

## FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 21 April, 2011 – minute of meeting of the FINANCE AND RESOURCES COMMITTEE. Present: Councillor Kevin Stewart, Convener; Councillor Yuill, Vice Convener; and Councillors Boulton (as substitute for Councillor Farquharson), Cormack, Cormie (as substitute for Councillor McCaig), Crockett (for articles 1 – 14 and 18 – 24), Dean, Dunbar, Fletcher, Graham, Kiddie, Laing, Leslie, John West and Young (as substitute for Councillor Cassie until article 44).

Also in attendance: Councillor Jennifer Stewart, for article 7 only.

The agenda and reports associated with this minute can be found at:

<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MId=1926&Ver=4>

### DETERMINATION OF EXEMPT ITEMS OF BUSINESS

1. The Convener proposed that the Committee consider those reports identified on the agenda as being for determination in private, with the press and public excluded.

#### **The Committee resolved:-**

in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting from item 11.1 of the agenda (article 32 of this minute) onwards so as to avoid disclosure of information of the class described in the following paragraphs of Schedule 7(A) to the Act: article 32 (paragraph 8), article 33 (paragraph 8), article 34 (paragraph 9), article 35 (paragraph 1), article 36 (paragraphs 6 and 10), article 37 (paragraphs 6 and 10), article 38 (paragraph 6), article 39 (paragraphs 6 and 9), article 40 (paragraphs 6 and 9), article 41 (paragraphs 6 and 9), article 42 (paragraph 6), article 43 (paragraphs 6 and 9); article 44 (paragraph 9), article 45 (paragraphs 6 and 9), article 46 (paragraphs 6 and 9), article 47 (paragraph 8), article 48 (paragraph 6), article 49 (paragraph 6), article 50 (paragraphs 6 and 9), and article 51 (paragraphs 6 and 9).

### REQUEST FOR DEPUTATION

2. The Committee were advised (1) that a request for deputation had been received in relation to item 6.7 of the agenda (Kaimhill Community Centre) (article 23 of this minute refers) from Mr Paul O'Connor of Inchgarth Community Centre; and (2) that this request had not been received in terms of Standing Order 10(1).

At this juncture the Convener intimated that the request had been withdrawn immediately prior to the commencement of the meeting.

#### **The Committee resolved:-**

to note that the request for deputation had been withdrawn.

## **MINUTE OF PREVIOUS MEETING**

3. The Committee had before it the minute of its previous meeting of 1 February, 2011.

### **The Committee resolved:-**

to approve the minute as a correct record.

## **MINUTE OF THE FINAL MEETING OF THE 3RS PROJECT WORKING GROUP**

4. The Committee had before it the minute of the final meeting of the 3Rs Project Working Group of 11 March, 2011.

At this meeting, members had agreed to disband the Working Group (subject to the approval of this Committee), as it had fulfilled its remit (ie to monitor progress in relation to the 3Rs Project).

The Convener took this opportunity to pay tribute to all officers past and present involved in the delivery of the 3Rs Project, the two previous Chairpersons of the Working Group (former Councillor Harris, and the Lord Provost), all elected members involved in the Working Group, trades union representatives, teacher representatives, the teachers and pupils at each school involved in the project and members of the community organisations, all of whom had shown a tremendous amount of commitment and enthusiasm to the project.

The Convener thanked Colin Hunter (former 3Rs Project and Programme Director), who had recently retired from the Council, and paid tribute to the dedication to the project that Mr Hunter had shown over a number of years. The Convener concluded that the 3Rs Project had been a huge achievement for the Council and the city, with ten new schools being delivered in less than four years, the benefits of which would be seen for generations to come.

All members echoed the sentiments of the Convener.

### **The Committee resolved:-**

- (i) to approve the minute as a correct record;
- (ii) to disestablish the 3Rs Project Working Group;
- (iii) to instruct that progress reports on the 3Rs Project be brought back to appropriate meetings of this Committee.

## **COMMITTEE BUSINESS STATEMENT**

5. The Committee had before it a statement of pending and outstanding committee business, as prepared by the Head of Legal and Democratic Services.

In relation to item 2 of the Business Statement (Leaking of Report on St Nicholas House Site), the Head of Legal and Democratic Services advised that this issue was ongoing.

**The Committee resolved:-**

- (i) to remove items 3 (Physiotherapy Pilot), 13 (Leaside Hall), 18 (Queens Links Outdoor Centre) and 27 (London 2012) from the Business Statement;
- (ii) to instruct that an update be provide in relation to item 6 (Altens Community Centre) at the next meeting of 16 June, 2011;
- (iii) to request that the Head of Finance provide an update by way of email to members of the Committee on item 20 (TIF – Union Terrace Gardens) in relation to the organisation from which the funds had been secured;
- (iv) to note that reports would be presented at the next meeting of 16 June, 2011 in relation to items 9 (Common Good Budget) and 10 (Applications for Financial Assistance); and
- (v) to otherwise note the updates as contained within the Business Statement.

**MOTIONS LIST**

6. The Committee had before it the outstanding motions list, as prepared by the Head of Legal and Democratic Services.

**The Committee resolved:-**

- (i) to note that a report was on the agenda in relation to item 4 (Motion by Councillor Young – Royal Wedding) (article 8 of this minute refers), and to therefore remove this item from the list; and
- (ii) to otherwise note the updates as contained within the list.

**HAZLEHEAD HOUSING ESTATE – MOTION BY COUNCILLOR JENNIFER STEWART (H&E/11/045)**

7. With reference to article 29 of the minute of meeting of this Committee of 11 March, 2010, the Committee had before it a report by the Director of Housing and Environment which updated members on progress made in relation to a motion submitted by Councillor Jennifer Stewart ('That this Council consults with occupiers in the terraced dwellings in Hazlehead Road, Hazlehead Gardens, Hazlehead Terrace, Hazlehead Crescent, Hazlehead Place, and Provost Graham Place, to find out if they can acquire or lease appropriate portions of the adjacent Council owned land as individual defensible garden areas, and that officers then report back on their findings').

The report advised members that a questionnaire had been issued to sixty nine households in the area, with thirty eight being returned; eleven of these intimating a positive response. The report outlined the challenges that officers faced in terms of this proposal, and concluded by stating that the Housing and Environment Service was undertaking a piece of work which would ascertain the extent to which the Housing Revenue Account was providing services and meeting costs for communal activities within local authority estates. It was noted that future reports on this

matter would be presented to meetings of the Housing and Environment Committee.

**The Committee resolved:-**

- (i) to note the information provided; and
- (ii) to instruct that a further report on progress made in relation to Councillor Jennifer Stewart's motion be presented to the meeting of this Committee of 27 September, 2011.

**ROYAL WEDDING – MOTION BY COUNCILLOR YOUNG (OCE/11/002)**

8. With reference to article 10 of the minute of its previous meeting of 1 February, 2011, the Committee had before it a report by the Chief Executive which provided an update on the decision taken at the aforementioned meeting, to instruct officers to look into the possibility of setting up or contributing to a Trust for musically gifted children in the city as a wedding present for Prince William and Kate Middleton.

The report advised that following investigations by officers, it was clear that gaining approval for a fund to be named in honour of the couple would be a lengthy procedure, which would have to involve both the Cabinet Office and the Lord Chamberlain.

The report highlighted that the Royal Wedding Charitable Gift Fund had been launched on 16 March, 2011, for those who might wish to donate to a charity to help the Royal couple celebrate their wedding. A number of charities had been identified, and categorised into themes important to the couple, including (1) changing lives through arts and sport; (2) children fulfilling their potential; (3) help and care at home; (4) support for service personnel and their families; and (5) conservation for future generations. It was suggested that the most appropriate course of action would be to make a donation to the Befriend a Child charity, ringfenced for the purposes of providing activities that would support children in the city with special musical abilities.

