



Borough of Douglas

**COUNCILLOR MRS CAROL ELIZABETH MALARKEY, JP
MAYOR**

Town Hall,

Douglas,

6th December, 2013

Dear Sir or Madam,

You are hereby summoned to attend a MEETING OF THE COUNCIL to be held on WEDNESDAY, the 11th day of December, 2013, at 2.30 o'clock in the afternoon, in the COUNCIL CHAMBER within the TOWN HALL, DOUGLAS for the transaction of the hereinafter mentioned business.

I am,

Yours faithfully

Town Clerk & Chief Executive

Order of Agenda

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

II - Any statutory business.

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

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

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

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

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

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

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

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

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

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

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

AGENDA

III – Chief Executive to read minutes of the Council Meeting held on Wednesday, 13th November, 2013.

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

EXECUTIVE COMMITTEE

EXECUTIVE COMMITTEE – Minutes of Meeting held on Monday, 2nd December, 2013.

Members Present: Mr Councillor D W Christian (Chair), the Mayor, Mr Councillor D J Ashford, Mr Councillor E A Joyce, Mr Councillor R H McNicholl.

In Attendance: Chief Executive, Borough Treasurer, Assistant Borough Engineer, Assistant Town Clerk (from 10.00am to 11.05am), Assistant Chief Officer (Corporate & Development) (from 10.00am to 10.50am), Assistant Chief Officer (Housing & Property) (from 12.10pm to 12.30pm).

REPORT

PART A

Matters within the scope of the 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

Under the provisions of the Local Government Act 1985, Mr Councillor E A Joyce declared an interest in item A7, the minutes of the Housing and Property Advisory Committee (Clause A3 relating to Central Heating Extension), and item C23, the report on Douglas Town Hall Damp Issues.

A3. Minutes

The minutes of the meeting held on Friday 25th October 2013 were approved and signed.

A4. Matters Arising From Previous Minutes

There were no public matters arising from the previous minutes.

A5. Minutes and Referrals of the Environmental Services Advisory Committee

The Committee considered the public minutes of the Environmental Services Advisory Committee meeting held on Monday 18th November 2013. There were no items specifically referred to the Executive Committee.

Resolved, "That particulars of the public minutes of the Environmental Services Advisory Committee be noted."

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

The Committee considered the public minutes of the Regeneration and Community Advisory Committee meeting held on Tuesday 19th November 2013, including the below items specifically referred to the Executive Committee:

Clause B10 - Purchase of a Wide Area Roller Mower: the Advisory Committee had resolved to purchase a Major TDR 1600 trailed roller mower at a cost of £20,400 plus VAT, and sought approval for funding from the Repairs and Renewals Fund.

Clause B11 – Commemoration of Archibald Knox (Archibald Knox Garden, Athol Street, Douglas): the Advisory Committee had considered proposals to commemorate the 150th anniversary of the birth of Archibald Knox and, in order to establish what financial resources could be made available, had accordingly referred the matter to the Executive Committee.

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

(ii) That approval be given for expenditure in the sum of £20,400 plus VAT from the Repairs and Renewals Fund for the purchase of a wide area roller mower; and

(iii) That the item relating to the Archibald Knox project be considered as part of the Executive Committee's main agenda (see Clause A8 below)."

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

The Committee considered the public minutes of the Housing and Property Advisory Committee meeting held on Wednesday 20th November 2013. There were no items specifically referred to the Executive Committee.

Resolved, “That particulars of the public minutes of the Housing and Property Advisory Committee be noted.”

A8. Commemoration of 150th Anniversary of the Birth of Archibald Knox

The Committee considered a joint written report by the Assistant Chief Executive and the Assistant Chief Officer (Corporate & Development) providing further information in relation to a referral from the Regeneration and Community Advisory Committee (see Clause A6 above).

Having considered reports at its meetings on 16th July and 17th September 2013, the Regeneration and Community Advisory Committee had resolved that the commissioning of a major work of art, which was of a sufficiently high quality, would be too costly to justify in the current economic climate, and felt that a more achievable (yet relevant) project would be to enhance the Archibald Knox Garden on Athol Street. An outline proposal had been drawn up by officers and submitted to the Committee on 19th November 2013. Although the scheme had not been costed, research from artists and other organisations indicated that upwards of £30,000 would be required for a quality sculpture or similar artwork. The Advisory Committee had therefore agreed to seek guidance from the Executive Committee on a budget and the type of project it considered appropriate to mark this anniversary. In this way, the Regeneration and Community Advisory Committee could then tailor a project according to the resources made available.

Members expressed concern that any enhancement to the Archibald Knox Garden in Athol Street would have limited benefit, given its location, and it was suggested that a project in one of the Marine Gardens on Loch Promenade would have much greater potential to be appreciated by more people.

It was noted that the Douglas School of Art (now the Isle of Man Art College) may have originally been founded on Loch Promenade, which would tie in with the suggestion that the location of any project be on Loch Promenade, as Archibald Knox was one of its first students. It was agreed, therefore, that further research should be undertaken to confirm this.

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

(ii) That the Regeneration and Community Advisory Committee be advised that the preferred location for an Archibald Knox project was in one of the Marine Gardens on Loch Promenade;

(iii) That a maximum budget of £20,000 (to include the £4,000 already identified by the Head of Parks through existing budgets) be allocated to the mark the 150th anniversary of the birth of Archibald Knox;

(iv) That approval be given to the suggestion that a ‘Blue Plaque’ be erected at the Archibald Knox Garden in Athol Street;

(v) That confirmation of the approval by the Environmental Services Advisory Committee be given for the erection of the street name-plate at the junction of Athol Street and Peel Road, naming the garden as the ‘Archibald Knox Garden’; and

(vi) That further research be undertaken to establish if the Isle of Man Arts College had originally been founded on the Promenade.”

A9. Douglas Borough Council Corporate Plan 2013 – 2017

The Committee considered a written report by the Assistant Chief Executive detailing progress made in respect of the Action Plan as contained in the Corporate Plan 2013 – 2017.

Members were advised that forward planning provided the framework for the Council’s future activities and, by publishing a Corporate Plan, the Council provided a documented demonstration to its stakeholders of its intentions.

The Corporate Plan was a strategic document, focusing on major priorities and providing headline issues for the Council over the next four years. These over-arching aims then fed into Department and Section plans, and were converted into actions assigned to individual officers at the relevant levels. It was intended that the Executive Committee would formally review the Plan annually, and that regular internal reports would be submitted to each Advisory Committee, to review progress against the Action Plan contained in the Corporate Plan.

Members accordingly considered the first monitoring schedule for items specific to the Executive Committee (as appended to the written report). It was noted that a separate monitoring schedule would be submitted to the next meeting of the Standards Committee, as ‘Executive Governance and Strategy’ were all intrinsic parts of the main, policy-led functions of the Council and actions which specifically mentioned, or were within the remit of, the Standards Committee were included for completeness in this report to the Executive Committee.

There was some discussion as to how the Mayoral role was recognised and promoted, and Members were advised that this was through advertising and press releases of civic events, and articles on the Council website.

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

(ii) That the first monitoring schedule from the new Corporate Plan 2013 – 2017, in respect of the responsibilities relevant to the Executive Committee, be approved, subject to the wording in the target date for an Annual Report by the Standards Committee reading:

Annual report to be produced by May in each year. Report in March of Council election year’.”

A10. 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.

The Borough Treasurer reported in relation to future borrowing. At the Committee’s request, an exercise had been undertaken to obtain tenders for the administration required to issue Local Authority Mortgage Bonds on behalf of the Council, however, when the tenders had been opened, none of the financial providers had expressed an interest in this work.

It was also noted that the current Local Authority Borrowing Scheme was coming to an end. Although there had been verbal assurances from the Treasury that a new scheme would be in place by 31st December 2013, precise details were still awaited.

