

**EAST AYRSHIRE COUNCIL****MINUTES OF SPECIAL MEETING HELD ON WEDNESDAY 19 AUGUST 1998  
AT 1000 HRS IN THE MEETING ROOM, COUNCIL HEADQUARTERS,  
LONDON ROAD, KILMARNOCK**

**PRESENT:** Provost Robert Stirling and Councillors Gordon McCredie, Drew McIntyre, Irene Reeves, Gordon Cree, Douglas Reid, Wilma Doyle, Ronald Brailsford, Jane Darnbrough, Alan Campbell, Jim O'Neill, Kathleen Hall, Ann Hay, John Knapp, Daniel Coffey, David Fulton, David Macrae, Kim Nicoll, George Turnbull, Robert McDill, Eric Ross, Jim Kelly, David Sneller, Jimmy Boyd, George Smith, Jimmy Carmichael, Robert Taylor, John Smith and Eric Jackson.

**ATTENDING:** David Montgomery, Chief Executive; Fiona Lees, Depute Chief Executive; Bill Taylor, Acting Director of Commercial Operations; Bill Stafford, Director of Community Services; John Mulgrew, Director of Education; Alex McPhee, Acting Director of Finance; John Hillis, Director of Housing; Iain McLachlan, Director of Personnel Services; Douglas Bulloch, Director of Social Work; Barbara Haughan, Director of Support Services; Helen Dick, Depute Director of Finance; Roddy Wallace, Head of Administration; Kate McVey, Head of Legal Services; Douglas Campbell, Head of Public Relations and Marketing; Sandy Gillat, Chief Engineer; David Mitchell, Principal Solicitor; and Julie Armstrong, Senior Administrative Officer.

**APOLOGY:** Councillor Tommy Farrell.

**CHAIR:** Provost Robert Stirling, Chair.

**ADDITIONAL ITEM**

1. The Provost agreed in terms of Standing Order 13 that the item of business as shown as item 3 of this Minute be considered by reason of its urgency in relation to the delivery of public services by the Council.

**PROVOST'S REMARKS - OMAGH BLAST**

2. The Provost made a short statement on the dreadful bomb blast that shook Northern Ireland on Saturday 15 August 1998 and stated his intention to write to the Mayor of Omagh to indicate the Council's support and sympathy for the members of the community that had been touched by this tragedy and also for the residents of Madrid who were being hosted in Omagh at the time of the blast.

The Provost stated his intention to indicate in his letter to the Mayor that the appalling episode must not be allowed to hinder the progress towards peace in Northern Ireland.

The Provost then asked all present to be upstanding and to join him in a minute's silence as a mark of respect to the dead and the bereaved in Northern Ireland and that they could pray for peace.

The Council then observed a minute's silence.

### **CLARIFICATION OF THE COUNCIL'S POSITION IN THE DELIVERY OF PUBLIC SERVICES**

3. The Chief Executive advised that a letter had been received at 9am that morning from the Leader of the Council requesting in terms of Standing Order 13 for the above stated additional item to be placed on the Agenda for the special Council meeting which the Provost had agreed to accept.

Councillor Sneller then asked the Council for support for the following statement:-

"This Council is committed to the in-house delivery of public services. We believe that those services should be able to demonstrate that they operate within budget and deliver Best Value to the people of East Ayrshire. They must deliver standards of service that are efficient and effective and operate economically.

The Council further believes that we must be able to demonstrate that they are comparable with the "Best Practice" in both the public and the private sector. We also believe that those employed in public services and delivering high standards of service to the people of East Ayrshire should enjoy fair wages and good conditions of service. The Council is committed to working with all employees and the trades unions to ensure the delivery of high quality in-house Council services".

#### **3.1 Declarations of Interest**

Councillors Knapp and McCredie declared an indirect pecuniary interest in the matter and proceeded to take part in the discussion.

A motion by Councillor Coffey, seconded by Councillor Reid, to move suspension of the appropriate Standing Orders to call for a vote of no confidence in the Leader of the Council was, on a division by a show of hands, defeated by 19 votes to 9 and failed to receive the requisite two-thirds of the Members voting.

After further discussion on the matter it was agreed to support the above stated motion and that the statement be relayed to all Council employees after the Council meeting.

### **MINUTES OF MEETINGS OF THE SPECIAL AD HOC COMMERCIAL STRATEGY REVIEW COMMITTEE**

4. There were submitted and approved as correct records, and approval of recommendations contained therein, Minutes of the undernoted meetings (circulated), viz:-

#### **4.1 MINUTES OF MEETING HELD ON 22 JUNE 1998**

#### **4.2 MINUTES OF MEETING HELD ON 29 JUNE 1998**

##### **4.2.1 MATTERS ARISING**

#### **Building and Works DLO - Voluntary Severance (Item 8, Page 3527)**

It was agreed that Councillor McDill be provided with a copy of the report dated 30 June 1998 by the Director of Personnel Services on the outcome of the trawl of the Building and Works DLO for expressions of interest in voluntary severance and which detailed the savings involved in this exercise.

