



## **Borough of Douglas**

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**MR COUNCILLOR DAVID JOHN ASHFORD, J.P.  
MAYOR**

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Town Hall,  
Douglas,  
8<sup>th</sup> March, 2013

Dear Sir or Madam,

You are hereby summoned to attend a MEETING OF THE COUNCIL to be held on WEDNESDAY, the 13th day of MARCH, 2013, at 2.30 o'clock in the afternoon, in the COUNCIL CHAMBER within the TOWN HALL, DOUGLAS for the transaction of the hereinafter mentioned business.

I am,  
Yours faithfully

Town Clerk & Chief Executive

# Order of Agenda

I - Election of a person to preside (if the Mayor is absent).

II - Any statutory business.

III - Approval as a correct record of the minutes of the last regular and any intermediate Meetings of the Council.

IV - Questions of which Notice has been given by Members of the Council, pursuant to Standing Order No. 39.

V - Consideration of the minutes of proceedings of the Council in Committee.

VI - Consideration of the minutes of proceedings of Committees of the Council in the following order:

- (i) The Executive Committee;
- (ii) The Pensions Committee;
- (iii) The Standards Committee;
- (iv) The Eastern Civic Amenity Site Joint Committee;
- (v) Any other Joint Committee;

VII - Consideration of the report of each Lead Member in the following order:

- (i) Housing and Property;
- (ii) Regeneration and Community;
- (iii) Environmental Services;

VIII - Consideration of such communications or petitions and memorials as the Mayor or Chief Executive may desire to lay before Council.

IX - Notices of Motion submitted by Members of the Council in order of their receipt by the Chief Executive.

X - Any Miscellaneous Business of which Notice has been given pursuant to Standing Orders.

The above Order of Agenda is in accordance with Standing Order No. 16(1); under Standing Order No. 16(2) it may be varied by the Council to give precedence to any business of a special urgency, but such variation shall not displace business under I and II.

# AGENDA

III – Chief Executive to read minutes of the Council Meeting held on Wednesday, 13<sup>th</sup> February, 2013.

VI(i) - The proceedings of the EXECUTIVE COMMITTEE as follows:

## EXECUTIVE COMMITTEE

EXECUTIVE COMMITTEE – Minutes of Meeting held on Friday, 1<sup>st</sup> March, 2013.

Members Present: Mr Councillor D.W. Christian (Chair), the Mayor (from 3.25pm), Messrs Councillors S.R. Pitts (from 2.35pm), E.A. Joyce, Councillor Mrs C.E. Malarkey, Mr Councillor R.H. McNicholl.

In Attendance: Chief Executive, Borough Treasurer, Borough Engineer & Surveyor, Assistant Town Clerk (from 2.00pm to 3.00pm), Assistant Chief Executive (from 3.05pm to 3.15pm).

### REPORT

#### **PART A –**

#### ***Matters within the scope of the Executive Committee's delegated authority***

##### **A1. Apologies for Absence**

No apologies for absence were submitted.

##### **A2. Declarations of Interest**

A number of Members declared an interest in Clause B18, the consultation document relating to the Landlord and Tenant (Private Housing) Bill 2013.

##### **A3. Minutes**

The minutes of the meeting held on Friday 25<sup>th</sup> January 2013 were approved and signed, subject to the date in Clause C20, paragraph 5, being amended to read *Thursday 23<sup>rd</sup> May 2013* (instead of Thursday 30<sup>th</sup> May).

##### **A4. Matters Arising from Previous Minutes**

No matters arising were identified.

##### **A5. Minutes and Referrals of the Environmental Services Advisory Committee**

The Committee considered the minutes of the Environmental Services Advisory Committee meeting held on Monday 18<sup>th</sup> February 2013, including the below item specifically referred to the Executive Committee:

Clause B10 - Draft Corporate Plan 2013 – 2017: the Advisory Committee had requested amendments, which had subsequently been incorporated. The entire revised document was subject to consideration at Clause A10 later in these minutes. The Chair of the Advisory Committee advised that each element of the Corporate Plan had been considered and that no amendments had been raised throughout, and that he had requested the clause to be minuted in this way. As this had not been done, he requested the minutes be amended accordingly.

Resolved, “(i) That particulars of the minutes of the Environmental Services Advisory Committee be noted; and

(ii) That Clause B10 of the minutes of the Advisory Committee minutes, relating to the Draft Corporate Plan 2013 – 2017, be amended to record that each element of the document had been considered individually.”

##### **A6. Minutes and Referrals of the Regeneration and Community Advisory Committee**

The Committee considered the minutes of the Regeneration and Community Advisory Committee meeting held on Tuesday 19<sup>th</sup> February 2013, including the below item specifically referred to the Executive Committee:

Clause B9 - Draft Corporate Plan 2013 – 2017: the Advisory Committee had requested amendments, which had subsequently been incorporated. The entire revised document was subject to consideration at Clause A10 later in these minutes.

Resolved, “That particulars of the minutes of the Regeneration and Community Advisory Committee be noted.”

#### **A7. Minutes and Referrals of the Housing and Property Advisory Committee**

The Committee considered the minutes of the Housing and Property Advisory Committee meeting held on Wednesday 20<sup>th</sup> February 2013, including the below items specifically referred to the Executive Committee:

Clause B6 - Legionella Risk Assessment – Various Assets: the Advisory Committee had considered a report on the appointment of a consultant to undertake legionella risk assessments of various Council assets and to provide officer training. It had been noted that this was necessary as every property or area, where there was flowing water or water storage, needed to be assessed for the risk of legionella, with follow up reviews / further inspections. Following receipt and assessment of tenders, the Advisory Committee was now seeking approval for its recommendation that funding be made available in order to progress this issue.

Clause B7 - Draft Corporate Plan 2013 – 2017: the Advisory Committee had requested amendments, which had subsequently been incorporated. The entire revised document was subject to consideration at Clause A10 later in these minutes.

Resolved, “(i) That particulars of the minutes of the Housing and Property Advisory Committee be noted; and

(ii) That approval be given for funding from the Risk Management and Special Projects Fund for the following:

- The appointment of Stewart Clague Services Ltd to undertake legionella risk assessments and training; and
- The inclusion of a contingency sum for undertaking water sampling and testing.”

#### **Attendance**

*Mr Councillor S R Pitts joined the meeting at 2.35pm, during discussion of the above item.*

#### **A8. General Byelaws**

The Committee considered a written report by the Assistant Town Clerk seeking approval for the Sealing of the revised Borough of Douglas General Byelaws, in readiness for approval by Tynwald and to become effective from 1<sup>st</sup> April 2013.

Members recalled that the revision of the Borough of Douglas General Byelaws had been in progress for several years, however, following a great deal of discussion between the Council’s and Government’s officers, draft General Byelaws had now finally been produced. These embodied all the issues and intentions that the Council wished to address in its original revisions (as submitted to Government), while the wording throughout had been put into language that the Attorney General’s Chambers considered legally correct.

Because of the intended implementation date of 1<sup>st</sup> April 2013, it was noted that, with the concurrence of the Leader of the Council, the Byelaws, as drafted, had already been submitted for Tynwald approval. Should the Committee not approve them, or make any changes, they could still be withdrawn from the Tynwald Order Paper accordingly. It was, recommended, however, that they be approved for Sealing, without further amendment, as changes at this stage would further delay their introduction.

In relation to a query, the Assistant Town Clerk advised that the Attorney General’s Chambers had insisted on specific areas being named within the Byelaws, rather than blanket-bans being introduced. He also advised that a request could be made in the future to include any additional specific areas where it was considered that the Byelaws were necessary.

Resolved, “(i) That particulars of the report be noted on the minutes;

(ii) That the final draft General Byelaws, as appended to the written report together with attached schedules and maps, be approved and authority be given for the Seal of the Council to be attached accordingly; and

(iii) That it also be noted that any additional specific areas, where it was considered necessary, could be requested for inclusion in the Byelaws in the future.”

#### **A9. Members’ Training**

The Committee considered a written report by the Assistant Town Clerk in relation to the provision of relevant training for Council Members.

In November 2012, this Committee had agreed that training needs should be identified so that appropriate arrangements could be made. The Advisory Committees had not, to date, specifically identified any training needs, however, during the recent budget process, it had been indicated that some training in relation to local authorities’ borrowings, for both housing and rate-borne projects, would be helpful. It was also noted that the Pensions Committee regularly received training and that the Standards Committee did have arrangements in hand for training in investigations and procedures. Newly-elected

Members had also received some training within the budget process and several of the Member Champions had received some informal training related to their respective fields.

Members were also advised that the Department of Infrastructure had notified local authorities that it had discontinued the Members' Induction Courses that it had previously promoted for new local authority members. It was noted, however, that the Isle of Man Municipal Association had proposed that local authorities should collaborate to administer their own courses. This would seem a reasonable alternative, as training could be focussed on local authorities' issues and also promote greater understanding between authorities.

Resolved, "(i) That particulars of the report be noted on the minutes;

(ii) That the identification and provision of relevant training for all Council Members be given high priority, particularly in relation to governance and budgeting;

(iii) That Members of the Council be invited to submit to the Chief Executive any suggestions for topics on which they required training, so that they could be prioritised and addressed;

(iv) That training be administered in-house wherever possible, in order that it could be focussed on the Council's own Constitution, procedures and financial regulations; and

(v) That approval be given for co-operation with other local authorities for the provision of training, in place of the Local Government Induction Sessions formerly promoted by the Department of Infrastructure."

