

SOUTH AYRSHIRE COUNCIL.

Minutes of meeting in County Buildings, Wellington Square, Ayr,
on 16th December 2010 at 10.00 a.m.

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

Apology: Councillor Ian Fitzsimmons.

Attending: D. Anderson, Chief Executive; 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; C. Monaghan, Head of Policy, Performance and Communication; R. MacDonald, Head of Community Development; Brian McInroy, Head of Service and School Management; K. Leinster, Head of Community Care and Housing; D. Alexander, Head of Corporate Resources; L. Jarvie, Sustainable Development Policy Officer; J. McQuillan, Head of Property and Neighbourhood Services; M. Newall, Head of Planning and Enterprise; I. Woodburn, Head of Customer and Community Services; C. Neillie, Solicitor; C. Bradshaw, Assistant Public Communications Officer; and D. Knight, Committee Services Officer.

1. **Provost.**

The Provost

- (1) welcomed to the meeting
 - (a) Elected Members;
 - (b) members of the public; and
 - (c) John Thomson, Divisional Commander, Strathclyde Police who would shortly be giving a presentation to the Council;
- (2) wished Councillor Fitzsimmons a speedy recovery following his recent accident;
- (3) advised that two urgent additional items of business had arisen in relation to a nomination to the Council of European Municipalities and Regions Policy Committee and the Galloway Hydro Scheme – River Doon and that these matters would be taken after consideration of item 16 on the agenda; and
- (4) requested that the Council agree in terms of Council Standing Order No. 10, to vary the order of business and to deal with Agenda Item No. 6, the report on a Major Re-development of South Carrick, following the presentation by the Divisional Commander and the Council so concurred.

2. **Sederunt.**

The Chief Executive called the Sederunt for the meeting.

3. **Presentation.**

John Thomson, Divisional Commander gave a presentation to the Council on policing within Strathclyde Police and in particular highlighted statistical information relating to crime figures.

A full discussion then took place and a number of questions were raised and answers given in relation to the worst recurring crime problem for the Police in South Ayrshire, the reduction of Police Officers in rural areas, whether the school campus officers would remain in post, procedures for the arrest of asylum seekers, the closure of Prestwick Police Station, drug misuse in Ayr Town Centre and related crime, emergency calls being dealt with at Pitt Street in Glasgow, joint working with the Community Safety and Anti-Social Behaviour Teams, the attendance of Police Officers at meetings of Community Councils and whether early intervention would help to reduce alcohol and drug misuse.

The Chief Executive advised that he would forward Councillor Little's comments regarding the attendance of Police Officers at meetings of Community Councils to the Divisional Commander.

The Provost, on behalf of the Council, thanked the Divisional Commander for his interesting and informative presentation and congratulated him on the successful Policing arrangements within South Ayrshire.

4. **A Major Re-development of South Carrick.**

Reference was made to the Minutes of 26th January 2010 Special (Page 66, paragraph 5) and 7th October 2010 (Page 531, paragraph 15) and there was submitted a report (issued) of 2nd December 2010 by the Executive Officers' Group

- (1) advising that the outcome of consultation with the community, engagement with partners and thorough research had identified that there were four key aspects to any successful project in Girvan and South Carrick: -
 - it should contribute to the overall economic development of the surrounding area;
 - it should attract visitors to the area and encourage them to "stop and stay";
 - it should provide a focus for the people of the town and bring the community together; and
 - it should exploit its natural assets and prime location;
- (2) outlining proposals for a major re-development in relation to tourism, leisure and the overall economy of South Carrick;
- (3) intimating
 - (a) that the one key development which would have a 'catalytic effect' in leading an economic regeneration process was the development of a multi-faceted facility built at the Harbourside in Girvan with the core elements of this proposal being:-

- Swimming Pool, Café and Fitness Suite;
 - Balcony Viewing Area;
 - Multi-Purpose Gathering Space;
 - Outdoor Learning and Activity Centre incorporating a Climbing Wall; and
 - Quality Restaurant;
- (b) that the preferred location of such a development at the harbourside would be off to the side of the site of the original pool and pavilion which would mean that the resident and visitor would get a clear, uninterrupted view of Ailsa Craig;
- (c) that economic development, however, could not be reliant on one aspect alone and it was further proposed that in tandem with the development of the multi-faceted facility a number of other improvement initiatives be progressed to achieve sustainable growth and a rebirth of the area as a tourist, leisure, and retail hub and as a place for families to stay and prosper including the upgrading of existing sports and leisure facilities; the further development of facilities for marine activities; the progression of a Community Sports Hub model in partnership with Sportscotland; the painting and upgrading of the shop fronts; and the creation of an out of town lorry park
- (d) that during a visit to the Scottish Government Architecture and Place Division in Edinburgh, Officers had been updated on a recent Scottish Government initiative known as the Scottish Sustainable Communities Initiative, part of that was an innovative and interactive approach to public engagement in order to develop community-informed master plans and a number of these have already taken place in Lochgelly in Fife, Ladyfield in Dumfries and Grandhome on the edge of Aberdeen and proposing that if a development was approved by Members, this model of engagement would be adopted in partnership with the Girvan Strategy Group and other key stakeholders in the wider community; and
- (e) that the existing Senior Officers' Group would remain in place to oversee the implementation of the proposed development to ensure a corporate approach to this significant initiative and that they would work together and have the remit to ensure the Council met its obligations and timescales as described in this report;
- (4) highlighting the anticipated timescales should the recommendations be approved;
- (5) indicating that the following table outlined the projected estimated costs of the multi-faceted facility and included both indicative capital costs and ongoing revenue costs for each element:-

