



## **Borough of Douglas**

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**MR COUNCILLOR STANLEY COLVIN CAIN, JP  
MAYOR**

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Town Hall,

Douglas,

5<sup>th</sup> December, 2014

Dear Sir or Madam,

You are hereby summoned to attend a MEETING OF THE COUNCIL to be held on WEDNESDAY, the 10th day of DECEMBER, 2014, 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;

VII - Consideration of the report of each Chair 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, 12<sup>th</sup> November, 2014.

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

## EXECUTIVE COMMITTEE

EXECUTIVE COMMITTEE – Minutes of Special Meeting held on Friday, 14<sup>th</sup> November, 2014.

Members Present: Mr Councillor D.W. Christian (Chair), the Mayor, Messrs Councillors D.J. Ashford, J. Joughin, R.H. McNicholl.

Apologies: Mr Councillor S.R. Pitts.

In Attendance: Chief Executive, Borough Treasurer, Borough Engineer & Surveyor, Assistant Chief Executive. Department of Infrastructure – Hon Mr P.A. Gawne, MHK (Minister), Mr N. Black (Chief Executive), Mr J. Robinson (Director of Highways).

### REPORT

#### **PART B –**

#### ***Matters requiring Council approval***

#### **B1. Douglas Promenade Refurbishment and the Douglas Bay Tramway**

The Leader of the Council began by thanking the Honourable Minister for the Department of Infrastructure and his officers for attending the Special Meeting of the Committee. He advised that Members of the Council had felt somewhat aggrieved when the proposals for relocating the horse tram tracks to the Promenade walkway had been revealed – having previously considered and agreed to a scheme whereby the tracks would be relocated to the seaward side of the carriageway. Therefore, in order for a further decision to be made, a full report would need to be made to all Members of the Council at their meeting on 10<sup>th</sup> December 2014.

The Honourable Minister reported that the timescale for his Department to submit a planning application for the scheme was by the end of November 2014, and that the planning process could be speeded up if the Council was in agreement to the proposals. However, his view was that, if agreement could not be reached at this meeting, then it would be preferable to set aside time to establish how agreement could be reached.

The Minister acknowledged that the Council and the Department were not in agreement in relation to the preferred option, and that the Department would wish to address the points raised by the Council. It was noted that the primary issue regarding the replacement of the tracks appeared to be precisely how much of the tram tracks would be located on the walkway and how much would be on the carriageway.

Mr Robinson advised that the majority of the track would be on the walkway, however, from the area of the War Memorial to the northern end of the Promenade the width of the walkway would be increased and therefore, for the eight months of the year when the horse trams were not operating, the shared space available for pedestrians and cyclists, etc, would be increased. Ultimately, however, the horse tram tracks would have to be relocated to the walkway if the scheme was to proceed. Mr Black advised that the current proposals would allow for the continuation of the Island's heritage whilst at the same time providing a traffic solution for approximately the next fifty years.

In response to a Member's question regarding the safety aspect of pedestrians sharing a space with the horse trams, Mr Robinson advised that a railway safety expert from the United Kingdom, who had experience of shared spaces – although not with horse-drawn traffic – had no issues with the proposals. The Minister confirmed that a copy of this report would be shared with the Council, and Mr Black confirmed that he would forward a video link to the Chief Executive showing how shared spaces have been successfully operated in the United Kingdom.

It was noted that discussions with the Council's Tramways officers had taken place and, although their preferred option was to maintain the status quo of double tracks in the centre of the Promenade carriageway, they acknowledged that this was not an option, and had therefore confirmed that both the proposals – either to run the tracks in a dedicated corridor on the seaward side of the carriageway, or to run the tracks on the Promenade walkway – could be managed in terms of the integration of pedestrians and traffic with the trams. The option of a single track in the centre of the carriageway had also been

examined, but discounted, as, in their expert opinion, it was considered the least-safe option from the point of view of the welfare of the horses.

The statement by the Minister that the previous plans (which had been considered and agreed by the Council) had been indicative only, was then accepted by the Committee. It was also accepted that the subsequent alternative proposals would permit the heritage of the horse trams to be maintained. However, the point was made that it would be preferable to have more than the one passing place currently proposed, with a minimum of three being suggested. Mr Robinson advised that two additional areas had been identified where it would be possible to have passing places – these being in the areas of the War Memorial and at the Queen’s Promenade Gardens.

The Minister advised that the whole refurbishment works on the Promenade could take in the region of five years to fully complete and therefore, if the option to relocate the tram tracks to the walkway was not agreed, then it was likely that the service would be unable to operate for that entire time. He indicated that, if planning approval was granted for the amended scheme, then it was anticipated that work would commence in the summer of 2015 and be completed in time to operate the tram service for the 2016 season.

In response to a Member’s question, Mr Robinson advised that the Department recognised that the Council would wish to have the provision of seating on Loch Promenade incorporated into the scheme, and confirmed that it was intended to create more seating in that area than was currently there, and that the Department would work with the Council on the replacement of the seating in an appropriate way. The Minister gave a commitment that anything the Department did on the Promenade, the Council would have input at both political and officer level.

In response to a Member’s question, Mr Robinson advised that some of the Council’s land at the Queen’s Gardens would be lost in order to accommodate the tram tracks, however, it might be possible to agree a land-swap by way of the Department providing some additional car parking spaces in the area of the Bottleneck Car Park.

It was noted that there would be issues in the area of the former public conveniences on Queen’s Promenade, and the Borough Engineer & Surveyor advised that the Council had already undertaken some research in relation to them being filled-in, which could be shared with the Department.

Discussion also took place in relation to the possible erection of a seawall from the War Memorial northwards to Strathallan. The Minister advised that this would be dependent on funding being available.

The Minister then re-stated that the Department’s preferred option was for the tram tracks to be relocated to the Promenade walkway, which would also ensure there was no loss of car parking, as there would be with Option A (approximately fifty-five spaces) where it was needed the most, that was, in the vicinity of the main retail area of the Town. He indicated that, if the option to run the tram tracks in a dedicated corridor on the seaward side of the carriageway on Loch Promenade was proceeded with, this would likely lead to the retention of car parking on the walkway. He also stated that, as designers of the scheme, the Department would be responsible for ensuring the safety aspect of it.

Mr Robinson confirmed that, once detailed developments were commenced, the Department would be happy to work with the Council’s officers, and gave a commitment that any work undertaken on the walkway would be following the Council’s active input. He accepted that the Council had expressed concerns about safety and confirmed that the Department would do everything to ensure that these concerns were addressed and accommodated as best as possible, but stated that, ultimately, a more user-friendly space would be constructed on the Loch Promenade walkway.

The Minister confirmed that the submission of the planning application would be delayed until after the Council had considered these discussions at its meeting scheduled for 10<sup>th</sup> December 2014.

Mr Robinson acknowledged that the Council had sent documentation to the Department some months prior indicating its ownership of the tracks, although, at the time, the Department had felt this was premature. However, it was now realised by the Department that the ownership of the tracks remained an issue.

The Chair thanked the Minister and his officers for their attendance, and they left the meeting at 4.30pm.

Discussion took place on the way forward and it was agreed that the Council would need to commission its own health and safety and risk assessment of the Department’s preferred option for running the tram tracks on the Promenade walkway. It was also agreed that the Department should be advised in writing that the Council was the owner of the current tram tracks and, if Government removed them, then Government should be responsible for their replacement.