#### **A10. Douglas Borough Council Corporate Plan 2013 – 2017**

The Committee considered a written report by the Assistant Chief Executive seeking approval for the draft Corporate Plan 2013 – 2017.

It was noted that forward planning provided the framework for the Council's future activities and that, by publishing a Corporate Plan, the Council was providing a documented demonstration to its stakeholders of its intentions. The Plan was a strategic document, focussing on major priorities and setting out the headline issues for the Council over the next four years, which would then feed into Department and Section plans and be converted into actions assigned to individual officers at the relevant levels.

It was intended that the Executive Committee would review the Plan annually and, at management level, the Chief Officers' Management Team would monitor progress quarterly. Each of the Advisory Committees had had an opportunity to review the actions relevant to their remit, and Members would have an opportunity to debate the final version of the entire Plan at the Council Meeting on 13<sup>th</sup> March 2013.

Although a limited number of the new Corporate Plan would be printed and circulated, it was intended to rely on access through the Council's website and also to publicise its existence through the website and press releases.

The Borough Treasurer circulated an updated page in respect of the 'action plan' section relating to the Pensions Committee. It was also suggested that a training session could be held for Members, focussing on the Corporate Plan, in order to explain how the various headings contained within the document would be drilled-down to the actual work undertaken by officers.

Resolved, "That particulars of the report be noted on the minutes and that the draft Corporate Plan 2013 – 2017 (including the updated Pensions Committee Action Plan) be approved."

#### **A11. Monthly Financial Review (January 2013)**

The Committee considered a written report by the Borough Treasurer setting out details of progress made compared to key performance indicators in relation to rates collected; the increase in direct debit take-up for the year; the percentage of net rent collected; gross rent arrears; the number of tenants owing over £500; and sundry debtors over three months old.

Members were advised that the take-up to use the Direct Debit payment system had not been at the level needed to meet the annual targets. It was suggested, therefore, that there be a campaign, including a pilot of two prize-draws, in order to try to improve the take-up of Direct Debits. Although it had been shown that prize-draws could increase Direct Debit participation, it was agreed that the proposal be not proceeded with. As all suggestions to improve efficiency or cut costs within the organisation were most welcome, Members accordingly recorded their thanks to the officer for putting forward the idea.

Resolved, "(i) That particulars of the report be noted on the minutes; and

(ii) That the proposal for prize draws be not proceeded with at the present time, as the proposed advertising campaign being re-introduced was considered sufficient."

#### **A12. Conference Attendance – CIPFA**

The Committee considered a written report by the Borough Treasurer seeking early approval (in order to attain discounted rates) for attendance by the Chair of the Executive Committee and himself at the 2013 CIPFA Conference.

It was noted that the Chair of the former Policy & Resources Committee and the Borough Treasurer had attended the Conference in previous years and found it of great benefit in following current trends in public sector finance and accountancy. The main speakers were normally drawn from politicians from Central and Local Government and finance practitioners in the public sector.

Resolved, “(i) That particulars of the report be noted on the minutes; and

(ii) That the Chair of the Executive Committee and the Borough Treasurer be authorised to attend the CIPFA Conference and Exhibition, to be held at the Novotel London West Hotel from the 9<sup>th</sup> to 11<sup>th</sup> July 2013.”

#### ***Attendance***

*The Worshipful the Mayor joined the meeting at 3.25pm during discussion of the following item.*

#### **A13. Burials Act 1986**

The Committee considered a written report by the Assistant Chief Officer (Finance) setting out the position in relation to payments in respect of the Burials Act 1986.

Members recalled that concern had previously been raised over the Burials Act precept payment by the Council to Braddan Burial Authority. This was subsequently pursued by officers, initially with the former Department of Local Government and the Environment, and then with Braddan Burial Authority. The Treasury had also been asked to provide rateable value information.

Following receipt of figures from the Treasury, the Braddan Burial Authority had provided a response. Unfortunately, it had then become clear that the figures provided by the Treasury were incorrect. After a long delay, correct figures were provided and these were supplied to Braddan Burial Authority accordingly, with a request that their original response be amended. To date, however, the Authority had not responded further.

Members noted the contents of Braddan Burial Authority’s original response (as set out in the written report). It was also noted that, as the payments were due under the Burials Act 1986, any changes to the calculation would require primary legislation and, to pursue this matter further, would expose the Council to a risk of increased costs. In light of this, it was recommended not to lobby to have the Act amended.

Resolved, “(i) That particulars of the report be noted on the minutes; and

(ii) That, in recognition of the rights of Borough residents (which were preserved under the Burials Act 1986), a letter be sent to the Department of Infrastructure withdrawing the Council’s request for amendment of the Act.”

#### **A14. Date of Next Meeting**

As reported at the last meeting, the Committee was reminded that the next meeting would take place at 2.15pm on Wednesday 27<sup>th</sup> March 2013.

Resolved, “That particulars be noted on the minutes.”

#### **A15. Items for Future Report**

The Committee considered a written report by the Chief Executive identifying those issues on which further reports had been requested or which were outstanding, so that Members and officers were aware of them and could monitor progress.

Resolved, “That particulars of the report be noted on the minutes and that it be considered and monitored at each meeting of the Executive Committee.”

#### ***PART B –***

#### ***Matters subject to Council approval***

#### **B16. Minutes and Referrals of the Housing and Property Advisory Committee**

The Committee considered an item specifically referred to the Executive Committee from the Housing and Property Advisory Committee meeting held on Wednesday 20<sup>th</sup> February 2013, as follows:

Clause B5 - Pulrose Phase 10 – Sheltered Accommodation (Stage 12 / 13 Report): the Advisory Committee had considered a report seeking funding and petition approval to enable the Pulrose Phase 10 Sheltered Accommodation scheme to progress to the construction stages. The scheme was to consist of thirty-one one-bedroom flats, six two-bedroom flats, one one-bedroom disabled flat, and various other rooms. Members had been advised, however, following recent consultations with the Department

of Social Care's housing review consultants, that one-bedroomed sheltered flats were no longer considered appropriate in the United Kingdom. It had been agreed, therefore, that the Department should be asked to clarify if the introduction of extra-care services on the Island was intended because, if they were, this could result in Phase 10 not being fit for purpose in the future.

Members of the Advisory Committee had also been advised that the Isle of Man Fire & Rescue Service had written to the Council's Building Control Section strongly recommending the installation of sprinklers in the building. Members had therefore approved the construction of the thirty-eight unit sheltered accommodation complex on the condition that a full fire suppression (sprinkler) system was installed. As this instruction was likely to delay progression of the project, Members had requested that the matter be considered by the Executive Committee, with up-dated figures, in order that the Executive Committee could make a recommendation directly to Council.

Members were accordingly circulated with a copy of the consultant's report setting out additional construction costs and the revised total development cost for the incorporation of a sprinkler system to the complex. The Borough Engineer & Surveyor advised that, following electronic correspondence between the Assistant Chief Officer (Housing & Property) and the Capital Projects Co-ordinator of the Isle of Man Treasury, it had been advised that the additional cost of provision, construction, and maintenance may not be funded through housing deficiency payments, and would therefore have to be borne by other means, such as rental additions or from the General Rate Fund. A proposal put forward by a Member to proceed with the construction of the complex without the installation of a sprinkler system was not supported.

Resolved, "(i) That particulars be noted on the minutes;

(ii) That the following be recommended to Council:

- That a thirty-eight unit sheltered accommodation complex, with the inclusion of a full fire suppression (sprinkler) system, be constructed on the Upper Pulrose Estate
- That Dandara Contracting Ltd be appointed to construct the sheltered accommodation complex for the revised negotiated tender sum
- That the Town Clerk & Chief Executive be authorised to submit a borrowing petition to the Department of Social Care for borrowing powers in the revised sum of £5,618,875, being the total capital cost required to complete this project (and being noted that this was £32,875 in excess of the current financial provision of £5,586,000)
- That, in submitting the borrowing petition request, confirmation be sought from the Department of Social Care that extra-care sheltered services would not be introduced onto the Island in the near future, as Phase 10 had not been designed to fully accommodate such services
- That the Department of Social Care be advised that an assessment of the Council's housing reserve fund had been undertaken to establish if sufficient monies were available to fund the proposed scheme via that source; and

(iii) That it be further noted that the annual estimated total amount payable would be £351,468.69 over thirty years, making a total amount payable of £10,544,060.70 (including estimated interest of £4,925,185.70)."

3 For. 1 Against.

#### **B17. Consultation Document – Landlord and Tenant (Private Housing) Bill 2013**

Under the provisions of the Local Government Act 1985, a number of Members declared an interest in this item, which resulted in the meeting being inquorate. The item was therefore referred directly to the Council for consideration and determination.

#### **B18. The Council and the Third Sector**

The Committee considered a written report by the Borough Engineer & Surveyor setting out proposals which actively encouraged engaging with Third Sector Organisations for the delivery of services, where appropriate.

Members were advised that the 'Third Sector' was the generic term applied to a very diverse range of organisations, including amongst others, voluntary organisations, community groups, and sports organisations. These organisations could also take a variety of forms, such as mutuals, charitable trusts, and not-for-profit trade organisations.