**The Committee resolved:-**

- (i) to suspend Standing Order 22(1) in order to alter the decision taken at the previous meeting of 1 February, 2011 (article 10 of the minute of that meeting refers) in relation to the Council's gift to the Royal couple; and
- (ii) to donate £2,000 to the Befriend a Child charity, ringfenced for the purposes of providing activities which support children in the city with special musical abilities.

**ENVIRONMENTAL HEALTH AND TRADING STANDARDS – REVISED CHARGES**

9. Reference was made to article 18 of the minute of meeting of the Housing and Environment Committee of 1 March, 2011 whereby proposed charges in relation to the Environmental Health and Trading Standards services for 2011/12 had been agreed, subject to the ratification of this Committee. The Committee had

before it on this day, the report as presented to the Housing and Environment Committee, and the relevant minute extract from the aforementioned meeting. The report had appended to it, the proposed charges for the Environmental Health and Trading Standards services for 2011/12.

**The Committee resolved:-**

to concur with the recommendations of the Housing and Environment Committee, and to note the financial implications accordingly.

**ENVIRONMENTAL SERVICES 2011/12 – CHARGES (H&E/11/023)**

10. Reference was made to article 19 of the minute of meeting of the Housing and Environment Committee of 1 March, 2011, at which time members agreed (subject to the ratification of this Committee), the charges for 2011/12 in relation to Pets' Corner and In Bloom sponsorship.

**The Committee resolved:-**

to concur with the recommendations of the Housing and Environment Committee, and to note the financial implications accordingly.

**COMPLEMENTARY USES OF EXISTING AND FUTURE PARK AND RIDE/CHOOSE SITES (EPI/11/024)**

11. Reference was made to article 28 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 15 March, 2011 at which time members had considered a report by the Service Director in relation to complementary uses of existing and future Park and Ride/Park and Choose services, and in particular a process for considering and approving this. The Enterprise, Planning and Infrastructure Committee had referred the report to this Committee in order for it to consider the charging policy. The Committee had before it on this day, the report as presented to the Enterprise, Planning and Infrastructure Committee, and the relevant minute extract. Appended to the report as appendix three was the proposed charging policy for the Committee to consider.

**The Committee resolved:-**

to approve the charging policy, a per appendix three of the report.

**REVIEW OF CHARGES FOR STREET OCCUPATIONS (EPI/11/103)**

12. Reference was made to article 27 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 15 March, 2011 at which time members had (1) approved revised charges in relation to street occupations, and instructed that these be applied from 1 May, 2011; (2) approved the charges for driveway applications and traffic signal management requests, and instructed that these be applied from 1 May, 2011; and (3) instructed officers to review these charges annually. It was noted that both (1) and (2) above were subject to the ratification of this Committee. The Committee had before it on this day, the report as presented to

the Enterprise, Planning and Infrastructure Committee, and the relevant minute extract from that meeting.

**The Committee resolved:-**

to concur with the recommendations of the Enterprise, Planning and Infrastructure Committee, and to note the financial implications accordingly.

## **REMOVAL OF OVERNIGHT PARKING CHARGES**

**13.** Reference was made to article 4 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 15 March, 2011, at which time members had, amongst other things, agreed (subject to the approval of this Committee) that the recently introduced overnight charge of £1.50 in off street car parks be removed, and that this be replaced by extended operational hours in the most straightforward sense (ie 8am until 10pm instead of 8am until 8pm). The Committee had before it on this day, the minute extract from the aforementioned meeting.

The Convener, seconded by the Vice Convener, moved:

that the resolution of the Enterprise, Planning and Infrastructure Committee be ratified (ie that the recently introduced overnight charge of £1.50 in off street car parks be removed, and that it be replaced by extended operational hours in the most straightforward sense - 8am until 10pm instead of 8am until 8pm).

Councillor Graham, seconded by Councillor Young, moved as an amendment:

that the recently introduced overnight charge of £1.50 in off street car parks be removed, but that this Committee does **not** ratify the change in operational hours, and refers this matter back to the Enterprise, Planning and Infrastructure Committee for further consideration; the £60,000 required to cover the change to the operational hours would be funded from Council reserves.

On a division, there voted: for the motion (10) – the Convener; the Vice Convener; and Councillors Cormack, Cormie, Dean, Dunbar, Fletcher, Kiddie, Leslie and John West; for the amendment (4) – Councillors Crockett, Graham, Laing and Young; declined to vote (1) – Councillor Boulton.

**The Committee resolved:-**

to adopt the successful motion.

## **BOOKINGS AND LETTINGS REVIEW (ECS/11/017)**

**14.** Reference was made to article 18 of the Education, Culture and Sport Committee of 24 March, 2011 at which time, amongst other things, it was agreed to increase the charges for the lets for educational establishments by an average of 4%, subject to the approval of this Committee. The Committee had before it on this day, the report as presented to the Education, Culture and Sport Committee, and the relevant minute extract.

The Convener, seconded by the Vice Convener, moved:  
that the Committee concur with the recommendation of the Education, Culture and Sport Committee, and note the financial implications accordingly.

Councillor Laing, seconded by Councillor Graham, moved as an amendment:  
that the Council retains the current pricing structure, and that the additional cost of £15,000 be met from Council reserves.

On a division, there voted: for the motion (10) – the Convener; the Vice Convener; and Councillors Cormack, Cormie, Dean, Dunbar, Fletcher, Kiddie, Leslie and John West; for the amendment (4) – Councillors Crockett, Graham, Laing and Young; declined to vote (1) – Councillor Boulton.

**The Committee resolved:-**  
to adopt the successful motion.

## **CAPITAL BUDGET PROGRESS REPORT 2010/11 – CORPORATE GOVERNANCE SERVICE (CG/11/025)**

15. With reference to article 19 of the minute of its previous meeting of 1 February, 2011, the Committee had before it a report by the Head of Finance which provided an update on the progress being made in relation to various projects within the Non Housing Capital Programme, previously approved by Council, which were aligned to the Corporate Governance Service.

The report advised that the Corporate Asset Group had worked with Services to determine the minimum spend requirement for the year, further to a decision taken at the meeting of this Committee of 28 September, 2010 (article 19 of the minute refers), that the funding for the Non Housing Capital Programme should remain at the previously agreed level.

Appendix A to the report outlined the Non Housing Capital Programme projects which related to this Committee; and provided for each (1) the revised budget; (2) the minimum spend required (as determined by the Service); (3) the actual expenditure to February, 2011; (4) the variance between the actual spend and minimum spend required; and (5) the percentage of spend to date. Comments on particular projects, where appropriate, were included within the narrative.

**The Committee resolved:-**

- (i) to note the content of the report in relation to the projects outlined at appendix A; and
- (ii) to instruct the relevant officers to work closely with the Corporate Asset Group, and in particular the Head of Asset Management and Operations and the Head of Finance, to ensure effective monitoring of the programme.

## **REVENUE BUDGET 2010/11 – MONITORING REPORT – CORPORATE GOVERNANCE SERVICE (CG/11/024)**

**16.** With reference to article 20 of the minute of its previous meeting of 1 February, 2011, the Committee had before it a report by the Head of Finance which provided information on the current year's revenue budget to date for the Corporate Governance Service, and advised of any areas of risk and management action being taken.

The report advised that it was forecast that the net expenditure would be £1,100,000 (4.1%) below the overall budget of £27,800,000 for the year. Appended to the report was the Service report and associated notes.

