

## FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 21 February 2013 - 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 Jackie Dunbar for article 6 only), Crockett, Dickson, Jackie Dunbar, Forsyth, Graham, Laing, Milne, Noble, Reynolds, Samarai (as a substitute for Councillor McCaig for articles 1 to 28), Townson (as a substitute for Councillor Dickson for article 6 only) and for Councillor McCaig from article 29 onwards) and Yuill; also in attendance: Councillor Greig for article 7.

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

<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MIId=2585&Ver=4>

### AGENDA ORDER

1. The Convener advised that item 8.3 (Legal Services – Professional Indemnity Requirements) of the agenda had been withdrawn from the agenda.

### 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 11.1 of the agenda (article 22 of this minute) onwards so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act: article 22 (paragraph 8), article 23 (paragraph 8), article 24 (paragraph 8), article 25 (paragraph 8), article 26 (paragraph 8), article 27 (paragraphs 6 and 9), article 28 (paragraph 6), article 29 (paragraphs 2, 6 and 9), article 30 (paragraphs 6 and 9), article 31 (paragraph 6), article 32 (paragraphs 2, 6 and 9) and article 33 (paragraphs 6 and 9).

### MINUTE OF PREVIOUS MEETING

3. The Committee had before it the minute of its previous meeting of 6 December 2012.

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

to approve the minute as a correct record.

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**MINUTE OF ADDITIONAL MEETING OF 15 JANUARY 2013**

4. The Committee had before it the minute of its additional meeting of 15 January 2013.

**The Committee resolved:-**

to approve the minute as a correct record.

**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.

With regards item 1 (CAB - Debt Advice Service), the Committee heard from the Head of Housing and Community Safety who advised that a report regarding planned changes to the welfare benefit system and the Council's intention would be considered by Council at its meeting on 6 March. He explained that once the Council's position on welfare reform had been determined he was confident that a service level agreement with the Citizens' Advice Bureau (CAB) would be completed thereafter and reported to the next meeting of the Committee.

**The Committee resolved:-**

- (i) in relation to item 1 (CAB - Debt Advice Service), to note the oral update provided by the Head of Housing and Community Safety and that subject to the Council determining its position a report on this matter would be submitted to the next meeting of the Committee;
- (ii) in relation to item 11 (Grampian Japan Trust Loan Request), to request officers to provide an update to all members of the Committee, by email, on the Grampian Japan Trust in light of the Council allocating the Trust a £40,000 grant as well as information on the Council's position regarding the securities associated with Thomas Glover House;
- (iii) in relation to item 10 (Youth Activities Small Grants Fund), to note that the Youth Council had now met to consider this issue and had agreed that it would not wish for the power to award funding from the Youth Activities Small Grants Fund to be transferred exclusively to the Youth Council and therefore to remove this from the business statement;
- (iv) to remove items 7 (3Rs Project) and 21 (Property Sales – 29 Redmoss Avenue, Nigg);
- (v) to note that reports on items 8 (Review of Advance Factories), 14 (Ferryhill Engine Shed) and 16 ((Loirston Development Sites) were to be considered on today's agenda and to remove them subject to the decision taken; and
- (vi) otherwise to note the updates contained therein.

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### DECLARATIONS OF INTERESTS

**Councillors Dickson and Jackie Dunbar declared pecuniary interests in the following item of business by virtue of their employment by Kevin Stewart MSP, and withdrew from the meeting. Councillors Dickson and Jackie Dunbar were substituted by Councillors Townson and Cormie respectively for this item only.**

### MOTIONS LIST

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

With regards motion 3 (Motion by Councillor Crockett – Comments by Kevin Stewart MSP), the Head of Legal and Democratic Services advised the Committee that she had received a response from Kevin Stewart MSP and at the request of members circulated correspondence on this.

The Convener then moved, seconded by Councillor Allan:-

That the Committee instruct the Head of Legal and Democratic Services to write again to Kevin Stewart MSP advising him that his response was not a retraction of his comments and giving him until 5 March 2013 to retract his comments and thereafter refer this matter back to full Council on 6 March 2013 for Council to determine its position at that time.

