

URGENT BUSINESS COMMITTEE

ABERDEEN, 4th July, 2008 - Minute of Meeting of the URGENT BUSINESS COMMITTEE. Present:- Councillor Dean, Convener; and Councillors Allan, Cassie, Collie (substituting for Councillor Ironside), Dunbar (substituting for Councillor Clark), Kiddie, McDonald, May, Milne (substituting for Councillor Wisely) Jennifer Stewart (substituting for Councillor Fletcher), John Stewart, Kevin Stewart and Young.

DETERMINATION OF URGENT BUSINESS TO BE CONSIDERED

1. In terms of Standing Order 28(3)(vi), and in accordance with Section 50(B)(4)(b) of the Local Government Scotland Act, 1973, the Committee was informed that it had to determine (1) that the items on the agenda were of an urgent nature; and (2) that the Committee required to consider the items and take a decision thereon.

The Committee resolved:-

to agree that the items were of an urgent nature and required to be considered and a decision taken thereon.

LEADERSHIP BOARD UPDATE

2. With reference to Article 31 of minute of the meeting Council of 25th June, 2008, the Committee had before it a report by the Head of Service, Office of the Chief Executive providing an update on the actions being taken by the Leadership Board to address the Findings and Recommendations of the Accounts Commission for Scotland on "Aberdeen City Council" Reports by the Controller of Audit on the Audit of Best Value and Community Planning and on the Property Sales Investigation".

The report (a) set out each of the Accounts Commission's eight recommendations; (b) listed the decisions in respect of each which had been made by the Council at its special meeting on 16th June 2008; and (c) provided an update on the current position and outlined the decision which was requested of the Committee in respect of each as follows:-

Recommendation 1

Action should begin immediately to recruit a new and experienced Chief Executive. The interview panel should include representation from all political groups on the Council and should have external advisers.

Current position

The recruitment and selection process was underway with a closing date of 14 July, 2008. Short-listing was due to take place during the week beginning 28 July, 2008 with interviews during the week beginning 18 August, 2008. Under the terms of Standing Order 47, the appointment of the Chief Executive would be undertaken by full Council. **The Committee was requested to note the current position.**

Recommendation 2

The Council should secure appropriate assistance from peers, to assist it in implementing these findings and taking forward the conclusions of the Controller of Audit's reports.

Current position

The first meeting of the External Support Group and the Leadership Board took place on Friday 27th June, 2008, and had an agenda that included:-

- The operation of the Group and the support it would offer to the Leadership Board
- Update on progress with the Accounts Commission Recommendations
- 2008/2009 and 2009/2010 budgets
- Staff engagement in the change process

Fortnightly meetings between the External Support Group and the Leadership Board had been agreed with the next meeting scheduled to be held in Edinburgh on Friday 11th July, 2008. **The Committee was requested to note the current position.**

Recommendation 3

We would encourage the Council to establish an all party leadership board for the specific purpose of taking ownership of its improvement plan.

Current position

The Leadership Board had been established and its remit was attached as an appendix o the report. The Leadership Board had scheduled a number of meetings, the first two of which were to be held on Friday 4th July, 2008, and Friday 18th July, 2008. **The Committee was requested to note the current position.**

Recommendation 4

Immediately following the appointment of a new Chief Executive a review of the Council's organisational structure should be undertaken. There should be full engagement with employees in considering the options for this structure.

Current position

The potential staff engagement programme was the subject of discussion at the Senior Managers' Conference on 18th June 2008, and had also been on the agenda for the current series of six monthly CMT staff briefings as a means of gauging opinion as to when and how the process would be best launched and delivered. Discussion was ongoing and the matter would be taken to the Leadership Board and a report would be brought to the Urgent Business Committee. **The Committee was requested to note the current position.**

Recommendation 5

The Council should appoint an independent local government finance expert to establish whether the Council's proposed savings are accurate and achievable, and closely to monitor the delivery of the savings. We also recommend that the Council's external auditor has access to all papers and minutes of the budgetary review working group and be entitled to attend all meetings.