### **The Committee resolved:-**

- (i) to note the forecast outturn projection contained within the report for the Corporate Governance Service; and
- (ii) to instruct that budget managers ensure that the closure of the accounts for the Corporate Governance Service is carried out in line with corporate procedures.

## **NON HOUSING CAPITAL PROGRAMME 2010/11 – MONITORING REPORT**

**17.** With reference to article 22 of the minute of its previous meeting of 1 February, 2011, the Committee had before it a report by the Head of Finance which provided an update on the progress across all Services on projects within the 2010/11 Non Housing Capital Programme, as at 28 February, 2011.

Appendix 1 to the report outlined the Non Housing Capital Programme projects which related to this Committee, and provided for each (1) the total approved budget; (2) adjustments and carry forward from 2009/10; (3) the total budget for 2009/10; (4) the minimum spend required for 2010/11 (as determined by the Service); (5) actual spend as at February, 2011; and (6) the variance between the actual spend and the service determined projected spend.

Appendix 2 to the report detailed projects funded from the capital fund, and provided for each (1) the budget; (2) the total spend to date; (3) the underspend or overspend associated with the project; (4) the funding required for the project; and (5) comments from relevant officers where appropriate.

### **The Committee resolved:-**

- (i) to note the current position of the Non Housing Capital Programme for 2010/11;
- (ii) to instruct the Head of Finance to report in due course on the actual outturn following completion of the 2010/11 financial statements; and
- (iii) to instruct that the Corporate Asset Group consider the actual year end position for 2010/11, and make recommendations to this Committee for carrying forward unspent budgets into 2011/12.



## **GENERAL FUND REVENUE BUDGET 2010/11 – MONITORING REPORT (CG/11/041)**

**18.** With reference to article 21 of the minute of its previous meeting of 1 February, 2011, the Committee had before it a report by the Head of Finance which advised on the projected outturn and financial position for the Council for the financial year 2010/11 as at February, 2011.

Appendix A to the report provided a financial statement which highlighted that the Council was managing a positive outturn position (a favourable £2,400,000 in relation to the current outturn position varying from budget).

The report outlined the position of each Service as follows:

- The Social Care and Wellbeing Service had a favourable movement of £3,600,000 which moved the Service to a position of an overall forecast underspend of £6,500,000.
- The position of the Housing and Environment Service showed a favourable movement of £1,300,000, which took the overall forecast position for the Service to an overspend of £200,000.
- The Corporate Governance Service had a favourable movement of £200,000 which took the overall forecast position to an underspend of £1,100,000.
- The Education, Culture and Sport Service highlighted an adverse movement of £1,400,000, which took the overall forecast position to a predicted £1,900,000 overspend.

The report concluded that overall corporate budgets were expected to be under spent by £2,600,000, and that Council contingencies were still being held to protect the General Fund position from expenditure that may arise in the final month of the financial year.

### **The Committee resolved:-**

to note the content of the report.

## **COMMON GOOD BUDGET 2010/11 – MONITORING REPORT (CG/11/026)**

**19.** With reference to article 23 of the minute of its previous meeting of 1 February, 2011, the Committee had before it a report by the Head of Finance which presented information on the income and expenditure of the Common Good budget as at 28 February, 2011, and the estimated outturn for the year.

The report estimated that the outturn for the year to 31 March, 2011 would be a position of expenditure exceeding income by £160,000, which was a favourable movement of £290,000 when compared to the budget. A financial statement in this regard was appended to the report.

The report concluded that this gave projected cash balances of £5,600,000 as at 31 March, 2010, and explained that the Council had previously adopted an underlying principle that the cash balance should be no less than £4,800,000 after adjusting for the Greenfern Development Site, as at 31 March, 2011, utilising the consumer price index as a basis for calculating indicative cash balances.

**The Committee resolved:-**

- (i) to note the income and expenditure position as at 28 February, 2011 and the estimated outturn for the year; and
- (ii) to note (1) the estimated cash balances as at 31 March, 2011 of £5,600,000, based on current forecasts; and (2) that this was within the recommended levels as indicated by the Head of Finance.

**TREASURY MANAGEMENT POLICY AND STRATEGY (CG/11/038)**

20. With reference to article 19 of the minute of its meeting of 2 December, 2010, and article 17 of the minute of its meeting of 17 June, 2010, the Committee had before it a report by the Head of Finance which presented the Treasury Management Policy and Strategy for 2011/12 to 2013/14.

Appended to the report were (1) the Treasury Management Policy Statement for 2011/12 to 2013/14; (2) the Borrowing Strategy for 2011/12 to 2013/14; (3) the Investment Strategy for 2011/12 to 2013/14; (4) a list of permitted investments; (5) an explanation of treasury risks and controls; and (6) the revised counterparty list of the Council.

**The Committee resolved:-**

to recommend to Council –

- (i) that it approves the Council's Treasury Management Policy Statement for 2011/12 to 2013/14;
- (ii) that it approves the Council's Borrowing and Investment Strategy for 2011/12 to 2013/14; and
- (iii) that it approves the revised counterparty list, as appended to the report.

**APPLICATIONS FOR FINANCIAL ASSISTANCE 2011/12 (CG/11/039)**

21. With reference to article 21 of the minute of its meeting of 17 June, 2010, the Committee had before it a report by the Head of Finance which presented applications for financial assistance from a number of partner organisations; and also membership and affiliation fees and grants for 2011/12.

The report advised that should the requests be approved, there would be a remaining uncommitted budget of £11,000 for 2011/12.

**The Committee resolved:-**

- (i) to award funding as follows:

<b>Organisation</b>	<b>Funding Awarded</b>
Scottish Civic Trust	£700
Planning Exchange – ISLA Service	£22,103
Commonwealth Local Government Forum	£885
Scottish Local Government Forum	£2,100

Organisation	Funding Awarded
Against Poverty	
The Poverty Alliance	£200
Centre for Scottish Public Policy	£250
The Chamber of Commerce	£2,493
Scottish Churches Industrial Mission	£1,000
Stonewall	£1,500
Scout Groups within Aberdeen	£7,969 to contribute towards 75% of the annual rental payments.
Middlefield Community Flat	£575 to rebate the difference between commercial and non commercial rental levels.
Cummings Park Community Flat	£2,772 towards the rental cost
Alcoholics Anonymous	£800 towards the cost of hiring the Beach Ballroom for the 2011 Annual Bon Accord Gathering.

- (ii) to decline applications from (1) LLA for South Africa; and (2) the Annual Celebration Event – Youth and Philanthropy Initiative.

#### **YOUTH ACTIVITIES SMALL GRANTS FUND 2010/11 – APPLICATIONS FOR ROUND FIVE FUNDING (ECS/11/026)**

**22.** With reference to article 24 of the minute of meeting of its previous meeting of 1 February, 2011 the Committee had before it a report by the Director of Education, Culture and Sport which advised of the recommendations of the Youth Activities Grant Funding Group for the fifth round of funding for the financial year 2010/11, which had a closing date of 1 February, 2011.

The report advised that ten new applications had been received this round; three recommendations for funding had been made by the Youth Activities Grant Funding Group; the total sum recommended for approval was £856.72; and if the recommendations outlined were approved, there would be no uncommitted budget remaining.

Appended to the report were details of the applications received and the recommendations made by the Youth Activities Grant Funding Group.

#### **The Committee resolved:-**

- (i) to ratify the recommendations of the Youth Activities Grant Funding Group and to therefore approve funding to the following organisations:

Group Name	Summary of Application	Decision
Rock Climbing Club	To cover the cost of a professional climbing coach so that young people with support needs could take part in rock climbing activities.	to award £104.72
Hazlehead Hip Hop Dance Group	To cover the cost of a specialist dance coach so that young people with support needs could take part in a hip hop dance display.	to award £252

Aberdeen Bridge Club – Junior Members	To allow young people to take part in mini bridge and bridge tournaments in other areas of Scotland.	to award £500
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- (ii) to instruct the Director of Education, Culture and Sport to arrange for the funds to be distributed accordingly.

