

FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 21 June, 2012 – minute of meeting of the FINANCE AND RESOURCES COMMITTEE. Present: Councillor Young, Convener: Councillor Allan, Vice Convener: and Councillors Cameron, Cooney (as substitute for Councillor Crockett), Corall (as substitute for Councillor Jackie Dunbar), Dickson, Laing, Malik (as substitute for Councillor Graham), Malone, McCaig, Milne, Noble, Reynolds, Thomson (as substitute for Councillor Donnelly), and Yuill.

Also in attendance: Councillor Stewart (for item 7), and Councillor Greig (for item 8)

The agenda and reports associated with this minute can be located at the following link:

<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MId=2280&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 9.1 of the agenda (article 21 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 21 (paragraph 6), article 22 (paragraphs 8 and 10), article 23 (paragraph 8), article 24 (paragraph 8), article 25 (paragraph 6), article 26 (paragraphs 6 and 9), article 27 (paragraphs 6 and 9), article 28 (paragraph 6), article 29 (paragraph 6), article 30 (paragraphs 6 and 9), and article 31 (paragraphs 6 and 9).

SCOTTISH ACCOUNTANCY AWARDS

2. The Convener advised members that the Finance Team had been nominated as the Public Sector Finance Team of the Year at the Scottish Accountancy Awards. The Committee wished the Head of Finance and his team the best of luck for this evening's presentation.

MINUTE OF PREVIOUS MEETING

3. With reference to article 10(i) of the minute of meeting of Council of 4 April, 2012, the Committee had before it the minute of its previous meeting of 15 March, 2012, which had been approved as a correct record at the aforementioned meeting of Council.

The Committee resolved:

to note the minute.

COMMITTEE BUSINESS STATEMENT

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

During the course of discussion, Councillor McCaig moved a procedural motion as follows –

that further questions in relation to item 17 of the business statement (City Gardens Project) be permitted.

Further to advice from the Senior Democratic Services Manager, Councillor McCaig withdrew his procedural motion.

The Committee resolved:

- (i) to remove items 1 (Leaking of Report – St Nicholas House), 9 (Review of Business Centres), 14 (SCARF – Cotton Street Site), and 15 (Budget Monitoring) from the business statement;
- (ii) in relation to item 11 (Joint Customer Contact Centre), to request in any report back that the costs involved in implementing 0845 numbers be made explicit; and
- (iii) and to otherwise note the updates as contained within the business statement.

MOTIONS LIST

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

The Committee resolved:

to note the updates as contained within the motions list.

APPOINTMENT OF MEMBERS TO SUB COMMITTEES, GROUPS AND COUNCIL SUPPORTED TRUSTS AND BOARDS (CG/12/056)

6. Reference was made to article 7 of the minute of meeting of the Statutory meeting of Council of 16 May, 2012 at which time Council referred the appointment of members to certain sub committees and working groups to the first meetings of the relevant committees. Accordingly, members had before them on this day, the minute extract from the aforementioned meeting of Council, and the Orders of Reference for the Lord Provost Sub Committee.

The Committee resolved:

to disestablish the Lord Provost Sub Committee.

COMMUNITY CENTRES (ECS/12/029)

7. With reference to article 9 of the minute of meeting of Council of 13 June, 2012, and article 9 of the minute of meeting of the Education, Culture and Sport Committee of 7 June, 2012, the Committee had before it a report by the Acting Director of Education, Culture and Sport of which certain aspects had been referred to this Committee at the aforementioned meeting of the Education, Culture and Sport Committee.

The Committee resolved:

to note that this matter had been dealt with in full at the meeting of Council of 13 June, 2012.

HAZLEHEAD RESIDENTIAL AREA – CONSULTATION ON SALE OR LEASE OF AMENITY AREAS (H&E/12/025)

8. With reference to article 7 of the minute of its meeting of 21 April, 2011, the Committee had before it a report by the Director of Housing and Environment which presented the outcome of a consultation exercise which had been undertaken in relation to the potential lease or sale of amenity areas as individual defensible garden areas to the occupiers of the terraced dwellings in the Hazlehead area, which had arisen from a motion presented by Councillor Stewart at the meeting of Council of 9 April, 2008.