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

- (ii) That in order for the Promenade refurbishment scheme to proceed, it be agreed that an element of the Douglas Promenade walkway be given over to accommodate the horse tram tracks from the area of the War Memorial northwards to the Strathallan terminal;
- (iii) That in relation to Loch Promenade, it be agreed to support the Department's proposals to situate the horse tram tracks on the walkway;
- (iv) That it be noted that the Honourable Minister for Infrastructure had indicated quite categorically that, as the designers of the scheme, it would be the Department's responsibility to undertake risk assessments for operating the horse trams on the Promenade walkway, and that he assured the Council that any health and safety issues had been addressed accordingly;
- (v) That in relation to Queen's Promenade, it be proposed to the Department that the horse tram tracks follow the line of the pavement, that was, deviating around the pumping station, rather than cutting through the gardens;
- (vi) That it be agreed that the Department should be required to take on the engineering and in-fill of the former public conveniences on Queen's Promenade;
- (vii) That in order to compensate the Council for loss of land at the Queen's Gardens, it be agreed that the Department should be required to enter into a land-swap and provide six additional car parking spaces in the area of the Bottleneck Car Park;
- (viii) That it be agreed that the provision of seating on Loch Promenade be incorporated into the scheme, the design and placing of which was to be in agreement with the Council;
- (ix) That the Department be advised that a single track only would be adequate in the area of the Queen's Gardens, and that the proposed passing place be not included in the scheme;
- (x) That it be noted that the Honourable Minister had given a commitment that the Council would be given substantial input into the scheme, both at political and officer level;
- (xi) That it be noted that the Department had acknowledged receipt of documentation from the Council several months previously confirming that ownership of the tracks lay with the Council;
- (xii) That it be agreed that the Department must share its health and safety assessment report with the Council in advance of consideration by the full Council of the above recommendations;
- (xiii) That it be agreed that the Council, as the owner and operator of the horse tram tracks, seek an independent health and safety and risk assessment; and
- (xiv) That it be noted that the Department had indicated that it would not submit a planning application until after consideration of the proposals by the full Council at its meeting on 10<sup>th</sup> December 2014."

*On a vote being taken in relation to resolution (iii) Members voted 3 For; 1 Against. Mr Councillor D.J. Ashford requested his vote against the resolution to be noted on the minutes.*

The Committee rose at 5.15pm.

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

# EXECUTIVE COMMITTEE

EXECUTIVE COMMITTEE – Minutes of Meeting held on Friday, 28<sup>th</sup> November, 2014.

Members Present: Mr Councillor D.W. Christian (Chair), the Mayor, Messrs Councillors D.J. Ashford, J. Joughin, R.H. McNicholl.

Apologies: Mr Councillor S.R. Pitts.

In Attendance: Chief Executive, Borough Treasurer, Borough Engineer & Surveyor, Assistant Town Clerk (for Clauses A1 to A11, and B18), Head of ICT (for Clause B18), Building Control Manager (for Clause A9).

## 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 Mr Councillor S.R. Pitts.

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

Mr Councillor D.J. Ashford declared an interest in Clause A9 (1 Quine's Corner, Douglas – Planning Application).

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

The minutes of the meeting held on Friday 24<sup>th</sup> October 2014 and the Special Meeting held on Friday 14<sup>th</sup> November 2014 were approved and signed.

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

There were no matters arising from the previous minutes.

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

The Committee considered the public minutes of the Environmental Services Committee meeting held on Monday 17<sup>th</sup> November 2014, including the below items specifically referred to the Executive Committee:

Clause B9 – Procurement of Additional Refuse Vehicle: the Environmental Services Committee had considered a proposal to increase by one the fleet of five vehicles, together with the various alternative methods of procurement.

Clause B10 – Supply of Additional 7.5 tonne Refuse Collection Vehicle: an extra item had been raised in relation to tenders for an additional RCV, which would include bin-lift, bin-weight and ID system.

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

(ii) That approval be given for the purchase of a re-manufactured Dennis Elite refuse vehicle from Dennis Eagle, to be funded from the Plant Renewals Fund; and

(iii) That approval be not given for the procurement of an additional 7.5 tonne refuse collection vehicle, instead, the matter be referred back to the Environmental Services Committee and for a written report and recommendations to be considered at its next meeting.”

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

The Committee considered the public minutes of the Regeneration and Community Committee meeting held on Tuesday 18<sup>th</sup> November 2014, including the below item specifically referred to the Executive Committee:

Clause B7 – The Mike Hailwood Centre, Noble's Park: Members of the Regeneration and Community Committee had noted that the original agreement had been signed in 1983, granting permission for the Mike Hailwood Foundation to construct and maintain a building to be used as the Mike Hailwood Riders' Centre in perpetuity. Since that time the Foundation had maintained the building in good working order and had recently carried out a major refurbishment.

Resolved, “(i) That particulars of the public minutes of the Regeneration and Community Committee be noted; and

- (ii) That approval be given for a revised licence agreement between the Council and the Mike Hailwood Foundation, incorporating the terms contained in the report (as considered by the Regeneration and Community Committee), including allowing the Riders' Centre to be used as an after-school children's day-care centre for Hopes and Dreams Limited during term-time (but excluding the T.T. and Festival of Motorcycling periods), subject to the Trustees ensuring compliance with all legal, planning, regulatory health and safety and insurance requirements."

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

The Committee considered the minutes of the Housing and Property Committee meeting held on Wednesday 19<sup>th</sup> November 2014. There were no items specifically referred to the Executive Committee.

Resolved, "That particulars of the minutes of the Housing and Property Committee be noted."

#### **A8. 'Local Services at a Local Level'**

The Committee considered a joint written report by the Borough Treasurer and the Borough Engineer & Surveyor following a number of meetings held with the Department of Infrastructure and further information being received in respect of the localisation of services to local authorities.

Following initial consideration of this matter at the last meeting of the Committee, a positive response, welcoming the opening of discussions to evaluate the localisation of services, had been sent to the Honourable Minister for Infrastructure. Since then, however, it had become apparent that the positive response needed to be reinforced by a commitment in principle, in order that the Minister could demonstrate to his Tynwald colleagues that the proposals had been endorsed by the Council.

As previously indicated, officers were of the belief that there was the technical and professional ability within the Council to be able to take on all of the services that were being offered by the Minister. Therefore, in order to seek an endorsement from Members, in principle, officers had sought answers to those issues that the Committee had identified as needing to be discussed (as appended to the written report). Various pieces of information had also been provided, from which a rough evaluation of costs and changes to income streams were being assessed.

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

- (ii) That the updated information from the Minister for the Department of Infrastructure, together with the responses to the issues previously raised by the Committee, also be noted; and
- (iii) That authority be given for a response to be sent to the Honourable Minister, giving, in principle approval to the localisation of services, but indicating -
- That there needed to be further work undertaken by officers to ascertain any adverse cost implications to the Council,
  - That implementation was to be carried out in a mutually-agreed, planned and phased manner, so that the services involved continued to operate, and
  - That the operation of car parks, such as Chester Street and Drumgold Street, should be included in the services to be transferred to the Council."

#### **A9. 1 Quine's Corner, Douglas – Planning Application 14/01275/B**

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

The Building Control Manager was in attendance for this item.

The Committee considered a written report by the Building Control Manager in relation to a planning application submitted by the tenant of 1 Quine's Corner, proposing conversion of the premises from retail use to an off-licence and wine-bar.

The site fell within the North Quay Conservation Area, and Members accordingly noted the policies contained within the adopted Isle of Man Strategic Plan 2007 which were considered to be relevant in the consideration of this application (Strategic Policy 1; General Policy 2; Environment Policy No. 22; Business Policy 9; and Transport Policy 7).

In respect of Environment Policy No. 22, which stated that *'development will not be permitted where it would unacceptably harm the environment and / or the amenity of nearby properties in terms of vibration, odour, noise, or light pollution'*, it was noted that a previous application (related to this current application) had been refused due to Environmental Health's concerns about noise generation in a public house below a residential flat. The applicant had indicated that these concerns could be addressed by improving the acoustic performance of the ceiling / floor between the unit and the flat above. It was also noted that there would now no longer be an internal link between the unit and the existing adjacent public house (as contained within the previous, refused, application), however, it was suggested that it would be beneficial to obtain the views of a relevant Environmental Health Officer as to whether the previous concerns had been addressed in this new application.

Members also discussed the conditions of the lease. It was noted that approval for change of use of the property from retail to wine bar and off-licence would be required and, currently the lease was quite clear in prohibiting use as an off-licence.

