

## **COUNCIL MEETING**

Minute of Meeting of Perth and Kinross Council in the Council Chambers, Fourth Floor, Council Building, 2 High Street, Perth on Wednesday 19 December 2012 at 10.30am.

Present: Provost E Grant, Councillors H Anderson, R Band, M Barnacle, P Barrett, R Brock, I Campbell, A Cowan, D Cuthbert, D Doogan, B Ellis, J Flynn, A Gaunt, J Giacomuzzi, C Gillies, A Grant, T Gray, K Howie, A Jack, J Kellas, G Laing, A Livingstone, M Lyle, E Maclachlan, A MacLellan, I Miller, A Munro, D Pover, M Roberts, W Robertson, C Shiers, L Simpson, A Stewart, H Stewart, B Vaughan, G Walker, M Williamson, W Wilson and A Younger.

Also Attending: B Malone (Chief Executive); G Taylor, J Symon, K Donaldson, R Fry, C Flynn, S Walker, J Jennings (until Art. 681), D Coyne (until Art. 686), S Flanigan and M Kay (all Chief Executive's Service); D Burke, Executive Director (Housing and Community Care); J Walker and J Gilruth (both Housing and Community Care); J Fyffe, Executive Director (Education and Children's Services); B Atkinson, H Richardson (until Art. 679), F Robertson (until Art. 684) and C Deplano (all Education and Children's Services); J Valentine, Executive Director (Environment); B Renton, D Littlejohn, F Crofts, S Merone (until Art. 684) and I Henderson (all the Environment Service); J Moyes (Live Active Leisure) and I Halliday (Horsecross) (until Art. 683).

Also Attending: N O'Connor and S O'Hagan (Audit Scotland, External Auditors).

Apologies for Absence: Councillors J Coburn and D Melloy,

Provost E Grant, Presiding.

### **674. DECLARATIONS OF INTEREST**

In terms of the Councillors' Code of Conduct, Councillors G Laing, M Roberts and H Stewart declared a non-financial interest in Art. 679 as Directors of Live Active Leisure and Councillors H Anderson and W Wilson declared a non-financial interest in Art. 679 as Directors of Horsecross Arts.

### **675. MINUTE**

The Minute of the Meeting of Perth and Kinross Council of 3 October 2012 (Arts. 484-495) was submitted, approved as a correct record and authorised for signature.

### **676. MINUTES OF COMMITTEES**

#### **Minutes of Committees from 20 September 2012 to 21 November 2012**

The decisions recorded in Arts. 448-483 and 496-586 copies of which had been circulated to all members of the Council were submitted and noted/approved as necessary, subject to:-

- (i) In relation to the Lifelong Learning Committee – 31 October 2012 - Article 524(iii) – Education and Children's Services Six Monthly BMIP Performance Exception Report to add "It be noted that the final version

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of the School Estate Strategy 2012-17 will be submitted to the Lifelong Learning Committee for approval”.

- (ii) In relation to the Environment Committee – 7 November 2012 – Article 555 – Aberfeldy Caravan Park – Councillor A Grant advised that additional information had been received after the meeting of the Environment Committee of sufficient importance that the matter would be considered further at the next meeting of the Environment Committee in January 2013.

**677. EXTERNAL AUDIT – ANNUAL REPORT ON THE 2011/12 AUDIT**

There was submitted a report by the Head of Finance (12/584) accompanying the External Auditors’ Annual Report on the 2011/12 Audit.

S O’Hagan, Audit Scotland, and senior Council officials answered members’ questions in relation to (1) accounting requirements in respect of Tayside Contracts; (2) progress being made on the central heating and rewiring contract; (3) the approach to monitoring spend on the capital programme; (4) progress on discussions with the Department of Work and Pensions on outstanding housing benefit issues; (5) the treatment of the account position on Kinross Common Good Fund in relation to the sale of Kinross Town Hall; and (6) the development of ‘value’ performance indicators measuring outcomes from resource inputs.

**Resolved:**

- (i) The content of the External Auditors’ Annual Report on the 2011/12 Audit as detailed in Report 12/584 be noted.
- (ii) The External Auditors’ Annual Report on the 2011/12 Audit be submitted to a future meeting of the Audit Sub-Committee for detailed consideration.

**678. MEDIUM TERM FINANCIAL PLAN**

There was submitted a report by the Head of Finance (12/585) (1) updating the Medium Term Financial Plan approved by Council on 14 December 2011 (Article 710/11 refers) in light of the most up to date commentary on the economic climate and information contained in Finance Circular No. 5/12 – the Local Government Finance Settlement offer for 2013/14 for Perth and Kinross Council and (2) setting out proposals in relation to the establishment of Investment in Improvement Fund Four.

