



## Borough of Douglas

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**MR COUNCILLOR JOHN EDWARD SKINNER, JP  
MAYOR**

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Town Hall,

Douglas,

7<sup>th</sup> October, 2016

Dear Sir or Madam,

You are hereby summoned to attend a MEETING OF THE COUNCIL to be held on WEDNESDAY, the 12th day of OCTOBER, 2016, 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 District Civic Amenity Site Joint Committee;
- (v) Any other Joint Committee;
- (vi) The Housing Committee;
- (vii) The Regeneration and Community Committee;
- (viii) The Environmental Services Committee;

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 monthly Council Meeting held on Wednesday, 10<sup>th</sup> August, 2016 and the Special Council Meeting held on Thursday, 29<sup>th</sup> September.

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

## EXECUTIVE COMMITTEE

EXECUTIVE COMMITTEE – Minutes of Meeting held on Friday, 30<sup>th</sup> September, 2016.

Members Present: Mr Councillor D.W. Christian (Chair), Mr Councillor S.R. Pitts, Mr Councillor I.J.G. Clague, Councillor Mrs C.L. Wells, Mr Councillor R.H. McNicholl.

Officers in Attendance: Chief Executive (Miss K. Rice), Director of Environment & Regeneration (Mrs D. Eynon), Assistant Chief Officer (Finance) (Mr E.P. Pierce), Assistant Chief Officer (Housing & Property) (Mr G. Atkin) (for Clause A8), Democratic Services Officer (Mrs D. Atkinson) (for Clauses A10 and A11), Executive Officer (Mrs J. Keig) (taking minutes).

### REPORT

#### **PART A –**

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

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

Apologies for absence were submitted on behalf of the Worshipful the Mayor, the Director of Finance (Mr G. Bolt), and the Director of Housing & Property (Mrs S. Harrison).

##### **A2. Appointment of Vice Chair**

Following the election of the former Vice Chair, Mr D.J. Ashford, and Mrs C.A. Corlett to the House of Keys, the two new Members of the Committee were welcomed; and the appointment of a Vice Chair was therefore also required.

Resolved, “That it be unanimously agreed that Mr Councillor R.H. McNicholl be appointed as Vice Chair of the Committee for the remainder of the current municipal year.”

##### **A3. Declarations of Interest**

Under the provisions of the Local Government Act 1985, Mr Councillor S.R. Pitts declared an interest in Clause A15 (Statement of Accounts).

##### **A4. Minutes**

The minutes of the meeting held on Friday 29<sup>th</sup> July 2016 were approved and signed.

##### **A5. Matters Arising From Previous Minutes**

Clause A15 - Ballaughton Nursery Heating System: Members were advised that the heating system pipework at the Ballaughton Nursery greenhouse had now been upgraded accordingly.

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

##### **A6. Referrals from the Environmental Services Committee**

There were no referrals from the Environmental Services Committee meeting held on Monday 19<sup>th</sup> September 2016.

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

##### **A7. Referrals from the Regeneration and Community Committee**

The Committee considered the following referral from the Regeneration and Community Committee meeting held on Tuesday 20<sup>th</sup> September 2016:

Adventure Playground – Ballaughton: the Committee had been advised of an approach by the Isle of Man Children's Centre proposing the creation of an adventure playground within the Borough. A report had subsequently been prepared by the Head of Parks, identifying an area within the Ballaughton Nursery grounds as a suitable location for the facility. The Committee had supported the proposal and approval for funding was accordingly sought for the creation of a children's adventure playground in partnership with the Children's Centre.

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

- (ii) That approval be given for expenditure in the sum of £42,000 from the General Revenue Reserve, to enable the creation of an adventure playground at Ballaughton.”

#### A8. **Referrals from the Housing Committee**

The Committee considered the following referrals from the Housing Committee meeting held on Wednesday 21<sup>st</sup> September 2016:

1. Sheltered Community Reserve Fund: the Committee had been advised of a number of items of expenditure to be funded from the Sheltered Community Reserve fund. Any Reserve spending required approval from the Executive Committee, and authority was therefore sought for expenditure totalling £122,059 across all three sheltered housing complexes.

Given the current balance of the Sheltered Community Reserve Fund, Members of the Executive Committee expressed concern at how general running costs and decoration, etc, would be funded in future years. The Assistant Chief Officer (Housing & Property) advised that the only available option at present would be to fund the expenditure from the Housing Maintenance Fund.

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

- (ii) That approval be given for expenditure in the sum of £122,059 from the General Revenue Reserve for the following items:

- Installation of CCTV at Waverley Court and Ballanard Court for the estimated maximum sum of £8,300;
- Installation of LED motion sensor corridor lighting at Ballanard Court for the estimated maximum sum of £3,700;
- Decoration of stained or marked communal corridor areas at Waverley Court for the estimated maximum sum of £12,000;
- General running cost items (including lift maintenance, cleaning, television licence fee, boiler servicing) for the estimated maximum sum of £98,059.”

2. Damp Properties – Condition Surveys: the Committee had been reminded of the previous approval of a fee proposal to carry out independent condition surveys on twenty-four selected properties across all Council housing estates (except Willaston). The survey would specifically identify the causes of damp and recommend remedial measures required to resolve the issues. The survey fees would be funded from the Housing Maintenance budget, however, in order not to reduce the amount available to be spent on housing repairs in the present financial year, it had been suggested that the cost of the surveys be treated as a housing management expense. An increase to the rateborne Subsidy of Housing Service of £12,960 for the 2016 / 2017 financial year was therefore being sought.

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

- (ii) That approval be given for expenditure in the sum of £12,960 from the General Revenue Reserve to increase the rateborne housing subsidy grant for 2016 / 2017, in order to fund twenty-four condition surveys to determine the causes of damp-related issues in the Council’s housing stock.”

#### A9. **Replacement of Members’ i-Pads**

The Committee considered a written report by the Assistant Chief Officer (Digital & Information) seeking approval to replace the existing stock of i-Pads.

The use of i-Pads had become a critical device for Council Members, being used to access email, calendars, documents, and electronic agendas. It was also envisaged that this use would be extended to include the management of Councillors’ Expenses, however, the i-Pads were now approaching software end-of-life, having first been issued in May 2012.

Members recalled that the replacement of i-Pads had been discussed at the Special Executive Committee Budget Meeting in January 2016, when it had been resolved that there would be no funding available. However, the resulting implication that Members would be unable to use the existing devices to access electronic agendas, etc, required the matter to be reconsidered.

It was recommended that the existing stock of i-Pads be refreshed with new i-Pad Air 2 devices with keyboards. Members noted the cost, which it was proposed be met from the ICT Fund.

It was also recommended that an annual commitment of budget be allocated to the Plant Renewals Fund for future device replacement.

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

- (ii) That approval be given for the replacement of all existing Members' i-Pads with new i-Pad Air 2 devices with keyboards;
- (iii) That approval be given for the initial cost to be met from the ICT Fund; and
- (iv) That all future replacement of Member's i-Pads be met from the Plant Renewals Fund, by way of annual contributions into that fund."

**A10. Consultation Document – Proposals to Accelerate Economic Growth**

The Committee considered a written report by the Assistant Town Clerk in relation to a consultation document issued by the Department of Economic Development.

The consultation document set out the reasons for the need to accelerate the growth of the economy of the Island – which was, essentially, that the workforce was shrinking in comparison to the dependent population. The answer was seen to be an increase of the workforce by the attraction and retention of a greater number of skilled workers from other jurisdictions.

In addition to the resolutions contained within the report, it was agreed that the Council should reserve the right to put forward economic development suggestions at future times as appropriate. This was on the basis that, during the course of the Council's meetings and decision-making processes, Members considered implications and issues arising from economic decisions affecting Douglas, and that these should, accordingly, be advised to the Department at the relevant time.

