

THE MORAY COUNCIL
MINUTE OF MEETING OF THE POLICY & RESOURCES COMMITTEE

TUESDAY 30 MARCH 2010

COUNCIL OFFICE, ELGIN

PRESENT

Councillors A. Wright, (Chairman), G. McIntyre, (Deputy Chair), J. S. Cree, B. Jarvis, G. McDonald, E. McGillivray, M. Shand, R. Shepherd and D. Stewart

APOLOGIES

Apologies were received from Councillors P. Paul and J. Russell

IN ATTENDANCE

Chief Executive, Head of Financial Services, Director of Environmental Services, Director of Community Services, A McEachan, Principal Solicitor (Commercial & Conveyancing), Head of Personnel Services and Mrs Carswell, Committee Services Officer.

1. AWARD OF CERTIFICATE FROM CARBON TRUST

Councillor Wright advised the committee that the council had received a certificate of achievement from the Carbon Trust for their reduction in carbon emission and this certifies that as an organisation, the council were committed to making further reductions year on year. He further advised that at the next committee there would be a report setting out a strategy for the future to enable the council to continue their work. Councillor Wright commended Mr Anderson, Energy Officer for the work done to date and that the certificate should be displayed in the new offices when they come to fruition.

2. DECLARATION OF GROUP DECISIONS AND MEMBERS INTERESTS

In terms of Standing Order 20 and the Councillors' Code of Conduct, the meeting noted that Councillor McIntyre and Councillor G McDonald declared an interest in Item 7 on the Agenda "Moray Property Development Company" as Director of the Company representing the Council. Councillor G. McDonald also declared an interest in Item 10 "Public Transport – Revenue Support Budget" as his son works for Stagecoach.

Thereafter there were no further declarations from group leaders or spokespersons in regard to any prior decisions taken on how members would vote on any item on

the agenda nor any declarations of member interest in respect of any item on the agenda.

3. WRITTEN QUESTIONS

The committee noted that there were no written questions submitted.

3. CHARGES FOR DAY CARE CENTRES - LUNCHES

There was submitted a report by the Director of Community Services inviting the Committee to consider and approve the correction to the revised price for meals at day centres, effective from 1 April 2010.

Following consideration, the committee agreed:

- (i) to suspend standing orders to enable consideration of meal charges at Council Day Care Centre; and
- (ii) the corrected revised price for meals at day centres of £3.00

4. COMMUNITY CARE CHARGING APPEALS

There was submitted a report by the Director of Community Services setting out a revised constitution for the Moray Council Community Care Charging Appeals Group and asking committee to approve the amended Charging Appeal Group Constitution.

Following consideration, the committee agreed the amended remit for the Moray Council Community Care Charging Appeals Group and consequential amendments to the Social Work Complaints Procedure as reported in Appendix 1 to the report.

5. CULLEN, DESKFORD & PORTKNOCKIE HERITAGE GROUP

There was submitted a report by the Director of Educational Services inviting the Committee to consider a request from the Cullen, Deskford and Portknockie Heritage Group to waive the hire fee for the use of the Memorial Hall in Cullen Town Hall to operate a temporary heritage centre throughout June, July and August 2010.

Following consideration, the committee agreed to waive the hire fee for use of the Memorial Hall within Cullen Town Hall for a three month period June, July and August 2010.

6. MORAY PROPERTY DEVELOPMENT COMPANY

Councillor McIntyre and G. McDonald had declared an interest in this item as Directors of the Company representing the Council but remained in the meeting.

There was submitted a report by the Head of Estates Services inviting the Committee to consider the dissolution of Moray Property Development Company and the transfer of its assets and liabilities to the Council.

Councillor G. McDonald stated that under 3.9 of the report it should read that "All external directors on the board of the Company do not receive any remuneration".

Following consideration, the committee agreed to:

- (i) officials proceeding, in conjunction with the Board of Moray Property Development Company, to dissolve Moray Property Development Company and transfer its liabilities and assets to the Council;
- (ii) the Council indemnifying the external directors of the Moray Property Development Company against any personal costs to them arising from the administration and winding up of the company, other than costs attributable to bad faith on their part; and
- (iii) Moray Property Development Company's property assets being amalgamated into the Council's Industrial Portfolio.

7. ASSET MANAGEMENT PLANNING

There was submitted a report by the Chief Financial Officer providing Committee with a report on the work undertaken across the Council to develop asset management planning in 2009/10.

