

## **EXECUTIVE COMMITTEE'S MINUTES.**

Glasgow, 2nd February 2007.

### **Executive Committee.**

Present: Steven Purcell (Chair), Eamon Fitzgerald, Irene Graham, John Lynch, Margaret McCafferty, Jean McFadden, John McKenzie, Catherine McMaster, Hanzala Malik, Dr Christopher Mason, John Mason, George Ryan, Ruth Simpson, Margaret Sinclair and David Stevenson.

Also present: Archie Graham and Niall Walker.

Apologies: James Coleman and William O'Rourke.

Attending: N Lyttle (Clerk); G Black, Chief Executive; I Drummond, Solicitor to the Council; L Brown, Director of Financial Services; B McConnell, Executive Director (Culture and Sport); S Inch, Director of Development and Regeneration Services; R O'Neill, Director of Environmental Protection Services; R O'Connor, Executive Director (Education, Training and Young People); R Booth, Director of Land Services; D Comley, Director of Social Work Services and D Melvin, Depute Director of Direct and Care Services.

### **Minutes of previous meeting approved.**

1 The minutes of 19th January 2007 were submitted and approved.

### **Monitoring reports noted.**

2 Councillor Simpson, City Treasurer, presented monitoring reports for the period from 1st April 2006 to 3rd January 2007 for

- (1) the Council's revenue budget 2006/07;
- (2) the investment programme 2006/07; and
- (3) trading operations' budgets 2006/07.

After consideration, the committee noted the reports.

### **New senior management structures approved, after division – Instruction to Chief Executive.**

3 Councillor Purcell, Leader of the Council, presented a report by the Chief Executive regarding proposed new Council senior management structures, advising

- (1) that the Council Plan Supplement 2006/07 had made a commitment to develop and review new political decision-making arrangements and management structures by spring 2007;
- (2) that the commitment to undertake a review of the Council's senior management structures arose from the need to address the following 3 key issues:-

- (a) to assist the Council to meet the recommendations contained in the Best Value audit;
  - (b) to deliver a 10% reduction in management costs; and
  - (c) to meet the requirement for a pay and grading structure for senior management to deliver the workforce pay and benefits review;
- (3) that as part of the review process, Solace Enterprises had been recruited to obtain information on management and decision-making processes in cities in England and meetings had taken place between the Chief Executive and service Directors to discuss how services could meet Glasgow's challenges better through reconfiguration or joining up of services;
- (4) of the proposed changes to the management structures as detailed in the report, which included bringing together Education and Social Work Services and merging Land and Environmental Protection Services, together with a number of other specific changes involving shifts in groups of staff from one service to another to improve operational working or to give a clear focus to the responsibilities of a department;
- (5) that a common management structure would be applied across the Council comprising an Executive Director supported by an Assistant Director and Head of Service Development with the exception of Education and Social Work Services where the Executive Director would be supported by 2 Service Directors and a Head of Service Development; and
- (6) it was estimated that the new senior management structures would yield annual efficiency savings of £1.2m.

Councillor Purcell, seconded by Councillor McMaster, moved that the committee

- (i) approve the revised senior management structures as detailed in the report; and
- (ii) instruct the Chief Executive to put in place interim arrangements to ensure effective continuity of service provision.

Bailie Dr Christopher Mason, seconded by Councillor John Mason, moved as an amendment that the Council do not proceed with the matter.

On a vote being taken electronically, 2 members voted for the amendment and 13 for the motion, which was accordingly declared to be carried.