Element of multi-faceted facility	Indicative Capital Cost	Indicative Net Revenue Cost
6 lane 25m Pool	£5.58m	£260,000
Gathering Space	£1.62m	£76,000
Outdoor Learning Facility	£0.28m	£80,000
Restaurant Unit	£0.50m	N/A
Total cost of multifaceted facility	£7.98m	£416,000

- (6) proposing
- (a) that the Council should commit to a 50% contribution to the capital development costs of the multi-faceted facility which would equate to £4m and that the requirement for this be built into the Capital Programme for 2012/13 onwards and that Officers, in conjunction with the Council's External Funding Officer, would work with the community, public and private partners and various funding agencies to secure the balance of the total capital costs of the development and any relevant contribution to revenue costs;
 - (b) that due to the nature of the proposed development, bids could be linked to community regeneration, renewable energy, or tourism related funding sources and that a marketing brochure be developed to publicise the venture and help attract investment;
 - (c) that it was estimated that the total net revenue funding for the fully operational facility would be in the region of £416,000 and that Officers would seek to secure a contribution to this from funding partners and that the Council would also commit to funding a 50% share of these revenue costs and that the requirement for a recurring revenue stream of £200,000 should be included as part of the 2011/12 budget setting process in February 2011;
 - (d) that significant work would be undertaken to ensure the sustainability of the development in line with the Council's strategies and that opportunities to maximise the benefits of environmentally friendly fuel sources which supported local economic development and contributed to the Council's carbon reduction target would be utilised to ensure that the running costs were as efficient as possible and that they provided best value for the Council; and
 - (e) that £250,000 had been identified from the Change Fund in 2010/11 to support the development of these proposals and that to date £24,120 had been spent and that the balance of £225,880 would be rolled forward to next financial year to form the basis of a Development Fund which would support the progression of the proposals as detailed in this report.

Decided: having recorded their appreciation of the work undertaken by Councillor Ian Fitzsimmons and other Elected Members, the Corporate Senior Officers' Group, Girvan Strategy Group and the Girvan Community,

- (i) to support the proposal to develop a multi-faceted facility to be built at the harbourside in Girvan which would contribute to the overall economic development of the area by supporting tourism and leisure and providing employment opportunities;
- (ii) to agree that these proposals as outlined in the report be progressed to obtain detailed planning consent by 31st March 2012;
- (iii) to agree to build the requirement for £4m funding into the Capital Plan in 2012/13 onwards (this being the Council's 50% share of the total cost) and to approve the instigation of negotiations with potential funding partners to secure the balance of the cost of the facility;

- (iv) to agree to include the requirement for a recurring revenue stream of £200,000 as part of the 2011/12 budget setting process; and
- (v) to agree that the uncommitted balance of the development fund from 2010/11 be used to initiate early works to contribute to the major re-development of the area and its rebirth as a tourist, leisure and retail hub.

5. Minutes of previous Council meeting.

The Minutes of 7th October 2010 (issued) were submitted and authorised to be signed as a correct record of this meeting.

6. Minutes of previous meetings of Panels.

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

- (1) Appeals Panel of 29th September and 1st, 28th and 29th October 2010.
- (2) Regulatory Panel of 30th September (Special) and 28th October 2010.

Having heard Councillor Andy Campbell in relation to the Minutes of 25th November 2010 item 3(1) on Page 614 dealing with 10/01042/PPP – MAYBOLE – 42 Ladyland Road – (Planning permission in principle for erection of a care home and residential development), the Council agreed that this Minute be amended to include the proviso that the following sentence contained within the report dealing with this application was not agreed:-

“It is, therefore, considered that it may be prudent to seek a commuted sum in this instance,”

and the Panel determined that any application for matters specified in conditions or any application for detailed planning permission be referred back to the Panel for determination and should not therefore be approved under delegated powers.

The Minutes of the Regulatory Panel of 25th November 2010 were otherwise approved.

- (3) South Ayrshire Local Review Body of 5th and 25th October and 16th and 30th November 2010.
- (4) Leadership Panel of 26th October and 23rd November 2010.
- (5) Development and Environment Standing Scrutiny Panel of 3rd and 30th November 2010.

- (6) Community Services Standing Scrutiny Panel of 7th December 2010.

Having heard Councillor Moonie in relation to the Minutes of 3rd November 2010 dealing with item 3, "Call-in – Strategic Housing Investment Plan" on Pages 577 and 578, Question 2, the Council agreed that these Minutes be approved subject to this Question being amended to read as follows:-

Question 2 How did the Council arrive at the figure of £100,000 for the anticipated annual income for commuted sums, was this a target and is it legal's view that **the operation of** the affordable housing policy in terms of commuted sums was legal and could it be challenged?

The Minutes of the Community Services Standing Scrutiny Panel of 3rd November 2010 were otherwise approved.

- (7) Corporate and Community Planning Standing Scrutiny Panel of 4th November and 2nd December 2010.
- (8) General Purposes Panel of 10th November 2010.
- (9) Scrutiny and Governance Management Panel of 7th December 2010.
- (10) Leadership Panel of 14th December 2010 (Special) (tabled).

Councillor McIntosh, seconded by Councillor Toner, moved that the recommendations contained in these Minutes be approved.

Councillor McDowall enquired whether the Motion moved by Miss Davey, the Religious Representative on the Leadership Panel (Special) should have been inserted in these Minutes.