Current position

Approaches had been made to SOLACE and CIPFA to identify advisers with suitable experience, and this would be discussed with the Leadership Board and a

report would be brought to the Urgent Business Committee. The Chief Executive had contacted the Council's external auditor on the basis that the arrangements recommended by the Accounts Commission were already in place in relation to the Budget Monitoring Board, and confirmation of the position was awaited from the external auditor. **The Committee was requested to note the current position.**

Recommendation 6

The Council should ensure that robust and effective governance arrangements are in place, including officers producing reports that outline policy options, members receiving all committee papers in accordance with the timescales laid down in the Local Government (Access to Information) Act and the Council's Standing Orders, and members attending appropriate training courses.

Current position

The Continuous Improvement Committee of 17th June, 2008, agreed to request that Leadership Board oversee the review, development and updating of the Council's Local Code of Corporate Governance and to report back to the Continuous Improvement Committee on 9th September, 2008. **The Committee was requested to note the current position.**

Recommendation 7

To enhance public confidence in scrutiny, we recommend that scrutiny arrangements be chaired by a member of an opposition party.

Current position

Initial discussions had begun on the development of a remit for the Scrutiny Panel. A proposed remit for the Scrutiny Panel was currently under consideration by the Leadership appended to the paper. **The Committee was requested to note the current position.**

Recommendation 8

All significant property transactions should be signed off by both the chief financial officer and the monitoring officer to ensure appropriate governance and accountability.

Current position

A draft protocol would be prepared for discussion with the Accounts Commission to ensure that it addressed the key requirements they had on this matter. The final protocol would be agreed by 1st August, 2008. **The Committee was requested to note the current position.**

The report went on to advise that in addition to the actions agreed against the Accounts Commission's recommendations, the Council on 16th June 2008 had also agreed to address the issue of interim arrangements for the post of Chief Executive.

Post of Chief Executive - interim arrangements

Current position

The matter was to be discussed at the meeting of the Leadership Board with the External Support Group on 27th June 2008. **The Committee was requested to note the current position.**

Appended to the report was (1) the Accounts Commission's Recommendations; (2) the Improvement Agenda included within the Best value report; (3) the remit of the Leadership Board; (4) potential staff engagement programme; and (5) proposed remit of the Scrutiny Panel.

The Committee resolved:-

- (i) to note the progress to date in addressing the Findings and Recommendations of the Accounts Commission for Scotland on "Aberdeen City Council: Reports by the Controller of Audit on the Audit of Best Value and Community Planning and on the Property Sales Investigation";
- (ii) to approve the necessary next steps on each of the Recommendations as detailed within the main considerations of the report;
- (iii) to instruct the Chief Executive and other appropriate officers to proceed with the necessary actions, reporting back as required to the Leadership Board;
- (iv) that Councillors John Stewart and Dunbar as Convener and Shadow Convener of the Continuous Improvement Committee and Councillor Farquharson as Shadow Convener of the Scrutiny Panel be allowed to contribute their proposals on the remit of the Scrutiny Panel.

YOUTH JUSTICE REVISED BUDGET SAVINGS 2008/2009

3. With reference to Article 2 of minute of the meeting of the Budget Monitoring Board of 17th June, 2008, the Committee had before it a report by the Head of Planning and Policy for Services to Children and Young People presenting and seeking approval for a revised budget saving proposal, which would (1) deliver the minimum requirement for 2008/2009 of £131,000 against Youth Justice Services in the city, approved by Council on 14th February, 2008; and (2) enable an additional saving of a further £29,758 to be achieved from 2009/2010 onwards bringing the total cost to £160,758.

