

Corporate Strategy Committee
7 December 1995

Irvine, 7 December 1995 - At a Meeting of the Corporate Strategy Committee of North Ayrshire Council at 3.30 p.m.

Present

James Clements, Patrick Browne, Jack Carson, Ian Clarkson, Stewart Dewar, John Donn, David Gallagher, Thomas Morris, David O'Neill, Robert Reilly, John Sillars, Samuel Taylor and George Steven.

In Attendance

The Chief Executive, the Director of Financial Services and a Senior Administration Officer of CDC (Mr. Lawson).

Chair

Mr. Clements in the Chair.

Apologies for Absence

Thomas Dickie and Joseph McKinney.

1. CUNNINGHAME DISTRICT COUNCIL: PROJECTS WITHIN THE CAPITAL PROGRAMME

On 13th November, 1995 the Finance and Personnel Committee of Cunninghame District Council considered various reports on projects where expenditure has been approved for 1995/96 but where the authorisation of the Finance and Personnel Committee is required to accept tenders and allow works to proceed. In the absence of two capital receipts being received, the approval of these tenders would result in an overspend being transferred to North Ayrshire Council in 1996/97. The District Council's Finance and Personnel Committee therefore agreed to refer the matter to North Ayrshire Council for consideration.

Submitted report by the Director of Financial Services on the General Services Capital Plan for 1996/97 for North Ayrshire Council.

The approved 1995/96 Programme for Cunninghame District Council shows a potential overspend of £288,000 which would be carried forward to North Ayrshire Council and reduce the amount available for capital investment. In addition, there is a carry forward of £1,017,000 into 1996/97 in respect of the District Council Capital Programme which will have implications for North Ayrshire Council.

The Secretary of State in his 1996/97 settlement has advised that he will not provide any capital consents inherited from demitting Councils which exceeds 70% of the provisional allocation. The provisional allocation inherited from Cunninghame District Council is £810,000 and 70% of this amounting to £567,000 will be set against the commitment of £1,017,000. It will therefore be necessary to adjust the Programme to keep within the legally committed limit. These adjustments must also take into

account that the overspend or underspend in 1995/96 within the District Council's Capital Plan which will be allowed to be carried forward must not exceed 10% of the 1995/96 resources.

It was therefore proposed that certain projects are deleted from the District Council's Capital Plan to bring it within the Secretary of State's limits. If the proposals were agreed an underspend of £76,000 would be carried forward and added to the available resources in 1996/97. On the assumption that expenditure remains at the current level and the ERDF Grants and other Capital Receipts are received as planned, North Ayrshire Council would have £352,250 available in Section 94 Consent for new projects.

North Ayrshire Council has made bids for both accommodation and IT requirements. On IT consent of £54,000 has been granted against a bid of £144,000. It is likely that the accommodation settlement will follow a similar pattern and the Committee considered how best to apply resources available to North Ayrshire Council. This could be achieved if Cunninghame District Council agreed to the deletion of projects within its General Services Capital Plan and a Capital Receipt was secured for the Braes Site, Saltcoats by 31st March, 1996.

After discussion, the Committee agreed (a) to advise Cunninghame District Council that North Ayrshire Council have no objections to the remaining tenders as reported to the Meeting of the Finance and Personnel Committee on 13th November, 1995 being accepted; (b) that Cunninghame District Council be requested to delete certain projects from its General Services Capital Plan for 1995/96; and (c) that Cunninghame District Council be requested to make available to North Ayrshire Council its capital resources to enable North Ayrshire Council to meet its accommodation requirements and further to ensure that the Capital Receipt from the Braes Site, Saltcoats is received by 31st March, 1996.

2. STRATHCLYDE FIRE BOARD

Submitted report of the Strathclyde Fire Board, being the Minutes of their Meeting held on 13th November, 1995.

Noted.

3. STRATHCLYDE JOINT POLICE BOARD

Submitted report of the Strathclyde Joint Police Board, being the Minutes of their Meeting held on 14th November, 1995.

Noted.

4. LIAISON MEETING OF UNITARY AUTHORITIES AND STRATHCLYDE REGIONAL COUNCIL

Submitted report of the decisions of the Liaison Committee of Leaders of the New Unitary Authorities and Strathclyde Regional Council and their respective Chief Executives at their Meeting on 17th November, 1995.

Noted.

5. APPOINTMENT OF INSURANCE BROKER

Submitted report by the Director of Financial Services, copies of which had previously been circulated, on the appointment of an Insurance Broker for North Ayrshire Council.

North Ayrshire Council will require a full range of insurance cover for all its activities to take effect from 1st April, 1996.

Cunninghame District Council have insurance cover provided by Zurich Municipal with annual premiums of approximately £1m. Strathclyde Regional Council is insured only for individual losses in excess of £650,000 and meets the cost of public liability, motor and employers liability claims direct from revenue. An internal insurance fund carries the reinstatement costs of property damaged by fire.

The average cost of claims in North Ayrshire for both fire and other policies is being investigated. It is, however, likely to exceed £1m.

The development of an Insurance and Risk Management Programme to meet the current and long term needs of North Ayrshire Council requires specialist expertise which could only be provided by established and experienced insurance brokers and risk managers.

Four firms were invited to submit tenders to carry out the programme for North Ayrshire Council and were given specific requirements to be met. The report outlined the results of the tender evaluation.

After discussion, the Committee agreed (a) that North Ayrshire Council approve the appointment of Bowring, Marsh & McLennan Ltd. as insurance brokers and risk managers for a period of five years as from 1st April, 1996; and (b) that North Ayrshire Council agree in principle the introduction of an element of self-insurance and a Programme of Risk Management with further reports on the arrangements being submitted following comment from Bowring, Marsh & McLennan Ltd.

6. AYRSHIRE JOINT VALUATION BOARD: APPOINTMENT OF ASSESSOR

At the next Meeting of the Ayrshire Joint Valuation Board on 18th December, 1995 the appointment of the Assessor for the Joint Board will be considered.

It is recommended that the existing Depute Regional Assessor be appointed as Assessor to the Joint Board.

The Committee agreed that at the next Meeting of the Ayrshire Joint Valuation Board the North Ayrshire representatives agree to the appointment of the existing Depute Regional Assessor as Assessor to the Ayrshire Joint Valuation Board.

The Meeting ended at 4.15 p.m.