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

(ii) That no objection be raised to this application subject to -

- The tenant being advised that its action in submitting a planning application without prior notification to the Council, as landlord, had placed the Council in a difficult position,
- The tenant formally seeking permission from the Council to lift the restriction prohibiting the premises being used as an off-licence,
- A satisfactory response being received from Environmental Health regarding the proposed acoustic improvements to the floor separating the shop unit from the residential flats above.”

#### **A10. Local Government (Members’ Attendance Allowances) Order 2013**

The Committee considered a written report by the Assistant Town Clerk in relation to a letter from the Local Government Unit at the Department of Infrastructure, seeking comments on the effectiveness of the Local Government (Members’ Attendance Allowances) Order 2013.

Members recalled that the implementation of the Order had followed a period of consultation, however, it had not totally reflected the diverse views of all local authorities, and it was only after the Order had been signed, that local authorities became aware of some of the ramifications.

Previously, Members’ Attendance Allowances had been based on a simple formula of payment per four-hour session. The new Order had been based on an hourly rate, with a maximum payment of four hours in any session (sessions being from 8.00am to 1.00pm, or from 1.00pm to 6.00pm, with a lower rate being applied outside these hours). The Council had accepted that the Order would be implemented and, to make it workable for the Council’s circumstances, the opportunity had been taken to revise the list of ‘Approved Duties’ within the Constitution to include some preparation time for meetings.

It was noted that the then-Minister for the Department of Infrastructure had stated that the operation of the Order should be reviewed at the end of 2014, to identify any difficulties or proposals for change.

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

(ii) That the Department of Infrastructure be advised that the Council supported the changing of the Members’ Attendance Allowances Order to provide for a uniform, four-hour payment, whatever the length of meeting, in order to recompense Members for time spent in preparation; and

(iii) That the Council reiterated its support for -

- Additional allowances for Members such as Committee Chairs, who had additional responsibility,
- Removal of any limit to the amount paid in allowances in any year,
- Allowances being made equivalent to those of non-Tynwald Members of Boards.”

#### **A11. Consultation Document – Proposed Permitted Development Order for Temporary Use or Development of Land**

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

Members were advised that it was proposed to introduce an Order removing the requirement for planning permission for temporary structures in certain cases, where the use was short-term, as follows -

- Class A: to enable the installation of temporary structures in association with construction or development works;
- Class B: to enable temporary use for car-boot sales, fetes, shows, and motor-racing;
- Class C: to specifically provide for use associated with the T.T., Manx Grand Prix, Festival of Motorcycling, and Classic T.T.;
- Class D: to provide for development necessary for safety of the T.T., Manx Grand Prix, Festival of Motorcycling, and Classic T.T.;
- Class E: specific to use associated with motorcycle and sidecar racing on the Billown Circuit at Castletown;
- Class F: to provide for development necessary for safety of motorcycle and sidecar racing on the Billown Circuit.



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

- (ii) That the Department of Infrastructure be advised that the Council supported the proposals as introducing a measure of planning control of temporary developments where, at present, they were simply ignored;
- (iii) That in relation to the proposed Class C permitted developments, it be recommended that additional conditions be attached to protect local residents - specifically, that the developer should be required to notify the Department in advance and to consult with the local authority, the highway authority, and the police;
- (iv) That, again, in relation to Class C, clarity be required as to who would make the judgement as to whether the conditions had been met; and
- (v) That no comment be offered in relation to the proposed Classes E and F permitted developments, as they were out-with the Council’s remit, but that otherwise the general and specific conditions attached to each class of permitted development be supported.”

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

The Committee considered a written report by the Borough Treasurer setting out details of progress made compared to key performance indicators in relation to 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.

Members were advised that the Whitley Council had agreed a pay award for manual workers with effect from 1<sup>st</sup> April 2014, the key element of which was a 25 pence increase in the hourly rates of pay. The approximate cost to the Council in 2014 / 2015 was noted.

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

#### A13. **Amendment of Rates Demands to Identify Refuse Charges**

The Committee considered a written report by the Borough Treasurer following a previous request by Members that the feasibility of separately showing waste charges on Rates Demands be investigated.

Due to the waste levy imposed by Central Government, the amount of waste charges to be borne by the ratepayer had and would continue to increase. It was noted that some other local authorities on the Island had a separate rate for refuse, with some splitting it between a refuse rate in the pound (with a fixed charge per property), while others simply had a fixed charge.

Members were advised that to input a refuse rate onto the rates demands would require substantial software alterations within the Rates system. Additionally, to show the cost of a service in the make-up of the rate charge was not considered desirable, as the rate was a local tax not a re-charge for services.

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

- (ii) That the following wording be included in future rates demands highlighted in bold lettering -  
*‘The Rate charged includes a proportion of the increased waste charges as advised by the Isle of Man Government. For 2015 / 2016, this is £xxx per tonne. The average annual tonnage per household is xxx. To minimise waste charges, please ensure that you recycle’; and*
- (iii) That a similar message regarding waste charges and recycling also be included in the Annual Community Newsletter.”

#### A14. **Vehicle Replacement – Small Van**

The Committee considered a written report by the Transport and Plant Manager seeking approval for the replacement of a small van operating within the Housing Maintenance Section.

Members were advised of the age, mileage covered, and the mechanical reasons for replacement in respect of vehicle GMN 180K.

It was noted that an evaluation of electric vehicles had been undertaken, however, it had been concluded that these were not a viable alternative because of the high initial purchase cost and a lack of warrantable and standard maintenance support on the Island.

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

- (ii) That approval be given for the procurement of a Nissan NV200 Visia vehicle, via the Department of Infrastructure’s procurement process, to be funded from the Plant Renewals Fund; and
- (iii) That approval be given for the disposal of GMN 180K via the auction method.”

**A15. Isle of Man Municipal Association – Minutes of Meetings**

The Committee had been circulated with the minutes of the Isle of Man Municipal Association meeting held on Thursday 30<sup>th</sup> October 2014. It was noted that the minutes of these meetings would continue to come before the Committee as a regular item for approval.

Resolved, “That particulars of the minutes of the Isle of Man Municipal Association be noted and approved.”

**A16. 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.”

**A17. Date of Next Meeting**

The Committee noted that the next scheduled meeting of the Committee was to be held at 10.00am on Friday 19<sup>th</sup> December 2014.

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

**PART B –**

***Matters subject to Council approval***

**B18. Constitution Changes – Revised Procurement Procedures to Invoke the Use of Electronic Methods**

The Head of ICT was in attendance for this meeting, and gave a presentation to Members.

The Committee also considered a written report by the Borough Engineer & Surveyor on proposals to approve and adopt a fully-electronic procurement process, with the provision to use printed media for off-Island procurement in exceptional circumstances.

Members recalled that, at a meeting held on 25<sup>th</sup> October 2013, the Borough Engineer & Surveyor had been authorised to investigate the potential for the Council to move towards an all-electronic method of procurement for goods and services, in particular, the procurement of tenders and contracts. Details of the specific Standing Orders which related to the procurement of tenders and contracts were set out in the report, and it was noted that there had clearly been progress made to facilitate the introduction of electronic procurement, but in conjunction with the traditional method of advertising using printed media, both on- and off-Island.

There was, however, no provision for an electronic method of submitting tenders and, to move to a fully-electronic procurement process would therefore require secure ICT processes to produce the same outcome as required by the submission of tenders as detailed in Standing Orders 136 to 138 inclusive. Additionally, the requirements of Standing Order 139 would still need to be met.

The Head of ICT had offered the solution of an ‘Electronic Procurement Vault’ for tender submissions. This was a system that would allow tenders to be submitted electronically to a secure area, and which could only be accessed by those officers involved in a particular procurement process.

Additional functionality would be available for contractors (or any member of the public interested) to sign up for notification alerts on the Website. It was further proposed that any Website advertisement would also be supported via the Council’s social media channels (Facebook, Twitter, and LinkedIn).

