

MORAY COUNCIL**MINUTE OF MEETING OF THE POLICY AND RESOURCES COMMITTEE****22 NOVEMBER 2016****COUNCIL CHAMBERS, ELGIN****PRESENT**

Councillors S Cree (Chair), A Wright (Deputy Chair), G Alexander, J Cowe, L Creswell, P Gowans, G Leadbitter, G McDonald, S Morton and A Skene.

APOLOGIES

Apologies for absence were intimated on behalf of Councillors Coull, Paul, Ross and Shand.

IN ATTENDANCE

The Chief Executive, the Corporate Director (Economic Development, Planning and Infrastructure), the Corporate Director (Education and Social Care), the Head of Financial Services, the Head of Legal and Democratic Services, the Head of Direct Services, the Head of Development Services, the Head of Human Resources and ICT, the Procurement Manager, the Transportation Manager, the Audit Manager and Mrs Lissa Rowan, Committee Services Officer as Clerk to the Meeting.

1. DECLARATION OF GROUP DECISIONS AND MEMBERS' INTERESTS

In terms of Standing Order 20 and the Councillors' Code of Conduct, there were no declarations from group leaders or spokespersons in regard to any prior decisions taken on how Members will vote on any item on the agenda or any declarations of Members' interests in respect of any item on the agenda.

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>Paragraph No. of Minute</u>	<u>Paragraph No. of Schedule 7A</u>
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3. MINUTE OF THE POLICY AND RESOURCES COMMITTEE DATED 25 OCTOBER 2016

The Minute of the Meeting of the Policy and Resources Committee dated 25 October 2016 was submitted and approved.

4. WRITTEN QUESTIONS

The Committee noted that no written questions had been submitted.

5. PROCUREMENT STRATEGY (2016/2018)

Under reference to paragraph 14 of the Minute of this Committee dated 30 August 2016, a report by the Corporate Director (Corporate Services) asked the Committee to consult on and approve the Procurement Strategy 2016/18 as required by the Procurement Reform (Scotland) Act 2014.

During discussion surrounding encouraging local companies to register with the Council as approved suppliers, the Convenor made reference to the successful Council Open Day that had taken place in April 2014 for local businesses to “Meet the Buyer” and asked if there were plans to hold a similar event in the future.

In response, the Procurement Manager advised that the Council had been having difficulty engaging with some of the local construction suppliers and hoped to hold an open day in the New Year for the local construction industry to highlight upcoming opportunities for Council contracts.

During further discussion surrounding the use of fair trade products within the Council, the Committee welcomed the statement within the new Procurement Strategy that stated that the Council would continue to assign great importance to the role of the local authority in encouraging ethical dealings, and commits to support and promote the use of fair trade products where feasible, and it was queried whether a briefing note could be issued to the Committee providing information on what fair trade products the Council procures.

In response, the Procurement Manager agreed to provide a briefing note to the Committee providing information on what fair trade products the Council procures.

Thereafter, the Committee agreed:

- (i) to approve the new Annual Procurement Strategy 2016/18 and Action Plan for 2017/18 as set out in Appendices 1 and 2 of the report;
- (ii) to note that the Procurement Manager hopes to hold an open day in the New Year for the local construction industry to highlight upcoming opportunities for Council contracts; and
- (iii) that a briefing note be issued to the Committee providing information on what fair trade products the Council procures.

6. PUBLIC SECTOR CLIMATE CHANGE REPORTING (2015/2016)

A report by the Corporate Director (Economic Development, Planning and Infrastructure) informed the Committee of action taken by the Council to address climate change in 2015/16.

Following consideration, the Committee agreed:

- (i) the content of the reporting template set out in Appendix 1 of the Report for submission to the Scottish Government; and
- (ii) to note the progress made in embedding climate change and sustainability into the Council's operations.

