

LEADERSHIP PANEL.

Minutes of meeting in County Buildings, Wellington Square, Ayr,
on 14th February 2012 at 10.30 a.m.

- Present: Councillors Bill McIntosh (Chair), Douglas Campbell, Peter Convery, Nan McFarlane, Robin Reid and Margaret Toner.
- Apology: Councillor Hywel Davies
- Attending: L. Bloomer, Executive Director – Development and Environment; E. Howat, Executive Director – Corporate Services; H. Garland, Executive Director – Children and Community; V. Andrews, Head of Legal and Administration; C. Monaghan, Head of Policy, Performance and Communication; J. McQuillan, Head of Property and Neighbourhood Services; K. Leinster, Head of Community Care and Housing; J. Cronin, Acting Head of Community Development; D. Burns, Manager (Housing Development and Monitoring); M. Newall, Head of Planning and Enterprise; C. Cox, Planning Manager; M. Hastings, Enterprise Manager; C. Bradshaw, Assistant Public Communications Officer; D. Knight, Democratic Services Administrator; and A. Gerrish, Committee Services Officer.

Community Services – Housing and Customer First.**1. Lochside Maisonette Project.**

Reference was made to the Minutes of the Council (Special) of 17th November 2011 (Page 681, paragraph 5) and there was submitted a joint report (issued) of 2nd February 2012 by the Executive Director – Children and Community and the Executive Director - Development and Environment in relation to the Lochside Maisonette Project.

The Head of Legal and Administration requested that the Panel should consider the withdrawal of this report as a number of issues still required to be addressed.

Questions were raised by Members of the Panel enquiring about the issues that still required to be undertaken and whether these matters would be concluded before the next meeting of the Council on 8th March 2012, the implications of the options appraisal, what checks and clearances had been received and completed prior to the report being placed on this agenda and the consultation with tenants and the relevant Officers responded accordingly.

Decided:

- (1) to agree to the report being withdrawn; and
- (2) to request the relevant Officers to investigate and address a number of outstanding matters and to submit a further report to the next meeting of the Council on 8th March 2012.

2. Housing Capital Investment Programme 2011/12 – Monitoring Report at Period 9, 31st December 2011.

There was submitted a joint report (issued) of 8th February 2012 by the Executive Director – Development and Environment and Executive Director – Corporate Services

- (1) informing of the progress being made with the Housing Capital Investment Programme for 2011/12 at 31st December 2012 (Budget Monitoring Period 9);
- (2) intimating that a number of adjustments to the Programme had been approved by the Council on 30th June 2011 and the Leadership Panels on 26th October 2010, 15th February, 19th April, 16th August and 22nd November 2011, leading to a revised budget of £20,233,764,
- (3) advising that a review of all 2011/12 Housing +Capital budgets had been undertaken which had identified that both the profiles of expenditure and income budgets in relation to the new build projects at Thornyflat and Somerset required to be restated;
- (4) reporting that the overall programme budget had been revised downwards to £16,016,365 and that this had been reflected in Appendix 1 of the report with the necessary adjustments detailed in Appendix 2 of the report; and
- (5) proposing a number of adjustments to the Programme as indicated in Section 4 of the report.

Decided:

- (a) to note the progress made on projects to 31st December 2011 as highlighted in Appendix 1 of the report;
- (b) to note the required adjustments resulting from the recent review of the HRA capital programme as detailed in Section 3.3 of the report; and
- (c) to approve the proposals as detailed in Section 4 of the report.

Community Services – Social Services.

3. Reshaping Care for Older People : Change Fund 2012/13.

There was submitted a report (issued) of 3rd February 2012 by the Executive Director – Children and Community

- (1) advising
 - (a) that the budget statement by the Scottish Government on 17th November 2010 had included indication of a “Change Fund” to support the Reshaping Care for Older People programme with a national resource of £70m for 2011/2012;

- (b) that on 11th November 2011 revised Change Fund Guidance had been issued and had detailed an increase in the national resource to £80m for 2012/13, £80m in 2013/14 and £70m in 2014/15 with this Council's allocation for 2012/13 being £2.16m;
 - (c) that each of the 32 Community Health Partnerships across Scotland were required to submit a transformation plan that had been agreed by all partners to the Scottish Government by 17th February 2012;
 - (d) that this Council's proposed Fund breakdown in this submission was detailed in Appendix 1 of the report and that plans would be approved by the Ministerial Strategic Group for Health and Community Care;
 - (e) that it had been advised that although the funding was only outlined for one year at this time, a Joint Commissioning Strategy was in development to support funding over the subsequent two years and to outline the approach to shift the balance of care to community based setting; and
 - (f) that responsibility for sign off of the Change Plan lay with both the Community Planning Partnership and Community Health Partnership and that the guidance had further indicated that plans would require to be agreed at partnership level by Local Authority, Health Board, Voluntary Sector and Independent Sector, or the funds available for a particular area would not be released and in relation to South Ayrshire, the Third Sector was represented by Voluntary Action South Ayrshire (the official third sector 'interface') and the Independent Sector by Scottish Care;
- (2) detailing the guidance and principles for the operation of the Fund; and
- (3) reporting
- (a) that additional revenue of £2.16m would be available through the Change Fund; and
 - (b) that Appendix 1 of the report outlined a submission totalling £2.212m and that the target of £2.16m would be achieved through less than full year costs being incurred through Community Wards and the Mobile Attendant service due to a need to follow a recruitment and selection process.