Members were advised that, in order to achieve the proposed timescale for the design and implementation of the systems required to provide the Electronic Procurement Vault, it would be necessary to procure external assistance on the design and provision of what was known as the ‘Front End Portal’ of the proposed system. A budget would be required for this, but this cost would then clearly be off-set by the reduced expenditure on newspaper advertising.

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

(ii) That it be recommended to Council that an integrated electronic procurement process, based on the proposed Electronic Procurement Vault System, be adopted and implemented;

(iii) That Standing Orders be amended to read as follows -

Standing Order 129:

***‘Methods of inviting tenders and quotations***

*Tenders or quotations for contracts shall be obtained by one of the methods indicated as follows:-*

- (1) *Estimated cost in excess of £80,000 for schemes funded by capital, and £45,000 for revenue funded schemes, supplies and services: - by a minimum of ten days' notice on the Procurement Section of the Council's Website. This Standing Order shall not preclude it being advertised in addition in an off-Island newspaper or trade journal if deemed necessary by the appropriate Chief Officer. Such advertisement shall be by minimum ten days' notice in such newspaper and trade journals as the appropriate Chief Officer may consider necessary. The use of any trade journal's electronic procurement methods to be preferred to a printed notice.*
- (2) *Estimated cost between £17,000 and £80,000 for schemes funded by capital, and between £17,000 and £45,000 for revenue funded schemes, supplies and services: - by the appropriate Chief Officer inviting tenders electronically from all appropriate persons included in the Council's list of approved Contractors or from the persons included in a list of applicants invited in relation to any particular contract. The invitation to apply for inclusion in any such list shall be advertised in accordance with Standing Order 135.*
- (3) *Estimated cost between £4,000 and £17,000: - by the appropriate Chief Officer electronically inviting written quotations from suitable contractors. In employing any of the above methods, the Chief Officer shall endeavour to obtain at least three valid competitive prices for comparative purposes.*

*When considering whether any of the value thresholds apply, it should be the value of the whole scheme that matters regardless of the fact that it may be broken down to a number of individual elements. Where a number of elements of work can be awarded collectively, the estimated cost of the total should be considered, not the estimated cost per unit. A 'scheme' is a systematic arrangement, where there is strong linkage between the elements of work and they can be quoted for collectively because the details of what is required can be specified in advance, although in exceptional circumstances the appropriate Chief Officer's discretion should apply.';*

Standing Order 135:

***'Advertisement for Select Lists***

*Where because of the nature and significance of any contract it is deemed necessary to formulate a specific Select List of Contractors for that contract, the invitation to apply for inclusion on such list shall be advertised to Contractors through the Procurement Section of the Council's Website. This Standing Order shall not preclude it being advertised in addition in an off-Island newspaper or trade journal if deemed necessary by the appropriate Chief Officer. Such advertisement shall be by minimum of ten days' notice in such newspaper and trade journals as the appropriate Chief Officer may consider necessary. The use of any trade journal's electronic procurement methods to be preferred to a printed notice. The provisions of Standing Orders 136 to 138 inclusive shall apply to such applications as they do to tenders.';*

- (iv) That it be recommended to Council that the proposed changes to Standing Orders 129 and 135 be approved and adopted under the provisions of Standing Order 106;
- (v) That approval be given for funding of £4,000 from the ICT Budget for technical support in the design and provision of the Front End Portal of the proposed Electronic Procurement Vault;
- (vi) That the Council's approved Select List be reviewed under the terms of Standing Order 134 and updated accordingly by no later than 31<sup>st</sup> March 2015;
- (vii) That it be further recommended that appropriate final advertisements be placed in local newspapers in January 2015 to inform of the Council's intention to update fully its List of Approved Contractors, and to migrate to an electronic system of procurement for Tenders and Contracts, with this being fully in place by 31<sup>st</sup> March 2015; and
- (viii) That an increase to the present fee be considered by officers."

The Committee rose at 4.15pm.

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

# PENSIONS COMMITTEE

PENSIONS COMMITTEE – Minutes of Meeting held on Wednesday, 26<sup>th</sup> November, 2014.

Members Present: Mr Councillor J. Joughin, (Chairman), the Mayor, Messrs Councillors D.J. Ashford, C.L.H. Cain, R.H. McNicholl, Councillor Ms K. Angela, Mr A. Thomas (Independent Member).

In Attendance: Mr Mark Freeman (Scheme's Investment Advisor) – Hymans Robertson, Mr David Chatel, BlackRock – agenda item A5, Mr Simon Betteley, BlackRock (by telephone) – agenda item A5, Mr Chris Bell, Capital International – agenda item A7, Borough Treasurer, Assistant Chief Officer (Finance), Assistant Democratic Services Officer.

## REPORT

### **PART A –**

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

##### **A1. Minutes – 22<sup>nd</sup> October, 2014**

The minutes of the meeting held Wednesday, 22<sup>nd</sup> October, 2014, were approved and signed.

##### **A2. Training – Liability Driven Investment Training**

The Committee received a training presentation by Hymans Robertson on liability driven investment (LDI).

Members were presented with a graph of projected benefit payments, in answer to question Mr Freeman confirmed the graph was based on current employees and new members would extend the graph to the right. It was agreed Mr Freeman would report back to the Committee the cost to produce a summary of the demographic age and liabilities of Members. It was identified that Capita could provide the age of members but not the associated liabilities.

LDI is based on assets being invested to match liabilities in order to remove the inflation risk, the interest rate risk and ultimately the mortality risk through a longevity hedge.

Mr Freeman explained the interest rate risk to the funding level, the Scheme's deficit being a function of changes in interest rates on liabilities and changes in equity values on assets. The equity volatility is greater than that of interest rates, but the liabilities are bigger than the equity assets, therefore changes in interest rates can have a larger impact than equities.

Mr Freeman explained the potential outcome of removing the interest rate and inflation risk and the impact of investing 100% gilts. Members were presented with a cash flow comparison of liabilities matching with gilts, gilt payments can be similar to pension cash flows and potentially offer a reasonable match; however gilts are shorter in duration, and create an unwanted cash flow when they repay proceeds.

Mr Freeman went on to explain that the gaps between pension payments and gilts cash flows could be filled by swapping cash flows.

Members were presented with a diagram explaining when it was important to hedge, the diagram presented examples of schemes with different equity allocations and the impact of LDI investing.

Mr Freeman recommended not considering LDI at present as the Scheme's key risk is having a high allocation to equities. The fund is invested in equities because outperformance from assets is being assumed to help meet the funding deficit, otherwise higher contributions will be required.

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

##### **A3. Review of Investment Manager's Performance**

The Committee considered a report by Hymans Robertson reviewing the Investment Managers' performance for the third quarter of 2014.

Mr Freeman began by providing the historic returns for World Markets during the quarter and highlighting the key events.

Mr Freeman summarised the portfolio by asset class, actual proportion and target proportion. The receipt of a £0.5m cash transfer to Capital International during the period had increased the asset value.

Mr Freeman reported a modest outperformance during the period gross of fees and provided an individual performance summary for both managers.

Members were advised that BlackRock fund outperformed by 0.2% over the quarter, resulting in an absolute return of 2.2%. The BlackRock fund is now ahead of benchmark over both the preceding 12 months and 3 years, but remains behind over 5 years.

The report confirmed Hymans Robertson continue to support BlackRock for their Corporate Bond and Property portfolios however they still feel there are better alternatives for managing UK equity, overseas equity and gilts. (These are the asset classes that are being moved to new fund managers.)

Members were presented with the BlackRock performance attribution for the quarter; the primary drivers for the relative performance over the quarter were sub asset allocation decisions within asset classes and stock selection decisions also made a positive contribution. Broad asset allocation decisions, European equities and commodities detracted from performance.

Mr Freeman suggested that the Committee query the increased level of cash held by BlackRock during the quarter, what has changed and when they intend to invest the cash holding.