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

(ii) That the Borough Treasurer be requested to write to the Treasury indicating that the Council’s Executive Committee had directed him to seek details of the proposed new borrowing scheme for local authorities and report back to Council, as the date for the ending of the current Borrowing Scheme was fast approaching.”

A11. Fleet Optimisation and Reducing Vehicle Emissions

The Committee considered a written report by the Transport and Plant Manager setting out details about the Council’s Vehicle and Plant strategy.

The Council operated complex and varied fleet equipment and, because of operational changes, increased service delivery, and health and safety requirements, the fleet had steadily grown in terms of physical asset numbers and also in associated equipment. This increase in the fleet had led to questions about the justification for current levels. The Council’s vehicle tracking facility monitored the usage of vehicles across all Services and therefore allowed the Transport and Plant Manager to monitor the fleet in terms of its maintenance, health and safety, utilisation, and efficiency.

Members noted that the optimum time for every vehicle to be replaced was when it had begun to become less economical to keep the vehicle on the road than to replace it with a new (or newer) model. It was not as simple as purely an age or mileage limit, as several factors had to be considered. These included fuel efficiency; vehicle emissions; vehicle warranties; vehicle condition; service intervals, the cost of downtime (due to an unexpected failure); and modern technology (an enhanced level of security and comfort could have a positive effect on how the vehicle was driven and looked after).

Although extending the life of vehicles could be seen as demonstrating that the Council was not wasting money on new vehicles, this could also lead to inefficiencies, including higher fuel bills; an increased need to hire-in vehicles; increased maintenance costs; and the carbon impact remaining high.

Regular checking of vehicle utilisation reports had enabled the Transport and Plant Manager to move occasional-use vehicles, or those that were surplus, from Services to what was known as the ‘pool fleet’. Utilising a pool vehicle was not only essential in providing transport for low-mileage users, but could also assist in achieving significant savings on mileage expenses. By monitoring tracking systems and centrally managing the pool fleet, resources had been rationalised and it had already been possible to reduce the fleet by sixteen vehicles and plant in 2013.

It was also noted that the Council benefited from procuring vehicles (up to 3500kg) via the Department of Infrastructure’s procurement method, which typically provided up to a fifty per cent saving on the manufacturer’s retail price.

It was recommended that fleet use should be optimised to gain maximum value for money and eliminate avoidable fleet costs. Additionally, by maintaining a programmed vehicle replacement scheme, fuel costs and emission levels were guaranteed to be reduced.

Members also considered a list of plant, machinery and vehicles recommended for disposal (as appended to the written report).

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

(ii) That the Vehicle and Plant Strategy be approved; and

(iii) That approval be given for the disposal of the vehicles and plant as detailed on the Fleet Disposal List (as appended to the written report).”

A12. 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”

A13. Times and Dates of Next Meetings

The Committee noted forthcoming meetings:

- Informal Meeting of Executive Committee – 2.00pm on Monday 16th December 2013 (to review the Council’s Constitution)
- Next Scheduled Meeting of Executive Committee – 2.00pm on Friday 3rd January 2014
- Special Executive Committee Meeting (Budget) – 10.00am on Thursday 16th January 2014
- Special Council Meeting (Rate-setting) – 10.00am on Wednesday 29th January 2014.

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

The Committee rose at 12.40pm.

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

PENSIONS COMMITTEE

PENSIONS COMMITTEE – Minutes of Meeting held on Wednesday, 12th November, 2013.

Members Present: Messrs Councillors C.L.H. Cain (Chairman), the Mayor, R.H. McNicholl, Mr A. Thomas (Independent Member), Councillor Ms K. Angela (from 2.23pm onwards)

Apologies: Messrs Councillors J. Joughin, D.J. Ashford

In Attendance: Borough Treasurer, Assistant Democratic Services Officer

REPORT

Part A

Matters within the scope of the Committee's delegated authority

A1. Funding Strategy Statement

The Committee considered a report submitted by the Borough Treasurer, in collaboration with Hymans Robertson, to present for approval the Funding Strategy Statement as required by the Local Government Superannuation Scheme Regulations.

The Funding Strategy Statement is a summary of the Fund's approach to funding liabilities; Members noted that there were two previous versions of the document which now had a comprehensive review in accordance with new requirements of the Actuarial Profession. A copy of the updated Funding Strategy Statement was attached to the report.

Members were advised that the strategy had been reviewed triennially as best practice but it is now required by regulations.

Members queried the difference between the new and previous strategy. The Borough Treasurer advised that the document had been comprehensively reviewed by Hymans Robertson due to professional requirements and for this reason the two versions have not been compared.

In answer to question the Borough Treasurer advised that a special meeting was required to approve this item prior to the consideration of the Valuation report at the November meeting of the Committee.

Resolved, "That particulars of the report and discussion be noted on the minutes and the Funding Strategy Statement be approved for consultation with employers."

A2. Future Pensions Committee Meeting to be held in London

The Committee considered a report submitted by the Borough Treasurer, following a request from Members, on arrangements to hold a Pensions Committee meeting in the London offices of BlackRock.

The report recommended that arrangements for a future Pensions Committee meeting in London be deferred until November 2014 and provided reasons for this recommendation. Following the circulation of this report the Borough Treasurer advised that Hymans Robertson have indicated that a trip to London for purposes other than training may be required before November 2014. For this reason the it was suggested that the report be deferred pending additional information.

The report advised that the London training meetings were originally intended to occur every three years and the training programme on the other two years being the Valuation process one year and the Administration the third year.

A Member disagreed with the statement that the London meeting was to be every three years and suggested the policy was to visit London on an annual basis to receive training; Members agreed the training was invaluable to the Committee.

The report suggested that the Committee may wish to reduce the BlackRock holdings and appoint other managers in the near future; the Borough Treasurer advised that it would therefore not be appropriate to be making such decisions whilst in the BlackRock offices.

A Member suggested that the meeting does not necessarily have to take place in the BlackRock offices, a conference room could be hired in a hotel and interviews and training could take place at the hired facility.

The Chairman suggested that the report be deferred on the basis that only three Members of the Committee were in attendance to make the decision and in light of the Borough Treasurer's opening comments.

Resolved, "That particulars of the report and discussion be noted on the minutes and the report be deferred for consideration as part of the plan of activities at the November investment meeting."

A3. Attendance

Councillor Ms K. Angela joined the meeting at 2.23pm.

A4. November Investment Meeting

The Chairman submitted his apologies for the 27th November Pensions Committee meeting and requested Officers to confirm the attendance of the remaining Members of the Committee.

The Committee rose at 2.29pm

PENSIONS COMMITTEE

PENSIONS COMMITTEE – Minutes of Meeting held on Wednesday, 27th November, 2013.

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

Apologies: Councillor C.L.H. Cain (Chairman)

In Attendance: Mr Mark Freeman, Scheme's Investment Advisor – Hymans Robertson (from 11.00am to 4.18pm)

Ms Julie Morrison, Scheme's Fund Actuary, Hymans Robertson (from 11.00am to 1.10pm)

Mr Chris Moore, Fund Manager, BlackRock (from 2.35pm to 3.15pm)

Mr David Chatel, Fund Manager, BlackRock (from 2.35pm to 3.15pm)

Mr Chris Bell, Fund Manager, Capital International (from 3.15pm to 3.45pm)

Borough Treasurer, Assistant Chief Officer (Finance), Democratic Services Officer

REPORT

Part A

Matters within the scope of the Committee's delegated authority

A1. Chair of the Meeting

In the absence of the Chairman, it was unanimously agreed that the Vice-Chairman should take the Chair.

A2. Minutes – 23rd October, 2013

The minutes of the meeting held Wednesday, 23rd October, 2013 were approved and signed.

A3. Matters Arising

In response to query, the Borough Treasurer confirmed that a named individual within the Pensions Scheme Ombudsman can act when needed. The information has been circulated to Councillors as a Briefing Note.

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

A4. Minutes – 12th November, 2013

The minutes of the special meeting held Tuesday, 12th November, 2013 were approved and signed.