Questions were raised by Members of the Panel enquiring how long the temporary posts would be required and employment rights of these postholders and the relevant Officers responded accordingly.

Decided:

- (i) to approve the submission by 17th February 2012 of the proposed Change Fund Bid as detailed in Appendix 1 of the report, subject to further agreement through the Community Health Partnership and Community Planning Partnership Board;
- (ii) to delegate authority to the Executive Director - Children and Community to create up to fifteen temporary posts created through Change Fund projects; and
- (iii) to agree that Officers, after consultation with HR, should indicate within a report whether a post had been created on a temporary contract or short term contract and clarifying the implications for the Council as employer.

Development and the Environment – Economic Development, Tourism and Leisure.

4. Development Management Scrutiny Review.

Reference was made to the minutes of the Development and Environment Standing Scrutiny Panel of 21st January 2012 (Page 49, paragraph 3) when that Panel, having considered a report of 19th January 2012 by the Executive Director – Development and Environment in relation to a review of the Development Management function of the Planning Service, had agreed

- (1) to forward the findings of the Review to the next meeting of the Leadership Panel; and
- (2) that the implementation of the actions arising from the Review be reported back to a future meeting of this Panel,

there was submitted a report (issued) of 2nd February 2012 by the Executive Director – Development and Environment seeking approval to agree the following key actions arising from the review:-

- (a) Key Action 1- a Members' seminar would be organised to explore reasons for the Local Review Body overturning some planning application decisions made under delegated powers to refuse planning applications;
- (b) Key Action 2 – to make more widespread use of project management tools and processing agreements;
- (c) Key Action 3 – to make editorial changes to the Development Management Service Standard so that it was clearer regarding what the applicant could expect from the Planning Service so that they could receive clearer assurances before they invested resources at an early stage;
- (d) Key Action 4 – to organise an Elected Members' Seminar to review development on the ground;
- (e) Key Action 5 – to commence monitoring of the cost involved in processing different types of planning applications;
- (f) Key Action 6 - to make amendments to the Planning Performance Framework that was reported annually to the Development and Environment Standing Scrutiny Panel so that it was simplified and aligned more clearly with the framework recommended by the Scottish Government;
- (g) Key Action 7 – that structural arrangements of the administration service supporting the Planning Service would be considered in review of administration that was currently ongoing; and
- (h) Key Action 8 – improving links with Building Standards and Economic Development be considered for appropriate implementation to provide a more co-ordinated service to applicants.

Questions were raised by Members of the Panel in relation to the definition of “genuinely planned planning system”, whether the Elected Members' Seminar would take place before the local government elections on 3rd May 2012, would all Elected Members be invited to attend the Seminar, the format of the Seminar and the percentage of planning decisions being overturned by the Local Review Body and the relevant Officers responded accordingly.

Decided: to agree the Key Actions as detailed at (2) (a) to (h) above and at Section 4 in the report.

5. Olympic Torch Relay Community Council Grants.

Reference was made to the Minutes of the Council of 15th December 2011 (Page 14, paragraph 8) when it had been agreed that a sum of up to £50,000 be set aside from the projected 2011/12 Children and Community Directorate underspend which would be used to fund celebrations aligned to the Olympic Torch Relay as it travelled through South Ayrshire and there was submitted a report (issued) of 6th February 2012 by the Head of Policy, Performance and Communication

- (1) seeking agreement that £14,500 of the £50,000 Olympic budget be set aside to support the costs of local community activity and events related to the Olympic Torch passing through South Ayrshire on 8th June 2012; and
- (2) inviting Community Councils to submit bids for their relevant projects.

The Head of Policy, Performance and Communication clarified the position with regard to Community Councils and that the £14,500 would cover all Community Council areas including areas where no Community Council had been formed.

Decided: to agree

- (a) that £14,500 of the £50,000 Olympic budget be set aside to support the cost of organising local community events related to the Olympic Torch;
- (b) that Community Councils could bid into this Fund singly or in collaboration;
- (c) that in the three areas where no Community Council was operating, another constituted body could apply for the grant including a neighbouring Community Council where a larger scale event was planned;
- (d) that proposals would be evaluated according to pre-set criteria;
- (e) proposals would be evaluated by the Member/ Officer Working Group who would make recommendations on funding; and
- (f) that responsibility for making funding decisions based on these recommendations would be delegated to the Executive Director – Corporate Services.

6. INTERREG IVA Cross Border Programme.

There was submitted a report (issued) of 7th February 2012 by the Executive Director – Development and Environment

- (1) seeking approval to submit a stage one bid to the INTERREG IVA Cross Border Programme;

