

LEADERSHIP PANEL.

Minutes of meeting in County Buildings, Wellington Square, Ayr,
on 4th September 2012 at 10.00 a.m.

Present: Councillors Bill McIntosh (Chair), Bill Grant, John McDowall, Rita Miller, Robin Reid, Philip Saxton and Margaret Toner.

Attending: H. Garland, Executive Director – Children and Community; E. Howat, Executive Director – Corporate Services; L. Bloomer, Executive Director – Development and Environment; V. Andrews, Head of Legal and Administration; M. Williamson, Head of Curriculum and Services Improvement; J. Dunne, Co-ordinator (Pupil Services); K. Leinster, Head of Head of Community Care and Housing; J. Cronin, Acting Head of Community Development; J. Inness, Co-ordinator (Libraries); J. McQuillan, Head of Property and Neighbourhood Services; R. Kingisep, Team Leader (Capital Planning and Business Support); M. Newall, Head of Planning and Enterprise; R. Howe, Fleet Manager; L. Jarvie, Sustainable Development Policy Officer; D. Alexander, Head of Corporate Resources; K. O'Hagan, Head of HR and Organisational Development; C. Bradshaw, Assistant Public Communications Officer; A. Gerrish, Committee Services Officer; and D. Knight, Democratic Services Administrator.

Also Present: Miss Phil Davey, Rev. David Gemmell, Mrs. Mairi Raeburn and Pastor Alastair Simmons (in attendance for items 1 to 3 only).

Chair's Remarks.

The Chair

- (1) welcomed Elected Members, Officers and the Educational Representatives to the meeting; and
- (2) informed the Panel that Item 4(1)(a) relating to the Housing with Care Development : Old Street, Girvan would be continued to a future meeting of this Panel, the Panel concurred.

Community Services - Lifelong Learning.

1. School Performance 2011/12.

There was submitted a report (issued) of 17th August 2012 by the Executive Director – Children and Community

- (1) outlining
 - (a) progress in this Council's schools in relation to the key areas of performance for the 2011/12 session; and
 - (b) this Council's continuing success in both primary and secondary schools, in particular:-
 - high attendance rates in this Council's schools;

- low exclusion rates in this Council's schools;
 - improved confidence levels of teachers assessing using the new curriculum, Curriculum for Excellence;
 - very good performance at Primary 1 and Primary 4 and good performance at Primary 7;
 - fourth year attainment which displayed a strong performance for all young people in compulsory education and a sound foundation for those going onto fifth year;
 - improved attainment for Looked After Children; and
 - sustained, high attainment at Higher and Advanced Higher; and
- (2) intimating that this Council's areas of improvements would focus on improving attainment in Language and Mathematics in primary schools, particularly in the upper stages from P5 to P7.

A question was raised by a Member of the Panel enquiring whether there was a pattern with regard to pupil absences and the Head of Curriculum and Services Improvement responded accordingly.

Decided:

- (i) to note the contents of this report; and
- (ii) to approve the key areas of achievement and improvement in 2012/13.

2. Shared Headships : Managing Small Schools.

There was submitted a report (issued) of 17th August 2012 by the Executive Director – Children and Community

- (1) seeking approval to establish 'shared headships' in small primary schools and nurseries where deemed appropriate for reasons of improved education and governance; and
- (2) advising that such schools would be termed 'partner schools' and outlining managerial arrangements for the shared headships.

Comments were made by the Educational Representatives outlining their support of the shared headships and questions were raised by a Member of the Panel in relation to non-teaching Head Teachers and the recruitment processes for appointing Head Teachers to small schools and the Head of Curriculum and Services Improvement responded accordingly.

Decided:

- (a) to approve the introduction of 'shared headships' for schools with less than 50 pupils when vacancies arose; and
- (b) to agree that a Head Teacher responsible for the leadership of two small schools within reasonable travelling distance, would be non class committed.

3. **School Transport Contracts.**

There was submitted a report (issued) of 16th August 2012 by the Executive Director – Children and Community

- (1) advising
 - (a) that mainstream school transport was organised by Strathclyde Partnership for Transport on behalf of South Ayrshire Council and provided by a number of operators using a mixture of buses, coaches, minibuses, taxis and cars; and
 - (b) that the current conditions of contract for schools did not require taxis and cars to meet the standards set out in the Council's Policy Guidelines and Code of Conduct Applicable to the Licensing, Operation and Testing of Taxis and Private Hire Cars in relation to the age of taxis and private hire cars and also the seating configuration of private hire cars; and
- (2) seeking approval to include additional constraints in the conditions of contract for providing mainstream school transport in South Ayrshire.