Mr Freeman reminded the Committee that the portfolio was managed on a care and maintain basis from 23<sup>rd</sup> July to 17<sup>th</sup> September, 2014, during which time there was no active portfolio management, other than within the pooled funds.

Members were advised that Capital International fund lagged the LIBOR +3% performance target by 0.8% over the quarter, delivering an absolute return of 0.1%. Despite this the fund remains comfortably ahead of performance target over the past year and since inception.

A Member queried the 3.6% Capital International cash holding, Mr Freeman assured the Committee that 3.6% is a relatively low amount of cash for an absolute return fund to hold with funds sometimes shifting to as much as 25% cash when market expectations are particularly poor.

Mr Freeman went on to provide a summary of the benchmark and control ranges. The presentation finished with a definition of geometric vs arithmetic performance calculations.

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

#### **A4. Capital Market Service**

The Committee considered a presentation by Mr Freeman on the quarter three 2014 market update.

A series of graphs were presented to Members demonstrating market returns, global equity performance relative to gilts and property, purchasing managers index manufacturing indicators, Organisation for Economic Co-operation and Development composite leading indicators, CPI inflation, 10-year government nominal bond yields, US equity earnings, European equity earnings and investment property databank monthly index.

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

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

Mr David Chatel joined the meeting at 12.25pm to present a report on the BlackRock's performance for quarter three of 2014. Mr Betteley was unable to attend the meeting and presented the third quarter presentation via conference call.

Mr Betteley began by providing a breakdown of overall performance which outperformed the benchmark by 0.2% during the third quarter.

Mr Betteley went on to discuss in detail UK Equity performance during the quarter, confirming the contributors and detractors, he advised that not holding some shares attributed to a positive performance during the period. Members were advised of UK equity transactions during the quarter.

Overseas equity underperformed by 0.3% during quarter 3. Mr Betteley advised what did and did not work well during the period and gave a brief overview of trades during the period.

Mr Betteley advised that fixed income underperformed against its benchmark during the quarter. The performance was driven by an underweight duration allocation in August which underperformed as gilts rallied. Mr Betteley commented on BlackRock's position with interest rates and credit.

The Property fund outperformed (gross of fees) by 0.1% during quarter 3. Mr Betteley provided Members with a sector spread, a cash flow analysis and 2014 acquisitions year to date.

In response to query about the materially lower number of unitholders at the end of the quarter compared with the start, Mr Betteley confirmed that this was due to the fact that unitholders that had previously owned both REEF and BlackRock units were now being treated as single unitholders.

Mr Betteley highlighted the increase in income distribution over the last 12 months.

Mr Betteley finished with a market outlook.

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

Mr David Chatel and Mr Simon Betteley were thanked for their time and Mr Chatel left the meeting.

#### **A6. Adjournment and Resumption**

The meeting adjourned at 1.07pm and resumed at 2.00pm.

#### **A7. Investment Manager Presentation – Capital International**

Mr Bell of Capital International joined the meeting to present the third quarter of 2014 investment review.

Capital International lagged the LIBOR +3% performance by 0.8% during the quarter. Mr Bell provided an insight into key economic and market themes for the quarter. Members were presented with charts demonstrating the UK employment rate, industrial production and home prices. Generally the UK was viewed to be in good shape, Mr Bell went on to discuss the European economy which he did not consider as positive. Members were presented with market charts demonstrating European inflation, Real GDP and Eurozone bank lending, all charts demonstrated uncomfortable patterns.

Mr Bell went on to provide portfolio strategy thoughts for quarter three and quarter four of 2014. This was followed by details of the current asset allocation and recent activity. Members were informed that the fund had made some recent purchases, which had reduced the cash holding from 3.6% at the end of Q3 to the currently holding of less than ½%.

Mr Bell finished by discussing economic and market thoughts.

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

Mr Bell was thanked for his attendance and left the meeting.

#### **A8. Consideration of Internal Governance Review**

The Committee considered a report by the Borough Treasurer, following a request from the Committee, to consider an Internal Governance Review.

In May 2012 the Borough Treasurer reported on an approach to fulfil the Best Practice arrangements set out in the document on the Douglas Borough Council (DBC) 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.”

The response to this is “The Committee assesses the quality of the advice which it receives from its investment advisor and other service providers. The Committee uses a ‘Traffic Light’ approach assigning a ‘RAG’ (Red, Amber or Green) rating to each major activity.”

The Borough Treasurer reported at a previous meeting that it is becoming increasingly difficult to resource the work involved to handle the traffic light approach. He also believed that a fresh approach was needed to produce results that can be used for improvement and development. A Governance Review was therefore recommended.

The Committee resolved to commission a review and subsequently Hymans Robertson offered to undertake the review for a fee, this offer was declined as the Committee was keen for the review to be undertaken by an independent organisation.

Tenders were invited twice by advertisement and a lot of organisations expressed interest. Of the tenders received the lowest was £20,000 and this was considered a large amount of money by the Committee and it was agreed to defer the report by one year and consider an internal review.

The Borough Treasurer advised that he does not have the resources to carry out the work involved and opined that it would be appropriate for an independent organisation to carry out the review.

As it is now five years since the last review the Borough Treasurer reported on the governance activities since August 2009 and it was agreed that this was recorded in summary on the minutes and in the Best practice document on the website. This would ensure that the scheme members and employers can see the governance work completed.

#### Governance activities undertaken since August 2009

##### **Quarterly activity**

Training for the Committee in relation to investment or Administration topics

##### **Annual activity**

Election of Vice Chair

Review and update to the Statement of Investment Principles

Review and approval of Annual Report and Accounts

Review of Investment Manager Performance

Plan Activities for the year ahead

Review of the Adherence to Best Practice document

Review and update of the risk register relating to the Isle of Man Local Government Superannuation Scheme

Review of the Corporate Plan action plan for Pensions Committee

Approval of the Revenue Estimates

**Bi-annually activity**

Council as Administering Authority elect Chair and consider membership of the Pensions Committee

Council Appoint Independent Member to serve on the Pensions Committee

**Three yearly activity**

Actuarial valuation of the Fund, including the stabilisation approach be taken and the contribution rate to apply

Update to the Funding Strategy Statement

Asset / Liability Modelling for the triennial Valuation

Review of the Contribution Strategy

**Periodic activity**

Review of Benchmarks

Review of the Investment Structure

Appointment of Person for Internal Dispute Resolution Procedure

Revision of Discretionary Investment Management Agreements

Review of the policies set by the Committee

Appointment of Person for stage 2 of Internal Dispute Resolution Procedure

Implementation of Superannuation regulations including improved governance requirements

Adoption of investment beliefs

Approval of the Independent Registered Medical Practitioner for the Scheme

Selection of Index Tracking, absolute return and active fund Managers

Review of best practice.

The Borough Treasurer requested authority to enquire if the Public Sector Pensions Authority would be prepared to carry out a governance review and an estimate of the charge they would make.

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

- (i) The activities related to Governance of the Isle of Man Local Government Superannuation Scheme since August 2009 be recorded in the Best practice document on the website; and
- (ii) The Borough Treasurer be authorised to ask the Public Sector Pensions Authority whether they would be prepared to conduct an independent review of the governance arrangements of the Isle of Man Local Government Superannuation Scheme, and to provide an estimate of the cost."

**A9. Update on Scheme Actuarial Guidance**

The Committee considered a report by the Borough Treasurer to review progress with Scheme Actuarial Guidance.

Members were reminded that following the introduction of the latest Regulations in 2012 it became clear that there was a problem with the definition of the term "Scheme Actuary". A letter was received from the Department of Infrastructure (the Department) setting out their intention to allow a Scheme Actuary to be appointed by Douglas Borough Council. As no Scheme Actuarial work had been done for nine months and in order to progress with urgent cases, it was agreed that "The Scheme Actuary" means the Actuary appointed by the Administering Authority to provide a consulting service on actuarial matters relevant to the Scheme, the reasonable and proper costs of the Scheme Actuary being payable out of the fund for the Scheme."