### **KAIMHILL COMMUNITY FACILITIES – OPERATION OF PROGRAMME (ECS/11/027)**

**23.** Reference was made to article 8 of the minute of meeting of the Education, Culture and Sport Committee of 21 January, 2011 whereby officers were instructed to negotiate a Management Agreement with Inchgarth Community Centre Management Committee, and for this agreement to then be presented to this Committee, prior to the agreement of terms and conditions. The Committee had before it on this day a report by the Director of Education, Culture and Sport which advised as to the progress made by officers towards developing an agreement for Inchgarth Community Centre, in order for them to manage the programme for the five community rooms at Kaimhill School.

By way of background, the report explained (1) that the 3Rs contract committed the Council to an annual unitary charge over the next thirty years for the ten 3Rs schools and the Beacon Centre (with Kaimhill being one of the ten schools, and one of the seven schools that contained a community centre); and (2) that a decision had been taken at Council on 10 February, 2011 (article 2 of that minute refers) that all of these community centres would be transferred to become leased centres.

The report advised that Inchgarth Management Committee had indicated that it would require £11,374 of annual funding from the Council to manage a programme within the community rooms within Kaimhill School. Officers intimated, by way of the report, that the initial business plan provided by Inchgarth Management Committee projected an annual surplus of between £4,674 and £21,474 (inclusive of the £11,374 they had requested from the Council). Officers had requested that the Management Committee develop a more robust business plan, which would meet the Following the Public Pound requirements, but no such plan had been received to date. The report further advised that the Management Committee had stated that they were unwilling to develop a programme until they received confirmation that they would receive a financial contribution from the Council for managing the programme.

The report stated that Inchgarth Management Committee was currently in breach of its lease in the following terms: (1) the lease stated that the Management Committee should produce audited accounts, and the accounts on file for 2006/07, 2008/09 and 2009/10 were all unaudited; (2) the lease stated that the centre should only be utilised for social, cultural, leisure and recreational activities and no other purposes whatsoever, but as the Management Committee would not cooperate with a Council Internal Audit, officers were unable to verify that this clause was being complied with; (3) also due to the fact that the Management Committee would not cooperate with the Council's Internal Audit, officers could not confirm if employment

law was being adhered to, which had implications on the validity of the Council's insurance policies; and (4) the lease stated that all rates for hire required to be approved by the Council, however officers had no record of hire charges having ever been presented to the Council, in order that such approval could be granted. The report outlined the risks to the Council in regard to the non compliance of the lease as set out above.

The Head of Communities, Culture and Sport advised at this stage that the Management Committee had agreed to meet with the Council's Internal Auditors at the end of this month, but that she had not, to date, received a robust business plan or a programme for the centre, although she believed a programme was currently being developed. The Head of Legal and Democratic Services highlighted that Inchgarth Management Committee's lease had been renewed in 2004, and that this renewed lease had clearly included the requirement for audited accounts to be provided to the Council. Further to a question from members as to the difference between audited and unaudited accounts, the Chief Accountant for Corporate Governance, Steven Whyte confirmed that audited accounts would give the Council greater comfort than unaudited accounts, as this would provide an assurance that any terms and conditions of grant were being adhered to, and would also provide a balance sheet which would also provide greater transparency to the financial statements.

The report continued to explain that the Management Agreement would clearly set out the obligations on Inchgarth Community Centre Management Committee in relation to the running of a community learning and development programme, and would seek to protect the Council's interests in relation to a range of legal issues in addition to the following:

- Roles and responsibilities of the Council and Inchgarth Management Committee
- Transfer of risk and liability
- Transfer/management of the Council's obligations in respect of its contract with NYOP Education Limited (Aberdeen)
- Compliance with external and internal inspections/ reviews
- Monitoring arrangements/ expectations of the Council and compliance with those arrangements by Inchgarth
- Access to Information, and records for the Council or nominated parties including internal and external inspectors
- Non compliance and termination
- Consequences of termination
- Payment (to cover the sharing of income and in the event that a grant was to be made available)
- Warranties
- Insurances and indemnities
- Provisions relating to employees
- Data protection
- Freedom of Information
- Protection of vulnerable groups
- Confidentiality
- Equal opportunities
- Corrupt/ illegal practices.

At this juncture, the Head of Legal and Democratic Services alluded to the fact that throughout the report the list above had been referred to as Heads of Terms, and continued to explain that this was not the case, but that they were essential elements of a Management Agreement, and that this agreement would most likely contain more clauses, as she would deem appropriate to protect the Council's position.

Appended to the report was a copy of the Following the Public Pound procedures of the Council in relation to organisations where the value of the public support was greater than £75,000.

**The report recommended:-**

that the Committee –

- (a) note the proposed Heads of Terms to be included within the Management Agreement as detailed in paragraph 4.3 of the report; and
- (b) consider whether it wished to provide revenue funding to Inchgarth Management Committee for the programming of this facility, noting the conditions of the Following the Public Pound Code of Practice that no payments could be made until the organisation has submitted all information as required.

The Vice Convener, seconded by Councillor Dunbar, moved:

that the Committee (1) welcomes the update provided by officers; (2) instructs officers, in consultation with the Conveners and Vice Conveners of the Education, Culture and Sport Committee and Finance and Resources Committee, to continue to negotiate as a matter of urgency, a Management Agreement with Inchgarth Community Centre Management; (3) notes that Inchgarth Community Centre's annual accounts are prepared by a firm of chartered accountants, and that these are in a format which has long been accepted by the Council; (4) notes that Inchgarth Community Centre is cooperating with the Council's Internal Audit; (5) notes that the Council has long accepted that leased community centres, including Inchgarth Community Centre, set its own hire fees with no reference to the Council; (6) agrees that once a Management Agreement for the Kaimhill Community Wing is agreed, Inchgarth Community Centre Management Committee will be paid an annual grant equivalent to that paid to a leased centre management committee for managing the programme at Kaimhill Community Wing, and that this is funded from reserves in 2011/12; and (7) instructs officers to progress work on the new model lease, Management Agreement and constitution for leased centres, and that these include (a) recognition of the conditions of the Following the Public Pound Code; and (b) recognition of community centres' management committee obligations to the Council with reference made to the potential termination of a community centre management committee's lease, should it be in breach of obligations.

Councillor Young, seconded by Councillor Laing, moved as an amendment:

that the Committee (1) agrees that the proposed Heads of Terms (as set out in paragraph 4.3 of the report) be included within the Management Agreement; (2) agrees to provide an annual grant to Inchgarth Management Committee for the programming of this facility equivalent to that paid to leased centre management committees, noting the conditions of the Following the Public Pound Code of Practice, and no payments will be made until the organisation has submitted all information as required; (3) instructs

that any new Management Agreement is subject to Inchgarth Community Centre Management Committee complying with all outstanding obligations as identified within the report; and (4) to instruct that any agreement between parties (ie the Council and Inchgarth Management Committee), contains a clause setting out the Management Committee's obligations to the Council, with clear reference made to termination should the Management Committee be in breach of any of the obligations agreed to in the contract.

On a division, there voted: for the motion (10) – the Convener; the Vice Convener; and Councillors Cormack, Cormie, Dean, Dunbar, Fletcher, Kiddie, Leslie and John West; for the amendment (4) – Councillors Boulton, Graham, Laing and Young; absent from the division (1) – Councillor Crockett.