Questions were raised by Members of the Panel enquiring whether existing contracts would be phased out and whether future changes to standards would be reflected in future contracts, and whether a review could also be undertaken regarding the condition of the buses being used to transport children and the Head of Curriculum and Services Improvement responded accordingly.

Decided: to agree

- (i) that all taxis used in the provision of mainstream transport must be under the age of ten years from the date of original registration;
- (ii) that all private cars used in the provision of mainstream school transport contracts must be under the age of six years from the date of original registration;
- (iii) that all private cars used in the provision of mainstream school transport contracts must be configured with forward or rear facing seats so that passengers have access to the rearmost seats in the vehicle without having to move another seat or any part of it;
- (iv) that all future mainstream contracts tendered following approval of these recommendations must include the additional constraints specified; and
- (v) that the Executive Director – Children and Community be requested to liaise with Strathclyde Partnership for Transport regarding the condition of buses being used to provide mainstream transport in South Ayrshire.

Community Services – Housing and Customer First.

4. Housing Capital Programme 2012/13 – Monitoring Report at Period 3, 30th June 2012.

There was submitted a joint report (issued) of 24th August 2012 by the Executive Director – Development and Environment and Executive Director – Corporate Services

- (1) informing of the progress being made with the Housing Capital Programme for 2012/13 as at 30th June 2012 (Budget Monitoring Period 3);
- (2) advising that Appendix 2 of the report provided the progress made on projects to 30th June 2012;
- (3) intimating that as outlined in Table 2 of Appendix 2, there were adjustments that required budgets to be re-profiled from 2012/13 to 2013/14 (Table 2, ref 3 - 4) and in year programme adjustments (Table 2, ref. 2), with corresponding borrowing adjustments also being required and, therefore, requesting that the required adjustments be approved as outlined in Table 2 of Appendix 2 of the report; and
- (4) reporting that as detailed in Appendix 2 of the report, at the end of Period 3, actual expenditure stood at £2,533,540 representing expenditure of 13.6% of the total budget with the net impact of the proposed programme adjustments being outlined in section 4.2 of the report and that detailed in Table 2 of Appendix 2 of the report was a net reduction in programming expenditure of £0.442m with a corresponding reduction in borrowing.

Questions were raised by members of the Panel in relation to slippage within the Programme and whether the Scottish Housing Quality Standards would be met by 2015, whether it would be possible to avoid undertaking works to replace major components such as re-roofing during the winter period and the position with regard to the buy back of properties and the relevant Officers responded accordingly and the Head of Property and Neighbourhood Services advised that he would provide a note to Elected Members in relation to slippage within the Programme.

Decided:

- (a) to approve the required business plan adjustments as detailed in section 3.2 of the report and in Appendices 1 and 2 of the report;
- (b) to note the progress made on the delivery of the Housing Capital Programme to 30th June 2012; and
- (c) to approve the amendments as outlined in section 4.2 of the report and as detailed in table 2 of Appendix 2 of the report.

Community Services – Social Services.

5. South Ayrshire Carers' Strategy 2012-2017.

There was submitted a report (issued) of 22nd August 2012 by the Executive Director – Children and Community

- (1) seeking approval of the new draft South Ayrshire Carers' Strategy 2012-2017;
- (2) advising that the strategy mirrored the National Carers' Strategy for Scotland 2010-2015 and focused on the following key themes:-
 - identification of carers;
 - involvement of carers in the planning and design of services;
 - uptake and quality of assessments for carers;
 - health and well-being of carers;
 - time-out for carers;
 - training for carers;
 - housing and housing support for carers;
 - school based support (young carers);
 - use of assistive technology to assist carers in their role;
 - advocacy support;
 - employment and skills; and
 - poverty and financial inclusion;
- (3) indicating that progress against the Strategy and Action Plans would be monitored through the Community Health Partnership via the Children and Families and Adult and Older People's Officer Locality Groups; and
- (4) reporting that £81,000 from the South Ayrshire Change Fund had been allocated to support services for unpaid carers in 2011/2012 and that a further £81,000 in 2012/2013 would help to facilitate delivery of the strategy across the Local Authority, primarily by supporting the work of the South Ayrshire Carers' Centre.