The report made reference to the Council meeting of 14th February, 2008 when, as part of the Council's revenue budget, it was agreed to reduce funding allocated for the delivery of services to young people at risk of, or engaged in, offending behaviour to achieve a 13% reduction from 1st April, 2008 amounting to £131,000

Thereafter, on 14th March, 2008, an extraordinary meeting of the Youth Justice Partnership was convened to enable the consultation process to take place with all members of the Partnership during which the Partnership had the opportunity to consider the specific budget lines and to provide revised proposals with the agreement that the full £131,000 was to be achieved. This enabled the Partnership to take a service redesign approach to the budget savings exercise to ensure that the Council continued to improve outcomes for children at risk or engaged in offending behaviour by delivering efficiencies across the continuum of provision in each of the partner agencies.

The report advised that the Council welcomed the Partnership's proactive approach through service redesign, which would deliver efficiencies that were sustainable for youth justice, whilst offering a additional £29,758 of savings from 2009/2010 taking the total savings against the youth justice provision to £160,758.

In order to bridge the funding gap in 2008/2009 to enable service redesign and consultation with staff to take place, the Partnership had returned a grant fund that was made available to undertake research. This amounted to a total of £50,000 in 2008/2009, which would enable the full 2008/2009 budget saving commitment to be achieved.

The report then advised that it was the collective view of the Partnership that the revised proposal would (1) provide a more sustainable approach to achieving the savings whilst ensuring the Council continued to provide high quality youth services within the wider integrated children's services; and (2) support the continuum of care to ensure that the Council continued to reduce the number of children or young people in the city who become persistent or escalate to intensive support or out of authority placement.

By way of financial implications the report detailed the budget lines approved by Council to achieve savings of £131,000 as follows:- SACRO Partnership Administration - £8,000; SACRO Core Service - £60,000; Youth Justice Information Officer - £11,000; Aberdeen Foyer - £14,000; and Barnardo's New Directions - £38,000. The revised proposals from the Youth Justice Partnership were as follows:- ACC Youth Justice Fieldwork Team - £27,071; SACRO Partnership Administration - £8,300; SACRO Core Service - £37,500; Youth Justice Information Officer - £13,629; Aberdeen Foyer - £6,500; Barnardo's New Directions and Aftercare - 0; and Barnardo's Family and Community Services - £67,758; giving a total saving of £160,758, which would be achieved from the financial year 2009/10 onwards.

The Committee resolved:-

- (i) to amend specific budget lines to realise the £131,00 saving committed by full Council on 14th February, 2008, to enable a further £29,758 to be achieved providing a total saving of £160,758 in 2009/2010;
- (ii) to return £37,000 of the £50,000 from APEX Scotland to undertake research into vehicle related crime and establish a pilot service. To support the Partnership to retain the sum of £13,000 to be reallocated to the Foyer Princes Trust Scheme to provide transitional funding to enable them to secure alternative resources to sustain this effective service;
- (iii) that no additional savings would be achieved from direct service reductions across Youth Justice or Barnardos FACS Services in 2009/2011; and that any additional redesign would focus on efficiency and improved targeting of capacity as opposed to direct service cuts;
- (iv) to instruct the Strategist for Care to transfer all Changing Children Services Funding (CCSF) that related to Council operational services to Neighbourhood Heads of Services for Health and Care to enable Managers to consider further efficiencies/savings; and
- (v) to note that the Strategist for Care would now undertake a review of all previously mainstreamed CCSF funding that related to City wide voluntary and partnership provision to ensure maximum savings were achieved as part of service redesign in advance of the budget setting exercise for 2009/2010.

AQUATICS PROGRAMME SAVINGS

4. With reference to Article ___ of minute of the Budget Monitoring Board of 26th June, 2008, the Committee had before it a report by the Head of Culture and

Learning, Neighbourhood Services (North Area) which sought approval to modify the specific way in which savings of £163,000 within the city wide Aquatics Programme were achieved.