- (2) informing that stage one bids were required to be submitted by 17th February 2012 with successful applicants submitting stage two bids by 11th May 2012;
- (3) intimating that Officers have been in discussion with potential Scottish and Irish partners to develop a bid in respect of golf tourism; and
- (4) proposing
 - (a) that the following indicative areas and costs be included as South Ayrshire Council's element of the joint bid:-
 - Belleisle club house re-development of £1.500m (1.800m Euro);
 - enhanced signage / course furniture at Belleisle, Seafield, Lochgreen, Fullarton and Darley of £0.060m (0.072m Euro);
 - enhanced pathway/course access (to be announced);
 - Belleisle / Seafield irrigation improvements of £0.250m (0.300m Euro);
 - marketing campaign raising awareness of £0.080m (0.096m Euro); and
 - commissioning of BRS booking system £0.008m of (0.009m Euro);
 - (b) that the total South Ayrshire Council's project bid would be in the region of £1.910m (2.292m Euro) excluding enhanced pathway/course access whose costs were still being developed;
 - (c) that part of the requirement of the bid was for South Ayrshire Council to match fund 25% of its own costs identified and that based on the above indicative figure, this would equate to £0.478m and that discussions were currently ongoing between Officers from Planning and Enterprise, Community Development and Finance to determine possible funding options to meet the required 25% funding commitment; and
- (5) reporting that the Irish partners had indicated costs of around 2.350m Euro in relation to similar golf tourism themed strands and that the final joint bid costs were still being discussed and finalised, however, an overall indicative bid of around 4.260m Euros was anticipated.

Decided:

- (i) to approve the submission of the initial stage one bid as outlined in Section 4 of the report;
- (ii) to agree that Officers develop funding proposals to meet the required 25% match funding; and
- (iii) to request that Officers, subject to approval of stage one bid, should present details of the stage two bid inclusive of match funding proposals, to Members prior to submission.

Corporate and Community Planning - Corporate, Strategic and Community Planning.

7. A New Community Plan and Related Documents.

There was submitted a report (issued) of 4th February 2012 by the Head of Policy, Performance and Communication

- (1) outlining the progress being made with developing a new Community Plan; and
- (2) seeking agreement to delay refreshing the Single Outcome Agreement and Council Plans until October 2012, when the incoming administration had had an opportunity to consider the Community Plan since that provided the overarching framework for the other strategic plans.

Decided: to note the on-going work to develop a new Community Plan for South Ayrshire Council and that work would be considered by the incoming administration ahead of summer recess and that a new Single Outcome Agreement and related Council Plans would be brought forward in September/October 2012.

8. LEADER Funding Application.

There was submitted a report (issued) of 1st February 2012 by the Head of Policy, Performance and Communication

- (1) seeking approval for this Council to be the lead authority for a Pan Ayrshire funding application to LEADER for action plans to be developed;
- (2) advising
 - (a) that the LEADER project was coming to a close and as part of shaping the next programme, LEADER had funding available for a project to implement action planning with around 21 rural communities; and
 - (b) that by working to develop action plans across rural Ayrshire, a good insight would be secured into rural priorities going forward which would help inform the structure of a new programme; and
- (3) outlining the aim of the projects.

Decided: to agree that this Council be the lead applicant for a Pan Ayrshire Rural Action Planning project.

9. **Police and Fire Reform Pathfinder.**

There was submitted a report (issued) of 3rd February 2012 by the Head of Policy, Performance and Communication

- (1) advising
 - (a) that on 8th September 2011, the Scottish Government had announced its intention to bring forward legislation to create a single Scottish Police Service and a single Scottish Fire and Rescue Service;
 - (b) that the Police and Fire Reform (Scotland) Bill had been formally introduced to the Scottish Parliament on 16th January 2012 and that it was anticipated that the Bill would conclude its Parliamentary passage prior to the Parliament's summer recess; and
 - (c) that when the Bill became an Act, all local authorities and the new services would need to ensure they were in a position to quickly put in place these new arrangements for local scrutiny and engagement from the outset;
- (2) informing
 - (a) that the Scottish Government had indicated its intention to facilitate a Local Scrutiny and Engagement Implementation Network commencing in March 2012 which would provide an opportunity to plan, trial, evaluation refine and share learning about the implementation of local arrangements before going live which could be as early as April 2013;
 - (b) that expressions of interest had been sought from local authorities and the Police and Fire and Rescue Services to join the Network and that participants could contribute as either:-
 - Pathfinders – who would be invited to put in place new local scrutiny and engagement arrangements that included the three elements described above (local commander / senior officer), local plan, robust scrutiny and engagement arrangements), to participate in the evaluation of their approach, and to share their learning with others in the Network and beyond, and that the Scottish Government had indicated that neighbouring local authorities might wish to group together to devise shared local plans as one Pathfinder project; or
 - Networker – who would be invited to participate in learning and contributing to discussions but would not wish to or currently be in position to trial new arrangements;
- (3) reporting that the main advantage of being a Pathfinder was getting the opportunity to have a shadow year and to help shape the detail of arrangements that all authorities would have to have in place once the legislation was enacted; and
- (4) seeking agreement for this Council to put itself forward to be a Pathfinder as part of the preparations being put in place for a single Scottish Police and single Scottish Fire and Rescue Service.

Decided: to agree that this Council express an interest in becoming a Pathfinder for Police and Fire Reform and exploring the possibility of working with North Ayrshire who had also intimated that they wished to be considered as a potential Pathfinder.

Corporate and Community Planning - Resources and Performance.

10. Housing and Council Tax Benefit – Performance Monitoring – Position at 31st December 2011.

There was submitted a report (issued) of 6th February 2012 by the Executive Director - Corporate Services advising of the service improvements being undertaken to help achieve the full range of national housing and Council Tax benefit performance standards as outlined in Appendix 1 of the report.

A question was raised by a Member of the Panel in relation to implications of the Welfare Reform Bill for the service and the Executive Director – Corporate Services advised that an Officer Group would be established to examine the implications of the Bill.