A question was raised by a Member of the Panel in relation to the level of funding from the Change Fund and the Head of Community Care and Housing responded accordingly.

Decided: to approve the draft South Ayrshire Carers' Strategy 2012-2017, an Executive Summary of which had been attached to the report as Appendix 1.

6. Self-directed Support.

There was submitted a report (issued) of 22nd August 2012 by the Executive Director – Children and Community

(1) advising

- (a) that in October 2010, the Scottish Government launched a 10 year Self-directed Support Strategy and that on 1st March 2012, the Social Care (Self-Directed Support) (Scotland) Bill had been officially launched with a view to obtaining approval in statute by the end of 2013 and that to support local authorities in preparing and implementing Self-directed Support, the Scottish Government had made a commitment of £23m over three years;
- (b) that this Bill, if approved in statute, would place duties on Councils to offer four options in order to “give effect” to an individual’s choice, including:-
 - Direct Payment – a cash payment would be made to the client to arrange the services they required and to be in charge of how funds were spent;
 - Individual Service Fund – the client would decide what services should be provided and by whom, whilst the Council controlled the budget;
 - Council arranged services – the Council would commission the services it believed the client needed through traditional assessment; or
 - a mixture of these arrangements;
- (c) that a number of other new duties would be placed on the Council; and
- (d) that of the 2,236 customers in South Ayrshire receiving care and support, only 69 used the current Direct Payment scheme and that in the past twelve months, however, this reflected a growth of 71% from 49 individuals and was in part supported through a growing awareness of staff, service users and carers to the development of Self-directed Support;

(2) recommending

- (a) acceptance of Scottish Government funds over the three year period from 2012/13 to 2014/15 to support preparation and implementation of Self-directed Support in South Ayrshire and that a Self-directed Support policy would be presented to this Panel in due course which would include a full financial appraisal, including requirements to alter contracts, financial management systems and maintenance of buildings;

- (b) that the implementation of Self-directed Support would be introduced as part of a whole systems approach in response to the modernisation of social work services, shifting the balance of care and supporting individuals through transition points in their lives and that South Ayrshire Council's successful enablement approach to care at home offered short-term targeted services to meet individual needs and that building on this effective model of independence, SDS was viewed as a continuation of enablement services, for individuals requiring medium to long-term support and care; and
 - (c) that in order to ensure effective preparation and implementation in South Ayrshire, to establish an operational team over the period from 2012 to 2015 consisting of four staff including a Project Co-ordinator, a Project Officer and two Administrative Support workers and that the remit of this team would include support to staff, service providers, service users and carers during the process of transition from traditional service provision to a self directed model;
- (3) outlining the administrative arrangements for a strategic management group and a working group; and
- (4) reporting
- (a) that this Council had been notified that its allocation would be as follows:-
 - 2012/13 - £160,880;
 - 2013/14 - £286,880; and
 - 2014/15 - £160,880; and
 - (b) that the full financial implication of implementing the legislation outlined in the Social Care (Self-directed Support) (Scotland) Bill was as yet undefined, however, the potential implications and assessed risks have been raised with the Scottish Government through COSLA.

Questions were raised by Members of the Panel in relation to the recruitment of staff for the four posts and whether these were additional posts and / or temporary posts, consultation with staff and trade unions regarding the implementation of this legislation and the financial implications of implementing Self-directed Support and the Head of Community Care and Housing responded accordingly and advised that the four posts were additional temporary posts during the process of transition.

Decided: to agree

- (i) to accept Scottish Government funds to support the preparation and implementation of Self-directed Support; and
- (ii) to the appointment of four members of staff to support this process once the posts have been through the job evaluation process.

Development and the Environment - Sustainability and Environment.