A5. Matters Arising

Members queried why the meeting of the Pensions Committee was being held in the Strathallan Suite rather than in the Committee Room of the Town Hall, particularly in view of the low level of heating in the room. Officers advised that there had been some doubt about the availability of the Committee Room on the particular day and the Strathallan Suite offered a more commodious facility, with better facility for viewing slide presentations. There was a brief discussion on the relative merits of the two meeting places.

Resolved, "That the discussion be noted on the minutes and approval be given for all future meetings of the Pensions Committee to be held in the Committee Room of the Town Hall."

A6. 2013 Valuation Results

Ms Julie Morrison presented the results of the 2013 triennial valuation.

The presentation began with explanations of why a valuation is done. Pension regulations require a valuation to be carried out every three years to assess the overall health of the pension scheme to see how well the pension promises are covered by the amount in the pension pot. The valuation is an opportunity to review assumptions, to see what has changed over the three-year period and consider the risks to the Fund and to the employers. There is a need to balance affordability and risk to set credible funding plans for employers.

The presentation continued with illustrations and explanations of what goes into the Scheme's assets. The assets are used to pay the member benefits which are defined by the Scheme regulations. The Scheme's assets are made up of the contributions from members and employers, and the asset returns from investments. The asset returns are determined by the investment strategy and manager performance. Member contributions are set by the Regulations and can only be altered by a change to those regulations. The employer contributions must meet the balance of costs over the long term and in principle this is the main result of the valuation calculation.

The presentation then addressed the Fund's assumptions and experience with information first displayed as a series of graphs to illustrate the comparison of benefits to be paid out compared to the assets held. The first graph illustrated a typical local government pension scheme in the UK. The graph was shaded to show the different member classes of pensioner members, deferred members and active members. The second graph illustrated how much you need now to meet future benefits when the discount with the market gilt yield of 3.0% is applied; because a long-term gilt is like a pension and in theory the Fund could have purchased bonds at the valuation date to achieve a known return of 3%.

The third graph illustrated the position when a discount is applied for anticipated excess returns. It was explained that because the fund invests in equities and other investment instruments, it is reasonable to expect the fund to have a return higher than if it only invested in bonds. This difference is referred to as the anticipated excess return and a prudent allowance is made for asset returns of 1.6% per annum above gilts.

Ms Morrison identified two sets of long term assumptions which affect the Fund valuation, the financial assumptions and the demographic assumptions. The financial assumptions are salary increases, pension increases, and the discount rate due to the anticipated investment returns. The demographic assumptions are longevity, early leavers, retirement age and dependants.

The presentation set out the key assumptions comparing the 2010 position with the 2013 position on each of these factors: discount rate (assumed future investment rate), long term pay growth, short term pay restraint, pension increases, and longevity improvements.

There was discussion of the need to increase the retirement age in light of increased life expectancy. The Borough Treasurer advised that this is one of the matters which should be addressed in the next three years and that an approach to the Department is needed for changes to be made to the regulations regarding increased retirement dates.

The starting point is prudence in the financial assumptions. The experience of the markets from 2010 to 2013 shows that asset growth out-stripped the 2010 assumption, but the liability growth out-stripped the asset growth.

The presentation continued with the whole fund valuation results. The total liabilities (for active members, deferred members, and pensioners) have increased from £49.4m in 2010 to £70.0m in 2013. The assets have increased from £36.6m in 2010 to £50.3m in 2013. The deficit has therefore risen from £12.8m to £19.7m so the funding level has dropped from 74.0% to 71.8%. The presentation included a table of whole fund contribution rates based on a single set of assumptions, showing the increased level of contributions needed in order for the Scheme to be fully funded.

In summary, the valuation is a measurement of the funding position based on market conditions which needs to be transparent and consistent. A different process is used to manage contributions, moving away from focusing on a single set of assumptions. This allows contributions to be set allowing the Fund to understand the associated risks.

Resolved, "That the presentation, discussion, and valuations results be noted on the minutes."

A7. Adjournment and Resumption

The meeting adjourned at 1.10pm and resumed at 1.45pm with the following Members present:

Mr Councillor J. Joughin (Vice-Chairman), the Mayor, Messrs Councillors D.J. Ashford, R.H. McNicholl, Mr A. Thomas (Independent Member), Councillor Ms K. Angela

A8. Investment Manager's Presentation – BlackRock

Mr Chris Moore and Mr David Chatel of BlackRock joined the meeting at 2.35pm. In light of the ongoing discussions between the Committee and BlackRock on changes to the investment strategy, Mr Moore asked if the discussion should centre on the third quarter investment results or the future investment strategy. The Committee indicated that they would briefly wish to discuss both matters.

The BlackRock report on investment manager performance for quarter three of 2013 was reviewed. The report set out the portfolio summary as of 30th September 2013 together with more detailed information on each of the different sectors of equities, property and fixed income. The Fund underperformed the benchmark during quarter three and the underperformance was 0.8% relative to the target.

Mr Moore reported on the equities portfolios. Global equities had underperformed relative to the benchmark by 0.7% over the third quarter and 1.6% over the past twelve months. Global equities were particularly affected by the potential shutdown in the US as this affected not only North America, but also emerging markets as much of this trade is in US dollars. UK equities had underperformed by 1.3% over the third quarter and by 2.5% over the past twelve months.

Mr Moore went on to discuss the property portfolio giving additional information on the disposals and acquisitions made during the quarter. The level of empty properties held through the property portfolio remains low at 7% against an average of 10%.

Mr Moore reported that in light of the structural investment allocations changes the Committee was preparing to make; the transfer of management of UK Equity portfolios to Simon Young had not been carried out.

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

Mr Moore and Mr Chatel were thanked for their presentation and left the meeting at 3.15pm.

A9. **Attendance**

Mr Councillor D.J. Ashford left the meeting at 3.00pm during consideration of the previous item.

The Mayor left the meeting at 3.35pm during consideration of the following item.

A10. **Investment Manager Presentation – Capital International**

Mr Chris Bell of Capital International joined the meeting at 3.15pm to present the third quarter investment review.

Mr Bell began by providing an insight of key economic and market themes and portfolio strategy thoughts. This was followed by details of the current asset allocation and recent activity. Mr Bell finished by discussing economic and market thoughts. It was noted that the Fund had returned 2.5% over the quarter compared to the benchmark of 0.9% and over twelve months had returned 9.5% against the benchmark of 3.2%. Mr Bell discussed the two new trades during the quarter.

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

Mr Bell was thanked for his attendance and left the meeting at 3.45.

A11. **Review of 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 could be considered. The fund managers have had difficulties reporting the 2nd Quarter results in time to circulate the reports prior to the July 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, so for 2014, the meeting will be moved to the Wednesday of the second week of September.

There was discussion of a proposed trip to London arising from an invitation for training hosted by Hymans Robertson and it was agreed that the September meeting should be held there. It was agreed that the meeting be held in the offices of Hymans Robertson.

The Borough Treasurer asked that the schedule be amended to include an additional item for consideration in November; *Annual Revenue Estimates* and that the owner or leader on the item be the Borough Treasurer.

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

- i. the plan as amended be adopted for both investments and administration; and
- ii. the July meeting be moved to the second Wednesday in September for 2014; and
- iii. Hymans Robertson be thanked for their invitation and the Committee would hold the September meeting in their offices."

Mr Freeman was thanked for his attendance and left the meeting at 4.18pm.

A12. **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 C

Matters for Council Approval

C13. Review of Contribution Strategy – Asset / Liability Modelling

Ms Julie Morrison presented a review of the contribution strategy based on the results of the 2013 triennial valuation.

The purpose of the paper is to review the contribution and investment strategy for valuation of the Scheme and should not be used for any other purpose. The paper quantified the risks inherent in the various contribution strategies considered. The report did not specifically recommend particular contribution stabilisation parameters, but Hymans Robertson wished to discuss the options and their implications in order to identify the most appropriate contribution stabilisation strategy for eligible employers. Any agreed contribution stabilisation mechanism should be documented in the Funding Strategy Statement (FSS).