7. HARBOUR CHARGES

Under reference to paragraph 7 of the Minute of the meeting of the Economic Development and Infrastructure Committee dated 15 November 2016, a report by the Corporate Director (Economic Development, Planning and Infrastructure) asked the Committee to consider a recommendation from the Economic Development and Infrastructure Committee in regard to a revised pricing structure for all harbour charges.

Councillor McDonald stated that he was obliged to move the same motion that he had put to the meeting of the Economic Development and Infrastructure Committee the previous week and moved the following option:

Pontoons	-	£45 per metre
Wall/Loose	-	£43 per metre
Keyside/hardstanding	-	£38 per metre
Over 60's discount	-	reduced to 10%

This was seconded by Councillor Leadbitter.

Councillor Cowe stated that, as the harbours revenue budget was £135,000 in deficit, the Council should charge according to the facilities in the harbour and moved the recommendations as printed within the report. This was seconded by Councillor Cree.

On a division there voted:

For the motion (3): Councillors McDonald, Leadbitter and Gowans

For the amendment (7): Councillors Cowe, Cree, Alexander, Creswell, Morton, Skene and Wright

Abstentions (0)

Accordingly the amendment became the finding of the meeting and the Committee agreed to approve the increases in:-

- (i) leisure boat charges as set out in paragraph 4 in the Report with effect from 1 April 2017 and
- (ii) commercial charges as set out in paragraph 5 in the Report with effect from 1 April 2017.

8. CAPITAL PLAN 2016/17

Under reference to paragraph 6 of the Minute of this Committee dated 16 February 2016, a report by the Corporate Director (Corporate Services) advised the Committee of the expenditure to 30 September 2016 under the Capital Plan for financial year 2016/17 and of the estimates of projected expenditure profiled into quarters.

During discussion surrounding the Schools Essential Works Programme, an update was sought in relation to the replacement of the hutted accommodation at Milnes Primary School and the variance in the projected spend for 2016/17.

In response, the Corporate Director (Education and Social Care) advised that he would circulate a breakdown of the projected spend of £89,000 for the replacement of the hutted accommodation at Milnes Primary to local Ward Members following the meeting.

During further discussion surrounding the Council's Dredger, clarification was sought as to whether a programme of works could be published so that Harbours knew when they were due to be dredged.

In response, the Corporate Director (Economic Development, Planning and Infrastructure) advised that she would arrange for this information to be circulated to the Committee following the meeting. Councillor McDonald stated that he had requested that a detailed report on the Council's Dredger be submitted to the meeting of the Audit and Scrutiny Committee on 8 February 2017. The Chair therefore sought the agreement of the Committee to wait until the detailed report was prepared in February 2017 before taking Officers with providing further information to Members. This was agreed.

Thereafter, the Committee agreed:-

- (i) to note the expenditure to 30 September 2016 of £18,643,000, 92% of the planned spend to 30 September 2016, as set out in Appendix 1 of the Report;
- (ii) to note the current projected expenditure of £43,377,000 for 2016/17 profiled into quarters;
- (iii) to note the projected overall expenditure for projects spanning more than one financial year, as set out Appendix 2 of the Report;

- (iv) that a breakdown of the projected spend of £89,000 for the replacement of the hutted accommodation at Milnes Primary be circulated to local Ward Members; and
- (v) to note that a detailed report on the Council's Dredger is due to be submitted to the meeting of the Audit and Scrutiny Committee on 8 February 2017.

9. REVENUE BUDGET MONITORING TO 30 SEPTEMBER 2016

A report by the Corporate Director (Corporate Services) advised the Committee of the Revenue Budget Monitoring position to 30 September 2016 and of the current estimated out-turn for 2016/17.

During discussion surrounding the Health and Social Care Services budget, concern was raised that this budget was currently overspent by £385,000 with a projected overspend of £581,000 and it was queried whether this budget was being monitored by the Integration Joint Board.

In response, the Head of Financial Services advised that it was the responsibility of the Integration Joint Board to balance their budget and the Council was in no way held to account for this budget. She further advised that monitoring statements were submitted to the Integration Joint Board every 2 months for scrutiny by the Board.

