

FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 4 October 2012 – minute of meeting of the FINANCE AND RESOURCES COMMITTEE. Present: Councillor Young, Convener: Councillor Allan, Vice Convener: and Councillors Cameron, Cormie (as a substitute for Councillor McCaig), Delaney (as a substitute for Councillor Malone), Dickson, Donnelly, Jackie Dunbar, Graham, Len Ironside CBE (as a substitute for Councillor Crockett), Milne, Jean Morrison MBE (as a substitute for Councillor Laing), Councillor Nathan Morrison (as a substitute for the Convener for items 30 and 35 only, and as a substitute for Councillor Jean Morrison MBE for item 29 only), Noble, Reynolds, and Yuill.

Also in attendance: Councillor Greig (for item 11).

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=2578&Ver=4>

AGENDA ORDER

1. The Convener advised that item 10.4 (Supplementary Review of Advance Factories) had been withdrawn from the agenda. He also proposed that the Committee consider item 8.1 (Property Asset Management Plan) following item 2.5 (Motions List) on today's agenda, and item 10.7 (St Nicholas House) as the last item of business.

The Committee resolved:-

to concur with the proposals of the Convener.

DETERMINATION OF EXEMPT ITEMS OF BUSINESS

2. 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 10.1 of the agenda (article 27 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 27 (paragraphs 12), article 28 (paragraphs 6 and 9), article 29 (paragraphs 4, 6, 8 and 9), article 30 (paragraph 6 and 9), article 31 (paragraph 6 and 9), article 32 (paragraph 6 and 9), article 33 (paragraphs 6 and 9), and article 34 (paragraphs 6 and 9).

MINUTE OF PREVIOUS MEETING

3. The Committee had before it the minute of its previous meeting of 21 June 2012.

The Committee resolved:

to approve the minute as a correct record.

MINUTE OF ADDITIONAL MEETING

4. The Committee had before it the minute of its additional meeting of 17 August 2012.

The Committee resolved:

to approve the minute as a correct record.

MINUTE OF MEETING OF THE LORD PROVOST SUB COMMITTEE OF 26 APRIL 2012

5. The Committee had before it the minute of meeting of the Lord Provost Sub Committee of 26 April 2012, for approval.

The Committee resolved:

to approve the minute.

COMMITTEE BUSINESS STATEMENT

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

The Committee resolved:

- (i) to remove items 4 (Station House Media Unit), 13 (City Garden Project), 26 (Non Scheme Municipal Housing - 60 Rosemount Viaduct);
- (ii) to note that an oral report on item 15 (Trade Waste Charges Review) would be considered as the first item of exempt business;
- (iii) to note that reports on items 8 (Accord Card – Citizens Roll Out), 16 (Alternative Delivery Model), 18 (Satrosphere Limited), 20 (Review of Common Good Miscellaneous Properties - Garages in Hilton/Footdee), 24 (Ferryhill Engine Shed), and 25 (Non Housing Capital Programme 2012/2013 – 2014/2015 Budgets), were to be considered on today's agenda and to remove subject to the decision taken; and
- (iv) to otherwise note the updates contained therein.

MOTIONS LIST

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

The Committee resolved:

to note that a report on the remaining motion was to be considered later on today's agenda (article 11 refers).

PROPERTY ASSET MANAGEMENT PLAN 2012

8. The Committee (1) received a presentation from Mike Duncan and Alister Reid (Asset Management) on the Property Asset Management Plan 2012; and (2) had before it a report by the Director of Enterprise, Planning and Infrastructure which sought approval of the Plan.

The report recommended:

that the Committee approve the Property Asset Management Plan 2012 and instruct the Corporate Asset Group to implement and develop the Plan.

The Committee resolved:

to approve the recommendation.

CITY EVENTS PROGRAMME 2013-2014 (EPI/12/146)

9. Reference was made to article 16 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 11 September 2012, at which time members agreed, amongst other things, to refer the report before them to this Committee for consideration of allocating funding from the Common Good Fund in 2013/2014 for the delivery of the approved City Events programme for that period. The Committee had before it on this day, the report as presented to the Enterprise, Planning and Infrastructure Committee.

The Committee resolved:

to refer the request for monies required for the delivery of the City Events programme for 2013/2014 to the budget process.