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

- (ii) That the Department of Economic Development be advised that the Council supported the proposed enhancement of economic growth, together with the following specific comments:-
  - That the proposal for the provision of incentives for skilled workers returning to the Island be supported, but that relief from National Insurance should not be an option and that any incentive should be time-limited to three years, in order to maximise the contribution of the worker to the economy;
  - That a graduate accelerator programme be should be introduced, but not at public expense, which would be in addition to the cost of the incentives mentioned above;
  - That the proposal to introduce incentives for a register of persons to attract firms to the Island be supported, subject to administration being undertaken by the private sector;
  - That the proposed incentive for current employees to attract new workers to key posts merited further consideration, provided that administrative costs were kept to a minimum and any potential conflict with the Work Permit Regulations were resolved;
  - That no comment be offered on the proposed relaxation of the Work Permit Scheme for posts in the Financial and Professional Services sector, except that the gradual erosion of the Work Permit Scheme should be avoided, and that it might be more beneficial to simplify the application process;
  - That the proposal to treat the co-habiting partners of work permit holders on the same basis as spouses or civil partners be supported as promoting equality, but with the reservation that there should be some evidence produced of permanent co-habitation;
  - That the proposal for a review of the United Kingdom's National Living Wage structure be supported;
  - That the proposal to implement a system of mid-life internships, co-ordinated by the Department, be supported; and
  - That the Council wished to reserve the right to put forward economic development suggestions at future times as appropriate, as, during the course of its meetings and decision-making processes, Members considered the implications and issues arising from economic decisions affecting Douglas, and that there should be the opportunity for these to be advised to the Department at the relevant time."

**A11. Consultation Document – Draft Fraud Bill**

The Committee considered a written report by the Assistant Town Clerk in relation to a consultation document issued by the Cabinet Office.

The consultation document contained only two questions – the first asking for general comments on the proposal to update the Island's fraud law; and the second inviting specific comments on the proposed Bill.

It was noted that fraud legislation in the Isle of Man had been found to be in need of modernisation as there was no statutory offence of fraud in Manx Statute Law. In the United Kingdom, a Fraud Act had

been introduced in 2006 to make fraud an offence, and it was now proposed that the Isle of Man should follow suit.

The Draft Bill and the proposed amendments to the Isle of Man Theft Act were included in the consultation document, and it was suggested that these could be supported, as improving the protection of the Council and other institutions against the possibility of fraud.

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

- (ii) That the Cabinet Office be advised that the Council supported the modernisation of Manx Law, but wished to make no comment on the provisions within the draft Bill.”

#### **A12. Monthly Financial Review**

The Committee considered a written report by the Director of Finance setting out details of progress made compared to key performance indicators in relation to:- strategic governance objectives; the percentage of rates collected; the increase in the number of non-cash / non-cheque payments; and the percentage of sundry debtors collected within three months.

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

#### **A13. Treasury Management Out-Turn Report for 2015 / 2016**

The Committee considered a written report by the Assistant Chief Officer (Income) setting out details on treasury management, including Prudential Indicators.

This out-turn report was a key aspect of delivering the Treasury Management Strategy, which had been approved in 2011. It summarised treasury management activities undertaken in respect of long-term loans and short-term investments; and also outlined information in relation to Prudential Indicators for 2015 / 2016 in respect of affordability.

Members were advised that all the Prudential Indicators for 2015 / 2016 were within Plan. It was noted that the indicator for prudence - that net external borrowing would not exceed the capital financing requirement - had been complied with, as had the indicator for treasury management, because the CIPFA Treasury Management Code of Practice and Cross-Sectoral Guidance Notes had already been adopted by the Council in 2011.

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

- (ii) That the achievement of the Prudential Indicators for affordability, prudence, and treasury management, also be noted.”

#### **A14. Treasury Management Plan 2016 / 2017**

The Committee considered a written report by the Assistant Chief Officer (Income) detailing the Council’s plans and related Prudential Indicators for 2016 / 2017.

The plan was a key aspect of delivering the Treasury Management Strategy, as approved in 2011. It summarised planned treasury management activities in respect of long-term loans and short-term investments; and also outlined information in relation to Prudential Indicators for 2016 / 2017 in respect of affordability.

The indicator for prudence was that net external borrowing would not exceed the capital financing requirement, and this Plan stipulated that this would be complied with. The indicator for treasury management was whether the CIPFA Treasury Management Code of Practice and Cross-Sectoral Guidance Notes had been adopted by the organisation. It was confirmed that these had been adopted by the Council in 2011, and Members noted that they were to be reviewed during the current year.

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

- (ii) That the Treasury Management Plan 2016 / 2017 be approved.”

#### **A15. Statement of Accounts for the Year Ending 31<sup>st</sup> March 2016**

Under the provisions of the Local Government Act 1985, Mr Councillor S.R. Pitts declared an interest in this item.

The Committee considered a written report by the Assistant Chief Officer (Finance) in relation to the Statement of Accounts for the year ending 31<sup>st</sup> March 2016.

It was noted that the Accounts and Audit Regulations 2013 required local authorities to have their Statement of Accounts approved and certified by the external auditor by 31<sup>st</sup> October each year. The Director of Finance, as Responsible Financial Officer, had approved the issue of the accounts for audit in July 2016 in accordance with those Regulations.

As in previous years, the Council’s auditor had also asked that a Letter of Representation be issued by the Council, alongside the Statement of Accounts. This provided added assurances to the auditor on the

accuracy and integrity of the accounts, including the control systems that underpinned them, in order that certification could take place.

It was noted that Members would receive their own bound copy of the accounts once they had been certified by audit.

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

- (ii) That the Statement of Accounts for the year ended 31<sup>st</sup> March 2016 be approved;
- (iii) That the Letter of Representation be signed and presented to the Council’s external auditor; and
- (iv) That the Completion Letter also be noted, with the responses given therein being approved accordingly.”

**A16. Isle of Man Municipal Association**

The Committee had been circulated with a number of documents received from the Isle of Man Municipal Association.

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

**A17. 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***

**B18. Financial Regulations Review**

The Committee considered a written report by the Assistant Chief Officer (Finance) seeking approval to various changes to the Financial Regulations which formed part of the Constitution of the Council.

The Financial Regulations outlined the principles of financial administration (which must be operated by all officers of the Council) and, in order to keep them relevant, a review had been undertaken. Members noted the recommended changes, as detailed in the report.

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

- (ii) That the recommended amendments to the Financial Regulations, contained in Section (4) of Part 4 of the Council’s Constitution – Rules of Procedure, be approved as set out in the written report.”

The Committee rose at 4.20pm.

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

# PENSIONS COMMITTEE

PENSIONS COMMITTEE – Minutes of Special Meeting held on Monday, 5<sup>th</sup> September, 2016.

Members Present: Mr Councillor D.J. Ashford (Chairman), the Mayor, Councillor Mrs C.A. Corlett, Mr Councillor S.R. Pitts, Mr Councillor C.L.H. Cain, Councillor Ms K. Angela, Mr A. Thomas (Independent Member).

In Attendance: Mr M. Freeman, Scheme's Investment Advisor – Hymans Robertson, Director of Finance (Mr G. Bolt), Assistant Chief Officer (Finance) (Mr E.P. Pierce), Democratic Services Officer (Mrs D. Atkinson).

## REPORT

### **PART A –**

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

##### **A1. Apologies**

There were no apologies for absence submitted.

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

There were no declarations of interest.

##### **A3. Absolute Return, Corporate Bonds and Property Manager Selection**

The Committee considered a report submitted by Hymans Robertson to provide a background into the selection of managers for the Absolute Return, Corporate Bonds and Property mandates. The Committee had previously resolved, based on the closure of the BlackRock Isle of Man offices, to find replacement funds and managers and to subsequently restructure the Scheme's assets. The report identified the mandate requirements for the three funds.

The report explained the review process of available managers on the Isle of Man for the management of the funds, and provided background information on the managers' submissions in preparation for the interviews to be carried out by the Committee during this meeting.

The review process began with an advertisement being placed in the local newspaper inviting candidates to obtain further information on the mandates from the Douglas Borough Council website. The website identified the minimum criteria for candidates to express an interest.

