

ANGUS COUNCIL

MINUTE of MEETING of the **POLICY AND RESOURCES COMMITTEE** held in the Town and County Hall, Forfar on Tuesday 2 December 2014 at 2.00 pm.

Present: Councillors PAUL VALENTINE, BILL BOWLES, BILL DUFF, MAIRI EVANS, DAVID FAIRWEATHER, CRAIG FOTHERINGHAM, MARTYN GEDDES, ALEX KING, IAN MCLAREN, GLENNIS MIDDLETON, BOB MYLES, HELEN OSWALD, BOB SPINK, COLIN BROWN and LYNNE DEVINE.

Councillor VALENTINE, Vice-Convenor, in the Chair.

1. APOLOGIES/SUBSTITUTES

Apologies for absence were intimated on behalf of Councillors Iain Gaul, Margaret Thomson and Sheena Welsh with Councillors Helen Oswald, Colin Brown and Lynne Devine substituting, respectively.

2. DECLARATIONS OF INTEREST

Councillors Alex King, Martyn Geddes and David Fairweather declared an interest in Item 4 as Council appointed members of Arbroath Golf Course Committee of Management. They each indicated that they would participate in any discussion and voting on the matter.

Councillor Bill Duff declared an interest in Item 4 as a Council appointed member of Montrose Golf Links Limited. He indicated that he would participate in any discussion and voting on the matter.

3. MINUTES

(a) Previous Meeting

The minute of meeting of this Committee of 14 October 2014 was submitted and approved as a correct record.

(b) Police and Fire and Rescue Sub-Committee

The minute of meeting of the Police and Fire and Rescue Sub-Committee of 6 November 2014, a copy of which is appended hereto, was submitted and noted (**APPENDIX I**).

4. INFORMATION REPORT FOR THE PERIOD 14 OCTOBER TO 2 DECEMBER 2014

There was submitted and noted Report No 490/14 by the Head of Corporate Improvement and Finance providing information to members with regard to services in the Resources directorate for the period 14 October to 2 December 2014.

5. RESOURCES DIRECTORATE IMPROVEMENT PLAN: MID TERM REPORT

With reference to Article 7 of the minute of meeting of this Committee of 2 September 2014, there was submitted Report No 491/14 by the Strategic Director – Resources presenting the mid term performance report for the Resources directorate covering the first six months of the 2014/15 financial year.

The Report indicated that it was an integral part of the Council's performance management arrangements that each directorate prepare a mid term performance report covering the period 1 April to 30 September for submission to their service committee in the November/December committee cycle. The reports were designed to give members, employees and the public (who had access to the report via the Council's website) an update of performance within the directorates during the first six months of the financial year.

The Committee agreed to note the terms of the 2014/15 Resources directorate mid term performance report.

6. CAPITAL MONITORING – GENERAL FUND CAPITAL PROGRAMME – 2014/15

With reference to Article 4 of the minute of meeting of this Committee of 14 October 2014, there was submitted Report No 492/14 by the Head of Corporate Improvement and Finance apprising members of the capital expenditure incurred for the period 1 April to 30 September 2014 and measuring projected capital expenditure for the year against budgeted provision for the year.

The Report indicated that as at 30 September 2013, actual expenditure as a percentage of the budget was 31.6% on a gross basis and 32.9% on a net basis. This compared with the current position of 28.7% (gross) and 28.8% (net). The projected net expenditure of £35.599 million would be indicatively funded from the resources detailed in paragraph 4.5 of the Report.

The Report also detailed areas where there was an anticipated significant under or over spend of overall gross expenditure.

The Committee agreed to note the expenditure position of the General Fund Capital Programme as at 30 September 2014 as per tables 1 and 2 within the Report and the Capital Monitoring Statement, attached as Appendix 1 to the Report.

7. REVENUE MONITORING/PROJECTED OUTTURN STATEMENT 2014/15 AND RENEWAL AND REPAIR FUND POSITION 2014/15

With reference to Article 5 of the minute of meeting of this Committee of 14 October 2014, there was submitted Report No 493/14 by the Head of Corporate Improvement and Finance apprising members of the actual revenue expenditure incurred and income received for the period 1 April to 30 September 2014 together with the anticipated year end position in respect of each Council directorate.

In addition, the Report detailed the actual financial position of the Renewal and Repair Fund in respect of the Property, Information Technology, Roads and Transport, Print and Design Unit and Recreation funds as at 30 September 2014 and the estimated closing balance at the year end.

The Committee agreed:-

- (i) to note the contents of the Report and in particular the comments in the financial implications section regarding the projected year end position; and
- (ii) to note the Renewal and Repair Fund position.

8. EQUALITIES IN PROCUREMENT

There was submitted Report No 494/14 by the Head of Corporate Improvement and Finance summarising changes required to the Council's procurement activity in accordance with the general and specific equality duties under the Equality Act 2010.

It was proposed that the Council adopt the policy relating to equalities in procurement as set out in Appendix 1 to the Report. The work done to develop detailed Council practice and procedures on complying with the general and specific duties in Angus Council procurement, to be applied in a proportionate and "business friendly" manner would bring the Council into line with good procurement practice and ensure compliance with the relevant legislation.

