

APPENDIX IX

EAST AYRSHIRE COUNCIL

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

**MINUTES OF MEETING HELD ON TUESDAY 15 APRIL 1997 AT 1400 HOURS IN
THE MEETING ROOM, COUNCIL HEADQUARTERS, LONDON ROAD,
KILMARNOCK**

PRESENT: Councillors David Sneller, Drew McIntyre, Jane Darnbrough, Daniel Coffey and Eric Jackson.

ATTENDING: David Montgomery, Chief Executive; Gordon Clark, Director of Finance; Barbara Haughan, Director of Support Services; Alex McPhee, Senior Depute Director of Finance; Robert McLeary, Head of Property Services; Irene Townson, Principal Solicitor; Robin Baker, Senior Accountant; James Lally, Senior Administrative Officer and Alex Hewetson, Administrative Officer.

APOLOGIES: Councillors Douglas Reid, Wilma Doyle, David Fulton, Kim Nicoll and Tommy Farrell.

CHAIR: Councillor David Sneller, Chair.

STATISTICAL INFORMATION ON REVENUE COLLECTION

1. There was submitted and noted a report dated 3 April 1997 (circulated) by the Director of Finance showing the billing and collection position of local taxes for the Council as at 28 February 1997.

DRAFT RISK MANAGEMENT POLICY STATEMENT

2. There was submitted a report dated 3 April 1997 (circulated) by the Director of Finance seeking approval of a Draft Risk Management Policy Statement for East Ayrshire Council.

C It was agreed to recommend approval of the Draft Risk Management Policy Statement as detailed in the Appendix to the report. C

PROPOSED RISK CONSULTING INITIATIVE

3. There was submitted a report dated 3 April 1997 (circulated) by the Director of Finance seeking approval of a proposed Risk Consulting Initiative by the Council's Insurance Brokers; Sedgwick UK Risk Services Ltd, in conjunction with the Royal Insurance Company, to advance the development of the risk management culture throughout East Ayrshire and the development of an information base in relation to the Council's risk management responsibilities.

It was agreed:-

- (i) to recommend that the Director of Finance be authorised to enter into further discussions with Sedgwick UK Risk Services Ltd, with a view to entering into a Risk Consulting Initiative as outlined in the report;
- (ii) to note that there would be no financial implications for the Council in terms of the consultancy work, the cost of which would be met by the Royal Insurance Company; and
- (iii) that as part of the Risk Consulting Initiative the Director of Finance should submit in due course a report on the Council's third party claim procedure including an analysis of claims made and timescales from submission to settlement.

SPONSORSHIP OF STUDENT PLACEMENT - RISK MANAGEMENT

4. There was submitted a report dated 3 April 1997 (circulated) by the Director of Finance seeking authority to participate in a joint sponsorship scheme operated by Glasgow Caledonian University and Zurich Municipal Insurance Company which would provide opportunities for the placement of risk management students with local authorities and other public bodies.

It was agreed to recommend approval of the sponsorship of a risk management student within the Finance Department on the undernoted basis;

- (i) the placement would be for a duration of approximately 10 weeks, within the period June to September 1997;
- (ii) the cost of the sponsorship to the Council after taking into account a subsidy from Zurich Municipal Insurance would be approximately £1,200, which would be met from the budget provision for the Finance Department within the 1997/98 revenue estimates;
- (iii) the student, in liaison and with the support of Glasgow Caledonian University, would undertake a project on risk management within the Council, the parameters of which would be defined by the Director of Finance; and
- (iv) upon completion of the project, the Council would receive the final project report by the student.

DISPOSAL OF MOVABLE ASSETS (Item 6, Page 1932)

5. There was submitted a report dated 8 April 1997 (circulated) by the Director of Finance seeking approval for a detailed set of procedures for the disposal of East Ayrshire Council's moveable assets.

It was agreed to recommend:-

- (i) approval of the procedures for the disposal of East Ayrshire Council's moveable assets as detailed in paragraph 3 of the report; and
- (ii) that the Director of Finance incorporate these procedures within the guidance to Departments on inventory procedures, in terms of paragraph 11 of the Financial Regulations of the Council.