Expressions of interest were registered by four managers returning a select tendering application form and other documents which included a declaration that they met the minimum criteria. Members had in front of them the names of the four companies and the mandates they expressed an interest in. It was noted that Canaccord informed that they did not fully meet the minimum criteria for the property mandate, however, given that they do have some experience in managing this asset class and the fact they were potentially the only manager willing to complete a submission, it was felt they should be considered for the next stage in the process.

The four managers were then sent questionnaires by e-mail, and these were completed and returned to the Director of Finance by the deadline. Hymans Robertson evaluated the managers' responses on behalf of the Pensions Committee and assigned scores to each mandate, details were provided in the report. Managers achieving a minimum score of 40 out of 100 were invited to a first interview with the Director of Finance and Hymans Robertson; this took place on the 15<sup>th</sup> August.

These managers were then scored again against a range of requirements and assigned a second score. The highest scoring managers have been invited to present their capabilities to the Pensions Committee.

Resolved, "That the review process for the selection of an Absolute Return Fund, Corporate Bonds and Property Manager be noted, and Capital International be interviewed by the Committee to manage the Absolute Return Fund, and Canaccord be interviewed by the Committee to manage the Corporate Bonds and Property mandates."

##### **A4. Capital International Limited – Absolute Return Mandate**

The Committee received a presentation from Mr David Long and Mr Chris Bell, Chief Investment Officer and Senior Investment Manager respectively, representing Capital International.

Mr David Long began by defining the term Absolute Return and providing the Committee with the background and growth of Capital International. Mr Long also outlined the approach and discretionary capabilities of the firm. Members were provided with information about the key personnel and the investment team governance.



Mr Long moved on to Capital International's investment philosophy, he started with providing the historic performance since inception and how the positive performance had been achieved.

Mr Bell explained the investment plan for the additional funds. He explained that a transitional period of three months would be required and the funds would not be used to double the existing investments. Capital International would look to further diversify risk by investing in a wider range of specialist strategies. In answer to question, Mr Bell confirmed that Capital International can accept the transfer of units from BlackRock rather than cash, and would then trade out from the BlackRock Dynamic Diversified Growth Fund as opportunities to invest arose. This would provide the ability to transition in a more deliberate fashion and avoid out of market risk as far as possible.

Members noted that Capital International has agreed to reduce the current mandate fee of 0.5% p.a. to 0.4% p.a. should the proposal be accepted. The 0.25% stockbroking commission would remain unchanged. They confirmed that stockbroking commission would not be charged on the sale of the BlackRock Dynamic Diversified Growth Fund.

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

#### **A5. Canaccord Genuity Wealth Management – Corporate Bonds and Property Mandates**

Mr Richard Stanley, Investment Director, and Mr Stuart Wilson, Senior Investment Manager, joined the meeting to present Canaccord's proposal for the Corporate Bonds and Property mandates to the Committee.

Mr Wilson began by providing the Committee with an overview of the Canaccord Genuity Group Inc. advising of the portfolio managers, the Isle of Man office and the awards received by the Group.

Mr Stanley provided an overview of the investment process and risk controls.

Members were presented with the fixed interest mandate, Mr Stanley explained the fixed interest investment process, and including the quantitative and qualitative screening that takes place. The presentation explained the proposed mandate for the corporate bond portfolio. Members noted the fee structure is 0.25% annual management fee, exclusive of VAT (where applicable) plus 0.25% stockbroking commission.

Mr Wilson moved on to the property fund mandate. He explained that a number of the property funds have been suspended or have restricted trading since Brexit; the BlackRock UK Property Fund is currently restricted. It would cost an estimated £402,500 to redeem at present and the cash would not be received until late 2016, early 2017. Canaccord presented a solution to retain the existing investment in the BlackRock Property Fund and move custody to Canaccord. Based on the property fund peer group analysis, Canaccord are satisfied that the fund performs generally well. The fee structure proposed is 0.1% annual custody management fee and any trading would be on a 50% reduction of standard stockbroking fees. Within this fee, the manager agreed to monitor the current fund and recommend changes as and when appropriate in the future.

Mr Wilson and Mr Stanley were thanked for their attendance and left the meeting.

#### **A6. Appointment of Fund Managers to the Absolute Return, Corporate Bond and Property Portfolios**

The Committee considered a report submitted by the Director of Finance on the appointment of Fund Managers to the Absolute Return, Corporate Bond and Property Portfolios.

Members were aware that a search for Fund Managers has been carried out in order to comply with the Investment Regulations which requires Managers to be licenced by the Isle of Man Financial Services Authority (FSA). From the results of work by Hymans Robertson and the Finance Department and following interviews with the recommended Managers, it is recommended that Capital International be appointed to the Absolute Return Portfolio, and Canaccord be appointed to the Corporate Bonds and Property Portfolios. It is noted that both managers are already approved by the Council and are therefore being asked to extend their remits. This should ease the transfer arrangements and reduce the amount of legal work involved. Initial discussions have already started with BlackRock on the possible process, however this could progress no further until the recipient Fund Managers are approved.

Resolved, "That particulars of the report be noted on the minutes and that having reviewed the presentations to the Committee the following be approved;

- (i) Extend the Capital International Limited current 10% holding of Absolute Return Fund Portfolio to 20%;
- (ii) Authorise the transfer of ownership of the BlackRock Dynamic Diversified Growth fund to Capital International Limited;
- (iii) Authorise the transfer of ownership of the BlackRock Corporate Bond fund to Canaccord Genuity Wealth Management unless there is an issue with the transfer in which case units will be sold for cash and be reported to the Committee;

- (iv) Extend the current remit of Canaccord Genuity Wealth Management to include the Property Portfolio by initially transferring the BlackRock Property fund ownership to Canaccord Genuity Wealth Management.”

The Committee rose at 4.30pm.

# PENSIONS COMMITTEE

PENSIONS COMMITTEE – Minutes of Meeting held on Thursday, 15<sup>th</sup> September, 2016.

Members Present: Mr Councillor C.L.H. Cain (Vice-Chairman), Councillor Mrs C.A. Corlett, Mr Councillor S.R. Pitts, Mr A. Thomas (Independent Member)

In Attendance: Mr M. Freeman, Scheme's Investment Advisor – Hymans Robertson, Mr T. Knight, Mr C. Gunn and Mr C. Hammersmith – St James's Place (Items A8, A9 and A14 only), Mr S. Betteley and Mr P. Tebbit – BlackRock (Item A13 only), Director of Finance (Mr G. Bolt), Assistant Chief Officer (Finance) (Mr E.P. Pierce), Democratic Services Officer (Mrs D. Atkinson).

## REPORT

### **PART A –**

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

##### **A1. Chair of Meeting**

In the absence of the Chairman, it was unanimously agreed that the Vice-Chairman, Mr Councillor C.L.H. Cain chair the meeting.

##### **A2. Apologies**

The Chairman, Mr Councillor D.J. Ashford and Councillor Ms K. Angela submitted their apologies for absence.

##### **A3. Declarations of Interest**

There were no declarations of interest.

##### **A4. Minutes – 25<sup>th</sup> May 2016**

The minutes of the meeting held Wednesday, 25<sup>th</sup> May, 2016 were approved and signed subject to the amendment of a clerical error in Clause A4, the votes cast for the election of Vice-Chairman were as follows;

Mr Councillor C.L.H. Cain 4

Councillor Ms K. Angela 2

##### **A5. Minutes – 5<sup>th</sup> September 2016**

The minutes of the special meeting held Monday, 5<sup>th</sup> September, 2016 were approved and signed.

##### **A6. Investment Quiz**

Mr Freeman split the Committee into two groups to compete in an investment quiz. Each team was given a buzzer, the first team to press the buzzer after each question was given the opportunity to respond first. A series of questions were put to the Committee in relation to the Scheme's Investment Strategy, the Scheme's Investment Managers and the administering of the Scheme.

##### **A7. Items for Future Report**

The Committee considered a report submitted by the Director of Finance setting out items that are to be considered at future meetings and to review any future training requirements.