Councillor Stewart joined the meeting to speak to the report, and raised a number of concerns and issues.

The report recommended:

- (a) that the Committee notes the results of the consultation; and
- (b) that no further action be taken, other than to apply the existing policy on the sale of amenity ground for any individual applications from residents.

The Committee resolved:

- (i) to remove this item from the outstanding motions list;
- (ii) to note that the Convener and Councillor Stewart would meet outwith this meeting to discuss ways of taking forward the issues raised during discussion of this item; and
- (iii) to otherwise approve the recommendations as contained within the report.

MOTION BY COUNCILLOR GREIG – COMMEMORATION OF DIAMOND JUBILEE

9. With reference to article 18 of the minute of meeting of Council of 13 June, 2012, the Committee had before it a motion by Councillor Greig as follows:

“That this Council produces a report with recommendations for identifying any possible financial sources and fundraising opportunities in order to

create a permanent commemoration in the city of the Diamond Jubilee and of the Queen's reign".

Councillor Greig joined the meeting and spoke in support of his motion.

The Committee resolved:

to instruct that officers consult with all elected members to ask for suggestions as to how to commemorate the Diamond Jubilee and the Queen's reign, and to report back, in terms of the motion at the next meeting of this Committee on 4 October, 2012.

REVENUE BUDGET – MONITORING REPORT – YEAR END (CG/12/079)

10. With reference to article 13 of the minute of its previous meeting, the Committee had before it a report by the Head of Finance which presented the year end revenue position for the Council.

Members congratulated the Finance team in relation to the 0.4% improvement that had been made in respect of collection of Council tax, taking the collection rate to 93.7%.

The Committee resolved:

- (i) to note the positive year end revenue budget position for the financial year 2011/12;
- (ii) to note the draft statement of accounts for 2011/12 was presented to the meeting of Council of 13 June, 2012 (article 13 refers), prior to being sent, as required by statute, to Audit Scotland before 30 June, 2012; and
- (iii) to note that the audited statement of accounts would be presented to the Audit and Risk Committee, along with the external auditor's report to members in the autumn, and thereafter would be presented to Council.

MATTER OF URGENCY

The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 that the following report be considered as a matter of urgency in order that the Committee could consider the financial outturn for the Common Good.

COMMON GOOD BUDGET MONITORING – YEAR END (CG/12/026)

11. With reference to article 15 of the minute of its previous meeting of 15 March, 2012, the Committee had before it a report by the Head of Finance which presented the financial outturn for the Common Good for 2011/12, based on information as at 31 March, 2012. The values were subject to the external audit process.

The Committee congratulated the Head of Finance and his team for being in a position to present this report to Committee in the tight timescales further to the meeting of Council of 13 June, 2012.

The Committee resolved:

to note the positive outturn against budget for the Common Good, and the increased value of the fund, based on the revaluation of assets as at 31 March, 2012.

DECLARATION OF INTEREST

Councillor Milne declared a pecuniary interest in the subject matter of the following article, in relation to the Frederick Street development site, by virtue of his employment with NHS Grampian. Councillor Milne withdrew from the meeting during discussion of this item.

NON HOUSING CAPITAL PROGRAMME – MONITORING REPORT (EPI/12/135)

12. With reference to article 14 of the minute of its previous meeting of 15 March, 2012, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which provided an update on the progress across all Services on projects within the 2010/11 Non Housing Capital Programme and advised as to the ongoing work in relation to future years' programmes.

An amended profile in relation to section 5.6 was circulated at the meeting as follows:

Financial Year	Bucksburn / Newhills (£'000)	Riverbank (£'000)	Total Spend by Year (£'000)
2012 / 13	522	700	1,222
2013 / 14	1,215	900	2,115
2014 / 15	7,638	150	7,788
2015 / 16	2,555	-	2,555
2016 / 17	148	-	148
Totals	12,078	1,750	<u>13,828</u>

The Committee resolved:

- (i) to approve the carry forwards for 2012/13 detailed at appendix A to the report;
- (ii) to note the inclusion of item 793C (Frederick Street multi storey car park) in the capital plan; and
- (iii) to approve the updated three year profile for item 759 (school estate strategy), as circulated at the meeting, which had now been reprofiled to show expenditure for the Newhills/ Bucksburn replacement primary school.

