

**LEADERSHIP PANEL.**

Minutes of meeting in County Buildings, Wellington Square, Ayr,  
on 9th February 2010 at 10.00 a.m.

Present: Councillors Bill McIntosh (Chair), Douglas Campbell, Peter Convery, Hywel Davies, Nan McFarlane, Robin Reid and Margaret Toner.

Attending: D. Anderson, Chief Executive; J.G. Peterkin, Depute Chief Executive and Executive Director – Development and Environment; E. Howat, Executive Director – Corporate Services; H. Garland, Executive Director – Children and Community; C. Monaghan, Head of Policy, Performance and Communication; D. Alexander, Head of Corporate Resources; A. Wilson, Head of HR and Organisational Development; B. McNroy, Head of Service and School Management; M. Williamson, Head of Curriculum and Service Improvement; R. MacDonald, Head of Community Development; K. Leinster; Head of Community Care and Housing; J. McQuillan, Head of Property and Neighbourhood Services; M. Newall, Head of Planning and Enterprise; I. Woodburn, Head of Customer and Community Services; C. Cox, Planning Manager; R. Howe, Fleet Manager; V. Andrews, Head of Legal and Administration; W. Gray, Property and Asset Manager; W. Phillips, Revenue and Benefits Manager; D. McNeill, Chief Treasury and Cash Officer; A. Greenwood, Asset Co-ordinator; J. Cronin, Policy and Strategy Manager; L. Fyfe, Community Safety Manager; M. Burns, Principal Officer Community Learning and Development; C. Boyd, Corporate Safety Manager; D. Robertson, Public Communications Manager; C. Bradshaw, Assistant Public Communications Officer; D Knight, Committee Services Officer; and A. Gerrish, Committee Administrative Officer.

Also Present: Phil Davey, Rev. David Gemmell, Mairi Raeburn and Pastor Alastair Simmons (in attendance for items 1 to 4 only).

**Welcome to Meeting.**

The Chair

- (1) welcomed Councillor Reid to his first meeting of the Leadership Panel;
- (2) welcomed the Educational representatives to the meeting; and
- (3) advised that an urgent item of business had arisen in relation to the Council Policy on Leases of Council Land and Property (copies of which had been issued) and that this matter would be taken after item 3 (2) (i) on the agenda.

**Community Services - Lifelong Learning.****1. Children and Community Summary Annual Report 2008/09.**

There was submitted a report (issued) of 21st January 2010 by the Executive Director – Children and Community

- (1) advising of the draft of the first summary Annual Report for Children and Community relating to the financial year 2008/09 which incorporated the Educational Standards and the Quality Report and the Annual Chief Social Work Officer's Report into one cohesive document; and

- (2) seeking approval for the publication of this document on the Council's website and via other electronic media in such a way as to make it accessible to stakeholders including staff, partners, other local authorities and service users.

Questions were raised by Members of the Panel in relation to whether the numbers of homelessness had increased due to the economic downturn and would assistance be given to parents to support young children with disabilities and the relevant Officers responded accordingly.

**Decided:** having recorded their appreciation of the work undertaken to produce this report by the Head of Curriculum and Service Improvement and her team, to approve the publication of the summary annual report for Children and Community attached as Appendix 1 of the report.

**2. A Curriculum for Excellence Additional In-service Day.**

There was submitted a report (issued) of 20th January 2010 by the Executive Director – Children and Community

- (1) seeking approval for the implementation of an additional school closure day, recommended by the Scottish Government to support a clearer understanding of the requirements for assessment and the new quality assurance and modernisation process which was outlined in the newly released, “Building the Curriculum 5: Framework for Assessment”; and
- (2) advising that there were six non-pupil contact days: in-service days in the school calendar and that day would be in addition to these days and informing that to minimise disruption to pupils and parents, 1st June 2010 had been identified as this followed on from a local holiday weekend.

**Decided:** to approve the additional closure day of 1st June 2010 by extending the local holiday for one extra day for pupils, in order that all school staff could use the day to progress Curriculum for Excellence as outlined in Appendix 1 of the report.

## C-I

**3. Results of the Informal Consultation on the Proposal for an All-through Education Campus at Queen Margaret Academy, Ayr.**

Reference was made to the Minutes of 16th June 2009 (Page 332, paragraph 4) and there was submitted a report (issued) of 15th January 2010 by the Executive Director – Children and Community

- (1) informing of the outcome of the informal consultation exercise;
- (2) outlining a strategic long term option for the creation of an all-through denominational campus at Queen Margaret Academy, Ayr; and
- (3) seeking approval to explore the options for St. Ann's Primary School, Mossblown.

**Decided:** having recorded their appreciation of the work undertaken by the Head of Service and School Management and his team

- (a) to note the outcome of the informal consultation process on the proposal to create an all-through 5-18 denominational school at Queen Margaret Academy, Ayr;
- (b) to approve the proposal that the creation of an all-through 5-18 denominational school at Queen Margaret Academy, Ayr should be a strategic long term aspiration and be included in the Asset Management Plan for review in years 10-15;
- (c) to agree that St. Cuthbert's and St. Ninian's Primary Schools should be removed from the all-through campus proposal; and
- (d) to request the Executive Director - Children and Community to explore options for St. Ann's Primary School, Mossblown.

#### 4. **Review of Secondary Education in the Troon Area.**

Reference was made to the Minutes of 16th June 2009 (Page 332, paragraph 4) and there was submitted a report (issued) of 14th January 2010 by the Executive Director – Children and Community informing of the outcome of an options appraisal study on Marr College in Troon.