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

##### **A8. St James's Place Presentation – Characteristics and Features of the Underlying Managers**

Prior to St James's Place representatives joining the meeting, Mr Freeman circulated a document to remind Members of the four global equity funds invested with St. James's Place and the different characteristics of each of the underlying investment managers/houses for each fund.

Mr Tim Knight, Mr Charles Gunn and Mr Charlie Hammersmith joined the meeting.

Mr C. Gunn and Mr C. Hammersmith presented the Committee with a background into the St. James's Place funds.

Mr Gunn began with a background into the St. James's Place Emerging Markets Equity Fund. He explained that the fund is managed by Wasatch Advisors and is made up a small team led by two managers who travel to find unexploited opportunities of quality businesses with a good cash flow in the emerging markets. The team avoid companies that are dependent on exports and sectors prone to political interference, and the focus is small and mid-cap companies. Members were presented with the

fund's current holdings and an overview of the top five holdings, their weightings within the sectors, the countries investments are held in and the market cap. It was noted that the Emerging Markets Equity Fund is the only portfolio that Wasatch manage for St James's Place.

An overview of the St James's Place Global Equity Fund was presented to Members. This fund is managed by four Fund Managers; BlackRock, Edgepoint, Sands Capital, and Tweedy, Browne. Mr Gunn provided background information on each manager. Members were advised that JO Hambro will be replacing Tweedy, Browne as a manager, following a recent review; an explanation for the change was provided to Members together with an overview of the new manager. In response to question, Mr Gunn explained the St. James's Place process for selecting fund managers. The Global Equity Fund sectors, regions and market cap were presented to Members.

Mr Hammersmith moved on to the Global Equity Income Fund. This fund is managed by a large insurance firm, Manulife. The portfolio provides a mix of income, dividend growth and capital appreciation. Members were presented with the current fund holdings, the sector and regional splits and the market cap.

The final fund overview provided to the Committee was the St James's Place Global Fund. This fund is managed by Artisan Partners Asset Management and information on the three individual fund managers were provided to the Committee. In response to question, Mr Hammersmith explained how a Fund Manager had been appointed.

The presentation finished with an overall position of the funds. Members requested an overall portfolio sector breakdown relative to the MCI index in order to compare under and overweight holdings.

In response to question, it was noted the current cash holding sitting across the four funds was not considered excessive.

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

#### **A9. Tour of St James's Place Head Office**

Following a short break, Members and officers received a tour of the St. James's Place head office.

#### **A10. Capital Market Service**

The Committee considered a presentation by Mr Freeman on the market update for second quarter of the year.

Mr Freeman provided the market returns for the quarter and a market background, it was noted that during the quarter the UK voted to exit the European Union. A series of graphs were presented to Members demonstrating the global purchasing managers index (PMI), the consensus forecasts for 2016 and the Trade-weighted exchange rates. The presentation provided a background into the current bond markets post Brexit and a graph demonstrating the 10-year conventional government bonds, the current equities position and graphs demonstrating equities in 2016 and global equity price-earnings ratio. Mr Freeman finished with an overview of the property fund post Brexit and the IPD UK monthly index. It was noted that UK property had been the most negatively affected asset class post Brexit.

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

#### **A11. Review of Investment Managers' Performance for the Second Quarter of 2016**

The Committee considered a report produced by Hymans Robertson reviewing the Investment Managers' performance for the second quarter of 2016.

Mr Freeman presented the portfolio summary for the quarter; the overall fund had underperformed the benchmark by 0.6%. The report listed the asset classes and their values, actual and target proportion. The Committee received a breakdown of the different asset class returns during the quarter in comparison to the benchmarks, together with returns in the past twelve months, three and five years. The report provided a detailed analysis of all fund managers during the quarter.

Members noted that the Canaccord underperformance during the quarter is largely attributed to the difference in timing between the fund and the index. The Royal London fund is priced at midday whilst the benchmark index is priced at 4.30pm meaning that large intra-day price movements have the potential to artificially distort the fund's short term relative performance numbers.

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

#### **A12. Adjournment and Resumption**

The meeting adjourned at 1:00pm and resumed at 2.00pm, the same Members and officers were in attendance.

#### **A13. Investment Manager Presentation – BlackRock**

Mr Simon Betteley and Mr Paul Tebbit of BlackRock joined the meeting to present their report on BlackRock's performance for quarter two of 2016.

Mr Betteley presented the market returns and an insight into the funds for the quarter. The presentation focussed on the BlackRock UK Property Fund as BlackRock's management of this fund will continue after it has been transferred to Canaccord expected by the end of September. The property fund strategy was presented to Members together with an overview of current holdings. In response to question, Mr Betteley confirmed that the BlackRock UK Property Fund had been restricted post Brexit and there was currently an additional charge for redeeming units for the time being.

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

Mr Betteley and Mr Tebbit were thanked for their attendance and left the meeting.

#### A14. **Investment Manager Presentation – St James's Place**

Mr Knight, Mr Gunn and Mr Hammersmith re-joined the meeting to present the market performance and business update.

Mr Gunn presented the fund performance summary for quarter two of 2016 together with the returns since inception to the quarter and to the 9<sup>th</sup> September 2016. A series of graphs comparing the funds' relative to benchmark were presented to the Committee. It was noted the graphs were net of the correct agreed discounted fee.

Mr Gunn finished by demonstrating the longer-term individual fund performance since launch together with a manager breakdown for SJP Global Equity, Global Equity Markets and SJP Global since the appointment of Artisan.

A further presentation was received by the Committee on the St James's Place investment management approach. Mr Gunn explained the investment management approach. Managers are selected globally, monitored frequently and changed as appropriate. The search for fund managers is undertaken by a series of consultants; Members received information on the consultants used by St. James's Place. The presentation introduced the investment committee and provided a background into the individual members sitting on the Committee.

In response to question, Mr Gunn explained the reason for changing the Global Equity investment manager from Tweedy, Browne to JO Hambro, it was noted the official switch date is 7<sup>th</sup> October 2016.

The presentation finished with a list of new St. James's Place managers, Mr Gunn explained the reason where necessary for the change. Members queried why the search and selection of managers is not undertaken in house, Mr Gunn explained that a compliment of internal and external expertise is required in the selection and this is why the search of managers is outsourced.

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

#### A15. **Equity Smart Beta**

The Committee considered a report produced by Hymans Robertson to consider an alternative way of investing passively in UK equities known as equity smart beta.

Members noted that in the index of UK equities held by the fund, each constituent's weight is determined by its market value. This represents transparent, liquid and cost-effective access to equity returns. However, the link between price and index weight means there is a tendency for capital flows to be allocated to overvalued stocks and away from undervalued stocks, and this is a key flaw of market capitalised weighted indices.

The report provided numerous different ways to passively invest UK equities including fundamental indices, low volatility indices, equal weights, quality, momentum and multi-factor. Members received a summary of each equity smart beta option.

A Member suggested comparing the indices to the Scheme's performance before considering the alternative way of investing. In particular Members requested a comparison to the All Share Index and Fundsmith.

Resolved, "That particulars of the report and discussion be noted on the minutes and Hymans Robertson report the comparison between the indices and the UK Equity Fund, particularly the All Share Index and Fundsmith, to the Committee for further consideration of equity smart beta investing."

#### **PART B –**

##### ***Matters Requiring Executive Committee approval***

There were no matters requiring Executive Committee approval.

#### **PART C –**

##### ***Matters Requiring Council approval***

There were no matters requiring Council approval.

The Committee rose at 4.02pm.

VI(iii) – The proceedings of the STANDARDS COMMITTEE as follows:

# STANDARDS COMMITTEE

STANDARDS COMMITTEE – Minutes of Meeting held on Wednesday, 7<sup>th</sup> September, 2016.

Members Present: Councillor Miss D.A.M. Pitts (Chair), Councillor Mrs R. Chatel, Councillor Mrs C.E. Malarkey, Councillor Mrs E.C. Quirk, Mr D. Booth (Independent Member).

In Attendance: Assistant Town Clerk (Mr P. Cowin), Democratic Services Officer (Mrs D. Atkinson).