The report detailed the method used in the process of making a recommendation as to setting contribution rates. The process includes modelling thousands of scenarios to assess the likelihood of different outcomes.

The data and funding level inputs at the start included the membership data as supplied for purposes of the formal valuation; the demographic assumptions using the Club Vita longevity analysis of the Scheme membership; the funding level of 70% as at 31st March, 2013 based on initial results for the Fund; the future benefit accrual is assumed to be under the existing scheme; and a member replacement ratio is assumed to be 100%. It was explained that the graph showed what cash is required for the Scheme using the data and funding level inputs as set out above. The graph shows that in the next five to ten years more is likely to start to be paid out of the Fund than will be paid in and this situation increases over the longer term until about 2050.

The modelling carried out for the 2010 valuation was based on increasing immediately at steps of +/- 1% per annum. The option of fixing contributions until 2014 was chosen at the previous valuation, with contribution rates being able to increase thereafter.

The Committee reviewed a table showing the rates for four different funding contribution strategies. The first is for fixed contribution rates, which was done in 2010. The second is for contribution rates to remain fixed until 31st March, 2015 then to vary by plus or minus 0.5% per annum. The third is for contribution rates to remain fixed until 31st March, 2015, then increases of 0.5% per annum for four years, followed by increases or decreases of 1% per annum. The fourth showed contributions fixed until 31st March 2015, then to vary by plus or minus 1% per annum. These contribution strategies have been tested on the current investment strategy, a higher risk, and a lower risk investment strategy.

The Committee then examined graphs showing the range of possible outcomes over the next twenty years based on the four different contributions strategies. In particular, the report set out the probability of being fully funded by 2034 under each of the four contribution scenarios. The report included a projection of the likely required contribution levels in twenty years based on stabilised and unstabilised contribution scenarios.

The Committee examined two graphs illustrating the likely projection of contributions over the next twenty years. If no stabilisation action is taken there is likely to be a need for a sharp increase within the next two to three years. This is likely to be unaffordable and there would be no budgeting certainty. By limiting the changes to plus or minus 1% of pay, contributions could be expected to slowly increase in the short term. Median contributions would be between 20% and 25% in the medium term.

It was explained that there is a need to set a contribution strategy that has a reasonable chance of success to reach fully funded status with an acceptable level of downside risk. Changes to the contribution levels should be made sooner rather than later and modelling allows the changes to be implemented from 2015.

Contribution levels for employee members increased due to the 2012 Regulations but cannot be changed without changes to the Scheme Regulations.

The Committee were advised that although a great deal of time is spent monitoring the assets, the overall fund position is only examined triennially. A more regular review of funding level could be set up, but this will need to be examined and a report brought back to Committee for consideration.

The Committee reviewed a table showing both the probability of achieving the fully funded target in 2034 and the average of the worst 5% of funding levels in 2034 under each of the four contribution rate scenarios under the Scheme's current investment strategy. The current funding strategy shows the greatest risk of a low funding level and the lowest probability (approximately 52%) of becoming fully funded in twenty years. The greatest probability of success was for contributions to increase by 1% per annum; although a strategy of an increase of 0.5% for four years followed by an increase of 1% per year had a similar, but lower success probability.

The Committee reviewed a series of tables showing the impact of different investment strategies on the probability of achieving the target of full funding in 2034. The charts showed that taking on higher risk investments did not greatly increase the probability of reaching that target. Taking on greater investment risks could lead to greater growth, but there is greater risk of the funding level falling to 50%.

There was discussion about the willingness of the many different interested groups who have an input into pensions policy on the Island to deal with the difficult choices facing both this pension scheme and other schemes. These issues include the effect on schemes and Island financing of lump sum payments, increasing longevity and increases in retirement age, the need to balance contribution levels with affordability and what changes need to be made to pensions schemes to deal with these issues. It was agreed that many of these same issues had been raised after the last valuation, and action to raise employer contribution rates by 1% per year had been deferred.

In response to query, Ms Morrison agreed that an immediate lump sum contribution could be beneficial to the Scheme depending on the amount and may increase the probability of the Fund being fully funded in the future. There was extended discussion of the suggestion including comment on the size of the lump sum which may be necessary to make a difference. The Borough Treasurer reminded the Committee that as the fund is pooled all employers would need to agree to fund a lump sum contribution in order to implement the change. Although the actual amount to be paid would be apportioned among all the employers, local authorities currently face a wide range of difficult financial challenges. There would need to be communication with all the employers in the Scheme to gauge the willingness to accept an additional lump sum contribution. Work to establish what amount would make a real difference would also need to be done, so those calculations should be made before an approach is made to the other participating employers.

The actuary needs to be satisfied that the Scheme is moving towards full funding to be able to sign off the valuation and resulting contribution schedule. Both from the reports and the discussion it was clear that there are several different ways that this can be achieved.

Resolved, "That the reports and the discussion be noted on the minutes and approval is given to

- i. a 1% increase in employer contributions per annum for each of the years commencing April 2015, 2016, and 2017; and
- ii. that the fees for administration of the current investment strategy be reduced; and
- iii. initial exploratory work to be carried out by Hymans Robertson on the proposal for a lump sum contribution, with a report to be brought back to Committee; and
- iv. the Borough Treasurer is authorised to discuss possible changes to employee contributions with Capita and report back to Committee before approaching the Government to increase employee contributions; and
- v. The Borough Treasurer to review the future benefits structure with Capita and report back to Committee."

Ms Morrison was thanked for her attendance and left the meeting at 1.10pm.

The Committee rose at 4.35p.m

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, 25th November, 2013.

Members Present: For Douglas Borough Council - Mr Councillor W.M. Malarkey (Member), Mr S.A. Crook (Senior Engineering and Waste Services Manager). For Onchan District Commissioners - Mr D. Crellin (Member), Mr T.R. Craig (Deputy Clerk). For Braddan Parish Commissioners - Mr C. Slinn (Member), Mr J.C. Whiteway (Clerk). For Santon Parish Commissioners - Mr N. Kelly (Member).

Apologies: Douglas Borough Council - Mr I.J.G. Clague (Borough Engineer), Mr A.J. Donnelly (Assistant Borough Engineer).

In Attendance: Secretary - Mr P.E. Cowin. Contractor's Representative - Mr P. Macken (from 4.00pm). Department of Infrastructure Representative s - Mr J. Quayle and Mr J Wrigley.

REPORT

PART A

Matters within the scope of the Committee's delegated authority

A1. Minutes – 2nd September, 2013

The minutes of meeting held on Monday, 2nd September, 2013, were approved for signature as a correct record.

A2. Website

The Secretary advised that following the last meeting he had explored with the Council's ICT Department the possibility of setting up a Website; there were still some issues to address, as it was not clear whether a separate website was needed or if a section of the Council's Website would be sufficient. The Committee expressed the view that if possible, it should be a stand-alone site in order to better reflect the status of the Joint Committee.

Agreed: that the Secretary continue to progress the setting up of a Website to publish information relevant to users of the Eastern Civic Amenity Site.

A3. Meeting with other Civic Amenity Site Authorities

The Chairman circulated copies of minutes of a meeting he had attended on 14th October with representatives of the other Civic Amenity Sites and the Department of Infrastructure, to discuss operational practices across all Civic Amenity Sites with a view to bringing in some common standards.

Opening hours were difficult to standardise as the Southern Site suffered some constraints and could not open earlier than 10.00 a.m. and had to close for moving plant during the day. The Eastern Site remained open later during summer which the others did not and was also open on more Bank Holidays.

The observation had been made that the services provided at all Sites appeared to be largely cost-driven rather than focussing on quality of service.

The installation of the Department's automatic number plate recognition system was discussed and it was recognised that if extended to all four Sites it would help reduce abuse as well as providing management information.

