

EAST AYRSHIRE COUNCIL**CORPORATE GOVERNANCE COMMITTEE****MINUTES OF MEETING HELD ON TUESDAY 16 NOVEMBER 2004 AT 1000 HRS
IN THE MEETING ROOM, COUNCIL HEADQUARTERS,
LONDON ROAD, KILMARNOCK**

PRESENT: Councillors John Knapp, Brian Reeves, Douglas Reid, Gordon Cree, John Weir, Drew McIntyre, Ray Murray, Stuart Finlayson, Robert McDill, Eric Jackson, George Smith, William Menzies, William Crawford, Eric Ross and Elaine Dinwoodie.

ATTENDING: Fiona Lees, Chief Executive; Elizabeth Morton, Depute Chief Executive/Executive Director of Corporate Support; James Lavery, Executive Director of Development and Property Services; Alex McPhee, Executive Head of Finance; Colin Houston, Chief Auditor; John Clayton, Head of Corporate Development and Communication; Martin Rose, Head of Personnel; Euan Couperwhite, Head of Resource Support, and Eddie Fraser, Community Care Manager, Educational and Social Services; and Gillian Hamilton, Administrative Officer.

ALSO ATTENDING: Cameron Revie and Mark Thomson, Price Waterhouse Coopers LLP.

APOLOGIES: Councillors Jim O'Neill, Stephanie Young, Daniel Coffey, Iain Linton, Tommy Farrell and Jimmy Carmichael.

CHAIR: Councillor John Knapp, Chair.

SUB-COMMITTEE MINUTES

- 1 There were submitted and approved, both as a correct record and in respect of the recommendations contained therein, the undernoted Committee Minutes (circulated), viz:-
 - 1.1 **CHAIR'S SUB-COMMITTEE OF THE CORPORATE GOVERNANCE COMMITTEE OF 5 AND 14 OCTOBER 2004 - APPENDICES I AND II**

CENTRAL JOINT CONSULTATIVE COMMITTEE

2. There were submitted and noted Minutes of the Central Joint Consultative Committee of 16 September 2004 (circulated).

AUDITED ACCOUNTS 2003/04 (Item 6, Page 864, 03/07)

3. There was submitted a report dated 2 November 2004 (circulated) by the Executive Head of Finance which presented to Members the External Auditor's report on the Abstract of Accounts for 2003/04.
- 3.2 Chair's Comments**

On behalf of the Committee, the Chair welcomed the External Auditors, Cameron Revie and Mark Thomson of Price Waterhouse Coopers LLP.

3.3 Consideration Of Report

Following a presentation on the Annual Report to Council Members 2003/04 (circulated) by the External Auditors, it was agreed to note the report.

A JOB WORTH DOING

4. There was submitted a report dated October 2004 (circulated) by the Chief Auditor which provided details of the Audit Scotland follow-up study on Internal Audit services.

It was agreed:

- (i) to note the contents of the Audit Scotland study on the Internal Audit service;
- (ii) to approve the proposed developments in the Internal Audit service outlined in the report and attached Action Plan; and
- (iii) otherwise to note the report.

RISK MANAGEMENT STRATEGY

5. There was submitted a report dated 18 October 2004 (circulated) by the Executive Head of Finance which proposed a Risk Management Strategy with a view to ensuring that key risks to the achievement of the Council's strategic objectives were identified and minimised.

It was agreed:

- (i) to approve the proposed Risk Management Strategy;
- (ii) that the Chief Executive take the necessary steps to implement this and the associated Action Plan; and
- (iii) otherwise to note the report.

AUDIT COMMITTEE PRINCIPLES

6. There was submitted a report dated 18 October 2004 (circulated) by the Executive Head of Finance which reviewed procedures in place to ensure that the Council's Audit Committee Principles were in line with best practice.

Councillor Ross, seconded by Councillor McIntyre, moved that it be recommended to Council:

- (i) that a Risk and Audit Scrutiny Group be established, in accordance with Paragraph 4 of the report;
- (ii) that the proposed composition of the Risk and Audit Scrutiny Group be 8 Councillors (5 Administration, 2 SNP and the Conservative Member) and the Chief Executive and Executive Head of Finance; and
- (iii) that the report be otherwise noted.

Councillor Reid, seconded by Councillor McDill, moved as an amendment that in addition to the terms of the motion, the Group be Chaired by a member of the Opposition.

Following a vote by a show of hands, the motion was carried by 12 votes to 3 and consequently appointment of individual Members would be dealt with at Council.

