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ADDITIONAL CIRCULATION



To: Councillor Young, Convener; Councillor Allan, Vice-Convener; and Councillors Cameron, Crockett, Dickson, Jackie Dunbar, Forsyth, Graham, Laing, Malone, McCaig, Milne, Noble, Reynolds and Yuill.

Town House,
ABERDEEN, 23 July 2013

FINANCE AND RESOURCES COMMITTEE

The undernoted items are circulated in connection with the meeting of the **FINANCE AND RESOURCES COMMITTEE** to be held here in the Town House on **THURSDAY, 25 JULY 2013 at 2.00 pm.**

JANE G. MACEACHRAN
HEAD OF LEGAL AND DEMOCRATIC SERVICES

BUSINESS

GENERAL BUSINESS

- 4.1 Property Arrangements - Local Authority Trading Company (Pages 1 - 4)

Should you require any further information about this agenda, please contact Allison Swanson, tel. (52)2822 or email aswanson@aberdeencity.gov.uk

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	25 July 2013
DIRECTOR	Fred McBride, Social Care and Wellbeing
TITLE OF REPORT	Property Arrangements - Local Authority Trading Company

REPORT NUMBER:

1. PURPOSE OF REPORT

The Report seeks approval for revision to arrangements for transfer of property to Bon Accord Support Services Ltd, as previously approved by Council on 6 March 2013.

2. RECOMMENDATION(S)

Committee is requested to

- (i) agree to the appropriate accommodation within Archibald Simpson House being leased to Bon Accord Support Services, on terms and conditions to be agreed by the Head of Asset Management & Operations;
- (ii) agree to the transfer of Hillylands to Bon Accord Support Services under a licence agreement, within 1 week of receipt of a Certificate of Practical Completion of all works to bring the building to standard fit for the purpose of occupancy; and
- (iii) note the remaining five properties which will transfer to Bon Accord Support Services as narrated in 6.4 of the Report.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising directly from the proposals in this Report. The properties will be leased or occupied under licence from the Council at market value. The cost of the rent for the properties will be included in the Contract price for the delivery of social care services by the company to the Council, as part of the normal overheads of a company delivering such services.

4. LEGAL IMPLICATIONS

In addition to the properties that are the subject of this Report, there are a number of properties which the Council occupies on licence from NHS Grampian and in which LATC staff may be based. The relevant agreements will ensure that the LATC indemnifies the Council for any liability which arises as a

result of any act or omission on the part of the LATC in relation to occupancy of these premises.

5. OTHER IMPLICATIONS

- 5.1 At the time of writing this report it is expected that the Contract between the Council and the Bon Accord Support Services will be concluded to allow Bon Accord Support Services and Bon Accord Care to become operational on 1 August 2013. The property arrangements are part of the Contract.
- 5.2 Archibald Simpson House will be the headquarters for the companies. It is already occupied by staff who are transferring to Bon Accord Care and who will be based there for the purpose of delivering services.

6. BACKGROUND/MAIN ISSUES

- 6.1 On 6 March 2013 Council agreed to the recommendation of the report 'Transfer of Adult Social Care Services to LATC', 2.1(b) to "approve the key legal and commercial terms underpinning the transfer of the proposed services to the LATC as set out in the background papers".
- 6.2 Annex 1.6 to the Report states that "The physical assets ... will be licensed to Bon Accord Support (rather than leased)." and refers to Archibald Simpson House (part only).
- 6.3 On the advice of Legal & Democratic and Asset Management & Operation Services, the preferred arrangement is for the required accommodation within Archibald Simpson House to be leased and not a licence. This will ensure consistency with the arrangements with other agencies who occupy the building (e.g. NESTRANS). It is proposed that the actual terms and conditions of the lease will be progressed by the Head of Asset Management & Operations utilising his Delegated Powers.
- 6.4 Further to the Report of 6 March, it is confirmed that the properties to transfer to Bon Accord Support Services at 1 August 2013 are:
- Archibald Simpson House – lease;
 - Balnagask House – licence;
 - Fergus House – licence;
 - Rosewell House – licence;
 - Community Equipment Store, Whitemyres – licence;
 - Pittodrie (Community) Centre – licence.
- 6.5 The Report of 6 March, Annex 1.6, refers to the transfer, also, of Hillylands, Horizons Rehabilitation Centre, Balgownie 1 (part), and Exchequer House.
- 6.6 It was expected that Hillylands would transfer under licence. However, a programme of work to refurbish the building is delayed and the building remains unfit for use. It is proposed that Hillylands is transferred to Bon Accord Support

Services under licence once the work is completed and within one week of the building being fit for the purpose of occupancy as an Occupational Therapy and Rehabilitation Centre.

- 6.7 Horizons is subject to a long term lease to NHS Grampian and there will be no change to this arrangement. This is a joint service with NHS Grampian and Bon Accord Care will manage the service on behalf of the Council and NHS.
- 6.8 Balgownie 1 and Exchequer House are no longer required as the staff who were based there have moved to Archibald Simpson House.

7. IMPACT

The information and recommendations in this Report relate to the implementation of Bon Accord Care Ltd and Bon Accord Support Services Ltd toward the 'go live' date of 1 August 2013 and the necessity of concluding the Contract to allow this.

There are no issues suggesting the need for an Equality and Human rights Impact Assessment in relation to this report.

8. MANAGEMENT OF RISK

Failure to put in place appropriate arrangements to transfer properties may delay the implementation of the Local Authority Trading Company. This may result in less efficient delivery of services and may compromise outcomes for vulnerable citizens, lead to challenge to the Council in relation to its statutory duties and to adverse publicity with loss of reputation.

9. BACKGROUND PAPERS

This Report relates to the Report to Council on 6 March 2013 by the Director of Social Care & Wellbeing, 6 March 2013 Council agreed to the recommendation of the report 'Transfer of Adult Social Care Services to LATC', SCW13/12.

10. REPORT AUTHOR DETAILS

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