REVIEW OF THE NATIONAL SPEED LIMIT ON THE C128C ROAD BETWEEN ITS JUNCTION WITH THE A944 AT KINGSWELLS ROUNDABOUT AND THE EXISTING 40MPH RESTRICTION TO THE NORTH OF CULTS – EPI/12/161

10. Reference was made to article 27 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 11 September 2012, at which time members agreed, amongst other things, to refer the report before them to this Committee for consideration of allocating funding to (a) undertake the statutory consultation procedure for the proposed reduction of speed limit on the currently derestricted section of the C128C road between its junction with the A944 at Kingswells Roundabout and the existing 40mph restriction to the north of Cults, and (b) subject to the outcome of the consultation the implementation of the measure.

The Committee resolved:

to request the Director of Corporate Governance and the Head of Finance to identify an appropriate budget within the service to fund the measure, and that all members of the Committee be advised, by email, of the budget identified.

MOTION BY COUNCILLOR GREIG – COMMEMORATION OF DIAMOND JUBILEE

11. Reference was made to article 9 of the minute of meeting of this Committee of 21 June 2012, at which time officers were instructed to report back on the terms of the following motion by Councillor Greig:-

“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”.

The Committee had before it on this day, a report by the Director of Corporate Governance as requested at the aforementioned meeting.

The report recommended:

that the Committee note the suggestions provided by elected members as requested and indicate which, if any, it wished to see developed as proposals for a permanent commemoration in the City of the Diamond Jubilee and of the Queen’s reign.

Councillor Greig joined the meeting; spoke in support of his motion; and advised of the proposals which he would wish to see further investigated.

The Committee resolved:

- (i) to establish a working group of seven members (comprising 2 Labour representatives, 2 SNP, 1 Liberal Democrat, 1 Conservative and 1 Independent Alliance), to be chaired by the Depute Provost, to consider the proposals contained in the report and any other members might make, and that officers report back on a preferred option for approval; and
- (ii) to note that Councillor Greig would be the Liberal Democrat group member, Councillor Donnelly the Conservative group member, and that the remaining groups would advise the clerk of their appointments outwith the meeting.

CORPORATE GOVERNANCE IMPROVEMENT DISCUSSION PAPER (CG/12/085)

12. The Committee had before it a report by the Director of Corporate Governance which provided an update on the Corporate Governance Improvement Discussion Paper.

The report recommended:

that the Committee note the publication of the Corporate Governance Improvement Discussion Paper for engagement with staff and other stakeholders.

The Committee resolved:

to approve the recommendation.

**CORPORATE GOVERNANCE SERVICE ASSET MANAGEMENT PLAN
(CG/12/098)**

13. The Committee had before it a report by the Director of Corporate Governance which sought approval of the Corporate Governance Service Asset Management Plan.

The Committee resolved:

- (i) to approve the Service Asset Management Plan for Corporate Governance; and
- (ii) to commend staff for their work in this area.

**2012/2013 FINANCIAL MONITORING – CORPORATE GOVERNANCE SERVICE
(CG/12/091)**

14. With reference to article 10 of the minute of the meeting of this Committee of 15 March 2012, 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 in this regard.

The report recommended:

that the Committee -

- (a) note the information on management action and risks contained within the report; and
- (b) instruct that officers continue to review budget performance and report on Service strategies.

The Committee resolved:

- (i) to approve the recommendations; and
- (ii) to commend staff for their work in this area.

2012/2013 COMMON GOOD BUDGET– MONITORING REPORT (CG/12/092)

15. With reference to article 11 of the minute of its previous meeting of 21 June 2012, 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 for the period to 31 July 2012, and outlined the forecast position of the cash balances.

The report recommended:

that the Committee -

- (a) note the income and expenditure position as at 31 July 2012 and the forecast outturn for the year; and
- (b) note the forecast cash balances as at 31 March 2012 of £6,500,000 based on current estimates, which was within the recommended levels indicated by the Head of Finance.

The Committee resolved:

to approve the recommendations.

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 current revenue position of the Council.

REVENUE BUDGET 2012/2013 MONITORING (CG/12/079)

16. With reference to article 10 of the minute of its meeting of 21 June 2012, the Committee had before it a report by the Head of Finance which presented the revenue position for the Council for 2012/2013 and advised as to any areas of risk that had been highlighted by the Directors.

