

## The Highland Council

Minutes of Meeting of the **City of Inverness Area Committee** held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 28 January 2016 at 10.30 am.

### Present:

Mrs H Carmichael	Mr J Gray
Mr I Brown	Mr D Kerr
Mr R Balfour	Mr R Laird
Miss J Campbell	Mrs B McAllister
Mr A Christie	Mr K MacLeod
Mr J Crawford	Mr F Parr
Dr J Davis	Mr T Prag
Mr N Donald	Mr G Ross
Mr J Ford	Mrs G Sinclair
Mr K Gowans	Mrs J Slater
Mr A Graham	Mr H Wood

### Officials in Attendance:

Mr D Haas, Inverness City Area Manager  
Mrs C McDiarmid, Head of Policy and Reform, Chief Executive's Office  
Mr N Rose, Head of Audit and Risk Management, Finance Service  
Mr S Fraser, Head of Corporate Governance, Corporate Development Service  
Miss J MacLennan, Democratic Services Manager, Corporate Development Service  
Miss J Green, Administrative Assistant, Corporate Development Service

### Also in attendance:

Mr M Smith, Inverness BID Manager

**An asterisk in the margin denotes a recommendation to the Council. All decisions with no marking in the margin are delegated to Committee.**

### Mrs H Carmichael in the Chair

#### Business

#### 1. Apologies for Absence Leisgeulan

Apologies for absence were intimated on behalf of Mrs C Caddick, Mrs M Davidson, Mr A Duffy and Ms K Stephen.

#### 2. Declarations of Interest Foillseachaidhean Com-pàirt

The Committee **NOTED** the following declarations of interest:-

Item 3 – Mrs H Carmichael, Mrs B McAllister, Mr G Ross and Mr T Prag (all non-financial) and Mr K Gowans (financial)

Item 4 – Mrs H Carmichael, Mrs B McAllister, Mr G Ross and Mr T Prag (all non-financial)

Item 5 – Dr J Davis (financial)

Prior to commencement of the formal business, reference was made to Item 4 on the agenda and it was suggested that, in view of the fact that the issue concerned public art and public money, the whole item (comprising both public and confidential papers) should be discussed in public.

In this regard, the Head of Corporate Governance confirmed that Item 4 concerned progress on the Action Plan (arising from the Internal Audit report) which had been circulated on public papers for discussion at the meeting.

A confidential Addendum to the full Internal Audit Report had also been circulated to Members of the Committee only on the basis of providing background information (as it was considered that the findings of the Internal Audit Report had already been fully discussed in private at the Audit & Scrutiny Committee meeting in September). As such, any discussion on the confidential papers would require to be held in private.

The position was **NOTED**.

### **3. Inverness City Arts – Governance and Action Plan Ealain Meadhan a' Bhaile – Riaghaltas agus Plana-gnìomh**

**Declarations of Interest – Mrs H Carmichael, Mrs B McAllister, Mr G Ross and Mr T Prag declared non-financial interests in this item as members of the Inverness City Arts Working Group but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that their interests did not preclude their involvement in the discussion.**

**In addition, Mr G Ross declared a non-financial interest in this item on the basis that a family member was a local artist but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.**

**Mr K Gowans declared a financial interest in this item as an employee of UHI but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.**

There had been circulated Report No. CIA/1/16 dated 11 January 2016 by the Inverness City Area Manager which provided an update on progress made by the Inverness City Arts Working Group in meeting the criteria set by the City of Inverness Area Committee at the meetings held on 8 October and 3 December 2012 and 15 April 2013.

During discussion, Members raised the following issues:-

- an extremely successful public consultation had been undertaken on the development of the projects and the IC Arts Working Group would

continue to make the best use of every opportunity to engage with local communities in order to involve them in the delivery process wherever possible;

- there was a need to convey thanks to all the Officers concerned in the delivery of the projects within a process which had worked very well to date;
- lessons could be learned by other similar projects in terms of the process which had been followed;
- there was a need in future to consider other funding streams in addition to the Common Good Fund, including the potential for contributions from Inverness BID, Hotels, Bed & Breakfast establishments, etc wherever possible;
- increased use of the local media in future public consultation exercises should also be considered;
- there was some degree of public concern in regard to the Gathering Place and specifically the preferred site of Friars Shott in that it was felt that there had already been significant development along this side of the River. However, it was noted that the final site to be chosen would be subject to and informed by public and stakeholder consultation;
- also in relation to the Gathering Place, it was suggested that there should be more consultation with the Local Members for the area and that it should be recognised that the funding and implementation of this project was not ideal in terms of public perception in that it coincided with severe budget constraints throughout the Council;
- it was imperative that as many people as possible were involved in the consultation and engaged with the process and proposals; and
- whilst it was acknowledged that the timing for the River Connections project programme could have been better, this was a unique opportunity to enhance the River and the surrounding environment.

Thereafter, the Committee **NOTED** the terms of the report and the Action Plan which would continue to be reported on an annual basis.