**Resolved:**

- (i) The contents of the Report 12/585 be noted.
- (ii) The terms of the Settlement Offer for 2013/14 as set out in Section 4.3 of Report 12/585 and detailed in the letter of 20 September 2012 from the Cabinet Secretary for Finance, Employment and Sustainable Growth be agreed in full.
- (iii) The setting of a two year revenue budget by updating the previously approved Provisional Revenue Budget for 2013/14 and setting a new Provisional Revenue Budget for 2014/15 as set out in Section 6.2.6 of Report 12/585 be approved.
- (iv) A contribution of £3 million from reserves and revenue budget headroom to support the significant investment in capital infrastructure across Perth and Kinross as set out in Section 7.4 of Report 12/585 be approved, with the exact

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combination of funding sources being reported to the special meeting of the Council on 14 February 2013.

- (v) The preparation of an updated seven year Composite Capital Budget for the period 2013-2020 for submission to the Special Meeting of the Council on 14 February 2013, as set out in Section 7.10 of Report 12/585 be approved.
- (vi) The establishment of Investment in Improvement Fund Four with up to £1,000,000 being provided from revenue budget headroom to create capacity to support further service redesign to mitigate against future expenditure pressures, as set out in Section 11.4 of Report 12/585, be approved.

**679. COMPOSITE CAPITAL BUDGET – ADDITIONAL CAPITAL EXPENDITURE**

There was submitted a report by the Head of Finance (12/586) seeking approval to progress a number of significant capital infrastructure projects considered to be of a high priority for the Council and also the associated proposed funding options.

In response to a question from Councillor Barrett, I Innes, Head of Legal Services, confirmed that no legal action had been raised against the Council in relation to the Sainsbury supermarket development application.

**Resolved:**

- (i) The proposed additional capital infrastructure projects detailed in Section 3 of Report 12/586 be approved for inclusion within the Composite Capital Budget 2012/13 to 2016/17.
- (ii) The Executive Director (Environment) be instructed to continue dialogue with Transport Scotland to secure additional funding towards the A9/A85 Road Junction Improvements as set out in paragraph 3.1.2 of Report 12/586 and give consideration to how best to alleviate any disruption during the works to local accesses.
- (iii) The proposed funding options set out in Section 4 of Report 12/586 be approved.
- (iv) The revised Prudential and Treasury Management Indicators set out at Section 5 of Report 12/586, including changing the Authorised Limit for gross external debt to £381,000,000 be approved.

*G TAYLOR LEFT THE MEETING AT THIS POINT.*

**680. REVIEW OF TREASURY MANAGEMENT SYSTEMS DOCUMENT**

There was submitted a report by the Head of Finance (12/587) seeking approval of the revised Treasury Management Systems Document as required by the CIPFA Code of Practice for Treasury Management.

**Resolved:**

The revised Treasury Management Systems Document as referred to in Report 12/587 be approved.

**681. TREASURY ACTIVITY AND COMPLIANCE REPORT – 2012/13 – QUARTER 2**

There was submitted a report by the Head of Finance (12/588) providing a summary of Loans Fund transactions for the quarter ending 30 September 2012 and

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reporting on compliance with the Council's Treasury Management Policy Statement , Treasury Management Practices and the Investment Strategy for the same period.

**Resolved:**

- (i) The content of Report 12/588, which is submitted in accordance with the Council's approved Treasury Management Practices, be noted.
- (ii) The clarification of counterparty limits and interest received within the Treasury Management Practices Approved Lending and Investment Policy as detailed in Paragraph 5.1 of Report 12/588 be noted.
- (iii) The amendments to the Roles and Responsibilities and the Limitations to Authority as detailed in Paragraph 5.2 of Report 12/588 be approved.
- (iv) It be noted that the Prudential Indicators have not been updated in Report 12/588 as they have been reviewed as part of the separate report on the Composite Capital Budget considered at Article. 679 above.
- (v) The temporary reinstatement of the Co-operative Bank plc to the list of approved counterparties for investments to cover the Christmas Closedown of Perth and Kinross Council as detailed in Paragraph 5.3 of Report 12/588 be approved.

**682. BIENNIAL REVIEW OF FINANCIAL REGULATIONS 2012**

There was submitted a report by the Head of Finance (12/589) summarising the background and the process undertaken to review the Council's Financial Regulations and recommending approval of the revised Financial Regulations as appended to the Report.