The report recommended:

that the Committee -

- (a) approve the revised financial reserves strategy as appended to the report;
- (b) instruct Directors to maintain the tight cost control arrangements, that were presently in place, during the remainder of the year to ensure a balanced budget was delivered;
- (c) agree that, subject to future Council approval on the implementation of the transfer of Social Work Services to a Local Authority Trading Company (LATC), the Council would act a guarantor for the North East Scotland Pension Fund in respect of the transferring employees to the LATC; and
- (d) otherwise note the content of the report.

The Committee resolved:

- (i) to approve the recommendations; and
- (ii) to note that the Director of Corporate Governance would iterate the importance to officers of having reports prepared timeously for inclusion on the initial agenda.

TREASURY MANAGEMENT – MID YEAR REVIEW (CG/12/095)

17. With reference to article 13 of the minute of its meeting of 21 June 2012, the Committee had before it a report by the Head of Finance which provided an update on treasury management activities for 2012/2013.

The report recommended:

that the Committee recommend that Council -

- (i) note the treasury management activities undertaken in 2012/2013 as detailed within the report; and
- (ii) approve the revised counterparty list as detailed at appendix 1.

The Committee resolved:

to approve the recommendations.

APPLICATIONS FOR FINANCIAL ASSISTANCE 2012/2013 (CG/12/064)

18. 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 provide £2000, on an exception basis, to individuals from the School of Pharmacy and Life Sciences, Robert Gordon University towards the cost of their attendance at the 'All Together Better Health VI' conference in Kobe, Japan, from 5-8 October 2012; and
- (ii) to note that the individuals would provide a report of the above conference to members of the Committee.

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

4. Reference was made to article 4 of the minute of the additional meeting of 17 August 2012, at which time the Committee deferred consideration of 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 Committee had before it on this day the deferred report by the Chief Executive for consideration.

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 April 2011, and that steps were being taken to rectify this position;
- (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 approve the recommendations.

SETTING OF CHARGE RATE FOR CIVIL ENFORCEMENT OF BUS LANES (EPI/12/179)

19. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which sought approval of the proposed level of penalty charge for civil bus lane enforcement.

The report recommended:-

that the Committee -

- (a) approve the level of charge for civil bus lane enforcement at £60 and instruct Officers of Enterprise, Planning and Infrastructure to write to the Scottish Ministers to seek approval of this rate of charge;
- (b) note the award of tender for the upgrade of existing bus lane camera system;
- (c) note that civil enforcement of bus lanes in Aberdeen would commence early in 2013;
- (d) note that a four week public awareness campaign would be undertaken prior to commencement of civil bus lane enforcement.

The Committee resolved:

to approve the recommendations.

ACCORD CARD: CITIZEN ROLL OUT UPDATE (CG/12/093)

20. With reference to article 35 of the minute of its meeting of 29 September 2011, the Committee had before it a report by the Director of Corporate Governance which provided an update on progress on enabling Accord Card holders to obtain services offered by the Council and its partner organisations at a preferential rate via the Residents' Discount Scheme.

The report recommended:-

that the Committee -

- (a) approve the next steps outlined in section 5.7 of the report; and
- (b) otherwise note the content of the report.

The Committee resolved:

to approve the recommendations.

LIBRARIES NETWORK (CG/12/097)

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 circuit requirements for the Council's library network.

The report recommended:-

that the Committee -

- (a) instruct officers to conduct a tender exercise via the Government Procurement Service, for the provision of circuit requirements for the Council's library networks; and
- (b) authorise the estimated expenditure of approximately £60000 annually over a three year period, with the possibility of a two year extension.

The Committee resolved:

- (a) to approve the recommendation (a); and
- (b) to agree that the Director of Corporate Governance and Head of Service, in consultation with Convener and Vice Convener, approve the estimated expenditure for the contract over a three year period, with the possibility of an extension of two years, prior to the contract being advertised.

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 determine the matter as soon as possible.

HOGMANAY FIREWORKS CELEBRATIONS 2012 (EPI/12/229)

22. With reference to article 22 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 11 September 2012, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which sought approval of an allocation from the Common Good Fund to provide a Hogmanay event in 2012 and set out plans for 2013.

The report recommended:-

that the Committee -

- (a) recognise the city's desire to include a Hogmanay event in its Festivals and Events programme in support of Aberdeen's bid to become the UK City of Culture;
- (b) approve the allocation of £50,000 from the Common Good Fund to deliver Aberdeen's Hogmanay Fireworks Celebrations in December 2012;
- (c) approve the resource requirements to deliver this event and agree that suitable remuneration be provided to the staff concerned to ensure that Council met its health, safety and legal requirements when organising and delivering this event; and
- (d) note that officers would submit a report to the Enterprise, Planning and Infrastructure Committee prior to the end of February 2013, assessing the potential for a 2013 Hogmanay event and requesting approval of an appropriate budget to deliver a safe, inclusive and enjoyable family event in 2013.