**Decided:** having recorded their appreciation of the work undertaken by the Head of Service and School Management and his team

- (1) to note the outcome of the options appraisal exercise on Marr College in Troon;
- (2) to request the Executive Director - Children and Community to carry out consultation with the Troon community on the preferred option identified for the location of a new Marr College school building; and
- (3) to request that the Executive Director - Children and Community present a detailed feasibility study on the site identified to a future meeting of this Panel.

## C-I

#### 5. **Community Letting Pricing Policy.**

There was submitted a report (issued) of 13th January 2010 by the Executive Director – Children and Community advising of the outcome of the review of letting categories and charges for community use of schools and village halls.

Questions were raised by Members of the Panel in relation to the full economic rate of lets and subsidies towards lets and the relevant Officers responded accordingly.

**Decided:** to agree

- (1) the categories within the letting policy;
- (2) that the same categories applied to Schools and Village Halls;
- (3) that the new pricing policy as outlined in Appendix 3 of the report be effective from 1st April 2010;

- (4) that from the financial year 2010/11, inflationary increases would be applied; and
- (5) that Officers provide the Panel with further details in respect of the full economic rate in relation to the actual costs of lets.

**Community Services – Housing and Customer First.**

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**6. South Ayrshire Council's Scheme of Assistance.**

There was submitted a report (issued) of 11th January 2010 by the Executive Director – Children and Community

- (1) seeking approval for the Council's proposed Scheme of Assistance;
- (2) advising
  - (a) that owner-occupiers and private tenants currently accounted for over 80% of the total housing stock in South Ayrshire;
  - (b) that the aim of the Housing (Scotland) Act 2006 was to tackle the significant levels of disrepair in the private sector identified by the Housing Improvement Task Force in their final report, 'Stewardship and Responsibility: A Policy Framework for Private Housing in Scotland';
  - (c) that Section 72 of the Act required all local authorities to produce a publicly available Statement of Assistance that set out how, and in what circumstances, Councils would assist private homeowners to repair and improve their properties;
  - (d) that the Scheme of Assistance was designed to replace the old system of improvement grants by offering a mix of information, advice and practical assistance to all homeowners who required it, and in particular, would assist with funding to provide equipment to people with disabilities; and
  - (e) that the Private Sector Housing Grant (PSHG) was currently ring-fenced funding and that from 1st April 2010, PSHG funding would be allocated from the General Capital Grant but the PSHG element would continue to be separately identified until 2013/14;
- (3) indicating that funding for the PSHG was included within the overall funding in the Local Government Finance Settlement 2010/11 and informing that the funding was not ring fenced and would be considered by Members as part of the 2010/11 budget process;
- (4) intimating that the Scottish Government also intended to indicate what proportion of this funding should be capital funding and what proportion should be revenue funding and indicating that the Scottish Government were currently consulting with COSLA on a proposed split of 60% capital funding and 40% revenue funding; and

- (5) reporting that all activities detailed in the Scheme of Assistance would be carried out within the identified PSHG allocation.

**Decided:**

- (i) to approve the Council's Scheme of Assistance as detailed in Appendix 1 of the report; and
- (ii) to note that the Council's Scheme of Assistance would meet the Council's obligations under Section 72 of the Housing (Scotland) Act 2006.

**7. Managing Unauthorised Encampments by Gypsies/Travellers in South Ayrshire.**

There was submitted a report (issued) of 15th January 2010 by the Executive Director – Children and Community seeking approval to undertake an assessment of potential sites in both Council and private ownership for a short stay Gypsy/Traveller Transit Site.

A question was raised by a Member of the Panel in relation to the funding for the short stay transit sites and the relevant Officer responded accordingly.

**Decided:**

- (1) to approve the assessment of potential locations for a Gypsy/Traveller Transit Site;
- (2) that discussions should take place with neighbouring authorities to consider a strategic approach to managing unauthorised encampments in Ayrshire;
- (3) to accept the Scottish Government's funding support of £81,375 in 2009/10 towards the scoping and delivery of a transit site by 2011/12; and
- (4) that consideration be given through the General Services Capital Programme prioritisation process to a bid of £40,000 to protect key sites from illegal encampments.

**8. Proposed Construction of New Council Houses at Thorneyflat, Ayr.**

There was submitted a joint report (issued) of 28th January 2010 by the Depute Chief Executive and Executive Director – Development and Environment and the Executive Director – Children and Community seeking approval

- (1) for the construction of up to forty-two new Council Houses at Thorneyflat, Ayr following the awarding of a subsidy by the Scottish Government; and
- (2) for the management of procurement and delivery of the new units in partnership with a local Housing Association.

Questions were raised by Members of the Panel in relation to the provision of adaptations in the new homes, the opportunities for tenants to down size their accommodation and the reduction in income from the sale of Council Houses and the relevant Officers responded accordingly.

**Decided:**

- (a) to proceed with the construction of up to forty-two new council houses at Thorneyflat, Ayr; and
- (b) to enter into a negotiated partnership arrangement with Ayrshire Housing to deliver the new homes for the people of South Ayrshire in accordance with the provisions of Section 16.2 of the Standing Orders Relating to Contracts.

**9. Housing Capital Investment Programme 2009/10: Monitoring Report at Period 9 – 31st December 2009.**

There was submitted a joint report (issued) of 24th January 2010 by the Depute Chief Executive and Executive Director – Development and Environment and the Executive Director – Corporate Services

- (1) informing of the progress being made with the Housing Capital Investment Programme for 2009/10 at 31st December 2009 (Budget Monitoring Period 9);
- (2) advising that South Ayrshire Council's Housing Capital Investment Programme for 2009/10 had been approved at a special meeting of the Council on 4th February 2009 with the total funding being £9,195,000 and that the Council at its meeting on 9th July 2009 had agreed that £948,155 be bought forward from 2008/09 to fund the completion of projects;
- (3) intimating that a number of adjustments were being proposed to the current programme as highlighted in the report; and
- (4) reporting that as outlined in Appendix 1 of the report, at the end of Period 9, £4,494,348 had been spent and that based on a budget of £9,572,304, this represented expenditure in percentage terms of 47.6%, with actual income standing at £4,494,348.

