

**Highland Council
Corporate Resources Committee**

Minutes of Meeting of the **Commercial Board** held in Committee Room 2, Council Headquarters, Inverness on Thursday 7 December 2017 at 2.30 pm.

Present

Mr Gordon Adam
Mr George Cruickshank
Mr Jimmy Gray

Mr Derek Louden
Mr Peter Saggars
Ms Maxine Smith

Officials in attendance

Mr D Yule, Depute Chief Executive and Director of Corporate Resources
Mr A MacInnes, Administrative Assistant, Chief Executive's Service

Mr G Adam in the Chair

BUSINESS

1. Apologies for Absence

Apologies for absence were intimated on behalf of Mr A Baxter and Mrs A MacLean.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of Last Meeting

There was circulated the Minutes of the last meeting held on 9 November 2017, the terms of which were **APPROVED**.

4. Exclusion of the Public

The Board **RESOLVED** that under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting on the grounds that the matter for discussion would involve the likely disclosure of exempt information as defined in Part I of Schedule 7A of the Act.

5. Commercial Opportunities: Outline Business Case

There had been circulated Outline Business Cases in respect of a number of commercial opportunities.

Following detailed discussion, the Commercial Board **NOTED** the Outline Business Cases as presented and **AGREED** the following actions:-

Item 5.i

- income and costs of this commercial idea required to be refined;
- the Project Officer be invited to the next meeting to discuss the business case in more detail.

Item 5.ii

- the Chair and Vice Chair of the Board would meet with Highlands and Islands Airports Limited to discuss the prospect of a joint partnership on this commercial idea;
- that a Project Officer determine the commercial viability of this idea further, to include discussions with potential partners;
- that the Head of Development and Regeneration produce a list of Council owned land available for commercial ideas and the potential uses for this land. The Head of Development and Regeneration would also be asked to attend the next meeting to discuss this.

Item 5.iii

- the Vice Chair and Councillor D Louden undertook to examine the income and expenditure from other providers of this commercial idea, in order to see if it was commercially viable;
- Councillor P Sagers undertook to examine trends and the market for this idea in order to provide an assessment of the number of potential car parks/parking spaces required;
- That the Head of Development and Regeneration would attend the next meeting to discuss available land for this commercial idea.

Item 5.iv

- An initial assessment of the viability of this commercial idea be undertaken by an independent consultant with experience in this area. Thereafter, a business plan could be produced in order to identify how the costs of providing this facility could be recouped and determine the wider community benefits.
- That the North Kessock site be progressed with a view to implementation by Summer 2018. In parallel to this, other land would be looked at with a view to similar developments being provided in other areas.
- The Project Officer be invited to attend the next meeting to discuss this idea further.

Item 5.v

- The likely income and expenditure of this commercial idea was required and where sites were located i.e. away from or adjacent to human burial sites;
- The potential site at Kilvean be explored further, with a location map and photos of the site to be submitted to the next meeting.
- The Project Officer be invited to attend the next meeting to discuss this idea further.
- That an update be provided at the next meeting by the Director of Community Services on the Burials and Cremations income generation workstream.

6. Commercial Opportunities

It was **AGREED** that this item be deferred to the next meeting.

7. AOCB

Delegated Powers – in order for the Commercial Board to progress commercial ideas quicker, consideration should be given to the Board seeking delegated authority within certain parameters.

Date of Meeting – **AGREED** that the 19 March, 2018 meeting date be rescheduled to the week before.

MOT Testing – **NOTED** that MOT Testing was already being looked at as part of the Council's income generation work stream, but that it should also be added to the Commercial ideas list for future consideration.

The meeting was closed at 3.50 pm.

**Highland Council
Corporate Resources Committee**

Minutes of Meeting of the **Commercial Board** held in Committee Room 2, Council Headquarters, Inverness on Tuesday 16 January 2018 at 10.30 am.