There had been discussion of waste arising from charities and recognition that although collected from all over the Island, most of the waste was disposed of through the Eastern Site as most charities were based in the Douglas area. It had been suggested that the costs be shared between all the authorities on the basis of the number of households in each area and the other authorities were to consult and report back at the next joint meeting in January.

Agreed: that the minutes of the joint meeting on 14th October be noted.

4.00 p.m.: Mr Macken joined the meeting

A4. Charities Waste – charging

The Committee queried whether the respective charities were currently being charged for their waste disposal at the Eastern Civic Amenity Site, in accordance with the Committee's previous decision. Mr Macken confirmed that he provided the Secretary with the tonnages on a monthly basis and the

Secretary stated that the invoicing had been delayed by charity representatives seeking a meeting but if it had not yet commenced, it would be done as soon as practicable. Mr Quayle asked that the charities also be advised that separated wood can be disposed of at a reduced rate.

There was discussion also of the proposal that the costs should be shared proportionally across the civic amenity site authorities and the Secretary was asked to consult with the other authorities accordingly.

Agreed: charging of charities for waste disposal to proceed, and the Secretary to write to the other civic amenity site authorities seeking views on the proposed sharing of the cost of charitable waste.

A5. Automatic Number Plate Recognition System

The Chairman asked why the installation of the automatic number plate recognition system had not been undertaken in pursuance of the Committee's decision to approve it. Mr Wrigley referred to correspondence in relation to the matter and particularly the difference between legal advice received by his Department from the Attorney General's Chambers and advice received by the Council from its Advocate on the lawfulness of using the system.

Although the Committee had asked for it, Mr Wrigley stated that he could not share the Attorney General's Chambers' advice because it was privileged information.

The Committee remained in favour of use of the ANPR system provided it could be shown to be lawful. In response to a question, Mr Wrigley estimated that installation could be completed within about a month if a definite decision could be made to proceed.

Agreed: Secretary to instruct the Council's Advocate to discuss the legal issues with the Attorney General's Chambers.

A6. Operational Statistics

Operational statistics for April to October 2013 had been circulated. Mr Macken provided further explanation of them, and pointed out a year on year decrease of approximately 3%, which he stated was consistent over each month, indicating a small decline in usage.

He also stated that considerable savings had been made by separating out wood, which was charged at a lower rate at the Energy from Waste Plant.

Noted.

A7. Operational Issues

Mr Macken stated that there had been no Health and Safety Issues on the Site. The issues caused by the height restriction on entry had reduced as users became familiar with the times when higher vehicles are permitted on Site. Additional recycling bins were on Site, as they tended to fill up regularly, particularly the bin for paper.

Cardboard was still being collected but was still being sent to the Energy from Waste Plant pending commencement of the Council's baling operation at Ballacottier which would enable some value to be realised.

The disposal of WEEE goods had been reviewed and it had been agreed to combine with the Department's service which would create a saving.

The Chairman raised the issue of the use of contractor's staff on the gate of the Site, over which the Committee had previously expressed concern. There was an expectation that manning the gate with permanent staff would provide a better service as they would be more familiar with the Site layout and rules. Mr Crook advised that Mr Donnelly had been looking into comparative costs but had encountered some issues with Whitley Council Terms and Conditions. The Secretary advised that the staffing of the Site was a matter for the Council as Contractor to the Committee and the Chairman undertook to pursue the matter with Mr Donnelly.

Noted: Mr Donnelly to provide further information to next meeting.

A8 Bank Holiday Opening

In light of the meeting with other civic amenity site authorities, the Chairman sought views on the opening of the Eastern Site on Bank Holidays. It was generally accepted that in line with practice at the other Sites, the Eastern Site should close on some of the major holidays and that doing so would create a small saving in operational costs.

Agreed: that the Eastern Civic Amenity Site be closed on Christmas Day, Boxing Day, New Year's Day, Good Friday and Tynwald Day Holidays each year, remaining open on all other bank and public holidays.

A9. Budget

The Secretary advised that budget estimates for the 2014/15 were not yet available. A report was circulated showing the current budgetary position which would form the basis of the estimates.

Members were concerned that the respective authorities would need to be aware of their commitments by the end of December in order to set the rates in January but that this Joint Committee should approve the budgets before circulating them.

Mr Wrigley made the Committee aware that the Department was looking to phase out its subsidy of the collection of television and PC monitors, currently £19,000 per annum, as part of its effort to reduce its own costs, and that process would probably entail other reductions in addition.

He also stated that the Department's current subsidy in relation to the rental of the Eastern Civic Amenity site was being examined with a view to passing on the full cost to the Joint Committee.

Agreed: to defer consideration of the 2014/15 budget to a special meeting to be held at 3.30 p.m. on Monday 16th December.

The meeting ended at 5.10 p.m.

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

HOUSING AND PROPERTY ADVISORY COMMITTEE

HOUSING AND PROPERTY ADVISORY COMMITTEE – Minutes of Meeting held on Wednesday, 20th November, 2013.

Members Present: Mr Councillor D.J. Ashford (Chairman), the Mayor, Messrs Councillors J. Joughin, J.E. Skinner, S.C. Cain, 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 within the scope of the Advisory Committee's delegated authority

A1. Minutes 16th October, 2013

The minutes of the meeting held Wednesday, 16th October, 2013 were approved and signed.

A2. Housing Performance Data Report

The Committee reviewed the Housing Performance Data Report for quarter 2 of the current financial year.

Members asked that all Members be added to the circulation list for the tenants' newsletter.

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

A3. Two-Chairman Procedure re Central Heating Contracts Extension

The Committee considered that the a report into the extension of the central heating maintenance contract which had been approved via a Two-Chairman procedure and is now reported to the Committee for noting. The Assistant Chief Officer (Housing and Property) advised that the current contract would have ended on 31st December, 2013 but has now been extended until 31st March, 2015.

After tender documentation went out to contractors on the select list, it became clear from the queries raised that there were deficiencies in the documentation which could affect the validity of the tenders offered. The deficiencies were sufficiently serious that it was not feasible to continue with the tendering process.

If the current contract had not been extended, then the maintenance work currently covered by the contract would have been done as day-work. As the work would have been done ad hoc rather than in a planned manner it would be more difficult to budget and be more difficult to manage the actual repairs.

The entire documentation will be reviewed and scrutinised so that tenders can be sought in the second half of 2014 to enable a new contract to be in place for 1st April, 2015.

Members queried the timing of the issue which required the matter to be decided by two Chairmen rather than the Committee.

Resolved, "That the decision of the Two Chairmen and the Committee discussion be noted on the minutes."

A4. Douglas Market Hall – Interim Terms and Conditions

The Committee considered a report setting out terms and conditions for hire of space in Douglas Market as an interim measure whilst longer term arrangements are being negotiated. The Committee considered the report and the terms and made a number of minor amendments.

Resolved, "That the report be noted on the minutes and approval be given to the updated terms and conditions for the hire of space in Douglas Market for immediate implementation and remain in effect until finalisation of the agreement with the Isle of Man College for overall use of the Market."

A5. Matters for Future Consideration

The Committee considered the report on matters for future consideration.

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

PART C

Matters subject to Council approval

C6. Willaston External Refurbishment Phase 1

The Committee considered a report on security bonds for the Willaston External Refurbishment project. The Assistant Chief Officer (Housing and Property) reported that Treasury Capital Projects Unit has advised that there is no need for a security bond due to the sequential nature of the work. The Council's Standing Orders require provision of a bond due to the overall value of the project. The Treasury has advised that if there is a bond, it cannot be included in the overall amount borrowed, which will be covered by the deficiency agreement, the cost would be paid for out of rates. The cost of the bond for Phase 1 will be £3,000. It is expected that the cost of the bond for the overall project will be approximately £42,000.

In response to query it was explained that work will be done to only a few properties within the Phase on at a time, so the risk to the Council would be limited.