The Committee resolved:

to approve the recommendations.

SMALL SALES PROCEDURES (EPI/12/194)

23. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which sought approval of the updated Sale of Areas of Amenity Ground policy.

The report recommended:-

that the Committee -

- (a) agree to update the Council's current Sale of Amenity Ground policy, as outlined in Appendix 1 to the report;
- (b) agree to the revised fee charges proposed; and
- (c) authorise the Head of Asset Management and Operations to undertake regular reviews of the charges and implement any future increase in charges, as required.

The Committee resolved:

- (i) to approve the recommendations; and
- (ii) to instruct officers to introduce an appeal process and report back should issues with the approved procedure arise.

UPDATE ON FUTURE OF SEVERAL GARAGE SITES (EPI/12/192)

24. Reference was made to article 34 of the minute of the meeting of this Committee of 15 March 2012, at which time the Committee agreed to instruct officers to provide further information on the management options and costs in relation to the garage sites located within Hilton and Footdee. The Committee now had before it a report by the Director of Enterprise, Planning and Infrastructure.

The report recommended:-

that the Committee agree that the garage sites at Footdee, Hilton Avenue and Smithfield Drive be retained within the Common Good Account.

The Committee resolved:

to approve the recommendation.

FUTURE USE – MISCELLANEOUS SURPLUS HOUSING AND ENVIRONMENT PROPERTIES (EPI/12/190)

25. With reference to article 11 of the Housing and Environment Committee of 10 May 2011, when a number of properties were declared surplus to the requirements of the Service, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure on progress in their disposal.

The report recommended:-

that the Committee -

- (a) agree that the cleansing depot, Sillerton Lane, Kincorth, be retained on the General Services Account until such time as the adjoining building services depot became available and that, in the meantime, the Head of Asset Management and Operations give consideration to the possibility of the subjects being made available for lease on a short-terms basis;
- (b) instruct the Head of Asset Management and Operations to further investigate the possibility of utilising part of the Council owned car park adjacent to the cleansing sub-depot and public convenience, Victoria Street, Dyce, and thereafter market the combined site for sale on the open market, and that a further report be submitted to this Committee on the outcome;
- (c) instruct the Head of Asset Management and Operations to market the cleansing sub-depot, Pitmedden Terrace, Kaimhill, for sale on the open market, and that a further report be submitted to this Committee on the outcome;
- (d) agree that the lock-up garage/sub-depot, Watchman Brae, Middlemuir Place, Bucksburn, be included within the mainstream housing garages stock on the Housing Revenue Account, and, as such, that this report be referred onto the next appropriate meeting of the Housing and Environment Committee for action;

- (e) agree that the cleansing sub-depot and public convenience, ASDA shopping centre, Jesmond Drive, Middleton Park, Bridge of Don, be returned to the owners of the supermarket development;
- (f) instruct the Head of Asset Management and Operations to market the former shop, 33 Richmond Street, Rosemount, for sale on the open market, and that a further report be submitted to this Committee on the outcome;
- (g) agree that the public convenience, multi-storey car park, West North Street, be retained on the General Services Account, per car parks, as part of the multi-storey car park;
- (h) in relation to the public convenience, 800 King Street, Seaton, to instruct the Head of Asset Management and Operations to:- (1) submit a planning application for change of use, for the most likely use of hot food takeaway, in terms of Class 3 of The Town and Country Planning (Use Classes) (Scotland) Order 1997 following further investigation into the possibility of also utilising part of the adjacent Council-owned ground; (2) market it thereafter for sale on the open market; and (3) submit a further report to this Committee on the outcome;
- (i) agree that the public convenience, Inverurie Road, Bucksburn, be returned to the owners of the site;
- (j) instruct the Head of Asset Management and Operations to market the public convenience, Cove Road, Cove Bay, for sale on the open market, and that a further report be submitted to this Committee on the outcome; and
- (k) agree that the public convenience, Kincorth shopping centre, Provost Watt Drive, Kincorth, be retained on the General Services Account for inclusion within the Kincorth shopping centre as part of the investment properties portfolio, with a view to seeking its lease.