The Third Sector was, therefore, a service provider that was neither public nor private and, although the Council was not in a position to make charitable donations to Third Sector Organisations, it was fully empowered to commission services from them. One example of this was the work with EnCams Enterprises (re-branded as Keep Britain Tidy in the United Kingdom) on local environmental quality. On a more local basis, the engagement of the Isle of Man Branch of the British Red Cross in providing first aid services at Council community events was a perfect example of working with the Third Sector, as was the engagement of Douglas Town Band to provide music at such events. Notwithstanding this,

the Council did not currently have a formal policy in respect of working with the Third Sector and it was therefore recommended that approval be given to the active encouragement of utilising Third Sector Organisations, where appropriate, for service delivery.

Resolved, “(i) That particulars of the report be noted on the minutes;

(ii) That the Council supports the principle of engaging with Third Sector Organisations for the delivery of services, where appropriate;

(iii) That approval be given for the active encouragement of utilising Third Sector Organisations, where appropriate, for service delivery by the adoption of the following policy:

*That the Council will engage with a Third Sector Organisation in the provision of service delivery, where appropriate, providing that the Third Sector Organisation -*

*(a) is based on the Island and is delivering services in Douglas*

*(b) is non-Governmental*

*(c) is value-driven for the social good*

*(d) is not party political*

*(e) is re-investing any financial surpluses to further social, environmental or cultural objectives that bring a significant community benefit to Douglas*

*(f) is capable, and has the capacity of providing the service(s) to the standards required in the public sector, and of the Council in particular*

*(g) has the sustainable appropriate skills, knowledge infrastructures, and resources in place to realise full potential and*

*(h) is shown to deliver ‘value for money’ in the provision of the service(s) involved;*

(iv) That the progression of engagement with the Third Sector be commenced by adopting the above policy and by way of discussions with the Isle of Man Council of Voluntary Organisations on identifying the opportunities available;

(v) That the above policy be incorporated into the Council’s Constitution accordingly; and

(vi) That the above discussions be led by the Borough Engineer & Surveyor and the Assistant Chief Executive with the intention of reporting to the Chief Officers’ Management Team on the outcome, and the objective of a further report to the Committee by September 2013.”

The Committee rose at 4.20pm.



VI(ii) – The Proceedings of the PENSIONS COMMITTEE as follows:

# PENSIONS COMMITTEE

PENSIONS COMMITTEE – Minutes of Meeting held on Wednesday, 27<sup>th</sup> February, 2013.

Members Present: Mr Councillor C.L.H. Cain (Chairman), the Mayor, Messrs Councillors C.C. Thomas, J. Joughin, R.H. McNicholl, A.V. Quirk, Mr A. Thomas (Independent Member).

In Attendance: Borough Treasurer, Assistant Chief Officer (Finance), Assistant Democratic Services Officer, Mark Freeman – Hymans Robertson (Items A1 to A8), Geoffrey Nathan – Hymans Robertson (Items A1 to A8), David Chatel – BlackRock (Item A5 only), David Chatel – BlackRock (Item A5 only), David Chatel – BlackRock (Item A5 only), Chris Bell – Capital International (Item A8 only), David Long – Capital International (Item A8 only).

## REPORT

### **PART A –**

#### ***Matters within the scope of the Committee's delegated authority***

##### **A1. Minutes – 28<sup>th</sup> November 2012**

A Member queried a number of statements within the minutes, it was agreed to discuss and approve the minutes at a later point during the meeting.

##### **A2. Minutes – 10<sup>th</sup> December 2013**

Minutes of the meeting held on Monday, 10<sup>th</sup> December, 2012, were approved and signed.

##### **A3. Training Presentation – Actuarial Valuation**

Mr Geoffrey Nathan, of Hymans Robertson, presented a training presentation on the 2013 actuarial valuation. Members were provided with a print out of the presentation.

Mr Nathan began by providing a background to the 2013 valuation, explaining why a valuation is undertaken. Mr Nathan then went on to discuss the summary of the valuation process and provided the valuation timetable.

The valuation assumptions were then discussed; these included the nature of the pensions promise, the financial and demographic assumptions, the likely impact of key drivers since 2010, the discount rate, the impact of different financial assumptions over time, the changes in longevity and the female and male life expectancy.

Mr Nathan then discussed the inter-valuation experience, including the general economic environment, post valuation events, the falling funding level, the rising common contribution rate and the outlook for 2013.

The stabilisation of contribution rates were discussed, Members were provided with graphs detailing the contribution stability mechanism, a description of the stabilising contributions, two graphs demonstrating scenarios that give a distribution of funding levels and contribution rates, various contribution scenarios and the probability of achieving funding objectives.

Mr Nathan went on to explain why reform is considered appropriate for the Local Government Pensions Scheme (LGPS) in the UK, changes to the LGPS from 2014 and the financial impact of the 2014 LGPS.

Resolved, "That the presentation be noted on the minutes."

##### **A4. Club Vita Membership**

The Committee considered a report submitted by the Borough Treasurer, following a suggestion from Hymans Robertson, that the Isle of Man Local Government Superannuation Scheme (IOMLGSS) become members of Club Vita.

The Borough Treasurer asked Members to raise questions with Hyman Robertson whilst they were in attendance at the meeting, but due to the rigid consultant's timetable requested Members to consider the full report during the afternoon session of the Committee.

Members queried the benefit of Club Vita and why the IOMLGSS should become involved. Mr Nathan informed that assessing the longevity of scheme members to the fund is beneficial, providing an accurate assessment of the fund can prepare for changes in longevity which could result in a large cost to the fund. In terms of accurate information Mr Nathan felt that becoming a member of Club Vita was a sensible move.

Resolved, "That the report and decision be deferred to later in the meeting, following the quarterly report presentations from various consultants."

#### **A5. Investment Manager's Presentation by BlackRock**

Mr David Chatel and Mr Chris Moore of BlackRock joined the meeting to present the BlackRock investment manager performance for quarter four.

The Fund outperformed the benchmark by 0.2% during quarter four and during the year. The fund underperformed the benchmark by 0.5% and 0.6% over three year and five year periods respectively. The 0.2% outperformance during quarter 4 was the result of being overweight equities.

Mr Moore explained the current position of the Fund, highlighting that overseas equities were 5% overweight. Changes in asset allocation were discussed, which had accommodated for the £4.4 million absolute return fund outflow.

Mr Moore went on to discuss the BlackRock UK Property Fund (BUKPF). The BUKPF team had recently expanded and these changes were detailed within the report in addition to the portfolio structure and total return on a NAV basis per cent as at 31<sup>st</sup> December 2012.

Members were presented with a graph that detailed three areas of the Property Fund that significantly invested over the quarter. The portfolio vacancy was also discussed.

Following a query from Hymans Robertson, Mr Moore explained that BlackRock was very optimistic that unoccupied properties acquired from the RREEF Fund would be let in the near future.

A Member made reference to the recent reduction of the UK Government credit rating from AAA to AA+, Mr Moore confirmed this would result in the bonds guaranteed by the UK Government also being downgraded but this does not affect the opportunity to invest as only one rating agency has downgraded the rating. Mr Moore informed he would discuss whether the guidelines needed amending with the fixed income team.

During the discussion the Borough Treasurer highlighted the BlackRock confidentiality statement detailing that reports were for the professional use of Douglas Borough Council and were not for public distribution. Mr Moore informed that the statement appears on all documents but due to the report discussing past events there would be no issue with publication of the report. Members agreed that the report could be published on the website with a suggestion from one Member to reduce the amount of information detailed within the minute. The Borough Treasurer informed the minutes are detailed to ensure Council Members have all information available to approve the minutes as the IOMLGSS is the responsibility of the full Council. The Mayor informed that if the minutes were to be reduced the BlackRock reports would require circulation to all Council Members prior to the monthly meeting; he opined that a reduction in the minutes would not be of benefit to the Council.

A Member queried a number of statements, in relation to BlackRock, detailed in the minutes of the November meeting of the Committee. Both BlackRock and Hymans Robertson confirmed they approved the minutes.

Resolved, "That the particulars of the discussion and BlackRock quarterly report be noted on the minutes and a report on the publication of the BlackRock report and detail of corresponding minute be considered at the May meeting of the Committee."

Mr Chris Moore and Mr David Chatel were thanked for their attendance and left the meeting.

#### **A6. Hymans Robertson Review of Investment Manager's Performance**

The Committee considered a report produced by Hymans Robertson reviewing the Investment Managers' performance for the fourth quarter of 2012.

The report detailed the historic returns for the world market to 30<sup>th</sup> December 2012 and the portfolio and performance summary. Mr Freeman highlighted that the absolute return fund had been introduced during the quarter, and was now included in the portfolio summary. Mr Freeman informed the Committee that the total fund was ahead of benchmark for the quarter, but marginally behind target.

In relation to the 0.2% total fund return relative to the benchmark in quarter four, a Member queried the cost of the investment expenses. Mr Nathan confirmed that scheme expenses were added to the contribution rate. Given that some of these costs are fixed in nature, some costs will tend to be higher when expressed as a % of assets for smaller funds.

In answer to question, Mr Freeman confirmed that there were only a handful of institutional investment managers with an office on the Island, and so he did not expect many of the top ten investment managers in the UK to be available to manage the Scheme's assets.

A Member suggested index tracking; Mr Freeman confirmed that he would support some assets to be managed on this basis, and although BlackRock is one of the UK's largest index tracking managers, they would not be able to do this under the current mandate due to current IOMLGSS rules stating a maximum of 35% of total assets can be invested in pooled funds with a single provider.