*[Note: This paragraph was approved by the Council on 8th February 2007].*

#### **Review of decision-making arrangements– Amendments to current model and Scheme of Delegated Functions approved, after division.**

4 Councillor Purcell, Leader of the Council presented a report by the Chief Executive on an initial review of the new decision-making arrangements, advising

- (1) that the Council's decision-making structure, which comprised of an Executive Committee and 10 Policy Development and Scrutiny (PDS) Committees and an Audit

and Ethics Committee had been operational since August 2006 and aimed to reduce bureaucracy and enhance efficiency, openness and accountability;

- (2) of the results of an officer review of the current process, undertaken during the third committee cycle, which found that whilst still bedding-in, was working well and should continue, subject to a number of changes to improve its efficiency, particularly in relation to the Scheme of Delegated Functions;
- (3) that the current area committee set-up required to be revised and a reduction to 5 Area Committees would ensure a better fit with new partnership arrangements and a critical issue would be the balance of elected members and community members on these committees; and
- (4) that it was proposed that the Scheme of Delegated Functions be amended as detailed in the report principally in relation to licensing, property and a small number of other matters.

Councillor Purcell, seconded by Councillor McMaster, moved that the committee

- (a) approve
  - (i) the changes to the current decision-making model as detailed in the report, including amendments to the Scheme of Delegated Functions; and
  - (ii) in principle, a reduction to 5 area committees with a further report being submitted to committee in due course; and
- (b) instruct the Chief Executive to prepare a further report on decision-making arrangements in advance of the new Council.

Councillor John Mason, seconded by Bailie Dr Christopher Mason, moved as an amendment that no action be taken on the matter.

On a vote being taken electronically, 2 members voted for the amendment and 13 for the motion, which was accordingly declared to be carried.

*[Note: This paragraph was approved by the Council on 8th February 2007].*

### **Extension of Pathfinder Project to Culture and Sport and membership of Interim Board approved, after division – Instruction to Chief Executive.**

**5** With reference to the minutes of 15th September 2006 (Print 3, page 483) instructing the Executive Director (Culture and Sport) to prepare a detailed business plan to establish the most efficient and effective structure for a social enterprise for the delivery of the Council's Cultural and Leisure Services, Councillor John Lynch, Executive member for Cultural and Leisure Services presented a report by the Executive Director (Culture and Sport) regarding the outcomes of the Business Case, advising

- (1) that the Outline Business Case recommended that the most efficient and effective model to manage and deliver culture, sport and outdoor recreation services for the Council would be the formation of a Company Limited by Guarantee and Charitable Status (the charitable company) with a Community Interest Company as a trading subsidiary;

- (2) of the scope of the services to be transferred to the charitable company, including the responsibility for advising the Council in the development and implementation of the cultural strategy, providing strategic advice for the Council on the development of the infrastructure to support the delivery of culture and sport in the city, continuing to take the lead for the Council in the community learning and development strategy, including the Adult Literacy and Numeracy Action Plan, together with arts and museums, libraries and community facilities, sport and events, event policy and planning, strategic infrastructure planning, outdoor recreation and associated corporate services;
- (3) that the responsibility for awarding grants would remain with the Council but the charitable company would provide advice to the Council on the evaluation of applications, grant allocations and the monitoring of awards;
- (4) of the legal and financial framework for the company, which would be called Culture and Sport Glasgow; and
- (5) that it was anticipated that 2,414 staff in Cultural and Leisure Services would transfer to the charitable company and trading subsidiary with their existing conditions of service and an application would be made by the charitable company to Strathclyde Pension Fund for admitted body status.

Councillor Purcell, seconded by Councillor McMaster, moved that the committee

- (a) approve the establishment of Culture and Sport Glasgow;
- (b) instruct the Chief Executive to
  - (i) complete all necessary arrangements to establish a company limited by guarantee with charitable status and put in place the appropriate management arrangements to effect the transfer of staff and assets in line with the proposals included in the report by 1st April 2007 to ensure the charitable company was fully operational by 31st May 2007;
  - (ii) establish an interim management team to oversee the transitional arrangements around the creation of Culture and Sport Glasgow and the transfer of functions as outlined in the report; and
  - (iii) continue consultation and negotiations with staff and trade unions regarding the proposals; and
- (b) agree that the Interim Board of Culture and Sport Glasgow would comprise of the Lord Provost, Councillor Steven Purcell, Leader of the Council, Councillor John Lynch, Executive Member for Cultural and Leisure Services, Councillor Archie Graham, Chair of the Cultural and Leisure Services Policy Development and Scrutiny Committee, Councillor Ruth Simpson, City Treasurer, Councillor John Mason, Leader of the Opposition and Ms Bridget McConnell, Executive Director (Culture and Sport), together with the following 4 external members: Sir Angus Grossart; Lord Stevenson of Coddanham, Chair of HBOS; Lord Macfarlane of Bearsden; and George Reid, Presiding Officer, Scottish Parliament.