TREASURY MANAGEMENT POLICY AND STRATEGY (CG/12/059)

13. With reference to article 16 of the minute of its previous meeting of 15 March, 2012, the Committee had before it a report by the Head of Finance which provided an update to members on the treasury management activities for 2011/12.

The Committee resolved:

- (i) to note the treasury management activities undertaken in 2011/12 as detailed within the report; and
- (ii) to recommend to Council that it notes the treasury management activities undertaken in 2011/12.

APPLICATIONS FOR FINANCIAL ASSISTANCE (CG/12/064)

14. The Committee had before it a report by the Head of Finance which presented a number of applications for financial assistance.

The Committee resolved:

- (i) to approve funding requests as follows –
 - Donor sessions at Music Hall – Scottish National Blood Transfusion Service – £500
 - Annual Alcoholic Anonymous Convention – Aberdeen and District Gathering Committee – £800
 - European Association of Registrars (EAR) Annual Congress – £500
 - Northern Trophy Day – Dancesport Scotland – £850; and
- (ii) to request that officers suggest to Alcoholics Anonymous that they approach the Drugs and Alcohol Partnership in future years for funding.

DECLARATION OF INTEREST

Councillor Reynolds declared an interest in the subject matter of the following article by virtue of his position as a Trustee of the Grampian Japan Trust. Councillor Reynolds withdrew from the meeting prior to consideration of the report.

GRAMPIAN JAPAN TRUST (ECS/12/035)

15. With reference to article 30 of the minute of its previous meeting of 15 March, 2012, the Committee had before it a report by the Acting Director of Education, Culture and Sport which brought members up to date on discussions between the Council and the Grampian Japan Trust.

The Committee resolved:

- (i) to note the current status of the request;
- (ii) to instruct that a report be presented to the next meeting of this Committee on 4 October, 2012, which should either confirm that the further information

- sought has been provided and the loan made, or that the loan offer has been withdrawn; and
- (iii) to request that officers advise members of the Committee, via email (1) as to the current charitable status of the Grampian Japan Trust; and (2) whether the contents of Thomas Glover House have been disposed of.

DECLARATION OF INTEREST

Councillor Corall declared an interest in the subject matter of the following article due to his position as a member of the Aberdeen City Heritage Trust, and withdrew from the meeting prior to consideration of this item.

ABERDEEN CITY HERITAGE TRUST (EPI/12/133)

16. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which suggested that members consider making supplementary funding available from the city's conservation fund, for the use of the Aberdeen City Heritage Trust.

The Committee resolved:

- (i) to instruct that £20,000 be made available to the Aberdeen City Heritage Trust from the conservation fund, to be drawn down as required by the expenditure of funds for grants in the period 1 April, 2012 until 31 March, 2015; and
- (ii) that Aberdeen City Heritage Trust be permitted to use these funds with the agreement of Aberdeen City Council, for the provision of grant assistance for managing protected trees in private ownership and the repair or restoration of property in a conservation area, or a listed building.

REQUEST FOR DONATION OF SURPLUS VEHICLES (EPI/12/141)

17. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised members that an approach had been made from MedicAid Africa for the donation of a number of surplus vehicles to assist with its charity work in Africa.

The Committee resolved:

to agree to the donation of three suitable surplus LDV pick up trucks to MedicAid Africa.

MEMBERS' LAPTOPS AND PRINTED AGENDAS (CG/12/078)

18. With reference to article 19 of the minute of meeting of Council of 15 December, 2010, the Committee had before it a report by the Director of Corporate Governance which advised that prior to the implementation of PBB option

CG_LDS_09 (to maximise the capabilities of the modern.gov package), a number of Councillors had indicated that they wished to continue to receive paper copies of agendas, rather than receiving agendas electronically.

The Committee resolved:

in the interest of the environment, to agree a budget of £7,500 in order to allow Councillors who so wish to receive paper copies of agendas for committees of which they are members.