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INTERNAL AUDIT PLAN 2004/05 (Item 4, page 684, 03/07)

7. There was submitted and noted a mid-year progress report dated November 2004 (circulated) by the Chief Auditor on performance against the Internal Audit Plan for the financial year 2004/05.

BEST VALUE

PERFORMANCE REVIEW GROUP (Item 9, page 576, 03/07)

8. There was submitted a report dated 19 October 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support which provided the context to the establishment of a Performance Review Group and sought approval of proposals for its composition and membership.

Councillor Ross, seconded by Councillor McIntyre, moved:

- (i) that the composition of the Performance Review Group be 8 Councillors (5 Administration, 2 SNP and the Conservative Member);
- (ii) that the detailed operating arrangements of the Group be considered at its first meeting;
- (iii) that a report on the Working of the Group be received annually, or more frequently as required; and
- (iv) that the report be otherwise noted.

Councillor Reid, seconded by Councillor McDill, moved as an amendment that in addition to the terms of the motion, the Group be chaired by a Member of the Opposition.

Following a vote by a show of hands the motion was carried by 12 votes to 3 and consequently appointment of individual Members would be dealt with at Council.

STATUTORY PERFORMANCE INDICATORS FOR 2003/04 (Item 7, page 865, 03/07)

9. There was submitted and noted a report dated 1 November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support on the outcome for the 2003/04 Statutory Performance Indicators in respect of those Indicators for which the Committee had an interest.

AUDIT OF BEST VALUE - PHASE 2 (Item 4, page 553, 03/07)

10. There was submitted a report dated 3 November 2004 (circulated) by the Chief Executive which advised of the selection of East Ayrshire Council by Audit Scotland for inclusion in the second phase of Best Value audits for 2004/05.

It was agreed:

- (i) to note that East Ayrshire Council had been selected by Audit Scotland for inclusion in Phase 2 of the Programme of Best Value Audits;
- (ii) to note that arrangements for the management of this process would be considered initially by the Council's Corporate Management Team;

- (iii) to receive further reports on this matter at future meetings of the Corporate Governance Committee; and
- (iv) otherwise to note the contents of the report.

PERSONNEL ISSUES

JOINT STAFFING WATCH RETURN

11. There was submitted and noted a report (circulated) by the Depute Chief Executive/ Executive Director of Corporate Support and revised table referred to in paragraph 3.4 of the report (circulated at the meeting) on the Joint Staffing Watch statistics submitted to CoSLA in respect of the September 2004 reporting period.

SINGLE STATUS UPDATE (Item 6, page 684, 03/07)

12. There was submitted a report dated 1 November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support which advised on a revised timetable for the implementation of the Single Status Agreement.

It was agreed:

- (i) to approve the revised timetable for the implementation of the Single Status Agreement detailed in the report;
- (ii) to note that regular update reports would be submitted to the Corporate Governance Committee; and
- (iii) otherwise to note the report.

HEALTH AND SAFETY ACTION PLAN

13. There was submitted a report dated November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support which revised the timetabling of the Health and Safety Action Planning process for 2005/06 to permit Departmental Health and Safety Action Plans to be submitted timeously in accordance with the financial year.

It was agreed:

- (i) to approve the proposed Health and Safety Action Plan for 2005/06;
- (ii) that each Service Director submit a Service related Health and Safety Action Plan to the appropriate Committee before March 2005; and
- (iii) otherwise to note the report.

LOCAL GOVERNMENT MANAGEMENT GAME 2004

14. There was submitted a report dated 9 November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support which advised of the Council's participation in the Local Government Management Game.

It was agreed:

- (i) to note the Council's participation in the Local Government Management Game and to record the Committee's appreciation of the team's excellent performance; and

- (ii) otherwise to note the report.

CHIEF OFFICERS 2004/05 PAY AGREEMENT

15. There was submitted and noted report dated 9 November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support which advised that agreement had been reached in pay negotiations for the Chief Officers covering the period 2004/05.

SCOTTISH PUBLIC SERVICES OMBUDSMAN ACT 2002 - REPORT BY THE SCOTTISH PUBLIC SERVICES OMBUDSMAN ON AN INVESTIGATION INTO A COMPLAINT AGAINST EAST AYRSHIRE COUNCIL - REF: ECOMM130 (Item 7, page 684, 03/07)

16. There was submitted a report dated 3 November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support which provided an update in respect of the outcome of an investigation by the Scottish Public Services Ombudsman into a complaint against East Ayrshire Council in respect of a Housing matter.

