

THE MORAY COUNCIL
MINUTE OF SPECIAL MEETING OF THE MORAY COUNCIL
THURSDAY 8 FEBRUARY 2007
COUNCIL OFFICE, ELGIN

PRESENT

Councillors A E Coutts (Convener), A Urquhart (Vice-Convener), A Bisset, T M Bothwell, A R Burgess, R J Burns, J Divers, L Gorn, J Hamilton, J C Hogg, R Hossack, A Keith, J A Leslie, S D Longmore, E McGillivray, R F McIntosh, G McIntyre, J MacKay, P B Paul, R H Shepherd, R Sim, J Stewart, A.M.C. Taylor, W P Watt, A R Wilson and I R Young.

IN ATTENDANCE

The Chief Executive, the Director of Community Services, the Director of Environmental Services, the Director of Educational Services, the Chief Financial Officer, the Chief Legal Officer and the Administrative Officer, Clerk to the Meeting.

APOLOGIES

1. DECLARATION OF GROUP DECISIONS

In terms of Standing Order 20 the Meeting noted the following declarations:-

In respect of the Independent Members, the Convener confirmed that the Independent Members had discussed Agenda Item 4 but that it should, however, be appreciated that Independent Councillors are free to vote as they see fit. There was no whip on the decision of Independents and no sanctions in place to encourage them to vote in any particular way.

On behalf of the Scottish National Party, Councillor Paul declared that the Group Members had discussed Agenda Item 4 but that there would be no sanctions imposed on Members to encourage them to vote in any way.

On behalf of the Labour Group Members, Councillor Keith declared that the Group Members had discussed Agenda Item 4 but that there would be no sanctions imposed on the Members to encourage them to vote in any particular way.

2. EXEMPT INFORMATION

The Meeting resolved that in terms of Section 50A(4) and (5) of the Local Government (Scotland) Act 1973, as amended, the public and media representatives be excluded from the meeting during consideration of the Items of Business appearing at the relevant Paragraphs of this Minute as specified below, so as to avoid disclosure of exempt information of the class described in the appropriate Paragraphs of Part 1 of Schedule 7A of the Act.

<u>Para. No. of Minute</u>	<u>Para. No. of Schedule 7A</u>
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3. CHARGING FOR SERVICES

There was submitted a report by the Chief Financial Officer inviting the Council to consider and approve the Council's Charges for Services, for the financial year 2007/08, in line with Corporate Policy.

It was brought to the Committee's attention that on page 17 of Item 4 of the report the proposed charges for the small rehearsal room should read for private rate £9 and under commercial rate the proposed charge should read £18.20 this is in line with the inflationary increase.

Councillor R. Hossack stated that on page 2 under 4.22 she noted that the domiciliary care charge would remain at £10 per hour until the impact of single status is determined. She asked whether there was any indication what the impact might be. The Director of Community Services advised that this would be reviewed as quickly as possible but could give no indication at this stage.

Councillor E. McGillivray advised that under the recommendation 2.2 he would be recommending a 10% increase and under 2.3 he would recommend that it should read 7 metres rather than 10 metres. The Convener advised that he would propose that the 2.3 should be discontinued. Councillor E. McGillivray therefore moved that recommendation 2.1 remain as printed, 2.2 be 10%, 2.3 be 7 metres and 2.4 remain as printed. Councillor J.A. Leslie seconded the motion.

The Convener moved as amendment that 2.1 be as printed, 2.2 be 10%, 2.3 be 25% would be discontinued and 2.4 would remain. Councillor A.R. Wilson seconded the amendment.

Councillor I. Young questioned as to whether he should declare an interest as he is of pensionable age and owns a 15ft boat. The Chief Legal Officer advised that he should declare an interest and can take no part or vote during this item.

Councillor A. Keith advised of his sympathy with Councillor E. McGillivray's motion as he had received calls from pensioners regarding the proposed charge the Community Centres. Councillor A. Keith advised that he would like to extend the motion and if this was not possible then he would put forward a second amendment. Councillor E. McGillivray indicated that he was amenable to his motion being extended to accommodate Councillor A. Keith's point.

The Chair stated that it is a modest charge Officers had found as a consequence of a consultation exercise that many pensioners using facilities wished to make a contribution. Councillor R. Hossack advised that she had come across this too. The Educational Resources Manager advised that Leisure Centres currently make a charge and this would bring Community Centres in line with them. Councillor A. Urquhart advised that it was not a huge charge and would not impact greatly on the Council's budget. Councillor L. Gorn queried as to why Councillor E. McGillivray had chosen 7 metres rather than 10 metres. Councillor E. McGillivray advised that anyone with a large boat could afford the charge and he would leave his motion as it stood. The Chair advised Councillor L. Gorn that she could move a second amendment if she wished.