Decided:

- (1) to approve the contents of the report;
- (2) to request the Executive Director - Corporate Services to provide a further quarterly report on service delivery to a future meeting of this Panel; and
- (3) to request the Executive Director – Corporate Services to prepare a Briefing Paper for incoming Councillors post-election regarding the new system.

11. Common Good Funds – Revenue and Capital Budgetary Control – Position Statement at 31st December 2011.

There was submitted a report (issued) of 6th February 2012 by the Executive Director – Corporate Services in relation to the revenue and capital accounts of Ayr, Prestwick, Troon, Maybole and Girvan Common Good Funds for the period to 31st December 2011 and

- (1) indicating that the 2011/12 audit had been completed on 30th September 2011 with no changes to the reserves position being required;
- (2) detailing
 - (a) the revenue position at 31st December 2011, against the approved full year budgets and projected balances; and
 - (b) the accumulated revenue position at 31st December 2011 and the projected accumulated revenue surpluses at 31st March 2012;

- (2) advising
 - (a) that Ayr Common Good showed a favourable variance of £373,683 which was a significant improvement over the projected adverse variance of £60,897 identified at Period 6 with the majority of this improvement relating to the re-phasing of the contribution to the Townscape Heritage Initiative as outlined at 3.7 in the report; and
 - (b) that Prestwick Common Good showed an adverse variance of £21,673 which related to the cost of dismantling the steeple at Freemans Hall, Prestwick as outlined at 3.4 of the report; and
- (3) intimating
 - (a) that the accumulated capital reserves balance on the Ayr Common Good Fund at 31st December 2011 was £1,651,777 with the projected accumulated capital position at 31st March 2012, taking into account the capital issues highlighted at 3.6 of the report and in Appendix 3 of the report, was anticipated to be £1,661,777, a reduction of £672,000 since 1st April 2011; and
 - (b) that the accumulated capital reserves balance on the Prestwick Common Good Fund at 31st December 2011 was £50,000 and that this position was anticipated to remain unchanged at 31st March 2012.

Questions were raised by Members of the Panel in relation to the progress being made with the dismantling of the steeple at Freemans Hall, Prestwick and the intended format of the public consultation in that regard and the funding of the grounds maintenance issues of the two parks held within the Girvan Common Good Account and the Executive Director – Corporate Resources responded accordingly and advised that she would explore alternative sources of funding.

Decided: to approve the contents of the report.

12. Housing Revenue Account – Revenue Budgetary Control 2011/12 – Position statement at 31st December 2011.

There was submitted a joint report (issued) of 8th February 2012 by the Executive Director – Children and Community and the Executive Director – Corporate Services detailing the performance of the Housing Revenue Account's expenditure and income against its profiled budget for the period to 31st December 2011 and reporting

- (1) that there was an accumulated surplus as at 31st March 2011 of £13.957m and highlighting an updated list of the approved commitments against this surplus totalling £13.957m; and
- (2) that the HRA was underspent by £1.760m for the period to 31st December 2011 and that the projected surplus for the year to 31st March 2012 prior to the carry forward of funds was £2.045m and that the surplus would reduce to £1.437m if the anticipated carry forwards were approved when requested at the year end.

Decided: to approve the contents of the report.

13. **Budget Management – Revenue Budgetary Control 2011/12 – Position Statement at 31st December 2011.**

There was submitted a report (issued) of 8th February 2012 by the Executive Director – Corporate Services

- (1) presenting an overview of the General Services Revenue Account for 2011/12 as at 31st December 2011;
- (2) advising that the 2010/11 unaudited accumulated surplus was £15.302m at 31st March 2011 and outlining funding that required to be set aside for various matters;
- (3) detailing revenue monitoring reports for each Directorate for the period to 31st December 2011 as provided in Appendix 1 of the report;
- (4) indicating that a number of service and budget issues were being raised in these reports and that Executive Directors had committed to management action to ensure that there was a break-even position at 31st March 2012 as follows:-
 - **Chief Executive's Strategic Office** – showed a current underspend of £0.241m which was mainly due to underspends within the budget set aside for best value initiatives and over recoveries of income with a year-end underspend of £0.012m being currently projected at 31st March 2012;
 - **Children and Community** – showed a current underspend of £2.047m which was mainly due to underspends in employee costs, payments to agencies offset by overspends in administrative costs and transport costs with a year-end underspend of £3.395m being currently projected at 31st March 2012 subject to year-end approval of carry forward of resources within the Schools Scheme of Delegation, this underspend would reduce to £2.868m;
 - **Corporate Services** – showed a current overspend of £0.344m which was mainly due to supplies and services, offset by an underspend in administrative costs and an over-recovery of income with a year-end overspend of £0.054m currently being projected at 31 March 2012 subject to the approval of a contingency draw and carry forward of resources, this under-spend would reduce to an online position at 31st March 2012;
 - **Development and Environment** – showed a current overspend of £0.714m which was mainly due to a current shortfall in income related to Property Maintenance and Construction Trading together with a combination of over and underspends across the remaining subjective headings within the Directorate with a year-end overspend of £0.656m being currently projected at 31st March 2012; and
 - **Miscellaneous** – showed an underspend of £0.606m which was mainly due to income from utility rebates, underspends in payments to Ayr Renaissance and the THI and underspends in third party insurance recharges with a year-end underspend of £0.427m being currently projected at 31st March 2012 subject to the approval of carry forward of resources, this would reduce to an underspend of £0.112m at 31st March 2012;