Bailie Dr Christopher Mason, seconded by Councillor John Mason, moved as an amendment that the Council do not proceed with the matter.

On a vote being taken electronically, 2 members voted for the amendment and 12 for the motion, which was accordingly declared to be carried.

*[Note: This paragraph was approved by the Council on 8th February 2007].*

### **Trade development programme 2007/08 – Expenditure approved.**

**6** Councillor Hanzala Malik, Executive member for Development and Regeneration Services presented a report by the Director of Development and Regeneration Services on the trade development programme 2007/08, advising that

- (1) Business Gateway International Glasgow (BGI-G), operating name for Glasgow Exports Ltd, had been formed by the Council, Scottish Enterprise and the Glasgow Chamber of Commerce to provide specialist business development services to promote international trade development within the Glasgow Business base;
- (2) within the BGI-G partnership, the Council had lead responsibility for managing the implementation of BGI-G's annual international trade mission and exhibition programme and the First Minister's approval was required before the programme could be included in the national event programme for 2007/08; and
- (3) the 2007/08 programme, as detailed in the report, would focus on Asia, Europe and North America and was designed to assist local companies to develop their markets, enter new markets, increase internationalism and improve their profitability and to assist in the process of creating and protecting local employment.

After consideration, the committee

- (a) approved expenditure of £360,000 gross (£220,000 net) for the proposed international trade development programme for 2007/08; and
- (b) noted that
  - (i) that the proposed programme had been endorsed by Glasgow Exports Ltd but required to be approved by the Council prior to being submitted to the First Minister for approval; and
  - (ii) the implementation of the programme would be dependent on provision being made in the 2007/08 estimates.

### **Development of pre-12 education, Phase 4, Contract 2 – Appointment of lead consultant services approved – Instruction to Director of Development and Regeneration Services.**

**7** With reference to the minutes of the Policy and Resources Committee of 18<sup>th</sup> April 2006 (Print 1, page 150) approving the procurement strategy for 16 new schools as part of Phase 4 of the development of pre-12 education, Councillor Hanzala Malik, Executive member for Development and Regeneration Services, presented a report advising

- (1) that contract 2, package 2 comprised of the procurement of a new non-denominational primary school on the gap site at Otago Street/Gibson Street (Ward 14) to replace Dowanhill, Hillhead, Kelvinhaugh and Willowbank Primary Schools and Dowanhill and Willows Nursery Schools;

- (2) that an advertisement had been placed in the Official Journal of the European Union for suitably qualified consultants and a shortlist of 6 potential lead consultants was drawn up; and
- (3) of the outcome of the evaluation of tenders.

After consideration, the committee

- (a) approved acceptance of the tender submitted by JM Architects in the sum of £907,687 on the basis that the combination of their Fee Bid offer and Quality Bid had been assessed as providing Best Value; and
- (b) instructed the Director of Development and Regeneration Services to report back to committee at appropriate stages in the project's progress.

### **Prudential Code for Capital Finance in local authorities - Indicators noted.**

**8** Councillor Ruth Simpson, City Treasurer presented a report by the Director of Financial Services on the Prudential Code for Capital Finance in Glasgow, advising

- (1) that in April 2004 the "Section 94" regime of capital consents had been replaced with the Prudential Code which allowed Council's to determine their own level of borrowing for capital investment purposes;
- (2) that the Chartered Institute of Public Finance and Accountancy had issued the Prudential Code for Capital Finance in local authorities which had been developed as a professional code of practice to support authorities' capital investment decisions and the key objective of the Code was to ensure, within a clear framework, that the capital investment plans of local authorities were affordable, prudent and sustainable and supported local strategic planning, local asset management planning and proper option appraisal;
- (3) of the indicators for the period 2006/07 to 2008/09 which were required by the Prudential Code to ensure that the Council's approach was consistent with the duty to demonstrate affordability and prudence; and
- (4) that the report would be submitted to the Council on 8<sup>th</sup> February 2007 for approval as part of the budget process.