The Committee resolved:

to approve the recommendations.

REQUEST FOR APPROVAL OF EXPENDITURE FOR WINES, BEERS AND SPIRITS TENDER – BEACH BALLROOM (CG/12/106)

26. 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 wines, beers and spirits to the Beach Ballroom for a maximum of four years.

The report recommended:-

that the Committee approve the estimated expenditure of £85,000 per annum on the provision of wines, beers and spirits, in accordance with Standing Order 1(3) of the Council's Standing Orders relating to contracts and procurement, for the four year period from 2013/2014 at a total estimated expenditure of £340,000.

The Committee resolved:

to approve the recommendation.

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

TRADE WASTE CHARGES REVIEW – SENSITIVE INFORMATION

27. Reference was made to article 23 of the Housing and Environment Committee of 24 January 2012, at which time members requested that the Head of Legal and Democratic Services investigate how the Council should present reports containing sensitive information to Committee. The Committee now received an oral report from the Head of Legal and Democratic Services wherein she explained the background to the request and advised of the way in which sensitive information should be presented to Committee in future.

The Committee resolved:

to note the update from the Head of Legal and Democratic Services and to remove item 15 (Trade Waste Charges Review – Sensitive Information) from the Committee Business Statement.

PROPERTY SALES (EPI/12/191)

28. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented the outcome of the marketing of 254 Queen's Road, Hazlehead.

The report recommended:-

that the Committee –

- (a) accept the offer submitted by Aberdein Considine, on behalf of Mr Alistair Raymond Moncur and Miss Gemma Daisy Moncur, for Woodend House, 254 Queen's Road, Hazlehead;
- (b) instruct the Head of Finance to obtain the First Minister's approval for the sale of the property on the basis of the offer to be accepted; and
- (c) instruct the Head of Legal and Democratic Services to conclude missives for the sale of this property, incorporating various qualifications as necessary to protect the Council's interests.

The Committee resolved:

to approve the recommendations.

DECLARATION OF INTEREST

Prior to the consideration of the following item of business, Councillor Jean Morrison MBE declared an interest in the subject matter due to her position on the Satrosphere Board. She then withdrew from the meeting and was substituted by Councillor Nathan Morrison for this item of business only.

SATROSPHERE LIMITED – 2011/12 FINANCIAL UPDATE AND PROPERTY ISSUES (EPI/12/046)

29. With reference to article 29 of the minute of the meeting of this Committee of 15 March 2012, the Committee had before it a report by the Director of Corporate

Governance which provided an update on financial and property matters in relation to Satrosphere Limited.

The report recommended:-

that the Committee –

- (a) note the financial update provided within the report;
- (b) instruct officers to:-
 - (1) provisionally negotiate terms and conditions of lease, or an extension to an existing lease, or other potential property transaction, in the event that consideration leads Satrosphere to the conclusion that either relocation to another venue held on the Council's Property Account or redevelopment of their existing facility at 179 Constitution Street was the preferred option, on the basis that any provisional agreement between the parties be reported to a future meeting of this Committee, in order that members might consider formal approval of the same; and
 - (2) offer support, in the form of advice, to assist Satrosphere Limited to assess the potential for redevelopment of the existing facility at 179 Constitution Street should the option for relocation to an alternative Council owned premises not prove viable.

The Committee resolved:

- (i) to approve the recommendations contained in the report; and
- (ii) to formalise continued support by the Council of Satrosphere by instigating discussions on establishing a service level agreement on the operation of Satrosphere at whichever location Satrosphere deemed suitable for its future.

DECLARATION OF INTEREST

Prior to the consideration of the following item of business, the Convener declared an interest in the subject matter by virtue of knowing the appellant. The Convener then withdrew from the meeting and was substituted by Councillor Nathan Morrison for this item only.

At this juncture, the Vice Convener assumed the Chair.

APPEAL OF DECISION NOT TO SELL GROUND ADJACENT TO 132 JOHNSTON GARDENS NORTH (EPI/12/193)

30. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised members of the appeal of an officers' decision not to sell an area of amenity ground adjacent to 132 Johnston Gardens North, Peterculter.

The report recommended:-

that the Committee uphold the officers' decision not to sell the area of amenity ground adjacent to 132 Johnston Gardens North, Peterculter.

The Committee resolved:

to defer the report to the next meeting of the Committee on 6 December at which time officers were requested to ensure that the report contained a more detailed map of the location and photographs and that representatives from the Housing and Environment Service be present.