Resolved, "That the report be noted on the minutes and approval be given to suspend Standing Order 151(b) *Security for Performance* of the Council's Constitution in accordance with the Treasury Capital Projects Unit statement that a contract guarantee bond is not required within Phase 1 of the Scheme due to the sequential nature of the work."

The meeting ended at 12.15pm

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

REGENERATION AND COMMUNITY ADVISORY COMMITTEE

REGENERATION AND COMMUNITY ADVISORY COMMITTEE – Minutes of meeting held on Tuesday, 19th November, 2013.

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

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

REPORT

PART A

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

A1. Minutes – 15th October 2013

Minutes of meeting held on Tuesday, 15th October, 2013, were approved and signed.

A2. Matters Arising – Provision of Sound and Stage Equipment for Forthcoming Public Events

Members discussed elements of the 2013 fireworks display. A Member suggested reducing the size of the stage provided in future years.

A Member raised a number of potential health and safety concerns in relation to the fireworks event, he also opined that the tender specification for sound and staging had been compromised after the original tender was approved, he felt this was unacceptable.

In answer to question the Assistant Democratic Services Officer confirmed that the fireworks display was filmed as requested by the Committee.

The Assistant Town Clerk advised that a 2013 event debrief will take place following the Christmas Lights Ceremony and recommendations will come forward for consideration by the Committee.

Resolved, "That particulars of the matters arising be noted on the minutes."

A3. Karting – Noble's Park

The Committee considered a report submitted by the Assistant Chief Executive, following a request from Grandstand Karting and Leisure Limited, to continue the karting operation in Noble's Park during the winter months.

At the June 2012 meeting of the Committee Members resolved to allow karting to operate in a section of the main car park at Noble's Park during the winter months.

Members noted the karting operated from October 2012 to April 2013 without incident. Further approval was granted for karting to continue over the winter of 2013/14.

The Director of Grandstand Karting and Leisure Limited requested that the Committee consider whether it would be able to support the continuation of karting in future years. Members were advised that planning permission expires in April 2014 and in order to put arrangements in place in good time prior to the 2014/15 winter period the company will need to apply for planning permission within the next few months.

In answer to question the Assistant Chief Executive confirmed the initial operator, Duke Track Days Limited, was taken over by Grandstand Karting and Leisure Limited in February 2013.

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

(i) Grandstand Karting and Leisure Limited be supported in its planning application to continue a karting operation in the winter months, within a section of Noble's Park main car park, for future years, (following the expiry of the existing planning approval in April 2014) subject to satisfactory agreement with the Council;

(ii) Grandstand Karting and Leisure Limited enter into an agreement in respect of the hire of a section of the Noble's Park main car park, subject to planning permission, for the purpose of operating a leisure

karting facility during the winter months of 2014/15 and 2015/16 (October to April, final dates to be agreed subject to any other major events.);

(iii) Grandstand Karting and Leisure Limited be subject to a hire fee and to be conditional upon satisfactory security, risk assessments, insurances, legal agreement, health and safety matters, consultation with, and approval from, relevant statutory organisations, noise mitigation measures, and liaison with surrounding neighbours.”

A4. Horse Tram Service Operating Programme 2014 Season

The Committee considered a report submitted by the Assistant Chief Executive to consider operating dates and times for the 2014 horse tram season.

The report advised the horse tram service for 2013 operated for a total of 18 weeks, passenger numbers for 2013 increased by 8.1% to nearly 60,000 passenger journeys and revenue held up well, being on a par with 2012.

Members noted that since 2008, when the season was reduced from 22 to 18 weeks, different operational schedules, as detailed within the report, had been trialled.

A representative of the Great Rail Journeys and Treyn Tours e-mailed the Council to request extending the 2014 horse tram season. They expressed disappointment that the horse trams were not running, from their perspective, throughout the full tourist season, April to the beginning of October, in line with other tourist attractions on the Isle of Man. The representative requested confirmation of the operational schedule for 2014 season with a suggestion to run the season from Easter to the end of September.

The report advised, in terms of passenger numbers for the shoulder months, in May 2013 passenger numbers were up by 14.2% over 2012 and September 2013 was slightly down on September 2012.

The report recommended operating an 18 week season commencing on Monday, 12th May, 2014, and ending Sunday, 14th September, 2014 (both dates inclusive), operating daily from 9.00am departing from Strathallan and finishing daily at 6.00pm (last tram departing from Strathallan at 5.20pm), as per 2013 and 2012.

Members were reminded that an extension to the horse tram season would increase staffing costs, in the region of £6,000 for each additional week's operation, which is unlikely to be fully recouped through income. However more people would have the opportunity to use the horse trams and it would assist the tourist industry.

In answer to question the Assistant Chief Executive confirmed that eleven additional staff are hired to work during the horse tram season and there are four full time permanent staff on the establishment.

Members discussed various ways increase the number of operational weeks in the horse tram service without incurring additional costs. Suggestions included reducing the service to one tram operating daily as opposed to the current two, and reducing number of trips Monday to Friday and continuing with the proposed 9.00am to 6.00pm two tram service during the weekend.

The Assistant Chief Executive advised that reducing the daily horse tram service would not significantly reduce staffing costs as the stable staff would still be required.

Officers suggested that a reduction in the number of trams operating daily could result in a reduction of Explorer Ticket income from the Department of Community, Culture and Leisure which is currently £20,000, this would be difficult to recoup through passenger ticket income. A reduction in the horse tram operation would also impact on the number of resident tickets sold.

Resolved, “That particulars of the report and discussion be noted on the minutes and the operational date and times for the 2014 horse tram season be deferred pending an additional report suggesting options to extend the number of operational weeks in the horse tram season without increasing the overall cost.”

A5. Douglas Borough Council Corporate Plan 2013-2017

The Committee considered a report submitted by the Assistant Chief Executive to review the progress against the action plan contained in the Corporate Plan 2013-2017.

Attached to the report was the action plan monitoring schedule as at 1st November 2013. The table listed the Regeneration and Community Advisory Committee priorities, actions for each priority, an action target date, the current status of the action and an internal status.

Resolved, “That particulars of the report and discussion be noted on the minutes and the first monitoring scheduled from the new Corporate Plan 2013-2017 in respect of the responsibilities relevant to the Regeneration and Community Advisory Committee, be noted.”

A6. Items for Future Consideration

The Committee considered a report by the Assistant Town Clerk detailing items for future consideration by the Committee.

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

A7. Adjournment and Resumption

The meeting adjourned at 11.31am and resumed at 11.42am with the same Members and Officers present.

A8. Living Promenade

The Committee reconsidered a report on the Living Promenade submitted by the Assistant Chief Officer (Corporate and Development); this item was considered at the October meeting of the Committee and was withdrawn at the monthly Council meeting for further consideration.

The report identified three projects that could be carried out relatively easily to encourage greater use of the Promenade walkway. The proposal was to install gym equipment, distance markers and a model solar system along the walkway, exact locations had not been identified.

The recommendation was considered at the October Council meeting, Members at the Council meeting opined that the fitness equipment would not be suitable from the Promenade walkway and would not be utilised by the public. Members also expressed concerns that the equipment would deteriorate due to the harsh weather conditions and the salt air.

The Head of Parks confirmed the equipment would be provided by a leading UK company that has installed the equipment in other coastal locations.

The report did not identify a location on the Promenade walkway to install the fitness equipment. Members expressed concerns that Department of Infrastructure approval would be required to install the equipment on the walkway, and installing the equipment at Queen's Promenade was not viewed as a suitable location.

A Member suggested utilising a sunken garden as an outdoor gym, installing all eight pieces in the one location. Dividing the equipment equally between two different areas was also discussed.

Members expressed concern that the equipment would not be utilised, particularly if the equipment was unsuitably placed. Members instructed officers to conduct a survey with users of the Promenade regarding the potential installation of gym equipment on the Promenade, it was agreed the survey should identify if gym equipment would be favourable and a suitable location for the equipment.

In relation to the distance markers and model solar system Members were in support of both projects.