Questions were raised by Members of the Panel in relation to the results of surveys that had been undertaken with tenants seeking their views about the quality of repairs that had been carried out in their homes and the relevant Officers responded accordingly.

**Decided:**

- (a) to note the progress made on projects to 31st December 2009 as highlighted in Appendix 1 of the report;
- (b) to approve the proposed adjustments as detailed in section 4 of the report; and
- (c) to request the Property and Asset Manager to submit a report to a future meeting providing an analysis of the surveys that had been undertaken with tenants by the end of the current financial year and thereafter at six monthly intervals.

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

**10. North Ayrshire Council's Main Issues Report.**

There was submitted a report (issued) of 27th January 2010 by the Depute Chief Executive and Executive Director – Development and Environment

- (1) advising
  - (a) of the consultation on North Ayrshire's Main Issues Report (MIR) which had been developed under the Planning etc. (Scotland) Act 2006 and Circular 1/09 – Development Planning to consult the community on the key policy issues and options for the Local Development Plan;
  - (b) advising that the Monitoring Statement that accompanied the MIR should highlight the main areas of change, since the development of the previous Local Plan and that the MIR report contained potential options to facilitate the change to secure a sustainable future, highlighting North Ayrshire Council's preferred options and reasons for these choices;
  - (c) that North Ayrshire Council were required under legislation to consult South Ayrshire Council, as an adjoining authority, throughout the Local Development Plan consultation process, as there might be spatial implications for South Ayrshire; and
  - (d) that several of the main issues raised by North Ayrshire Council would have implications for, or were shared by all Ayrshire Councils and that these might be addressed most appropriately by a co-ordinated response as a number of pan-Ayrshire issues the Ayrshire Joint Planning Unit were likely to develop or co-ordinate strategic work, such as for wind farm development and waste management; and
- (2) indicating in general terms that the preferred options contained in North Ayrshire Council's MIR presented good planning solutions based on national guidance and highlighting a number of concerns that existed regarding the potential for retail and commercial development to be permitted on former large industrial sites outwith town centres.

**Decided:** to approve the Council's considerations of North Ayrshire Council's Main Issues Report (MIR), as set out in paragraph 4 and Appendix A of the report, as the basis for the Council's response to North Ayrshire Council.

11. **Proposed joint working agreement with Historic Scotland in relation to statutory casework and consultation.**

There was submitted a report (issued) of 20th January 2010 by the Depute Chief Executive and Executive Director – Development and Environment

- (1) advising
  - (a) that at a Debate on Historic Scotland and Local Authorities on 23rd April 2008, the Minister for Europe, External Affairs and Culture had announced a programme of reforms concerning how Historic Scotland worked with Scotland's local authorities including a commitment to develop a Joint Working Agreement between local authorities and Historic Scotland;
  - (b) that a draft Agreement had been prepared initially by Historic Scotland in discussion with Heads of Planning and other representatives from various local authorities; and
  - (c) that the Joint Working Agreement was to formalise working practices in the management of the historic environment and that Scottish Ministers expected planning authorities to work in partnership with Historic Scotland to deliver their objectives for the historic environment as part of their commitment to supporting the modernisation of the planning system;
- (2) detailing the aim of the Joint Working Agreement which was to formalise working practices in the management of the historic environment;
- (3) indicating that the Joint Working Agreement also introduced the possibility of removing the requirement to notify Scottish Ministers for certain types of listed building consent, providing that the local authority signed up to the Agreement, and had appropriate policies, processes and conservation expertise in place;
- (4) reporting that it was Historic Scotland's intention to withdraw from minor matters while becoming focussed on early involvement in more complex cases; and
- (5) seeking authorisation for Officers to engage with Historic Scotland, with a view to entering a formal Joint Working Agreement on the effective and efficient management of the historic environment.

Questions were raised by Members of the Panel in relation to the resource implications and the terms of the agreement and the relevant Officer responded accordingly.

**Decided:** to authorise Officers to enter a formal Joint Working Agreement with Historic Scotland in relation to statutory casework and consultation as set out in the report.

## 12. **Planning Note : Advertisements and Shop Front Signs.**

There was submitted a report (issued) of 1st February 2010 by the Depute Chief Executive and Executive Director – Development and Environment

- (1) advising that as part of a review of existing Supplementary Planning Policy, it was apparent that the Supplementary Policy Guidance relating to advertisements and signage no longer met current needs and that some recent appeal decisions had also indicated that there was a need for review and replacement; and
- (2) seeking approval of a consultation draft Supplementary Policy Guidance (SPG) on advertisements and shop front signs which would replace existing non-statutory Supplementary Planning Policy Notes:-
  - (a) Number 13 - “Advertisement Signs, General” (1982);
  - (b) Number 17 - “Advertisement Sign, Wellington Square, Ayr (1986); and
  - (c) Number 20 - “Design Guidelines for shop fronts and signage in Ayr Central Conservation Area” (1988).

Questions were raised by Members of the Panel in relation to whether signage would improve the Town Centre and the timescales for municipal signage for the three relevant roundabouts in South Ayrshire and the relevant Officers responded accordingly.

### **Decided:**

- (i) to approve the “Design Guideline for Advertisement and Commercial Signage” as a draft document for further consultation;
- (ii) to agree to the principle of municipal sponsorship as set out in section 4.2 ii of the report; and
- (iii) to agree to the proposed procedures for the control of unauthorised advertising as described in section 4.2 iii of the report.