**The Committee resolved:-**  
to adopt the successful motion.

## **PUBLIC SECTOR PENSIONS**

**24.** The Committee had before it a report by the Head of Finance which set out the proposed changes to public sector pensions.

The report (1) advised as to the current position; (2) provided details of the Hutton review; (3) set out the recommendations (both long and short term) contained within the interim report by Lord Hutton; (4) advised as to the recommendations contained within Lord Hutton's final report; (5) considered the review of the Fair Deal policy; and (6) provided details on the Pathfinder Project.

**The Committee resolved:-**  
to note the content of the report.

## **EXTERNAL SUPPORT TO DELIVER THE BUSINESS PLAN 2011 – 2016 (CG/11/040)**

**25.** The Committee had before it a report by the Director of Corporate Governance which requested approval for officers to procure external support to assist with the delivery of options agreed at the budget meeting of Council of 10 February, 2011.

The report reminded members that a number of projects had been agreed at the aforementioned meeting, including:

- External delivery of the Corporate Governance Service
- Joint customer contact centre with Grampian Police
- Establishment of an local authority trading arm for older people
- Establishment of a property services LLP
- Redesign of learning disability services
- Tactical disposal of property assets to generate capital investment
- External delivery/equivalent of grounds maintenance and cleansing services

- Partnering arrangement for all arms length management organisation services
- Move to cultural trust
- Realign procurement staff across the five authorities
- Equalities function delivered by cross sector partnership
- Jointly commission service with other organisations
- Externalise mail - print and send (Aberdeenshire)
- Procurement of external expertise.

To support the delivery of these projects, the report intimated that it was necessary to procure external support across a range of services, including:

- VAT and tax
- Company structures
- Communications strategy / planning of major change
- ICT architecture
- Outplacement
- Outsourcing
- Redeployment
- TUPE
- Due diligence
- Recovery and contingency planning.

**The report recommended:-**

that the Committee agrees that delegated authority be given to the Directors, in consultation with the Conveners and Vice Conveners of their Service Committees, to secure external support, as appropriate, to assist with the delivery of service options relating to external delivery models.

At this juncture, the Convener stated that if any of the services outlined above could be provided internally, they would be.

**The Committee resolved:-**

to instruct that a report be brought back to this Committee or the Urgent Business Committee to secure any external support that may be required to assist with the delivery of service options relating to external delivery.

**HEALTH AND SAFETY POLICIES UPDATE (CORPORATE HEALTH AND SAFETY POLICY AND MENTAL HEALTH AND WELLBEING IN THE WORKPLACE POLICY) (CG/11/044)**

**26.** The Committee had before it a report by the Director of Corporate Governance which presented amended versions of the Corporate Health and Safety Policy, and the Mental Health and Wellbeing in the Workplace Policy.

The report outlined the changes made to these policies in order to bring them up to date with legislation and organisational change. Both amended policies were appended to the report.

The Committee were advised that the Council had yesterday received a gold RoSPA (Royal Society for the Prevention of Accidents) award, for the fourth time.



The Committee commended staff, trades unions and the Corporate Health and Safety Committee, and thanked all involved for their efforts.

**The Committee resolved:-**

- (i) to approve the revisions and updates that had been made to (1) the Corporate Health and Safety Policy; and (2) the Mental Health and Wellbeing in the Workplace Policy, as appended to the report;
- (ii) to delegate authority to the Head of Human Resources and Organisational Development to finalise the wording of the two documents, following constructive feedback received from the trades unions; and
- (iii) to support the implementation of the two amended policies.

**EXTENSION OF PHASED IMPLEMENTATION OF THE VS/ER ENHANCEMENTS FOR STAFF (CG/11/043)**

27. With reference to article 2 of the budget meeting of Council of 10 February, 2011, the Committee had before it a report by the Director of Corporate Governance which requested that an extension be granted to the phased implementation provisions of the Voluntary Severance/ Early Retirement (VS/ER) scheme for a period of three months, in order to allow officers adequate time to effect the workforce reduction exercise on a voluntary basis.

By way of background, the report advised that the VS/ER scheme ended the entitlement of staff to pension enhancements and reduced the entitlement to severance/redundancy lump sum payments to those who have their application approved after 1 April, 2011. It was therefore suggested that this date be extended by three months to allow the Council the best opportunity at achieving the workforce reduction required further to decisions made at the aforementioned meeting of Council, avoiding the need for compulsory redundancies.

**The Committee resolved:-**

to approve the extension, for a period of three months (for clarity, applications approved by Conveners up to 30 June, 2011) to the phased implementation provisions within the Voluntary Severance/Early Retirement (VS/ER) scheme which provides for (a) one added year for pensions pro rated for pension membership for ten years continuous service and over; and (b) VS/ER payments in accordance with the number of weeks shown in the ready reckoner, up to the statutory maximum payment value, plus 40% of the difference between basic pay and statutory maximum payments.

**CONDITIONS AND SUITABILITY PROGRAMME 2011 – 2012 (EPI/11/102)**

28. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented the provisional conditions and suitability programme for 2011/12.

The report requested approval for the programme of capital funding spend for conditions and suitability works on the Council's non housing property stock, and a provisional reserve list programme for 2011/12. The Corporate Asset Group had

earlier considered and supported this programme of works. The report explained that in addition to the major works contained in the overall programme, a sum of £250,000 had been identified for minor works, primarily relating to health and safety, asbestos removal and projects which ensured compliance with the Disability Discrimination Act. These required to be flexible as works would have to be carried out at short notice (for example, to address health and safety issues or to remove asbestos if it was identified).

Appended to the report were (a) a list of provisional conditions and suitability works for 2011/12; (b) a list of the proposed reserve conditions and suitability works for 2011/12; and (c) definitions of the gradings.

**The Committee resolved:-**

- (i) to approve the schemes listed in appendix A, as the detailed proposals for expenditure within budget headings;
- (ii) to instruct appropriate officials to implement the detailed programme;
- (iii) to delegate authority to the Head of Asset Management and Operations, in consultation with the Corporate Asset Group and the Convener and Vice Convener of this Committee, to amend the programme should priorities change during the year;
- (iv) to instruct appropriate officers to award contracts on receipt of a valid tender, subject to necessary funding in the approved capital budget; and
- (v) to instruct that progress reports be submitted to every second meeting of this Committee.

**TREATMENT OF DEBTORS (EPI/11/112)**

**29.** Reference was made to article 41 of the minute of meeting of this Committee of 2 December, 2010, at which time officers were instructed to report back when lease conditions had been in breach for a period of one year. The Committee had before it on this day, a report by the Director of Enterprise, Planning and Infrastructure which presented information pertaining to tenants of commercial premises, with a debt of more than one year.

By way of background, the report advised that there were currently eight hundred and sixty six leases in the Council's non operational property portfolio, of which eight had rental invoices outstanding of more than one year. The report suggested that there was little to gain from terminating these leases, but confirmed that if efforts to recover the monies were not successful, this position could be reviewed.

Details of the persons in question and the sums of the debts were included in the exempt section of the agenda (article 38 of this minute refers).

**The Committee resolved:-**

to note the current position in relation to rental arrears of more than one year in the Council's non operational property portfolio.

## **REVIEW OF ADVANCE FACTORIES (EPI/11/119)**

**30.** Reference was made to article 25 of the minute of meeting of this Committee of 28 September, 2010, at which time officers were instructed to prepare a schedule of property reviews. The Committee had before it on this day, a report by the Director of Enterprise, Planning and Infrastructure which provided information on the Council's advance factory investment portfolio.

By way of background, the report advised that the Council held eighty three advance factories in its tenanted non residential property portfolio, all of which were located in Dyce, Altens and Torry. The report provided a brief synopsis of the properties (by way of an appendix to the report), and explained that some of the buildings were ageing and reinvestment was urgently required to extend their useful life.