The Head of Legal and Administration advised that in terms of the Council's Standing Orders for Meetings, a Motion not seconded, would not be inserted in the Minutes.

By way of an Amendment, Councillor Moonie, seconded by Councillor Goldie, moved that the Council should be invited to agree the proposal moved by the Religious Representative of the diocese at the special meeting of the Leadership Panel on 14th December 2010 that the closure of St. Ann's Primary School should not proceed and should further note that it was their view that this closure was financially driven rather than educationally driven.

A full discussion then took place regarding the terms of the Motion and the Amendment.

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

Adjournment of Meeting.

The Council agreed to adjourn the meeting at 11.50 a.m. for ten minutes.

Resumption of Meeting.

The meeting resumed at 12 noon.

The Head of Legal and Administration took the vote by calling the roll as follows:-

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

Six Members voted for the Amendment, twenty Members for the Motion and three Members abstained. The Motion was accordingly declared to be carried.

Decided: to approve the Minutes of the Leadership Panel (Special) of 14th December 2010.

7. **Feedback on the Big Budget Challenge.**

There was submitted a report (issued) of 12th December 2010 by the Head of Policy, Performance and Communication

- (1) advising that given the anticipated budget reductions in the coming years, another round of public engagement had been undertaken during November and December 2010; and
- (2) providing details of the Big Budget Challenge Public Engagement Campaign and an evaluation of the Big Budget Challenge.

Decided: having recorded their appreciation of the work undertaken by the Head of Policy, Performance and Communication and her staff and to Elected Members and to the Public who attended the meetings, to note

- (a) the feedback as detailed in the report;
- (b) the intention to keep the web survey and the in-gathering of leaflets open until 14th January 2011;
- (c) that a paper with an updated analysis would be provided in the Councillors' Information Bulletin in the New Year; and
- (d) that engagement with the business community would be undertaken early in 2011 and feedback provided to Elected Members accordingly.

8. **Community Engagement.**

There was submitted a joint report (issued) of 3rd December 2010 by the Head of Policy, Performance and Communication and the Head of Community Development

- (1) advising
 - (a) that both the Council and the South Ayrshire Community Planning Partnership had identified the need for a sustainable community engagement mechanism;
 - (b) that background work on assessing the issues and identifying the options had been ongoing for some time and had involved the members of the Community Planning Partnership Board representing Kyle (Joe Lafferty) and Carrick (David Kiltie);
 - (c) that the Corporate and Community Planning Standing Scrutiny Panel at its meeting on 4th November 2010 (Page 587, paragraph 9) had considered a report summarising the position to date and had noted that the Council and its partners had already conducted a wide range of consultation and engagement activities but that there was nevertheless a strong sense from both community and their representatives that the process was not cohesive and that more could be done to improve matters;

- (d) that the important role performed by Community Councils was recognised by the Scrutiny Panel, which had concluded that the Council should continue to support them through the provision of Link Officers for those Community Councils that wanted one and that it was also noted that new Link Officer support should be provided from the existing pool of community development staff thereby embedding this link with their wider community development role;
 - (e) that experience had shown that the most effective engagement techniques tended to be those which were less formal and more accessible to local people and having considered a wide range of options, the Scrutiny Panel had concluded that for a trial period of one year the Council and its partners should consider holding two engagement events, one for rural communities and one for urban communities;
 - (f) that these events should be held in February/ March and August/ September and that the agenda for such events would provide the opportunity for the Council and its partners to bring forward big issues related to the provision and development of services and for the community to raise and have discussed topics or issues of importance to their particular area and that the Scrutiny Panel had also agreed that an evaluation of the trial period should be considered by the Council before committing to further meetings;
 - (g) that the Council together with a number of the statutory community planning partners had operated the South Ayrshire 1000 Citizens' Panel in recent years and that overall the SA1000 was considered to be an effective consultative mechanism and there was general support for its continuance from partners, provided that support for conducting and evaluating surveys was carried out between the partners rather than through a third party as in the past; and
 - (h) that the Council already had a suitable survey tool and the capability to analyse and report on such surveys so as to meet its obligations; and
- (2) reporting
- (a) that support for the series of forum meetings was seen as an integral part of providing support for community development in general;
 - (b) that beyond this some provision would also require to be made for conducting the events, the cost of which would be met from existing budgets; and
 - (c) that existing Link Officers would continue to support the Community Councils they were associated with and that any Community Council that currently did not have a Link Officer, but wanted one, would be supported from the Community Development team.

A question was raised by a Member of the Council in relation to increasing the membership of the South Ayrshire 1000 to 1,000 members and the Head of Policy, Performance and Communication responded accordingly.

Decided: to approve

- (i) the establishment of a rural and urban community engagement forum for a trial period of one year with the results of an evaluation being reported back thereafter;
- (ii) the continued support of Community Councils through the provision of Link Officers; and
- (iii) the continued support for the South Ayrshire 1000, Citizens' Panel.