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

(i) The installation of distance markers and a series of distance markers based on the solar system, at various locations on the Promenade, be supported subject to detailed proposals being submitted for approval prior to installation;

(ii) The installation of outdoor gym equipment be deferred to the December meeting of the Committee pending the results of a survey regarding the proposed installation of the equipment on the Promenade."

A9. Hutchinson Square

The Senior Engineering and Waste Services Manager confirmed the Hutchinson Square tender return would be considered at the December meeting of the Committee.

PART B

Matters requiring Executive Committee Approval

B10. Purchase of a Wide Area Roller Mower

The Committee considered a report submitted by the Transport and Plant Manager on the proposed purchase of a wide area roller mower for operations within the Parks Department.

Members were advised that the wide area mower would replace three machines undertaking grass cutting within the Parks Department. The machines had been identified for replacement in this financial year and had subsequently been taken out of service due to their condition.

In answer to question the Head of Parks advised the company supplying the machine is based at Heysham and is a well-established UK company.

The Head of Parks confirmed the purchase of the machine had been subject to the Council's procurement process in line with financial regulations. The Council had previously purchased equipment from the company, which had proved robust and reliable.

A Member queried if the three machines out of service had a scrap value, The Head of Parks confirmed that the redundant pieces of machinery did have a scrap value but would have to consult the Transport and Plant Manager as to the value.

A Member queried if the new machine broke down was there sufficient backup. The Head of Parks advised that there were two possible backup pieces of equipment in such an event.

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

(i) A Major TDR 1600 trailed roller mower from JDW Engineering Ltd. is procured at a cost of £20,400 plus VAT;

(ii) Approval be sought from the Executive Committee for the expenditure of £20,400 plus Vat from the Repairs and Renewals Fund."

B11. Commemoration of Archibald Knox – Archibald Knox Garden

The Committee considered a report submitted by the Assistant Chief Executive and Assistant Chief Officer (Corporate and Development) on initial proposals for a scheme to carry out refurbishments to the Archibald Knox Garden on Athol Street as a commemorative project to mark the 150th anniversary of the birth of Archibald Knox.

Members considered an initial report in July 2013 and resolved that Officers investigate options for commemorating the 150th anniversary of the birth of Archibald Knox.

The report suggested a project to enhance the Archibald Knox Garden on Athol Street. The works would include installing interpretation boards and QR code points (that when scanned with a mobile device would open specific webpages displaying information relating to Archibald Knox), large granite boulders, carved and inlaid with Knox designs, lighting enhancements, street signage, planting and planters and painting of seating and street accessories.

In answer to question the Assistant Chief Executive advised that detailed costings would be compiled if the outline proposal was agreed in principle, the cost would be considered at the December meeting of the Committee with a view to seeking funding on the basis of a one-off growth item to be funded from the Council's reserves. Funding would require Executive Committee approval.

The Head of Parks identified funds of £4,000 for the works through existing budgets.

A Member opined that the enhancement of the Archibald Knox Garden was a basic project and there was the potential for the Council to progress an alternative project.

Discussion ensued and it was agreed that in order to provide a steer on what financial resources could be made available, that Executive Committee be asked to establish a budget for an Archibald Knox project, depending on the type of project that Executive Committee thought appropriate to mark the 150th Anniversary. In this way it was felt that Regeneration and Community Advisory Committee could then tailor a project according to the resources made available.

The Assistant Chief Executive advised that various schemes had been explored previously, to commission a major art work which was sufficiently high quality would be expensive estimated at £30,000.

Resolved, "That particulars of the report and discussion be noted on the minutes and the item be deferred and the minute be referred to the Executive Committee with a request to allocate an appropriate budget to mark the 150th Anniversary of the birth of Archibald Knox."

The meeting ended at 11.58am

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

ENVIRONMENTAL SERVICES ADVISORY COMMITTEE

ENVIRONMENTAL SERVICES ADVISORY COMMITTEE – Minutes of meeting held on Monday, 18th November, 2013.

Members Present: Mr Councillor R.H. McNicholl (Chairman), The Mayor, Councillor Mrs S.D. Hackman, Councillor Mrs C.A. Corlett, Mr Councillor C.L.H. Cain, Councillor Mrs E.C. Quirk

In Attendance: Assistant Town Clerk, Assistant Borough Engineer, Senior Engineering & Waste Services Manager, Senior Accountancy Officer, Senior Building Control Officer (for items A1 – A2 only), Assistant Chief Officer (Corporate and Development) (for items A1 – A7 only), Democratic Services Officer

Declarations of Interest: Councillor Mrs S.D.A. Hackman declared an interest in item A5.

REPORT

PART A

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

A1. Minutes 14th October, 2013

The minutes of the meeting held Monday, 14th October, 2013 were approved and signed.

A2. Street nameplates

The Committee considered a report on current and proposed suppliers of street nameplates and viewed examples of signs which are currently used, signs which used to be used and the sample sign provided by the off-Island company N-Sign whose products were viewed by the Chairman at the Parkex Exhibition in Birmingham. The Senior Building Control Officer gave an in-depth explanation of the different methods of construction of the street nameplates. The officer confirmed that N-Sign who supplied the sample sign were given exactly the same specification as the local suppliers, but the sign they produced was to the company's own specifications and manufacturing methods. It was agreed that the sample sign should be erected at the Service Centre as a trial of its durability.

It was noted that the sample sign included a 'frame' or channel which protected the edges. The officer confirmed that these sorts of frames have been used in the past and that consideration is being given to using them again in the future. Prices of the frames were not available in the meeting. Question was raised about the use of Manx on the street nameplates. It was confirmed that Manx is always used, although in some instances there is no need for a 'translation' of the street name as the name is already in Manx. In those instances, only one name appears on the nameplate.

Resolved, "That the report be noted on the minutes and further information brought to the Committee on the prices for the 'frames' for street nameplates from the current supplier."

The Senior Building Control Officer was thanked for her attendance and left the meeting at 10.24am.

A3. Planning Application 13/91152/B – 28-30 Derby Square, Douglas

The Committee considered planning application 13/91152/B seeking approval for the demolition of the existing garage building and erection of a block of seven apartments with associated parking at 28-30 Derby Square. Plans of the proposed development were circulated. Questions were raised as to the provision of bin storage and it was confirmed that this was included in the lower ground parking area which is accessed from Derby Square Lane, to the rear of the property. Question was raised about the increased usage of the narrow rear lane.

Resolved, "That particulars of the application were considered and no objection raised."

For: 4; Against: 1

Councillor Mrs E.C. Quirk asked that her vote against the motion be recorded.

A4. Planning Application 13/91126/B – Vine Villa, 8 Derby Square, Douglas

The Committee considered planning application 13/91126/B seeking approval for the demolition of the existing building and construction of four duplex apartments each with double garages at Vine Villa, 8 Derby Square, Douglas. Plans of the proposed development were circulated. Questions were raised as to the provision of bin storage and it was confirmed that this was included in the lower ground parking area which is accessed from Derby Square Lane, to the rear of the property. Question was raised about vehicular access into and out of the narrow lane and it was suggested that a traffic management system

for the rear lane (such as a one-way system) should be implemented. It was agreed that the comments on traffic issues should be forwarded to the appropriate department.

Resolved, "That particulars of the application were considered and no objection raised."

For: 4; Against: 1

Councillor Mrs E.C. Quirk asked that her vote against the motion be recorded.

A5. Planning Application – 13/91219/C – Ballakermeen High School, St Catherine’s Drive, Douglas

Councillor Mrs S.D.A. Hackman declared an interest in this item and left whilst it was considered.

The Committee considered planning application 13/91219/C seeking approval for the temporary change of use from school grounds at Ballakermeen High School, St Catherine’s Drive, Douglas to luxury camping in connection with the TT Races for the dates 28th May – 8th June, 2014. The Committee discussed the application thoroughly raising such issues as the effect of noise on nearby residents, the effect of the proposed campsite on the children sitting exams at the school during the period, the possible positive impact on the local economy, the proposed level of site supervision, and that the application is for a strictly limited time period,

Resolved, "That particulars of the application be noted on the minutes and no objection be raised."