- (5) reporting that in setting the 2011/12 Revenue Budget, Members had approved efficiency measures of £3.496m which required further investigation and development by Officers and requested that regular updates on progress be submitted to this Panel;
- (6) intimating that the Budget Management report to the Leadership Panel on 16th August 2011 had identified that £0.300m of the £2.740m corporate efficiencies held in the Miscellaneous Services account could be allocated to Directorates and that of the £2.440m remaining, Members had approved alternative savings in relation to payroll management, children's residential units, transport costs, supplies and services and debt charges and that all corporate efficiency targets had now been allocated and were being achieved through Directorate management action;
- (7) outlining the current position with regard to:-
- Council Tax Income;
 - Repairs and Renewal Fund;
 - Insurance Fund; and
 - Accumulated Balance at 31st December 2011 including:-
 - Contingency Balance 2011/12; and
 - General Reserve Balances; and
- (8) informing that all Directorates had committed to bringing their budget in on-line as minimum by 31st March 2012 and that an accumulated balance of £9.389m was currently anticipated at 31st March 2012.

Decided:

- (i) to approve the management action being taken by Directors to ensure a break-even budget at 31st March 2012 as outlined in Appendix 1 of the report;
- (ii) to approve the virement as outlined in the Directorate budgetary control reports at Appendix 1 and summarised in Appendix 2 of the report;
- (iii) to approve the carry forward of £0.218m from the Change Fund to meet the cost of Girvan Regeneration in 2012/13 as outlined in 4.5 (1), Contingency (Change Fund) in the report;
- (iv) to agree, as outlined in 4.5 (1), Contingency (severance costs) of the report, that any balance remaining from the earmarked resource, subject to the year-end position, be carried forward to 2012/13 to continue to fund any costs associated with reducing the workforce during 2012/13;
- (v) to note the Council Tax collection rates as outlined in Appendix 3 of the report;
- (vi) to agree, as outlined in 4.4, Insurance Fund of the report, that any requirement to replenish the Fund be met from the uncommitted surplus identified at 4.5 (3) of the report; and
- (vii) otherwise, to note the contents of the report.

14. General Services Capital Programme 2011/12: Monitoring Report as at Period 9 : 31st December 2011.

There was submitted a joint report (issued) of 6th February 2012 by the Executive Director – Development and Environment and Executive Director – Corporate Services

- (1) outlining
 - (a) the General Services Capital Programme for 2011/12 as at 31st December 2011 and detailing that at the end of Period 9, actual expenditure and income stood at £7,457,586 against a revised base expenditure budget of £15,204,847; and
 - (b) the progress being made on projects to 31st December 2011 as highlighted in Appendix 1 of the report; and
- (2) recommending adjustments to the Programme as outlined in Section 4 of the report and as detailed in Appendices of the report in relation to:-
 - consideration of levels of Capital Receipts for 2011/12;
 - new grants awarded 2011/12;
 - funding for projects required to be carried forward from 2011/12 to 2012/13 and 2013/14;
 - projects where funding might be released back to the Programme; and
 - effect on over programming.

Decided:

- (i) to note the progress made on projects to 31st December 2011, as highlighted in Appendix 1 of the report; and
- (ii) to approve the adjustments as outlined in Section 4 of the report.

15. Treasury Management Quarter 3 Report 2011/12.

There was submitted a report (issued) of 6th February 2012 by the Executive Director – Corporate Services

- (1) presenting an update of the economic background from 1st September to 31st December 2011; and
- (2) outlining the following within the Treasury Management Investment Strategy:-
 - (a) policy on investment;
 - (b) list of investments held as at 31st December 2011;

- (c) Icelandic investments held;
 - (d) credit ratings;
 - (e) investment performance;
 - (f) borrowing;
 - (g) borrowing in advance of need; and
 - (h) prudential indicators; and
- (3) detailing the resource implications for General Services and Housing Revenue Account.

Questions were raised by a Member of the Panel in relation to the progress being made regarding the recovery of deposits in Icelandic Banks and the anticipated amounts due to be returned and the Executive Director – Corporate Services responded accordingly and advised that she would circulate a briefing note to Elected Members outlining the current position.

Decided:

- (i) to approve the contents of the Treasury Management Quarter 3 Report for 2011/12; and
- (ii) to request the Executive Director – Corporate Services to submit a briefing paper to Elected Members outlining the current position with regard to the Icelandic Banks.

16. Agency Agreement for Supply of Electricity and Natural Gas.

There was submitted a report (issued) of 6th February 2012 by the Executive Director – Corporate Services

- (1) advising that the McClelland review of Public Sector Procurement had been published in spring 2006, and had been widely welcomed by Ministers, the various stakeholders in Scottish Public life and many private sector interests and that this review had recommended the development of national contracts for category A commodities (category A commodities being goods or services that were standard or of a similar nature across the public sector);
- (2) indicating that the Council participated in the current agency agreement which was due to expire on 31st March 2013 and that contracts for electricity and gas ended on 31st March 2013 and 2014 respectively; and
- (3) proposing
 - (a) that the buying strategy of the contract was that the price was secured in advance of the year of consumption and that this required a forward commitment from public bodies one year in advance of the consumption of energy purchased;
 - (b) that the new agency agreement was substantially the same as the current version and had been updated to cover the following elements:-

- removal of time restrictions;
 - incorporation of natural gas in the main agreement; and
 - clarification of public bodies' commitments on data; and
- (c) that public bodies were obliged to provide Scottish Procurement with site data, including annual consumption data, and maintain regular dialogue and that Officers have confirmed that South Ayrshire Council already met these requirements.