FINANCIAL PROTOCOL FOR SURPLUS AND VACANT PROPERTIES (EPI/12/130)

19. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented a new financial protocol for surplus and vacant properties.

The Committee resolved:

to approve the financial protocol for surplus and vacant properties, and to instruct that it be fully implemented.

NON SCHEME MUNICIPAL HOUSES (H&E/12/042)

20. The Committee had before it a report by the Director of Housing and Environment which advised as to the situation regarding a Council owned property at 60 Rosemount Viaduct, Aberdeen.

The Committee resolved:

- (i) to consider the main issues as detailed within the report regarding the necessary works which require to be undertaken;
- (ii) to approve the sale of the property at 60 Rosemount Viaduct, once repairs are complete; and
- (iii) to instruct that a report be brought back on the feasibility of ring fencing the profit made from the sale for affordable (preferably Council) housing.

REQUEST FOR AUTHORITY TO PROCURE DEBT COLLECTION SERVICES (CG/12/063)

21. The Committee had before it a report by the Director of Corporate Governance which sought approval for officers to conduct a tender exercise for the provision of debt collection services.

The Committee resolved:

- (i) to instruct the Recovery Manager, Revenues and Benefits, in conjunction with the aligned Category Manager, Central Procurement Unit, to conduct a competitive tendering exercise in line with Council Standing Orders, Financial Regulations and European Union Legislation for the provision of Debt Collection Services;

- (ii) to instruct officers to award a contract, following a fully compliant tendering exercise, to the bidder who submits the most advantageous tender in accordance with the award criteria stated in the Invitation to Tender and subject to the satisfactory conclusion of the contractual documentation;
- (iii) that the contract be awarded for 4 years with an option to extend up to a further one year; and
- (iv) to approve the total estimated annual expenditure of approximately £800,000 as indicated in section 3 of the report.

In accordance with the decision recorded under article 1 of this minute, the following items were considered with the press and public excluded.

DECLARATION OF INTEREST

Councillor Milne declared a pecuniary interest in the subject matter of the following article by virtue of his employment by NHS Grampian. Councillor Milne withdrew from the meeting prior to this matter being considered.

BON ACCORD INDOOR BOWLING CENTRE AND THE BON ACCORD 2000 BOWLING CLUB (ECS/12/018)

22. With reference to article 33 of the minute of meeting of its meeting of 6 December, 2012 and article 20 of the minute of meeting of the Education, Culture and Sport Committee of 7 June, 2012, the Committee had before it a report by the Acting Director of Education, Culture and Sport which provided members with an update position in relation to the Bon Accord Bowling Club. The report had been presented to the aforementioned meeting of the Education, Culture and Sport Committee, at which time members had declared the Skyline restaurant/ Bon Accord Indoor Bowling Club surplus to the requirements of the Service, and referred the matter to this Committee.

The Committee resolved:

- (i) to approve the sale and/or distribution of assets owned by the Council pertaining to the provision of bowling currently in the Centre, in order to offset outstanding and future expenditure relating to the facility, and to instruct officers to expedite this in the most financially advantageous way to the Council, and
- (ii) to write off £10,520.99 of debt relating to backdated insurance charges owed to the Council by the Bon Accord 2000 Bowling Club, pending the winding up of the club.

ART GALLERY REDEVELOPMENT (ECS/12/031)

23. With reference to article 19 of the minute of meeting of the Education, Culture and Sport Committee of 7 June, 2012, the Committee had before it a report

by the Acting Director of Education, Culture and Sport which updated members on progress in relation to the Art Gallery redevelopment. The aforementioned meeting of the Education, Culture and Sport Committee had amongst other things recommended that this Committee instruct the Head of Finance to secure funding for the project through the use of capital financing costs and earmarked reserves as appropriate.

The Committee indicated that they did not think the use of earmarked reserves was the best way of funding this project.

The Committee resolved:

to request that the Head of Finance secure funding through the use of capital financing for expenditure up to a maximum of £560,000.