7. Extension of Waste Electrical and Electronic Equipment Agreement.

There was submitted a report (issued) of 9th August 2012 by the Executive Director – Development and Environment

- (1) advising
 - (a) that the EC WEEE Directive 2002 required that all waste electrical and electronic equipment should be recycled, re-used or used in energy production rather than be sent for landfill disposal and that under the 'polluter pays' requirements, all costs associated with this new waste treatment regime were to be borne by the manufacturers or producers of the waste electrical and electronic equipment;
 - (b) that the Producer's Compliance Scheme (PCS) was therefore set up in 2007 which required local authorities to engage with registered PCS operators to ensure all WEEE collected at recycling centres or from kerbside collections, bulky uplifts, etc. was recycled or re-used rather than be sent to landfill;
 - (c) that the requirements of the PCS were that the PCS operators provided containers, skips and other suitable infrastructure at Council recycling centres and removed all collected WEEE for recycling or re-use free of charge to the Councils; and
 - (d) that the three Ayrshire Councils had entered into an Agreement with Valpak Ltd., a registered PCS operator to provide a recycling and re-use collection service for all three Councils free of charge with this Agreement commencing on 1st October 2007 for a period of five years with North Ayrshire Council taking the lead in securing this Agreement with Valpak Ltd. in 2007;
- (2) recommending that, as the Council's current WEEE Agreement with Valpak Ltd. expired on 30th September 2012 and in order to provide sufficient time for an OJEU procurement exercise to be conducted, approval be sought to extend the current WEEE Agreement with Valpak Ltd until 31st March 2013; and
- (3) reporting
 - (a) that this would allow for an OJEU procurement exercise to be conducted with a start date for the new WEEE Agreement to be 1st April 2013 for a term of three years initially with the option of two @ one-year extensions; and
 - (b) that this would not be a collaborative contract/agreement on this occasion as North Ayrshire Council have recently appointed a new WEEE service provider and East Ayrshire Council were still considering options for delivery of this service.

Decided: to approve

- (i) the extension of the Council's current WEEE Agreement with Valpak Ltd. from 1st October 2012 to 31st March 2013; and
- (ii) the procurement of a new WEEE Agreement with effect from 1st April 2013 for a period of three years plus the option of two @ one year extensions.

8. Finalised South Ayrshire Open Space Strategy.

Reference was made to the Minutes of 17th January 2012 (Page 31, paragraph 4), there was submitted a report (issued) of 28th August 2012 by the Executive Director – Development and Environment

- (1) providing an update on the preparation of an Open Space Strategy for South Ayrshire, including approval of a finalised strategy and associated documents for publication; and
- (2) seeking to confirm approval for inclusion of selected Open Space Strategy actions in the Central Scotland Green Network Concordat for South Ayrshire and to confirm support for the signing of this declaration.

A question was raised by a Member of the Panel in relation to the terms of the Concordat and the Sustainable Development Policy Officer responded accordingly.

Decided:

- (a) to agree that the finalised South Ayrshire open space strategy and associated Environmental Report be adopted; and
- (b) to approve the Open Space Strategy Actions to be included in Central Scotland Green Network Concordat for South Ayrshire and to confirm support for the signing of this document

9. Decriminalised Parking Enforcement Operational Plan.

There was submitted a report (issued) of 27th August 2012 by the Executive Director – Development and Environment

- (1) advising that Decriminalised Parking Enforcement (DPE) had become effective in South Ayrshire on 1st September 2012 and from then, the Council's Parking Attendants would have the authority to issue Penalty Charge Notices (PCN) to motorists who parked in contravention of the Council's approved parking regulations;
- (2) indicating that all PCNs issued would be processed by Imperial Civil Enforcement Solutions, the Council's appointed PCN service provider as approved by the Council at its meeting on 28th June 2012 (Page 375, paragraph 21);
- (3) intimating that motorists would be able to challenge the Council on the issuing of a PCN or appeal to the Scottish Parking Appeals Service; and

- (4) seeking approval for the implementation of procedures for the issuing and processing of parking tickets known as Penalty Charge Notices.

A question was raised by a Member of the Panel enquiring whether Strathclyde Police would still have the authority to issue parking tickets and the Head of Planning and Enterprise responded accordingly.

Decided: to agree

- (a) the parking contravention observation periods as specified in Appendix A of the report;
- (b) the cancellation policy as specified in Appendix B of the report; and
- (c) the issuing of approved letters, notices and charge certificates by Imperial Civil Enforcement Solutions on behalf of the Council.