Resolved, "That particulars of the discussion and Hymans Robertson report be noted on the minutes."

#### **A7. Capital Market Services**

The Committee considered a report submitted by Mark Freeman of Hymans Robertson updating on the quarter four capital market service.

The report detailed the asset class outlook from September to December 2012; Mr Freeman informed that Hymans Robertson is cautious of global equities as they are fairly valued after positive market returns.

Hymans Robertson support the move removing long lease funds from the IPD benchmark, although the impact would be to improve BlackRock's relative return.

The Borough Treasurer expressed discomfort at Blackrock's intent to balance the portfolio and move 1-1.5% into property which is still below benchmark due to comments about property in the report.

In response to this comment, Mr Freeman advised that BlackRock would still be significantly underweight in property, which was consistent with Hymans Robertson's current cautious view on the asset class.

Resolved, "That the report and discussion be noted on the minutes."

#### **A8. Capital International Investment Review**

Mr Chris Bell and Mr David Long of Capital International joined the meeting to present the fourth quarter investment review.

The Committee considered a report and presentation by Mr Bell on the investment review for quarter four.

Mr Bell began by providing an insight of key economic and market themes. The strategy from inception was then explained followed by details of the current asset allocation. Mr Bell finished by discussing economic and market thoughts.

Resolved, "That the report and presentation be noted on the minutes."

#### **A9. Adjournment and Resumption**

Mr Bell, Mr Long, Mr Freeman and Mr Nathan were thanked for their attendance and left the meeting.

The Committee adjourned at 2.05pm and resumed at 2.48pm. The same Members and Officers were present.

#### **A10. Minutes – 28<sup>th</sup> November 2012**

A Member queried a number of statements detailed within the minutes in relation to the presentations received at the London Blackrock offices. It was confirmed that these statements were made by Blackrock at the meeting and Blackrock consultants in attendance at the meeting approved the minutes.

A Member queried why a suggestion to visit another Pensions authority during the next visit to the London Blackrock offices was not noted on the minutes. Members agreed this could be beneficial to the Committee and requested it be considered during initial arrangements for the next London visit.

Resolved, "That the minutes from the 28<sup>th</sup> November 2012 be approved and signed as a correct record of the Blackrock presentations received by the Committee at the London Blackrock office."

#### **A11. Matters arising – GAD Guidance**

A Member expressed dissatisfaction that further information relating to the Government Actuary Department (GAD) and the Scheme Actuary had not been provided to Members.

The Borough Treasurer informed that there had been no further information to report since previous information circulated.

Members noted that GAD informed the Borough Treasurer that this is a busy period with the current implementation of the 2014 UK Pension Scheme and resources will not be available to provide actuarial advice for the IOMLGSS until after the quarter. GAD has however agreed to consider the urgent case and is currently awaiting details of Tynwald legislation to progress.

In answer to question the Borough Treasurer confirmed the Council has authority to seek actuarial advice for urgent cases pending the decision regarding the Scheme Actuary.

A Member raised concern that the Public Sector Pensions Authority could consider taking over the IOMLGSS on the basis that the Council have not solved the actuarial issues in a timely manner. The Borough Treasurer informed this was unlikely as the Local Government Scheme was specifically excluded from the current remit of the Public Sector Pensions Authority.

#### **A12. Matters Arising - Independent Member Insurance**

The Borough Treasurer confirmed that the insurance enquiry raised by the Independent Member had been researched and a complex answer had been received suggesting that both Independent Members

are covered by the Council's insurance policy. The wording is however complex and is currently being reviewed by the Borough Treasurer's department for clarity and will be circulated to all Members of the Committee.

#### A13. **Club Vita**

The Committee reconsidered a report submitted by the Borough Treasurer, following a suggestion from Hymans Robertson, that the IOMLGSS become a Member of Club Vita.

Club Vita is a group of pension schemes that includes funds which are both clients and non-clients of Hymans Robertson and which provide data confidentially to Club Vita in relation to the scheme members. Club Vita analyses the details and report back to the funds on their findings.

The report detailed three levels of Club Vita membership. The top level is the full membership at a cost of £10,000 annually, triennial membership with a cost of £10,000 in the valuation year and £2,500 in other years or a 'free' membership.

The Borough Treasurer informed that Capita would charge an initial fee of £2,750 to extract the information and the cost triennially payable to Capita would be £1,500.

A Member queried the benefit of joining Club Vita; the Borough Treasurer informed it would assist with the actuarial evaluation and provide better information.

Some Members opined that the scheme was to benefit Hymans Robertson, not the IOMLGSS. There were concerns that once the IOMLGSS has entered the scheme there could be charges to remain in the scheme in future years.

The report recommended the IOMLGSS become a Member of the Club Vita 'free' membership to provide an average Vita curve for the purpose of the Fund evaluation. The Borough Treasurer informed the 'free' scheme was introduced by Hymans Robertson for the benefit of funds which do not want more comprehensive mortality information.

Resolved, "That particulars of the report and discussion be noted on the minutes and

- (i) The Isle of Man Local Government Superannuation Scheme do not become full or triennial members of Club Vita;
- (ii) The Isle of Man Local Government Superannuation Scheme becomes a 'free' member of the Club Vita."

For: 3 Against: 3 (Resolution (ii))

The Chairman exercised his casting vote against the motion and the motion fell.

#### A14. **Future approach to evaluation of Committee and Advisors (incorporating Scheme Governance)**

The Committee considered a report by the Borough Treasurer reviewing the work of those involved in the decision making for the Isle of Man Local Government Superannuation Scheme by way of a Review of Governance. This matter was deferred from the last Committee meeting.

The report detailed that as part of the best practice arrangements set out on the Douglas Borough Council website under section 4 Performance Assessment there is a principle that "Trustees should also periodically make a formal policy assessment of their own effectiveness as a decision-making body and aim to report on this to scheme members."

It was noted the Committee assessed the quality of the advice which it receives from its investment advisor and other service providers. The Committee uses a traffic light approach assigning red, amber or green rating to each major activity. For each activity assigned a red rating an action point is agreed.

The Borough Treasurer informed in May it had been increasingly difficult to resource the work involved in handling the traffic light approach. Hymans Robertson suggested a fresh approach through a Governance Review which was reported at the May meeting.

Following a request to seek an independent organisation to carry out the review the Borough Treasurer expanded the review and a draft Governance Review Service Specification as terms of reference was drawn up, this was appended to the report for Members information.

The report recommended local public advertising to invite expressions of interest for the work based on the specification. It was noted that contractual documentation would be supplied as part of the package to gauge interest.

A Member suggested an amendment to point 2.7 to incorporate a statement to involve a sample of scheme members and appropriate others. A second suggestion was to include an employing body other than Douglas.

Members voted on each amendment. It was agreed, with the Chairman exercising his casting vote, that point 2.7 be amended to include a requirement to interview an employing body other than Douglas.

A Member suggested an alternate process, a two stage tender was suggested with the first stage being an open call with a simple criterion, a shortlist would then be agreed and those organisations on the shortlist would be asked to provide a proposal on how they would consider reviewing the scheme governance.

The Assistant Chief Officer (Finance) suggested that placing a criterion in the paper could deter organisations submitting an expression of interest.

The Borough Treasurer informed the process already had a criteria set by the Committee, it was previously agreed that the independent organisation would be based on island and the proposal to invite expressions of interest is a two stage tender process.

A Member queried why the Borough Treasurer should review the submissions prior to reporting to the Committee. The Borough Treasurer informed this was to ensure the submissions are factually correct.

In answer to question the Borough Treasurer confirmed a timetable had not been produced but instead the Committee meeting dates would be provided and the successful organisation can prepare a timetable to work around these dates.

Resolved, "That particulars of the report and discussion be noted on the minutes and;

- (i) The terms of reference for a review be approved and expressions of interest be invited by local public advertising;

For: 5 Against: 1

- (ii) Term of reference 2.7 be amended to include interviewing one local authority other than Douglas and the term not to include a sample of scheme members and appropriate others."

For: 3 Against: 3

The Chairman exercised his casting vote in favour of the Motion and the Motion was carried.

#### **A15. Attendance**

Mr A. Thomas, Independent Member, submitted his apologies for the remainder of the meeting and left the meeting at 3.55pm.

#### **A16. The cost of each Pensions contract and the order that each should be dealt with through the tendering process**

The Committee considered a report submitted by the Borough Treasurer detailing the cost of each Pensions contract and the order that each should be dealt with through the tendering process.

The report was produced following a request from the Committee to market test all services that have been contracted in respect of the IOMLGSS. Appended to the report was a procurement timetable which listed the contracts in decreasing values of fees shown in the 2011/12 accounts.

The Borough Treasurer advised that although the top service in relation to costs was the Fund Manager he felt the first priority should be to secure an Investment Consultant who would be responsible for conducting the procurement exercise for the Fund Manager.

Members opined that the Investment Consultant remit should include a proactive approach to suggesting areas of investment.

Resolved, "That particulars of the report and discussion be noted on the minutes and;

- (i) The following order for market testing the service received, in respect of the Isle of Man Local Government Superannuation Scheme, be approved;
  - 1. Investment Consultant
  - 2. Fund Manager and Custodian
  - 3. Administration
  - 4. Actuarial Services
- (ii) The future items report be amended to substitute Investment Consultant into item nine. The second service above only be added to that list when the first has been achieved."