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## 13. Introduction of a Council Corporate Occupational Road Risk Policy.

There was submitted a report (issued) of 1st February 2010 by the Depute Chief Executive and Executive Director – Development and Environment

- (1) advising
  - (a) that South Ayrshire Council operated approximately four hundred vehicles throughout the Council ranging from buses through to Transit type vans and large refuse collection vehicles;
  - (b) that the Council also had access to a large number of employee-owned vehicles that were operated on a casual basis on behalf of the Council;
  - (c) that although there were a number of Risk Assessments and other forms of driver instruction and advice, such as the drivers' booklet, there was no current Council Corporate Occupational Road Risk Policy or Service Level Agreement (SLA);
  - (d) that to ensure that both Managers and employees were clear on what was expected from them concerning transport matters and also to give support in carrying out their duties and responsibilities, it was essential that there was a policy that was available to help them make the right decisions;
  - (e) that to protect the Council and its employees from the effects of legislation such as Corporate Manslaughter or Homicide, it was essential that the Council had both an up to date Corporate Occupational Road Risk Policy and SLA; and
  - (f) that it was essential that Fleet Management and Vehicle Operators knew and accepted what the requirements of each service and individuals were in order that the Council complied with regulations and protected its Operators' Licence;
- (2) seeking approval for the implementation of the Council's Corporate Occupational Road Risk Policy and Service Level Agreements with an implementation date of 1st April 2010; and
- (3) indicating that regular progress meetings would be held between Fleet Management and Fleet Service Users to monitor the effectiveness of this policy.

A question was raised by a Member of the Panel in relation to how this policy would apply to Elected Members and the relevant Officer responded accordingly.

**Decided:**

- (i) to agree to the introduction and implementation of the Corporate Occupational Road Risk Policy and Service Level Agreements with an implementation date of 1st April 2010; and
- (ii) to request that the Depute Chief Executive and Executive Director – Development and Environment submit a follow up report to this Panel within one year of implementation of the policy.

**Corporate and Community Planning – Corporate and Strategic Planning.****14. Improvement Agenda : Third Progress Report.**

Reference was made to the Minutes of South Ayrshire Council of 9th July 2009 (Page 396, paragraph 5) and there was submitted a report (issued) of February 2010 by the Head of Policy, Performance and Communication

- (1) advising that the second progress report had been submitted to the Leadership Panel on 24th November 2009 and as well as agreeing the status of the projects at that point, a traffic light system for reporting progress had been agreed as follows:-

**Green:** good progress being made and in line with delivery timescale set out in the Improvement Agenda with no significant issues or risks emerging;

**Amber:** some element of delivery as set out in the Improvement Agenda proving difficult or a new issue or risk having emerged which might impede delivery or which should otherwise be highlighted; and

**Red:** delivery against a timescale in the Improvement Agenda was unlikely to be met and/or a significant new issue or risk having emerged which required to be addressed;

- (2) indicating that the first progress report had included a recommendation that reports should be automatically remitted for consideration to the Corporate and Community Planning Standing Scrutiny Panel and that the Scrutiny Panel had agreed at their subsequent meeting that as well as considering the progress reports, they wished to give detailed consideration to individual improvement strands and had considered improvement strand 11, communication and engagement and Strand 3, Leadership with a programme being in place for the remaining strand of performance management;
- (3) outlining a summary statement and the traffic light status for each improvement strand as at the end of January with more detailed information on each strand being attached at Annex A;
- (4) highlighting that overall, good progress had been made across all improvement strands, and that the finance strand had been revised to green in recognition of the South Ayrshire position reflecting the common status of public sector finances and that two improvement strands had been graded as amber:-

- the Leadership strand because of the inevitable requirement for a settling in period following a change in key political posts; and
  - core ICT systems as further work was required to firm up the timeline for this strand; and
- (5) intimating that in addition to progressing the individual improvement strands, detailed consideration was now being given to preparing for the follow-through Best Value visit in Spring 2010 and that a draft submission would be considered by the Council on 2nd March 2010.

**Decided:**

- (a) to note the current status of each improvement strand and the detailed information provided;
- (b) to note that two improvement strands had been graded as 'amber'; and
- (c) to remit this report to the Corporate and Community Planning Standing Scrutiny Panel for its further consideration.

**15. Consultation on Local Authority Public Information Notices.**

There was submitted a report (issued) of 2nd February 2010 by the Head of Policy, Performance and Communication

- (1) advising
  - (a) of an ongoing consultation on a Statutory Instrument relating to Public Information Notices and inviting agreement on South Ayrshire Council's proposed response;
  - (b) that Public Information Notices (PIN) were announcements that local authorities were legally required to publish and that there were two types of PIN:-
    - statutory notices giving required notice of an intended action, such as road closures, construction, licensing and planning/property developments; and
    - public notices informing people of changes to services, such as refuse collection.
  - (c) that as part of the evolving shared services agenda, a portal had been developed which would allow public notices across Scotland to be published in a single online location for the first time and that visitors to the portal could click on a virtual map of Scotland to see listings of public notices in any area, the aim of which would be to improve the accessibility of statutory notices and open up the possibility of local authorities saving money on advertising public notices;
  - (d) that the development of the PINs portal followed the successful roll-out of myjobscotland, the national shared recruitment portal for Scotland; and

- (e) that changes to a range of legislation would be required to enable electronic publication as an acceptable alternative to the duty to publish public information notices in newspapers and subordinate legislation had been drafted and that the Scottish Government had launched on 17th December 2009, an eight-week consultation on the proposed legislative changes to allow electronic publication of public notices by local authorities with the Parliamentary process taking place from January to May 2010;
- (2) indicating that the draft Statutory Instrument would mean that Councils would no longer be required to use only printed media for publishing PINs and that it would open up the possibility for local authorities to use mixed mediums for communicating PINs; and
- (3) reporting that this Council planned to respond to the consultation advising the Scottish Government that it had no substantive concerns about the draft Statutory Instrument, noting the risk of digital exclusion to those who did not currently use the internet to access information and signalling that it therefore planned careful implementation to ensure that accessibility to statutory notices was increased as a consequence of the introduction of the portal.