9. Revenue and Capital Budget 2011/12.

There was submitted a report (issued) of 10th December 2010 by the Executive Director – Corporate Services

- (1) advising
 - (a) that the Council had developed a number of efficiency proposals to assist in bridging the projected gap between planned expenditure and assumed funding for 2011/12 in advance of final settlement figures; and
 - (b) that Finance Circular No. 14/2010 provided details of the funding available to local authorities for 2011/12 in respect of both revenue and capital and a reconciliation to the last circular was still awaited from the Scottish Government;
- (2) intimating with regard to Revenue
 - (a) that the proposal from the Cabinet Secretary for Finance and Sustainable Growth offered two options in respect of revenue:-
 - a 2.6 per cent reduction in funding from 2010/11 levels, subject to confirmation that a number of obligations/ conditions would be met as outlined in Appendix 1 of the report; and
 - a 6.4 per cent reduction in funding from 2010/11 levels, with no conditions;
 - (b) that the Circular confirmed South Ayrshire's funding options as:-
 - £211.441m (£4.541m - 2.1 per cent reduction from 2010/11); and
 - £202.571m (£13.411m – 6.2 per cent reduction from 2010/11);
 - (c) that the next steps in relation to the Local Government Settlement for 2011/12 were:-
 - by 21st December 2010, Council Leaders would be asked to confirm that their Council had agreed in principle to the terms set out in Appendix 1 of the report;
 - by early February 2011, it was envisaged that the Budget Bill would be approved by Parliament and the Local Government Finance (Scotland) Order 2011 detailing the formal allocations for 2011/12, less the amount of holdback;

- by no later than 28th February 2011, Council Leaders would be asked to write again providing a formal assurance that the approved Council budget included provision to deliver across all of the specified commitments in Appendix 1 of the report; and
- in mid-March 2011, an amendment to the Local Government Finance (Scotland) Order 2011 would allow payment of the holdback monies to all Councils whose Leaders had provided the assurance outlined above;

(3) indicating with regard to Capital

- (a) that capital funding for local authorities had historically comprised supported borrowing, special capital grant and general capital grant and that Councils received loan charge support within their revenue grant to fund the supported borrowing and cash grant for the other two elements with South Ayrshire's allocation for 2010/11 being as follows:-

	South Ayrshire Council £m	Scotland £m
Supported Borrowing	6.844	305.156
Specific Capital Grant	0.199	204.990
General Capital Grant	5.343	333.053
Total	12.386	843.199

- (b) that the £151m reduction in funding had been taken from the supported borrowing element (with no reduction in revenue support) and the balance of supported borrowing converted into capital grant;
- (c) that South Ayrshire's capital grant for 2011/12 was as follows:-

	South Ayrshire Council £m	Scotland £m
Supported Borrowing	-	-
Specific Capital Grant	0.160	170.871
General Capital Grant	9.743	520.929
Total	9.903	691.800

- (d) that an update on the settlement implications for South Ayrshire Council had been provided to Members on Tuesday, 14th December 2010;
- (e) that further efficiency proposals had been developed, and were now presented for Elected Members' consideration, categorised as follows:-
- proposals requiring Members' approval for implementation as summarised in Appendix 2 of the report; and
 - proposals which could be implemented through management action as summarised in Appendix 3 of the report; and

- (f) that further detail on the transfer of Community Safety from Development and Environment and Children and Community (approved on 7th October 2010) was outlined in Appendix 4 of the report; and

(4) reporting

- (a) that achievement of the efficiencies as outlined in Appendices 2 and 3 of the report amounted to £200,000 and £520,000 respectively; and
- (b) that total efficiencies of £5,246,914 had been approved prior to this meeting, with further options being developed for Members' consideration.

Councillor Reid, seconded by Councillor McFarlane, moved that the Council should approve the recommendations as outlined in the report.

By way of an Amendment, Councillor McDowall, seconded by Councillor Moonie, moved that the Council should

- (i) accept the funding proposed as outlined in Appendix 1 of the report and instruct the Leader of the Council to write to the Cabinet Secretary for Finance advising of this and furthermore expressing this Council's concern at the draconian sanctions contained within his letter of 17th November 2010 if Councils did not accept the specified set of commitments and deploring this reintroduction of a form of financial ring fencing to local authority budgets;
- (ii) note the position regarding Revenue and Capital funding;
- (iii) not approve the efficiency proposals outlined in Appendix 2 of the report, require further details of the review and one month period of public consultation;
- (iv) note the management action as detailed in Appendix 3 of the report; and
- (v) note the additional detail provided in Appendix 4 of the report.

A full discussion then took place on the terms of the Motion and the Amendment and questions were raised by Members of the Council in relation to the review of the Library Service and which Libraries had been earmarked for closure, the reduction to the Community Support Team and the effect it could have on youths and vulnerable people within South Ayrshire and would further detailed information be provided on this matter to Elected Members and the Executive Director – Corporate Services outlined the latest position with regard to funding and that she would provide further information to Elected Members early in the following week and the Executive Director – Children and Community advised that he would provide Elected Members with a briefing note detailing the future service provision of Community Safety.

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

The Head of Legal and Administration took the vote by calling the roll as follows:-

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

Six Members voted for the Amendment, twenty three Members for the Motion. The Motion was accordingly declared to be carried.

Decided:

- (A) to accept the funding proposal as outlined by the Cabinet Secretary for Finance and Sustainable Growth in Appendix 1 of the report;
- (B) to note the position regarding revenue and capital funding;
- (C) to approve efficiency proposals as outlined in Appendix 2 of the report;
- (D) to note the management action as detailed in Appendix 3 of the report; and
- (E) to note the additional detail provided in Appendix 4 of the report.

Councillor Bulik left the meeting at this point, the time being 12.55 p.m.

10. **Financial Regulations.**

There was submitted a report (issued) of 7th December 2010 by the Executive Director – Corporate Services

- (1) advising that in accordance with the commitments given under Corporate Governance, the Financial Regulations required to be kept under review; and
- (2) seeking approval to revise the financial regulations which had been updated to reflect recent revisions to working practices, particularly in relation to Treasury Management, streamlining of the virement approval process and amended qualifying criteria for contingency draws as outlined in Appendix 1 of the report.