The report advised that as part of the Culture and Leisure theme of the budget savings the Council at its meeting of 14th February, 2008, agreed that the delivery of “swimming lessons would break even over one year”, with an anticipated saving of £163,000 per annum for the next three years. It was envisaged that this would be achieved through:-

1. Increasing charges for Swimming Lessons by 20% - which it was anticipated would achieve additional income of approximately £80,000;
2. Reducing staffing by 3 Full Time staff – it was envisaged that by reducing Aquatics co-ordinators from 6 to 3 would save approximately £60,000; and
3. Training Swimming Teachers to Level 2 – which would enable them to teach up to 10 learners, rather than only 6, and this was anticipated to achieve additional income of approximately £23,000.

However, the report advised that following discussions with the affected staff and their Trade Unions, officers were asked to consider a range of options, which could provide an alternative means of achieving some of the savings, rather than reducing the number of aquatic co-ordinators. The revised proposals options were set out in Appendix 1 to the report.

The report then advised that following analysis of alternative budget saving options officers had concluded that there was a strong case for retraining at least five of the aquatic co-ordinators, particularly as they would be able to drive the programme to ensure that additional income could be generated from initiatives such as, additional holiday lessons, working with Aberdeenshire Council, improved marketing and more efficient lesson allocation procedures. Furthermore, it was advised that as a result of the delays caused by the Trade Union dispute and the normal redundancy/redeployment process, it had been indicated that the anticipated potential savings, from reduction in staff, would not have been achieved. Further additional benefits from retaining the aquatic co-ordinators were then detailed.

The Committee resolved:-

- (i) to approve the changes to the specific way in which savings of £163,000 within the city wide Aquatics Programme were achieved, which included retaining five Aquatic co-ordinators; and
- (ii) to instruct officers to update Councillors at a future meeting of the Budget Monitoring Board on progress in achieving these savings.

SCOTTISH GOVERNMENT CONSULTATION “A FAIRER LOCAL TAX FOR SCOTLAND”

5. The Committee had before it a report by the City Chamberlain which provided a draft response to “A Fairer Tax for Scotland”, the consultation paper produced by the Scottish Government on the abolition of the Council Tax and the introduction of the Local Income Tax.

The report provided an overview of the consultation document advising that the document set out in broad terms the methodology for a local income tax (LIT), which included tax rates and allowances, definitions of taxable individuals and taxable incomes; discussed the costs for administering council tax, the potential impact of a LIT on Scotland's economy; and examined options for distributing the tax between local authorities. In addition, consideration was also given to two other issues affected by replacing the council tax namely, second homes tax and arrangements for collecting water charges.

The report then advised that the consultation paper asked for responses in the form of a questionnaire, containing twenty four questions and sought responses by 18th July, 2008. A summary of some of the key points included in the proposed response was then provided with the full proposed Council response to the consultation contained as Appendix 1 to the report.

The report recommended:-

- (a) that members approve the response to the consultation document as outlined in Appendix 1 as a Council response;
- (b) that members might also wish to consider preparing individual group responses;
- (c) that the City Chamberlain and Head of Customer Relationship Management continue to be involved with their respective professional bodies (CIPFA and IRRV) in consideration of the practical issues relating to any changes in the method of Local Taxation.

Councillor Dean moved, seconded by Councillor Kevin Stewart:-

That the Council believes that the regressive Council Tax be abolished and replaced with a local income tax based on ability to pay; and to otherwise approve the recommendations contained in the report.

Councillor Milne moved as an amendment, seconded by Councillor Young:-

That the Council does not put forward a majority view on this issue and allows each political group to put forward their own views.

On a division, there voted:- for the motion (9) – the Convener; and Councillors Cassie, Dunbar, Kiddie, Jennifer Stewart, McDonald, May, John Stewart and Kevin Stewart; for the amendment (4) – Councillors Allan, Collie, Milne and Young.

The Committee resolved:-

- (i) to adopt the motion; and
- (ii) to agree that both the majority view and minority views outlined in the motion and the amendment above be put forward as part of the consultation process; and
- (iii) that as part of the consultation to request information regarding the future or water rates in the Council's response.