The Committee agreed:-

- (i) to approve the policy approach to delivering equalities through its procurement, as set out in Appendix 1 to the Report; and
- (ii) to remit to the Head of Corporate Improvement and Finance to apply that policy as a Procurement Guidance Note and communicate it to all procuring services for application with immediate effect, in accordance with Financial Regulation 16.3.2.

9. SCOTLAND'S CLIMATE CHANGE DECLARATION ANNUAL REPORT

With reference to Article 6 of the minute of meeting of the Strategic Policy Committee of 3 September 2013, there was submitted Report No 495/14 by the Head of Planning and Place highlighting the progress made by the Council regarding its work to reduce its climate change impacts to meet the commitments of the Scottish Climate Change Declaration.

The Annual Declaration Report had been produced on a template provided by Sustainable Scotland Network (SSN) and provided an update on year six progress as requested by SSN and would be published on the Council's website in due course.

The Committee agreed to approve the contents of the Report for submission to the Sustainable Scotland Network (SSN) and COSLA.

10. BRECHIN AND FORFAR COMMUNITY CAMPUS PROJECT UPDATES

With reference to Article 9 of the minute of meeting of this Committee of 10 June 2014, there was submitted Report No 496/14 by the Strategic Director – People providing a progress update in relation to both the Brechin and Forfar Community Campus projects.

In relation to the Brechin Community Campus, enabling works had been completed in the early part of June with main works continuing thereafter. Financial close had been achieved on 28 August 2014 and construction work was progressing on schedule.

In relation to the Forfar Community Campus, full planning permission for the project had been granted on 3 June 2014 and Hubco's stage 2 submission had been lodged with the Council on 7 October 2014. A review of the documentation had been completed and stage 2 approval had been issued. It was expected that financial close would be achieved during December 2014.

The Committee agreed:-

- (i) to note the update in relation to both the Brechin and Forfar projects; and
- (ii) that in respect of the Forfar project, to authorise the Head of Legal & Democratic Services, or in her absence, the Service Manager – Legal Services in consultation with the Chief Executive, Strategic Director - People, and the Head of Corporate Improvement & Finance:
 - to execute, deliver and perform the necessary contract documents (the Funders' Direct Agreement, the Collateral Agreements, the Independent Tester Contract, the Insurance Proceeds Account Agreement, the Project Agreement and any other necessary documentation) in respect of the project on behalf of Angus Council; and
 - to enter into an advance works agreement, if required and agreed with Hubco.

11. LAND AT GRAMPIAN VIEW, TRINITY, BRECHIN

There was submitted Report No 497/14 by the Head of Technical and Property Services advising members of a request to acquire land at Grampian View, Trinity, Brechin.

The Committee agreed to approve the disposal of land at Grampian View, Trinity, Brechin on provisional terms and conditions to be negotiated by the Head of Technical and Property Services.

12. INTERNAL AUDIT CO-SOURCE TENDER – PROCUREMENT OPTIONS AND AUTHORITY

With reference to Article 7 of the minute of meeting of the Scrutiny and Audit Committee of 25 November 2014, there was submitted Report No 479/14 by the Service Manager – Governance recommending an option for the procurement of internal audit management co-sourcing services for the Council and seeking relevant procurement authority.

The Report indicated that the Local Authority Accounts (Scotland) Regulations 2014 had introduced a statutory requirement for local authorities to operate a professional and objective internal auditing service, which must be provided in accordance with the standards and practices set out in the Public Sector Internal Audit Standards (PSIAS). The statutory duty applied from 10 October 2014. The current internal audit co-source contract was due to expire on 31 January 2015. The External Quality Assessment had found that the arrangements with the current provider within Angus had been very successful, which had to be factored into the Forward Procurement arrangements and the option of continuing with the current partnership explored.

To fulfil statutory obligations there was an ongoing requirement for a Chief Audit Executive resource to lead the internal audit function and to provide an independent core assurance service. There was also an ongoing requirement for access to specialist support which was not available in-house.

Section 5 outlined two options for delivery of the required service, essentially to continue with the current arrangements through a new negotiated contract or to tender through the open market.

The Committee, for its interests, agreed:-

- (i) to note the contents of the Report and to note that the option which had been recommended by the Scrutiny and Audit Committee was Option A;
- (ii) to authorise the Service Manager – Governance to procure the internal audit co-sourcing services for the Council on the basis of Option A;
- (iii) to grant exemption from Financial Regulations under Section 16.24.10(c); and
- (iv) to note that the current contract arrangements would be extended under Chief Officer delegated authority for a period of three months to allow the option to be implemented.

13. EXCLUSION OF PUBLIC AND PRESS

The Committee resolved in terms of Standing Order 27(2) that the public and press be excluded from the meeting during consideration of the following item, so as to avoid the possible disclosure of information which was exempt in terms of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973 paragraphs 1 and 11.

14. INTERIM HEAD OF ADULT SERVICES – PEOPLE DIRECTORATE; INTERIM HEAD OF SERVICES TO COMMUNITIES – COMMUNITIES DIRECTORATE

There was submitted Joint Report No 499/14 by the Strategic Director – People and the Strategic Director – Communities seeking approval for the extension of the post of Interim Head of Adult Services within the People directorate for a further period of 12 months until 31 March 2016 and for the post of Interim Head of Services to Communities until 31 March 2015.

The Committee agreed to approve the proposed extension of time for these posts.