A question was raised by a Member of the Council in relation to use of plain English within the Financial Regulations and the Head of Corporate Resources responded accordingly.

Decided: to approve the revised Financial Regulations as detailed in Appendix 1 of the report.

11. **Amenity Trusts, Funds and Bequests held by South Ayrshire Council.**

There was submitted a report (issued) of 7th December 2010 by the Executive Director – Corporate Services

- (1) advising
 - (a) that the Councillors of South Ayrshire, as the statutory successors to the Local Burgh, County, District and Regional Councils, were the trustees of a large number of funds and the recipients of bequests gifted over many years by local benefactors;
 - (b) that the purposes of the funds and bequests were varied and those to whom the funds were aimed covered different groups of society and geographical parts of South Ayrshire and that as trustees, Councillors had a duty to protect and preserve the trust assets, which in the majority of cases was money, and which had been invested on behalf of the trust and from which income was generated and dispersed to appropriate beneficiaries;
 - (c) that in previous years the Council had attempted by way of petitions to the Court of Session to amalgamate the trusts into an educational trust; a social trust and an amenity trust and as a large amount of information was not known about the trusts, the amalgamation did not succeed and considerable investigation into the background of the trusts had now been undertaken; and
 - (d) that the Council administered approximately 90 trusts and bequests including a number of amenity trusts for the upkeep of war memorials, graves and buildings as detailed in Appendix 2 of the report and that in relation to the amenity trusts where funds existed for specific objects, the relevant services had been notified of the existence of the funds in the hope they could be utilised, however, permission was being sought, using the relevant legislation to amalgamate, to alter, or to wind up some of the amenity trusts as detailed in the report; and

- (2) seeking approval to authorise the re-organisation of certain amenity trusts, funds and bequests held by South Ayrshire Council for the benefit of the community of South Ayrshire.

Questions were raised by a Member of the Council in relation to whether meetings of these trusts would be held in public or in private, would the meetings be minuted and available to the public, would the administration of the trusts be undertaken by the Council and what procedures were in place for selecting a Chair, if required and the Head of Legal and Administration responded accordingly.

Decided: having recorded their appreciation of the work undertaken on these trusts by the Head of Legal and Administration and her staff, in particular Claire Neillie, Solicitor, to agree, as trustees and administrators of the following funds:-

- (i) to resolve that the purposes of the McMaster Hall Endowment Fund and the McMaster Hall-keeper Endowment Fund could no longer be given effect to in terms of Section 10 (1) (a) of the Law Reform (Miscellaneous) Provisions Act 1990 due to the destruction of the McMaster Hall in 1939;
- (ii) to resolve that the McMaster Hall Endowment Fund and the McMaster Hall-keeper Endowment Fund should amalgamate in terms of Section 10(10) of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 into a public trust known as "The McMaster Fund" under the terms of the trust deed as set out in Appendix 1 of the report having had regard to the locality provisions of the original trusts and the circumstances of that locality;
- (iii) to notify the Lord Advocate of a decision to amalgamate the McMaster Hall Endowment Fund and the McMaster Hall-keeper Endowment Fund;
- (iv) to advertise the said proposed amalgamation in the local press within twenty eight days and to agree that the amalgamation should come into effect two months after the date of the said advertisement;
- (v) if no objections were received following advertising of the said proposal, to cause the trust deed as set out in Appendix 1 of the report to be signed by the Members of South Ayrshire Council and the new trustees of the McMaster Fund;
- (vi) if objections were received, to refer them to the Lord Advocate for further consideration;
- (vii) to notify the proposal, if authorised, to the Commissioners of the Inland Revenue;
- (viii) in terms of Section 11 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 that they had resolved unanimously, in relation to the Ex-Provost Marshall Fund, that having regard to the purposes of the trust that the income of the trust was too small to enable the purposes of the trust to be achieved and were satisfied that the expenditure of the capital was more likely to achieve the purposes of the trust and to authorise the Executive Director - Children and Community to expend the remaining capital on books for the library in Maybole and thereafter wind up the trust;
- (ix) the advertising of the proposals in relation to the Ex-Provost Marshall Fund in the local press and to agree that the capital could be expended two months after the date of the advertisement to notify the Lord Advocate of the proposal to expend capital;

- (x) in relation to the Prestwick Town Hall Trust Fund to revive the trust and to advertise the existence of the trust and to invite relevant applications from local groups and organisations and to arrange that the trustees would meet on an annual basis to discuss and agree dispersal of the funds;
- (xi) to authorise, in relation to the Library Lecture Fund, the Executive Director - Children and Community to expend the fund on a lecture or book event in a local library and thereafter wind up the fund;
- (xii) to wind up the Old Men's Cabins Funds as it had no remaining capital; and
- (xiii) to transfer the AFS Begonia Society Fund to Ayr Flower Show.

12. Charitable Social Trusts held by South Ayrshire Council.

There was submitted a report (issued) of 7th December 2010 by the Executive Director – Corporate Services

- (1) advising of the progress to date in investigating the charitable social trusts held by the Council; and
- (2) seeking approval for Officers to further investigate and if considered appropriate, negotiate terms for a partnership agreement with Scottish Community Foundation to reorganise these trusts and create a new South Ayrshire Community Fund for the benefit of the people of South Ayrshire, or such alternative proposal for dealing with these trusts as was considered appropriate.

