

**EAST AYRSHIRE COUNCIL****GOVERNANCE AND SCRUTINY COMMITTEE****MINUTES OF MEETING HELD ON FRIDAY 18 DECEMBER 2009 AT 1000 HRS  
IN SHORTLEES COMMUNITY CENTRE, BLACKSYKE AVENUE, KILMARNOCK**

**PRESENT:** Councillors Tom Cook, John McGhee, Helen Coffey, Willie Coffey, John Campbell, Alan Brown, Stuart Finlayson, Jimmy Kelly, Elaine Dinwoodie and Drew Filson.

**ATTENDING:** Fiona Lees, Chief Executive; Elizabeth Morton, Depute Chief Executive/Executive Director of Corporate Support; Graham Short, Executive Director of Educational and Social Services; William Stafford, Executive Director of Neighbourhood Services; Alex McPhee, Executive Head of Finance and Asset Management; Bill Walkinshaw, Head of Democratic Services; David Mitchell, Head of Legal, Procurement and Regulatory Services; Colin Houston, Chief Auditor; Kenneth McKinlay, Principal Officer - Quality Improvement; and Stuart Nelson, Administrative Officer.

**ALSO ATTENDING:** Peter Tait, Assistant Director of Audit (Local Government); David Richardson, Audit Manager; and Mark Simms, Senior Accountant, all Audit Scotland.

**APOLOGY:** Councillor Eric Ross.

**CHAIR:** Councillor Tom Cook, Chair.

**CHAIR'S REMARKS**

1. The Chair welcomed (i) Councillor John McGhee to this, his first meeting of the Committee and acknowledged and thanked Councillor Barney Menzies for his contribution to the work of the Committee during his period of membership; and (ii) Peter Tait, Assistant Director of Audit (Local Government), accompanied by David Richardson, Audit Manager, and Mark Simms, Senior Accountant, all Audit Scotland.

**PREVIOUS MINUTES**

2. There were submitted and approved as a correct record, the Minutes of the meeting held on 20 November 2009 (circulated), subject to amendment to item 5(ii) to read "To note East Ayrshire Council's involvement in BV2 as a Pathfinder Council and that the Pathfinder report be submitted to this Committee for consideration, when available".

**MATTERS ARISING UPDATE REPORT**

3. There was submitted a report dated 11 December 2009 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support which provided the Committee with a consolidated response to information requests made by Members at previous meetings.

It was agreed:

- (i) to note further explanation provided by the Executive Director of Educational and Social Services in confirmation of the adequacy of the current

accommodation at St Xavier's Primary School for educational purposes, and that the Executive Director, in consultation with the Executive Head of Finance and Asset Management, give appropriate consideration to the feasibility of the use of modular buildings at this campus; and

- (ii) otherwise, to note the terms of the report.

## **CONSIDERATION OF CALLED-IN DECISIONS OF CABINET**

### **4.1 PROCEDURE**

There was submitted and noted (circulated) a copy of the procedure to be followed in dealing with the undernoted called-in decisions of Cabinet.

### **4.2 ASSET MANAGEMENT STRATEGY (Item 7, Page 912, 07/12)**

The Committee considered the called-in decision of the Cabinet meeting held on 4 November 2009 relating to the Asset Management Strategy and, in this connection, there were submitted the following (all circulated), namely:-

- (i) the call-in notice;
- (ii) the related Cabinet report; and
- (iii) Position Statement by the Executive Head of Finance and Asset Management.

The Committee heard Councillors Maureen McKay and John Knapp, two of the five signatories to the call-in who explained the reasons for the call-in.

The Committee then heard, in turn, Councillors Hugh Ross and Jim Todd, Spokespersons for Management and Resources, and the Executive Head of Finance and Asset Management who outlined the reasons for the Cabinet's decision and responded to the terms of the call-in request.

Members of the Committee then put questions to, and sought clarification on matters raised, from Councillors Maureen McKay and John Knapp and also from Councillors Hugh Ross and Jim Todd and the Executive Head of Finance and Asset Management.