## REPORT

### **PART A –**

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

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

There were no apologies for absence.

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

There were no declarations of interest.

##### **A3. Minutes - Monday, 28<sup>th</sup> June, 2016**

Minutes of the meeting held Monday, 28<sup>th</sup> June, 2016 were approved and signed.

##### **A4. Matters Arising**

Members noted the formation of a Member working group to review and update the constitution. It was suggested that the Standards Committee Members notify the working group of any changes they wish to propose to documents such as the Code of Conduct and vice-versa, the working group advise the Committee of proposed changes to Standards Committee procedures.

In response to question, the Assistant Town Clerk confirmed an e-mail had previously been sent to all Members asking for guidance on electronic communication training and the use of social media. It was noted that no responses had been received.

##### **A5. Update on Review of Standards Committee Determination Procedures, Rules and Handbook**

Members noted that the Independent Member, Mr Booth, met with Council officers to review the Standards Committee Handbook.

Members discussed the possibility of compiling a list of guidelines to address etiquette issues such as dress codes, public speaking, attendance and behaviour at meetings. It was noted that etiquette and dress codes at Council meetings is for the Mayor to deem appropriate and much of the guidelines are based on personal perception.

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

##### **A6. Training**

The Committee engaged in a training exercise which included analysis of a hypothetical scenario. It was agreed that the scenarios considered by the Committee form part of the full Council Standards training.

##### **A7. Date and Definition of Training for Council Members**

Members had a lengthy discussion surrounding the style of training to offer to Council Members. The general feeling was that the Standards Committee is perceived to be a disciplinary Committee rather than the advisory Committee it is. The Committee aim to change the perception of the Standards Committee at the training.

It was agreed to focus the training on perceptions and conduct as a Councillor in the public eye, providing awareness and advisory training incorporating the hypothetical scenarios considered by the Standards Committee, together with role play scenarios involving attendees at the training. It was agreed to hold the training in the Members' Room to create a relaxed atmosphere. The date agreed is 10.30am on Wednesday, 30<sup>th</sup> November, 2016.

Resolved, "That all Council Members be invited and encouraged to attend Standards Committee training in the Members' Room at 10.30am on Wednesday, 30<sup>th</sup> November, 2016."

**A8. Dates of Next Meeting**

The Committee approved Monday, 5<sup>th</sup> December, 2016 at 10.30am as the next Standards Committee meeting date.

***PART B –***

***Items requiring Executive Committee approval***

There were no items requiring Executive Committee approval.

***PART C –***

***Items requiring Council approval***

There were no items requiring Council approval.

The meeting ended at 12.20pm.

VI(vi) – The proceedings of the HOUSING COMMITTEE as follows:

# HOUSING COMMITTEE

HOUSING COMMITTEE – Minutes of Meeting held on Wednesday, 21<sup>st</sup> September, 2016.

Members Present: Mr Councillor D.J. Ashford (Chairman), the Mayor (from 10.40am), Councillor Ms C.E. Malarkey, Councillor Mrs C.L. Wells, Mr Councillor C.L.H. Cain, Mrs J. Quaggan (Independent Member).

In Attendance: Director of Housing and Property (Mrs S. Harrison), Assistant Chief Officer (Housing and Property) (Mr G. Atkin), Assistant Chief Officer (Income) (Mrs C. Pulman), and Assistant Democratic Services Officer (Miss C. Cullen).

## REPORT

### **PART A –**

#### ***Matters decided by the Committee***

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

Apologies for absence were submitted by Councillor Mrs E.C Quirk.

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

There were no declarations of interest.

##### **A3. Minutes - 20<sup>th</sup> July, 2016**

The minutes of the meeting of the Housing Committee held on Wednesday, 20<sup>th</sup> July, 2016, were approved and signed.

##### **A4. Voids Property List**

The Committee considered a report submitted by the Assistant Housing Manager (Maintenance) updating on the number of vacant social housing properties. Members reviewed the list appended to the report and discussed a number of properties.

The Chairman extended his thanks to Housing Officers for the revised layout of the Voids Schedule and commented favourably to the addition of graphs detailed within the report.

In response to query, the Assistant Chief Officer (Housing and Property) confirmed that the ‘major works required column’ would be reinstated.

Resolved, “That the list of vacant properties and discussion be noted on the minutes.”

##### **A5. Housing Request Refusals**

The Committee considered a report submitted by the Assistant Chief Officer (Housing and Property) advising on the proposed housing request refusals, all such refusals are made by housing management officers in accordance with current Council Policy, Government Regulations and Guidance.

The report recommended that approval be given to the list of proposed housing request refusals as detailed in appendix 1.

The Assistant Chief Officer (Housing and Property) reported that the mutual exchange request had been refused because the applicant, a former tenant, left one of the Council’s properties in a very bad state of repair when they vacated it. Photographs of the property were circulated. Members noted that the cost to bring the property back to a voids standard was £4265.00 and that these costs were never recovered from the tenant. In response to query, the Chairman advised that the Isle of Man Courts will not issue an Asset Court Order if there are no assets to claim.

Resolved, “That particulars of the report and discussion be noted on the minutes and that approval be given to the list of proposed housing request refusals as shown in Appendix 1, which comply with current Council policy and current Department of Infrastructure regulations and guidance.”

##### **A6. Performance Update on Capital Projects**

The Committee considered a schedule updating on Housing Capital Projects for 2016/2017.

Members noted the position on all Capital Projects listed, up to the end of August 2016.

In response to query, the Assistant Chief Officer (Housing and Property) agreed that an estimated finish date be added to the schedule.

Resolved, “That the schedule and discussion be noted on the minutes.”



#### **A7. Items for Future Consideration**

The Committee considered a report setting out items which will be considered at future meetings. Members noted the reports listed for consideration at the October meeting of the Committee.

The Assistant Chief Officer (Housing and Property) reported one item to be taken off the schedule as it had been presented at the Committee meeting.

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

#### ***PART B –***

#### ***Matters requiring Executive Committee approval***

#### **B8. Sheltered Community Reserve Fund**

The Committee considered a report submitted by the Assistant Chief Officer (Housing and Property) advising on a number of items of expenditure to be funded from the sheltered community reserve.

Installation of CCTV at Waverley Court and Ballanard Court. It was noted that CCTV is already installed at the new Hazel Court sheltered complex and will be included in the new Willaston Sheltered project to deter anti-social behaviour and to enhance security. CCTV installed at the sheltered complexes are stand-alone systems and are therefore not as yet linked to the wider Douglas CCTV network.

Installation of LED motion sensor corridor lighting at Ballanard Court. Motion sensor lighting is already installed at the new Hazel Court sheltered complex, Waverley Court and will be included in the new Willaston Sheltered project to improve energy efficiency and save on running costs.

Decoration of stained or marked communal corridor areas at Waverley Court. It was noted that most of the Communal areas within Waverley Court are in good decorative order; however some heavy traffic areas, particularly in the stairwells, were showing signs of high wear and tear.

General running cost items including lift maintenance, cleaning, TV Licence fee and boiler servicing. Members were advised that changes to the deficiency funding mechanism by the Department of Infrastructure will mean that general items including lift maintenance, cleaning, TV Licence fees and boiler servicing will now have to be funded from the sheltered reserve or another funding source from 2016/2017 onwards.

In response to query, the Assistant Chief Officer (Income) advised that the total proposed amount will be spent across all three sheltered housing complexes.

The report advised that the current balance of the sheltered community reserve fund is £194,584.29 and the proposed expenditure will leave a balance of £72,525. It was noted that any reserve spending currently requires Executive Committee approval in accordance with the Constitution.

Resolved, "That particulars of the report and discussion be noted on the minutes and that the following be referred to Executive Committee for approval of the total expenditure of £122,059 from the sheltered housing community reserve fund, made up as follows;

Installation of CCTV at Waverley Court and Ballanard Court for the estimated maximum sum of £8,300;

Installation of LED motion sensor corridor lighting at Ballanard Court for the estimated maximum sum of £3,700;

Decoration of stained or marked communal corridor areas at Waverley Court for the estimated maximum sum of £12,000; and

General running cost items including lift maintenance, cleaning, TV Licence fee and boiler servicing for the estimated maximum sum of £98,059."