Councillor Noble moved as an amendment, seconded by Councillor Cameron:-

That the Committee takes no further action on this matter.

On a division, there voted:- For the motion (10) - the Convener; the Vice-Convener; and Councillors Crockett, Forsyth, Graham, Laing, Malone, Milne, Reynolds and Yuill. For the amendment (5) - Councillors Cameron, Cormie, Noble, Samarai and Townson.

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

to adopt the motion.

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

- (i) in relation to motion 1 (Motion by Councillor Greig – Commemoration of the Diamond Jubilee and Queen’s Reign), to note that a report on this motion was to be considered later on today’s agenda; and
- (ii) in relation to motion 2 (Motion by Councillor McCaig – Business Rates Incentive Scheme (BRIS)):
  - (a) to note that officers would report on the terms of Councillor McCaig’s motion to the next meeting of the Committee;
  - (b) to note that Councillor Crockett had written to the Cabinet Secretary for Finance, Employability and Sustainable Growth, requesting a meeting to discuss BRIS in terms of economic growth for Aberdeen;

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- (c) to instruct the Director of Corporate Governance to ask an independent consultant to bring forward a report, based on a research study, exploring the existing financial settlement and its impact on the contribution Aberdeen made to Scotland and the UK and how a different or better funding settlement could benefit Aberdeen and the remainder of Scotland, and that the report be considered by an additional meeting of this Committee, at which time the Committee could determine its position on the contents and findings of the study;
- (d) to agree that the costs associated with the above report cannot exceed £8,000; and
- (e) to recognise that the funding formula was set by the Scottish Government and COSLA and that proposals for an alternative formula needed to be communicated to both parties.

### **COMMEMORATION OF DIAMOND JUBILEE AND QUEEN'S REIGN - MOTION BY COUNCILLOR GREIG (OCE/13/006)**

7. With reference to article 11 of the minute of its meeting of 4 October 2012, the Committee had before it a report which provided an update on the consideration being given by the Diamond Jubilee Working Group to the means by which the Council might commemorate the Diamond Jubilee and the Queen's reign as requested in the motion by Councillor Grieg.

#### **The report recommended –**

that the Committee notes the update provided and agrees that the matter be considered again at a future meeting of the Committee.

The Convener moved, seconded by Councillor Allan:-

That the Committee instructs the Diamond Jubilee Working Group to continue looking into ways in which the Council could create a commemoration in the city of the Diamond Jubilee and of the Queen's reign excluding delivering a statue, but focussing on a travel scholarship.

Councillor Greig moved as an amendment, seconded by Councillor Malone:-

That the Committee instructs the Diamond Jubilee Working Group to continue to develop the two commemorative options of a statue and travel scholarship and report back to the next meeting of the Committee in this regard.

On a division, there voted:- For the motion (13) - the Convener; the Vice-Convener; and Councillors Cameron, Crockett, Dickson, Jackie Dunbar, Forsyth, Graham, Laing, Milne, Noble, Reynolds and Samarai. For the amendment (3) - Councillors Greig, Malone and Yuill.

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

to adopt the motion.

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**ABERDEEN DIGITAL CONNECTIVITY UPDATE REPORT (EPI/12/310)**

8. Reference was made to article 16 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 22 January 2013, at which time members agreed the recommendations on a report by the Director of Enterprise, Planning and Infrastructure on the bid under the Super Connected Cities Programme for Urban Broadband Funding 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.

**The report recommended –**

that the Committee -

- (a) note the contents of the report;
- (b) agree that officers should undertake the necessary procurements to secure suitable private sector development partners to implement the city wireless scheme, voucher scheme, white area in-fill and open access broadband projects outlined in the Accelerate Aberdeen proposal document within the plan up to the value of £28.5m as described in section 2 of the report;
- (c) agree that officers ensure a formal funding agreement between Aberdeen City and Aberdeenshire Council was put in place;
- (d) agree that officers obtain both Councils agreement to recruit a Head of Broadband Delivery and Broadband Delivery Project Manager to oversee delivery of the Accelerate Aberdeen Programme to December 2014; and
- (e) approve the availability of the required budget, which was part of the Council's overall contribution to this project, for these shared posts once agreement was obtained.

