

**APPENDIX IX**

**EAST AYRSHIRE COUNCIL**

**FINANCE AND PROPERTY SUB-COMMITTEE OF THE POLICY AND  
RESOURCES COMMITTEE**

**MINUTES OF MEETING HELD ON TUESDAY 21 JANUARY 1997 AT 1400  
HOURS IN THE MEETING ROOM, COUNCIL HEADQUARTERS, LONDON ROAD,  
KILMARNOCK**

**PRESENT:** Councillors David Sneller, Drew McIntyre, Douglas Reid, Jane Darnbrough, David Fulton, Kim Nicoll, Jim Kelly and Eric Jackson

**ATTENDING:** David Montgomery, Chief Executive; Fiona Lees, Depute Chief Executive; Barbara Haughan, Director of Support Services; Gordon Clark, Director of Finance; Alex McPhee, Senior Depute Director of Finance; Kate McVey, Head of Legal Services; Robert McLeary, Head of Property; Robin Baker, Senior Accountant; Bill Walkinshaw, Principal Administrative Officer and Anne Marie Carr, Administrative Officer.

**APOLOGIES:** Councillors Daniel Coffey and Tommy Farrell.

**CHAIR:** Councillor David Sneller, Chair.

**BUDGETARY CONTROL SUMMARY STATEMENT- GENERAL SERVICES  
REVENUE ACCOUNT TO 6 DECEMBER 1996 (PERIOD 9)**

1. There was submitted a report dated 6 January 1997 (circulated) by the Director of Finance on the current budgetary control position of the General Services Revenue Account for the period ended 6 December 1996 (Period 9).

It was agreed:-

- (i) to note the contents of the report; and
- (ii) to note that the proposal made in paragraph 2.4.1 of the report that the Director of Community Services report to the Policy and Resources Committee regarding the course of action proposed to address the Department's current overspend had been withdrawn.

**BUDGETARY CONTROL SUMMARY STATEMENT - HOUSING REVENUE  
ACCOUNT TO 6 DECEMBER 1996 (PERIOD 9)**

2. There was submitted a report dated 8 January 1997 (circulated) by the Director of Finance on the current budgetary control position of the Housing Revenue Account for period ended 6 December 1996 (Period 9).

It was agreed:-

- (i) to recommend approval of the utilisation of the inherited accumulative provision for bad debts to fund the eventual bad debt write-off for debts of the former Cumnock and Doon Valley District Council for 1995/96 and to cover the amount under provided in financial year 1996/97; and

- (ii) otherwise to note the contents of the report and that in paragraph 3.2 the word "deficit" should be replaced by the word "surplus".

### **STATISTICAL INFORMATION ON REVENUE COLLECTION**

- 3. There was submitted a report dated 8 January 1997 (circulated) by the Director of Finance showing the billing and collection position of the Council as at 31 December 1996.

It was agreed:-

- (i) to note the contents of the report; and
- (ii) that, in relation to the arrears information on Council Tax, Non-Domestic Rates and Community Charge (Poll Tax), a further report be submitted to the next meeting of the Sub-Committee on 4 March 1997 detailing the levels of arrears in the following categories; (i) arrears that are subject to arrangement for payment with the Council; (ii) arrears with the Sheriff Officers, and (iii) arrears that are being pursued by other means.

### **ESTABLISHMENT OF INTERNAL INSURANCE FUND**

- 4. There was submitted a report dated 14 January 1997 (circulated) by the Director of Finance seeking authority for the establishment of an Internal Insurance Fund, under Section 13 of the Local Government (Scotland) Act 1994.

It was agreed to recommend:-

- (i) that the Director of Finance be authorised to establish an Internal Insurance Fund, under Section 13 of the Local Government (Scotland) Act 1994;
- (ii) that East Ayrshire Council adopt the recommendations made by the Local Authority (Scotland) Advisory Committee (LASAAC), regarding the form of accounts and accounting practice; and
- (iii) that the Director of Finance report on an annual basis to the Sub-Committee and obtain an independent actuarial valuation of the fund triennially.