**PROPOSED SCOTTISH PARLIAMENTARY CONSTITUENCY BOUNDARIES –
CRITERIA FOR CONSULTATION**

6. With reference to Article 25 of the minute of meeting of the Policy and Strategy Meeting of 4th March, 2008, the Committee had before it a report by the

Head of Democratic Services, which sought approval to alter the decision of the Policy and Strategy Committee of 4th March, 2008, in relation to the criteria for the Council's response to the Boundary Commission for Scotland regarding the proposed Scottish Parliamentary Constituency Boundaries in order to allow three proposals to go to public consultation.

The report advised that the Policy and Strategy Committee at its meeting on 4th March, 2008, considered the Boundary for Scotland's provisional proposals on the revision of constituencies for the Scottish Parliament and resolved inter alia:-

- to submit Aberdeen City Council's response that the draft proposals would split established and recognised communities within the City which the current constituencies reflected, that the draft proposals would require a movement between local authorities for a number of communities, and that Aberdeen City Council wish to consult with local communities before submitting alternative proposals;
- that the Council's objections were based on the desire to have the three constituencies wholly within the City, that one constituency should not cut across the two rivers and that whole local authority wards be used as a basis for parliamentary constituencies;
- to reconvene the Electoral Boundaries Working Group with a membership of two members of the SNP Group, two members of the Liberal Democrat Group, one member from each of the Conservative and Labour Groups and one Independent member with the co-option of members to be considered at the first meeting.

As a result of the above decision the Electoral Boundaries Working Group was re-established and at its meeting on 27th June, 2008, considered (1) a draft proposal by the Electoral Registration Officer based on the criteria set by the Policy and Strategy Committee and (2) alternative proposals from a co-opted member of the Civic Forum which achieved greater parity and retained the inclusion of North Kincardine within an Aberdeen South seat but was not based on the criteria set by the Policy and Strategy Committee.

Following discussion the Working Group was of the opinion that members of the public should be allowed to see the alternative proposals, even if they did not adhere to the original Policy and Strategy Committee criteria and therefore agreed to the following proposals subject to the Committee's approval:-

- to consult members of the public on three options, these being:-
 - (1) the original Boundary Commission for Scotland proposals;
 - (2) the proposals drawn up by the Electoral Registration Officer;
 - (3) the alternative proposals
- to consult with the following groups:- Community Groups, Neighbourhood Networks, The Aberdeen Civic Forum, Community Councils, The Aberdeen City Alliance, Political Parties, Political Groups on the Council, Parents' Councils and Community Centres
- to publicise the proposals on the Council's website and in the City's libraries
- to agree that the end of the consultation process be the 31st August, 2008.

The Committee resolved:-

to suspend Standing Orders to amend the decision of the Policy and Strategy Committee of 4th March, 2008, in relation to the criteria for consulting on the Council's response to the Boundary Commission for Scotland's proposed Scottish

Parliamentary Constituency Boundaries in order to allow three proposals to go forward for public consultation (as detailed in the report).

APPLICATIONS FOR FINANCIAL ASSISTANCE 2008/2009

7. The Committee had before it a report by the City Chamberlain presenting applications for financial assistance from the ad hoc Grants Budget 2008/2009 and advising that the balance remaining prior to consideration of the applications contained herein was £6,765.

The report recommended:-

that the Committee consider approving a financial contribution towards DanceSport Scotland's "Northern Trophy Day" and the Variety Club of Scotland's annual carol concert and Christmas party.

The Committee resolved:-

- (i) to award a grant of £750 to the DanceSport Scotland to cover the cost of hiring the Beach Ballroom for this event; and
- (ii) to award a grant of £1,000 to the Variety Club of Scotland for the cost of hiring the Beach Ballroom for this event.

CHAIRING SCRUTINY CONFERENCE – 15TH JULY, 2008 - BIRMINGHAM

8. The Committee had before it the details of the above named Conference for consideration of attendance by Elected Members.