REQUEST FOR AUTHORITY TO PROCURE AN EMPLOYEE COUNSELLING SERVICE AND OCCUPATIONAL HEALTH SERVICE (CG/12/071)

24. The Committee had before it a report by the Director of Corporate Governance which sought approval for officers to conduct a tender exercise for the provision of an employee counselling service and an occupational health service.

The Committee resolved:

- (i) to instruct that competitive tendering exercises for Employee Counselling and Occupational Health Services be undertaken, the latter being undertaken jointly with Aberdeenshire and Moray Councils, in line with the Council's Standing Orders relating to Contracts and Procurement, Financial Regulations and relevant European Union legislation; and
- (ii) to approve the estimated expenditure as follows:
 - Employee Counselling £140,000 over 4 years
 - Occupational Health Services £650,000 over 4 years.

REQUEST FOR AUTHORITY TO PROCURE MANAGEMENT TRAINING (CG/12/072)

25. The Committee had before it a report by the Director of Corporate Governance which sought approval for officers to conduct a tender exercise for the provision of a management training programme.

The Committee resolved:

- (i) to instruct that the Employee Development Team Leader, in conjunction with the aligned Category Manager, Central Procurement Unit, conduct a competitive tendering exercise in line with Council Standing Orders, Financial Regulations and European Union legislation for the further provision of a management training programme;
- (ii) to award of the contract, following a fully compliant tendering exercise, to the bidder which submits the most economically advantageous tender in accordance with the award criteria stated in the Invitation to Tender and subject to the satisfactory conclusion of the contractual documentation; and
- (iii) to approve the estimated expenditure as detailed in the report.

REVIEW OF PROPERTY ACCOUNT MISCELLANEOUS GROUND LEASES (EPI/12/132)

26. With reference to article 25 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 miscellaneous ground leases held within the property account investment portfolio.

The Committee resolved:

- (i) for reasons outlined within the report, to instruct that the property account retains ownership of the miscellaneous ground leases held within the property account investment portfolio, with a view to maximising rental income and premium receipts for the property account; and
- (ii) to request that officers provide a briefing note to members, by way of email, explaining the reasons for the differing yield percentages, particularly in relation to the sites at St Ninian's Place, Seaton (Nursery School) and Fairview Street, Danestone.

DECLARATION OF INTEREST

Councillor Milne declared a pecuniary interest in the subject matter of the following article by virtue of his employment by NHS Grampian and withdrew from the meeting during discussion of this item.

VACANT AND SURPLUS ASSETS (EPI/12/137)

27. With reference to article 31 of the minute of the previous meeting of this Committee of 15 March, 2012, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which provided members with an update on activities in relation to properties which had been declared surplus to the Council's requirements or were currently vacant awaiting a decision on future use.

The Committee resolved:

- (i) to note the position in relation to all the vacant and surplus assets, as identified in appendices A, B and C of the report;
- (ii) to note (1) that following circulation of the Pittodrie Community Centre to internal services and external partners, the Social Care and Wellbeing Service had noted an interest in the property and that this is being taken forward in accordance with the Surplus Property Procedure; (2) further to this, that title investigations identified that the land on which the property had been constructed lies on the Housing Revenue Account (HRA) and, as such, a request was being made to the next Housing and Environment Committee to declare the site surplus to the HRA; and (3) that at the Corporate Asset Group of 25 April, 2012 the group agreed to the transfer of the property to the Social Care and Wellbeing Service;
- (iii) to note (1) that at the date of preparing this report, the Education Culture and Sport Service was submitting a report to the Service committee to declare