**SUPPORT SERVICES - INFORMATION TECHNOLOGY - GENERAL SERVICES
CAPITAL ALLOCATION 1997/98**

6. There was submitted a report dated 25 March 1997 (circulated) by the Director of Support Services on proposals in respect of the expenditure of the capital budgetary provision of £990,000 in financial year 1997/98.

It was agreed to recommend approval of the capital expenditure programme as detailed in paragraph 3 of the report.

**SUPPORT SERVICES - PROPERTY SERVICES - GENERAL SERVICES CAPITAL
ALLOCATION 1997/98**

7. There was submitted a report dated 24 March 1997 (circulated) by the Director of Support Services on proposals in respect of the expenditure of the capital budgetary provision of £400,000 in financial year 1997/98.

It was agreed:-

- (i) to recommend approval of the capital expenditure proposals outlined in paragraph 3 of the report with the exception, at this stage, of the proposals in respect of the accommodation at Council Headquarters, London Road;
- (ii) to remit to the Head of Property Services to submit to the next meeting of the Sub-Committee, a detailed report on the proposed works to be carried out at London Road against the background of what had been achieved thus far, together with an indication of what would still remain to be addressed in future across all central office accommodation beyond the current programme; and
- (iii) that a progress report on General Services capital expenditure should be submitted as a standing agenda item for future meetings of the Sub-Committee.

**SUPPORT SERVICES - PROPERTY SERVICES - CENTRAL REPAIRS ACCOUNT
REVENUE ALLOCATION 1997/98**

8. There was submitted a report dated 26 March 1997 (circulated) by the Director of Support Services on proposals in respect of the expenditure of the Revenue Budget provision of £2,268,840 allocated for expenditure on the Central Repairs Account/Capital Funded from Current Revenue (CFCR).

It was agreed to recommend approval of the revenue expenditure programme detailed in paragraph 3 of the report.

PROPERTY TRANSACTIONS

9. There was submitted a report dated 24 March 1997 (circulated) by the Director of Support Services on various Property Transactions which had been undertaken by the Director of Support Services on behalf of the Council since 21 January 1997.

It was agreed:-

- (i) to note the various Property Transactions undertaken on behalf of the Council as detailed in the report;
- (ii) that it would be remitted to the Director of Support Services to report on any further interest, following re-advertisement, in respect of the disposal of for

the former Glaisnock Outdoor Centre, Cumnock, to the next meeting of the Sub-Committee; and

- (iii) to note that the Director of Support Services would submit reports on the Council's property portfolio to the Sub-Committee on a regular basis.

PROCEDURES FOR SUBMITTING COMPENSATION CLAIMS FOR CRIMINAL DAMAGE TO COUNCIL PROPERTY

- 10. There was submitted a report dated 27 March 1997 (circulated) by the Director of Support Services on procedures to ensure the initiation of compensation claims where criminal damage to Council property has caused a loss.

It was agreed:-

- (i) that the Director of Support Services provide Members of the Sub-Committee with information relating to the number of compensation orders awarded in the Council's favour in 1996/97;
- (ii) to note that to the Director of Support Services intended to submit a year end report providing details on the costs of vandalism to Council property and on the corporate approach in respect of the introduction of anti-vandalism measures; and
- (iii) otherwise to note the contents of the report.

EXCLUSION OF PRESS AND PUBLIC

- 11. The Sub-Committee resolved under Section 50A(4) of the Local Government (Scotland) Act 1973, as amended, that 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 paragraph 9 of Schedule 7A of the Act.

PROPOSED DISPOSAL OF INDUSTRIAL PREMISES AT 29 FURNACE ROAD, MUIRKIRK

- 12. There was submitted a report dated 25 March 1997 (circulated) by the Director of Support Services seeking authorisation to accept an offer for the sale of industrial premises and yard space at 29 Furnace Road, Muirkirk, to Transman Distributors Ltd.

It was agreed to remit to the Director of Support Services to conclude the sale of the premises at 29 Furnace Road, Muirkirk on behalf of East Ayrshire Council for the sum of £18,000 subject to the terms and conditions as detailed in the annexation to this Minute.