### **EXCLUSION OF PRESS AND PUBLIC**

- 5. The Sub-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 involve the likely disclosure of exempt information as defined in paragraph 9 of Schedule 7A of the Act.

### **DISPOSAL OF FORMER GROUGAR PRIMARY SCHOOL, MOSCOW, BY GALSTON (Item 15, Page 1251)**

- 6. There was submitted a report dated 10 January 1997 (circulated) by the Director of Support Services on the outcome of the recent marketing of the former Grougar Primary School, Moscow, By Galston.

It was agreed:-

- (i) that the offer from the applicant be rejected;

- (ii) to authorise the Head of Property Services to enter into negotiations with the organisation identified in the report with a view to taking a lease of the former Grougar Primary School; and
- (iii) that a further report on terms and conditions negotiated between the Council and the organisation be submitted to a future meeting of the Sub-Committee.

**REQUEST TO UNDERTAKE THE LEASE OF THE BRITISH GAS BUILDING,  
HOLMQUARRY ROAD, KILMARNOCK (Item 19, Page 1571)**

7. There was submitted a report dated 13 January 1997 (circulated) by the Director of Support Services seeking authorisation to undertake the lease of the British Gas premises at Holmquarry Road, Kilmarnock on behalf of the Council's Commercial Operations Department.

It was agreed to authorise the Head of Property Services to undertake the lease of the British Gas Premises at Holmquarry Road, Kilmarnock extending to 550 square metres (5920 square feet) of office accommodation and 418 square metres (4500 square feet) of industrial accommodation, as detailed on the plan with the report, on behalf of the Council's Commercial Operations Department, subject to the terms and conditions as detailed in the Appendix to this Minute.

**DISPOSAL OF FORMER CROOKEDHOLM PRIMARY SCHOOL, GROUGAR  
ROAD, CROOKEDHOLM, BY KILMARNOCK (Item 22, Page 1418)**

8. There was submitted a report dated 13 January 1997 (circulated) by the Director of Support Services seeking authorisation to accept an offer for the sale of the former Crookedholm Primary School, Grougar Road, Crookedholm, By Kilmarnock.

It was agreed to continue consideration of this item to the meeting of the Policy and Resources Committee on 30 January 1997.

**PROPERTY TRANSACTIONS (Item 21, Page 1253)**

9. There was submitted a report dated 12 December 1996 (circulated) by the Director of Support Services providing the Sub-Committee with an update on the various property transactions which had been undertaken by the Head of Property Services on behalf of the Council since 3 September 1996.

It was agreed:-

- (i) that the Director of Support Services submit a report to the next meeting of the Sub-Committee providing an update on the progress of negotiations and likely timescale for the disposal of the former Crossroads School House, Crossroads; and
- (ii) to note the report and that there may no longer be a need for the Council to be involved in the acquisition/disposal transaction of the former Barony Colliery site which was now being progressed direct by the other parties involved. (Item 11 Page 1432).

**CAPITAL RECEIPTS UPDATE (Item 8, Page 804)**

10. There was submitted and noted a report dated 11 December 1996 (circulated) by the Director of Support Services on progress in achieving the Capital Receipts target set for the current financial year 1996/97.

The meeting terminated at 1440 hours.

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**REQUEST TO UNDERTAKE THE LEASE OF THE BRITISH GAS  
BUILDING, HOLMQUARRY ROAD, KILMARNOCK**

- (i) the rental will be £25,000 per annum (exclusive of rates and VAT) payable by the Council's Commercial Operations Department;
- (ii) a one year rent-free period, subject to approval of details of the £50,000 of improvements to be carried out by the Council;
- (iii) the lease will be for a period of 10 years commencing on the entry date;
- (iv) the date of entry has been provisionally agreed as 1 February 1997;
- (v) there will be mutual break clauses at the end of years 3, 6 and 9;
- (vi) the premises will be let on a full repairing basis;
- (vii) the Council will insure the premises against fire and special perils;
- (viii) there will be a rent review at the end of the fifth year;
- (ix) the Council shall be responsible for all local authority rates levied on the premises throughout the duration of the lease; and
- (x) any transaction will be subject to the full approval of British Gas.