On a division there voted:-

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| For the motion (13) | - | Councillors T.M. Bothwell, A.R. Burgess, R.J. Burns, J.A. Divers, L. Gorn, A. Keith, J.A. Leslie, S.D.I Longmore, J. MacKay, E. McGillivray, P.B. Paul, R. Sim and J. Stewart |
| For the amendment (12) | - | Councillors A. Bisset, A.E. Coutts, J. Hamilton, J.C. Hogg, R. Hossack, R.F. McIntosh, G. McIntyre, R.H. Shepherd, A.M.C. Taylor, A. Urquhart, W.P. Watt and A.R. Wilson |

Abstentions (1) - Councillor I.R. Young

Accordingly the motion became the finding of the meeting and it was agreed to:-

- (i) approve the proposed revised changes for 2007/2008 set out in Appendices 1 to 4 of the report;
- (ii) a 10% increase should be applied to harbour dues for recreational vessels;
- (iii) approve the 25% discount for pensioners using recreational boats less than 7 metres in length; and
- (iv) reaffirm the current policy of permitting circus lets only if the circus concerned is a member of the Association of Circus Proprietors.

4. FINANCIAL PLAN 2007 TO 2010

There was submitted a report by the Chief Financial Officer inviting the Council to set the Council Tax for 2007/08 and agree a Three Year Financial Plan for 2007 to 2010.

The Convener advised the Committee that he had received a petition regarding Community Centre, Library and public toilets closures. The response to feedback from Trade Unions on the 2007/2008 budget along with the proposed budget by the SNP Group were tabled at the meeting.

The meeting adjourned for 20 minutes (9.55am to 10.15am) to read through the papers tabled.

On the resumption of the meeting the Convener then addressed the meeting and formally presented the Administration Group's proposals for the financial plan 2007/2010.

In the course of the presentation the Convener advised that the Council has had to deal with the financial consequences of the single status agreement and that Moray was the first Council to have reached agreement. This progress will free up officer and Councillor time to focus more on improving service delivery. The cost to the Council of single status will be £5.6million and the Council have had to deal with the bulk of this in the 2007/08 budget. This additional cost and the reduction in the grant from the Scottish Executive gave rise to a shortfall for the next three year period estimated at £7million. The cost reductions identified in the plan would result in a reduction of around 20 posts. Briefings for those staff who may be affected would be held later in the day and further details will be provided to the press once the briefings had been completed. He advised that he was pleased that the job reductions had been limited to so few at this time and it was hoped that many of those at risk would be able to be placed in other suitable positions. The announcement by the Scottish Executive to provide the Council with an additional grant of £2million was most welcome and had been a major factor in limiting the impact of staff reductions. The Convener advised that he had been part of the COSLA group involved in lobbying the Scottish Executive for additional funding for almost 2 years. It was been particularly satisfying to him and highlighted the valuable contribution that COSLA make to Government in Scotland. There is an expectation by the Scottish Executive that Council's in Scotland will be £400 million more efficient in 2008 than they were in 2005 and much of this target relies on change at a national level for example to Scotland wide procurement arrangements and shared service arrangements. For 2007/2008 Administrators the overall package of identified savings included £1.3million of service cuts, £0.26million of other adjustments and £2.1million of efficiency savings. This built on the £3million of efficiency savings agreed 12 months ago and demonstrated the Administrations commitment to providing best value for the people of Moray. These savings had been made despite the necessity of absorbing budget increases of over £1million in relation to for example out of area placements, migrant workers and members allowances post May all of which are outwith the control of the Council.

One of the many areas of higher costs incorporated is an additional 8.1% in the Council's contribution to Grampian Police. The Police provide a hugely valued service but the reality is

that funding is limited for the whole of the public service and the Council must continue to look at all areas of efficiency savings. The Convener asked the meeting to note that the challenges that the new Council will face should not be underestimated. There has been progression of the Flood Alleviation Scheme for Moray and have preserved the capital fund and other reserves to assist with the financial burden. There will be a further £17.5million to find in the lifetime of the next Council. There was also the balance of the single status agreement to implement and the Chief Financial Officer had detailed in section 8 of his report the full extent of the financial pressures that the new Council will face.