Decided: to agree, as a majority of the trustees of the trusts as detailed in Appendix 1 of the report as follows:-

- (a) to grant delegated authority to the Executive Director - Corporate Services, on their behalf, to further investigate and negotiate terms for an agreement with Scottish Community Foundation to:-
 - allow the Scottish Community Foundation to apply to the Office of the Scottish Charity Regulator to reorganise through variation of purpose, transfer and amalgamation those trusts listed in Appendix 1 of the report to create a 'South Ayrshire Community Fund';
 - transfer to the Scottish Community Foundation the funds held in the 'South Ayrshire Community Fund' once created;
 - allow the Scottish Community Foundation to administer and invest the said South Ayrshire Community Fund once transferred and to comply with all requirements under the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006; and

- include within any proposed agreement provisions as to the award of grants from the 'South Ayrshire Community Fund' including provisions to state that grants could be made to groups and organisations who provided benefit to poor, sick, convalescent or aged persons within South Ayrshire with a particular emphasis to be given to groups and organisations who supported those resident in Ayr and Prestwick;
- (b) to request the Executive Director - Corporate Services to investigate other alternatives to the proposal for dealing with the charitable social trusts of which the Members were trustees; and
- (c) to request that, once investigations and/ or negotiations had been concluded, the Executive Director - Corporate Services bring back any proposed agreement with the Scottish Community Foundation or other party or alternative proposal to Members for approval.

13. Educational Trusts and Bequests.

There was submitted a report (issued) of 7th December 2010 by the Executive Director – Corporate Services

- (1) advising
- (a) that a large number of trusts and bequests held by the Council were educational prizes and bursaries some of which had not been paid out for some years; and
 - (b) that these prizes and funds were set out in Appendix 4 of the report with a number of the educational prizes already having been revived and work was on-going with Officers in Children and Community Directorate to complete this task, however, a number of the educational bursaries and prizes required amendment and permission was being sought to revive and where necessary amend these trusts; and
- (2) authorising the revival and re-organisation of certain educational trusts and bequests held by South Ayrshire Council for the benefit of the community of South Ayrshire.

Decided:

- (i) to agree the terms of a scheme as set out in Appendices 1, 2 and 3 of the report for the administration of each of the John McMaster Bursary Fund, the James Hamilton Bursary and the Oliver Scholarship subject to advertising;
- (ii) to agree the advertising of the said schemes in the local press;
- (iii) to agree that, if no objections were received following advertising of the said schemes, they be signed on behalf of the Council by the Executive Director - Corporate Services;
- (iv) to agree that, if objections were received, they should be referred back to Members for further consideration;
- (v) to approve the proposals to revive the G. F. Pollock Fund, Martin Phillips Trust and Carrick Academy Fund; and

- (vi) to approve the proposals to transfer the Gavin Memorial Trust Fund, Agnes Smith Campbell Prize and Sarah B. Campbell Prize to East Ayrshire Council and the Henry L. Russell Fund and William Ainsworth Fund to North Ayrshire Council.

14. Interim Review of Polling Arrangements – Polling District S303.

There was submitted a report (issued) of 1st December 2010 by the Executive Director – Corporate Services

- (1) advising that the polling place for electors residing within Polling District S303 was Whitletts Primary School, Main Road, Ayr and that these premises had been closed as a school in June 2010 and demolished shortly thereafter and consequently a new polling place was required and Whitletts Activity Centre, Glenmuir Place, Ayr had been identified as being suitable for use as a polling place; and
- (2) seeking approval to change the polling place in polling district S303 to Whitletts Activity Centre from the former Whitletts Primary School.

A question was raised by a Member of the Council in relation to disabled access and the Chief Executive responded accordingly.

Decided: to approve the use of Whitletts Activity Centre as the polling place for Polling District S303.

15. Review of Common Good Funds.

Reference was made to the Minutes of 7th October 2010 (Page 537, paragraph 21) and there was submitted a report (issued) of 9th December 2010 by the Executive Director – Development and Environment reviewing all Common Good Funds and

- (1) advising
 - (a) that consideration had been given to the possibility of the Common Good Funds operating as charitable trusts and that this possibility had been researched and it had been determined that this would not be an advantageous course of action and, as a result, no further action was being recommended in this regard;
 - (b) that this conclusion had been reached as there would be no tax benefit, or advantage in terms of rates in doing so, and that indications were that registering the Common Good Funds in this way would result in a significant administrative overhead to comply with the requirements of the Office of the Scottish Charity Regulator; and
 - (c) that the return on the Funds' balances was low, reflecting current interest rates and that more active management of the Funds might produce a higher rate of return, but with higher risks and investigating this option was worth pursuing in light of the Council's wish to maximise income and should also consider the nature of investment, e.g. ethical funds;

(2) reporting

- (a) that one of the funds, Girvan, had liabilities that exceeded its revenue balance and that South Ayrshire Council was currently funding the maintenance of its assets and that this position had resulted from:-
- the Council's decision that Funds should pay grounds maintenance costs; and
 - the transfer of assets from the Council to the Fund, following a review prompted by the Audit Scotland report on Common Good Funds;
- (b) that this was not a sustainable position and that a way forward needed to be identified with further work to investigate potential solutions to the problem; and
- (c) that if there were surplus revenue resources, it might be possible to provide funding in respect of specific priorities for the areas concerned and criteria for determining when revenue resources were in surplus and for potential use of such surpluses should be developed by Officers for consideration; and

(3) proposing

- (a) draft objectives, management principles and governance arrangements as detailed in Appendix 1 of the report which reflected the points raised in the recent Audit Scotland review; and
- (b) draft asset management strategies for Ayr and Prestwick Funds as detailed in Appendices 2 and 3 of the report that would act as the strategic framework within which decisions on disposal, acquisition or management of assets could be made with these strategies noting the assets under the following categories:-
- those held for investment purposes;
 - those held for public use, but which produced (or have the potential to produce) a revenue stream; and
 - historic monuments and other properties,
- with the position statements for the remaining Funds, Maybole, Girvan and Troon being detailed in Appendices 4 to 6 of the report.