Following lengthy discussion whereby Members expressed their concern that, as the overspends of the Health of Social Care budget featured in the revenue budget report that the Committee was being asked to note, this could be perceived as the Committee approving the overspend. The Chair moved that an additional recommendation be added stating that the Committee notes with concern the overspends in the Health and Social Care Budget and looks forward to more scrutiny in this area.

Councillor Morton, as Chair of the Audit and Risk Sub-Committee of the Integration Joint Board, stated that, unfortunately the Sub-Committee had yet to meet, however a meeting had been scheduled for mid-December 2016 and that the budget was already being thoroughly scrutinised by the Board.

The Head of Financial Services advised that the Chief Officer, Integration Joint Board, was due to provide a briefing to Elected Members on the progress of the Integration Joint Board on 6 December 2016 and suggested that, prior to this briefing, a statement be issued to all Members in relation to the Integration Joint Board budget which would detail how the overspends will be reconciled for 2016/17 and would also provide proposed actions to be taken with Senior Managers to manage the budget. This was agreed.

The Chair, in recognising that he would be able to have further information in relation to the Health and Social Care budget at this briefing, agreed to withdraw his motion.

Thereafter, the Committee agreed:

- (i) to note the Budget Monitoring position of £1,193,000 under budget for 2016/17 as at 30 September 2016;

- (ii) to note that additional savings of £235,000 have been identified since the budget was approved on 17 February 2016 and amendments approved on 29 June 2016;
- (iii) to note the current estimated out-turn for 2016/17 of an underspend of £742,000 plus increased Council Tax income of £17,000 resulting in a decrease of £759,000 in use of Council reserves, and
- (iv) to note £513,000 of the underspend is considered to be non-recurring;
- (v) to approve the release from provisions to meet budget pressures of £596,000 as identified in the report and summarised in paragraph 5.11 of the report,
- (vi) to approve the release from the provision for contingencies of £242,000 to meet the costs of Hub north relating to the replacement Lossiemouth High School as described in paragraph 5.12 of the report; and
- (vii) that, prior to the briefing arranged for the Elected Members on 6 December 2016 on the Integration Joint Board, a statement be issued to all Members in relation to the Integration Joint Board budget which will detail how the overspends will be reconciled for 2016/17 and also provide proposed actions to be taken with Senior Managers to manage the budget.

10. CORPORATE RISK REGISTER UPDATE

A report by the Corporate Director (Corporate Services) provided the Committee with the latest copy of the Corporate Risk Register for review and comment.

Following consideration, the Committee agreed to approve the updated Corporate Risk Register dated September 2016 as set out in Appendix 1 of the report.

11. CORPORATE SERVICES PERFORMANCE REPORT – APRIL TO SEPTEMBER 2016

Under reference to paragraph 8 of the Minute of this Committee dated 10 May 2016, a report by the Corporate Director (Corporate Services) outlined the performance of Corporate Services for the period from April to September 2016 which stated that 77% of the performance indicators were meeting or exceeding target. The report further stated that 42% of the Service Plan was complete.

Following consideration, the Committee agreed to:-

- (i) note the performance outlined in the report;
- (ii) note the actions being taken to seek improvements where required; and
- (iii) approve the request to remove the performance indicator CS037 (Equal Opportunities Percentage of highest paid 2% of earners that are women) from the Corporate Services' scorecard, as explained in paragraph 4.3 of the report.

12. WORKFORCE CULTURE – UPDATE

A report by the Corporate Director (Corporate Services) provided the Committee with an update on the Culture Working Group which was established following the 2013 employee survey.

Following consideration, the Committee agreed:-

- (i) to note the progress made against the aims and objectives and action plan of the Culture Working Group that was established to address the issues arising from the 2013 employee survey relating to workforce culture as detailed in paragraphs 3.2-3.10 of the report;
- (ii) to note the actions that have been closed and those that will continue to be developed or carried forward; and
- (iii) the future direction and areas for development as recommended by the Culture Working Group as detailed in paragraph 3.18 of the report.