After consideration, the committee noted the report.

### **Off-street car parking – Establishment of Limited Liability Partnership approved, after division – Instruction to Chief Executive.**

**9** With reference to the minutes of the Executive Committee of 29th September 2006 (Print 4, page 572) approving the development of a business case to assess the viability of the creation of a limited liability partnership (LLP) to operate and develop the Council's off-street car parking provision, there was submitted a report by the Director of Land Services advising that

- (1) a business case had been established for a wholly owned Council company to operate and develop the Council's off-street car parking, with a target for establishment of the LLP by 1st April 2007 and the LLP being fully operational by 31st May 2007;
- (2) the Sauchiehall Street and St Enoch Centre Car Parks would not be included in the LLP as these were not owned by the Council and the owners had now developed proposals which included the reconfiguration of these parking facilities, with the owners now wishing to exit from their current lease arrangements in favour of operating their own car parks and a provisional figure of £5.9m had been agreed for the purchase of Council's interest as lessee of the Sauchiehall Street Centre Car Park and a provisional figure of £9.5m for the St Enoch Centre Car Park;
- (3) the business case had identified potential funding capacity in the region of £47m but actual levels of funding would not be known until the market had exercised its due diligence but the investment potential did accord with the market testing undertaken to date;
- (4) it was proposed that the board structure for the parking LLP would comprise of 3 elected members of the Council, the Director of Land Services and the Managing Director of Parking LLP and the constitution would allow for further members to be added at a later stage in the LLP's development; and
- (5) that it was envisaged that TUPE would apply to the transfer of operations to the Parking LLP and there were currently 56 posts in existence, with staff transferring on their existing terms and conditions and the LLP proposing to join the Local Government Pension scheme as a Transferee Admission Body.

Councillor Purcell, seconded by Councillor McMaster, moved that the committee

- (a) approve the establishment of Parking LLP; and
- (b) instruct the Chief Executive to
  - (i) complete all necessary arrangements to establish a limited liability partnership for off-street car parking by 1st April 2007 and put in place the appropriate management arrangements to effect the transfer of staff and assets in line with the proposals included within the report to ensure the LLP was fully operational by 31st May 2007;
  - (ii) establish an interim management team to oversee the transitional arrangements around the establishment of the parking LLP and the transfer of off-street parking operations;
  - (iii) continue consultation and negotiations with staff and trade unions; and
  - (iv) conclude the renunciation or assignation of the Council's interests as lessee of the Sauchiehall Street Centre Car Park to GP Nominees for the sum of £5,900,000 exclusive of VAT and the St Enoch Centre Car Park to St Enoch Trustee Company Ltd for the sum of £9,500,000 exclusive of VAT.

Councillor John Mason, seconded by Bailie Dr Christopher Mason, moved as an amendment that the committee

- (a) instruct the Chief Executive to conclude the renunciation or assignation of the Council's interests as lessee of the Sauchiehall Street Centre Car Park to GP

Nominees for the sum of £5,900,000 exclusive of VAT and the St Enoch Centre Car Park to St Enoch Trustee Company Ltd for the sum of £9,500,000 exclusive of VAT; and

- (b) continue consideration of the remaining proposals.

On a vote being taken electronically, 2 members voted for the amendment and 12 for the motion, which was accordingly declared to be carried.