During 2013 the number of cases built up further. The Borough Treasurer advised the receipt of the guidance for early payment of pension, purchase of additional pension and additional cash commutation had resolved 52 cases. Some cases are more complicated and requires further legal advice to obtain guidance.

The report requested approval for further guidance to be obtained for Trivial Commutation (1 current case): £4,000 and Late Retirement (8 current cases): £5,000. Dealing with these cases would only leave outstanding transfer cases. Members were advised that more work needs to be undertaken with Capita and the Government Actuary Department to be able to report to Committee on the relevant guidance for transfers.

In response to query, the Borough Treasurer advised that the Scheme Actuary guidance includes a booklet with information and example scenarios.

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

- (i) The Scheme Actuarial work completed to date in relation to Early Payment of Pension, Purchase of Additional Pension and Additional Cash Commutation be noted;

- (ii) Further guidance be obtained for Trivial Commutation estimated £4,000 and Late Retirement estimated £5,000 to be paid for out of the budget to implement the new Regulations.”

**A10. 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. The items agreed in the plan of activities will be added to the schedule of future reports.

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

***PART B –***

***Matters requiring Executive Committee approval***

**B11. Plan of Activities**

The Committee considered a plan of administration and investment activities, including training to assist with the efficient and timely review of relevant issues over the coming year.

The Committee discussed the date of the ‘summer’ meeting. The date had previously been brought forward to the end of July in order that the Committee could approve the Annual Report and Accounts for audit; however, through a change in regulations this has now been delegated to the Borough Treasurer as responsible Financial Officer, so other dates for the meeting had been considered. The fund managers have previously had difficulties reporting the 2<sup>nd</sup> Quarter results in time to circulate the reports prior to the July meeting.

At the November 2013 meeting it was agreed that meeting in August or September will ensure that information is available from the managers and consultant reporting to Committee. In discussion, it was agreed that it would be better to avoid meeting in August and the meeting was subsequently moved to the Wednesday of the second week of September. The second Wednesday of the month would usually be a Council meeting, but in September the full Council does not meet.

The Borough Treasurer advised that a permanent change to the meeting day would require Executive Committee approval to amend Standing Order 90 – Meetings of Committees.

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

- (i) The plan be adopted for both investments and administration Committee meetings;
- (ii) The Executive Committee be recommended to amend Standing Order 90 to read that the Pensions Committee will meet the second Wednesday after the monthly Council meeting in February, March, May, October and November at 11.00am and the second Wednesday of the month in September at 11.00am; and
- (iii) The minute, as contained in (ii) above, be referred to the Executive Committee for approval.”

***PART C –***

***Matters requiring Council approval***

There were no matters requiring Council approval.

The Committee rose at 3.48pm.



VI(iv) – The Proceedings of the EASTERN DISTRICT CIVIC AMENITY SITE JOINT COMMITTEE as follows:

# EASTERN DISTRICT CIVIC AMENITY SITE JOINT COMMITTEE

EASTERN DISTRICT CIVIC AMENITY SITE JOINT COMMITTEE – Minutes of Meeting held on Monday, 20<sup>th</sup> October, 2014.

Members Present: For Douglas Borough Council – Mr Councillor W.M. Malarkey (Chair), Mr I.J.G. Clague (Borough Engineer & Surveyor), For Onchan District Commissioners – Mr D. Crellin (Member), Mr P.M. Hulme (Chief Executive/Clerk), For Braddan Parish Commissioners – Mr A. Jessopp (Member), Mr J.C. Whiteway (Clerk), For Lonan Parish Commissioners – Mr N. Dobson (Member), For Santon Parish Commissioners – Mr N. Kelly (Member).

In Attendance: Secretary – Mr P.E. Cowin, Department of Infrastructure Representatives – Mr J. Quayle, Ms S. Gray, Contractor’s Representative – Mr S.A. Crook (3.55pm to 4.40pm).

## REPORT

### **PART A –**

#### ***Matters within the scope of the Joint Committee’s Delegated Authority***

##### **A1. Minutes – 4<sup>th</sup> August, 2014**

The minutes of meeting held on Monday, 4<sup>th</sup> August, 2014 were noted and approved for signature subject to amendment at Clause A9 to delete “fridges and freezers” and replace with “tv sets and pc monitors”.

##### **A2. Matters Arising from the Minutes – Cl. A5 – WEEE Goods**

Ms Gray advised that she had checked again on whether there might be a possibility of claiming from the fund set up by manufacturers for the disposal of WEEE goods under EU Regulations. The provisions did not apply to the Isle of Man so it was not feasible though she would continue to monitor the situation.

She added the observation that as the regulations did not apply to the Island, there was no compulsion to separate such items from the main refuse stream, although obviously it was best practice and had been adopted as such by the Joint Committee.

##### **A3. Matters Arising from the Minutes – Cl. A10 – Joint Meetings of Civic Amenity Site Authorities**

The Chairman asked the position in relation to meetings of all four authorities operating Civic Amenity Sites, which had been in abeyance due to the vacancy in the Administrator’s post at the Southern site. Mr Quayle advised that the Clerk to Port St. Mary Commissioners was now filling that post and so the meetings could resume. He undertook to arrange the next meeting as soon as practicable.

##### **A4. Automatic Number Plate Recognition System**

The Chairman stated that the proposed installation of automatic number plate recognition at the Site had been going on for two years and had not progressed. The major issue was whether the use of such a system would be lawful and that was being pursued by the Legal Adviser, who was currently awaiting written advice from the Attorney General.

Members were reminded that the original scheme had been to extend the system installed at the Northern Site to all four Sites, to provide comprehensive coverage, and for the Department to subsidise the cost so that each authority would pay only £2,000.

Mr Quayle advised that the cost of the installation had been found to be greater than anticipated, at approximately £8,000 for each Site, and Ms Gray stated that as the Southern and Western Sites had indicated they did not wish to proceed, all-Island coverage was not feasible. In the light of that and Government spending restrictions, the Department had withdrawn funding.

The Chairman felt that even at £8,000 the cost would be recouped in deterring abuse of the Site. However he referred also to recent correspondence from the Minister for the Department of Infrastructure raising some questions as to future funding, particularly incinerator gate fees. He felt it may be imprudent to undertake too much spending until the outcome was known, and the Joint Committee supported that view.

It was generally agreed that the system might be worthwhile installing, but only once it had been established that funding could be available and that it was lawful. In the meantime the height barrier would remain as a deterrent to commercial users and the staff on Site would continue to monitor users.

**It was agreed:** That consideration of the installation of ANPR be deferred until legal advice on its legality has been received and a funding source identified.

*Mr Crook joined the meeting at 3.55pm.*

#### A5. **Site Infrastructure – Replacement of Skips**

Mr Crook confirmed that, as mentioned at the last meeting, four of the skips on the Site were in poor condition and needed to be replaced. A budget estimate of £3,500 per skip plus carriage charges had been obtained but no order had yet been placed. There was discussion of the funding with the Chairman suggesting that the income from scrap metal could be applied.

Mr Clague advised that competitive quotations would be required under Standing Orders.

**It was agreed:** That competitive quotations be sought for the replacement of four skips and considered at the next meeting of the Joint Committee.

#### A6. **Policy – Acceptance of Electrical Goods in Re-Use area**

Mr Crook advised that an increasing number of TV sets and PC monitors were being placed in the re-use area, possibly in some cases to avoid paying the disposal charge, and asked for guidance on whether electrical goods should be accepted.

Members recognised that there were inherent dangers in allowing electrical items to be taken for re-use, but also that in some cases, for example low-voltage equipment, the danger was much less.

Mr Clague undertook to liaise with Mr Crook in drafting a policy on the acceptance of electrical items for approval by the Joint Committee.

**It was agreed:** That a policy be drafted for approval by the Joint Committee at the earliest opportunity, and that in the meantime, TV sets and PC monitors be not accepted into the re-use area.