Since the Scottish Executive had provided the additional grant which was underpinned by an expectation that Council Tax increases would be lower than in the previous three years and having weighed up all the factors the Convener stated he believed that an increase of 3.6% was a responsible proposal at this time and left the Council finances in good shape for the new Council. In announcing the figure it was to be noted that this is considerably lower than the 4.9% predicted at the same time last year.

It had been achieved through the identification of massive budget savings and there had been a recognition by the Administration of the need to protect precious reserves in order to be in a position to afford the necessary Flood Alleviation Schemes in the years ahead.

Thereafter the Convener, seconded by Councillor A. Urquhart, moved that the Council approve the recommendations contained within the report, in particular to set the Council Tax level for 2007/08.

Councillor P.B. Paul on behalf of the Scottish National Party put forward the Group budget. Councillor P.B. Paul advised the Committee that removing Libraries and Community Centres were contrary to the ethos of community planning in Moray; how can the Council build a stronger community if we take away the links. In some instances there were no alternative facilities for the community. Additional loan charges would enable the Council to invest a further £250,000 in road safety measures and increase safer drivers and the "smiley face" road signs which are being asked for by many communities now. Councillor J. Stewart seconded Councillor P.B. Paul's proposal as once again staff are being affected and there is an uncertainty with jobs. She would also applaud the £250,000 allocated for road safety as how can one calculate the cost of the heart break of the families in communities who have lost loved ones.

Councillor I. Young advised the meeting that he had no alternative budget but would like to make a budget statement. Councillor I. Young intimated that he had been provided with papers from the Chief Financial Officer which contained clear and concise information. The handout of £2million from the Scottish Executive was extremely fortuitous before the election. He noted the proposal to use Council reserves for the single status and he would like there to be regular reports on the impact of the reserves as usage should be kept to a minimum and there should be a close monitoring of the savings. He was delighted that the Forres Soccer 7's Pavilion would be an asset to recreation in the Forres area. Lastly, the future pressures of the Flood Alleviation schemes would have an impact on the Council and he felt that the Scottish Executive should look hard at the funding to Council's like Moray and he agreed that there are tough decisions to be made over the next few years. He then went on to thank Officers for their help and to support the recommendations on page 1 of the report.

Thereafter Councillor A. Keith advised that he had no alternative budget to put forward but would like to make a statement. Councillor A. Keith intimated that he was disappointed that low paid staff were going to be affected. He also felt it was not prudent to conceal significant figures in the budget in particular those relating to Single Status.

The Chief Financial Officer advised that there were a number of assumptions made in the budget and that the full cost regarding flood alleviation and the appeals for single status is unknown at present therefore the figures can not be made available in the Financial Plan other than in terms of broad assumptions.

Following further discussion the Convener, seconded by Councillor A. Urquhart moved the recommendations as contained in the report.

Councillor Paul, seconded by Councillor Stewart, moved the proposed budget amendment as by SNP.

On a division there voted:-

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| For the motion (16) | - | Councillors A. Bisset, T.M. Bothwell, A.E. Coutts, J. Hamilton, J.C. Hogg, R. Hossack, S.D.I. Longmore, J. MacKay, R.F. McIntosh, G. McIntyre, R.H. Shepherd, A.M.C. Taylor, A. Urquhart, W.P. Watt, A.R. Wilson and I.R. Young |
| For the amendment (3) | - | Councillors R.J. Burns, P.B. Paul and J. Stewart |
| Abstentions (7) | - | Councillors A.R. Burgess, J.A. Divers, L. Gorn, A. Keith, J.A. Leslie, E. McGillivray and R. Sim |

Accordingly the motion became the finding of the meeting and it was agreed:-

- (i) that the additional budget allocation costs on Appendices 1.4, 1.5 and 1.6 be approved and that detailed reports will be provided to the relevant service Committees to identify how the additional resources would be applied;
- (ii) that the cost reductions detailed on Appendices 2.1 and 2.2 would be implemented;
- (iii) that service Committees be provided with monitoring support on the implementation of all cost reduction;
- (iv) that the three year capital plan as set out in Appendix 4 be approved subject to reports being provided to service Committees as described in para 7.2 of this report;
- (v) that service Committees take responsibility in the first instance for reprioritising services to ensure that all statutory requirements are met; and
- (vi) to the remaining financial plan proposals set out in this report and to increase Council Tax by 3.6% resulting in a Band D equivalent Council Tax for 2007/08 of £1,135

5. COUNCIL TAX - ADMINISTRATION AND RECOVERY POLICIES 2007/08

There was submitted a report by the Chief Financial Officer inviting the Council to determine for the next financial year, 2007-08, the policies which will govern the conduct of Council Tax administration and enforcement.