During discussion, the meeting noted that the programme of planned maintenance for all buildings, based on condition surveys and suitability assessments was on hold awaiting outcomes from the Designing Better Services project on office accommodation and that the car parking in Elgin would come under the overall Elgin Traffic Management plan which would be reported to the service committee in the Summer. The Head of Financial Services advised that she would come back to Members following the meeting on the date when a formal asset management plan would be in place for the assets of Moray Council.

Following consideration, the committee agreed to:

- (i) note the reports of work done during 2009/10 to develop asset management planning; and
- (ii) approve the updated Corporate Asset Management Plan for 2010/11.

8. FORWARD STRATEGY

There was submitted a report by the Chief Executive asking the Committee to approve a strategy to meet current and future financial pressures.

Councillor G. McDonald moved re-wording the recommendation to read “note the administration strategy rather than “approves the following strategy”. He advised that his reasons were that the administration group had met on a weekly basis to review the detailed budgets along with CMT, whereas the opposition parties had not been in that position and they could possibly have come up with a different list of criteria and priorities.

Councillor Wright stated that the administration group had met on a weekly basis to go through the budget line by line in order to get a base to work from. Once the base was completed then proposals had been shared with the opposition parties. Given the level of savings which the Council had to find within the next 6-7 years, all parties needed to work together. He further advised that he would be happy to have shortened agendas when the reports came forward to enable all parties to have full and frank discussions regarding the issues. He stated that the list in the recommendation demonstrated the scale of work to be done.

The Chief Executive advised that the list in the recommendation was not exhaustive if the Council had to go into another annual budget round. A series of reports would be brought to committee to allow savings to be made on an ongoing basis, which was the ultimate aim. The timing as to when savings would be required was unclear and was dependent on the forthcoming election and decisions being made outwith the Council. Therefore, it was a matter of urgency that the strategy be moved forward.

Mr McEachan, Principal Solicitor (Commercial & Conveyancing) advised that he would have difficulty with a recommendation to “note the administration’s strategy” as the committee were here to make a decision and if members felt that they did not have enough information to make a decision, then that was a different matter.

Councillor G. McDonald then asked if his motion was not competent.

Councillor Wright stated that he could not see why the committee could not note the strategy but he would prefer to see it approved.

The Chief Executive advised that he would suggest that the wording could be amended to read “committee note the strategy and that some members reserve their position on specific issues until the detail comes forward in a future paper”. The meeting agreed to the amended wording of the recommendation. Councillor Wright asked that these reports be forthcoming as soon as possible.

Following further discussion, the committee:-

- (i) noted the strategy and that some members reserved their position on specific issues until the detail came forward in future papers, for dealing with the financial pressures which the Council would face over the next few years. The financial situation would be managed by:-
 - a) Maximising efficiency and effectiveness of current services;
 - b) Reviewing the number of projects and priorities;
 - c) Managing and controlling growth of expenditure;
 - d) Reducing management and supervision costs;
 - e) Reviewing the school estate;
 - f) Disposing of excess properties;
 - g) Service re-design;
 - h) Withdrawing from or reducing activities which make a limited contribution to agreed outcomes;
 - i) Sharing services with other bodies;
 - j) Increasing charges and reducing subsidies;
 - k) Maximising the contribution of the voluntary sector; and
 - l) Reducing service levels in other areas.
- (ii) noted that the strategy would be a platform for a series of reports and investigations which would be submitted to appropriate committees over the next few months; and
- (iii) agreed that it was important that staff and communities were kept informed and consulted regarding many of these issues and consultation arrangements would be a feature of all future reports.

9. PUBLIC TRANSPORT - REVENUE SUPPORT BUDGET

There was submitted a report by the Director of Environmental Services seeking approval for the withdrawal of a number of subsidised bus service contracts in accordance with the Council's decision of 11 February 2010 to reduce the spend on subsidised bus services.

Councillor Cree stated that the original proposals had been to reduce the subsidy for those services in group 2 by 50% and at the time the reasons given for that were that these services had alternatives available and, in his opinion, this was reasonable and a defensible situation where the budget was reviewed in accordance with principals rather than specifics. He felt that the committee was now being asked to set aside that proposal and look for subsidies to be removed elsewhere. The original decision was always going to result in some cries of derision by those affected but operators had to face facts that the Council had to make significant reductions in its budget over the next few years.

Councillor Cree moved, seconded by Councillor Leadbitter, that the Council remain with the original proposal to remove 50% of the budget from group 2 contracts detailed in the report.