### **The Committee resolved:-**

- (i) to agree that given the portfolio had an attractive overall yield profile of 10.82% rising to 13.06%, that the ownership of the properties detailed in the appendix be retained by the Council; and
- (ii) to instruct that in order to prevent further deterioration, and to optimise rental income, further investigations be undertaken by the Head of Asset Management and Operations (including a costed programme of repairs) and that this be reported back to this Committee in due course.

## **PHOTO VOLTAICS (EPI/11/129)**

**31.** The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure seeking authority to tender for photo voltaic panels (PVs) to be installed in a minimum of ninety Council owned properties by 2013.

The report advised (1) that the installation of the PVs would reduce the Council's electricity costs at no capital cost; (2) that the project was possible as the Government had introduced a Feed in Tariff (FiT) in April, 2010 which aimed to incentivise small scale, low carbon electricity generation; and (3) that the FiT was guaranteed to remain the same in pence per kilowatt hour produced throughout the twenty five year lifetime of the tariff.

The report recommended that the Council tender to identify an external partner to provide the capital costs, take the risks, and make the profit; the Council would make an annual saving on its fuel and carbon costs. The report outlined the risks associated with PVs, and the ways in which the Council would mitigate these risks.

### **The Committee resolved:-**

- (i) to instruct officers to carry out a tendering process to identify an external company to supply, fit, test, support, and maintain photo voltaic panels (PVs) on a minimum of ninety Council owned buildings by 2013; and that this external company would (1) claim the Feed in Tariff for the PVs once installed, and (2) retain the ownership of the PVs;
- (ii) to instruct officers to ensure that under any contract, the Council receives free or lower cost electricity that it could buy through its bulk purchase contract for use at these sites;

- (iii) to instruct that this initiative be achieved at no capital cost to the Council;
- (iv) to delegate power to the Director of Enterprise, Planning and Infrastructure authority to instruct officers to ensure that a Services Concession Contract, an Installation Agreement, and Wayleave Agreements are inextricably linked and put in place with the successful tenderer in respect of any of the Council owned properties listed within the tender documentation (or any other Council owned properties which may be identified as suitable from time to time) to which PVs are to be fitted; and
- (v) to instruct that exclusivity for this project is not written into the contract, in order that the Council would be in a position to carry out this work itself in future, should finances allow.

**In accordance with the decision taken at article 1 of this minute, the following articles were considered with the press and public excluded.**

#### **GARDEN MAINTENANCE (H&E/11/003)**

**32.** Reference was made to article 42 of the minute of meeting of the Housing and Environment Committee of 1 March, 2011 at which time members considered a report which outlined options available to the Council for the delivery of the garden maintenance service for Council tenants who were elderly and unable to properly maintain their gardens. Amongst other things, the Housing and Environment Committee agreed (subject to the approval of this Committee) to increase the existing charge for garden maintenance by 20%, from £63 to £75.60, which would cover additional costs and the recent increase in VAT. The Committee had before it on this day, the report as presented to the Housing and Environment Committee at the aforementioned meeting and the relevant minute extract.

**The Committee resolved:-**

to concur with the recommendations of the Housing and Environment Committee, and to note the financial implications accordingly.

#### **TRADING SERVICES MONITORING (CG/11/033)**

**33.** With reference to article 36 of the minute of its previous meeting of 1 February, 2011, the Committee had before it a report by the Head of Finance which advised on the current position and updated forecast outturns for the financial year 2010/11 for the Council's trading activities.

Appended to the report were figures that advised on the anticipated full year income and expenditure for each of the services identified by the Council as a significant trading activity under the Local Government (Scotland) Act 2003, with similar information also provided for non significant activities.

**The Committee resolved:-**

- (i) to note that the forecast outturn to 31 March, 2011 showed a projected overall surplus for the significant trading activities in the order of £6,900,000, compared with a budgeted surplus of £6,800,000; and
- (ii) to note that the provisional full year results indicated that the financial objective for each significant trading activity would be achieved, before allowing for the effects of pension adjustments required under the provisions of Financial Reporting Standard number 17 (FRS17), the value of which was unknown at this time.

**DUTHIE PARK PROJECT – FUNDING SOURCES (EPI/11/127)**

**34.** With reference to article 2 of the minute of the budget meeting of Council of 10 February, 2011, the Committee had before it a joint report by the Director of Enterprise, Planning and Infrastructure and the Director of Corporate Governance which provided information pertaining to possible sources of funding for the Duthie Park project. The report explored in detail, both the financial and legal issues associated with this proposal.

**The Committee resolved:-**

- (i) to agree to the use of the Common Good Fund as the source of match funding for the capital element of the Heritage Lottery Fund grant for the Duthie Park project;
- (ii) to note that the Common Good Fund could absorb the capital costs through external borrowing without materially impacting on the level of cash balances held, as recommended by the Head of Finance at the budget meeting of Council of 10 February, 2011;
- (iii) to instruct officers to conclude negotiations with the Heritage Lottery Fund in relation to their offer of grant for the project; and
- (iv) to instruct that a press release on this decision be issued at the earliest opportunity.

**TRADE UNION FACILITY TIME (CG/11/042)**

**35.** The Committee had before it a report by the Director of Corporate Governance which requested that the trade union facility time arrangements be reviewed.

The report advised as to the background of the issue in hand, and set out the current allocation of facility time afforded to each of the trade unions.

**The Committee resolved:-**

- (i) to instruct the Head of Human Resources and Organisational Development to benchmark with other Scottish local authorities and public sector partners on the levels of trade union facility time granted;
- (ii) to instruct the Head of Human Resources and Organisational Development to review thereafter the facility time arrangements contained within the Framework Agreement for Industrial Relations (FAIR);

- (iii) to instruct officers to consult with the trades unions on facility time arrangements to ensure that the employer and the trades unions comply with the ACAS Code of Practice, as outlined in Section 199 of the Trade Union and Labour Relations (Consolidation) Act 1992;
- (iv) to instruct the Head of Human Resources and Organisational Development to report back to this Committee on the review within six months; and
- (v) to instruct that the exempt information contained within this report be extracted, and the remainder of the report made public at the earliest opportunity.

### **ESTATES MANAGEMENT CONTRACTS – LEGIONELLA PREVENTATIVE MAINTENANCE (EPI/11/137)**

**36.** With reference to article 31 of the minute of meeting of this Committee of 28 September, 2010, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which reminded members that a collaborative procurement exercise had been undertaken with Aberdeenshire Council, Grampian Police, and Grampian Fire and Rescue for the provision of Estates Management Services in respect of Legionella preventative maintenance.

The report explained that the Council's current contract for Legionella preventative maintenance would expire on 30 June, 2011; that the original three year contract had already been extended; and that any further extension could be in breach of European Procurement Legislation and the Council's Standing Orders.

The report advised as to the tenders received, and detailed the financial implications to the Council of accepting the preferred tender. The Committee expressed its concern at this, and queried as to whether the other partners involved were content with the recommendations of officers.

#### **The Committee resolved:-**

to defer making a decision on this matter until the next meeting of Council of 27 April, 2011, in order to allow time for officers to make contact with the partners involved, to ascertain their views on the matter.

### **THIRD DON CROSSING – AWARD OF GROUND INVESTIGATION CONTRACT (EPI/11/108)**

**37.** The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised as to the outcome of a tendering exercise that had been undertaken in relation to the ground investigation work that was essential for the progression of the Third Don Crossing scheme. The report provided details as to the background issues, and outlined the tenders received.

#### **The report recommended:-**

- (a) that the content of the report be noted; and
- (b) that officers be authorised to award the contract to the lowest tenderer, as identified within the report.