#### **A17. Items for Future Report**

The Committee considered a report submitted by the Borough Treasurer setting out items that are to be considered at future meetings and to review any future training requirements. Where there has been a delay in reporting, the reason for this is outlined.

Resolved, "That particulars of the items for future report be noted on the minutes."

***PART B –***

***Matters requiring Executive Committee approval***

**B18. Consideration of Corporate Plan action plan for Pensions Committee**

The Committee considered a report submitted jointly by the Borough Treasurer and Assistant Chief Executive seeking the Committee's view on the 2013-2017 draft Corporate Plan.

A Member stated priority six action point should refer to the 'Investment Consultant' as opposed to 'Investment Manager.'

A Member suggested that priority one and priority six could be merged and suggested the custodian be listed.

In answer to question the Borough Treasurer confirmed the target dates for actions for priority one and six have been set at December 2017, it was confirmed the intention was to complete the tasks before this date but this target provides leeway for the Committee.

Resolved, "That particulars of the discussion and report be noted on the minutes and

- (i) The Corporate Plan 2013-2017 be supported by the Pensions Committee subject to the merging of priority one and priority six, and the plan be considered by the Executive Committee."

***PART C –***

***Matters requiring Council approval***

There were no matters requiring Council approval.

The Committee rose at 4.40pm.

VI(iv) - The proceedings of the EASTERN CIVIC AMENITY SITE JOINT COMMITTEE as follows:

# EASTERN CIVIC AMENITY SITE JOINT COMMITTEE

EASTERN CIVIC AMENITY SITE JOINT COMMITTEE – Minutes of Meeting held on Monday, 18<sup>th</sup> June, 2012.

Present: For Douglas Borough Council - Mr Councillor W.M. Malarkey (Member), Mr I.J.G. Clague (Borough Engineer & Surveyor). For Onchan District Commissioners - Mrs J. Kelly (Member), Mr P.M. Hulme (Chief Executive/Clerk). For Laxey Village Commissioners - Mr A. Moore (Member). For Braddan Parish Commissioners - Mr J.C. Whiteway (Clerk) (from 3.35pm). For Santon Parish Commissioners - Mr N. Kelly (Member).

In Attendance: Secretary - Mr P.E. Cowin. Contractor's Representative - Mr P. Macken (from 3.35pm).

## REPORT

### **PART A –**

#### ***Matters within the Scope of the Joint Committee's Delegated Authority***

##### **A1. Minutes – 3<sup>rd</sup> December, 2012**

The minutes of meeting held on Monday 3<sup>rd</sup> December, 2012, were approved for signature as a correct record.

##### **A2. Minutes – 17<sup>th</sup> December, 2012**

The minutes of special meeting held on Monday 17<sup>th</sup> December, 2012, were approved for signature as a correct record.

##### **A3. Vehicle Number Plate Recognition System**

Arising from the minutes, the Chairman expressed disappointment that no Department of Infrastructure Officer was present, as there were a number of issues on the agenda that would benefit from the Department's input; in particular the connection to the Automatic Number Plate Recognition system which Mr Quayle had been going to report on.

As the Committee had already allocated funding for it, the Borough Engineer undertook to progress the installation

##### **A4. Operational Costs**

The Committee noted a letter from the Business and Contracts Manager of the Department of Infrastructure, advising that the cost of disposal of waste through the Energy from Waste Plant and Wright's Pit North would increase annually over the next six years as follows:

<i>Effective from</i>	<i>Domestic Waste (per tonne)</i>	<i>Commercial Waste (per tonne)</i>
1 <sup>st</sup> April 2013	£57.35	£130.00
1 <sup>st</sup> April 2014	£78.35 (+Indexation)	£148.00 (+Indexation)
1 <sup>st</sup> April 2015	£99.35 (+Indexation)	£160.00 (+Indexation)
1 <sup>st</sup> April 2016	£120.35 (+Indexation)	£160.00 (+Indexation)
1 <sup>st</sup> April 2017	£141.35 (+Indexation)	£160.00 (+Indexation)
1 <sup>st</sup> April 2018	£161.35 (+Indexation)	£161.35 (+Indexation)

Members expressed concern over the increasing costs and particularly the uncertainty in the "Indexation" addition.

There was a perception that waste was being brought to the Eastern Civic Amenity Site from other parts of the Island, particularly when other Sites were closed but the Eastern Site remained open. Members felt that this was unfairly adding to the operational costs shared by the six Authorities. The Chairman queried the statutory requirement to accept waste from other areas.

**It was agreed: that the letter be noted; that the Secretary research the statutory requirement to accept waste from other areas; and that the Secretary seek information on tonnages of waste and opening times at the other Sites.**

**A5. Revised Estimates 2013-14**

At the special meeting of the Committee on 17<sup>th</sup> December, approval had been given to the financial estimates for 2013-14, based on an assumed waste disposal charge of £55.00 per tonne. The precise figure had not been available at that time but notification was received shortly afterwards that it was to be £57.35. The Secretary had therefore notified all the authorities and circulated revised estimates to aid with the setting of rates. The revised estimates now required formal ratification.

**It was agreed: that the revised estimates for 2013-14 be approved.**

**A6. Attendance**

Mr Whiteway and Mr Macken joined the meeting at 3.35pm.

**A7. Operational Issues – Statistics**

The Committee noted the operational statistics produced by Mr Macken showing the tonnages of different categories of waste handled by the Site. In response to questions he stated that demolition waste cost £5.00 per tonne for disposal and timber which was now being separated, £35.00 per tonne.

The number of fridges and freezers being received had fallen since the introduction of charges, but Mr Macken confirmed that there had been no corresponding increase in such units being fly-tipped in Douglas.

**It was agreed: that the statistics be noted.**

**A8. Operational Issues – Textile Recycling**

The Committee noted that the Chairman and Mr Dobson, in exercise of the authority delegated to them by the Committee on 3<sup>rd</sup> December, had agreed to accept the tender of the Salvation Army Trading Company Ltd. for the collection of textiles at the Site for recycling.

Mr Macken confirmed that the operation had commenced on 1<sup>st</sup> February and so far was running smoothly.

**It was agreed: that the appointment of the Salvation Army Trading Company Ltd. be noted.**

**A9. Operational Issues – Commercial Waste**

There was discussion of the difficulties in identifying commercial operators using the Site; Mr Macken confirmed that staff did try to check on the source of materials but there was a suspicion that some small traders were using the Site to dispose of material, particularly demolition waste and hardcore.

It was suggested that written rules for use of the Site would be helpful, as would a standard letter to be given to anyone suspected of using the Site for disposal of trade waste. Height restrictions on vehicles entering the Site would also help reduce the number of vehicles suspected of carrying commercial waste.

The Vehicle Number Recognition system referred to in Clause A3 above would also help monitor vehicles using the Site more frequently than normal.

**It was agreed:**

- (1) that the Secretary in consultation with the Borough Engineer and Mr Macken draft Rules for use of the Site, and a standard letter for distribution to users in case of potential misuse;**
- (2) that the Borough Engineer arrange to have a removable height restrictor at 2.2 metres fitted at the entrance to the Site;**
- (3) that suitable advance signage be installed on the access road warning of the height restriction;**
- (4) that a “Stop” sign be installed at the Site entrance to ensure that all vehicles must stop before proceeding to unload;**
- (5) that the maximum amount of demolition waste (including hardcore, rubble, etc.) deposited by an individual at any one time be limited to six bags, and in any month to twelve bags;**
- (6) that signage be erected advising users that abusive or threatening language or behaviour towards staff on the Site will lead to removal and barring from the Site;**
- (7) that the Borough Engineer liaise with the Police to seek support for enforcement of the Site rules once implemented, and for support of staff subject to threatening or abusive language or behaviour;**
- (8) that the draft rules be considered at the Committee’s next meeting with a view to implementation from 1<sup>st</sup> April 2013 and a press release being issued accordingly.**



A10. **Attendance**

Mrs Kelly left the meeting at 4.00pm.

A11. **Operational Issues – Re-use area**

Mr Macken advised that the re-use facility was still causing some issues with individuals persistently visiting despite the introduction of a limit of one fifteen minute visit per day. Members took the view that the rules to be drafted for use of the Site should go some way to address the issue.

Members also suggested that there should be a disclaimer notice at the re-use area in respect of any liability for unsafe articles such as furniture that was not fireproofed to required standards.

It was generally recognised that there should be common rules across all Island Civic Amenity Sites.

**It was agreed: that the Secretary research the rules applying to all Civic Amenity Sites.**

A12. **Disposal of Electrical Goods**

The Chairman raised the issue of a letter he had received from Electrical Cash & Carry Ltd., in relation to the tender process for the contract for disposal of electrical goods; this contract had been awarded by the Department but the Committee had not yet been notified of the contractor or costs.

**It was agreed: that the Secretary write to the Department seeking information on the tenders sought, the amount and identity of the successful contractor.**

A13. **Next Meeting**

The date and time of the next meeting was fixed for Monday 8<sup>th</sup> April, 2013, at 2.30pm on site at Middle River, with a formal meeting to follow at 3.00pm at the Meadows Pavilion (Douglas Golf Clubhouse) if available.

The meeting ended at 4.30pm.

VII(i) – The Proceedings of the HOUSING AND PROPERTY ADVISORY COMMITTEE as follows:

# HOUSING AND PROPERTY ADVISORY COMMITTEE

HOUSING AND PROPERTY ADVISORY COMMITTEE – Minutes of Meeting held on Wednesday, 20<sup>th</sup> February, 2013.