**Resolved:**

The amended Financial Regulations contained at Appendix 1 to Report 12/589 be approved.

**683. SECURING THE FUTURE FOR CULTURE AND LEISURE – PROGRESS REPORT (ART 491/12)**

There was submitted a report by the Executive Director (Education and Children's Services) (12/590) setting out the continuing progress being made in establishing Live Active Leisure and Horsecross Arts as arms-length companies with sole member status, and the remaining steps required to conclude the process.

**Resolved:**

The further progress in establishing a new arms-length delivery model for culture and leisure services, and the anticipated timescales for concluding the process be noted.

*G TAYLOR RETURNED TO THE MEETING DURING THE FOLLOWING ITEM*

**684. SECURING THE FUTURE THROUGH OUR PEOPLE**

There was submitted a report by the Chief Executive (12/591) outlining (1) the positive people practices which have supported employees at all levels to manage transformational change and (2) identifying future plans for progression during 2013, to further develop the Council's commitment to support staff through challenging times, and ensure the approach to employee engagement is aligned with the

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achievement of Council priorities, to provide the best possible outcomes for recipients of services.

In response to a request for further information on categories of sickness absence for those aged fifty and over, the Head of Human Resources agreed to provide a breakdown of figures following the meeting.

**Resolved:**

- (i) The continued success of the workforce management measures be noted.
- (ii) The considerable range of organisational development activity taking place across the Council be noted.
- (iii) The continued provision of an annual report detailing progress relating to workforce management and organisational development be approved.

**685. REVIEW OF POLITICAL DECISION-MAKING STRUCTURES (ART 218/12)**

There was submitted a report by the Head of Democratic Services (12/596) setting out proposals following the review of the Council's political decision-making structure.

**Motion (Councillors I Miller and A Grant)**

**The Council agree to:**

- (i) **The existing committee-based decision-making structure being retained.**
- (ii) **The Modernising Governance Member/Officer Working Group keep the current remits of the committees under review to achieve the improved balance sought by members.**
- (iii) **The scrutiny of reports by Education Scotland continue to be considered by the Executive Sub-Committee of the Lifelong Learning Committee.**
- (iv) **The Modernising Governance Member/Officer Working Group give further consideration to the appropriate forum(s) for determining strategy and policy in relation to arts and cultural services and sport & leisure services.**
- (v) **Responsibility for the scrutiny of the performance of the organisations providing arts and cultural services and sport and leisure services on behalf of the Council be referred to the Scrutiny Committee, with effect from 1 January 2013.**
- (vi) **An Audit Committee be established with a membership of 7 and with the remit of the existing Audit Sub-Committee; appoint Councillor B Vaughan as convener and Councillor A Stewart as vice-convener of the Committee; and agree a senior councillor's allowance for the convener of the Audit Committee equivalent to that of the current vice-convener of the Scrutiny Committee and delete the senior councillor's allowance for vice-convener of the Scrutiny Committee with effect from 1 January 2013.**
- (vii) **The Modernising Governance Member/Officer Working Group give further consideration to the provision for external representation on the Audit Committee.**

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- (viii) **The Modernising Governance Member/Officer Working Group give further consideration to options for future consideration of asset management matters by elected members.**
- (ix) **The remit of the Community Safety Committee be amended to reflect the decision of the Police and Fire Reform Transitional Pathfinder Group, with effect from 1 April 2013, subject to the local police and fire and rescue plans being submitted to full Council in the first instance.**
- (x) **The current provisions in relation to Common Good Fund Committees be retained.**
- (xi) **The existing model for Member/Officer Working Groups be retained.**
- (xii) **The provision for non-Council membership on Committees be retained but that the Modernising Governance Member Officer Group give further consideration as to whether such membership should carry voting rights.**
- (xiii) **The Scheme of Administration be amended so that the non-Council membership of the Housing and Health Committee is drawn from all tenants' and residents' associations across the Council area, with effect from 1 January 2013.**
- (xiv) **Standing Orders 43 and 44 be amended to require that voting should be by roll-call with effect from 1 January 2013.**
- (xv) **The existing substitution provision in Standing Orders be retained, but that, with effect from 1 January 2013, Standing Order 58 be amended so that substitutes on Development Management Committee and Licensing Committee only be allowed where the substitute member has undergone relevant training, and also that the substitute member attends for the duration of the meeting.**
- (xvi) **The Modernising Governance Member/Officer Working Group give further consideration to existing provisions in Standing Orders on the use of delegated powers by committees and sub-committees.**
- (xvii) **The Scheme of Administration be amended with immediate effect to remove the provision at 17.2 regarding the appointment of the Depute Returning Officer.**
- (xviii) **The provision at 17.3 in the Scheme of Administration be amended to designate the Executive Director (Environment) as the Senior Information Risk Owner.**
- (xix) **The existing meeting cycle be retained and the Head of Democratic Services be instructed to finalise the timetable of meetings for 2013 on that basis.**

1<sup>st</sup> Amendment (Councillors P Barrett and W Wilson)

In addition to the Motion, as from 1 April 2013, the remits of the Community Safety and Environment Committees be merged into a single Committee comprising 13 members of the Council.

