

FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 17 August 2012 - minute of meeting of the FINANCE AND RESOURCES COMMITTEE. Present: Councillor Young, Convener; Councillor Allan, Vice Convener; and Councillors Cameron, Dickson, Donnelly, Jackie Dunbar, Grant (as substitute for Councillor Reynolds), Greig (as substitute for Councillor Yuill), Ironside CBE (as substitute for Councillor Crockett), Laing, Malone, McCaig, Milne, Jean Morrison MBE (as substitute for Councillor Graham) and Noble.

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

<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MI d=2668&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 items 4.1 and 5.1 of the agenda (articles 5 and 6 of this minute) so as to avoid disclosure of information of the class described in the following paragraphs of Schedule 7(A) to the Act: article 5 (paragraphs 6 and 9), and article 6 (paragraph 6).

DECLARATION OF INTEREST

Councillor Milne declared an interest in the following item of business by virtue of the involvement of his employer, NHS Grampian, in one of the projects contained within the Tax Incremental Financing (TIF) Business Case. As his retirement was imminent, he did not consider it necessary to withdraw from the meeting.

ABERDEEN TAX INCREMENTAL FINANCING (TIF) BUSINESS CASE (EPI/12/176)

2. With reference to article 6 of the minute of the meeting of Council of 25 January 2012, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised members of the current position with regard to the Tax Incremental Financing (TIF) Business Case, produced with the aim of securing investment in five city centre regeneration projects.

The report recommended:-

that the Committee scrutinise and debate the TIF Business Case, which was appended to the report, and refer it to full Council on 22 August 2012 for determination.

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Members asked extensive questions of officers in relation to the documents before them. Council officers, as well as representatives of PricewaterhouseCoopers, responded to the matters raised.

The Committee resolved:-

to approve the recommendation.

POSSIBLE PROPOSAL FOR TEMPORARY CAFÉ AT UNION TERRACE GARDENS (EPI/12/154)

3. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised members of an unsolicited approach for a temporary lease or license to operate a café business from a proposed temporary structure to be housed in one of the existing arches in Union Terrace Gardens, under Union Terrace.

The report recommended:-

that the Committee instruct officers to advertise the availability of a lease for a temporary café at Union Terrace Gardens which would satisfy all regulatory requirements.

The Committee resolved:-

to approve the recommendation.

CHIEF OFFICER VOLUNTARY PAY RESTRAINT (OCE/12/017)

4. With reference to article 4 of the minute of its meeting 10 December 2009, the Committee had before it a report by the Chief Executive which (a) indicated the saving which was achieved by the authority's Chief Officers voluntarily declining to accept the nationally agreed pay award of 2.5% in respect of the financial year 2010/11; and (b) advised that, as the agreed period of non-payment was for twelve months, the pay for all Chief Officers (other than the Chief Executive) should have reverted to the nationally agreed pay-spine as of 1 April 2011.

The report recommended:-

that the Committee -

- (a) note that approximately £67,000 of savings were generated by virtue of the Council's Chief Officers voluntarily agreeing not to accept a national pay award during the financial year 2010/2011;
- (b) note that Chief Officer pay should have been normalised with effect from 1/4/2011 and that steps were being taken to rectify this position;

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- (c) note that the salary for the post of Director of Education, Culture and Sport would be £109,827, i.e. the rate for the job; and
- (d) note that the impact of normalising the pay grades would be met within existing budgets with minor virements as appropriate.

The Committee resolved:-

to defer consideration of the report to the next meeting of the Committee on 4 October 2012.

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

PROPERTY SALES (EPI/12/149)

5. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised members on the marketing of two properties surplus to the requirements of the Council.

The report recommended:-

that the Committee -

- (a) accept the highest offer submitted by Aberdein Considine, on behalf of their clients, for the former Cairnfield Community Centre, Balgownie Drive; and
- (b) accept the offer submitted by Raeburn Christie Clark and Wallace, on behalf of Grampian and Langstane Housing Associations for the former Causewayend School, Causewayend.

The Committee heard from Mr Mike Duncan, General Manager Asset Management, who advised that the highest offer submitted for the former Cairnfield Community Centre, Balgownie Drive, had been withdrawn. On this basis, officers now recommended that the offer submitted by Seaton Community Enterprise Limited/Grant Smith Law Practice be accepted.

The Committee resolved:-

- (i) to accept the offer from Seaton Community Enterprise Limited/Grant Smith Law Practice for the former Cairnfield Community Centre; and
- (ii) to approve recommendation (b) as contained in the report.

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**NORTH EAST SCOTLAND PENSION FUND - ABERDEEN CITY COUNCIL
GUARANTEES**

6. The Committee had before it a report by the Director of Corporate Governance which provided members with details of the guarantee requirements of organisations seeking membership of the North East Scotland Pension Fund, and sought approval to act as guarantor for the unfunded liabilities of Drugs Action.

The report recommended:-

that the Committee -

- (a) agree to act as guarantor for Drugs Action;
- (b) note the existing commitment of the Council to act as guarantor for Aberdeen Performing Arts, Aberdeen Sports Village and Sport Aberdeen; and
- (c) note that further externalisation of service by the Council would require that it act as guarantor for the outsourced body.

The Committee resolved:-

- (i) to act as guarantor for Drugs Action up to a value of £147,000; and
- (ii) to approve recommendations (b) and (c).

- COUNCILLOR WILLIE YOUNG, Convener.