

**EAST AYRSHIRE COUNCIL**

**MINUTES OF SPECIAL MEETING HELD ON THURSDAY 9 FEBRUARY 2006  
IN THE MEETING ROOM, COUNCIL HEADQUARTERS,  
LONDON ROAD, KILMARNOCK**

**PRESENT:** Provost Jane Darnbrough and Councillors Maureen McKay, Jim O'Neill, John McGhee, Brian Reeves, Daniel Coffey, Willie Coffey, Gordon Cree, Drew McIntyre, Isabella Macrae, Harry Wilson, Iain Linton, John Campbell, John Knapp, Jim Raymond, Stuart Finlayson, Robert McDill, Eric Jackson, George Smith, Jimmy Kelly, Depute Provost Tommy Farrell, and Councillors William Menzies, Neil McGhee, Elaine Dinwoodie, Elaine Stewart and Jimmy Carmichael.

**ATTENDING:** Fiona Lees, Chief Executive; Elizabeth Morton, Depute Chief Executive/Executive Director of Corporate Support; John Mulgrew, Executive Director of Educational and Social Services; William Stafford, Executive Director of Neighbourhood Services; Alex McPhee, Executive Head of Finance; David Mitchell, Head of Administrative and Legal Services; and Julie McGarry, Assistant Administration Manager.

**APOLOGIES:** Councillors Stephanie Young, Douglas Reid, John Weir, Ray Murray, William Crawford and Eric Ross.

**CHAIR:** Provost Darnbrough, Chair.

**PROVOST'S REMARKS**

1. Provost Darnbrough began by referring to the death of Mr Charles Calman during the previous week. The Provost recognised that Charlie, as he was known to many, had been a long-standing member of Piersland-Bentinck Community Council, a Community Representative on the Kilmarnock Central Local Committee, an active member of the community and had been a member of East Ayrshire Town Twinning Association with a particular fondness for the twin town of Kulmbach. Through his involvement with these various local groups, most Members had the pleasure of knowing and working with Charlie over the years.

The Provost then passed on, on behalf of the Council, her deepest sympathy to his wife Agnes and all his family at this difficult time.

**ORDER OF DEBATE AND TIME LIMIT FOR SPEECHES**

2. The Provost stated, that in respect of the budget, each item would be debated separately.

It was noted that, in accordance with Standing Orders, a mover of a motion or amendment should speak for no longer than 10 minutes with succeeding speakers entitled to speak for no more than 5 minutes and with the original mover then having the right to speak for no more than 5 minutes in reply.

**PERFORMANCE MANAGEMENT - PRUDENTIAL INDICATORS 2006/07  
(Item 8, Page 1972, 03/07)**

3. There was submitted an excerpt from the Minutes of the Policy and Resources Committee of 8 February 2006 (excerpt circulated) together with the relevant report

for background information (circulated under separate cover as Agenda Item 8 for the Policy and Resources Committee held on 8 February 2006).

Councillor McIntyre, seconded by Councillor Knapp, moved approval of the recommendations of the Policy and Resources Committee of 8 February 2006, namely:

- (i) that the Prudential Indicators set out in paragraphs 3.5, 3.6, 4.1, 4.4, 5.2, 5.3 and 5.4 of the report be approved; and
- (ii) otherwise to note the contents of the report.

Councillor D Coffey, seconded by Councillor W Coffey, moved as an amendment to continue consideration of this matter to Item 3 of the Agenda on the Revenue Budget 2006/07 - 2008/09.

On a division by a show of hands the motion was carried by 20 votes to 6.

**GENERAL SERVICES CAPITAL PROGRAMME 2006/07 TO 2008/09**  
**(Item 10, Page 1973, 03/07)**

4. There was submitted an excerpt from the Minutes of the Policy and Resources Committee of 8 February 2006 (excerpt circulated) together with the relevant report for background information (circulated under separate cover as Agenda Item No 10 for the Policy and Resources Committee held on 8 February 2006).

Councillor McIntyre, seconded by Councillor Knapp, moved approval of the recommendations of the Policy and Resources Committee of 8 February 2006 as follows:-

- (i) to approve the proposed Capital Investment Strategy outlined in the report comprising the following total capital investment allocation for each Department;

<b>RECOMMENDED ALLOCATIONS</b>	<b>06/07 £M</b>	<b>07/08 £M</b>	<b>08/09 £M</b>	<b>TOTAL</b>
Education	9.487	1.447	-	10.934
Social Services	4.431	1.290	-	5.721
Development - Operational	13.020	5.043	3.290	21.353
Development - Accommodation	0.100	-	-	0.100
Neighbourhood Services - Community	7.699	1.450	-	9.149
Neighbourhood Services - Housing	1.186	0.986	-	2.172
Corporate Support (including Contingency)	4.310	0.250	0.250	4.810
To be allocated	0.000	9.735	11.900	21.635
<b>TOTAL EXPENDITURE</b>	<b>40.233</b>	<b>20.201</b>	<b>15.440</b>	<b>75.874</b>

- (ii) to approve the proposed arrangements for expenditure controls on construction and related works;
- (iii) to instruct Executive Directors to submit detailed Capital Programmes for the utilisation of capital allocations for 2006/07 to their Service Committees for

consideration and approval having satisfied the requirements in relation to option appraisal and categorisation of capital expenditure;

- (iv) to approve the Spend to Save projects highlighted within the report; and
- (v) to approve the proposed overall capital expenditure outlined in Section 6 of the report.