**PROPOSED DISPOSAL OF INDUSTRIAL SUBJECTS, UNIT 2, BLOCK 2,
THISTLEPARK SOUTH INDUSTRIAL ESTATE, CRAIGENS ROAD, CUMNOCK**

13. There was submitted a report dated 25 March 1997 (circulated) by the Director of Support Services seeking authorisation to accept an offer, for the disposal of industrial premises, Unit 2, Block 2, Thistlepark South Industrial Estate, Craigens Road, Cumnock, from James H Yates and Sons Ltd.

It was agreed to remit to the Director of Support Services to conclude the sale of the premises at Unit 2, Block 2, Thistlepark South Industrial Estate, Craigens Road, Cumnock on behalf of East Ayrshire Council for the sum of £85,000 subject to the terms and conditions as detailed in the Annexation to this Minute.

CAPITAL RECEIPTS UPDATE

14. There was submitted and noted a report dated 24 March 1997 (circulated) by the Director of Support Services on progress in achieving the capital receipts target set for financial year 1996/97.

LAND WITHIN COUNCIL OWNERSHIP AT QUEEN'S DRIVE, KILMARNOCK

15. There was submitted a report dated 8 April 1997 (circulated) by the Director of Support Services on the current position regarding the possibility of a joint development being carried out on land within Council ownership at Queen's Drive, Kilmarnock.

It was agreed to remit to the Director of Support services to arrange for a presentation by interested parties in the development of the land at Queen's Drive, Kilmarnock to the next appropriate Committee meeting.

The meeting terminated at 1515 hours.

ANNEXATION**12. PROPOSED DISPOSAL OF INDUSTRIAL PREMISES AT 29 FURNACE ROAD, MUIRKIRK**

- (i) Conditional missives to be concluded within 6 weeks of the date of the Sub-Committee meeting.
- (ii) Formal planning consent and other statutory applications in respect of the proposed development must be submitted within a period of 8 weeks from the date of conditional Missives being concluded.
- (iii) The purchasers must satisfy themselves as to the suitability of the site for the proposed development within a period of 8 weeks following the conclusion of conditional Missives.
- (iv) Planning permission and other statutory consents in respect of the proposed development must be obtained within a period of 20 weeks from the date of conclusion of conditional Missives.
- (v) On conclusion of conditional Missives, a deposit of 10% of the purchase price shall be placed on deposit receipt in the joint names of the Council and the purchasers.
- (vi) The Council shall reserve the right to resile from the bargain in the event of the breach of any of the above conditions.
- (vii) Should circumstances require, the timescales indicated above may be varied at the discretion of the Head of Property and the Head of Legal Services.
- (viii) The Head of Legal Services shall include any other conditions deemed necessary to safeguard the interest of the Council.

13. PROPOSED DISPOSAL OF INDUSTRIAL SUBJECTS, UNIT 2, BLOCK 2, THISTLEPARK INDUSTRIAL ESTATE, CRAIGENS ROAD, CUMNOCK

- (i) Conditional Missives to be concluded within 6 weeks of the date of the Sub-Committee meeting.
- (ii) Formal planning consent and other statutory applications, where applicable, in respect of the proposed occupancy must be submitted within a period of 8 weeks from the date of conditional Missives being concluded.
- (iii) The purchasers must satisfy themselves as to the suitability of the subjects for the proposed occupancy within a period of 8 weeks following the conclusion of conditional Missives.
- (iv) Planning permission and other statutory consents in respect of the proposed occupancy must be obtained within a period of 20 weeks from the date of conclusion of conditional Missives.

- (v) On conclusion of conditional Missives, a deposit of 10% of the purchase price shall be placed on deposit receipt in the joint names of the Council and the purchasers.
- (vi) The Council shall reserve the right to resile from the bargain in the event of the breach of any of the above conditions.
- (vii) Should circumstances require, the timescales indicated above may be varied at the discretion of the Head of Property and the Head of Legal Services.
- (viii) The Head of Legal Services shall include any other conditions deemed necessary to safeguard the interest of the Council