Head of Policy, Performance and Communication

- (1) indicating that Communication had been identified as one of the key areas for improvement in South Ayrshire Council's Best Value Audit in 2009, which included a recommendation that the Council put in place a Communication Strategy in relation to customers, partners and staff and that a media relations protocol would form one strand of that strategy;
- (2) advising
- (a) that South Ayrshire Council was committed to improving communications with residents, partners and stakeholders to ensure they were well informed about the Council's services, activities, vision and values and the media, print, broadcast, specialist and online was a key mechanism in publicising this information and as a result, there was significant interaction between the Council and different areas of the media;

- (b) that to date, this interaction had been managed in an ad-hoc and inconsistent way and the Council needed to ensure best practice was being followed at all times to ensure information is released to the media in the appropriate way and at the right times; and
 - (c) that in addition, the Council should ensure that all publicity, including interaction with the media met legislative requirements and that specific legislation governing the publicity activities of local authorities was contained within the Local Government Act 1986 and that all publicity produced by the Council should comply with the Code of Recommended Practice on Local Authority Publicity, which was issued under the same legislation; and
- (3) inviting approval of a protocol for managing and implementing the professional relationships, working practices and operational activity between South Ayrshire Council, its Elected Members and Officers (who spoke on behalf of the Council) and representatives of the media, attached as Appendix 1 of the report.

Questions were raised by Members of the Council in relation to how the Standing Scrutiny Panels fitted into this model and the use of photographs and the Head of Policy, Performance and Communication responded accordingly.

Decided: to approve the draft Media Relations Protocol as set out in Appendix 1 of the report subject to section **4.1 News Announcements** on Page 4, paragraph 6 being amended to read as follows:-

“This will usually be the Portfolio Holder but **will** also include political group leaders and independent Councillors as appropriate.”

11. **Audit of Best Value and Community Planning.**

There was submitted a report (issued) of February 2010 by the Head of Policy, Performance and Communication

- (1) advising that the Audit of Best Value and Community Planning Report had been published on 22nd April 2009 and that the Accounts Commission were concerned at the limited progress being made by the Council at that time and had requested a further report by Audit Scotland on the position of the Council at March 2010;
- (2) indicating that in preparing for the reassessment, Officers had recommended that a submission was made which set out how the recommendations of the audit report had been addressed and summarising the progress made and that the submission was intended to be a helpful contribution to the reassessment by Audit Scotland;
- (3) reporting that a breakfast briefing had been held on 24th February 2010 and that the input of Elected Members attending had been reflected in the report;
- (4) intimating that it was anticipated that the re-assessment would take place in April and involve interviews with key Officers and Elected Members with further details being provided to Elected Members as soon as these were available; and

- (5) inviting approval of the attached submission to be issued to Audit Scotland to support the forthcoming reassessment of South Ayrshire Council.

The Head of Policy, Performance and Communication also advised that the Council's ICT Section's Website had been ranked as the top Council Website in Scotland by the Society of Information Technology Management and as one of the top 20 in the United Kingdom.

Decided: having recorded their appreciation of the ICT's successful Website, to approve the draft submission to Audit Scotland.

12. Exclusion of Press and Public.

The Council resolved, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, that the press and public be excluded from the meeting during discussion of the following items of business on the grounds that they involved the likely disclosure of exempt information in terms of paragraphs 6 and 9 of Part 1 of Schedule 7(A) of the Act.

13. William Skinner & Son Ltd. in Administration : Council Contracts.

There was submitted a report (tabled to members only) of 1st March 2010 by the Depute Chief Executive and Executive Director - Development and Environment

- (1) advising that a local Construction Company, William Skinner and Son Limited, had gone into Voluntary Administration; and
- (2) recommending the action that the Council should take to ensure that work continued on five projects that had been awarded to this Company in accordance with the provisions of the Council's Standing Orders Relating to Contracts.

Various questions were raised by Members of the Council in relation to whether contractors were assessed with regard to financial stability, insurance bonds, how were contractors paid, the list of Contractors and the value of the Contracts and the relevant Officers responded accordingly.

Decided: to agree to the action proposed in Section 4 of the report in relation to the five projects directly affected by the current circumstances.

14. Declarations of Interest.

Councillors Little, McIntosh and Peddie and the Chief Executive declared an interest in the remaining item of business on the agenda regarding the proposed acquisition of 8 High Street, Ayr as they are on the Board of Ayr Renaissance LLP and withdrew from the meeting during its consideration.

15. Proposed Acquisition of 8 High Street, Ayr.

There was submitted a report (tabled to members only) of 1st March 2010 by the Chief Executive seeking approval to purchase the property at 8 High Street, Ayr on behalf of Ayr Common Good Fund.

Questions were raised by Members of the Council in relation to the condition of the property, the purchase of the property and re-development issues, the valuation of the property, rental issues, implications for the Ayr Common Good Fund and the relevant Officers responded accordingly.

Councillor McDowall, seconded by Councillor Cavana, moved that the Council should resolve that Officers submit a further report to the next meeting of the Council detailing the impact on Ayr Common Good Fund in relation to future capital funding required for other Common Good properties within Ayr Town Centre and defining the long term benefits to the Ayr Common Good Fund of acquiring the property at 8 High Street, Ayr including a presentation to be given by Ayr Renaissance LLP to the Council to set the context for this property acquisition and how it would fit in with the future strategy of Ayr Renaissance LLP.

By way of an Amendment, Councillor Hunter, seconded by Councillor Reid, moved that the Council should continue consideration of this matter to the special meeting of the Council to be held on 18th March 2010 at 11.30 a.m. and that prior to that meeting, a briefing be arranged by Officers, with representatives from Ayr Renaissance LLP for all Elected Members concerning the various issues that had been raised during the discussion at that meeting.

There was a request that the vote be taken by calling the roll.

The Depute Chief Executive and Executive Director – Development and Environment took the vote by calling the roll as follows:-

Winifred Sloan (Provost)	Amendment
John Allan	Amendment
Eddie Bulik	Amendment
Andy Campbell	Motion
Douglas Campbell	Abstain
Ian Cavana	Motion
Brian Connolly	Abstain
Peter Convery	Amendment
Hywel Davies	Motion
Ian Douglas	Amendment
Stan Fisher	Amendment
Ian Fitzsimmons	Amendment
Ann Galbraith	Amendment
Bill Grant	Amendment
John Hampton	Amendment
Hugh Hunter	Amendment
Mary Kilpatrick	Amendment
Mairi Low	Amendment
John McDowall	Motion
Nan McFarlane	Amendment
Helen Moonie	Motion

Alec Oattes	Amendment
Robin Reid	Amendment
Philip Saxton	Motion
Tom Slider	Amendment
Margaret Toner	Amendment

Eighteen members voted for the Amendment and six members voted for the Motion. The Amendment was therefore declared carried.

Decided: to continue consideration of this matter to the special meeting of the Council to be held on 18th March 2010 at 11.30 a.m. and that a briefing be arranged by Officers with representatives from Ayr Renaissance LLP prior to that meeting for all Elected Members concerning the issues that had been raised by Councillor McDowall and other Elected Members.

Councillor Goldie left the meeting at 4.20 p.m. during consideration of the foregoing item.

The meeting ended at 5.00 p.m.