For: 3; Against: 1

Councillor Mrs C.A. Corlett asked that her vote against the motion be recorded.

A6. Nuisance Abatement Notice – 10 Myrtle Street, Douglas

The Committee considered a report on the external appearance of the front and rear of 10 Myrtle Street, Douglas. The property is in an unsightly condition and the front and rear masonry walls, the window frames, door and door frames, and front masonry wall all need to be repainted; and the weeds and overgrown vegetation in the front garden need to be cut down. The property is owned by an off-Island company and has been the subject of protracted off-Island legal proceedings. This has prevented the Council serving notice on any local individual or company which could be able to carry out the necessary work. Steps have been taken to appoint a liquidator in the British Virgin Islands so that the property can be put on the market for sale.

Resolved, "That particulars of the report be noted on the minutes and approval given for the service of a Notice on the owner or local representative of the owner, of 10 Myrtle Street, Douglas if required, under s24 of the Building Control Act 1991 and s14 of the Local Government Act (Miscellaneous Provisions) Act 1984."

A7. Unsightly Properties and Properties in Poor Condition

The Assistant Chief Officer (Corporate and Development) reported to the Committee on the various concerns about dilapidated properties raised by Members during the debate in Council. He advised that the format of the list will be amended to take into account the concerns raised.

In the Council debate several Members had expressed dissatisfaction that the 'date reported' did not always reflect the date that complaints had first been made about a property. The Assistant Chief Officer (Corporate and Development) advised that the date listed reflected the start of action on the current complaint about a property because this was all that the Court would take into account when reviewing the matter. He also advised that a matter would only go to Court after a Notice had been served and the owner had not carried out the work required in the Notice. It could take an average of eighteen months to two years to get a matter to Court and the Court action would be for non-compliance with a Notice.

In some instances, there has been extensive correspondence over the years with property owners who have carried out repairs or improvements only in response to letters or when required to by formal Notices; but once the particular matters were addressed, the owner would then neglect the property and new problems would arise. Members felt that the schedule of unsightly properties and properties in poor condition should include the date the property had first been investigated by the Council even if the owner had made some improvements over the years or otherwise complied with previous Notices. The Assistant Chief Officer (Corporate and Development) advised that the new format would include the information as requested.

The Assistant Chief Officer (Corporate and Development) advised that, as previously reported to the Executive Committee, an outside consultant has prepared draft legislation on behalf of the Council, which officers are using to lobby Government for improved powers for Local Authorities to deal with dilapidated properties. The consultant has previously worked for Keep Britain Tidy and has drafted the legislation based on the UK Clean Neighbourhoods and Environment Act. If adopted, this legislation would give the Council greater powers to deal with dilapidated and neglected properties using a number of means, including the imposition of fixed penalty notices and enabling the Authority to carry out essential work and place a charge on the property to recover costs.

There was some discussion as to whether or not the cost of sending a Notice could be charged to the owner on whom it was served. The Assistant Chief Officer (Corporate and Development) advised that there is no power for reimbursement of officers' time, and even when a matter goes to Court and court costs are awarded, these will not cover the full amount expended by the Council.

The Assistant Chief Officer (Corporate and Development) reminded the Committee that the Council has previously agreed to the protocol currently followed by officers. This includes in the first instance sending polite letters and/or calling on people to make them aware of the unsightliness issues associated with their properties. This 'informal' approach is largely successful, with forty-three properties in the Borough being improved over the past year. A document was circulated which detailed the improved properties.

Members raised questions on specific properties.

Resolved, "That the discussion be noted on the minutes, the reporting format be improved, and the document on improved properties circulated to all Members."

The Assistant Chief Officer (Corporate and Development) was thanked for his attendance and left the meeting at 11.40am.

A8. Adjournment and Resumption

The meeting adjourned at 11.44am and resumed at noon with these Members present:

Mr Councillor R.H. McNicholl (Chairman), the Mayor, Councillor Mrs C.A. Corlett, Mr Councillor C.L.H. Cain, Councillor Mrs E.C. Quirk

Councillor Mrs S.D.A. Hackman gave her apologies for the remainder of the meeting.

A9. Gateway Signs

The Committee reviewed the sample 'gateway' sign and reconsidered the report which had previously been before the Committee. There was an extended discussion during which these points were raised. The signs could include any photo image the committee wished. There are already 'welcome to Douglas' signs at the boundary points of the Borough. It is envisaged that these signs would be supplemental to the existing ones. There is no 'welcome to Douglas' sign at the Sea Terminal, so this could be a suitable place to put one. The wording on the sign is cream on a brown background. The committee could choose other colour combinations, although that is the standard combination used on highway signs for information on local landmarks or attractions. Blue and white signs are normally used on directional signs for traffic. There are many different possible photos and / or designs for a gateway sign.

Resolved, "That the discussion be noted on the minutes and that alternative designs and images be considered at the next meeting of the Committee."

A10. ISO Containers

The Committee considered a report on a proposal to purchase two 20ft ISO containers to be used for bin storage in Nobles Park. The ISO containers are watertight and secure. Use of ISO containers will avoid unnecessary movement of bins and provide additional dry storage facility for recyclables during TT and Manx Grand Prix.

Resolved, "That the report be noted on the minutes and approval be given to the purchase and delivery in this financial year of two, 20ft ISO containers at a total cost of £4,000 to be funded from existing refuse collection revenue budget."

A11. Procurement and Fitting of a Tail Lift and Modifications to an Existing Vehicle within the Fleet

The Committee considered a report proposing that a vehicle currently used by the Parks Department be modified for use by the Waste Services Department. The proposed modifications include the fitting of a tail lift. The vehicle is no longer needed by the Parks Department. Members asked for precise cost details and clarification as to who would carry out the work.

Resolved, "That the report be noted on the minutes and deferred to a future meeting pending receipt of further details."

A12. Adjournment and Resumption of Meeting

The meeting adjourned at 12.50pm. and resumed at 2.15pm with the following Members present:

Mr Councillor R.H. McNicholl (Chairman), the Mayor, Councillor Mrs C.A. Corlett, Councillor Mrs E.C. Quirk

Mr Councillor C.L.H. Cain gave his apologies for the remainder of the meeting.

Officers in attendance were: the Assistant Town Clerk, Assistant Borough Engineer, Senior Engineering & Waste Services Manager, Senior Accountancy Officer, Democratic Services Officer.

A13. Kerbside Recycling Calendars

The Committee reviewed prototypes of the calendars with the kerbside recycling schedule. One spelling mistake was identified and it was agreed to add the word 'metal' to the description of 'sweet tins'. There was discussion of possible improvements to the containers distributed to residents for gathering recyclable materials. In answer to question, it was confirmed that the calendars will be printed on A4 card and distributed before the start of 2014.

Resolved "That the discussion be noted on the minutes and the calendars approved subject to the minor amendments noted."

A14. Promoting Recycling in Schools

The Committee considered a report setting out a proposal to carry out recycling promotions in schools. As part of the development of the Kerbside service it is proposed to work with the Department of Education to promote recycling in schools. Promoting the benefits of recycling and educating children within schools has a positive effect on the tonnage of recyclables collected and is a simple way to increase participation. The report also included a proposal to offer an incentive scheme for schools to encourage recycling. If certain targets are achieved, then the schools would be rewarded with educational equipment.

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

- i. the creation and use of an interactive recycling lecture to be delivered to school children at their school; and
- ii. to provide the same interactive recycling lecture to school groups visiting the Town Hall; and
- iii. to purchase an identified educational item for the school that achieves the highest rate of recycling; and
- iv. to allow site visits at the new waste transfer station sited at the Council Service Centre once it is fully commissioned."

A15. Items for Future Consideration

The Committee noted the report listing a number of items as the subjects of reports for future consideration.

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

The meeting ended at 3.40 p.m.