Questions were raised by Members of the Panel in relation to publishing Public Information Notices in newspapers and better use of advertising the Council's business, advice, information etc. and the relevant Officers responded accordingly.

**Decided:** to note the consultation exercise and to approve the proposed consultation response for submission to the Scottish Government.

### **Corporate and Community Planning – Resources and Performance.**

#### **16. Council Tax Collection Statistics – Cash at 31st December 2009.**

There was submitted a report (issued) of 26th January 2010 by the Head of Corporate Resources advising

- (1) of the collection levels which had been achieved in respect of Council Tax to 31st December 2009 and the action which had been taken to achieve Best Value in the collection thereof;
- (2) that the collection rate had been 75.37 per cent against the target collection of 75.37 per cent which meant that the collections were on target, as detailed in Appendix 1 of the report; and
- (3) that in order to address increased customer demand due to the economic recession, Corporate Services staff were working controlled periods of overtime to ensure accurate benefit awards together with the prompt rebilling and recovery of Council Tax and that, in the event of non-payment, Council Tax arrears were now being passed earlier to Stirling Park Sheriff Officers to maximise recovery and minimise the impact of the economic downturn upon collections.

A question was raised by a Member of the Panel in relation to the new collection methods for Council Tax payments and the relevant Officer responded accordingly.

**Decided:**

- (a) to approve the contents of the report; and
- (b) to request the Head of Corporate Resources to provide updated figures to the next meeting of this Panel.

**17. Housing and Council Tax Benefit – Performance Monitoring – Position at 31st December 2009.**

There was submitted a report (issued) of 26th January 2010 by the Head of Corporate Resources

- (1) advising of the service improvements being undertaken to help achieve the full range of national housing and Council Tax benefit performance standards;
- (2) detailing the position as at 31st December 2009 which highlighted the benefits service performance in key target areas;
- (3) informing
  - (a) that due to the economic recession, the Council's benefits service had experienced a 15 per cent increase in new benefit claims between April and November 2009 compared with the corresponding period for 2008;
  - (b) that the benefit caseload had increased by 7 per cent, with Housing and Council Tax benefit expenditure increasing simultaneously by 11 per cent;
  - (c) that despite ongoing recovery of housing benefit overpayments, unfortunately, due to a fault within the core benefits system, it was not possible to report actual collection levels and that this had been reported to Northgate Information Solutions, the software supplier of the Council's benefits system, who were actively seeking to resolve the problem;
  - (d) that workloads remained particularly challenging, and that the additional benefit administration subsidy awarded by the Department for Work and Pensions had been utilised by benefits staff to work controlled periods of overtime in order to sustain performance and it was envisaged that further overtime working would be necessary to prevent a deterioration in processing timescales between January and March 2010;
  - (e) that the closure of the benefits offices until 10.00 a.m. each morning, in addition to the full day Wednesday closure, was assisting processing levels, which, in turn, was also enabling staff to provide a focused and responsive service to benefit claimants; and

- (f) that the Revenues and Benefits staff were currently heavily involved in the implementation of the Council's contact centre and service centre pilot initiative at Girvan and that due to reduced levels of administration subsidy for 2010/11, it was crucial that operational efficiencies were achieved through the customer services strategy, and staff from elsewhere within the Council were also utilised to cope with unprecedented customer demand during the continuing economic recession; and
- (4) reporting that it was proposed to contain the cost of service improvements within existing budget provision.

A question was raised by a Member of the Panel seeking further information in relation to the fault within the core benefits system and the relevant Officer responded accordingly.

**Decided:**

- (i) to approve the contents of this report; and
- (ii) to request the Head of Corporate Services to provide a further quarterly report on service delivery to a future meeting of this Panel.

**18. Common Good Funds - Revenue and Capital Budgetary Control – Position Statement to 31st December 2009.**

There was submitted a report (issued) of 22nd January 2010 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 2009

- (1) detailing
  - (a) the revenue position at 31st December 2009, taking into account the Leadership Panel's decisions, as detailed in section 3 of the report, against the approved full year budget and projected balances; and
  - (b) the accumulated revenue position at 31st December 2009 and the projected accumulated revenue surpluses at 31st March 2010;
- (2) advising that the accumulated capital reserves balance on the Ayr Common Good Fund at 31st December 2009 was £2,550,317 with the projected accumulated capital position at 31st March 2010, taking into account the capital issues highlighted in Appendix 3 of the report, anticipated to be £2,560,317, an increase of £10,000 since 1st April 2009; and
- (3) intimating that the accumulated capital reserves balance on the Prestwick Common Good Fund at 31st December 2009 was £50,000 and that this position was likely to remain unchanged at 31st March 2010.

Questions were raised by Members of the Panel in relation to the timescale for the proposed review of the Common Good Fund being submitted to this Panel and the Depute Chief Executive and Executive Director – Development and Environment advised that he would inform Elected Members of the proposed timescale as soon as possible.