13. COMMUNITY ASSET TRANSFER: TOMINTOUL BOWLING GREEN

Under reference to paragraph 9 of the Minute of this Committee dated 15 March 2016, a report by the Corporate Director (Corporate Services) asked the Committee to consider suspending standing order 81 so that the Committee may consider a revised asset transfer request from Tomintoul and Glenlivet Outdoor Bowling Club for the Tomintoul Bowling Green site and the adjacent vacant ground to the south-east.

Under reference to Standing Order 82, the Committee agreed that, as the Club had recently revised their asset transfer request to include the surplus land to the south-east, this constituted a material change in circumstances and agreed to suspend standing order 81 in order to consider the report.

Thereafter, the Committee agreed to:

- (i) approve the transfer, at nil consideration, of the Tomintoul Bowling Green and adjacent vacant ground at Lecht Drive, Tomintoul, to Tomintoul and Glenlivet Outdoor Bowling Club, and
- (ii) remit the matter to the Estates Manager and the Legal Services Manager (Property and Contracts) to complete the transfer of the title).

14. QUESTION TIME

Under reference to paragraph 5 of the Minute of this Committee dated 25 October 2016, Councillor Alexander queried when the first quarterly report would be issued to Members providing information in relation to the availability of Developer Obligations including cut off dates for when funds have to be spent.

In response, the Head of Development Services advised that the first report to Members with regard to the availability of Developer Obligations would be issued in January 2017.

Councillor Alexander queried what percentage of council tax was spent on servicing the Council's debt and what the Council's overall debt is at present.

In response, the Head of Financial Services agreed to circulate this information to the Committee.

15. DEVELOPER OBLIGATIONS [PARA. 6]

Under reference to paragraph 13 of the Minute of the Planning and Regulatory Services Committee, a report by the Corporate Director (Economic Development, Planning and Infrastructure) summarised the work to date on developer obligations and proposed that developer obligations, which are currently dealt with by Aberdeenshire Council through a Service Level Agreement, are dealt with in-house by the Development Planning and Facilitation team from 1 April 2017.

Following consideration, the Committee agreed:-

- (i) to note that the Supplementary Guidance on Developer Obligations came into effect on 14 October 2016, and now forms part of the statutory Moray Local Development Plan (LDP);
- (ii) to note that an Infrastructure Delivery Group has been established to co-ordinate the long term planning for growth of Council Services and Community Planning Partners as detailed at paragraphs 4.2-4.4 of the report;
- (iii) that developer obligations will be dealt with in-house by the Development Planning & Facilitation team from 1 April 2017 and that the Service Level Agreement with Aberdeenshire Council's Developer Obligations Unit will not be renewed;
- (iv) to the establishment of a Developer Obligations Officer to mitigate additional duties associated with delivering developer obligations in-house;
- (v) to note that an annual report on developer obligations will be submitted to future meetings of the Planning and Regulatory Services Committee;
- (vi) to the deletion of the vacant clerical post in Development Services to pay towards the new post of Developer Obligations Officer; and
- (vii) to the provision of £5,758 from reserves to provide the full budget required for the Developer Obligations Officer.

16. SALE OF BUCKIE SHIPYARD [PARAS. 6 & 8]

A report by the Corporate Director (Economic Development, Planning and Infrastructure) advised the Committee of an offer that had been received from a third party, to purchase part of Buckie Shipyards

Following consideration, the Committee agreed to:-

- (i) the sale of part of the Buckie shipyard site and the south slip off Commercial Road as shown hatched in APPENDIX 1 and as detailed in Section 7 of the report; and
- (ii) delegate to the Legal Services Manager (Property and Contracts) in consultation with the Head of Housing and Property and Head of Direct Services to conclude the missives and conditions of sale as described in Section 7 of the report.