

EAST AYRSHIRE COUNCIL

SPECIAL AD HOC COMMERCIAL STRATEGY REVIEW COMMITTEE

**MINUTES OF MEETING HELD ON MONDAY 29 JUNE 1998 AT 1400 HOURS IN
THE MAIN MEETING ROOM, COUNCIL HEADQUARTERS, LONDON ROAD,
KILMARNOCK**

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

ATTENDING: David Montgomery, Chief Executive; Fiona Lees, Depute Chief Executive; Stephen Chorley, Director of Development Services; Iain McLachlan, Director of Personnel Services; Barbara Haughan, Director of Support Services; Bill Taylor, Acting Director of Commercial Operations; Alex McPhee, Senior Depute Director of Finance; Chris McAleavey, Senior Depute Director of Housing; Robin Gourlay, Depute Director of Commercial Operations; Kate McVey, Head of Legal Services; Douglas Campbell, Head of Public Relations and Marketing; Martin O'Rourke, Senior Planning Officer and Julie Armstrong, Senior Administrative Officer.

CHAIR: Councillor Sneller, Chair.

**MANAGEMENT ACTION TO ADDRESS THE COUNCIL'S DEFICIT AND THE
CURRENT POSITION**

1. There was submitted a report dated 26 June 1998 (circulated) by the Chief Executive which advised the Committee of management action taken since the last meeting in respect of the Council's deficit and the issues raised by Account Commission in its interim report.

It was agreed:-

- (i) to note the action taken to date in respect of the Council's deficit and issues raised by the Accounts Commission in its interim report;
- (ii) to receive further reports as indicated within the report;
- (iii) that a report be submitted to the next Committee meeting detailing a timetable of when reports would be submitted to Committee in respect of the review of DSOs; and
- (iv) otherwise, to note the terms of the report.

**ACCOUNTS COMMISSION FOR SCOTLAND - REVIEW OF MANAGEMENT AND
FINANCIAL CONTROLS DLOs AND DSOs**

2. There was submitted a report dated 26 June 1998 (circulated) by the Chief Executive which advised the Committee of the review to be undertaken by the Accounts Commission for Scotland of management and financial controls within DLOs and DSOs across all authorities.

It was agreed:-

- (i) to note that the review of management and financial controls within DLOs/DSOs to be carried out by the Accounts Commission across all authorities;
- (ii) to note the arrangements which have been made for the completion of review documentation; and
- (iii) otherwise, to note the position.

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.

MINUTES OF MEETING WITH THE TRADE UNIONS HELD ON 22 JUNE 1998 (PARA 6)

4. There was submitted and noted Minutes of Meeting (circulated) held with the Trade Unions on 22 June 1998.

ADJOURNMENT

5. The Committee adjourned at 1415 hours.

RE-CONVENTION

6. The Committee re-convened at 1500 hours on Wednesday 1 July 1998.

Councillor McIntyre was not present.

Stephen Chorley, Director of Development Services and Chris McAleavey, Senior Depute Director of Housing were not present and John Hillis, Director of Housing and John Donohoe, Building and Works Manager had joined the meeting.

BUILDING AND WORKS DLO - CONDITIONS OF SERVICE (PARA 11)

7. There was submitted a report dated 30 June 1998 (circulated) by the Director of Personnel Services which advised the Committee of the position concerning negotiations with the Trade Unions with a view to gaining agreement on the implementation of deficit reduction measures and which covered issues relative to the current bonus scheme, a reduction in overtime, travel to work payments and payroll harmonisation.

It was agreed:-

- (i) that further discussions with the Trade Unions take place in respect of the harmonisation of the payroll; and
- (ii) otherwise, to note the terms of the report.

BUILDING AND WORKS DLO - VOLUNTARY SEVERANCE (PARA 1)

8. There was submitted a report dated 30 June 1998 (circulated) 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.

It was agreed:-

- (i) that voluntary severance facilities be offered to a total of 95 employees in the Building and Works DLO on a trade by trade basis as contained in column 4 of the Appendix attached to the report;
- (ii) that the date of termination for employees by 31 July 1998 with the balance of any notice due being paid in lieu;
- (iii) that voluntary severance be effected on a trade by trade basis related to the length of service of the individual employees with those with the longest service being given first option;
- (iv) that the trawl for voluntary severance be extended to Clerk of Works, School Janitors and other appropriate staff including Housing Officers (appropriate staff to be determined by the Director of Housing in consultation with the Director of Personnel Services) if necessary; and
- (v) that delegated authority be given to the Director of Personnel Services to implement the severance arrangements outlined in the report with a report back to the Committee at a later date including costs to the Council.

REPORT ON THE LATEST POSITION - BUILDING AND WORKS DLO

9. There was submitted a report dated 26 June 1998 (circulated) by the Chief Executive which (i) informed the Committee of the current projected out-turn for the Building and Works DLO for financial year 1998/99; (ii) updated the Committee on the progress being made to secure the potential cost reduction measures outlined in the report by the Chief Executive on the Building and Works DLO which was agreed at the Committee meeting on 22 June 1998; and (iii) which recommended the further action required in the light of the above.

It was agreed:-

- (i) to note the current financial position within the Building and Works DLO;
- (ii) to note the further potential cost saving measures outlined under paragraph 4.3 of the report and the impact of these on the projected deficit within the Building and Works DLO in 1998/99 and agreed the immediate implementation of savings measures other than those which required to be negotiated through collective bargaining which should continue to be pursued;
- (iii) to note the implications for the Council of the financial position of the DLO;
- (iv) that the Chief Executive write to the Scottish Office advising of the current position as outlined in the reports for items 5 and 6 and in this report and the Committee's decisions thereon with a view to the Council being allowed to continue to operate the Building and Works DLO, incurring a significantly reduced deficit in the short term whilst pursuing options for the future delivery of the services carried out under the Building Maintenance contract;
- (v) that a further report on re-charges in various areas be submitted to a future Committee meeting; and
- (vi) otherwise, to note the terms of the report.

CLEANSING INCENTIVE PRODUCTIVITY EFFICIENCY SCHEME

10. There was submitted a report dated 30 June 1998 (circulated) by the Acting Director of Commercial Operations which detailed the proposed disbursement of the Cleansing Incentive Productivity Efficiency Payment.

It was agreed to note the successful continued operation of the Cleansing Efficiency Scheme and the payment due to the Cleansing and Street Cleansing work force.

The meeting terminated at 1550 hours.