**Decided:** to approve the contents of the report.

**19. Housing Revenue Account - Revenue Budgetary Control 2009/10 – Position Statement at 31st December 2009.**

There was submitted a joint report (issued) of 1st February 2010 by the Executive Director – Children and Community and the Executive Director – Corporate Services on the performance of the Housing Revenue Account's expenditure against its profiled budget for the period to 31st December 2009 and reporting

- (1) that in 2008/09 the HRA had achieved a surplus for the year of £0.829m which had been added to the surplus brought forward of £19.691m to give an accumulated surplus at 31st March 2009 of £20.520m;
- (2) that part of this surplus (£12.416m) was committed and that the balance of £8.104m would be considered as part of the 2011/12 Business Plan Review and that it was likely that it would be needed for future capital investment to avoid the need for long term borrowing;
- (3) that part of the committed surplus (£3.228m) related to funding for the 2009/10 Housing Capital Programme and that this would not be fully required in the current financial year due to slippage as at period 9 the amount required within 2009/10 had reduced to £1.728m; and
- (4) that the HRA was £0.751m underspent for the period to 31st December 2009 and that the projected surplus for the year to 31st March 2010 was £0.649m.

**Decided:** to approve the contents of the report.

**20. Budget Management - Revenue Budgetary Control 2009/10 – Position Statement at 31st December 2009.**

There was submitted a report (issued) of 27th January 2010 by the Executive Director – Corporate Services

- (1) presenting an overview of the General Services Revenue Account for 2009/10 as at 31st December 2009;
- (2) advising
  - (a) that the final audited accumulated surplus to 31st March 2009 was £7.453m;
  - (b) that of the accumulated surplus of £7.453m, £1.064m would require to be set aside to assist with the financing of the Council's Schools PPP project and £1.195m had been allocated to be spent on specific Council projects during 2009/10 with a further £0.895m being earmarked to be used in delivering the Council's affordable housing strategy in future years, leaving an uncommitted balance of £4.299m at 31st March 2009; and
  - (c) that South Ayrshire Council at its meeting on 7th October 2009 had approved the use of £0.750m from the additional VAT monies received to fund severance costs resulting from the latest phase of organisational change, in addition to the £1.000m set aside for this purpose in the 2009/10 Revenue Budget;

- (3) intimating that the Revenue Budget for 2009/10 had been approved by the Council at its meeting on 11th February 2009 and that the approved budget had been based on the former management structures, with further work required by Directorates and Finance to restate the budgets to reflect the new management arrangements;
- (4) reporting that the budget reorganisation exercise was ongoing and that the Period 9 budgetary control reports reflected the majority of the reconfiguration, with the remainder expected to be resolved in the forthcoming months;
- (5) that the Council's total planned expenditure had increased by £0.071m since the Budget Management Report to 31st October 2009 was considered by the Leadership Panel on 12th January 2010 which increase reflected notification from the Scottish Government of additional Aggregate External Finance receivable for 2009/10 as follows:-

District Courts' transfer	£0.023m	increase in Corporate Services (Legal Services) budget to reflect the delay in transfer of responsibilities to the Scottish Courts Service;
Non-domestic rates deferral Scheme	£0.011m	increase in Corporate Services (Revenues and Benefits) budget to reflect the cost of changes required to the non-domestic rates systems; and
Adult support and protection	£0.037m	increase in contingency fund (redresses previous shortfall between planned expenditure of £0.344m and anticipated government grant of £0.307m).

**£0.071m**

- (6) detailing revenue monitoring reports for each Directorate for the period to 31st December 2009 as provided in Appendix 1 of the report; and
- (7) indicating that a number of service and budget issues were being raised in these reports and that Executive Directors have committed to management action to ensure that there was a break-even position at 31st March 2010 as follows:-
- **Chief Executive's Strategic Office** – showed a current overspend of £0.003m which was mainly due to minor overspends in administrative costs, offset by minor savings in employee costs compared to approved budgets, with a break-even position currently being projected at 31st March 2010;
  - **Children and Community** – showed a current underspend of £1.587m which was mainly due to savings in employee costs, school running costs, and out-with authority placements and care packages for children and that these underspends would be offset by increased expenditure on homecare and residential care packages with a year-end underspend of £1.483m currently being projected;

- **Corporate Services** – showed a current underspend of £0.069m which was mainly due to minor underspends in employee costs, supplies, administrative and transport costs and increased legal income with a year-end underspend of £0.168m currently being projected, including income of £0.150m within Revenues and Benefits which was requested as carry-forward to 2010/11 to help deal with the impact on the service of the economic downturn and that approval of the carry-forward would result in a revised projected under-spend of £0.018m;
- **Development and Environment** –
  - \* showed a current underspend of £0.009m which was mainly due to current underspend in employee costs and an over-recovery of Property and Design Trading income off-set by an overspend on Roads winter maintenance and Property and Design Trading agency staff costs with a year-end overspend of £0.460m currently being projected which was primarily due to a projected overspend of £0.521m arising from the recent severe weather conditions and the need for associated emergency remedial works and the Directorate was requesting a contingency draw for this amount which would result in a revised projected underspend of £0.061m; and
  - \* virement as detailed in Appendix 2 of the report had been requested; and
- **Miscellaneous** – showed an underspend of £0.282m which was mainly due to utilities costs which were currently under review, with a year-end underspend of £0.250m currently being projected due to anticipated savings on debt management costs.

A question was raised by a Member of the Panel in relation to additional administration grant receivable from the Department of Work and Pensions to aid Housing and Council Tax benefit delivery as a result of the economic downturn and the relevant Officer responded accordingly and advised that he would forward this information to Elected Members.