Councillor D Coffey, seconded by Councillor W Coffey, moved as an amendment to continue consideration of this matter to Item 3 of the Agenda on the Revenue Budget 2006/07 - 2008/09.

On a division by a show of hands the motion was carried by 20 votes to 6.

**REVENUE BUDGET 2006/07 - 2008/09 - COUNCIL TAX AND RENT LEVELS**  
(Item 11, Page 1974, 03/07)

5. There was submitted an excerpt from the Minutes of the Policy and Resources Committee of 8 February 2006 (excerpt circulated) together with relevant report for background information (circulated under separate cover as Agenda Item No 11 for the Policy and Resources Committee held on 8 February 2006).

Councillor McIntyre, seconded by Councillor Kelly, moved approval of the recommendations of the Policy and Resources Committee of 8 February 2006, namely:

- (i) that the budget be approved as follows:

Service	Total Allocation 2006/07 £m	Proposed Allocation 2007/08 £m
Educational Services	94.696	95.134
Social Services	44.605	46.448
Neighbourhood Services	51.117	52.627
Development & Property Services	19.122	19.478
Corporate Support	8.934	8.932
*Other Non-Departmental Items	73.306	78.660
Net Expenditure	291.780	301.279
Net Income	291.780	301.279

\*Other Non-Departmental items include amounts for Supporting People, Debt Charges, Council Tax and Rent Rebates, Insurance and Trading Services surpluses.

- (ii) that the Band 'D' Council Tax level for 2006/07 should be set at £1170.99;
- (iii) to request Service Committees to determine Service budgets within the allocations indicated taking account of Service Plans and priorities;
- (iv) that a rent increase of £1.64 per week over a 52 week period, an increase of £0.14 per week (52 weeks) for lock-ups and £0.99 per year for Garage Site charges be approved; and

(v) otherwise, to note the contents of this report.

Councillor D Coffey, seconded by Councillor W Coffey, moved as an amendment.

- (i) to budget for a pay increase in line with inflation only which would save £600,000;
- (ii) to cap the amount set aside in reserve for Single Status at £500,000 less than that proposed by the Administration;
- (iii) to improve performance by management in Trading Services, Building and Works in particular, ensuring staff are working to their full potential and capacity, thus delivering equivalent output at a lower cost and that target surpluses be increased by 10% reducing costs by a further £430,000;
- (iv) to budget for a saving following the completion of the Best Value Audit with a £20,000 saving being made by a redeployment to a vacant post in a front line service;
- (v) to discontinue Headlines magazine as this was not a cost effective way of giving people the information they need about the Council, saving £25,000; and
- (vi) to improve efficiency in the level of Council Tax collection, giving a 0.5% reduction in the bad debt provision saving £200,000.

These proposals would release £1.775m which would be used as follows:

- (i) £1.010m to reduce the Council Tax increase to 2.5%, in line with inflation;
- (ii) the remaining £765,000 to be allocated to Educational and Social Services to bring in a capital investment scheme of £10m to be used for structured investments and improvements in "school estate" benefiting the whole of East Ayrshire's Council School Estate;
- (iii) the Chief Executive take immediate steps to use the Departmental balances built up to accelerate Centralised Purchasing and better Asset Management and give a timetable to deliver these savings;
- (iv) for the level of uncommitted balances held, to use half the projected uncommitted General Fund balance of £5.6m (£2.8m) to allow one off or specific period investments, namely:
  - (a) £1m to Neighbourhood Service for spend on measures to deal with the Anti-Social Programme - Community Wardens for all areas targeting litter and dog fouling etc and playpark investment;
  - (b) £1.8m to Social Services projects for physical disability and Special Needs requirements and that the Executive Director bring forward proposals on these for Elected Members to consider.

Therefore, the proposal would be a 2.5% Council Tax increase and that the Band 'D' level for 2006/07 be £1,144.

In respect of the rent increases the following measures were proposed:

- (i) to improve efficiency, set a four week turnaround for stock, saving £154,000;
- (ii) to vigorously promote the benefits of renting Council housing, setting a target to reduce house sales by 100 per year, saving £116,000 in rent regained;

- (iii) to keep rent levels down and to compete with the mortgage option, utilise a proportion of the Repairs and Renewal Fund, £500,000 to abate the CFCR programme; £250,000 investment in a pilot void improvement programme to ensure houses are in "move in" condition; all within recommended contingency guidelines;
- (iv) to utilise the anticipated out-turn surplus of £150,000 to abate the rent rise; and
- (v) to set the base estimate for staffing costs equivalent to the projected out-turn for 2005/06, saving a further £40,000.

giving a rent increase of just 37p per week over a 52 week period, an increase of 14p per week for lock-ups and 99p per year for garage site charges.

On a division by a show of hands the motion was carried by 20 votes to 6.

The meeting terminated at 1040 hrs.