The Committee agreed for the 2007/2008 financial year that the following policies apply:-

- (i) agree to offer cash or cheque, direct debit, Post Office and standing order as the methods of payment by which Council Tax demand-notices may be paid;
- (ii) agree that the payment date for monthly instalments paid by non-direct debit methods of payment (*i.e.* cash or cheque, Post Office and standing order) in the months of April 2007 to January 2008, inclusive, shall be the first day of each month in which an instalment is payable;
- (iii) agree that the payment date for monthly instalments paid by direct debit methods of payment due in the months of April 2007 to January 2008, inclusive, shall be the fifth, fifteenth or twenty-fifth day of each month in which an instalment is payable;
- (iv) agree that the payment date for instalments paid by direct debit in the months of April 2007 to March 2008, inclusive, shall be the fifth, fifteenth or twenty-fifth day of each month in which an instalment is payable;
- (v) agree that the following non-monthly instalment-profiles be extended to Council Tax-payers choosing to pay by direct debit:

- (a) a weekly instalment-profile, the first payment-date being due on 6th April, 2007 and then payable weekly on each Friday thereafter;
 - (b) a fortnightly instalment-profile, the first payment-date being due on 12th April, 2007 and then payable fortnightly on each Thursday thereafter;
 - (c) a quarterly instalment-profile, with payment-dates on 30th May, 2007, 30th August, 2007, 30th November, 2007 and 28th February, 2008;
 - (d) a half-yearly instalment-profile, with payment-dates on 30th May, 2007 and on 30th November, 2008;
 - (e) an annual instalment-profile, with a payment-date on 30th June, 2007.
- (vi) agree that the due date for full yearly payments for non-direct debit methods of payment shall be 1st April, 2007;
 - (vii) agree that any demand-notice issued after the last instalment on the account's instalment-profile has become payable shall be due to be paid in full thirty days after the date of issue;
 - (viii) agree to instigate recovery against debtors whom have made no payment seven working days after their instalment's payment-date.

6. NON-DOMESTIC RATES - ADMINISTRATION AND RECOVERY POLICIES 2007/08

There was submitted a report by Chief Financial Officer inviting the Council to determine for the next financial year, 2007-2008, the methods of payment and the payments-dates which are to be made available to Non-Domestic Rates-payers. The Committee is also invited to determine the dates which will be set for hearing appeals against liability for the payment of Non-Domestic Rates.

Following consideration the Council agreed:-

- (i) to continue to offer cash/cheque, direct debit, and standing order as the methods of payment by which Non-Domestic Rates demand-notices may be paid;
- (ii) that the payment-date of instalments for Non-Domestic Rates from May, 2007 to February, 2008, be the 21st day of each month in which an instalment is payable;
- (iii) that 30th September, 2007 be fixed as the payment-in-full date;
- (iv) that the following non-monthly instalment-profiles are also made available to Non-Domestic Rates-payers choosing to pay by direct debit:

- (a) to a quarterly instalment-profile, with payment-dates on 21st May 2007, 21st August 2007, 21st November 2007, and 21st February, 2008; and
- (b) to a half-yearly instalment-profile, with payment-dates on 21st May 2007 and 21st November 2007.
- (v) that either 4th June, 2007, or the date which would be the 14th day after the date of issue of a demand-notice (whichever is the later), be the day by which appeals against liability for the payment of Non-Domestic Rates must be lodged with the Chief Financial Officer; and
- (vi) to hear any appeals against liability for the payment of Non-Domestic Rates at a meeting to be held in June, 2007, or any subsequent meeting which might be necessary in terms of Section 238 of the Local Government (Scotland) Act 1947.

7. COUNCIL TAX - DIRECT DEBIT PROMOTION SCHEME

There was submitted a report by the Chief Financial Officer seeking approval from the Council for two initiatives to be undertaken in the next financial year, 2007-08, to maximise the uptake of direct debit as a Council Tax payment method.

Following consideration the Council agreed:-

- (i) to approve expenditure totalling up to a maximum of £2,700 for a direct debit incentive scheme, which will pay the 2007-08 Council Tax of three successful participants; and
- (ii) to approve expenditure totalling up to a maximum of £4,000 on a promotional radio-advertising campaign in conjunction with Highland Council.