#### **4. Governance of Inverness Old Town Arts and Inverness City Arts Group Riaghladh Ealain Seann Bhaile Inbhir Nis agus Buidheann Ealain Baile Inbhir Nis**

**Declarations of Interest – Mrs H Carmichael, Mrs B McAllister, Mr G Ross and Mr T Prag declared non-financial interests in this item as members of the Inverness City Arts Working Group but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors’ Code of Conduct, concluded that their interests did not preclude their involvement in the discussion.**

**In addition, Mr G Ross declared a non-financial interest in this item on the basis that a family member was a local artist but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors’ Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.**

There had been circulated Report No. CIA/2/16 dated 15 January 2016 by the Head of Policy and Reform which provided an update on the outcome of the Internal Audit report on the governance of Inverness Old Town Arts and the Inverness City Arts Group which had been reported to the Audit & Scrutiny Committee on 30 September 2015.

During discussion, Members raised the following issues:-

- it had to be recognised that Members' criticisms of IOTA had been longstanding and had been made known over a period of several years;
- it had been hoped that the remit of the Internal Audit report would have been wider although it was noted that consultation over the terms of the remit had been undertaken with Elected Members prior to its commencement;
- it was disappointing that invoices had been found after completion of the Internal Audit report and discussion of it at the Audit & Scrutiny Committee meeting in September;
- whilst recognising that errors in governance had been made, there had been learning outcomes from the process and these had been highlighted within the Action Plan and would be taken forward;
- the IOTA project had delivered projects on time and within budget and had attracted significant external funding and this should not be forgotten;
- the Internal Audit report had been a very difficult piece of work for a very good but very small team within the Council and had involved a lot of research. In this regard, the Addendum which had been circulated to Members reinforced that fact in that additional information had still been coming forward even after the completion of the work. As such, the Internal Audit team should be commended for the work undertaken which had enabled the various issues to be highlighted and discussed at length by the Audit & Scrutiny Committee in September;
- the original IOTA project had had some serious flaws in governance which in turn had represented serious ramifications for the Common Good Fund and it was therefore appropriate that the Action Plan arising from the Internal Audit report should be discussed in public;
- lessons had to be learned from this situation, not least in terms of the issues which had been highlighted regarding governance, financial accountability, tendering, procurement and management;
- there was a need to convey thanks to the Head of Internal Audit and his staff for undertaking what had been a very difficult and complex exercise;
- Elected Members, as well as Officers within the Council, had to take responsibility for some of the decisions which had been made in the past in regard to this project;
- the confidentiality requirements of some reports and papers issued by the Council needed to be reinforced for all concerned, not least to ensure that information was kept private when necessary and to provide proper safeguards for Members and Officers, especially when no action had been taken against Officers;
- there was some concern regarding specific wording within some of the recommendations within the Action Plan and this should be reviewed for future reports; and
- it was important that the findings of the Internal Audit report were now accepted, regardless of personal viewpoints on the issues which had

been highlighted, and that the terms of the Action Plan were now taken forward.

Thereafter, the Committee **NOTED**:-

- i. the Internal Audit findings and that they had been discussed in full and private at the Audit & Scrutiny Committee meeting on 30 September 2015;
- ii. the corrected information regarding invoices located and matched to payments; and
- iii. the progress with the Action Plan and that six of the eight actions had been completed, that for the two actions already underway (action 1 and action 2) they had revised target dates of 31 March 2016, that the Responsible Officer for action 2 would be the Head of Corporate Governance and that one of the actions for an annual report on ICARTS had been presented separately at the meeting.

## **5. Developing Inverness as a 'Coach Friendly' City A' Leasachadh Inbhir Nis mar Bhaile 'Càirdeil do Bhusaichean'**

**Declaration of Interest – Dr J Davis declared a financial interest in this item as an employee of Inverness Cathedral and in terms of responsibility for the liaison between Inverness Cathedral and the Coach Ambassador and left the room during discussion of this item.**

There had been circulated Joint Report No. CIA/3/16 dated 30 December 2015 by the Director of Community Services and the Inverness City Area Manager which invited consideration of the Evaluation of the Operation of Ardross Street as a pick-up/drop-off point for coaches for the 2015 tourist season and recommendations to improve operations for the 2016 season.

During discussion, Members raised the following issues:-

- it was noted that this was a competent use of Common Good monies in terms of the role of Coach Ambassador which it was considered would enhance the use of the City for the community and for visitors to the area. However, it was suggested that there was a need to review the funding in the long term, perhaps through contributions from other agencies and business in the area;
- previous suggestions from Members had been taken account of in the proposals and this was welcomed;
- the role of Coach Ambassador was felt to be a key success in the development of Inverness as a 'coach friendly' City;
- confirmation that Inverness BID were to make a financial contribution to the Coach Ambassador role was welcomed;
- there was a need to also consider car parking facilities and public convenience provision in the long term;
- further information on the delivery of the Decriminalised Parking Enforcement project was required;
- in relation to the route to be followed by the coaches along Ness Walk/Bishops Road, which contained both a narrow road and footpath, there were safety concerns in relation to protruding mirrors on some vehicles which it was feared could affect pedestrians on certain sections of the footpath; and

- the feedback which had been provided in the Appendix to the report in response to various surveys which had been undertaken was welcomed.