- the Hillylands Centre surplus to requirements; if approved, the property would be circulated to establish if there is any interest from other Services or public sector partners; and (2) if no interest is forthcoming to agree to instruct the Head of Asset Management and Operations to formally market the property;
- (iv) to note that due to complexities in finalising legal agreements between all parties the marketing campaign for the Pinewood/ Hazledene sites would now be advanced in June, 2012, with an intention of reporting the outcome to the October meeting;
- (v) to note that formal closing dates for offers have been set for St Nicholas House, Broad Street and the former Causeywayend School, with the intention of reporting on both properties after the summer recess;
- (vi) (1) to declare the two former janitors lodges at Stockethill Crescent, which were currently vacant, surplus to the requirements of the property account; and (2) to note that their future use/ disposal would now be taken forward in accordance with the surplus property procedure with a future report to committee when appropriate;
- (vii) to note the concluded sales for the following properties since the Finance and Resources Committee on 15 March, 2012:
- Frederick Street (General Services Account – £3,500,000)
 - Shop Portfolio (General Services Account – £1,050,000)
 - 5 Affleck Place (Housing Revenue Account – £89,000)
 - Pylon Site, Kingswells ((General Services Account - £90,000)
- (viii) to note the concluded leases of the following properties held on the tenanted non residential portfolio since the Finance and Resources Committee on 15 March, 2012:
- Office 3, Aberdeen Business Centre (£5,400 per annum)
 - Office 10, Aberdeen Business Centre (£4,800 per annum)
 - Workshop 2, Granitehill Enterprise Centre (£1,700 per annum)
 - 57 Howe Moss Avenue, Dyce (£10,500 per annum)
 - 21 Scotstown Road (£29,000 per annum)
 - Units 6,7 and 8 Kirkton Avenue, Dyce (£57,500 per annum).

DECLARATION OF INTEREST

Councillor Milne declared a pecuniary interest in the subject matter of the following article by virtue of his employment by NHS Grampian and withdrew from the meeting during discussion of this item.

COTTON STREET SITE – REQUEST TO PURCHASE (EPI/12/131)

28. Reference was made to article 35 of the minute of meeting of this Committee of 21 April, 2011 at which time the Committee (1) considered a request by SCARF (Save Cash and Reduce Fuel) to purchase a site on Cotton Street; and (2) resolved

that the offer of purchase be reconsidered in one year. The Committee had before it on this day a report by the Director of Enterprise, Planning and Infrastructure as per the instruction at the aforementioned meeting.

The Committee resolved:

to decline SCARF's proposal to acquire the site which it presently leases.

BELMONT STREET PROPERTY (EPI/12/139)

29. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented information pertaining to a property lease at Belmont Street, Aberdeen.

The Committee resolved:

- (i) to approve a rental reduction of £8,000 per annum for the remainder of the lease term;
- (ii) to approve the lease holder's request that the lease of the property at Belmont Street be legally renounced on 31 January, 2013 by the tenant giving no less than six months prior written notice, but on condition that before the Council formally conclude the lease renunciation, the lease holder settle any outstanding dilapidation liability and service charges, in terms of the lease; if the lease is renounced at 31 January, 2013, then all legal expenses incurred by the Council shall be reimbursed by the lease holder; and
- (iii) if the break option is exercised, to remit it to the Head of Legal and Democratic Services to formally conclude the legal renunciation of the property lease, on terms and conditions as are necessary to protect the Council's interests.

101 GEORGE STREET (EPI/12/140)

30. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented information pertaining to the Council's lease at 101 George Street.

The Committee resolved:

- (i) to approve, in principle, Home Start Aberdeen's request to sub lease 101 George Street;
- (ii) to instruct the Head of Asset Management and Operations to provisionally agree terms and conditions of a sub lease with Home Start Aberdeen; and
- (iii) to instruct the Head of Legal and Democratic Services to formally conclude the sub lease on terms and conditions as are necessary to protect the Council's interests.

LAND ACQUISITION – MILL OF DYCE (EPI/12/136)

31. With reference to article 43 of the minute of meeting of the Resources Management Committee of 25 November, 2003, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised members of a long running property dispute at the Mill of Dyce, and presented an officer recommendation as to the way forward.

The Committee resolved:

to instruct the Head of Legal and Democratic Services to conclude the purchase of the property on the basis of the terms outlined within the report.

MATTER OF URGENCY

The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 that the following report be considered as a matter of urgency in order that the Committee could consider the issues in a timely manner.

LOIRSTON DEVELOPMENT SITES (EPI/12/138)

32. With reference to article 49 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 advised members of progress in relation to the two areas of land at Bobby Calder Park and Lochinch Farm, Cove.