#### A7. **Site Layout**

The Chairman raised an issue related to the design of the Site, in that users reached the Re-use area only after passing the disposal skips; he suggested that more items might be re-used if the layout were changed to reverse the traffic flow.

Ms Gray felt it might cause confusion and that traffic would be crossing near the entrance if the flow was reversed. She pointed out also that a number of recycling facilities were sited immediately inside the gate so they were approached before users went to the main skips.

**It was agreed:** That the layout of the Site be reviewed to establish if any improvement is feasible, and that in the meantime the cardboard skip be relocated to a point between the gate and the waste skips.

#### A8. **Operational Statistics**

The Secretary circulated copies of the operational statistics for the Site from April to August 2014. Members expressed disappointment that the figures had not been available earlier, or circulated monthly to all Members as they had asked at the last meeting. Mr Clague explained that due to Officers' leave and illness the implementation had been delayed but would be done.

Mr Crook confirmed also that comparative figures for past years would be included in future with the monthly returns.

#### A9. **Operational Issues**

Mr Crook advised that no significant issues had arisen on the Site since the last meeting. The Chairman referred to a telephone call he had received in relation to a user being barred from the Site; Mr Crook stated that no such incident had been reported and undertook to investigate.

Ms Gray asked if the reporting system at the Site included near-misses and RIDDOR events, and Mr Crook confirmed that was the case.

It was suggested that a policy be introduced setting out the procedures to be followed in case of users abusing the facilities and conduct towards staff, and setting out what sanctions should apply. It was felt that it would be a useful tool for staff on the Site and enable a consistent approach. Mr Clague undertook to draft a policy for consideration, in collaboration with Mr Crook.

**It was agreed:** That a draft policy for dealing with abusive behaviour and conduct be considered at the next meeting.

**A10. User Satisfaction Survey**

The Chairman referred to a User Satisfaction Survey carried out by a STEP Student covering all four Civic Amenity Sites. It had not been circulated to all Members so he asked for that to be done, ready for consideration at the next meeting.

**It was agreed:** That the report be considered at the next meeting.

**A11. Date and Time of Next Meeting**

**It was agreed:** That the next meeting take place at 3.30pm on Monday, 24<sup>th</sup> November, at Douglas Town Hall.

*Mr Crook left the meeting at 4.40pm.*

**A12. Operational Contract**

A draft contract document had been circulated as the basis for a specification for seeking tenders for the operation of the Site from 1<sup>st</sup> April, 2015. It had been produced following a meeting between Mr Dobson and Officers and finalised by the legal adviser.

The Chairman referred again to public comments made by the Minister for the Department of Infrastructure in relation to Government passing responsibility and costs for services to local authorities, with particular reference to the cost of waste disposal. There was general discussion centred on whether it was appropriate at the present time, in the light of that uncertainty, to invite tenders.

Members asked for legal advice to be sought as to whether the Joint Committee had authority to extend the current contract to allow time for the ramifications for the authorities of the Minister's plans to be assessed.

On consideration of the document itself, Members queried the reason for income for recycling going to the Contractor, and it was explained that this was firstly to provide an incentive for the contractor to recycle as much material as possible, and secondly to avoid the administrative burden of checking prices, amounts and income. It was to be expected that tenderers would take the income into account when compiling their figures.

**It was agreed:** That legal advice be sought on the power to extend the existing contract, and if favourable that the current contract be renewed for one year; otherwise tenders to be sought on the basis of the document submitted.

*Mr Crellin and Mr Hulme left the meeting at 5.15pm, at which point it became inquorate and ended.*

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

# HOUSING AND PROPERTY COMMITTEE

HOUSING AND PROPERTY COMMITTEE – Minutes of Meeting held on Wednesday, 19<sup>th</sup> November, 2014.

Members Present: Mr Councillor D.J. Ashford (Chairman), the Mayor, Councillors Mesdames S.D.A. Hackman, C.E. Malarkey, Mr Councillor J.E. Skinner, Councillor Ms K. Angela.

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

## REPORT

### ***PART A –***

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

##### **A1. Minutes - 17<sup>th</sup> October, 2014**

The minutes of the meeting held Friday, 17<sup>th</sup> October, 2014 were approved and signed.

##### **A2. Housing Capital Projects Monitoring 2014/2015**

The Committee noted the quarterly monitoring schedule for housing capital projects 2014/2015.

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

The Committee noted the report on matters for future consideration.

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

### ***PART B -***

#### ***Matters to be decided by the Executive Committee***

There were no matters for Executive Committee approval.

### ***PART C –***

#### ***Matters requiring Council approval***

##### **C4. Upper Pulrose Outer Ring Refurbishments and Alterations**

The Committee considered a report on the refurbishment and modernisation programme to the properties in the Outer Ring of Upper Pulrose. The Council approved the business case for modernisation of all seventy-six houses in November 2012 and since then work has progressed in phases on fifty-four properties. The modernisation works involve refurbishment of the kitchens to create a dining area and moving the bathroom from downstairs to upstairs. When the works are complete each house has an improved layout, both downstairs and upstairs, but the number of bedrooms is reduced from three to two.

All of the seventy-six houses are in good structural condition, have central heating and have recently had new external doors fitted. When the programme was started it was agreed that the tenants’ agreement should be sought to the alterations, rather than the tenants being forced to accept the alterations. Part of the reasoning for this was that the programme progresses more smoothly when agreed rather than imposed. In response to query, it was confirmed that the scale of the works are such that tenants must completely move out of the properties for the work to be done.

The project has progressed well, but there are twenty-two houses which remain un-modernised because the tenants have refused to agree that the works be done.

The project is funded through the capital budget and the Department continues to support the project. If however, the remaining twenty-two properties are not modernised now, then the capital project will be closed and a note made on the final report.

As and when each property becomes vacant in the future, the Council could modernise it, but those works would be funded through the housing maintenance budget rather than through capital spending. The Assistant Chief Officer (Housing and Property) advised that Council housing officers do not wish to serve notice to force tenants to move out to accommodate the works, but funding arrangements are such that these works would place a heavy burden on the already stretched housing maintenance budget.

There was some discussion of the reasons tenants have given for refusing the alterations. These were varied, although in many instances it is not known exactly why tenants have refused. There was also discussion and speculation as to the difficulties and potential legal costs the Council may face in obtaining possession of the properties in order to carry out the work.

Resolved, "That the particulars of the report be noted on the minutes and approval given for provision within the capital programme for a final phase of work, and if necessary, that there be mandatory tenant decanting to refurbish the remaining twenty-two properties in the Upper Pulrose Outer Ring."

For: 4 – Against: 1

Mr Councillor D.J. Ashford asked that his name be recorded as voting against the resolution.

The meeting ended at 11.42am.

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

# REGENERATION AND COMMUNITY COMMITTEE

REGENERATION AND COMMUNITY COMMITTEE – Minutes of Meeting held on Tuesday, 18<sup>th</sup> November, 2014.

Members Present: Mr Councillor G.J. Faragher (Vice-Chairman), the Mayor, Councillor Mrs R. Chatel, Mr Councillor E.A. Joyce, Councillor Miss D.A.M. Pitts.

Apologies: Mr Councillor S.R. Pitts (Chairman).

In Attendance: Assistant Town Clerk, Assistant Chief Executive, Assistant Borough Engineer, Head of Parks, Senior Accountancy Officer, Assistant Democratic Services Officer.

## 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 G.J. Faragher, chair the meeting.

##### **A2. Minutes – 14<sup>th</sup> October 2014**

Minutes of the meeting held on Tuesday, 14<sup>th</sup> October, 2014, were approved and signed.

##### **A3. Matters Arising – Clause A4 – Ballymoney Invitation to Douglas Borough Council**

A Member reported that a recent visit to Ballymoney was a worthwhile experience and confirmed the Members that attended.