Councillor Drew Filson joined the meeting during Members' questions.

The Chair informed the parties present of the final stages of the call-in process and Councillors Maureen McKay and John Knapp and also Councillors Hugh Ross and Jim Todd and the Executive Head of Finance and Asset Management then withdrew to the public gallery.

Arising from the written and verbal submissions made, the question and answer session and the subsequent debate, the following relevant issues were highlighted:-

- concern regarding the monitoring and reporting arrangements associated with the proposed Asset Management Strategy, in particular the need for Elected Member involvement;
- concern regarding the absence within the proposed Asset Management Strategy, of any predetermined weighting criteria to be afforded to financial and non-financial aspects, respectively, with regard to the provision and management of assets and accommodation;

- perceived concerns of the Strategy's impact on climate sustainability including the effective use of office accommodation, the Council's decentralisation proposals and opportunities to attract/promote small scale employers;
- clarification of links between the 10 Year Capital Investment Strategy and the proposed Asset Management Strategy;
- that provision exists for the proposed Asset Management Strategy to be reviewed every three years, and the capital investment strategy on an annual basis with changes requiring to be approved by Cabinet;
- that Cabinet, at its meeting on 4 November 2009, had agreed that reports on asset performance would be considered by the Council's Corporate Management Team in the first instance and then by Cabinet;
- that the Strategy should not be overly prescriptive and should remain flexible to accommodate the wide range and variety of factors which impact upon asset management, and, accordingly, the proposed Asset Management Strategy had been prepared on the basis of current best professional practice, but would be subject to ongoing development which would provide for opportunities to take cognisance of any new developments in this field, particularly in relation to option appraisal and relevant climate sustainability measures; and
- that the proposed Asset Management Strategy would continue to provide the opportunity for the Council to meet any decentralisation proposals and support all forms of economic development enquiries.

Councillor Jimmy Kelly, seconded by Councillor Elaine Dinwoodie, moved to refer the matter back to Cabinet with a recommendation that the proposed Asset Management Strategy be reviewed in light of the issues raised by Councillors Maureen McKay and John Knapp during the call-in process, as set out in bullet points 1-4, above.

Councillor Alan Brown, having acknowledged that the Asset Management Strategy had been prepared in accordance with current best professional practice and would be subject to further review and development, seconded by Councillor Tom Cook, moved as an amendment, to accept the decision of Cabinet to approve the proposed Asset Management Strategy.

On a division by a show of hands, the amendment was carried by six votes to four.

#### **4.3 PLAYPARK INVESTMENT PROGRAMME (Item 8, Page 929, 07/12)**

The Committee considered the called-in decision of the Cabinet meeting held on 18 November 2009 relating to the Playpark Investment Programme and, in this connection, there were submitted the following (circulated), namely:-

- (i) the call-in notice; and
- (ii) the related Cabinet report.

The Committee heard Councillor Barney Menzies, one of the five signatories to the call-in request, who further explained the reasons for the call-in.

The Committee then heard, in turn, Councillor Robert McDill, Spokesperson for Environment and Regeneration, and the Head of Leisure Services who outlined the reasons for the Cabinet's decision and responded to the terms of the call-in request.

Members of the Committee then put questions to, and sought clarification on matters raised from, Councillor Barney Menzies and also from Councillor Robert McDill and the Head of Leisure Services.

The Chair informed the parties present of the final stages of the call-in process and Councillor Barney Menzies and also Councillor Robert McDill and the Head of Leisure Services then withdrew to the public gallery.