Members Present: Councillor Mrs C.E. Malarkey (Chairman), the Mayor, Messrs Councillors J. Joughin, J.E. Skinner, Councillor Ms K. Angela, Mr Councillor S.C. Cain.

In Attendance: Assistant Town Clerk, Assistant Chief Officer (Housing and Property), Assistant Chief Executive, Assistant Chief Officer (Income), Housing Manager, Democratic Services Officer.

## REPORT

### **PART A –**

#### ***Matters within the scope of the Advisory Committee's delegated authority***

##### **A1. Minutes 16<sup>th</sup> January, 2013**

The minutes of the meeting held Wednesday, 16<sup>th</sup> January were approved and signed.

##### **A2. Re-Naming of Flats in James Street and King Street**

The Committee considered a report on a possible scheme for renaming the flats in James Street and King Street. The report was prepared following requests from Members that the word 'Block' be removed from the address and replaced with something more aesthetically pleasing. The report put forward a scheme following discussions at recent Committee meetings to name each block and to add a further designation such as 'house' to each building.

Resolved, "That the report be noted on the minutes and the proposed renaming scheme not be accepted, but the word 'Block' simply be removed from the addresses of the flats on James Street and King Street."

##### **A3. Matters for Future Consideration**

The Committee considered the report on matters for future consideration and asked for reports to be brought back for consideration by the Committee.

Resolved, "That the report be noted on the minutes."

### **PART B –**

#### ***Matters for consideration by the Executive Committee***

##### **B4. Pulrose Phase 10 Sheltered Accommodation, Stage 12/13 Report**

The Committee considered a report submitted by the Assistant Chief Officer (Housing and Property) seeking funding and petition approval which will enable the Pulrose Phase 10, sheltered accommodation scheme to progress to the construction stages.

The sheltered accommodation will consist of thirty-one one-bedroom flats, six two-bedroom flats, one one-bedroom disabled flat, communal lounge, laundry, manager's office and interview room, guest room, multi-purpose room, assisted shower room and storage. Planning and Building Regulations approval has been received. The report advised that due to high installation and maintenance costs, fire sprinkler systems have been designed out. This design was previously approved by Committee and Council. The Isle of Man Fire Department has however written to the Council's Building Control section during the building regulations approval process, expressing their concerns and strongly recommending installation of sprinklers for this building. The report also highlighted to the Committee that recent consultations with the Department of Social Care's housing review consultants, Tolson, indicate that one-bedroom sheltered flats are no longer appropriate in the United Kingdom due to the lack of flexibility in relation to extra care services. The Department should be asked to clarify if the introduction of extra care services on the Island is intended as this could result in Phase 10 not being fit for purpose in the future.

In discussion of the report, the following points were raised. Members expressed disappointment that there was only one fully disabled flat in the building. The Assistant Chief Officer (Housing and Property) advised that all of the flats would be large enough for wheelchair users, and would be appropriate for the intended residents, but that only one would have full disabled modifications. Residents of sheltered accommodation are expected to be sufficiently mobile to look after themselves. There was explanation of the term 'extra care sheltered services'. This is when the resident has an extra bedroom used by a carer either full-time or only at night. This support may enable a person to continue living in sheltered accommodation rather than necessitating a move to a care home facility.

Members expressed grave concerns that the plans for the building do not include provision of a sprinkler system. The Assistant Chief Officer (Housing and Property) agreed that this would be ideal, but he advised that the need for a sprinkler system has been designed out due to the high installation and maintenance costs. This fire-engineered solution has been approved under Building Regulations.

There was discussion of the additional costs for installation of a sprinkler system and ways that that might be met, eg through additional rental points being applied. It was suggested that the report should be deferred until the March meeting so that officers could clarify the additional costs. The Assistant Chief Officer (Housing and Property) advised against this as the negotiated tender amount is based on savings achieved by the developer through overlapping preliminary work. Delay would mean that there would be a reduced overlap and so the negotiated tender sum would be likely to increase.

Resolved, "That particulars of the report be noted on the minutes and

- (i) The Design Team's Stage 12/13 report is approved (subject to the further resolutions below) and the appointment is confirmed of Dandara Contracting Ltd to construct a thirty-eight unit sheltered accommodation complex on the Upper Pulrose Estate for the negotiated tender sum; and
- (ii) The Committee authorises the Town Clerk and Chief Executive to submit a borrowing petition to the Department of Social Care for borrowing powers in the amount of £5,490,251.00 being the total capital cost required to complete this project and is within the current financial provision for the overall redevelopment project; and
- (iii) Approval is only given to (i) and (ii) above on the condition that a full fire suppression (sprinkler) system is installed in this building as per Council policy and that officers be instructed to consult Treasury officers regarding this matter, to research the costs and to report the outcome of the consultation and provide updated figures as per resolution (vi) below; and
- (iv) The Committee, in submitting the borrowing petition request confirmation from the Department of Social Care that extra care sheltered services will not be introduced onto the Island in the near future as Phase 10 has not been designed to fully accommodate such services; and
- (v) The Committee notes that the annual estimated total amount payable will be £343,423.08 over thirty years; making a total amount payable of £10,302,692.40 including estimated interest of £4,812,441.40; and
- (vi) In view of the Committee's instructions in resolution (iii) above, and aware that these instructions are likely to affected the cost, and noting that this Committee has no wish to delay progression of this project, the Committee therefore refers this matter to the next meeting of the Executive Committee for consideration together with accurate updated figures provided by officers following the consultation and work identified in resolution (iii) above, so that that Committee can consider and make the recommendation for Council approval; and
- (vii) That the Department of Social Care be advised that an assessment of the Council's housing reserve funds had been undertaken to establish if sufficient monies were available to fund the proposed scheme via that source."

#### **B5. Legionella Risk Assessment – Various Assets**

The Committee considered a report on the appointment of a consultant to undertake legionella risk assessments of various Council assets and to provide officer training. Query was raised as to why this is necessary. The Housing Manager advised that every property or area where there is flowing water or water storage needs to be assessed for the risk of legionella. The initial assessment will determine the plan for future actions. Records need to be kept and reviewed at least every two years or if there have been modifications to the water system. Any area which is identified as a low (or no) risk area will not need to be reassessed until there are changes to the property such as alterations, although the records will need to be updated to show that it has been reviewed. If a risk is identified, then it may be necessary to carry out further inspection and testing to confirm that the risk is being controlled with annual water testing thereafter.

The Council advertised for applicants to go on a select list to tender to carry out the specialist work. Four companies applied. Checks were carried out on all applicants to evaluate to their competency and resources to fulfil the contract. All four companies were then invited to submit tenders for the work.

Resolved, "That the report be noted on the minutes; and

- (i) Approval be given for the appointment of Stewart Clague Services Ltd to undertake Legionella Risk Assessments and training; and
- (ii) Approval is given for the inclusion of a contingency sum for undertaking water sampling and testing; and

- (iii) Approval is given for a referral to the Executive Committee seeking funding from the Risk Management and Special Projects Fund.”

For: 4 – Against: 1

Councillor Ms K. Angela asked that her name be recorded as voting against all of the resolutions.

**B6. Draft Corporate Plan 2013 – 2017**

The Assistant Chief Executive joined the meeting.

The Committee considered the draft Corporate Plan 2013 – 2017 and the accompanying report. The Committee considered and discussed each Priority and every Action Point in turn.

Resolved, “That particulars of the report be noted on the minutes and the sections of the draft Corporate Plan within this Committee’s areas of responsibility be approved subject to this amendment:-

- (i) That an Action Point be added *To maintain a rent collection of 99% of amounts outstanding during the year by 31<sup>st</sup> March each year.*”

***PART C –***

***Matters requiring Council Approval***

**C7. Upper Pulrose Outer Ring Refurbishments and Alterations**

The Committee considered a report on tenders received to carry out refurbishment and alterations to houses located in the Outer Ring of Upper Pulrose. Five companies submitted tenders to carry out the scheme.

Resolved, “That the report be noted on the minutes; and

- (i) Approval is given to the appointment of McArd Contractors Limited as the principal contractor on Phase 1 of this project, together with their tender figure in the sum of £242,986.12 and that their rates used in their tender be used to negotiate further phases of the same work in accordance with a non-contractual serialisation clause included in the tender documentation; and
- (ii) The Committee authorises the Town Clerk and Chief Executive to submit a borrowing petition to the Department of Social Care in the amount of £277,236.12 being the total capital cost of the Phase 1 refurbishment work; and
- (iii) That the Department of Social Care be advised that an assessment of the Council’s housing reserve funds had been undertaken to establish if sufficient monies were available to fund the proposed scheme via that source.”

The meeting ended at 1.03pm.

VII(ii) – The proceedings of the REGENERATION AND COMMUNITY ADVISORY COMMITTEE as follows:

# REGENERATION AND COMMUNITY ADVISORY COMMITTEE

REGENERATION AND COMMUNITY ADVISORY COMMITTEE – Minutes of meeting held on Tuesday, 19<sup>th</sup> February, 2013.

Members Present: Mr Councillor S.R. Pitts (Lead Member), Councillor Mrs R. Chatel, Mr Councillor G.J. Faragher, Councillor Miss D.A.M. Pitts, Mr Councillor W.M. Malarkey.