The Convener, seconded by Councillor John West, moved:  
that the report's recommendations be approved.

Councillor Young, seconded by Councillor Laing, moved as an amendment:  
to defer a decision on this matter until such time as the Council has received  
capital funds for the scheme from the Scottish Government.

On a division, there voted: for the motion (10) – the Convener; the Vice Convener;  
and Councillors Cormack, Cormie, Dean, Dunbar, Fletcher, Kiddie, Leslie and John  
West; for the amendment (3) – Councillors Graham, Laing and Young; declined to  
vote (1) – Councillor Boulton; absent from the division (1) – Councillor Crockett.

**The Committee resolved:-**  
to adopt the successful motion.

## **TREATMENT OF DEBATERS – APPENDIX**

**38.** With reference to article 29 of this minute, the Committee had before it an  
appendix pertaining to the matter discussed at an earlier point in the meeting.

**The Committee resolved:-**  
to note the appendix.

## **LAND AT PITMEDDEN ROAD, DYCE (EPI/11/118)**

**39.** Reference was made to article 34 of the minute of the previous meeting of  
this Committee of 1 February, 2011 at which time members had deferred  
consideration of the report before them relating to Land at Pitmedden Road, Dyce,  
and instructed officers to meet with the Dyce Sports and Leisure Development  
Trust's legal representatives. The Committee had before it on this day a report by  
the Director of Enterprise, Planning and Infrastructure which provided an update on  
the situation, and proposed a way forward in this regard.

**The Committee resolved:-**  
to defer consideration of this report to allow local members, members of this  
Committee, and appropriate officers to meet at a date after the  
Dyce/Bucksburn/Danestone Ward by-election on 19 May, 2011, to discuss  
innovative ways to deliver this project.

## **COTTON STREET SITE – REQUEST TO PURCHASE (EPI/11/114)**

**40.** The Committee had before it a report by the Director of Enterprise, Planning  
and Infrastructure which advised members of a request from SCARF (Save Cash  
and Reduce Fuel) to purchase a site on Cotton Street. The report provided details  
pertaining to the request, and a synopsis of the background issues in relation to this  
particular property.

A discussion took place regarding comments made by a particular Councillor during the consultation process, which had been included within the report. It was intimated that these comments had been made in the Councillor's capacity as a member of the Board of SCARF, not as a local Councillor. The Head of Legal and Democratic Services reminded the Committee that elected members were only consulted on reports as Councillors, and not in any other capacity. It was suggested that it may be appropriate for the Councillor in question to write to the Head of Legal and Democratic Services to clarify matters.

**The Committee resolved:-**

- (i) to note the excellent work undertaken by SCARF;
- (ii) to agree that in the present economic climate where interest rate returns are low, the return to the Council by selling the site to SCARF does not constitute best value at this time;
- (iii) to agree that the offer of purchase should be reconsidered in one year, at the appropriate meeting of this Committee at a value prevalent at that time; and
- (iv) to request that an email be sent to all elected members setting out clearly the capacity in which they are being consulted on draft reports.

**SINCLAIR ROAD – REQUEST TO PURCHASE (EPI/11/113)**

**41.** The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented details pertaining to a request that officers had received to purchase a property at Sinclair Road. The report advised as to the background issues associated with this request, and set out the financial implications to the Council of accepting or declining the offer.

**The Committee resolved:-**

- (i) to refuse the sub tenant's offer to purchase the Council's interest in the premises; and
- (ii) to approve the extension of the existing sub lease until the end of the Council's ground lease in 2035, if the sub tenant also agrees to this way forward.

**FOUR FORMER GROUP HOMES – MARKETING (EPI/11/095)**

**42.** Reference was made to article 41 of the minute of the previous meeting of this Committee whereby members agreed to renounce leases for the properties at 12 Devanha Gardens West, 30 Springfield Avenue, 29 Redmoss Avenue, and 20A Loirston Road, Cove. The properties were subsequently declared surplus to the requirements of the Education, Culture and Sport Service at the meeting of Council of 23 February, 2011 (article 26 of that minute refers). The Committee had before it on this day, a report by the Director of Housing and Environment which advised that the four properties had been circulated to all Council Services and partners, and that no interest had been expressed by the deadline. It was therefore recommended that the properties be marketed at a point when all leases had been renounced.



**The Committee resolved:-**

- (i) to instruct the Head of Asset Management and Operations to market the four former group homes on the open market after the renunciation of the leases of each of them to Inspire Partnership Housing have been concluded by the Head of Legal and Democratic Services; and
- (ii) to instruct that a further report be submitted this Committee in due course, detailing the outcome of the marketing exercise.

**41 – 45 LEADSIDE ROAD – OUTCOME OF MARKETING (EPI/11/096)**

**43.** Reference was made to article 30 of the minute of meeting of this Committee of 11 May, 2010 at which time officers were instructed to arrange for the combined site of 41 – 45 Leadside Road to be advertised for sale on the open market, and to submit a further report on the outcome of the marketing exercise. The Committee now had before it the report as requested which provided a synopsis of the situation and detailed the offers received.

**The Committee resolved:-**

- (i) that the highest offer, submitted by Simpson & Marwick, on behalf of Forbes Homes Limited, be accepted;
- (ii) to instruct the Head of Legal and Democratic Services to conclude missives for the sale of the properties, incorporating various qualifications as are necessary to protect the Council's interests; and
- (iii) should this highest offer not achieve the required planning permission for eleven new build flats, that the Head of Asset Management and Operations be authorised firstly to enter into negotiations on any proposed amendment to the sale price, and secondly, if necessary, to readvertise the combined property on the open market, subject to reporting further to this Committee on the actions taken following any readvertising.

**BON ACCORD BATHS – SALE (EPI/11/111)**

**44.** The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised as to the outcome of the marketing exercise which had been undertaken in relation to the former Bon Accord Baths. The report presented the offers received, and the various options available to the Council at this stage. An amended version of the report and an appendix which provided further information and clarity on the offers received were circulated at the meeting.

At this juncture the Convener suggested that any receipt received as a result of this sale should be ring fenced for the 50 metre pool project.

**The Committee resolved:-**

- (i) to accept the highest scoring offer, as identified within the tabled report; and
- (ii) to instruct the Head of Legal and Democratic Services to conclude missives for the sale of the property, incorporating various qualifications as are necessary to protect the Council's interests.

## **DECLARATION OF INTEREST**

**Councillor Dean declared an interest in the subject matter of the following article by virtue of her position as a Board member of NHS Grampian, but chose to remain in the meeting as NHS Grampian was a devolved public body (as set out in paragraph 5.18(2)(i)(a) of the Councillors' Code of Conduct).**

### **WOODSIDE – SALE OF GROUND TO THE NHS (EPI/11/045)**

**45.** Reference was made to article 20 of the minute of meeting of the former Area Committee Central of 28 November, 2007, whereby officers had been instructed to enter into more detailed discussions with NHS Grampian and the local community in relation to NHS Grampian's requirement to identify a site for a new doctor's surgery in the Woodside area of the city. The Committee had before it on this day, a report by the Director of Enterprise, Planning and Infrastructure which advised as to the most current discussions that had taken place between the Council and NHS Grampian pertaining to the site on Marquis Road immediately south of the Woodside Community Centre building, and provided a recommendation as to the way forward.

#### **The Committee resolved:-**

- (i) to declare the site surplus to the requirements of the Council;
- (ii) to instruct that the Head of Legal and Democratic Services conclude missives for the sale of the ground to NHS Grampian at the price detailed within the report, incorporating various qualifications as are necessary to protect the Council's interests;
- (iii) to instruct that a clawback provision be included in the conditions of sale; and
- (iv) to instruct the Head of Asset Management and Operations to proceed with plans to relocate the 'kick about' pitch, including the making of any planning applications which may be required, with the costs being met from part of the capital receipt.