#### **4.3 MINUTES OF MEETING HELD ON 7 JULY 1998**

#### **4.4 MINUTES OF MEETING HELD ON 13 JULY 1998**

**4.5 MINUTES OF MEETING HELD ON 20 JULY 1998****4.6 MINUTES OF MEETING HELD ON 27 JULY 1998****4.6.1 MATTERS ARISING****(i) Budget Monitoring and Reporting Mechanisms Involving Elected Members - Member/Officer Budget Monitoring Group (Item 4, Page 3554)**

It was agreed that the names of the seven Elected Members (five from the Administration, two from the Opposition) be submitted to the Chief Executive by Monday 24 August 1998.

**(ii) Review of Financial Controls (Item 5, Page 3555)**

Noted that in item 5 (iv) the word "technology" be substituted for the word "tendering".

**(iii) Irvine Valley Repairs Team Premises, Barrmill Road, Galston (Item 7.1.1, Page 3555)**

It was agreed that Councillor Nicoll be informed of the leasing arrangements associated with the Repair Team Premises.

**4.7 MINUTES OF MEETING HELD ON 3 AUGUST 1998****4.8 MINUTES OF MEETING HELD ON 10 AUGUST 1998**

**ACCOUNTS COMMISSION REPORT ON THE 1997/98  
AUDIT OF COMMERCIAL OPERATIONS DEFICIT**

**5.1 ESTABLISHMENT OF THE SPECIAL AD HOC COMMERCIAL STRATEGY REVIEW COMMITTEE (Item 7, Page 3505)**

It was agreed to suspend the appropriate Standing Orders in order to reconsider the composition of the Special Ad Hoc Commercial Strategy Review Committee.

Councillor Sneller, seconded by Councillor McIntyre, moved to add two Members of the Opposition to the Committee.

Councillor Coffey, seconded by Councillor Nicoll, moved as an amendment that the Committee comprise four Labour Members and four SNP Members with representatives from the Trade Unions and the Directorate with an independent Chair and two independent advisers with voting rights restricted to Councillors.

On a division by a show of hands the motion was carried by 20 votes to 9.

**5.2 AUDIT OF COMMERCIAL OPERATIONS DEFICIT**

There was submitted a report dated 13 August 1998 (circulated) by the Chief Executive which placed before the Council the report of the External Auditors arising from the audit of the Commercial Operations 1997/98 deficit which highlighted its findings and proposed suitable terms for a Council response as requested by the Controller of Audit.

The Chief Executive commented that the major task now facing the Council would be to learn from this experience and begin a process of rebuilding on solid foundations.

He further highlighted that before the Council could move on there were areas identified in the Accounts Commission report in relation to the cause of the deficit which required to be resolved before concluding the internal investigation the

progress of which had been intimated to the last Council meeting with further outcomes having already been reported to Members.

He highlighted that these areas are of the appraisal, administration and control of the bonus scheme and the control of stores and he intended to instruct the Investigating Officer to review these areas and report to him with his findings on whether any further formal action should be pursued.

There then followed a full debate on the matter.

Thereafter Councillor Sneller, seconded by Councillor McIntyre, moved

- (i) to note receipt of the External Auditor's report arising from the audit of the Commercial Operations 1997/98 deficit;
- (ii) to note the request by the Controller of Audit that the Council submit its preliminary views on the accuracy of the factual content of the report with any other comments the Council would wish to make;
- (iii) to endorse the comments contained within the report as suitable terms for a Council response subject to correction of minor typographical errors as outlined by the Chief Executive; and
- (iv) otherwise to note the terms of the report.

Councillor Coffey, seconded by Councillor Reid, moved as an amendment

- (i) to note receipt of the External Auditor's report arising from the audit of the Commercial Operations 1997/98 deficit;
- (ii) to call upon the Controller of Audit to reopen the investigation into the circumstances surrounding the Commercial Operations deficit as it is our belief that not all who should or could provide evidence, written or otherwise, were called on to do so, and that some written memoranda and other information was not provided to the Accounts Commission; and
- (iii) to call therefore for procedures to be initiated for a full Public Inquiry to investigate all the circumstances surrounding this situation.

On a division by a show of hands the motion was carried by 20 votes to 9.

#### **NORTHERN AREA LOCAL COMMITTEE - RESCHEDULING OF MEETING**

7. It was agreed that the Northern Area Local Committee scheduled for 3 September 1998 be now held on Wednesday 16 September 1998 at 1400 hrs.

The meeting terminated at 1235 hrs.