Apologies: The Worshipful the Mayor.

In Attendance: Assistant Town Clerk, Assistant Chief Executive, Assistant Chief Officer (Finance), Senior Engineering and Waste Services Manager, Head of Parks, Assistant Democratic Services Officer.

## REPORT

### **PART A –**

#### ***Matters within the scope of the Advisory Committee's delegated authority***

##### **A1. Minutes – 15<sup>th</sup> January 2013**

Minutes of meeting held on Tuesday, 15<sup>th</sup> January, 2013, were approved and signed.

##### **A2. Options for Cremated Remains Plots**

The Committee considered a further report by the Head of Parks at the request of the Committee suggesting additional cremated remains interment options.

Members were presented with an additional option to inter cremated remains into a kerb plot. The Head of Parks confirmed all costs would be met by the plot deed holder. It was noted that the additional costs for this type of plot would be the charge for the cremated remains kerb plot and the memorial application fee. Photographs of a kerb plot were appended to the report.

In answer to question the Head of Parks informed that a stonemason was currently preparing costs that would be met by the plot deed holder.

The Head of Parks confirmed certain colour stones will be permitted for the plots through an application process as is the case now for all memorials.

Resolved, "That particulars of the report and discussion be noted on the minutes and

- (i) The option to inter cremated remains into a kerb plot be offered, with all associated costs being met by the plot deed holder, which would entail a change to present plans and policy of the lawn cemetery."

##### **A3. Re-Bricking of Cremator Number 1, Borough Cemetery**

The Committee considered a report by the Head of Parks to request the release of capital funding from the 2012/13 Capital Expenditure Programme (NH00015) to enable essential re-bricking works to be undertaken to Cremator Number 1.

It was noted that essential maintenance to the cremators is required to ensure continuation of the service. Under the current servicing agreement that the Council has with Facultatieve Technologies Limited it was recommended that the cremators are re-lined.

This practice is part of the on-going maintenance requirement for the cremators. The cremators were last re-lined in 2006. The Council has a long standing maintenance agreement with Facultatieve Technologies who are the original suppliers of the cremators and specialist maintenance company. The report detailed that it was therefore not practical to obtain alternative quotations for the re-bricking and lining works and recommended that Facultatieve Technologies be accepted to complete the works under Standing Order 146.

The written specification and quotation for the works provided by Facultatieve Technologies is within the £40,000 allocated in the Capital Expenditure Programme.

A Member opined that the scheme should have followed the tender process and felt there was no evidence within the report to suggest that only one specialist company was able to undertake the works. The contract agreement with Facultatieve was for the maintenance of the cremators and not the re-lining, it was felt that therefore other companies could have tendered to undertake the re-bricking works.

The Head of Parks confirmed that discussions had taken place with the Bereavement Officer and another contractor was suggested but because of the experience of the preferred contractor for installation and maintenance of this cremator, they were not suitable. The Head of Parks reiterated that the work is highly specialist and that the preferred contractor was selected because they have more experience than any other contractor in maintaining the cremator. Members were aware that no contractor based on the Island was able to complete the works.

Members were satisfied with the explanation provided by the Head of Parks and agreed to approve the contractor due to the urgency of the works but requested in future tenders be sought for the scheme.

In answer to question the Head of Parks agreed to check the maintenance contract to confirm if the warranty or maintenance agreement could be affected should an alternative contractor be used to complete the works.

In answer to question the Assistant Chief Officer (Finance) confirmed the Cremator Renewal Fund is the source of funding for the works rather than Rates. The Cremator Renewal Fund is generated from the surplus of crematorium fees which are set at a level to cover costs and retain funds for repairs and renewals.

It was noted, that, following a request from the Executive Committee during the budget process, the installation of a cremator for larger individuals to replace the second cremator was being considered. Both options and costs will come forward as part of the next stage report on the main chapel refurbishment and upgrade.

Resolved, "That particulars of the report and discussion be noted on the minutes and

- (i) Capital funding be released from the 2012/13 Capital Expenditure Programme for the re-bricking of Cremator Number 1;
- (ii) Standing Order 146 be applied to the expenditure and Facultatieve Technologies, a specialist company, be approved to undertake the works on the basis that tenders be sought for future works."

#### **A4. Sponsorship Proposals for 2013 Council Events**

Under the provisions of the Local Government Act 1985 Mr Councillor G.J. Faragher declared an interest in this item and retired whilst it was considered.

The Committee considered a report by the Assistant Democratic Services Officer on the sponsorship of 2013 Council events.

An advert inviting sponsorship proposals for the 2013 Fun Day, fireworks display and Christmas lights ceremony was placed in the local newspaper.

Celton Manx submitted a sponsorship proposal to sponsor the 2013 fireworks display and Christmas lights switch on for a monetary donation detailed in the proposal and offered assistance with planning, staging and promotion of the events.

Resolved, "That particulars of the sponsorship proposal be noted on the minutes and;

- (i) The Celton Manx proposal, to sponsor the 2013 fireworks display and Christmas lights ceremony for a monetary donation and assistance with events, be accepted;
- (ii) Celton Manx be involved in early discussions regarding both events."

#### **A5. Fun Day 2013**

The Committee considered a report submitted by the Assistant Democratic Services Officer on initial arrangements for the 2013 Fun Day.

The Fun Day is scheduled to take place Saturday, 20<sup>th</sup> July, 2013, in Noble's Park.

The Community Events Member Champion suggested two new elements to be introduced to the Fun Day. Firstly, to arrange a street dance in the band stand area and secondly to organise a youth disco for school years 11 and under in the Community Room on the evening of the Fun Day. The Member Champion agreed to provide technical equipment free of charge. It was noted that as event organiser Douglas Borough Council will be responsible for liaison with the youth service and all relevant authorities.

A Member opined that caterers and attractions should be charged a small fee for attending the Fun Day event; it was felt this small fee could contribute towards the event outgoings. A charge of £25 per catering vehicle and £10 per attraction was suggested.

Resolved, "That particulars of the report and discussion be noted on the minutes and;

- (i) The Fun Day commence at 1.00pm and finish at 4.00pm;
- (ii) The Assistant Democratic Services Officer be authorised to contact all those that took part in the 2012 Party in the Park;

- (iii) An advert be placed in the local paper inviting expressions of interest to operate catering stalls and entertainment at the event;
- (iv) A street dance event, at an approximate cost of £200, be organised at the Band Stand area during the event, to be funded from the Community Events budget;
- (v) A youth disco, for school years 11 and under, be organised in the Noble's Park Pavilion Community Room on the evening of the Fun Day;
- (vi) A fee of £25 per catering unit and £10 per attraction be charged, with payment to be made in advance of the event;
- (vii) An events coordinator be appointed to advise and assist the Council with the 2013 Fun Day."

**A6. Items for Future Consideration**

The Committee considered a report submitted by the Assistant Town Clerk regarding reports for future consideration by the Committee.

In relation to the free use of the Villa Marina a Member requested the Committee's approval to utilise one of the Council's free nights to organise a street dance for the Craig Heartstrong Foundation. Members requested a report on the proposal to be considered at the March meeting of the Committee.

In relation to the report on lighting and tarmacking in lower Noble's Park the Head of Parks and Noble's Park Champion agreed to a site visit at the Park.

Resolved, "That particulars of the matters for future consideration be noted on the minutes."

**PART B –**

***Matters requiring Executive Committee Approval***

**B7. Douglas Borough Council Corporate Plan 2013 - 2017**

The Committee were presented with the 2013-2017 draft Corporate Plan and accompanying report prepared by the Assistant Chief Executive.

Members requested the 'Member Champion' roles be explained within the Plan with a suggestion to list those services which have a Member Champion. It was agreed that the names of current Member Champions would not be detailed within the Plan.

Members requested the Executive Committee reconsider the current 'Member Champion' title and suggested the title be renamed 'Member with responsibility for'.

Resolved, "That particulars of the discussion be noted on the minutes and;

- (i) The Douglas Borough Council Draft Corporate Plan 2013-2017 be supported by the Regeneration and Community Advisory Committee subject to the Member Champion roles being explained and listed within the Plan;
- (ii) The Executive Committee reconsider renaming the title of 'Member Champion' to 'Member with Responsibility for'."

**PART C –**

***Matters requiring Council Approval***

There were no matters requiring Council approval.

The meeting ended at 11.38am.

VII(iii) – The proceedings of the ENVIRONMENTAL SERVICES ADVISORY COMMITTEE as follows:

# ENVIRONMENTAL SERVICES ADVISORY COMMITTEE

ENVIRONMENTAL SERVICES ADVISORY COMMITTEE – Minutes of meeting held on Monday, 18<sup>th</sup> February, 2013.

Members Present: Mr Councillor R.H. McNicholl (Chairman), the Mayor, Councillor Mrs S.D.A. Hackman, Messrs Councillors C.C. Thomas, C.L.H. Cain, A.V. Quirk.

In Attendance: Borough Engineer and Surveyor, Assistant Town Clerk, Assistant Chief Executive, Senior Engineering and Waste Services Manager, Building Control Manager, Senior Accountancy Officer, Democratic Services Officer.