Arising from the written and verbal submissions made, the question and answer session and the subsequent debate, the following relevant issues were highlighted:-

- concerns regarding the lack of consultation with local Elected Members in preparation of the proposed priority list for the new play park installations as set out in the Cabinet report, and about the nature of the “local knowledge” which had been utilised in preparation of the proposed priority list;
- that appropriate consultation with Elected Members and local people would ensure that all relevant local information, particularly with regard to location, could be ingathered and taken into account in preparation of a priority list;
- whilst recognising that the consultant’s report referred to in the Cabinet report focussed on health and safety factors associated with those playparks which had not yet been redeveloped, other factors had been taken into consideration in the preparation of the proposed priority list which included where certain sites were considered more appropriate over others in certain localities;
- “local knowledge” referred to in the Cabinet report was in the form of feedback from Officers involved in the maintenance of playparks and ad hoc complaints and issues raised by Elected Members and those in the local community over a period of time;
- there would be an opportunity to alter the location of any of the featured play areas within a particular community, if necessary or appropriate; and
- there were no immediate health and safety issues associated with any of the Council’s playparks, which were subject to weekly inspections by Outdoor Amenities staff.

Councillor John McGhee, seconded by Councillor Elaine Dinwoodie, moved to refer the matter back to Cabinet with a recommendation that consultation be carried out on the location and usage of playpark facilities and the type of equipment to be provided, involving the respective Local Members, residents in the immediate vicinity, Community Councils and such other community groups as considered appropriate by officers, and thereafter to determine a new priority list for playpark installations.

Councillor Alan Brown, having noted that the proposed priority list for new playpark installations had been prepared taking close cognisance of health and safety issues, indicated his support for the Cabinet decision and having also taken cognisance of the comments of the Head of Leisure Services who confirmed that there would be an opportunity to alter the location of any of the featured play areas within a particular community, if necessary or appropriate, moved as an amendment, seconded by Councillor John Campbell, that the matter not be referred back to Cabinet but that the Head of Leisure Services ensure that consultation take place with all Local Members prior to the delivery and installation of each individual playpark.

On a division by a show of hands, there were five votes for the amendment and five votes for the motion.

There being an equality of votes, the Chair exercised his casting vote in favour of the motion which became the decision of the meeting.

## **ADJOURNMENT/RECONVENTION**

5. The meeting adjourned at 1212 hrs and reconvened at 1222 hrs with the same Members and Officers present and in attendance.

## **AUDIT**

### **AUDITED STATEMENT OF ACCOUNTS 2008/09**

6. There was submitted and noted a report dated 3 December 2009 (circulated) by the Executive Head of Finance and Asset Management which presented the Audited Statement of Accounts for 2008/09, following certification by the External Auditor.

### **EAST AYRSHIRE COUNCIL: REPORT TO MEMBERS AND THE CONTROLLER OF AUDIT ON THE 2008/09 AUDIT**

7. There was submitted a report dated October 2009 (circulated) by Audit Scotland which provided a summary of findings arising from the 2008/09 Audit of the Council and other relevant work carried out by Audit Scotland.

Peter Tait highlighted aspects of the report within the context of the current economic climate, including in relation to Equal Pay, investments with Icelandic Banks, the Council's Asset Management Strategy, the Council's Capital Programme, procurement processes, management of governance, performance management and the second Self Assessment of Performance.

During discussion, Peter Tait and the officers concerned responded to questions put, and matters raised, by Members relative to the following matters, namely:-

- Council's approach to dealing with issues in relation to the Building and Works STO;
- the options available to the Council in approaching the budget setting process for the coming and future years, including the potential for the sale of surplus assets and property;
- recognition of the timescales attached to achieving the Scottish Housing Quality Standards;
- the Chief Executive confirmed that all of those actions set out in the Action Plan appended to the report by Audit Scotland had been accepted by the Corporate Management Team and would be taken forward in due course through reports to Cabinet and this Committee; and
- Peter Tait recommended that Members take the opportunity to read the report by the Auditor General entitled "Scotland's Public Finances: Preparing for the Future" and it was agreed that this would be made available on the Members' Portal.

It was agreed to note the terms of the report which showed very positive outcomes over a range of areas covered by the Audit.

The Chair thanked Peter Tait and his colleagues for their attendance and contribution to the meeting.

Peter Tait, Mark Simms and David Richardson then left the meeting.

Councillor Elaine Dinwoodie left the meeting at this point.