#### **B9. Damp Properties Condition Surveys**

The Committee considered a report submitted by the Assistant Chief Officer (Housing and Property) seeking Executive Committee approval for funding of the fees to carry out the twenty four condition surveys.

The report advised at the June Committee meeting approval was granted to the fee proposal submitted to carry out independent condition surveys on twenty four selected damp properties across all Council housing estates except Willaston, to specifically identify the causes of damp and recommend remedial measures required to resolve the issues.

It was noted that the survey fees would be funded from the housing maintenance budget and would therefore reduce the amount available to be spent on housing repairs in the present financial year. The matter was debated at the July Council meeting and alternative funding sources such as the rate-borne general reserves were suggested. It was pointed out in Council that the Housing stock is a major asset of

the Council. The Director of Finance has suggested that this can be achieved by treating the survey cost as a Housing Management expense and seeking an increase to the rate-borne Subsidy of Housing Service by £12,960 for the 2016/17 financial year.

The damp surveys have now commenced with the initial survey results due by the end of October 2016.

Resolved, "That particulars of the report be noted on the minutes and that subject to Executive Committee approval fees in the sum of £12,960 to carry out twenty four condition surveys to determine the causes of damp related issues be funded from general reserves by increasing the rate-borne housing subsidy grant for 2016/17."

***PART C –***

***Matters requiring Council approval***

**C10. Willaston Sheltered Housing Project**

The Committee considered a report submitted by the Assistant Chief Officer (Housing and Property) on the progression of the Willaston Sheltered Housing Project to tender stage, stage I3.

The report advised that the design team have now achieved stage I1 and that the project team will progress with the next stages which include detailed design, procurement and tender. Members noted that construction is presently due to commence in April 2017.

All professional fees to stage I1 have been paid from capital receipts as approved however further professional fees to progress to stage I3 will now require petition approval in the estimated sum of £142,161.00. Members recalled that Committee and Council have previously approved the submission of a petition for this purpose as resolved by the Committee on 20<sup>th</sup> January 2016.

In response to query, the Assistant Chief Officer (Housing and Property) confirmed that tenants will pay for the provision of fitted carpets following advice from the Department of Infrastructure.

Members noted that formal confirmation has now been received regarding the transfer of ownership of the police station and land from the Department of Home affairs.

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

- (i) That approval to stage I1 report produced by the project team attached as appendix 1 to progress the project to tender (stage I3) be approved;
- (ii) The Chief Executive be authorised to petition the Department of Infrastructure for borrowing powers in the amount of £142,161,00 being the maximum sum required to defray the cost of the professional fees which is subject to the Department of Infrastructure concurrence;
- (iii) The Department of Infrastructure be advised that an assessment of the Council's Housing Reserve fund has been undertaken to establish if sufficient monies are available to fund the proposed scheme via that source."

The meeting ended at 12.00 noon.

VI(vii) – The proceedings of the REGENERATION AND COMMUNITY COMMITTEE as follows:

# REGENERATION AND COMMUNITY COMMITTEE

REGENERATION AND COMMUNITY COMMITTEE – Minutes of Special Meeting held on Monday, 5<sup>th</sup> September, 2016.

Members Present: Mr Councillor S.R. Pitts (Chairman), the Mayor, Councillor Mrs R. Chatel, Mr Councillor I.J.G. Clague, Councillor Miss D.A.M. Pitts.

In Attendance: Assistant Town Clerk (Mr P. Cowin), Assistant Chief Officer (Finance) (Mr E.P. Pierce), Electrical Services Manager (Mr D. Cullen), Democratic Services Officer (Mrs D. Atkinson).

## REPORT

### **PART A –**

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

##### **A1. Apologies**

Councillor Ms J. Thommeny submitted apologies for absence.

##### **A2. Christmas Lights Ceremony**

The Committee considered a report submitted by the Assistant Town Clerk on the Christmas Lights Ceremony.

The Special Committee Meeting had been convened to consider the location of the stage for the 2016 Christmas Lights Ceremony. Members recalled that on 17<sup>th</sup> May 2016 the Committee approved the event proceeding with the stage at the junction of Ridgeway Street and Lord Street, as in 2015, but at its Meeting in June 2016 called for an event plan to be prepared with the stage relocated at the Town Hall door. That came to the Committee on 19<sup>th</sup> July 2016 together with an event plan for the recommended stage location. The Committee made no clear decision but referred the matter to the Council. Then at the Council meeting it was withdrawn by the Chair.

Members were advised that a decision is needed urgently on certain elements of the event to facilitate the submission of applications for road closures and the approval of a music and dance licence.

Members explained their reasoning for the repositioning of the stage to outside the Town Hall. Sound quality and reduced visibility of the stage in 2015 were the main issues raised.

In response to the comments, the Electrical Services Manager provided an overview of the detailed specification proposed for the 2016 event based on the location of the stage at the Ridgeway Street/Lord Street junction. The updated specification included a modular build stage, with provision of cover, depending on the weather forecast on the day of the event, an advanced sound system with a number of smaller speakers spread evenly across the whole event area, large screens for live streaming (proposed locations were discussed), snow machines and professional lighting.

Members were content that the updated specification will improve the event, however they expressed dissatisfaction that there were no plans in front of the Committee to help visualise the updated proposal, they opined the specification should have featured as part of the report. In order to progress the event, it was suggested that the plans be circulated electronically after the meeting, and if required, the ancillary features can be amended or discussed at the September Committee meeting. It was noted that the location of the event stage is fundamental to the licensing court application.

In response to a suggestion by the Mayor, officers agreed to investigate the possibility of live streaming the event at Coleburns utilising their screens displayed in the windows.

Members discussed recommendation five within the report, "That further arrangements for the event, including the acceptance of quotations, the detailed layout, and inclusion of ancillary features be delegated to the Chief Executive with reference where necessary to the Chair and Vice-Chair of the Committee." Members agreed that at the very least the Chair and Vice-Chair should be made aware of all arrangements for the event, and ideally decisions should come to the full Committee. Members agreed to change the wording of the proposed resolution.

The entertainment for the event was discussed and agreed.

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

- (i) The decision of 17<sup>th</sup> May, 2016, to approve the arrangements for the 2016 Christmas Lights Ceremony on 24<sup>th</sup> November 2016, based on a stage located at the Ridgeway Street/Lord Street junction, be reaffirmed;
- (ii) That quotations be sought from suitable contractors for the provision of stage, sound, lighting equipment, a large screen (s) and live screening facilities;
- (iii) That an application and all necessary supporting documentation be prepared forthwith for submission to the Licensing Courts for hearing on 13<sup>th</sup> October, 2016;
- (iv) That further arrangements for the event, including the acceptance of quotations, detailed layout, and inclusion of ancillary features be delegated to the Town Clerk and Chief Executive with reference to the Chair and Vice-Chair of the Committee.”

The meeting ended at 11.26am.

# REGENERATION AND COMMUNITY COMMITTEE

REGENERATION AND COMMUNITY COMMITTEE – Minutes of Meeting held on Tuesday, 20<sup>th</sup> September, 2016.

Members Present: Mr Councillor S.R. Pitts (Chairman), the Mayor, Councillor Mrs R. Chatel, Mr Councillor I.J.G. Clague, Councillor Ms J. Thommeny

In Attendance: Director of Housing and Property (Mrs S. Harrison), Director of Regeneration and Environment (Mrs D. Eynon), Assistant Town Clerk (Mr P. Cowin), Assistant Chief Officer (Finance) (Mr E.P. Pierce), Head of Parks (Mr D. Hewes), Democratic Services Officer (Mrs D. Atkinson).

## REPORT

### **PART A –**

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

#### **A1. Apologies**

Councillor Miss D.A.M. Pitts submitted apologies for the meeting.

#### **A2. Minutes – 19<sup>th</sup> July, 2016**

Minutes of the Meeting held on Tuesday, 19<sup>th</sup> July, 2016, were approved and signed.