Present

Mr Gordon Adam
Mr George Cruickshank
Mr Laurie Fraser
Mr Jimmy Gray

Mr Derek Loudon
Mrs Angela MacLean
Mr Peter Saggors
Ms Maxine Smith

Officials in attendance

Mr D Yule, Director of Corporate Resources, Highland Council
Mr W Gilfillan, Director of Community Services, Highland Council
Mr A Maguire, Head of Development & Regeneration, Highland Council
Mr M Bailey, Principal Project Manager, Commercial & Continuous Improvement Team, Highland Council
Mrs L Dunn, Principal Administrator, Chief Executive's Service, Highland Council

An asterisk in the margin denotes a recommendation to the Corporate Resources Committee. All decisions with no marking in the margin are delegated to the Board.

BUSINESS

1. Apologies for Absence

Apologies for absence were intimated on behalf of Mrs D Mackay and Mr A Rhind.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of Last Meeting

There was circulated the Minutes of the last meeting held on 7 December 2017, the terms of which were **APPROVED**.

4. Exclusion of the Public

The Board **RESOLVED** that under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting on the grounds that the matter for discussion would involve the likely disclosure of exempt information as defined Part I of Schedule 7A of the Act.

5. Commercial Opportunities

The Principal Project Manager, Commercial & Continuous Improvement Team gave a presentation during which he gave an update on progress of the Outline Business Cases that had been presented at the last meeting and outlined the

method in which these commercial opportunities would continue to be taken forward. The Principal Project Manager also advised that resource would be assigned from the Commercial and Continuous Improvement Team to programme manage the portfolio of commercial opportunities and provided a flowchart that set out the approach to be followed in terms managing and progressing commercial opportunities.

Following detailed discussion of each of the commercial priorities, the Commercial Board:-

- i. **NOTED** the presentation and the update provided in regard to progress with the commercial priorities and that progress of the portfolio of opportunities would continue to be reported at future meetings;
- ii. **NOTED** that once the model had been established CI1 would be replicated in other areas;
- * iii. **NOTED** the information tabled in regard to the potential level of income that could be generated from CI3 and **AGREED** that the Chair and Vice Chair would meet with Highlands and Islands Airports Limited to discuss the prospect of forming a joint partnership to take the project forward;
- iv. **NOTED** the report tabled in regard to CI4 and:-
 - a. **AGREED** that further work be undertaken to determine the most appropriate use of this asset; and
 - b. **AGREED** to recommend to Corporate Resources Committee that the estimated costs of the feasibility study be approved; and
- v. **AGREED** that the Commercial Board sought delegated authority, within certain parameters and with suitable safeguards, to progress commercial ideas more quickly.

6. Commercial Opportunities

The Head of Development and Regeneration gave a presentation on commercial land and property opportunities which included a number of potential initiatives that could be pursued.

At this point Mr L Fraser left the meeting (12 noon).

Following discussion, the Commercial Board **NOTED** the presentation and **AGREED** that a report be submitted to the next meeting setting out in detail examples of the types of commercial property and land opportunities available; the level of return on investment; the mechanism for delivery; and a governance framework.

7. Income Group

The Director of Community Services provided an update on the work of the Income Group during which he advised that as part of this process the Group had been examining the Council's fees and charges which also included the establishment of a database in order that key market intelligence data could be collated on these for future analysis. In addition to this, a corporate policy had been drafted in respect of fees and charges as well as consideration of new income stream ideas which had been refined to a shortlist of approximately six ideas to be taken forward as a portfolio of activity in respect of income generation.

The Director of Community Services advised that the work of the Income Group was aligned with the purpose of the Commercial Board and he therefore recommended that the fees and charges database; the Fees and Charges Policy; and the key income generating ideas should be submitted to the Commercial Board for detailed Member scrutiny.

The Board welcomed this approach and **AGREED** that the fees and charges database and the Fees and Charges Corporate Policy be submitted to the next meeting for consideration and that further information on the key income generating ideas be submitted to a future meeting.

The meeting was closed at 12.30 pm.

**Highland Council
Corporate Resources Committee**

Minutes of Meeting of the **Commercial Board** held in Committee Room 2, Council Headquarters, Inverness on Friday 16 February 2018 at 10.30 am.