The report recommended:

- (a) in relation to the Development Agreement with Hermiston Securities Limited (HSL) that –
 - (1) the Committee authorise the Head of Legal and Democratic Services to conclude the Development Agreement with HSL, on the terms noted within the report; in particular the Committee notes that further committee approval will not be required for any future sales of the land within the agreement as long as they are demonstrated as being at market value; the parties must also act in the ‘partnership’s’ mutual economic interest;
 - (2) the Committee authorise the Director for Enterprise Planning and Infrastructure to nominate three officers to form part of the Project Team;
 - (3) in the event that recommendation (6) below is approved, the Committee further approves that an area of circa 4.5 acres at Calder Park (as identified in the plans), or such other ground as may become available at Calder Park, and is returned to the Council is included in the Development Agreement with Hermiston Securities Limited (HSL).
- (b) in relation to the requests from Cove Rangers FC Limited (CRFCL) that the Committee –

- (4) authorises the Head of Asset Management and Operations to grant Landlord's Consent for the revised development proposals on the site;
- (5) authorises the Head of Asset Management and Operations to grant Landlord's Consent to the partial assignation of part of the leased area to Aberdeen Football Club PLC (AFC) (this is shown in the assignation plan in the appendix);
- (6) approves that an area of circa 4.5 acres or thereby is surrendered from the lease with CRFCL and returned to the Council;
- (7) authorises that Landlord's Consent is granted to extend the longstop date for the completion of the community facilities at Calder Park to 1 August, 2013; and
- (8) in considering the request from CRFCL to partially assign the lease, and in doing so passing the delivery responsibilities of the community benefits package to AFC, instruct the Head of Asset Management and Operations to agree a market rent with CRFCL for the land they will occupy.

Councillor Noble, seconded by Councillor Malone, moved:
that the report's recommendations be approved.

The Convener, seconded by the Vice Convener, moved as an amendment:

- (A) in relation to the Development Agreement with Hermiston Securities Limited (HSL) -
 - a) to authorise the Head of Legal and Democratic Services to conclude the Development Agreement with HSL, on the terms noted within this report; in particular the Committee notes that further committee approval will not be required for any future sales of the land within the agreement as long as they are demonstrated as being at market value; the parties must also act in the 'partnerships' mutual economic interest;
 - b) to authorise the Director for Enterprise Planning and Infrastructure to nominate 3 officers to form part of the Project Team;
- (B) in relation to the requests from Cove Rangers FC Limited (CRFCL) -
 - c) to instruct the Head of Asset Management and Operations to issue a refusal of Landlord's Consent for the revised development proposals on the site;
 - d) to instruct the Head of Asset Management and Operations to issue a refusal of Landlord's Consent to the partial assignation of part of the leased area to Aberdeen Football Club PLC (AFC) (this is shown in the assignation plan in the appendix);
 - e) to note that an area of circa 4.5 acres or thereby will not be surrendered from the lease with CRFCL and returned to the Council;

- f) to refuse Landlord's Consent to extend the longstop date of 1 September, 2012 for the completion of the community facilities at Calder Park;
- g) to instruct the Head of Legal and Democratic Services, if necessary, to take all steps to initiate irritancy proceedings in relation to the lease between the Council and CRFCL at Bobby Calder Park; and
- h) to instruct officers to undertake a strategic review of the Council landholdings at Bobby Calder Park, giving consideration to the 'Leisure Asset and Pitch Strategy Audit' currently being undertaken, the masterplanning of adjoining sites and other development opportunities with a report being brought back to a future meeting of this Committee on the outcome of these investigations in due course.

On a division, there voted: for the motion (7) – Councillors Cameron, Corall, Dickson, Malone, McCaig, Noble and Yuill; for the amendment (8) – the Convener; the Vice Convener; and Councillors Cooney, Laing, Malik, Milne, Reynolds and Thomson.

The Committee resolved:

to approve the successful amendment.

In terms of Standing Order 36(3), Councillor Noble intimated he would like this matter to be referred to full Council in order for a final decision to be taken. Councillor Noble was supported by Councillors Cameron, Corall, Dickson, Malone, McCaig and Yuill.

- COUNCILLOR WILLIE YOUNG, Convener.