Questions were raised by Members of the Panel in relation to an added value clause within the agency agreement and the reasons for clauses within the agreement being "heavily weighted against the Council" and the Executive Director – Corporate Services responded accordingly.

Decided:

- (i) to agree that South Ayrshire Council sign an agency agreement with Scottish Procurement for the supply of electricity and natural gas; and
- (ii) to authorise the Executive Director – Corporate Services to sign the agency agreement on behalf of South Ayrshire Council.

17. Implementation of Covalent Performance Management System.

Reference was made to the Minutes of 13th April 2010 (Page 220, paragraph 11) when it had been agreed to approve the purchase of the Covalent performance management system to help strengthen the Council's ability to monitor, manage, evaluate and report progress and there was submitted a report (issued) of 3rd February 2012 by the Head of Policy, Performance and Communication

- (1) advising
 - (a) that since that time modules to support service planning, performance indicator management and risk management had all been configured, populated and deployed across the Council which deployment had involved the allocation of all 150 licences originally purchased;
 - (b) that since the launch of Covalent in April 2011 reports charting progress against the Council's Corporate and Directorate Plans, its 146 key performance indicators and the strategic risk registers have been regularly presented to this Panel and the Standing Scrutiny Panels as appropriate and the use of Covalent to support performance management was becoming increasingly mainstreamed throughout service teams and as each cycle of reports was presented improvements and refinements had been made in response to Members' and Officers' comments;
 - (c) that feedback from Officers who used the system and from the Council's Internal Auditors indicated that Covalent was well regarded as a performance management tool that offered excellent functionality through a clear and intuitive user interface; and

- (d) that as performance management had become more embedded throughout Council services it was the case that the original 150 licences would increasingly become a barrier to the management of service plans, service performance indicators, integrated reporting on the Single Outcome Agreement (SOA) and other partnership reporting around the Change Fund and Adult Protection; and
- (e) of the position with regard to partnership;
- (2) indicating that two options were available to expand the Council's licence holding:-
- expand the existing licence holding at a cost of £250 per licence; or
 - purchase a site licence that would give the Council the ability to set up an unlimited number of users within the Council, and offer up to 5% of our total licences to partners;
- (3) intimating
- (a) that in recent discussions with Covalent an offer to provide a site licence at a cost of £22,500 had been received which equated to the addition of 90 individual licences at the £250 fee, a number that would be readily exceeded to support the on-going deployment of the system;
- (b) that in addition to the one-off cost of upgrading either the number of individual licences or to a site licence it would also be necessary to meet the additional annual maintenance cost calculated as 25% of the purchase cost, subject to an annual inflationary increase and that for 2012/13 the maintenance charge for the original 150 licences was anticipated to be £8,063 with an additional £5,625 for a 90 licence or site upgrade; and
- (c) that because of the extremely positive feedback received about the use of Covalent, the anticipated increase in numbers of staff within the Council needing access to the system and the increasing prevalence of partnership working, especially with the NHS Ayrshire Arran, it was considered that moving to a Covalent site licence would provide the Council with the most cost effective means of providing wider access to the system, moreover with up to 5% of licences being available to partner organisations the opportunity for partners to be able to update their elements of the SOA directly will become a practical reality; and
- (4) reporting that the one-off cost of purchasing a Covalent site licence was £22,500 which could be met from within existing budget provision for the Chief Executive's Office for 2011/12 and that the additional on-going annual maintenance cost of £5,625 together with any inflationary increase would be met from existing budgets.

A question was raised by a Member of the Panel in relation to the licence costs and the Head of Policy, Performance and Communication responded accordingly.

Decided: to note the progress with the implementation of Covalent Performance Management System and to approve the upgrade from the current 150 licences to a full site licence at a cost of £22,500.

C

18. Single Ayrshire and Arran Tourism Team.

Reference was made to the Minutes of 25th October 2011 (Page 627, paragraph 3) when it had been agreed

- (1) to adopt the final Ayrshire and Arran Tourism Strategy; and
- (2) to request the Chief Executive to bring forward proposals for a shared tourism team including proposals for Elected Member representation on the Ayrshire and Arran Tourism Leadership Group, and

there was submitted a report (issued) of 2nd February 2012 by the Executive Director – Development and Environment

- (a) outlining proposals to put establish a Single Ayrshire and Arran Tourism Team which Team would work in conjunction with the industry to deliver the objectives set out in the Ayrshire and Arran Tourism Strategy;
- (b) advising that these proposals had also been considered by East Ayrshire Council at its Executive meeting on 8th February 2012 and by North Ayrshire Council at their Executive meeting on 14th February 2012;
- (c) recommending
 - (i) the proposed roles of the Ayrshire and Arran Team and of individual Councils;
 - (ii) proposed size and resource needs of Ayrshire and Arran Tourism Team;
 - (iii) that South Ayrshire Council should act as Lead Authority for the single tourism team, and
 - the Ayrshire and Arran Tourism Team would be based in Ayr, although it was expected that “hot desk” facilities would be available for them in each of the other two authorities;
 - the staff would be employed by South Ayrshire Council; and
 - the Manager would report to the Executive Director - Development and Environment of this Council;
- (d) indicating
 - (i) that Elected Member overview of the work of the single tourism team was anticipated to be via a Joint Committee and that a proposal for such a Committee was being developed as part of the broader shared services work and a report would be submitted to Councils for their decision;