### **PROGRESS REPORT: INTERNAL AUDIT PLAN**

8. There was submitted a report dated December 2009 (circulated) by the Chief Auditor which provided a mid-year progress report on performance against the Audit Plan for the financial year 2009/10.

It was agreed:

- (i) to note the terms of the report;
- (ii) to approve revisions to the Audit Plan 2009/10 as set out in the report; and
- (iii) that the Chief Auditor provide to Members clarification of the scope and assessment/outcomes of the audit assignments relative to Games Halls Location and Golf Course Location as referred to in Appendix 1A to the report.

### **PERFORMANCE**

#### **STATUTORY PERFORMANCE INDICATORS**

9. There was submitted a report dated 4 December 2009 (circulated) by the Executive Head of Finance and Asset Management which presented the Council's 2008/09 Statutory Performance Indicators with comparative performance information for previous years and contextual information on performance trends.

During discussion, Members raised issues relative to the undernoted matters, which were responded to by the appropriate Officers, namely:-

- the Depute Chief Executive/Executive Director of Corporate Support provided a detailed explanation of the range of factors which impacted upon "Development Services Indicator 1: Planning Applications Processing Time" and gave an update on recent performance as of November 2009; and confirmed the current staffing arrangements within the Planning Section with regard to workload and the current economic situation;
- the Chief Executive confirmed that Officers' focus would remain on those areas where improvements can continue to be made, including those aspects identified within the top level indicators featured within the report; and
- with regard to rent and Council Tax arrears, the Chief Executive and the Executive Head of Finance and Asset Management confirmed that there would be a continuing focus on early intervention and income maximisation as a means of addressing these issues.

It was agreed:

- (i) to note the Council's performance for 2008/09 in relation to Statutory Performance Indicators;
- (ii) to note the performance trends for each of the Indicators; and
- (iii) otherwise, to note the terms of the report.

Councillor Alan Brown left the meeting at this point.

**AWARDING OF CONTRACTS -  
PERIOD FROM 10 OCTOBER TO 4 DECEMBER 2009**

10. There was submitted and noted a report dated 30 November 2009 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support which provided, for information, details of tenders which had been accepted on behalf of the Council for the period from 10 October to 4 December 2009.

Councillor Alan Brown rejoined the meeting at this point.

**WINTER MAINTENANCE ARRANGEMENTS**

11. At the request of the Chair, the Executive Director of Neighbourhood Services provided an update on arrangements for winter maintenance during the current spell of extremely cold weather, confirming that the Council had sufficient stocks of road grit/salt for the future period, with further deliveries arranged for the coming week and subsequently. A Press Release to provide public information on winter maintenance arrangements would be issued in the coming week.

It was agreed to note the update provided by the Executive Director.

**REPORT ON PROGRESS: "REVIEW OF WASTE RECYCLING POLICY -  
TECHNICAL EVALUATION OF THE KERBSIDE RECYCLING SCHEME"  
(Item 7, Page 609, 07/12)**

12. There was submitted a report dated 7 December 2009 (circulated) by the Executive Director of Neighbourhood Services which provided an update on progress in implementing recommendations made within the "Review of the Waste Recycling Policy - Technical Evaluation of the Kerbside Recycling Scheme" published in May 2008.

During discussion, the Executive Director of Neighbourhood Services provided clarification, in response to questions asked by Members, relative to the following, namely:-

- the potential locations for a new recycling centre in Dalmellington;
- the estimated cost of providing the new recycling centres in Galston, Stewarton, Dalmellington and Cumnock;
- the factors taken into account when calculating recycling rates within East Ayrshire and the current rates; and
- the criteria applied in calculation of the Council's Landfill Tax charges.