##### **A4. Items For Future Consideration**

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

The Vice-Chairman advised the Committee of a request received via a Council Officer, for a Manx boy, Finley Hesketh, to join the Mayor on stage at the 2014 Christmas Lights Ceremony and assist with the light switch on. Members supported the request and suggested in future years the Council should invite the public to suggest members of the community that could assist the Mayor with the switch-on of the lights. The Committee would consider the suggestions and select a member of the community to join the Mayor.

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

### **PART B -**

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

##### **B5. The Mike Hailwood Centre, Noble's Park**

The Committee considered a report by the Assistant Chief Executive, following a request from the Mike Hailwood Foundation, on the Mike Hailwood Centre at Noble's Park.

Representatives of the Mike Hailwood Foundation attended the Committee meeting in June 2014 to provide information on the work of the Foundation and seek initial views on a number of matters for clarification in respect of the licence. Members had in front of them a copy of the report considered at the June meeting.

The Committee previously resolved that in line with initial legal advice, the licence needed to be updated and that further legal advice would be sought on the matters raised by the Trustees.

Members were advised that the original agreement signed in 1983 comprised of a licence granting permission for the Mike Hailwood Foundation to construct and maintain a building to be used as the Mike Hailwood Rider's Centre in perpetuity. No licence fee has ever been paid for and the Foundation has maintained the building in good working order, recently carrying out a major refurbishment.

The report confirmed that since the June meeting of the Committee further legal had been sought and further meetings with representatives of the Foundation had taken place. It was proposed that a new licence should be put in place and the fundamental terms of the licence were listed in the report.

In previous letters the Foundation had requested permission to grant a sub-licence to Hopes and Dreams Limited to utilise the buildings as a Children's Day Care Centre during term time. The Foundation confirmed planning permission for this use was granted in 1994. The Foundation advised their intention to initially offer a short-term sub licence for one year with an option to extend this for a further three years. It was noted the income arising from this use would be retained by the Foundation for charitable purposes.

The Vice-Chairman requested information on all properties occupied in Noble's Park that required an updated lease agreement.

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

- (i) A revised licence agreement between the Council and the Mike Hailwood Foundation be put in place, updating the original 1983 licence, and incorporating the terms contained in the report;
- (ii) The request from the Mike Hailwood Foundation, to allow the Mike Hailwood Foundation to be used as an After School Children's Day Care Centre for Hopes and Dreams Limited, in term time and excluding TT and Festival of Motorcycling periods, be agreed, subject to the Trustees ensuring compliance with all legal, planning, regulatory health and safety and insurance requirements."

***PART C -***

***Matters requiring Council approval***

There were no matters requiring Council approval.

The meeting ended at 11.34am.

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

# ENVIRONMENTAL SERVICES COMMITTEE

ENVIRONMENTAL SERVICES COMMITTEE – Minutes of Meeting held on Monday, 17<sup>th</sup> November, 2014.

Members Present: Mr Councillor R.H. McNicholl (Chairman), the Mayor, Councillor Mrs C.A. Corlett, Messrs Councillors C.L.H. Cain (from 10.30am), W.M. Malarkey, Councillor Mrs E.C. Quirk.

In Attendance: Assistant Town Clerk, Assistant Borough Engineer, Building Control Manager, Senior Accountancy Officer, Democratic Services Officer, Borough Warden Manager (for item C8 only), Senior Engineering and Waste Services Manager.

## REPORT

### **PART A –**

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

##### **A1. Minutes – 13<sup>th</sup> October, 2014**

The minutes of the regular meeting held Monday, 13<sup>th</sup> October, 2014 were approved and signed.

##### **A2. Nuisance Abatement Notice – The Nelson Hotel, 11 Mona Drive, Douglas**

The Committee considered a report on the external appearance of the Nelson Hotel, 11 Mona Drive, Douglas. Planning approval was granted for redevelopment of the property in 2012 and scaffolding was erected and building work started in 2013. Earlier this year building work appears to have been suspended. No timescale has been provided by the owner for resumption of work and the unsightly scaffolding remains in place. Photos of the property were circulated to the Committee.

Resolved, “That particulars of the report be noted on the minutes and approval given for service of a Notice under s24 of the Building Control Act 1991, requiring the owner to repaint the front and side wall elevations and remove the scaffolding after completion of the improvement works.”

##### **A3. Nuisance Abatement Notice – 9 Osborne Grove, Douglas**

The Committee considered a report on the external appearance of 9 Osborne Grove, Douglas. The front elevation of the property, including the boundary wall to the front garden, requires repainting. Photos of the property were circulated to the Committee.

Resolved, “That the report be noted on the minutes and approval be given for the service of a Notice under s24 of the Building Control Act 1991 on the owners of 9 Osborne Grove requiring repainting of the front elevation of the property including the boundary wall to the front garden.”

##### **A4. Unightly Properties**

The Committee considered the Schedule of unsightly properties being dealt with on behalf of the Council by the Building Control Section and by Environmental Health Officers. Members reviewed the schedule and discussed a number of specific and additional properties.

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

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

##### **A5. 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 to be decided by the Executive Committee***

##### **B6. Procurement of Additional Refuse Vehicle**

The Committee considered a report setting out proposals to increase the fleet of five refuse vehicles by the procurement of an additional refuse collection vehicle. The report set out five alternative methods of procuring an additional vehicle for the refuse collection service. These included purchase of a new vehicle, purchase of a second-hand vehicle, lease-purchase a new vehicle, lease-hire a new vehicle, and purchase of a vehicle re-manufactured by the original manufacturer. Bin lift and weighing facilities



would be required on any refuse vehicle and there were different costs incurred on each different procurement method.

The Senior Accountancy Officer advised the Committee that the additional refuse vehicle will incur annual running costs of approximately £40,000 which will need to be put forward as a growth item for the revenue budget.

Resolved, "That the report be noted on the minutes and approval be given for

- (i) Procurement of a remanufactured Dennis Elite refuse vehicle from Dennis Eagle; and
- (ii) Procurement of a new bin lift and weighing system from Terburg Matec UK; and
- (iii) That the report be referred to the Executive Committee for approval of the expenditure from the Plant Renewals Fund."

#### **B7. Second Additional Vehicle**

The Chairman raised an additional item and advised the Committee that on Friday, 14<sup>th</sup> November, 2014 he had opened two tenders for the supply of an additional 7.5 tonne RCV which would include bin lift, bin weigh and ID system. There had not been sufficient time between the tender opening and the Committee meeting for the tender submissions to be examined and evaluated by officers. He asked that Members agree to authorise the Chairman and Vice-Chairman to accept the lowest tender when the tender evaluations were complete as the matter will have to be referred to the Executive Committee for final approval.

The Senior Accountancy Officer advised the Committee that this additional refuse vehicle will incur additional annual running costs which will need to be put forward as a growth item for the revenue budget.

The item was not on the agenda and no written report or other papers were circulated to the Committee.

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

- (i) That the Chairman and Vice-Chairman be authorised to accept the lowest tender when the tender evaluations are complete; and
- (ii) That the matter be referred to the Executive Committee for approval of the expenditure from the Plant Renewals Fund."

#### ***PART C –***

##### ***Matters requiring Council approval***

#### **C8. Dogs on Douglas Beach and Changes to Byelaws**

The Borough Warden Manager joined the meeting for consideration of this item.

The Committee reconsidered a report on changes to byelaws to allow dogs onto a portion of Douglas Beach year-round. Attached to the report was a draft of the Douglas Dog Control Byelaws 2014 which, when implemented will replace the existing Byelaw. The Committee reviewed the draft Byelaw.

Members asked when a dog is 'at large'. Officers confirmed that a dog is at large when it is not under effective control. If it is off the lead, but comes when called and obeys commands then it is under effective control. If it does not, then it is 'at large'.

Members queried the procedure for approval of the new Byelaws; and were advised that these come into effect when approved by the Department. These will be laid before Tynwald by the Department, but they will not need Tynwald approval.

Resolved, "That the report be noted on the minutes and approval be given to the Byelaw, subject to amendment to section 2 (1) to show that "the Department" is the Department of Infrastructure."

The meeting ended at 1.30pm.