At this point, the Convener rejoined the meeting and resumed the Chair.

DECLARATIONS OF INTEREST

Prior to the consideration of the following item of business, Councillors Cormie, Jean Morrison MBE and Yuill declared an interest in the subject matter by virtue of their appointment by the Council as members of the Robert Gordon's College Board of Governors but did not consider that the nature of their interests required them to leave the meeting.

PROPERTY - VACANT AND SURPLUS ASSETS (EPI/12/202)

31. With reference to article 27 of the minute of meeting of this Committee of 21 June 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 report recommended:-

that the Committee –

- (a) note the position in relation to all the vacant and surplus assets, as identified in appendices A, B and C of the report;
- (b) note that the Pinewood/Hazledene sites, held on the Common Good Account, were currently on the market with a closing date set for 9 October 2012, with an intention of the outcome being reported to the Committee at its meeting in December;
- (c) declare the former Janitor's Lodge at Hetherwick Road, which was currently vacant, surplus to the requirements of the property account and subject to this approval, note that the future use/disposal of this property would now be taken forward in accordance with the surplus property procedure with a report being submitted to a future meeting of this Committee when appropriate;
- (d) declare the former Registrar's flat at 102 North Deeside Road, which was currently vacant, surplus to the requirements of the property account, and subject to this approval, note that the future use/disposal of this property would now be taken forward in accordance with the surplus property procedure with a report being submitted to a future meeting of this Committee when appropriate;
- (e) (a) note that the Council had been approached by the separate adjacent owners of sites either side of an area of Council owned landscaped ground at Denmore Road, Bridge of Don, and that this area was not required by Council Services; and (b) agree that a closing date be set for the submission of offers from the interested parties, and subject to this approval, note that a

report advising of the outcome would be submitted to this Committee at its meeting in December;

- (f) note the concluded sales for the following properties since the Committee's meeting of 19 June 2012:-
- Paddock, Airyhall House (General Services Account- £1,127,000)
 - 37g Victoria Road (Housing Revenue Account - £52,750)
 - Ruthrieston Depot (Common Good - £180,000)
 - 12 Devanha Gardens West (General Services Account - £462,000)
 - 2 Elmbank Road (Housing Revenue Account - £57,301); and
- (g) note the concluded leases of the following properties held on the tenanted non residential portfolio since the Committee's meeting of 19 June 2012:-
- 57 Howe Moss Avenue, Dyce (£10,500 per annum)
 - Hazlehead Restaurant (£26,650 per annum)
 - Offices 13-15, Aberdeen Business Centre (£24,000 per annum)
 - Plot 7, Kirkhill Place (£20,000 per annum)
 - Suites B&E, 15-17 Belmont Street (£12,600 per annum)
 - Unit 4, Kincorth Shopping Centre (£13,200 per annum)
 - 2.85 hectares at Mackie Steps, Carnie (£625 per annum)
 - Unit 5, Cornhill Shopping Centre (£5,800 per annum)
 - Unit 53, Howe Moss Avenue, Dyce (£12,000 per annum)
 - Unit 1B, Campus 3, Science and Tech Park (£90,000 per annum)

The Committee resolved:

to approve the recommendations.

FERRYHILL ENGINE SHED (EPI/12/196)

32. With reference to article 43 of the minute of its 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 progress to discuss a business and development plan with Ferryhill Railway Heritage Trust to support their plans to create a Railway Heritage Centre in and around Ferryhill Engine Shed.

The report recommended:-

that the Committee note the report and instruct officers to report to the appropriate Committees at the earliest opportunity on progress on all the identified issues.

The Committee resolved:

to approve the recommendation.

UPDATE ON SOLAR PHOTOVOLTAIC PANEL INSTALLATION CONTRACT (EPI/12/205)

33. With reference to article 31 of the minute of its meeting of 21 April 2012, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which provided members with an update on the contract to install solar photovoltaic (PV) panels on around ninety council owned operational buildings.

The report recommended:-

that the Committee -

- (a) note the circumstances and ongoing changes to the governance and delivery of the Feed-in-Tariff which had occurred over the past twelve months; and
- (b) agree that officers continue to negotiate with the installer to optimise the level of reimbursement to the Council per site whilst acknowledging the long term nature of the contract, the importance of establishing sound governance and contract management and delivery of savings as originally envisaged as part of the Council's Business Plan, with the Heads of Legal and Democratic Services and Asset Management and Operations authorised to take appropriate action to protect the Council.