The Committee resolved:-

that Councillor Crockett as Chair of the Scrutiny Panel attend the Conference.

DECLARATION OF INTEREST

Prior to consideration of the report referred to in the following Article, Councillors Kiddie and Kevin Stewart declared interests by virtue of their membership of UNISON. Neither Member felt it necessary to leave the meeting during the Committee's consideration of the report.

EQUAL PAY AND MODERNISATION

9. The Committee received an oral update from the Corporate Director of Resources Management regarding Equal Pay and Modernisation proposals wherein he advised that the Council at its meeting on 25th June, 2008, had approved a final revised terms and conditions package. Thereafter a letter had been issued to all employees detailing the revised terms and conditions and highlighting where they differed from those notified previously. The letter also

explained that the revised package was the Council's final offer and that should the package be rejected on this occasion, then there was no guarantee that the Council would choose to implement the proposals on the same terms.

Members were then advised that the Unison Branch Committee had met to consider the Council's final offer and had subsequently written to all members recommending that they reject the revised package and had arranged briefing sessions to be held the following week; and it was anticipated that all three unions would ballot members in July.

The Committee resolved:-

- (i) to note the update; and
- (ii) to instruct officers to report back to a future Council Meeting following the outcome of the Union ballots on the terms of the current offer relating to equal pay and modernisation providing details on imposition arrangements if any of the three Unions decided to reject the current package agreed by Council on 25th June, 2008.

EXEMPT INFORMATION

The Committee resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the Press and Public from the meeting during consideration of the following item of business so as to avoid disclosure of exempt information of the class described in paragraph 6 of Schedule 7(A) to the Act.

DECLARATION OF INTEREST

Prior to consideration of the report referred to in the following Article, Councillors Kiddie and Kevin Stewart declared interest by virtue of their membership of UNISON. Neither Member felt it necessary to leave the meeting during the Committee's consideration of the report.

APPOINTMENT OF INTERIM SOCIAL WORK ADVISER

10. (A) Prior to consideration of the above named report the Convener expressed her concern and disappointment at the leaking of the briefing paper and the negative impact this would have on employee morale and motivation within the service; and requested further information regarding this matter.

The Committee heard from the Corporate Director for Strategic Leadership who concurred with the remarks of the Convener and advised that the briefing paper had only been issued to the Chief Executive, Corporate Director for Neighbourhood Services (North Area), the City Solicitor, Head of Service, Office of the Chief Executive, as well as the four political group leaders.

The Committee resolved:-

- (i) to note the information;
- (ii) to concur with the remarks of the Chairperson; and
- (ii) to instruct officers to conduct an investigation into the leaking of the briefing paper.

(B) The Committee had before it a report by the Corporate Director for Strategic Leadership which sought approval for the appointment of an Interim Social Work Adviser for an initial period of six months.

The report advised that the appointment of a social work adviser was an instruction from the Social Work Inspection Agency (SWIA), which had been supported by the Minister and the Accounts Commission. With regards to finance the report advised that the total approximate cost of this appointment for six months was £100,000, which would be covered from contingencies.

In relation to the role of the appointee the report advised that SWIA and Ministers had instructed that the advisor would have line management responsibility for all health and care services and explained that the Corporate Management Team in conjunction with the appointee would develop a proposal detailing this responsibility which would be submitted to the Leadership Board for approval in due course.

The Committee resolved:-

- (i) to invoke Standing Order 69(3)(i);
- (ii) to approve the appointment subject to consultation with Unions on the line management implications contained within the report;
- (iii) to request the Corporate Director for Strategic Leadership provide the necessary detail of the appointment in terms of contractual issues to the City Solicitor; and
- (iv) to congratulate the City Solicitor on the outcome of the surveillance audit detailed in the report and to pass on thanks to officers within the service.

- **KATHARINE DEAN, Convener.**