8. CAPITAL INVESTMENT AND TREASURY MANAGEMENT PERFORMANCE INDICATORS

There was submitted a report by the Chief Financial Officer asking the Council to approve the indicators which would be used to measure the Council's performance in Capital Investment decisions.

Following consideration the Council agreed to:-

- (i) adopt the Prudential Indicators and Limits for 2007/08 to 2009/10 contained in the report; and
- (ii) approve the Treasury Management Strategy for 2007/08 and the Treasury Prudential Indicators for 2007/08 to 2009/10 outlined in this report.

9. LEISURE AND HEALTHY LIVING PROGRAMME (GRANT PARK PAVILION AND BUCKIE SKATE PARK)

There was submitted a report by the Director of Educational Services seek the Council's approval for the Council to become the lead applicant in relation to the Buckie Skate Park Group (Moray Wheels Project) and to request that the Council agrees in principle to enter into lease arrangements with Grant Park Pavilion Committee, Forres and Buckie Skate Park Group in relation to land at each location.

Following consideration the meeting agreed:-

- (i) for the purposes of securing sportscotland match funding, that the Council takes the lead role in relation to the Buckie Skate Park Group (Moray Wheels Project).
- (ii) to provide Council funding of £225k in relation to the capital costs of constructing the Grant Park Pavilion, Forres and £25k towards the capital cost of constructing a Skate

Park in Buckie.

- (iii) to enter into lease agreements with Grant Park Pavilion Committee and Buckie Skate Park Group in respect of land at Grant Park, Forres and one of the two sets of tennis courts at Ian Johnston Park, Buckie, (as shown hatched on Appendices 1 and 2) subject to all necessary planning consents and Building Warrants for the proposals being obtained.
- (iv) to the Head of Estates Services negotiating provisional lease terms with Grant Park Pavilion Committee and Buckie Skate Park Group and reporting back to the appropriate Council Committee(s) for approval of provisionally agreed terms of lease.

10. REVENUE BUDGET 2007/08 [PARA 1 & 11]

There was submitted a report by the Chief Financial Officer to provide the meeting with details of budget savings proposals with staff implications as set out in Appendix 1 to the Report.

The meeting discussed whether local communities may consider taking over the running of some of the facilities identified in the Appendix. Councillor P.B. Paul questioned some of the figures contained in the paper as she had information which was to the contrary. The Chief Financial Officer and other appropriate Officers advised the meeting that if there were concerns then these could be looked at and brought back to members. However the figures had been scrutinised and were considered to be correct for the purposes of today's meeting.

The Convenor advised that the savings were based on duplication of provision of current facilities in major communities; usage and levels of charging appropriate to service delivery and any closures would not take place before May due to consultations with staff. The Director of Environmental Services advised that public conveniences in Moray are non-statutory and in some areas communities have taken over the running of toilets and this could be looked at for those the Council are planning to close. There were concerns from individual members to the meeting that closure of facilities could be a major loss to the areas.

On the advice of the Chief Legal Officer the meeting agreed that employment law would regulate any consultations taking place. The outcomes of which could be reported, where required, to the appropriate Committee(s) of the Council. During the consultation phase communities would have the opportunity to take over the running of toilet facilities.

Following discussion, the Convenor seconded by Councillor A. Urquhart moved the recommendations contained in the report.

Councillor P.B. Paul, seconded by Councillor J. Stewart, moved that no council buildings should be closed.

Councillor Leslie moved that no public toilets should close but failed to find a seconder and the motion fell.

On a division there voted:-

- For the motion (14) - Councillors A. Bisset, A.E. Coutts, J. Hamilton, J.C. Hogg, R. Hossack, S.D.I. Longmore, J. MacKay, R.F. McIntosh, G. McIntyre, R.H. Shepherd, A.M.C. Taylor, A. Urquhart, A.R. Wilson and I.R. Young
- For the amendment (4) - Councillors T.M. Bothwell, R.J. Burns, P.B. Paul and J. Stewart
- Abstentions (7) - Councillors A.R. Burgess, J.A. Divers, L. Gorn, A. Keith, J.A. Leslie, E. McGillivray and R. Sim

Accordingly the motion became the finding of the meeting and it was agreed to:-

- (i) Agree the cost reductions detailed in Appendix 1 to the Report; and
- (ii) Consider the proposals for strategic network of library centres based on the information provided as part of the Best Value Review.