Councillor Wright stated that he knew what the original proposal had been and what that had been based on. However a new report had been submitted by officers and he put forward an amendment on the basis of the recommendation based around proposal 4.1 and 4.2 in the report. There being no seconder the amendment fell.

Therefore, the committee agreed to affirm the original proposal to remove 50% of the budget from group 2 contracts detailed in the report.

10. APPOINTMENTS PROCEDURE

There was submitted a report by the Chief Executive asking the committee to consider the procedure for the interview of the Planning and Economic Development Manager.

Following consideration, the committee agreed that an Appointments Committee be established for the post of Planning & Economic Development Manager comprising of five members: 2 Administration, 2 Scottish National Party and one other with the Chair being taken by a Chair of one of the relevant service committees.

11. CAPITAL PLAN 2009/10 MONITORING TO 28 FEBRUARY 2010

There was submitted a report by the Chief Financial Officer asking the Committee to note the expenditure under the Capital Plan for financial year 2009/10 to 28 February 2010

In response to a question from Councillor Jarvis asking for more details on the "East End: Condition Issues", the Head of Financial Services advised that she would come back to him.

Following consideration, the committee agreed to:-

- (i) note the expenditure to 28 February of £24.8 million; and
- (ii) note the remaining provisional projects at that date.

12. PROPERTY PERFORMANCE INDICATORS

There was submitted a report by the Chief Financial Officer considering the range of performance indicators currently used for property asset management reporting and following a review of their fitness for purposes recommending a revised set of indicators for reporting to members.

Following consideration the Committee agreed to:

- (i) approve the use of the following three high-level property asset management performance indicators for reporting to members:
 - a) *REVENUE COSTS*
Property costs (£)/m² Gross Internal Area (GIA)
 - b) *CONDITION*
% GIA of operational accommodation that is in a satisfactory condition (i.e. in condition categories A and B)
 - c) *SUITABILITY*
% GIA of operational accommodation that is suitable for its current use (i.e. in suitability categories A and B)
- (ii) note that performance in relation to carbon emissions is reported separately to members under the Carbon Management Programme; and
- (iii) note that further work will be done to develop a more balanced measure of sufficiency for the office portfolio and that a recommendation will be brought back to members for approval in due course.

12. REVENUE BUDGET MONITORING TO 28 FEBRUARY 2010

There was submitted a report by the Chief Financial Officer advising committee of the current Revenue Budget Monitoring position for 2009/10, to identify allocations to department budgets from provisions for general and specific purposes and to advise committees of the revised estimated outturn for 2009/10.

The Head of Financial Services advised that paragraph 7.4 of the report should read "the estimated outturn for the year is a reduction in reserves of £2.2 million"

In response to a question from Councillor G. McDonald as to whether the figure was worse than last year, the Head of Financial Services advised that she would report back to him with that information.

During discussion, the meeting noted that £1.4 million had been spent on winter maintenance because of the extended period of bad weather, £400,000 on flooding and £300,000 on voluntary severance costs as reducing the workforce therefore it was unfair to say that any deficit was due to non-action of officers.

Following consideration, the committee agreed to note the:-

- (i) current Budget Monitoring position for 2009/10 as at 28 February 2010;
- (ii) allocations from provisions; and
- (iii) revised estimated outturn for 2009/10.

13. QUESTION TIME

Councillor McDonald stated that at Audit & Performance Review Committee it had been agreed to ask the Policy & Resources Committee to have a report regarding disposal of ICT equipment. He stated that he was disappointed that the report was purely for information only although it had been specifically requested by Audit & Performance. He said he was now forced to call for another report to be brought to Audit & Performance for discussion. The Chief Executive advised that any noting reports on agendas was open to members to call for them to be discussed at the next meeting and that would obviate the need for further reports. Councillor G. McDonald stated that, given the urgency and concern expressed at Audit & Performance Review Committee, to delay this longer would be a mistake.

In response to a question from Councillor Leadbitter regarding what consultations had taken place both internally and externally regarding lunch clubs, Councillor Wright advised that the Full Council had delegated group leaders to reach a decision on the future of the two lunch clubs and the decision was that they could continue with Elgin High School providing the lunches for Elgin and either Forres Academy or Applegrove Primary providing for Forres. They still required to be formally constituted and would be responsible for the collection of meals from those centres. The Chief Executive advised Elgin Community Centre had provided an updated business plan which was reviewed by both catering and the finance department and the outcome had been reported back to the meeting of group leaders and considered in the decision they took.