

**EAST AYRSHIRE COUNCIL****SPECIAL AD HOC COMMERCIAL STRATEGY REVIEW COMMITTEE****MINUTES OF MEETING HELD ON MONDAY 17 AUGUST 1998 AT 1400 HRS  
IN THE MEETING ROOM, COUNCIL HEADQUARTERS,  
LONDON ROAD, KILMARNOCK**

**PRESENT:** Councillors David Sneller, Drew McIntyre, Gordon Cree, Jane Darnbrough, Tommy Farrell and Eric Jackson.

**ATTENDING:** David Montgomery, Chief Executive; Fiona Lees, Depute Chief Executive; William Taylor, Acting Director of Commercial Operations; William Stafford, Director of Community Services; Alex McPhee, Acting Director of Finance; John Hillis, Director of Housing; Iain McLachlan, Director of Personnel Services; Barbara Haughan, Director of Support Services; Robin Gourlay, Depute Director of Commercial Operations; Kate McVey, Head of Legal Services; Robert McLeary, Head of Property Services; John Donohoe, Building and Works Manager; David Morgan, Public Relations Officer; Carol Foote, Service Development Manager; and Julie Armstrong, Senior Administrative Officer.

**APOLOGY:** Councillor David Macrae.

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

**MONITORING AND REVIEW OF PROGRESS: TIMETABLE**

1. There was submitted a report dated 13 August 1998 (circulated) by the Chief Executive which updated the timetable for the submission of reports to future meetings of this Committee and the progress being made on the range of issues which had been identified to date in relation to the current situation within the Commercial Operations Department.

It was agreed:

- (i) to note the amended timetable and to otherwise note the terms of the report; and
- (ii) to note that a further report would be submitted to the next meeting regarding future timetabling arrangements for Committee meetings.

**EXCLUSION OF PRESS AND PUBLIC**

2. 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)**

3. There was submitted and noted Note of Meeting held on 10 August 1998 with Trade Union representatives regarding the Special Ad Hoc Commercial Strategy Review Committee on that date (circulated).

It was agreed to note that once the Area Teams had been reallocated the Acting Director of Commercial Operations would investigate any possible increases in travel to work costs

**BUILDING MAINTENANCE CONTRACT -  
SCHEDULE OF RATES (PARA 6) (Item 8, Page 3543)**

4. There was submitted a report dated 13 August 1998 (circulated) by the Director of Housing on the implementation of the Schedule of Rates in the Measured Term Maintenance Contract.

It was agreed:

- (i) to note that a meeting had been held that morning to examine the plumbing Schedule of Rates to produce a working document as soon as possible; and
- (ii) to note the action taken so far on the implementation of the Schedule of Rates.

**COMMITMENT BUDGETING IN HOUSING AND  
PROPERTY SERVICES (PARA 6) (Item 5, Page 3555)**

5. There was submitted a joint report dated 13 August 1998 (circulated) by the Directors of Housing and of Support Services on the commitment budgeting systems in use in the Housing Department and Property Services.

It was agreed:

- (i) to note the progress which had been made on the commitment accounting systems to meet the comments made by the Accounts Commission; and
- (ii) that the Chief Executive consider methods by which budgetary control can be reported to Members across all client departments.

**GROUNDS MAINTENANCE SERVICE -  
PROGRESS REPORT (PARA 6) (Item 6, page 3541)**

6. There was submitted a joint report dated 13 August 1998 (circulated) by the Director of Community Services and Acting Director of Commercial Operations on progress in relation to the Grounds Maintenance Service provided by the Commercial Operations Department.

It was agreed:

- (i) to note the progress being made in addressing the backlog of work in the summer Service Level Agreement;
- (ii) to note that an income and expenditure statement for the summer Service Level Agreement would be produced by the end of August; and
- (iii) to note that the winter Service Level Agreement would be presented to the next meeting of this Committee.

**REVIEW OF DSOs - CATERING (PARA 6)**

7. There was submitted a report dated 13 August 1998 (circulated) by the Chief Executive on the current position with regard to the progress being made in defining the issues which need to be addressed in the Catering DSO.

It was agreed:

- (i) to note the position in relation to the financial out-turn of the Catering DSO in 1996/97 and 1997/98;
- (ii) to note the work which was being undertaken to establish clearly the financial position of the DSO in 1998/99;

- (iii) to note that a further detailed report would be brought to the Committee indicating the options available to ensure that the Catering DSO meets the financial objectives of the Secretary of State and operates on a firm financial and operational base for the future;
- (iv) to note that a further report would be brought to Committee on the outstanding profit share issues within the DLO/DSO Services; and
- (v) otherwise to note the terms of the report.

#### **ROADS CONTRACTS - PROGRESS REPORT (PARA 6)**

8. The Chair agreed that this item be taken at the end of the meeting.

#### **REVIEW OF COMMERCIAL OPERATIONS DEPARTMENT AND PROVISION OF DLO AND DSO SERVICES (PARA 6)**

9. There was submitted a report dated 14 August 1998 (circulated) by the Chief Executive which sought approval to develop outline proposals for the future in-house delivery of DLO and DSO services and authority to undertake a trawl for expressions of interest in voluntary severance from Chief Officers and APT&C Etc Staffs in all Departments.

It was agreed:

- (i) to bring forward, after initial appropriate consultation, restructuring proposals which would transfer remaining Commercial Operations services to other Departments of the Council and strengthen the Council's client capabilities and corporate financial and monitoring capacity; and
- (ii) to undertake an early trawl of all Chief Officers and APT&C Etc Staffs to seek, without commitment, expressions of interest in voluntary severance, replies to be lodged by Friday 11 September 1998.

#### **REPORT ON THE LATEST PROJECTED FINANCIAL OUT-TURN POSITION FOR 1998/99 BUILDING AND WORKS DLO (PARA 6)**

10. There was submitted and noted a report dated 13 August 1998 (circulated) by the Acting Director of Finance on the latest projected financial position in 1998/99 for the Building and Works DLO.

#### **ROADS CONTRACTS - PROGRESS REPORT (PARA 6)**

11. There was submitted a report dated 14 August 1998 (circulated) by the Director of Development Services on progress in drawing up a business plan for the Roads Contracts Section and discussions which had taken place with Union representatives on changes in project management and the bonus incentive scheme.

It was agreed:

- (i) to note the progress made; and
- (ii) to note that a further report would be submitted to Committee in due course.

The meeting terminated at 1500 hrs.