The Committee resolved:

to approve the recommendations.

NEWHILLS EXPANSION – INITIAL CONSULTANTS APPOINTMENT

34. With reference to article 12 of the minute of its meeting of 21 June 2012, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure Committee which sought approval to exempt a contract for a consultant to undertake the initial works to produce a Development Framework in conjunction with the adjoining landowners on sites OP26/28/29/30 and 31 within the Aberdeen Local Development Plan (site 31 being in Council ownership), from Standing Order 5 of the Standing Orders relating to contracts and procurement, namely the requirement to go out to competitive tender and to advertise on the Public Contracts Scotland Portal.

The report recommended:-

that the Committee -

- (a) approve the invoking of the provisions of Standing Order 1(6)(a) and thereby waive the need for competitive procurement for the provision of these services on the basis of the reasons set out in the report;
- (b) agree that the Council enter into an initial contract with Optimised Environments Limited, as detailed within the report;
- (c) approve the estimated expenditure and that the provision of these services be funded from the Common Good Fund, specifically from the 'windfall receipt' generated from the sale of an area of ground at Westburn Crescent which concluded on 28 September 2012 and received approval from this Committee on 15 March 2012;
- (d) note that this commission would be the first phase of the programme of work for the implementation of a Development Framework for the site, and that a further report would be submitted to this Committee; and
- (e) note that the Council would require to sign the statement of co-operation with the Development Framework scoping report, attached as appendix 1 to the report, and therefore to authorise the Head of Asset Management and Operations to sign the co-operation agreement in the Council's role as a landowner.

The Committee resolved:

to approve the recommendations.

DECLARATION OF INTEREST

During the consideration of the following item of business, the Convener declared an interest in the subject matter by virtue of knowing one of the parties involved in the bidding process. The Convener then withdrew from the meeting and was substituted by Councillor Nathan Morrison, for this item only.

At this juncture, the Vice Convener assumed the Chair.

ST NICHOLAS HOUSE – OUTCOME OF STAGE 1 MARKETING

35. Reference was made to article 11 of the minute of meeting of the Council of 6 October, 2011, when the Council, having considered a report on the future of St Nicholas House, made a number of decisions relating to the demolition of the building and the marketing of the vacant site. Members now had before them a report by the Director of Enterprise, Planning and Infrastructure on progress in the sale of the site which advised on the range and types of offers received and the process to assess and score these.

The report explained that thirteen offers had been received from twelve parties, listed those parties in alphabetical order and then identified the next stage in the process.

The report recommended:-

- (a) that the Committee instruct the Head of Asset Management and Operations to advise the top four scoring bidders that they have been selected as preferred bidders to move forward to the next stage; and
- (b) that the Committee note the next stage of the bidding process, with a full report to be brought back to a meeting of this Committee in early 2013.

The report at this point did not identify the top four bidders, it being noted that this information would be presented to Committee on the day.

At this juncture, a further report by the Director of Enterprise, Planning and Infrastructure was circulated which explained that the offer submitted by one of the parties had been withdrawn, set out the points available and the range applied by officers in respect of the financial and non-financial scores for each of the offers, gave the monetary difference between the highest and lowest bids submitted and named the top four scoring bidders in alphabetical order. The report then reiterated the recommendations contained in the original report, now incorporating the names of the top four bidders.

Following discussion, Councillor Noble moved, seconded by Councillor Yuill:-
that the recommendations contained in the report be approved.

The Vice Convener moved as an amendment, seconded by Councillor Milne:-
that the recommendations contained in the report be approved except that the top six scoring bidders be selected as preferred bidders to move forward to the next stage.

On a division, there voted:- for the motion (7) – Councillors Cameron, Cormie, Delaney, Dickson, Jackie Dunbar, Noble and Yuill; for the amendment (8) – the Vice Convener; and Councillors Donnelly, Graham, Len Ironside CBE, Milne, Jean Morrison MBE, Nathan Morrison and Reynolds.

The Committee resolved:-
to approve the amendment.

In terms of Standing Order 36(3), Councillor Noble intimated that he wished this matter to be referred to Council for final determination and was supported by Councillors Cameron, Cormie, Delaney, Dickson, Jackie Dunbar and Yuill.

- COUNCILLOR WILLIE YOUNG, Convener.