#### **A3. Minutes – 5<sup>th</sup> September, 2016**

Minutes of the Special Meeting held on Monday, 5<sup>th</sup> September, 2016, were approved and signed.

#### **A4. Hop Tu Naa Event in Summerhill Glen**

The Committee considered a report submitted by the Head of Parks to progress an application by PSS Services to hold a Hop Tu Naa event in Summerhill Glen between 29<sup>th</sup> and 31<sup>st</sup> October, 2016.

Members were advised that the proposed event is the same as the event held in Summerhill Glen for Hop Tu Naa in 2014 and 2015, which was organised by PSS Services Ltd, and approved by the Committee.

In response to query the Head of Parks confirmed there will be a small charge for entry to the event and public access to the lights will not be restricted.

It was noted there is minimal time between the event taking place and the PSS application to the Council. Members asked that in future applications come before the Committee further in advance of the event.

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

- (i) The application by PSS Services Limited to hold a Hop Tu Naa event in Summerhill Glen between 29<sup>th</sup> and 31<sup>st</sup> October, 2016 be approved;
- (ii) An agreed site rental fee for the event be charged (excluding reinstatement costs and event preparation charges);
- (iii) The costs applicable to the preparation of the site and legal agreement be charged to PSS Services Limited;
- (iv) Any post event reinstatement of the site be charged to PSS Services Limited."

#### **A5. Children's Water Play Equipment – Noble's Park**

The Committee considered a report produced by the Head of Parks on the supply and installation of children's water play equipment at Noble's Park.

The report had been prepared following a request from the Committee. Initial research indicates that a budget of £175,000 would be an approximate outline estimate for the project. Members were presented with the benefits of creating the water play area. The Head of Parks advised a suitable area had been identified within the Noble's Park Tot-Lot to position the feature.

It was noted that in previous years the capital programme for the water play equipment had not been supported during the budget setting process. Members agreed that in light of the park survey results undertaken in 2013, and the popularity of this type of equipment in other areas, the Council should support this capital scheme going forward.

Maintenance costs will be met within existing budgets and running costs will be obtained if the scheme is approved. The Head of Parks advised running costs are being investigated. The Chairman reminded Members that the Committee had a favourable variance to the revenue outturn budget and suggested that the savings could be utilised to part-fund the project.

Resolved, "That particulars of the report and discussion be noted on the minutes and that a proposal for a capital scheme for the supply and installation of a children's water play equipment at Noble's Park with an estimated cost of £175,000 be included in the 2017-18 capital estimates."

#### **A6. Items for Future Report**

The Committee considered a report by the Democratic Services Officer regarding reports for future consideration by the Committee.

Members arranged a site visit meeting at 10.30am on Tuesday, 4<sup>th</sup> October at the Ballaughton Nursery Site, visiting the Promenade Gardens, Douglas Head, the Nursery Site and the Town Squares.

Mr Councillor I.J.G. Clague declared an interest and left the room during a discussion surrounding the Douglas Town Band. A Member provided an update on the current membership of the band, it was agreed that a report on the item be considered at the October meeting.

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

#### **PART B –**

##### ***Matters requiring Executive Committee approval***

#### **B7. Adventure Playground – Ballaughton**

The Committee considered a report submitted by the Head of Parks, following an approach from the Children's Centre, to create an adventure playground.

Members recalled a Children's Centre representative attended the 15<sup>th</sup> June 2016 Committee meeting to present a proposal to create an adventure playground within the Borough. Prior to the meeting, liaison had taken place with the Head of Parks and an area within the Ballaughton Nursery Grounds had been identified as a suitable location to site the facility. The Committee subsequently requested a report on the proposed scheme.

The Head of Parks explained that further research has identified a deficiency of free to roam playing space within Hills Ward of Douglas. To redress this free to roam playing space deficiency, Members were presented with two play facility options.

Option one is to create a child's adventure playground in partnership with the Children's Centre. An adventure playground was described as an evolving setting, where children are free to build, dig, plant and create. Staff will be provided by the Children's Centre who will be trained and qualified 'playworkers'. The facility will be open at set times daily excluding bank holidays. The report proposed a seven year lease be entered in to by the Council with the Children's Centre for the land at a peppercorn rent of £1. The cost to the Council is £42,000 for set-up of the site. Members were provided with a breakdown of the £42,000, it was noted that a large proportion of the figure was ear-marked to fund boundary fencing and gates. In exchange, the Children's Centre has agreed to pay the running costs of £25,500 per annum; there will be no ongoing costs to the Council. Additionally, it is proposed to donate the redundant Ballaughton Nursery staff portacabin to the project. Separately, a service level agreement for the day to day management of the site will be put in place.

Option two is to extend Ballaughton Park into the adjacent redundant land at Ballaughton Nursery. Initially the area would be levelled and laid to grass. Further consultation could be undertaken with the community to establish the long term use of the additional space. The total cost of creating the additional space, excluding any feature creation recommendations is £19,000.

During the discussion, the Head of Parks provided a verbal update on the Noble's Park BMX track. It was agreed that the item be included on the October Committee agenda.

It was noted that this scheme is in addition to the capital scheme approved for age-related equipment within Hills Ward.

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

- (i) The item be referred to the Executive Committee for funding of £42,000 from the General Revenue Reserve, to enable the creation of an adventure playground at Ballaughton;
- (ii) If funding and planning consent is granted, a lease be implemented with the Children's Centre for a period of seven years for land at Ballaughton Nursery and extend part of the land into Ballaughton Park;
- (iii) A peppercorn rent of £1 per annum for the land be set;
- (iv) The redundant Ballaughton Nursery staff portacabin be donated to the project;

- (v) The Council enter into a service level agreement with the Children's Centre for the day to day management of the adventure play area;
- (vi) The Children's Centre be responsible for providing staff and cover other associated costs relevant to the annual running of the site."

***PART C –***

***Matters requiring Council approval***

There were no matters requiring Council approval.

The meeting ended at 11.00am.

VI(viii) – The proceedings of the ENVIRONMENTAL SERVICES COMMITTEE as follows:

# ENVIRONMENTAL SERVICES COMMITTEE

ENVIRONMENTAL SERVICES COMMITTEE – Minutes of Meeting held on Monday, 19<sup>th</sup> September, 2016.

Members Present: Mr Councillor R.H. McNicholl (Chairman), the Mayor, Councillor Ms C.R. Turner, Mr Councillor F. Horning, Councillor Ms K. Angela, Mr Councillor F. Pabellan (from 10.26am).

In Attendance: Director of Environment and Regeneration (Mrs D. Eynon), Assistant Chief Officer (Environment) (Mr A. Donnelly), Accountancy Manager (Mr R. Davies), Building Control Manager (Mr N. Kaighin) (Items A1 to A13), Electrical Services Manager (Mr D. Cullen) (Items A11 & A12), Assistant Democratic Services Officer (Miss C. Cullen).

## REPORT

### **PART A –**

#### ***Matters delegated to the Committee***

##### **A1. Apologies**

No apologies were submitted.

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

No declarations of interest were submitted.

##### **A3. Minutes – 18<sup>th</sup> July, 2016**

The minutes of the meeting of the Environmental Services Committee held Monday, 18<sup>th</sup> July, 2016, were approved and signed.

##### **A4. Schedule of Neglected, Dilapidated, Ruinous and Dangerous Properties**

The Committee considered the schedule of unsightly properties being dealt with on behalf of the Council. Members reviewed the schedule and raised some questions on particular properties.

The Building Control Manager reported that case number one as detailed in the schedule had been resolved.

In response to query, the Building Control Manager reported that item two as detailed in the schedule had been sold at auction to a British Virgin Islands Company but subsequently not registered in the Isle of Man; the Council was therefore having difficulty in establishing the owner thus leading to a delay in issuing a notice for entry. Members unanimously agreed that a warrant for entry to the property be sought as a priority due to concerns expressed over its structural stability.

In response to query from the Chairman, the Building Control Manager advised that due to time constraints ownership was still to be established in order to serve notice to a particular property.