Present

Mr Gordon Adam
Mr George Cruickshank
Mr Laurie Fraser

Mr Jimmy Gray
Mr Peter Siggers

Officials in attendance

Mr D Yule, Depute Chief Executive and Director of Corporate Resources
Mr W Gilfillan, Director of Community Services (arrived at 11.45 am)
Mr M Bailey, Principal Project Manager, Commercial & Continuous Improvement Team
Mr M Kelly, Corporate Improvement Project Manager, Corporate Services
Mr R Macaskill, Technical Business Analyst, Chief Executive's Office
Mrs L Dunn, Principal Administrator, Chief Executive's Office

An asterisk in the margin denotes a recommendation to the Corporate Resources Committee. All decisions with no marking in the margin are delegated to the Board.

BUSINESS

1. Apologies for Absence

Apologies for absence were intimated on behalf of Mr D Loudon, Mrs A MacLean, Mrs D Mackay, Mr A Rhind and Ms M Smith.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of Last Meeting

There was circulated the Minutes of the last meeting held on 16 January 2018, the terms of which were **APPROVED**.

4. Exclusion of the Public

The Board **RESOLVED** that under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting on the grounds that the matter for discussion would involve the likely disclosure of exempt information as defined Part I of Schedule 7A of the Act.

5. Commercial Opportunities

The Commercial & Continuous Improvement Team provided an update on the approach being applied to develop the Commercial programme at both strategic and operational levels, along with progress of the current portfolio of Commercial

opportunities.

In summary, the presentation reflected on progress of the Commercial journey so far which included information on the successes and challenges to date. It was explained that there were three main key areas for the Board to consider and take forward which included development of a strategic vision; staff behaviour and accountability; and development of a Balanced Programme. The need to devise a standardised approach to developing business cases, which should also include provision for external assurance and expertise (where justified), was explained along with the need to shape governance, which included the need for the Board to seek appropriate delegated powers and transparent ways of working.

Continuing, the Board was provided with an update on progress in regard to projects CI2, CI3 and CI4 within the commercial portfolio and the work that had been undertaken to progress these initiatives. It was explained that projects CI1 and CI5 had been ceased at the feasibility stage and during an explanation of the rationale for this the Board was informed that project CI5 could continue to be taken forward by the Service, i.e. should not be progressed by the Commercial Board, and that CI1 could be revived at a later stage if a cost effective solution was identified. In addition, the details of five new potential projects were put forward to the Board for consideration. The presentation concluded by setting out the proposed outputs to be delivered over the next three months.

Following a short question and answer session on the presentation, the Board indicated the need for it to seek appropriate delegated powers to enable quick decision making processes to be adopted in order to capitalise on commercial opportunities. Therefore, it was proposed that further information be presented to the next meeting of the Board in regard to defining a strategic vision and setting out options for delegated powers.

Thereafter, the Commercial Board:-

- i. **NOTED** the presentation and the update provided in regard to progress of the Commercial Portfolio; and
- ii. **AGREED** that a report be submitted to the next meeting on defining a strategic vision and outlining options for delegated powers.

6. Fees and Charges

The Commercial Board was presented with an update on the data capture and work that had been undertaken to date to develop a database for the purpose of providing visibility of all fees and charges across Services and their functions to enable consistent and effective management of the same to maximise the required financial benefit.

The presentation gave information on the Council's three key types of fees and charges (Statutory, Quasi-statutory, and Discretionary); explained there was a three phased approach to the development of the centralised fees and charges system; and gave an update in regard to phase 1 which comprised of seven stages with stages one to four having already been completed.

The Board welcomed the presentation and commended the progress that had been achieved to date, particularly in regard to the request to services for data to populate the database for which there had been a 70% response rate. In addition, responses were provided to a number of detailed questions that were raised in regard to the development and measures to ensure the continual updating of the database.

The Board recognised the importance of establishing and understanding costs, particularly in regard to cost recovery, and linking this to income. The Board further recognised that cultural change would be important to achieving this and highlighted the importance of communicating and engaging with staff and recommended that consideration be given to identifying service champions to assist with the development of the database.

Following discussion, the Board **NOTED**:-

- i. the presentation on work that had been undertaken to develop a corporate fees and charges database and **AGREED** that an update on progress be provided to a future meeting; and
- ii. that a report from the Director of Community Services presenting the Fees and Charges Corporate Policy would be submitted to the 14 March 2018 Board for scrutiny, and any revisions as required, prior to recommending submission of that Policy to Corporate Resources Committee for approval.

The meeting was closed at 12.15 pm.