- (ii) that the Joint Committee, if approved, would provide the mechanism for Elected Members from all three authorities to monitor and scrutinise performance of tourism and other shared services;
- (iii) that this proposal which had been developed since this Council had considered the Strategy, was felt to provide a more effective way of ensuring Elected Members' scrutiny of performance than their involvement in the Tourism Leadership Group (TLG, which was what this Council, but not what East and North Councils, had requested;
- (iv) that until arrangements for the Joint Committee and Leadership Group were in place, it was proposed that the Executive Director - Development and Environment would be responsible for reporting on the operation and performance of the single team to the Chief Executives of the three Ayrshire Local Authorities and that any decisions or reports regarding the work of the Ayrshire and Arran Tourism Team would require to be determined by each Council until a Joint Committee was in place; and
- (v) that the Ayrshire and Arran Tourism Team would work with the TLG to prepare an action plan setting out clear milestones and targets for the coming and each subsequent year and that Programme updates on the progress of the work would also be provided to the Ayrshire Economic Partnership which included the three Council Leaders as well as the Chief Executives.
- (e) reporting
- (i) that the proposed split of resources between the Councils was based on:-
- each Council to fund a Development Officer post;
 - each Council should route their current level of VisitScotland funding through the single tourism team and then onto VisitScotland; such contributions for 2013/14 onwards to be negotiated between the single tourism team and VisitScotland; and
 - funding of the manager and administration post and of the £100,000 development fund should be split pro-rata on the basis of the numbers of tourists and revenue for each area and that on this basis, the proposed split would be South Ayrshire Council 47%, North Ayrshire Council 33% and East Ayrshire Council 20%;
- (ii) that details of the budget were set out in the table below:-

	Current Visit Scotland Contribution	Funding for one Development Officer per Council	Share of Development Fund	Share of Manager and Admin costs	Total £000
South Ayrshire	69.10	45	47	44.65	205.75
North Ayrshire (inc. Arran)	72.55	45	33	31.35	181.90
East Ayrshire	25.00	45	20	19	109.00
Total £000	166.65	135	100	95	496.65

- (iii) that the total proposed funding from South Ayrshire would be £205,750 which would be funded from:-
- the transfer of two existing vacant posts (£58,000), routing the existing VisitScotland contribution through the Ayrshire and Arran Tourism Team (£70,000);
 - £62,000 from the recurring Members' priority funding for tourism and renewables as approved in the 2012/13 budget and the balance of £16,000 from within existing Enterprise resources.
- (iv) that the budget, and pro rata split of the development fund and manager and administrative post costs, would be reviewed after three years for the remaining two years and that the posts would require to be job evaluated; and
- (v) that costs associated with housing the team (ICT, accommodation) could be absorbed at no additional cost by this Council.

Questions were raised by Members of the Panel in relation to the contributions from the other two Councils and whether Elected Members would sit on the Joint Committee and the relevant Officers responded accordingly.

Decided:

- (A) to approve the proposal to set up a single Ayrshire and Arran Tourism Team as set out in paragraphs 4.1 to 4.3 of the report;
- (B) to agree that South Ayrshire Council act as Lead Authority for the single Ayrshire and Arran Tourism Team;
- (C) to approve a total funding contribution from South Ayrshire Council of £206,000 per annum for five years, to be reviewed after three years, to the Ayrshire and Arran Tourism Team which contribution would be funded from existing resources, including £62,000 from the recurring Members' priority funding for tourism and renewables as approved in the 2012/13 budget;
- (D) to approve interim governance arrangements whereby the Ayrshire and Arran Tourism Team report via the Executive Director - Development and Environment to the three Chief Executives of each Council pending establishment of joint governance arrangements for current and future shared services; and
- (E) to note that reports on progress towards achieving the objectives set out in the Ayrshire and Arran Tourism Strategy would be considered by the Leadership Panel in summer 2013 and annually thereafter.

C

19. Ayrshire Shared Services – Roads and Transportation.

Reference was made to the Minutes of 25th October 2011 (Page 631, paragraph 6) and there was submitted a report (issued) of 1st February 2012 by the Executive Director – Development and Environment

- (1) seeking approval to develop a Detailed Business Case for an Ayrshire wide Roads and Transportation Service for consideration by the three Councils later in 2012; and
- (2) advising that the Detailed Business Case for an Ayrshire Roads Service would examine in greater detail the financial and other benefits, implementation costs, and risks including how they could be mitigated which would be undertaken by Legal, Finance and HR from each Council, working with the Shared Services Manager.

Decided: having recorded their appreciation of the work undertaken by the Head of Planning and Enterprise and his staff, to approve the proposal to develop a Detailed Business Case on Ayrshire wide Roads and Transportation Service.