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

10. Contract with Innovative Interfaces for Libraries Management System.

There was submitted a report (issued) of 15th August 2012 by the Executive Director – Development and Environment

- (1) seeking approval to appoint Innovative Interfaces as single provider of South Ayrshire Library Management System (LMS) in terms of Section 20.1 of the Standing Orders relating to Contracts which would allow the service to:-
- continue to invest in appropriate IT up-grades and developments, on the secure base provided by Innovative Interfaces and to ensure that both the school and public library services provided sector-leading service delivery and were able to monitor and compare performance in a robust way;
 - continue to roll-out the LMS to the four secondary schools that had yet to be completed Carrick Academy, Prestwick Academy, Girvan Academy and Kyle Academy;
 - continue to adapt and customise the Innovative Interfaces basic product to reflect the unique requirements of South Ayrshire Council;
 - continue to offer the Netloan, E books, E magazines and App services that were now woven into the Innovative Interfaces system;
 - build on the extensive staff training that has already been delivered in regard to the software opportunities that the Innovative Interfaces system delivers
 - ensure that all applicable upgrades to both hardware and software were to the standard demanded of a modern library service;

- be reviewed for best value purposes and the recommended three year proposal plus one, plus one further year, would enable this review to take place; and
- (2) reporting
- (a) that South Ayrshire Council would continue to pay an annual maintenance cost to Innovative Interfaces with the cost to this Council for the proposed contract with “Innovative Interfaces” being £28,000 for 2012/13; £28,000 for 2013/14 and £28,000 for 2014/15; and
 - (b) that a single payment of £19,200 would be paid for the system up-grade to the Sierra platform with all costs being met from within existing budgets.

Questions were raised by Members of the Panel enquiring whether Innovative Interfaces would receive the single payment for the system upgrade to the Sierra platform and who would host the new service and the relevant Officers responded accordingly.

Decided:

- (i) to grant approval in terms of Section 20.1 of the Standing Orders relating to Contracts to negotiate with a single provider;
- (ii) to approve the proposal to enter into a further three year contract with “Innovative Interfaces” with the option of two, one year extensions; and
- (iii) to agree to continue to provide an integrated Library Management System that would address the future requirements of both the public and school library services.

Corporate and Community Planning - Resources and Performance.

11. Housing and Council Tax Benefit – Performance Monitoring – Position at 30th June 2012.

There was submitted a report (issued) of 24th August 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 enquiring about the implications for the service of the seven members of staff who had recently left and the Director – Corporate Services responded accordingly.

Decided:

- (1) to approve the contents of the report; and
- (2) to request the Executive Director - Corporate Services to provide a further quarterly report on service delivery to a future meeting of this Panel.

12. Budget Management – Revenue Budgetary Control 2012/13 – Position Statement at 30th June 2012.

There was submitted a report (issued) of 24th August 2012 by the Executive Director – Corporate Services

- (1) presenting an overview of the General Services Revenue Account, Housing Revenue Account and Common Goods Accounts for 2012/13 as at 30th June 2012;
- (2) advising that the unaudited General Services surplus at 31st March 2012 was £18.026m, the unaudited Housing Revenue Account surplus was £15.714m and the combined Common Good revenue surplus for all Common Good Funds was £0.934m;
- (3) outlining the current position with regard to:-
 - overview of services position at 30th June 2012;
 - targeted reductions;
 - Council Tax Income;
 - Repairs and Renewal Fund; and
 - Accumulated Balance at 30th June 2012;
 - Contingency Balance 2012/13;
 - General Reserve Balances;
 - Housing Revenue Account Balance; and
 - Common Good Funds; and
- (4) reporting that all Directorates had committed to bringing their budget in on-line as minimum by 31st March 2013 and that an accumulated surplus of £8.868m was currently anticipated at 31st March 2013 for General Services, £1.857m accumulated surplus for the Housing Revenue Account and a combined £0.566m accumulated surplus for the Common Good Funds.

Questions were raised by Members of the Panel in relation to the new reporting format, the operation of the statutory trading account for Property Maintenance and Construction, the virement figures including appropriate authorisation for virement and financial implications of the home loss and disturbance payments at McConnell Square, Girvan and the Executive Director – Corporate Services responded accordingly and advised that she would provide a note to Elected Members detailing information in relation to home loss and disturbance payments at McConnell Square, Girvan.

