

EAST AYRSHIRE COUNCIL

SPECIAL AD HOC COMMERCIAL STRATEGY REVIEW COMMITTEE

MINUTES OF MEETING HELD ON MONDAY 12 OCTOBER 1998 AT 1400 HOURS IN THE MEETING ROOM, COUNCIL HEADQUARTERS, LONDON ROAD, KILMARNOCK

PRESENT: Councillors David Sneller, Gordon Cree, Jane Darnbrough, David Macrae and Eric Jackson.

ATTENDING: David Montgomery, Chief Executive; John Hillis, Director of Housing; Barbara Haughan, Director of Support Services; William Taylor, Acting Director of Commercial Operations; Alex McPhee, Acting Director of Finance; Graham Haugh, Depute Director of Personnel Services; John Crawford, Head of Protective Services; Alex Reid, Senior Procurement Officer; Martin O'Rourke, Senior Planning Officer and James Lally, Senior Administrative Officer.

ALSO ATTENDING: Sam Craig, CoSLA Consultant.

APOLOGIES: Councillors Drew McIntyre and Tommy Farrell.

CHAIR: Councillor David Sneller, Chair.

FUTURE TIMETABLE

1. There was submitted and noted a report dated 9 October 1998 (circulated) by the Chief Executive updating the Timetable for submission of reports to future meetings of this Committee.

DEVELOPMENT OF OPERATING ARRANGEMENTS FOR EAST AYRSHIRE COUNCIL'S BUDGET MONITORING GROUP

2. There was submitted a report dated 8 October 1998 (circulated) by Sam Craig, CoSLA Consultant, setting out a framework within which the Budget Monitoring Group could operate effectively and considering the types of monitoring reports that should be submitted to the Group.

It was agreed:-

- (i) to approve the recommendations for a framework within which the Budget Monitoring Group could operate effectively and the type of monitoring reports that should be submitted to the Group as summarised in Section 9 of the report, in so far as they related to the reporting and monitoring arrangements for DLO/DSO's; and
- (ii) that the report be remitted to the next meeting of the Policy and Resources Committee to allow consideration of the recommendations in so far as they related to the other Departments of the Council.

EXCLUSION OF PRESS AND PUBLIC

3. 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 the Paragraph of Schedule 7A of the Act as shown against each item.

NOTE OF MEETING WITH TRADE UNION REPRESENTATIVES REGARDING SPECIAL AD HOC COMMERCIAL STRATEGY REVIEW COMMITTEE (PARA 11)

4. There was submitted Minutes of meeting held on 28 September 1998 (circulated).
Councillor Sneller confirmed that the Trade Unions concerns over the high other employee costs within the Grounds Maintenance service would be addressed in the report on the latest financial position and achievement of income for the Grounds Maintenance service scheduled to be considered at the next meeting of this Committee.

BUILDING AND WORKS INVOICES (PARA 6)

5. There was submitted a report dated 6 October 1998 (circulated) by the Acting Director of Commercial Operations informing of the progress in clearing the level of Building and Works invoices.

It was agreed to note the contents of the report and that the number of outstanding invoices for the current year as detailed in Appendix A in respect of the period ending 24 October 1998 should have been 697 and not 607 and that the figure of 697 should have been brought forward to the period ending 2 October 1998 thus confirming a total of 559 outstanding current year invoices as at that date.

BUILDING AND WORKS INCOME RECOVERY (PARA 6)

6. There was submitted and noted report dated 7 October 1998 (circulated) by the Acting Director of Commercial Operations informing of the amount of income recovered by Building and Works to the end of week 22.

BUILDING AND WORKS STORES UPDATE (PARA 6)

7. There was submitted a report dated 7 October 1998 (circulated) by the Acting Director of Commercial Operations providing an update on the operation of the Building and Works stores.

It was agreed to note the progress being made to take corrective action to central Building and Works stores and that a further report providing an update on progress with the introduction of continuous stocktaking and the removal of obsolete stock would be submitted to a future meeting of this Committee.

GROUND'S MAINTENANCE SERVICE - SUMMER SERVICE LEVEL AGREEMENT PROGRESS REPORT (PARA 6)

8. There was submitted and noted joint report dated 7 October 1998 (circulated) by the Director of Community Services and Acting Director of Commercial Operations advising of the progress made in the delivery of the Grounds Maintenance Work programme during September 1998 by the Commercial Operations Department.

REVIEW OF DSOs - VEHICLE MAINTENANCE DSOs - UPDATE REPORT (PARA 6)

9. There was submitted a joint report dated 2 October 1998 (circulated) by the Director of Personnel Services and Acting Directors of Commercial Operations and of Finance providing an update on the action taken to address the projected deficit in the Vehicle Maintenance DSO and providing information on the current financial projections.

It was agreed:-

- (i) that it be remitted to the Acting Director of Commercial Operations in consultation with the Director of Personnel Services and the Acting Director of Finance to prepare a further report on the proposed establishment of an MOT station in the Crookedholm Depot and the compensatory payments which may be required following the rationalisation of bonus payments to a future meeting of this Committee; and
- (ii) otherwise to note the terms of the report.

INHERITED PROFIT SHARE SCHEMES (PARA 6)

- 10.** There was submitted a joint report dated 2 October 1998 (circulated) by the Director of Personnel Services and Acting Directors of Commercial Operations and of Finance, (i) advising of the extent of employee profit share schemes inherited from the former authorities; (ii) seeking approval of the proposed disbursement of payments under such schemes and (iii) proposing that the Council give notice of an intention to withdraw from such schemes.

The Chief Executive reported that Trade Union representatives had requested further consideration of the method of funding any payments to be made under the profit share schemes for 1996/97 as the method proposed in the report would have an adverse impact on profits for 1997/98.

It was agreed:-

- (i) to approve the proposed disbursement of inherited profit share scheme payments to the former Cumnock and Doon Valley Building and Works DLO employees and the former Kilmarnock and Loudoun Building Cleaning employees as detailed in the report in respect of the financial year 1996/97;
- (ii) that it be remitted to the Acting Director of Finance to consider available options for funding profit share payments for 1996/97 and determine an approach that would minimise any knock-on implications;
- (iii) to note that a further report would be submitted to this Committee in respect of any payments due under inherited profit share scheme once the 1997/98 audited accounts were available; and
- (iv) that discussions be held with Trade Unions with a view to discontinuing forthwith the inherited profit share schemes.

The meeting terminated at 1450 hours.