2<sup>nd</sup> Amendment (Councillors I Campbell and M Lyle)

In addition to the Motion, the Modernising Governance Member/Officer Working Group be requested to explore the best means of including local representation, in addition to local elected members, on Common Good Fund Committees where local communities have expressed a wish to become involved.

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*A ROLL CALL VOTE HAVING BEEN REQUESTED IN TERMS OF STANDING ORDER 44*

9 Members voted for the 2<sup>nd</sup> Amendment as follows:

Councillors Barnacle, Barrett, Campbell, Cuthbert, Gaunt, Lyle, Robertson, Simpson and Wilson.

30 Members voted for the Motion as follows:

Councillors Anderson, Band, Brock, Cowan, Doogan, Ellis, Flynn, Giacobazzi, Gillies, A Grant, Provost E Grant, Gray, Howie, Jack, Kellas, Laing, Livingstone, Maclachlan, MacLellan, Miller, Munro, Pover, Roberts, Shiers, A Stewart, H Stewart, Vaughan, Walker, Williamson and Younger.

5 Members voted for the 1<sup>st</sup> Amendment as follows:

Councillors Barrett, Gaunt, Robertson, Simpson and Wilson.

34 Members voted for the Motion as follows:

Councillors Anderson, Band, Barnacle, Brock, Campbell, Cowan, Cuthbert, Doogan, Ellis, Flynn, Giacobazzi, Gillies, A Grant, Provost E Grant, Gray, Howie, Jack, Kellas, Laing, Livingstone, Lyle, Maclachlan, MacLellan, Miller, Munro, Pover, Roberts, Shiers, A Stewart, H Stewart, Vaughan, Walker, Williamson and Younger.

**Resolved:**

In accordance with the Motion.

*COUNCILLOR M LYLE LEFT THE MEETING AT THIS POINT*

**686. ESSENTIAL MAINTENANCE AND COMPLIANCE WORKS – 2 HIGH STREET AND CARPENTER HOUSE, PERTH (ART 384/10)**

There was submitted a report by the Depute Director (Environment) (12/597) (1) outlining the essential maintenance and compliance works required for 2 High Street and Carpenter Street, Perth, (2) demonstrating that by rationalising the Council's property portfolio in Perth, there will be significant financial savings to be made in the longer term and (3) presenting an innovative solution to modernising the use of council accommodation using recurring revenue budget savings and modern ways of working.

**Resolved:**

- (i) The termination of the leases for The Atrium, Blackfriars, Riverview House and Whitefriars by 2017 be noted.
- (ii) The proposals as outlined in Section 4 of Report 12/597 be approved.
- (iii) The arrangements for Carpenter House and 2 High Street as outlined in Sections 5 and 6 of Report 12/597 be approved.
- (iv) The resource implications, including the additional capital expenditure of £1.25 million, as outlined in Section 9 of and further detailed in Appendix 1 to Report 12/597 be approved.

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- (v) The governance arrangements as detailed in Section 10 of Report 12/597 be approved.
- (vi) The project risks outlined in Appendix 2 to Report 12/597 be noted.
- (vii) The Executive Director (Environment) be instructed to bring back further reports with updates on progress on a regular basis throughout the project.

**687. STRATEGIC DEVELOPMENT PLANNING AUTHORITY BOUNDARY CHANGE AND STRATEGIC ENVIRONMENTAL ASSESSMENT**

There was submitted a report by the Executive Director (Environment) (12/592) requesting that the Council (1) ratify the decision of the Joint Committee of the Dundee, Perth, Angus and North Fife Strategic Development Planning Authority to ask the Scottish Ministers to amend the TAYplan boundary following the extension of the Cairngorms National Park in 2010 into parts of Eastern and Highland Perthshire and (2) note the decision of the Joint Committee to re-appoint Perth and Kinross Council as the responsible authority for the production of the Strategic Environmental Assessment of the next Strategic Development Plan.