Councillor Moonie, seconded by Councillor Goldie, moved that the Council should agree that this report be put out to public consultation following which the report should be submitted back to the Council for their concluded view.

By way of an Amendment, Councillor Reid, seconded by Councillor Grant, moved that the Council should approve the recommendations as detailed in the report.

A full discussion then took place on the terms of the Motion and the Amendment and a number of comments and questions were raised by Members in relation to the Freeman's Hall held within the Prestwick Common Good, the use of Common Good monies to support the Council's priorities, public consultation and the future of Barnweil, Craigie.

On a vote being taken by a show of hands, twenty two members voted for the Amendment and six for the Motion. The Amendment was accordingly declared to be carried.

Decided:

- (i) to approve the objectives, management principles and governance arrangements under which all Common Good Funds would operate as outlined in Appendix 1 of the report;
- (ii) to approve the attached Asset Management Strategy for Ayr Common Good Fund and the action plan contained therein as outlined in Appendix 2 of the report;
- (iii) to approve the proposed strategy for Prestwick Common Good Fund as outlined in Appendix 3 of the report;
- (iv) to approve the position statements for the other Common Good Funds as outlined in Appendices 4 to 6 of the report;
- (v) to request Officers to investigate what action could be taken where a Common Good Fund did not have sufficient revenue resources to fund its outgoings;
- (vi) to request Officers to investigate the benefits, risks and investment options involved in external management of investment of the funds; and
- (vii) to request Officers to develop criteria for the use of any surplus revenue resources of Common Good Funds.

16. Notice of Motion.

Following an enquiry from a Member of the Council as to whether a Councillor on the Board of Ailsa Horizons Ltd. would require to declare an interest in this matter, the Head of Legal and Administration advised that it was a matter for the member concerned as to whether or not an interest was declared.

A Member of the Council enquired whether the Council could be challenged if the terms of the Amendment were approved and the Head of Legal and Administration advised that the Council was entitled to express its opinion but that any decision of the Council could be challenged.

Councillor McDowall, seconded by Councillor Moonie, moved that the Council

- should celebrate the contribution of the Scottish Government's Freight Facilities Grants (FFG) in moving freight to rail and sea, and contributing to reducing carbon emissions and congestion;
- should note that 37 FFG awards totalling £68.9m had been made to projects in Scotland reducing the need for 33,573,500 lorry miles per year;
- should recognise that Transport Scotland were in advanced discussions with a number of current bidders to the Fund, including a proposal by a social enterprise in South Ayrshire for a railhead at Grangestone by Girvan;

- believed that the Grangestone railhead could provide great economic and environmental benefits to South Ayrshire;
- regretted that the Scottish Government had proposed to reduce support for the Freight Industry from £10.3m in 2010/11 to £2.9m in 2011/12, including the closure of the FFG scheme for projects which would incur expenditure after 31st March 2011;
- should express great concern that this would put in jeopardy the work that had been done on the Grangestone railhead scheme and similar proposals across Scotland; and
- should instruct the Chief Executive to write to the Scottish Government expressing this Council's concern."

By way of an Amendment, Councillor Slider, seconded by Councillor McFarlane, moved that this Council should

- recognise the budget challenges faced by the Scottish Government, due to the £163b deficit created by the previous Labour Government at Westminster's mismanagement of the economy and that this mismanagement had resulted in a reduction of capital spending in Scotland for 2011/12 by £800m and therefore the Scottish Government had had to shift resources to where the need is greatest;
- note that over the last two years, the Freight Facilities Grant Scheme had only been able to allocate around 20% of the budget available to it, mainly due to the lack of applications to the scheme and it was therefore prudent to reassess the budget for Freight Facilities Grant so that the actual budget was in line with the demands made of it; and
- welcome the announcement that the Climate Challenge Fund could provide an alternative source of funding and urge all interested parties to make a bid for the 2011/12 Climate Challenge Fund.

A full discussion then took place on the terms of the Motion and the Amendment.

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

The Head of Legal and Administration took the vote by calling the roll as follows:-

Winifred Sloan (Provost)	Abstain
Mary Kilpatrick	Motion
John Allan	Amendment
Andy Campbell	Motion
Douglas Campbell	Motion
Ian Cavana	Motion
Brian Connolly	Motion
Peter Convery	Amendment
Hywel Davies	Amendment
Ian Douglas	Amendment
Stan Fisher	Amendment
Ann Galbraith	Motion
Sandra Goldie	Motion
Bill Grant	Amendment

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

Sixteen Members voted for the Amendment, eleven Members voted for the Motion and one Member abstained.

Decided: to approve the terms of the Amendment.

17. Suspension of Standing Orders.

The time being 1.55 p.m., the Provost requested the Council to suspend Standing Orders in order to allow the Council to conclude the business as specified on the agenda.

The Council agreed in terms of Council Standing Order No. 29, to suspend the provisions of Council Standing Order No. 9 to allow the remaining items of business to be considered.