### **AIRYHALL SITE – SALE OF GROUND (EPI/11/110)**

**46.** Reference was made to article 9 of the minute of meeting of this Committee of 2 December, 2010, at which time officers were instructed to enter into discussions with the adjoining landowner to promote a potential residential scheme as a whole at the former Airyhall grazing site. The Committee had before it on this day, a report by the Director of Enterprise, Planning and Infrastructure which updated members on those discussions.

#### **The Committee resolved:-**

to approve the proposed transaction with Bancon Developments Limited and to sell the site to Bancon Developments Limited at the price detailed within the report, subject to the Head of Legal and Democratic Services concluding missives for the

sale of the property, incorporating various qualifications as are necessary to protect the Council's interests.

### **WALLACE TOWER – FUTURE USE (EPI/11/115)**

**47.** The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented the options available to the Council in relation to the Wallace Tower on Tillydrone Road.

The report reminded members that the Wallace Tower was a category B listed building which had been mothballed for several years. The report advised as to the background of the issue in hand, presented two options on possible ways to proceed, and detailed (1) the financial implications to the Council of these; and (2) a recommendation in this regard.

The Committee discussed in detail the options before it, and suggested that in the case of a lease being granted, it would be necessary for an end use to be identified by the Council. The Head of Legal and Democratic Services emphasised that the Courts could not be petitioned to remove ground from the Common Good until the area required was adequately defined.

#### **The Committee resolved:-**

- (i) to instruct the Head of Legal and Democratic Services to petition the courts under section 75(2) of the Local Government (Scotland) Act 1973 for authority to dispose of the site on which the Wallace Tower is erected, on the grounds that this would allow a historic local building to be brought back into active use, together with sufficient ground around that site to allow for the creation of adequate defensive space, pedestrian and vehicular access etc;
- (ii) in the event that the petition is successful, to instruct the Head of Asset Management and Operations to advertise the Wallace Tower and the surrounding site (as per (i) above) for long term lease (not residential use), for any use considered appropriate by the Council; and
- (iii) to instruct that officers report back on (i) and (ii) above to a future meeting of this Committee.

### **FORMER VICTORIA ROAD PRIMARY SCHOOL – FUTURE USE (EPI/11/106)**

**48.** Reference was made to article 26 of the minute of meeting of this Committee of 28 January, 2010, at which time members had been advised that another Council Service was interested in acquiring the site of the former Victoria Road primary school. The Committee had before it on this day a report by the Director of Enterprise, Planning and Infrastructure which updated members as to the current situation, and advised that the Head of Regeneration and Housing Investment had recently confirmed that the site was no longer of interest to the Housing and Environment Service.

The report explained that an adjoining workshop and store located off Abbey Road at Abbey Lane were also held on the Education, Culture and Sport account, and

proposed that these sites be combined and marketed to ensure that the Council had no future property responsibilities at this location.

**The report recommended:-**

that the Committee –

- (a) refer the report to the next meeting of the Education, Culture and Sport Committee of 2 June, 2011 to enable the workshop and store at Abbey Lane to be declared surplus to the requirements of that Committee to facilitate the disposal of the adjoining surplus school site by including these properties within the overall site;
- (b) instruct the Head of Asset Management and Operations to then market the overall site for sale on the open market as either one combined site or two separate lots; and
- (c) instruct that a further report be submitted on the outcome of the marketing.

The Committee again highlighted that the current Orders of Reference of the committees of Council were, in instances such as this, impeding the efficient operation of the Corporate Asset Group, and therefore requested that Council declare the property surplus to the requirements of the Education, Culture and Sport Service at its meeting of 27 April, 2011, rather than require officers to wait to the next meeting of the Service Committee (2 June, 2011) for a decision to be taken.

**The Committee resolved:-**

- (i) to refer this report to Council in order that the workshop and store at Abbey Lane be declared surplus to the requirements of the Education, Culture and Sport Service; and
- (ii) to approve recommendations (b) and (c) as detailed above.

**REVIEW OF ADVERTISING SITES (EPI/11/116)**

**49.** With reference to article 28 of the minute of its meeting of 28 September, 2010, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented information pertaining to the advertising hoarding sites currently held by the Council.

The report advised as to where the sites were situated, and explained that they had been retained by the Council because (1) the site was required for transport improvements that had already been approved in principle and were awaiting funding; (2) the site, although not required at present, had strategic benefits for future possible transport improvements; (3) the site was part of a larger development area; or (4) the site generated revenue income for the Council.

**The Committee resolved:-**

that the Council retain the advertising sites detailed in the report as a way of maintaining revenue income from them until a time when they are required for development/infrastructure purposes.

## **DECLARATION OF INTEREST**

**Councillor Dean declared an interest in the subject matter of the following article by virtue of her position as a Board member of NHS Grampian, but chose to remain in the meeting as NHS Grampian was a devolved public body (as set out in paragraph 5.18(2)(i)(a) of the Councillors' Code of Conduct).**

### **FREDERICK STREET DEVELOPMENT SITE (EPI/11/085)**

**50.** With reference to article 28 of the minute of its meeting of 12 November, 2009, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which brought members up to date with the proposed sale of the Frederick Street Development Site to NHS Grampian, the relocation of Council staff from Frederick Street, and the legal issues associated with the missives, and the car park.

#### **The Committee resolved:-**

- (i) to note the current progress in relation to the development;
- (ii) to approve the receipt of a capital grant from NHG Grampian to allow the Council to construct a multi storey car park, subject to the full cost of the grant being determined; and
- (iii) to instruct the Head of Legal and Democratic Services to include a clawback provision in the conditions of sale.

## **DECLARATION OF INTEREST**

**Councillor Dean declared an interest in the subject matter of the following article by virtue of her position as a Board member of NHS Grampian, but chose to remain in the meeting as NHS Grampian was a devolved public body (as set out in paragraph 5.18(2)(i)(a) of the Councillors' Code of Conduct).**

### **FUNDING OPPORTUNITIES FOR DELIVERING PROJECTS (EPI/11/144)**

**51.** Reference was made to article 10 of the minute of meeting of the Education, Culture and Sport Committee of 24 March, 2011 at which time members had instructed officers to report to this Committee on funding options available to the Council in relation to the development of a new specialist school and campus for children and young people with additional support needs. The Committee now had before it a report by the Director of Enterprise, Planning and Infrastructure which advised that further to investigations, the Corporate Asset Group had approached Hub Co to determine whether it would be a suitable vehicle to deliver (a) a specialist school and campus on the site of Raeden Centre; (b) replacement schools for Bucksburn primary school and Newhills primary school; (c) Marchburn Children's Home; and (4) Victoria House (non HRA element), primarily as a revenue model.

**The Committee resolved:-**

- (i) to instruct the Head of Asset Management and Operations to continue discussions with Hub Co along with the completion of detailed business cases by all appropriate Services, to determine the financial viability of this proposal;
- (ii) to instruct the Director of Education, Culture and Sport (1) to evaluate the specific impact of not progressing the Raeden and Bucksburn and Newhills projects within the current timescales; and (2) to report to the next meeting of the Education, Culture and Sport Committee of 2 June, 2011 in this regard;
- (iii) to instruct officers to continue to consider other funding arrangements;
- (iv) to instruct that a full report be submitted to the next meeting of this Committee of 16 June, 2011 on the outcome of the above instructions; and
- (v) to instruct that all interested parties be advised immediately after the meeting that a decant in the summer recess is unlikely.

**- COUNCILLOR KEVIN STEWART, Convener**