**Resolved:**

- (i) The decision of the TAYplan Joint Committee to ask the Scottish Ministers to amend the TAYplan boundary involving the extension of the Cairngorms National Park in 2010 into parts of Eastern and Highland Perthshire be ratified.
- (ii) The decision of the TAYplan Joint Committee to re-appoint Perth and Kinross Council as the responsible authority for the production of the Strategic Environmental Assessment (SEA) of the next Strategic Development Plan be noted.

**688. CHIEF SOCIAL WORK OFFICER'S ANNUAL REPORT 2011-2012**

There was submitted a report by the Chief Social Work Officer (12/593) providing the Council with the Chief Social Work Officer's assessment of the functioning of social work and social care services within Perth and Kinross.

**Resolved:**

The Chief Social Work Officer's Annual Report as set out in Appendix 1 to Report 12/593 be approved.

**689. PERTH AND KINROSS ADULT PROTECTION COMMITTEE BIENNIAL REPORT 2010-2012**

There was submitted a report by the Executive Director (Housing and Community Care) (12/594) on the Adult Protection Committee's Biennial Report on Adult Support and Protection activities within Perth and Kinross, as required by the Scottish Government of all Adult Protection Committees in Scotland.

**Resolved:**

- (i) The Biennial Report on behalf of the Perth and Kinross Adult Protection Committee be affirmed.
- (ii) The Biennial Report be referred to the Perth and Kinross Community Planning Partnership for its interest.



**690. GAELIC LANGUAGE PLAN 2012-2017**

There was submitted a report by the Executive Director (Education and Children's Services) (12/595) setting out how the Council will meet its statutory obligations under the terms of the Gaelic Language (Scotland) Act 2005, to publish a Gaelic Language Plan which will outline the measures the Council will take to raise the status of the Gaelic language across all Council services.

**Resolved:**

- (i) The draft Perth and Kinross Gaelic Language Plan 2012-2017 as detailed in Appendix 1 to Report 12/595 be approved.
- (ii) The governance arrangements to monitor, review and report on the development and implementation of the Gaelic Language Plan as outlined at Section 4 of Report 12/595 be approved.

**691. APPOINTMENTS TO COMMITTEE**

**(i) Pre Determination Committee**

**Resolved:**

Councillor B Band be appointed Convener and Councillor A MacLellan be appointed Vice Convener of the Pre-Determination Committee.

**692. CHANGES TO COMMITTEE MEMBERSHIP**

**(i) Strategic Policy and Resources Committee**

**Resolved:**

Councillor B Vaughan be appointed to the Strategic Policy and Resources Committee to replace Councillor C Shiers.

**(ii) Community Planning Lifelong Learning Partnership**

**Resolved:**

Councillor B Vaughan be appointed to the Community Planning Lifelong Learning Partnership to replace Councillor C Shiers.

**(iii) School Estate Sub-Committee of the Lifelong Learning Committee**

**Resolved:**

Councillor B Vaughan be appointed to the School Estate Sub-Committee to replace Councillor C Shiers.

**693. APPOINTMENTS TO EXTERNAL BODIES**

**(i) Perth Prison Visiting Committee**

**Resolved:**

Mrs Rachel A Gillespie, Ms Susan Maxwell, Mr Colin Glennie, Mr John Hughes, Mr Hugh P O'Neill and Mr David R May be appointed as non-

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Council members of the Perth Prison Visiting Committee, in terms of the Prisons (Scotland) Act 1989.

**(ii) Children's Hearings (Scotland) Act 2011 – New Arrangements – Appointments to Tayside Area Support Team (Art 529)**

**Resolved:**

Councillor B Vaughan be appointed to the Tayside Area Support Team and Councillor D Pover be recommended to the National Convener for appointment to the Tayside Area Support Team.

**694. AMENDMENT TO SCHEME OF ADMINISTRATION**

**Resolved:**

In relation to the Housing and Health Committee – 31 October 2012 – Article 518 – the Scheme of Administration be amended to confirm that the Executive Director (Housing and Community Care) be designated as the responsible person, as required by the Property Factors (Scotland) Act 2011, in relation to the property categories set out in Paragraph 5.4 of Report 12/481.

**695. CHANGES TO TIMETABLE OF MEETINGS – JANUARY TO JUNE 2013 (ART 494/12)**

**Resolved:**

- (i) A special meeting of the Council be held on Wednesday 23 January 2013 at 10.00am.
- (ii) The Development Management Committee scheduled to be held on Wednesday 23 January 2013 be held on Thursday 24 January 2013 at 9.30am.

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