18. Nomination to Council of European Municipalities and Regions Policy Committee.

There was submitted a report (issued) of 9th December 2010 by the Head of Legal and Administration

(1) advising

- (a) that the Council of European Municipalities and Regions was the European umbrella organisation for local authority associations and lobbied at all stages of the European policy formulation process; and
- (b) that it was an influential body in which COSLA played an active part and that three nominations for its Policy Committee were required and had been proposed at the recent COSLA Convention; and

(2) reporting

- (a) that the Convention had considered nominations for the Policy Committee at its meeting in Ayr on 22nd October 2010 and that one of the proposed nominations was Councillor Galbraith; and

- (b) that the Convention had agreed to the nomination of Councillors Helen Oswald, Rob Murray and Ann Galbraith and that the Council was requested to note this nomination of Councillor Galbraith by the Convention.

Decided: to note the nomination by COSLA of Councillor Ann Galbraith, to be a member of the Council of European Municipalities and Regions Policy Committee.

19. Declaration of Interest.

The Executive Director – Development and Environment advised that she was on the Board of SEPA and withdrew from the meeting during consideration of the report regarding the Galloway Hydro Scheme – River Doon.

20. Galloway Hydro Scheme – River Doon.

There was submitted a report (issued) of 10th December 2010 by the Chief Executive

- (1) informing the Council of a proposed application by Scottish Power for a technical variation to CAR licence (CAR/L/1012323) and highlighting the background to this application;
- (2) advising
 - (a) that the application was about balancing the requirements of energy generation with ecological status of river systems and that it was clear that granting this application would impact on hydrology and ecology in ways which were both positive and negative and would in turn also have potential social and economic implications which were less clear from the evidence presented in connection with the application;
 - (b) that Members should be aware that the proposal had raised serious concerns among local groups within Ayrshire that the economic and social impacts of the proposals on the River Doon and environs had not been adequately assessed and that the Council had received copies of objections from the Ayrshire Rivers Trust and Save the Doon Campaign with issues raised in these objections including:-
 - the adverse effect on the ecology of the River Doon and on salmon in particular;
 - the impact of diffuse pollution on Ayrshire's beaches; and
 - the adverse social and economic impacts; and
 - (c) that in view of the issues raised it was considered that further time was required to enable the Council to assess, in association with East Ayrshire Council and other partner organisations, the economic, social and environmental implications for Ayrshire;
- (3) recommending that the appended response be submitted to SEPA by its closing date of 17th December 2010 which outlined the Council's desire for more time to fully consider the issues relating to this application for South Ayrshire and providing further submissions in the New Year; and

- (4) reporting that there were no direct resource implications for South Ayrshire Council, however, the Council would intend to investigate fully potential indirect impacts of the proposed application on South Ayrshire and accordingly, an investment of an Officer's time would be devoted to achieving this over the coming month.

A number of concerns were raised by Members of the Council in relation to the Hydro Scheme and whether the final response would be submitted to a future meeting of the Leadership Panel and the Chief Executive responded accordingly.

Decided: to agree

- (i) that the appended response be approved and submitted on behalf of the Council to SEPA; and
- (ii) that a detailed response be submitted to the meeting of the Leadership Panel on 18th January 2011 or to a special meeting of the Leadership Panel, if required, in order that the final response to SEPA be submitted by Wednesday, 16th February 2011.

21. Exclusion of Press and Public.

The Council resolved, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, that the press and public be excluded from the meeting during discussion of the following items of business on the grounds that they involved the likely disclosure of exempt information in terms of paragraphs 9 and 12 of Part 1 of Schedule 7(A) of the Act.

22. Acquisition of two properties for use as Council Housing.

There was submitted a report (issued to members only) of 25th November 2010 by the Executive Director – Children and Community seeking the Council's agreement to submit bids for two properties for sale on the open market for use within the Housing Revenue Account.

Councillor Douglas Campbell, seconded by Councillor Reid, moved the recommendations as detailed in the report.

By way of an Amendment, Councillor Cavana, seconded by Councillor Saxton, moved that the Council should not agree to the purchase of the two maisonette properties and should further proceed to formulate a strategy to support the policy relating to the use of future sums.

A number of concerns were raised by members in relation to the acquisition of the two properties and the future financial implications.

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

The Head of Legal and Administration took the vote by calling the roll as follows:-

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

Six Members voted for the Amendment and twenty two Members for the Motion. The Motion was accordingly declared to be carried.

Decided:

- (1) to agree that separate bids be submitted for two properties in North Ayr for use as Council Housing;
- (2) to agree that Commuted Sums be used for the acquisition of both properties; and
- (3) to grant delegated authority to the Executive Director - Children and Community to agree terms for the acquisition of land and buildings for use within the Housing Revenue Account up to a value of £75,000.

23. Education 4 Ayrshire Ltd. v South Ayrshire Council – Outcome of Mediation Process.

There was submitted a report (issued to members only) of 7th December 2010 by the Executive Director – Corporate Services updating the Council on the outcome of the mediation process between the Council and Education 4 Ayrshire Ltd.

Questions were raised by Members of the Council in relation to the agreement and the financial implications of the mediation process and the relevant Officers responded accordingly.

Decided: to acknowledge the outcome of the mediation process.

24. Provost's remarks.

The Provost

- (1) wished everyone a very Merry Christmas and a Happy New Year; and
- (2) requested that the CMT examine the number of items being submitted to the Council as the Council meetings were too lengthy.

The meeting ended at 2.40 p.m.