Thereafter, the Committee **NOTED** the Evaluation and the adjustments proposed for 2016 onwards, that publicity would be produced promoting the use of Ardross Street as the Inverness City coach pick-up/drop-off location and that an application would be made to the Common Good Fund Grants Sub-Committee to fund the recruitment of a Coach Ambassador.

It was also **AGREED** that the Inverness City Area Manager would inform Members as to when the Decriminalised Parking Enforcement Project was expected to be completed.

It was further **AGREED** that the concerns which had been raised at the meeting in relation to pedestrian safety at the junction between Ness Walk and Bishops Road in Inverness would be raised with Community Services.

**At this point, Dr Davis returned to the meeting.**

## **6. Victorian Market, Inverness – Action Plan – Market Management Margadh Bhictòrianach, Inbhir Nis – Plana-gnìomh – Stiùireadh Margaide**

There had been circulated Joint Report No. CIA/4/16 dated 18 January 2016 by the Director of Development and Infrastructure and the Inverness City Area Manager which provided an update on the preparation and initial implementation of an Action Plan focused on improving trading conditions for the Victorian Market and the City Centre and detailed a proposal to prepare and offer a tender to the open market.

Specifically, the report set out the status of the Market within the City, the Terms of Reference used in structuring the Feasibility Study, how the Market worked, how the utilisation of a third party operator could improve performance and the risks and benefits.

During discussion, Members raised the following issues:-

- the Victorian Market needed to survive and thrive and this should be key to all future discussions;
- it had been previously stated that the involvement of the private sector in the City was the key to success and this should be taken into account when considering the recommendations in the report;
- the Victorian Market had always been considered as the ‘jewel in the crown’ of Inverness and as such was very important to the community;
- in any decision to be taken, it was vital that the traders were involved at every stage;
- it had to be recognised that some traders were now struggling and statistics had shown footfall to be decreasing;
- this was a very complex issue and as such there was no urgency to make a decision at the present time. It would perhaps therefore be preferable to take a step back to allow further consideration and discussion with the traders in the first instance;

- setting up a stakeholder group to examine all options and issues within a relatively short timescale would allow a more informed decision to be taken at the next meeting;
- it was important that the Committee and the traders decided upon a vision for the Victorian Market before commencing any discussion with the private sector;
- private sector management was likely to be a very different experience for the traders and this should be recognised;
- consideration should be given to agreeing the recommendations in the report in principle at this stage and thereafter engaging in further conversation with the traders before any final decisions were taken;
- the arrangement of a Charrette style event would be helpful to gather views on the way forward; and
- taking account of the views which had been put forward, it would be preferable to defer further consideration until the next meeting to allow a more detailed report to come forward at that time.

Thereafter, Mr A Christie, seconded by Mr R Laird, **MOVED** that that this issue be deferred and a report produced for the next meeting which covered setting up a Stakeholder Group (including Local Councillors, businesses, traders and neighbouring traders), a Charrette-style event, a report on options for the Common Good Fund to engage a retail property in-house manager, a timeline to conclude these activities and consultations that completed within a six month period and that a Seminar be held in order to establish the Committee's vision for the Victorian Market.

As an **AMENDMENT**, Mr I Brown, seconded by Mrs G Sinclair, moved the recommendations as outlined in the report, with the inclusion of arranging a Charrette.

On a vote being taken, the **MOTION** received 10 votes and the **AMENDMENT** received 9 votes, with 2 abstentions, and the **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

**For the Motion:**

Ms J Campbell, Mr A Christie, Mr J Crawford, Dr J Davis, Mr A Graham, Mr R Laird, Mr K MacLeod, Mr T Prag, Mr G Ross, Mr H Wood

**For the Amendment:**

Mr R Balfour, Mr I Brown, Mrs H Carmichael, Mr N Donald, Mr K Gowans, Mr J Gray, Mr F Parr, Mrs G Sinclair, Ms J Slater

**Abstentions:**

Mr J Ford, Mr D Kerr

The Committee therefore:-

- NOTED** the further discussions with traders since the deferral of the report on 3 December 2015;
- NOTED** the report and the Feasibility Study relating to the potential of Private Sector management of the Victorian Market as detailed in Appendix 1;

- iii. **AGREED** that this issue be deferred and a report produced for the next meeting which covered:-
  - (a) setting up a Stakeholder Group, including Local Councillors, businesses, traders and neighbouring traders;
  - (b) a Charrette-style event;
  - (c) a report on options for the Common Good Fund to engage a retail property in-house manager;
  - (d) a timeline to conclude these activities and consultations that completed within a six month period; and
  - (e) that a Seminar be held in order to establish the Committee's vision for the Victorian Market.

## 7. Minutes Geàrr-chunntas

The following Minutes had been circulated for noting or approval as appropriate:-

- i. City of Inverness Area Committee held on 3 December 2015 – **NOTED**;
- ii. Inverness City Arts Working Group held on 14 October and 10 December 2015 – **APPROVED**; and
- iii. Inverness Events and Festivals Working Group held on 10 December 2015 and 14 January 2016 – **APPROVED**.

The meeting ended at 1.15pm.