Decided:

- (a) to note the change in reporting format for 2012/13 as outlined in section 3.1 of the report;
- (b) to approve the virement as outlined in the Directorate financial performance reports as outlined in Appendix 1 and summarised in section 4.1(2) of the report;
- (c) to approve the requested earmarking for carry forward of resources to 2013/14 as outlined in section 4.1(3) of the report;

- (d) to note that management action being taken by Directors to ensure a break-even position at 31st March 2013 as outlined in section 4.1(4) of the report;
- (e) to note the Council tax collection rates as outlined in section 4.3 of the report; and
- (f) otherwise. to note the contents of the report.

13. General Services Capital Programme 2012/13: Monitoring Report as at Period 3: 30th June 2012.

There was submitted a report (issued) of 24th August 2012 by the Executive Director – Corporate Services

- (1) outlining
 - (a) the General Services Capital Programme for 2012/13 as at 30th June 2012 and detailing that at the end of Period 3, actual expenditure stood at £1,189m and represented expenditure of 6.9% of the total budget with the net impact of the proposed programme adjustments outlined in section 4.2 and detailed in Table 2 of Appendix 2 of the report being a net reduction in under programming of £0.115m; and
 - (b) the progress being made on projects to 30th June 2012 as highlighted in Appendix 1 of the report; and
- (2) reporting
 - (a) that Appendix 2 to the report provided the progress made on projects to 30th June 2012, each table providing the following information:-
 - **Table 1:** detailing the latest position in terms of current expenditure, full year income and expenditure budget and projected out-turn;
 - **Table 2:** highlighting financial impacts on projects which required approval by members;
 - **Table 3:** providing commentary on projects where target milestones have not been met but where there were no financial implications at the reporting period; and
 - **Table 4:** summarising the three year income and expenditure impact if approval was granted for the changes set out in Table 2 and highlighted in 4.2 of the report; and
 - (b) that as outlined in Table 2 of Appendix 2 of the report, income expectations in relation to capital receipts from asset sales required to be revised downwards in 2012/13 by £0.115m (Table 2, ref. 1) and that there were a number of adjustments that required budgets to be re-profiled from 2012/13 to 2013/14 (Table 2, ref 2 - 3) and in year programme adjustments (Table 2, ref. 4 – 5), with corresponding borrowing adjustments also required; and

- (3) requesting that the Panel approve the required adjustments as outlined in Table 2 of Appendix 2 of the report.

Questions were raised by Members of the Panel in relation to the new reporting format, slippage particularly regarding the implications for the new Ayr Academy and Doonfoot Primary School Classroom extension and whether staff within these schools were being kept informed and the implications of prudential borrowing and the Head of Property and Neighbourhood Services responded accordingly.

Decided:

- (i) to note the progress made on the delivery of the General Services Capital Programme on projects to 31st January 2012, as highlighted in Appendix 1 of the report; and
- (ii) to approve the adjustments as outlined in Section 4 and table 2 of Appendix 2 of the report.

14. Treasury Management Quarter 1 Report 2012/13.

There was submitted a report (issued) of 24th August 2012 by the Executive Director – Corporate Services

- (1) presenting an update of the economic background from 1st April to 30th June 2012;
- (2) outlining the following within the Treasury Management Investment Strategy:-
- (a) policy on investment including:-
- UK Government and Related Entities such as local authorities; and
 - UK Semi-Nationalised Institutions;
- (b) list of investments held as at 30th June 2012;
- (c) credit ratings;
- (d) investment performance;
- (e) borrowing;
- (f) borrowing in advance of need;
- (g) prudential indicators; and
- (h) Icelandic Bank update; and
- (3) detailing the resource implications for General Services and Housing Revenue Account.

Questions were raised by Members of the Panel in relation to the low rates of interest and the impact on investments and the Executive Director – Corporate Services responded accordingly and advised that she would provide a note to Elected Members detailing the impact to the Council of the low rates of interest currently being received.

Decided: to approve the contents of the Treasury Management Quarter 1 Report for 2012/13.

15. Scottish Futures Trust – South West Territory Hub.

Reference was made to the Minutes of 15th March 2012 (Page 190, paragraph 11), there was submitted a joint report (issued) of 24th August 2012 by the Executive Director - Development and Environment and Executive Director – Corporate Services

- (1) seeking approval to participate in the South West Territory hubco;
- (2) detailing the benefits to this Council of using Hub as follows:-
 - procurement;
 - community benefits; and
 - quality; and
- (3) outlining the Hubco governance arrangements and a number of identified projects.