20. Proposed Contract for the Design Team for the major development in South Carrick.

Reference was made to the Minutes of the Council of 16th December 2010 (Page 18, paragraph 4) and there was submitted a report (issued) of 27th January 2012 by the Executive Director – Children and Community

- (1) seeking approval for delegated authority to appoint a Design Team that provided the most Economically Advantageous Tender to the Council, when judged on a combination of price and quality, for the design of the multi-faceted facility in South Carrick;
- (2) advising that a short list of six design teams had been asked to provide more detailed submissions to go through a second stage selection process which would result in an appointment;
- (3) indicating that actions taken under delegated authority would be reported back at the first appropriate Panel of the new administration; and
- (4) that the cost of the Design Team was estimated to be £300,000 and that a total of £418,121 revenue funding was available in 2011/12, £218,121 from the Council Change Fund plus £200,000 from the recurring revenue funding agreed by Council on 16th December 2010 to progress the development of the project leaving a balance of £367,695 currently remaining of this budget and between this and the £200,000 recurring revenue in the budget for 2012/13 sufficient funding would be available to cover the cost of the Design Team.

Decided: to grant delegated authority under Section 16.2(ii) of Council's Standing Orders Relating to Contracts to the Executive Director - Children and Community to determine the selection and appointment of a design team for the South Carrick Major Development project approved by Council on the 16th December 2010.

21. Extension of Contracts – Children and Families Service.

There was submitted a report (issued) of 27th January 2012 by the Executive Director – Children and Community

- (1) advising
 - (a) that “Getting it right for every child” (GIRFEC) outlined a vision for Scotland’s children ensuring that children would receive the help they needed when they needed it and that to ensure that the Council was focused on outcomes for children, the Council needed to ensure that commissioned services were meeting children and young people’s needs and that arrangements were in place to monitor services which ensured they were delivering the agreed outcomes and meeting agreed targets;
 - (b) that South Ayrshire Council’s Children and Families Service currently contracted with a range of external organisations to ensure high quality and specialist services were provided to children, young people and their families specific to their particular needs and dependant on a variety of prevailing circumstances;
 - (c) that continuity of care was crucial for service users in such vulnerable situations and it was vital that decommissioning or transfer of responsibility for service provision was undertaken in a phased and managed way; and
 - (d) that Children and Families Service was committed to delivering the best possible services to the children, young people, and families of South Ayrshire and that as part of the services provided, both in-house and by external providers, were continually reviewed in line with changing needs and best practice and taking into account the views of the stakeholders and customers; and
- (2) outlining a number of contracts that were due to expire by 31st March 2012.

Decided: to approve

- (i) a two year extension up to 31st March 2014 to the Aberlour Ardfin Road Respite contract which was a collaborative contract with NHS Ayrshire and Arran with an annual cost of £199,117 to the Council which would equate to £398,234 over two years;
- (ii) a contract with Aberlour for two years until 31st March 2014 during which time the service would undergo an evaluation which would inform future procurement decisions and that the evaluation would specifically include a review of the provision of Home Support for up to five young people at an annual cost of £54,600; Out of School Care over five days including weekends at an annual value of £87,000; and Play Scheme provision for Easter and Summer holidays at an annual cost of £67,000;
- (iii) an extension of the Service Level Agreement with South Ayrshire Befriending Project for one year until 31st March 2013 to ensure continuity of care at an annual cost of £29,000 and that during this time, an evaluation to inform future procurement decisions would be undertaken;

- (iv) an extension for a period of one year until 31st March 2013 to the existing contract with Gladys Beaton as a specialist provider of services to vulnerable babies and parents at an annual cost of £12,500;
- (v) an extension of one year up to 31st March 2013 to the Service Level Agreement with Safeguarding Communities – Reducing Offending (SACRO), to deliver diversionary services to young people who offended at an annual cost of £37,000 which service had been previously funded by The Scottish Government and had evaluated very well delivering positive outcome for young people; and
- (vi) all associated budget virement where required to align the budgets with the contract values for each area as outlined in the report.

22. Exclusion of press and public.

The Panel resolved, in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, that the press and public be excluded from the meeting during consideration of the remaining items of business on the grounds that they involved the likely disclosure of exempt information in terms of paragraphs 8 and 9 of Part 1 of Schedule 7A of the Act.

23. Proposed Lease of the Rooftop of 79 – 156 Riverside Place, Ayr.

There was submitted a report (issued to Members only) of 27th January 2012 by the Executive Director – Development and Environment seeking approval to grant a lease of the rooftop of 79-156 Riverside Place, Ayr as identified on the attached plan.

Decided: to approve a lease of the rooftop of 79-156 Riverside Place, Ayr to Everything Everywhere Limited (the proposed tenant) for a period of twenty years subject to obtaining planning consent for the relocation from 1-78 Riverside Place, Ayr and on such other terms and conditions as might be agreed by the Executive Director - Development and Environment, when concluding the legal transaction.

24. Gas and Smoke Alarm Contract.

There was submitted a joint report (issued to Members only) of 27th January 2012 by the Executive Director – Children and Community and Executive Director – Development and Environment outlining the ongoing process in relation to renewal of the Council's gas and smoke alarm contract and seeking an extension of the existing contractual arrangements.

Decided: to approve an extension to the existing contractual arrangement, at no additional cost to the Council, in order to enable the contract award process to be completed as required.

25. Cash in Transit – Short Term Extension to Current Contract.

There was submitted a report (issued to Members only) of 6th February 2012 by the Executive Director – Corporate Services seeking approval of a short term extension to the current cash in transit contract with G4S Cash Services.

Decided: to authorise the Executive Director – Corporate Services to extend the Cash in Transit contract for a period of two months beyond the current end date of 31st March 2012.

The meeting ended at 11.30 a.m.