It was agreed:

- (i) to note the updated position in respect of this matter and the action taken in furtherance of the outstanding recommendation of the Scottish Public Services Ombudsman;
- (ii) that the Head of Administrative and Legal Services formally report back to the Scottish Public Services Ombudsman in respect of this matter; and
- (iii) otherwise to note the contents of the report.

EXCLUSION OF PRESS AND PUBLIC

17. The Committee resolved that under Section 50A(4) of the Local Government (Scotland) Act 1973, as amended, the Press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 1 and 11 of Schedule 7A of the Act.

STAFFING

REVIEW OF ADMINISTRATIVE SUPPORT WITHIN DEVELOPMENT AND PROPERTY SERVICES DIRECTORATE (PARAS 1 AND 11) (Item 12, page 821, 03/07)

18. There was submitted a joint report dated 9 November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support and the Executive Director of Development and Property Services which sought approval for amendments to the staffing structure of the Department of Development and Property Services subject to consultation with the Trade Unions.

It was agreed:

- (i) to approve the staffing proposals contained in paragraph 3.1 of the report subject to consultation with the Trade Unions; and

- (ii) otherwise to note the report.

BUILDING STANDARDS SECTION (PARAS 1 AND 11) (Item 8, page 878, 03/07)

19. There was submitted a joint report dated 1 October 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support and the Executive Director of Development and Property Services which sought approval for amendments to the staffing structure of the Building Standards Section within the Department of Development and Property Services subject to consultation with the Trade Unions.

It was agreed:

- (i) to approve the staffing proposals contained in the report subject to consultation with the Trade Unions;
- (ii) that filling the posts would be commensurate with the workload and thus income generation through Building Warrant fees; and
- (iii) otherwise to note the report.

REVIEW OF STAFFING WITHIN TRANSPORT SERVICES (PARAS 1 AND 11)

20. There was submitted a joint report dated 9 November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support and the Executive Director of Development and Property Services which sought approval to amend the staffing structure of the Department of Development and Property Services, Transport Services Section subject to consultation with Trade Unions.

It was agreed:

- (i) to approve the staffing proposals contained in the report subject to consultation with Trade Unions; and
- (ii) otherwise to note the report.

**TEACHING PROFESSION FOR THE 21ST CENTURY -
SCHOOL SUPPORT STAFF STRUCTURES (PARAS 1 AND 11)**

21. There was submitted a joint report dated 2 November 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support and the Executive Director of Educational and Social Services which sought approval for amendments to the staffing structure within the Education Section of the Department of Educational and Social Services subject to ongoing consultation with Trade Unions.

It was agreed:

- (i) to approve the staffing proposals contained in the report subject to consultation with the Trade Unions; and
- (ii) otherwise to note the report.

OLDER PEOPLE'S RESIDENTIAL AND DAY CARE SERVICES (PARA 1)

22. There was submitted a joint report dated 27 October 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support and Executive Director of Educational and Social Services which sought approval for amendments to the staffing structure of the Social Work function within the Department of Educational and Social Services.

It was agreed:

- (i) to approve the staffing proposals contained in the report; and
- (ii) otherwise to note the report.

**STRENGTHENING FRONT LINE SERVICES -
SERVICE REVIEWS (PARAS 1 AND 11)**

- 23.** There was submitted a joint report dated 27 October 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support and the Executive Director of Educational and Social Services which sought approval for amendments to the staffing structure within the Social Work function of the Department of Educational and Social Services subject to ongoing consultation with Trade Unions.

It was agreed:

- (i) to approve the staffing proposals contained in the report subject to amendment of a grading in paragraph 6.1 as reported verbally by the Head of Personnel and ongoing consultation with Trade Unions; and
- (ii) otherwise to note the report.

**AYRSHIRE CRIMINAL JUSTICE SOCIAL WORK SERVICE PARTNERSHIP
THROUGH CARE PLAN (PARA 1)**

- 24.** There was submitted a joint report dated 27 October 2004 (circulated) by the Depute Chief Executive/Executive Director of Corporate Support and the Executive Director of Educational and Social Services which sought approval for amendments to the staffing structure of the Social Work function within the Department of Educational and Social Services.

It was agreed:

- (i) to approve the staffing proposals contained in the report; and
- (ii) otherwise to note the report.

The meeting terminated at 1053 hrs.