Questions were raised by Members of the Panel in relation to the role and relationship of the Territory Partnering Board and the Hubco Board, the potential loss of local control regarding projects' design and concerns about the degree of influence on projects and the involvement of Elected Members in approval of projects and the Head of Corporate Resources responded accordingly

Decided:

- (a) to agree that this Council become a shareholder in hubco with a shareholding up to a maximum of £30 as detailed in section 4.1 (3) of the report;
- (b) to grant delegated authority to the Head of Legal and Administration to conclude and sign the Territory Partnering Agreement, Shareholders Agreement and Participants Agreement on behalf of the Council as detailed in section 4.3 (1) of the report; and
- (c) to approve the appointment of the Executive Director – Development and Environment as South Ayrshire Council's representative (Participant Representative) on the Territory Partnering Board, in terms of the Territory Partnering Agreement, with delegated authority to make decisions which required to be taken by the Territory Partnering Board as detailed in section 4.4(3) of the report and to vote on the Council's behalf in respect of the Public Sector Director election process and take all actions and decisions on behalf of the Council as a B shareholder in hubco.

16. National Fraud Initiative.

There was submitted a report (issued) of 21st August 2012 by the Executive Director – Corporate Services

- (1) advising
 - (a) that Audit Scotland ran a data matching exercise every two years in line with the Audit Commission in England which allowed participating bodies to identify possible cases of fraud, and to detect and to correct any consequential under or overpayments and that auditors also used the exercise to assess bodies' arrangements for preventing, deterring and detecting fraud;
 - (b) that the 2010/11 National Fraud Initiative exercise had been the most successful since its launch in 1996 and had helped public bodies across the UK identify fraud, overpayments and error totalling £275 million;
 - (c) that the mandatory dataset requirements were outlined in the Appendix of the report and that Councils were required to take a decision in conjunction with external auditors in relation to the risk-based data set; and
 - (d) that this Council had agreed to participate in the personal injury insurance claims data set which data required to be provided no later than 8th October 2012, and that the results of the data matching would be available from 29th January 2013;
- (2) indicating that nominated staff within Council Directorates would then be required to investigate the matches identified in the exercise and that the Council, therefore, intended to agree a work plan focusing on high priority matches for 2012/13 and that this approach would enable existing resources to be applied as required in progressing the NFI review and attempting to meet increasing and ongoing public demand within these service areas; and
- (3) reporting that a recent review by Audit Scotland graded the Council's arrangements for the 2010/11 exercise as adequate largely as a result of the decision to limit participation to high priority matches and delays in reviewing matches within some sections of the Council.

Decided:

- (i) to note the contents of this report;
- (ii) to approve the agreement of a work plan which focused on high priority matches; and
- (iii) to request that the Head of Corporate Resources provide members with an update on the data sets being matched and progress with the exercise.

17. Living Wage.

Reference to the Minutes of 6th October 2011 (Page 612, paragraph 17(1)), there was submitted a report (issued) of 24th August 2012 by the Head of HR and Organisational Development

(1) advising

- (a) that CoSLA had now undertaken research across all 32 Councils to ascertain progress regarding the introduction of the Living Wage and the preferred method of implementation and that the majority of Councils that had introduced the living wage, had done so through a wage supplement;
- (b) that the Council had also obtained legal advice to help inform the negotiations and clarify and consider the implications of the available options as they related to South Ayrshire; and
- (c) that from the information now available, it would appear that the most robust and equitable method of introducing the living wage would be through the payment of a wage supplement, since this would:-
 - (i) protect the integrity of the pay model;
 - (ii) offer a justifiable defence against equal pay challenges;
 - (iii) help address the Council's gender pay gap; and
 - (iv) ensure the enhanced payment to be paid only to employees who were currently paid below the £7.20 living wage threshold (whereas any change to the pay and grading structure benefits employees already paid above the £7.20 living wage rate);