It was agreed:

- (i) to note the progress in addressing the recommendations arising from this Committee's review of the Waste Recycling Policy/Technical Evaluation of the Kerbside Recycling Scheme as published in May 2008;
- (ii) to note that the Executive Director of Neighbourhood Services would submit detailed proposals for introduction of a trial food and plastics collection scheme to Cabinet in 2010 for Elected Members' consideration;
- (iii) that the Executive Director of Neighbourhood Services would report the outcomes of the trial food and plastics collection to this Committee on completion of the trial;

- (iv) that the Executive Director of Neighbourhood Services provide, within the next Matters Arising Update report, information on what had been the anticipated operating costs associated with the former proposal to establish community recycling centres at Galston, Stewarton, Dalmellington and Cumnock, which had been stood down; and
- (v) otherwise, to note the terms of the report.

#### **NEW CUMNOCK PRIMARY SCHOOL - UPDATE REPORT**

13. There was submitted and noted a report dated 4 December 2009 (circulated) by the Executive Head of Finance and Asset Management which advised of the current position in relation to the replacement of Cairnhill and Castle Primary Schools, New Cumnock.

#### **LISTENING TO OUR STAKEHOLDERS PUPILS 2009**

14. There was submitted and noted a report dated 4 November 2009 (circulated) by the Executive Director of Educational and Social Services which advised of the views of primary and secondary school pupils following a survey carried out in June 2009.

It was agreed:

- (i) to note the strong positive views of primary and secondary school pupils in East Ayrshire schools;
- (ii) that the Executive Director of Educational and Social Services provide similar reports on pupils' views every four years;
- (iii) that the Executive Director include a set of questions related to the support pupils receive from ancillary staff, in the next pupil questionnaire; and
- (iv) otherwise, to note the terms of the report.

Councillor Helen Coffey left the meeting at this point.

#### **HER MAJESTY'S INSPECTORATE OF EDUCATION AND CARE COMMISSION INSPECTION REPORT 2008/09**

15. There was submitted a report dated 1 December 2009 (circulated) by the Executive Director of Educational and Social Services which advised of the performance of schools and pre-school centres following external scrutiny by Her Majesty's Inspectorate of Education (HMIE) and the Care Commission (CC) during financial year 2008/09.

The Principal Officer - Quality Improvement summarised the action already taken in relation to those areas for improvement identified within the report.

During discussion, the Executive Director and the Principal Officer - Quality Improvement provided an explanation with regard to the comparative performance of Bellsbank Primary School as indicated within the "School Inspection Report" section of the report.

It was agreed:

- (i) to note the overall strong performance of early years centres and schools in East Ayrshire;

- (ii) that the Executive Director of Educational and Social Services provide a similar report on performance on an annual basis;
- (iii) that the Executive Director of Educational and Social Services provide clarification, within the next Matters Arising Update report, with regard to the consistency of information presented within Sections 3.4 and 4.1 of the report relative to Newmilns Primary School with regard to the score for Improvement through Self Evaluation and the use of findings from Self Evaluation to guide future improvements, as an identified strength; and
- (iv) otherwise, to note the terms of the report.

### **CONCLUDED PROPERTY TRANSACTIONS**

- 16.** There was submitted and noted a joint report (circulated) by the Executive Head of Finance and Asset Management and the Solicitor to the Council which provided, for information, details of disposals and acquisitions by the Council of land or buildings which had been concluded during the six month period from 1 April to 30 September 2009 with the exception of Council houses sold in terms of the Right to Buy Legislation contained within the Housing (Scotland) Act 1987, as amended, and loft space disposals.

### **FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 8 (15 NOVEMBER 2009)**

- 17.** There was submitted a report dated 4 December 2009 (circulated) by the Executive Head of Finance and Asset Management which advised of the projected financial position for the year based on expenditure to 15 November 2009 (Period 8) and information provided by the Executive Directors.

On a matter having been raised, the Executive Head of Finance and Asset Management confirmed that it is currently anticipated that, subject to minor adjustments, a full spend would be achieved on the current year's Capital Programme.

Councillor Willie Coffey left the meeting at this point.

It was agreed to note the terms of the report and the further information provided by the Executive Head of Finance and Asset Management.

The meeting terminated at 1351 hrs.