## REPORT

### **PART A –**

#### ***Matters within the scope of the Advisory Committee's delegated authority***

##### **A1. Minutes 14<sup>th</sup> January, 2013**

The minutes from the meeting held Monday, 14<sup>th</sup> January, 2013 were approved and signed subject to the amendment of the second sentence of the final clause of the minutes (Clause A6) to read as follows “*There was some discussion of the proposed lighting of the Jubilee Buildings on Victoria Street in respect of planning matters.*”

##### **A2. List of Unsightly Properties**

The Advisory Committee considered the lists of unsightly properties being dealt with by the Building Control Section on behalf of the Council. There was some discussion of the meanings of the descriptions of properties as ‘unsightly’, ‘neglected’ and ‘ruinous’. The Committee were advised that these terms are used because they are consistent with the relevant legislation. In response to query, the Building Control Manager advised that it may be difficult to serve a Notice on an intentionally elusive owner.

Resolved, “That the list be noted on the minutes.”

The Building Control Manager was thanked for his attendance and left the meeting.

##### **A3. Presentation to Committee**

Dr Chris Greenwell of Durham University, Dr Karen Mooney of Queen’s University, Belfast and Dr David Davies of Silage Solutions Ltd joined the meeting. After suitable introductions were made, Dr Greenwell gave a presentation entitled *Assessing the Potential of Seaweed for Biogas; Feasibility Study, Isle of Man*. The presentation gave an overview of some of the current research into bio-energy. He set out the differing routes for conversion of bio-mass into energy and explained in brief how the forms of conversion differ for the sorts of materials used and the forms of energy produced.

He highlighted several times throughout the presentation that the movement towards biofuels raises wider societal concerns. There may be conflicts between growing crops for food and growing crops to produce biofuels to power cars, machinery and generate electricity.

The presentation continued on the different sorts of marine plants including algae and seaweed. There was an explanation of some of the differing types of seaweed and their uses. He gave examples from around the world of the ways that marine plants are used and of some of the current research into extending the uses of marine plants.

Investigations are on-going elsewhere both into the use of seaweed strandings and the growth of particular types of seaweed for harvesting for use as biofuel. Dr Greenwell and the team from Durham University wish to carry out larger scale trials on the Isle of Man. There was an explanation of the reasons for wishing to carry out a study in the Isle of Man and confirmation that any seaweed grown here will be species which naturally occur in the Irish Sea. Dr Mooney confirmed that there is an on-going project in Strangford Loch, Northern Ireland growing seaweed on ropes suspended in the Loch. She confirmed that the visual impact is limited to a series of buoys similar to those marking lobster pots and that the overall environmental impact is still being assessed.

In response to query, Dr Greenwell confirmed that the group is primarily seeking the Council’s cooperation, initially to a trial of baling and preserving seaweed off Douglas Beach for future use. The Chairman asked if Dr Greenwell was willing to return to give this presentation to all of the Council members. Dr Greenwell confirmed that he would be willing to do this, and it was agreed that the return



visit would be coordinated by the Senior Engineering and Waste Services Manager. Members were also advised that if they had any additional questions they should direct them to that same officer who will liaise with Dr Greenwell.

Resolved, "That the presentation be noted on the minutes, the Committee expressed its support for the project and gave permission for a trial to be carried out on Douglas Beach of baling seaweed strandings."

The guests were thanked for their attendance and left the meeting at 11.40am.

#### **A4. Adjournment and Resumption**

The meeting adjourned at 11.40am and resumed at 11.45am with the same Members and officers present.

#### **A5. Presentation on Waste Minimisation Strategy**

The Committee received a presentation by the Borough Engineer and Surveyor and the Senior Engineering and Waste Services Manager on the Council's strategy for dealing with waste. The Council has a legal duty to ensure that waste is collected from domestic commercial establishments in the town. The presentation gave details of the amounts collected by the Council as part of its regular waste collection service. The Council also operates, with five other partner local authorities the Eastern District Civic Amenity Site for use by Island residents. The waste from both the bin collection rounds and from the Civic Amenity Site is disposed of at the Energy from Waste plant. The Council is charged a tipping fee by the plant. Notice has been given that the tipping charges will rise each year for the next five years as the government subsidy for local authorities is reduced until it is completely withdrawn.

After giving this background information, the presentation then set out the various steps the Council is taking or considering taking in order to minimise waste and costs. Details were given on the kerbside collection service including costs and savings produced by reducing the amounts of waste which need to go to the energy from waste plant. As well as a savings on tipping charges, kerbside collection also produces income from the sale of the recyclable materials. The presentation gave information on the processing of the recyclable materials after they are collected from the kerbside. Improvements are planned to this processing which are expected to produce further savings. Possible further recycling improvements were identified although it was noted that their feasibility has not yet been assessed.

Resolved, "That the presentation be noted on the minutes and approval be given for the presentation to be made to the rest of the Council, the Local Authority Responsible Financial Officers' group and the Municipal Association in due course."

The Borough Engineer and Surveyor was thanked for his attendance and left the meeting at 12.49pm.

#### **A6. Douglas Beach**

The Committee considered a report on Douglas beach addressing the various questions which have been raised about the use and maintenance of Douglas Beach. Currently no dogs are permitted on the beach between 10am and 6pm during period of 1<sup>st</sup> May to 30<sup>th</sup> September. In discussion it was agreed that no change is needed to this prohibition. The report detailed the various factors which naturally affect the sand levels on the beach and advised that the current beach cleaning contract includes an element of sand levelling. It was further reported that the groynes provide a moderate level of defence of the beach by providing a wave breaker. The groynes are regularly maintained. There are no restrictions on uses of the beach for recreational purposes such as jogging and use of proprietary barbeques. The report did not recommend construction of any additional permanent facilities for these sorts of uses of the beach as Douglas beach is subject to significant tides and winds which severely limits the possible locations of such installations.

Resolved, "That the report be noted on the minutes and approval be given for a request to be made to the Douglas Development Partnership that that body initiate a marketing campaign to encourage use of Douglas Beach and that people be encouraged to contact the Council with their suggestions for use of the Beach."

#### **A7. Street Nameplates**

The Committee considered a report detailing the way that street nameplates are produced and some of the advantages and disadvantages of different methods. The current manufacturing method is that artwork is printed onto laminated vinyl which is then pressure-applied with glue to Dibond backing boards. Dibond is the trade name for thin aluminium sheets bonded to a plastic core. The Dibond boards and the vinyl facing have similar expected lifespans of ten to fifteen years depending on the conditions where used. The report proposed to use a thicker aluminium backing board instead of the Dibond. When the vinyl facing deteriorates, it can be removed, the board cleaned and the new artwork pressure applied allowing reuse of the backing boards.

Resolved, "That the report be noted on the minutes and approval be given for aluminium backing boards to be used when street nameplates are replaced due to deterioration."

**A8. Bee Gees Street Nameplate**

The Committee considered a report on a suggestion made by a member of the public that the connection between St Catherine's Drive Douglas and the Bee Gees should be publicly noted. The Bee Gees lived at 50 St Catherine's Drive, Douglas when they were children and an album recorded by Robin Gibb before his death titled "50 St Catherine's Drive" is soon to be released. The current owner of the property will allow a plaque to be mounted on the wall of the house. One of the nameplates for the street is currently missing and due to be replaced. The Isle of Man Post Office is to launch a set of stamps to celebrate the life and career of Robin Gibb in April of this year.

Resolved, "That the report be noted on the minutes and approval be given for the wording "Childhood Home of the Bee Gees" to be added to the street nameplate for St Catherine's Drive when it is replaced; and that a plaque could be mounted on the wall of 50 St Catherine's Drive."

**A9. Items for Future Consideration**

The Committee considered a report setting out items on which there are reports outstanding.

Resolved, "That the report be noted on the minutes."

**PART B –**

***Matters requiring Executive Committee Approval***

**B10. Draft Corporate Plan 2013 – 2017**

The Assistant Chief Executive joined the meeting.

The Committee considered the draft Corporate Plan 2013 – 2017 and the accompanying report. Complaint was made that Members had had insufficient time to read and review the report prior to consideration at the meeting. It was raised that several areas of Committee responsibility were not specifically mentioned such as car parks and street lights. In discussion it was suggested that these were included within other headings. The Committee considered and discussed each Priority and every Action Point in turn.

Resolved, "That particulars of the report be noted on the minutes and the sections of the draft Corporate Plan within this Committee's areas of responsibility be approved subject to these amendments:-

- (i) In the 7<sup>th</sup> Action Point on page 17, the words *per annum* to be added at the end of the sentence 'Against a baseline as at April 2013, increase volume of kerbside collection by 5%'; and
- (ii) In the final Action Point on page 17, all words after 'beach cleaning' be deleted.

For: 4 – Against: 1

Mr Councillor Thomas asked that his name be recorded as voting against the resolution.

**PART C –**

***Matters requiring Council Approval***

There were no matters requiring Council approval.

The meeting ended at 1.40pm.

IX – MOTIONS, of which Notice has been given by Members of the Council under Standing Order 26:

## MOTIONS

1. Mr. Councillor W.M. Malarkey to move:

*"In light of the announcement by the Department of Infrastructure that the development of the Lord Street old bus station site is no longer going ahead with Askett Hawk, that Douglas Town Council should open immediate discussions with the Department of Infrastructure and the Department of Community Culture and Leisure to investigate the possibility of a joint venture on this site to incorporate a Library, Bus Station and Car Park with the possibility of including leisure facilities, and that the development of Cambrian Place project be put on hold until the outcome of such talks are known."*

Note: Under Standing Order 30, the Motion, upon being moved and seconded and without debate, shall stand referred to the Executive Committee for consideration and report.