(2) proposing

- (a) that through more robust and targeted management, efficiencies would be secured from:-
 - (i) Travel and Subsistence Costs
 - (ii) Overtime Frequency and Costs with further savings being available relating to:-
 - deployment of staff, in terms of job remit and flexibility;
 - contractual working arrangements, in terms of working patterns;
 - organisational design, for example, more staff employed to work at plain time, therefore, reducing the requirement for overtime working with this option having the additional benefit of creating new employment opportunities at reduced costs; and

- more effective absence management, reducing the requirement for overtime working to cover the absence; and
- (b) that service budgets for the above be altered to release the financial resources to implement the living wage supplement and that, thereafter, services take appropriate management actions to achieve the efficiency targets; and
- (3) reporting that the cost of the pay supplement was estimated to be £198,000 per annum (including on costs), although the final cost would depend on the number of staff employed on each of the first 11 spinal points.

Decided: having recorded their appreciation of the work by the Head of HR and Organisational Development and her staff

- (A) to agree that the Living Wage be introduced with effect from 1st October 2012, through the introduction of a pay supplement which would be:-
- paid on additional hours worked up to 37 per week, but not on overtime hours which were already receiving enhanced rates above the Living Wage £7.20 threshold;
 - not taken into account in the calculation of any allowances based on a proportion of the hourly rate, such as shift and night working, for which the level of enhanced reward had already been established;
 - identified as a separate item on payslips; and
 - subject to superannuation, tax and NI contributions;
- (B) to agree that service budgets be altered to release the financial resources to implement the living wage supplement and that, thereafter, services take appropriate management actions to achieve the efficiency targets;
- (C) to request that the Head of HR and Organisational Development put in place regular monitoring of the requirement for the supplement to ensure it remained an appropriate element of pay;
- (D) to reserve the right to review, amend or end the supplement, if appropriate; and
- (E) to request the Head of HR and Organisational Development to explore ways of developing procedures to ensure that Elected Members and Officers attending meetings outwith their place of work, made the necessary arrangements to car share in order to reduce the costs of mileage.

18. Approvals Under Delegated Authority during Period of Recess.

There was submitted a report (issued) of 24th August 2012 by the Executive Director – Corporate Services outlining a number of matters that had determined under Delegated Authority during the summer recess.

Decided: to note the matters determined under delegated authority during recess.

19. 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 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.

20. Procurement of Grounds Maintenance Equipment.

There was submitted a report (issued to Members only) of 21st August 2012 by the Executive Director - Development and Environment seeking approval to procure Grounds Maintenance equipment that was not the lowest priced option.

Decided: to authorise the Executive Director – Development and Environment in terms of Section 16.2 (ii) of the Standing Orders relating to Contracts to accept tenders for:-

- two 48” zero turn ride on mowers from Hamilton Brothers; and
- six 4 wheel drive rotary mowers from Nairn Brown.

21. Commercial Premises at 15 High Street, Ayr.

There was submitted a report (issued to Members only) of 15th August 2012 by the Executive Director - Development and Environment seeking approval to amend the terms of the lease of the sitting tenant at 15 High Street, Ayr (a property belonging to Ayr Common Good) which would bring the passing rent for this property into line with the levels being charged in surrounding commercial premises.

Decided: to approve a variation of the terms of the lease as outlined in the report.

22. Contract Renewals and Extensions.

There was submitted a report (issued to Members only) of 22nd August 2012 by the Executive Director – Children and Community seeking approval to award and/or extend contracts controlled within the Children and Community Directorate.

Questions were raised by a Member of the Panel in relation to the timing of the renewal of contracts and the role of Scotland Excel in procurement issues and the Head of Community Care and Housing responded accordingly.

Decided:

- (1) to approve the appointment of Addaction Scotland as provider of an alcohol and drug recovery support service commencing 1st January 2013 until 31st March 2015 with the option to extend for two further periods of one year thereafter subject to satisfactory performance and continued allocation of alcohol and drug misuse funding;
- (2) to approve the appointment of Ayrshire Chamber of Commerce and Industry as provider of a work experience and employer engagement service until 30th September 2015, with the option to extend for two further periods of one year thereafter;
- (3) to approve the extension of the contract to supply and deliver various household goods with First Furnishings Ltd. on a month to month basis pending the outcome of a retendering process; and
- (4) to note the details contained within Appendix 1 of the report, a list of the current contracts with independent sector providers that fell into the category of Continuity of Care to comply with the Standing Orders relating to Contracts.

The meeting ended at 11.30 p.m.