*[Note: This paragraph was approved by the Council on 8th February 2007].*

### **Invitations to attend conferences – Representation approved.**

**10** The committee, after consideration, agreed to be represented at the undernoted conferences as indicated:-

<i>Conference</i>	<i>Date and place</i>	<i>Representation</i>
*Annual Sony Entertainment Television Asia Sports Personality of the Year Awards	3 <sup>rd</sup> February 2007, London	Councillor John Lynch
Visit to British Library	12 <sup>th</sup> February 2007, London	Councillor Catherine McMaster
*APSE Building Our Communities in Partnership	14 <sup>th</sup> and 15 <sup>th</sup> February 2007, Edinburgh	Councillor Ronnie Quinn
*Transport Security 2007 – Securing Our Transport Network	14 <sup>th</sup> February 2007, London	Bailie Stephen Dornan
Glasgow's People Transcending Poverties	20 <sup>th</sup> February 2007, Glasgow	Councillor Irene Graham

\*These items were dealt with in terms of Standing Order Nos 4 and 6, as a matter of urgency.

### **Award of contracts approved.**

**11** There were submitted reports by the Chief Executive and the Directors of Land and Direct and Care Services, regarding tenders received for various contracts.

After consideration, the committee agreed to accept the undernoted most economically advantageous tenders received:-

<i>Contract</i>	<i>Contractor</i>	<i>Value</i>
Provision of clerical, catering and cleaning temporary labour – 2 year contract with option to extend for a further 12 months:-		Contract estimated at £1m to £1.3m per annum
(1) Clerical and cleaning temporary labour	ASA International	

(2) Catering temporary labour	Kelly Services	
Grasscutting and groundcare equipment – 2 year contract:-		
(1) Supply and delivery of rotary push mowers	Alex McDougall	£86,025
(2) Supply and delivery of rotary hover movers, self-propelled cylinder mowers, tractor mounted skidding winches, tractor mounted scarifying triplex units, self-propelled top dressing spreader and tractor mounted red blaze renovators	Fraser Robb	£148,895
(3) Supply and delivery of saws, back-pack blowers, brush-cutters, hedgetrimmers, tractor units (20Kw), utility quad bikes (4x4), 4x4 bike towed sweeper collector, tractor towed top dresser and under slung rotary decks	Hamilton Brothers	£242,315
(4) Supply and delivery of self-propelled rotary mowers and zero turn rotary mowers	Simon Tullet	£378,121
(5) Supply and delivery of 5-cylinder fairway cut and collect machine, ride-on rotary mowers (14 Kw), ride-on rotary mowers (18Kw), tractor unit (50-55Kw), utility battery powered vehicle (4x4) and utility vehicles (6x4)	Nairn Brown	£393,360
(6) Supply and delivery of 5-cylinder area machines, 3-cylinder amenity area machines and utility vehicles (4x4)	Fairways	£701,921
Supply only, delivery only or supply and delivery of crisps, snacks, confectionary, flavoured water and fresh fruit juices – 3 year contract with option to extend for further 2 years:-		Value of contract estimated at £1.1m per annum
(1) Supply only of crisps and snacks	Golden Wonder Trading and Pepsico International	
(2) Supply only of fruit juice and flavoured water	Calypso Soft Drinks	
(3) Supply of confectionary, bottled water and snacks	J W Filshill	
(4) Sole distribution of all products	J W Filshill	

**Leases approved.**

**12** There was submitted a report by the Director of Development and Regeneration Services regarding the lease of properties.

After consideration, the committee approved the undernoted leases of property, subject to the terms and conditions negotiated by the Director of Development and Regeneration Services.

<i>Property</i>	<i>Lessee</i>	<i>Annual rent</i>
Second floor offices, 126 Stanley Street (Ward 54)	Glasgow City Council	£78,000
Shop at 45 Conisborough Road (Ward 49)	H Singh and MZ Ahmed	£7,000
Part of 25 Avenuepark Street (Ward 20)	Maryhill Citizens Advice Bureau	£12,400
260/270 Moffat Street (Ward 66)	Hayfield Centre	Still to be agreed in line with concessionary rent policy