**Decided:**

- (i) to approve the transfer of £0.521m from the Council's Contingency Fund to meet the costs incurred by the Development and Environment Directorate as a result of the recent severe weather as outlined in Appendix 1d of the report;
- (ii) to approve the carry-forward to 2010/11 of £0.150m additional income received during 2009/10 by the Revenues and Benefits service to help deal with the impact on the service of the economic downturn;
- (iii) to approve the management action being taken by Executive Directors to ensure a break-even budget at 31st March 2010 as outlined in Appendix 1 of the report;
- (iv) to approve the requests for virement as outlined in the Directorate budgetary control reports at Appendix 1 and as summarised in Appendix 2 of the report; and
- (v) otherwise, to note the contents of the report.

**21. General Services Capital Programme 2009/10: Monitoring Report at Period 9 – 31st December 2009.**

There was submitted a joint report (issued) of 23rd January 2010 by the Depute Chief Executive and Executive Director – Development and Environment and Executive Director – Corporate Services

- (1) outlining the General Services Capital Programme for 2009/10 at 31st December 2009 and detailing that at the end of Period 9, actual expenditure and income stood at £7,551,723 (39.6% of total budget), against a full year approved budget of £19,0932,207;
- (2) indicating that a number of adjustments were required to the Programme as follows:-
  - proposals to slip funding into 2010/11;
  - projects where reductions in budgets were required; and
  - 2009/10 projects where an increased budget was required;
- (3) reporting that Appendix 2 of the report summarised these adjustments and would result in an overall reduction in expenditure of £10,023; and
- (4) recommending that this amount be used to reduce the current over-programming figure from £540,002 to £529,979.

**Decided:**

- (a) to note the progress made on projects to 31st December 2009 as outlined in Appendix 1 of the report;
- (b) to approve the proposed adjustments to the programme as outlined in Section 4 of the report; and
- (c) to agree that in terms of paragraph 16(3) of the Council's Standing Orders relating to Contracts, a contract be negotiated with the existing contractor, William Skinner and Sons, to carry out additional works in relation to the Gaiety Theatre, including dealing with fire prevention issues and lighting, etc. in accordance with the previous Council decision on the use of the Town Centre Regeneration Fund allocation providing that Best Value could be demonstrated.

**22. Audit Scotland Charges – 2009/10 Audits.**

There was submitted a report (issued) of 28th January 2010 by the Executive Director – Corporate Services

- (1) advising that there were two components to the total charges that Audit Scotland levied as follows:-

- (a) the 'agreed fee' whereby Audit Scotland had set an 'indicative fee range' in respect of each body which represented a 10 per cent flexibility (up or down) against an 'indicative fee' which had been constructed based on estimates of time likely to be required for each major component of the audit with the 'indicative fee range' for this Council being £187,920 to £225,680; and
  - (b) the central charge for this Council in 2009/10 was £106,100 (£105,400 in 2008/09) which comprised a number of elements including an appropriate share of the following:-
    - auditors' travel and subsistence expenses;
    - adjustment to audit fees for undertaking best value audit; and
    - central costs of Audit Scotland;
- (2) reporting that Audit Scotland had provided a fee proposal as detailed in Appendix 1 of the report which incorporated an additional charge of £12,000 in respect of the 'significant issues' reported in the final report (an amount of £20,500 had been included in the 2008/09 fee) and £4,000 for additional work in respect of International Finance Reporting Standards (IFRS); and
- (3) reporting
- (a) that the proposed total charges for the 2009/10 audit were £330,900 (£330,900 in 2008/09) which compared to the budgeted figure of £339,173, which would be accommodated within the Miscellaneous Services budget;
  - (b) that additional charges would be levied in respect of ESF/ ERDF final grant claims and that these charges could be recovered as part of the grant claim; and
  - (c) that a total fee of £334,136 had been assumed for 2010/11 and required to be provided for in the 2010/11 Revenue Budget exercise which was based on an increase of 4 per cent due to IFRS.

**Decided:** to approve the total charges for the 2009/10 Audit in the sum of £330,900 (£330,900 in 2008/09) which would be accommodated within the Miscellaneous Services budget.

### **23. Insurance Fund Review.**

Reference was made to the Minutes of 24th June 2008 (Page 437, paragraph 34) when it had been agreed, *inter alia*, following a formal review of the Insurance Fund

- (1) to approve the purpose, scope and terms of reference for the Insurance Fund and to note the current required resource of £0.425m to meet potential costs of uninsured losses in 2008/9; and
- (2) to review the Insurance Fund annually in order to ensure that the fund maintained the appropriate level of resources required to meet future anticipated uninsured insurance losses,

and there was submitted a report (issued) of 1st February 2010 by the Head of Corporate Resources advising

- (a) that following analysis, it was being proposed that a minimum of £0.425m was required to be retained by the Council to meet the anticipated costs associated with uninsured losses; and
- (b) that in determining a suitable level to be held in respect of potential future claims costs, the following issues have been analysed:-
  - claims history / experience;
  - claims incurred and reported but not settled;
  - claims incurred but unreported;
  - known 'uninsured' issues and excluded perils; and
  - claims incurred / unreported (but pre-dating SAC Cover).

**Decided:**

- (i) to approve the current required resource of £0.425m to meet potential costs of uninsured losses in 2010/11 and to note the analysis undertaken to determine this level; and
- (ii) to agree that the Insurance Fund continued to be reviewed annually in line with Local Authority Guidance and in order to ensure that the fund maintained the appropriate level of resources required to meet future anticipated uninsured losses.