Resolved, “That the Schedule and discussion be noted on the minutes.”

Mr Councillor F Pabellan joined the meeting at 10.26am during discussion of this item and gave his apologies for lateness.

##### **A5. Planning Application 16/00949/D – Strand Street**

The Committee considered a report submitted by the Building Control Manager on the planning application for the erection of a digital advertisement board, 44 Strand Street, Douglas.

The report advised that the proposal is to install a surface mounted digital sign at high level on the Granville Street gable of the property. The Building Control Manager circulated a picture of the proposed advertising board.

Members raised concerns that support of the application could set a precedent for similar future applications and that the style of advertising board was not in keeping with the heritage style of Strand Street.

The Chairman suggested requesting that the advertising board be switched off during the night from midnight onwards so as to not interfere with light pollution.

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



- (i) The Council supports the application;
- (ii) This specific case would not necessarily set a precedent for the Council's response to proposals for digital advertising boards in other location and situations;
- (iii) A request be submitted to the Planning Department to attach a condition to any approved requiring the advertising board being switched off from 12.00pm midnight until the following morning."

For: 4 Against: 1

Mr Councillor F. Horning requested that his name be recorded as voting against the resolution.

#### **A6. Planning application – 16/00950/D – Wellington Street**

The Committee considered a report submitted by the Building Control Manager on the planning application for the erection of an advertising board, 7 – 17 Wellington Street, Douglas.

The report advised that the proposal is to install a surface mounted permanent sign board on the exposed gable of the property.

The Building Control Manager circulated a drawing of the proposal. Members noted that the sign board will display static advertising.

In response to query, the Assistant Chief Officer (Environment) confirmed that the sign will be lit with LED lighting.

Resolved, "That particulars of the report and discussion be noted on the minutes that the Council support the planning application with the recommendation in this specific case, however it will not necessarily set a precedent for the Council's response to proposals for advertising board in other location and situations."

#### **A7. Planning Appeals**

The Committee considered a report submitted by the Director of Environment and Regeneration advising on the number of planning applications that have been approved following an objection being raised by the Council.

The Director of Environment and Regeneration explained to Members that this information was being presented to Committee following a request from the Chairman at the July Committee Meeting.

Members noted that over the last five years, the Committee has considered sixty-five planning applications, of which only two cases have been approved after the Council has raised an objection. The report explained in detail the potential benefits and pitfalls of automatically lodging an appeal under such circumstances.

Members noted a third recommendation in the report "that a policy of automatic appeals not be pursued, as this is contrary to good governance and public law and could be challengeable", it was agreed not to approve the recommendation.

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

- (i) In the last five years two planning applications have been approved following objection being raised by the Council be noted;
- (ii) A policy for any future planning applications that are approved following an objection being made by the Council becomes the subject of a report to be considered by the Committee, or using the Urgent Business Procedure if necessary, so that a decision can be reached within 21 days of the approval as to whether an appeal is to be submitted by the Council be approved."

#### **A8. Adjournment and Resumption**

The Committee adjourned at 11.40am to 11.47am; the Electrical Services Manager joined the meeting for discussion of the following items.

#### **A9. Works for Public Lighting Planned Maintenance – Column Painting 2016-2017**

The Committee considered a report submitted by the Electrical Services Manager advising on the tenders received for painting columns as part of the Planned Public Lighting Maintenance Programme.

The Electrical Services Manager reported that the maintenance works are carried out on an annual basis over a ten year rolling programme and that the scheme will cover a total of 496 Public Lighting Columns at various locations. Members noted that painting of these columns is strictly for aesthetic purposes.

The report advised that eleven companies were invited to tender with only one being received by the closing date. It is the Electrical Service Manager's view that the tender received represents value for money.

Resolved, "That the report and discussion be noted on the minutes and that the tender received from Buchanan and Pitts Ltd be accepted."

#### **A10. Public Lighting Column PW00073 – Replacements Quotation**

The Committee considered a report submitted by the Electrical Services Manager advising on the quotations received for the replacement of eleven class four public lighting columns and associated works at various locations.

The report advised that twenty one companies were invited to provide a fixed price quotation for the replacement of eleven class four columns and associated civil engineering works, identified during the Public Lighting Programme Capital Scheme PW00073, via the Douglas Borough Council's electronic procurement system.

Members noted that two quotations were received by the closing date. The report advised that the lowest exceeded the pre-quotation estimate by £1,958.40. In response to query, the Electrical Services Manager confirmed that the differential is made by the contractors desire to operate in some locations out of hours to minimize traffic congestion issues and for health and safety reasons, those areas which had been identified were St Ninian's, Market Street and the bottom of Alexander Drive.

Resolved; "That particulars of the report and discussion be noted on the minutes and that the quotation received from Stephen Christian & Sons Ltd be accepted."

The Electrical Services Manager was thanked for his attendance and left the meeting at 12.05pm.

#### **A11. Call for Sites – Area Plan for the East**

The Committee considered a report submitted by the Assistant Chief Officer (Regeneration) on the proposed response to Government's call for sites in respect of the Area Plan for the East.

The Director of Environment and Regeneration advised that the call for sites is an invitation for landowners / developers and others to identify any sites which they wish the Department to consider, and reported that the Building Control Manager had secured an extension for the Councils response from Friday 16<sup>th</sup> September to Friday 23<sup>rd</sup> September in order for the Committee's views to be incorporated in the response.

The Chairman expressed concern that the matter had not been considered by full Council, the Director of Environment and Regeneration advised that a briefing note was circulated to all Members on 19th July seeking comments and suggestions from Members. Several comments and suggestions were provided on wider policy issues but not in direct relationship to the Call for Sites. She clarified that this is only the initial response to the Department and that a full consultation will be put to Council as the matter progresses.

Members reviewed and discussed at length the various sites, as detailed in the report.

During discussion of the Douglas Golf Course site a Member suggested that a portion of the land be used for Housing Development with the remaining land being kept as open recreational space. A Member opined that as the Council has subsidised the Golf Course substantially for the previous two financial years it was a burden to Douglas rate payers, and stated that he was going to bring this as a Motion to Council.

Members reviewed the maps appended to the report and unanimously agreed two additions for inclusion; the Manor Hotel site in Willaston as a mixture of social and private housing development and Sartfell Road as a development site for a mixture of social and private housing with recreational space.

Members unanimously agreed two changes to the response; section 3.7 of the report change to 'the land, which is owned by the Council, should be retained as open recreation space' and section 3.16 change to 'land which is Council owned'.

It was agreed that a briefing note be sent out to all Members as courtesy in advance of the deadline for the Council's response.

Resolved, "That particulars of the report and discussion be noted on the minutes and the proposed response to Government's Call for Site in respect of the Area Plan for the East be approved."

The Building Control Manager was thanked for his attendance and left the meeting at 1.02pm.

#### **A12. Items for Future Consideration**

The Committee considered a report setting out items which will be considered at future meetings. Members discussed the reports listed for consideration at the October meeting of the Committee.

It was agreed that a report on a 'Recycling trial for Flats' will be added to the schedule for October's meeting.

The Chairman asked for a report on the function and scope of the Warden Service.

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

***PART B –***

***Matters requiring Executive Committee approval***

There were no items requiring Executive Committee Approval.

***PART C –***

***Matters requiring Council approval***

There were no items requiring Council approval.

The meeting ended at 2.10pm.

IX – Motions, of which Notice has been given by Members of the Council pursuant to Standing Orders:

# MOTIONS

1. Mr Councillor F. Horning to move:
  1. To discontinue the operation of the Douglas Golf Course after obligations to season ticket holders have been fulfilled;
  2. To sell the club house and equipment if no alternative use can be found for it; to repay some of the loans with sale proceeds;
  3. To put a proportion of the present golf course, which shall not exceed one third of the area, forward for development of single family homes; the remaining area to be kept for recreational purposes to be explored.

*Upon being moved and seconded, under Standing Order 30 the Motion will stand referred to the Executive Committee for consideration and report to Council before January 2017.*