**24. Treasury Management Quarter 3 Report 2009/10.**

There was submitted a report (issued) of 1st February 2010 by the Head of Corporate Resources

- (1) advising that the Chartered Institute of Public Finance and Accountancy (CIPFA) had issued a revised Code of Practice for Treasury Management in November 2009, following consultation with Local Authorities during the summer of 2009 and that the revised Code required that members should be provided with regular monitoring reports on Treasury Management activities, and that the Council was undertaking this on a quarterly basis to ensure the Council was embracing Best Practice in accordance with CIPFA's revised Code of Practice;
- (2) highlighting
  - (a) an update of the economic background from 1st October to 31st December 2009; and
  - (b) a forecast for interest rates Sector Treasury Services;

- (3) outlining the following within the Treasury Management Strategy
  - (a) investments; and
  - (b) borrowing and prudential indicators; and
- (4) outlining the resource implications for General Services and Housing Revenue Account.

A question was raised by a Member of the Panel in relation to the current position regarding the Icelandic Banks and the relevant Officer responded accordingly.

**Decided:** to approve the contents of the Treasury Management Quarter 3 Report for 2009/10.

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### 25. **Council Policy on Leases of Council Land and Property.**

There was submitted a report (issued) of 3rd February 2010 by the Depute Chief Executive and Executive Director – Development and Environment

- (1) seeking approval of revised arrangements for Community Groups, including Voluntary Organisations, to make use of Council Land and Property, including approval of a new Council Policy on the lease of property to Community Groups and Voluntary Organisations outlined in Appendix 1 of the report;
- (2) advising that the report dealt specifically with leases of land and buildings, which would normally have a duration of several years and that a separate report would deal with let of rooms and premises, normally on an hourly or daily basis;
- (3) indicating
  - (a) that there had been a lack of consistency with regard to charges for the use of non-operational property by Community Groups, including rental charges, repair costs, running costs, etc.;
  - (b) that this issue had been highlighted where the review of rent in accordance with the lease for a number of properties where such reviews had not been undertaken for a considerable period of time resulted in significant rental increases and that many organisations faced with the prospect of increased costs had requested discounts based on their community involvement; and
  - (c) that this Panel had requested that a Policy be created to ensure fairness and transparency;
- (4) highlighting
  - (a) that the adoption of a new policy would provide a clearly auditable system of rents to be charged and would allow this Council to demonstrate clearly, the level of contribution in kind which it made to the Voluntary/Community projects ongoing in the area;

- (b) that the implementation of the Policy would create a situation whereby existing leases with concessionary rentals would run in parallel with the new scheme and that these existing leases would be reviewed in accordance with the new policy at the time of renewal;
  - (c) that for existing leases with rent review clauses included, it was recommended that discretion to apply the Policy terms be granted to the Executive Director - Development and Environment, to consider each rent review on a case by case basis, with a view to agreeing a settlement with each leaseholder;
  - (d) that any rental increase attributable to the Policy where the financial burden would be likely to have a significant impact on a group's viability, might be implemented on a phased basis over an initial 5 year period, with 20% of the proposed increase being applied for each of the first 5 years and where responsibility for running costs was being transferred from the Council, this might also be implemented over an initial 5 year period with the Council's contribution decreasing by 20% for each of the first 5 years;
  - (e) that there was further inconsistency in meeting other costs associated with Council buildings leased to Community Groups, with some on a full repair and insuring basis and others where the Council continued to meet these costs, including utility costs; and
  - (f) that in order to resolve these inconsistencies, it was proposed that all leases to Community Groups, Voluntary organisations, Sports clubs, etc., be on the basis that the groups were responsible for all running costs of the building for the duration of the lease, including repairs, insurance, utility costs, rental costs, etc. and, where required, they would be expected to produce a detailed Business Plan outlining how they proposed to fund these costs; and
- (5) reporting on the staffing and financial implications and that with regard to the resource implications for legal, the grant of any lease at a rental less than market value would require approval by Scottish Ministers and recommending that Officials seek the Scottish Government's approval to the principle of the discounts proposed to avoid individual request for consent for each future application.

Questions were raised by Members of the Panel in relation to the maintenance and repairs of leased properties by Community Groups and whether the Council provided advice to them and sub-letting charges and the relevant Officers responded accordingly.

**Decided:** to approve this revised Policy and to agree that it be implemented with immediate effect for new leases and upon renewal for existing leases on the basis set out within the report.

## **25. 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 remaining items of business on the agenda, on the grounds that they involved the likely disclosure of exempt information in terms of paragraphs 1 and 9 of Part 1 of Schedule 7A of the Act.

**26. Offers to purchase land at Ladyland Road, Maybole.**

There was submitted a report (issued to members only) of 23rd January 2010 by the Depute Chief Executive and Executive Director – Development and Environment seeking approval for the sale of land at Ladyland Road, Maybole.

**Decided:** to approve the sale of 0.445 hectare (1.1 acre) at Ladyland Road, Maybole as detailed in the report and plan to Keyhole Design Limited for £386,000, whom failing to the second highest bidder in each case on terms and conditions acceptable to the Executive Director - Development and Environment, which failing to remarket the subjects.

**27. Review of Community Safety Services.**

There was submitted a report (issued to members only) of 18th January 2010 by the Depute Chief Executive and Executive Director – Development and Environment detailing the outcome of a review that had been undertaken on the Community Safety Service and recommending structural and operational changes to the service.

Questions were raised by Members of the Panel in relation to the review of the Neighbourhood Disputes Service and human and financial resources and the relevant Officers responded accordingly.

**Decided:**

- (1) to agree the recommendations to re-organise the Community Safety (Problem Solving/Community Support Officer) Service and to reduce by two posts, which would result in annual savings of £53,857; and
- (2) to note that further work in relation to the interaction of the Anti-Social Behaviour/Neighbour Disputes Service with Housing and Community Development Teams would be considered and scoped out as a further review, if considered appropriate by Elected Members.

The meeting ended at 12 noon.