**The Committee resolved:-**

to approve the recommendations.

**2012/2013 COMMON GOOD BUDGET - MONITORING REPORT (CG/13/021)**

9. With reference to article 15 of the minute of its meeting of 4 October 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 December 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 December 2012 and the forecast outturn for the year; and
- (b) note the forecast cash balances as at 31 March 2013 of £6,800,000 based on current estimates, which was within the recommended levels indicated by the Head of Finance.

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**The Committee resolved:-**

to approve the recommendations.

**2012/2013 FINANCIAL MONITORING - CORPORATE GOVERNANCE SERVICE (CG/12/022)**

10. With reference to article 9 of the minute of its meeting of 6 December 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 officers continue to review budget performance and report on Service strategies.

**The Committee resolved:-**

- (i) to approve the recommendations; and
- (ii) to note that the Director of Corporate Governance would change the terminology regarding vacancy management within future reports to ensure that it was reflective of the position of the Council.

**COUNCIL REVENUE BUDGET 2012/2013 MONITORING (CG/13/023)**

11. With reference to article 10 of the minute of its meeting of 6 December 2012, the Committee had before it a report by the Head of Finance which presented the revenue position for the Council for 2012/13 and advised as to any areas of risk that had been highlighted by the Directors.

**The report recommended –**  
that the Committee -

- (a) instruct Services to continue efforts to ensure delivery of the financial forecasts and the full value of savings that were approved for 2012/13; and
- (b) approve the actions being taken by officers to manage the financial resources of the Council, including the pragmatic approach to managing reserves, which was in line with the recently approved Reserves Strategy; and
- (c) otherwise note the content of the report.

**The Committee resolved:-**

to approve the recommendations.

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### **TREASURY MANAGEMENT POLICY AND STRATEGY (CG/13/018)**

**12.** The Committee had before it a report by the Director of Corporate Governance which sought approval of the Treasury Management Policy and Strategy for 2013/14 to 2015/16.

**The report recommended –**

that the Committee recommend that Council –

- (a) consider and approve the Council's Treasury Management Policy Statement for 2013/14 to 2015/16 as detailed at appendix 1;
- (b) consider and approve the Council's Borrowing and Investment Strategy for 2013/14 to 2015/16 as detailed at appendix 2, and
- (c) approve the revised Counterparty list as detailed at appendix 3.

**The Committee resolved:-**

to recommend that Council approve the recommendations.

### **CAPITAL MONITORING - NON HOUSING CAPITAL PROGRAMME 2012-2015 (EPI/12/287)**

**13.** With reference to article 11 of the minute of its meeting of 6 December 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 of projects within the 2012-2015 Non Housing Capital Programme.

**The report recommended –**

that the Committee note the current position.

The Committee heard from David Marshall, Planning and Monitoring Officer, Asset Management and Operations, who advised that in accordance with the decision of the Committee on 21 April 2011 (article 45 of that minute refers), regarding the future of the 'Kick About' pitch at Woodside, officers had now concluded the sale of the ground to NHS Grampian and proceeded with a replacement 'Kick About' pitch. He further explained that the gross receipt from NHS Grampian for the site was £300,000, and a contract had now been let to proceed with the replacement 'Kick About' pitch. The accepted development cost of the pitch was £91,000 leaving a net capital receipt of £209,000. From this, £104,500 had been allocated to the Capital Fund and £104,500 to the Housing Revenue Account.

**The Committee resolved:-**

- (i) to approve the recommendation;
- (ii) to note that the Council had concluded the sale of Woodside 'Kick About' pitch to NHS Grampian and to agree that the replacement new facility be included within the general services capital fund programme, but to emphasise that such projects should go through the formal procedure; and

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- (iii) to note that officers would provide up to date budget information to all members of the Committee following receipt of apparent differences identified by Councillor Noble between this report and the approved budget.

### **APPLICATIONS FOR FINANCIAL ASSISTANCE 2012/2013 (CG/13/026)**

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

**The report recommended –**

that the Committee review the application and suggested funding level and approve funding from the financial assistance budget as it considers appropriate.

**The Committee resolved:-**

to allocate £1,500 to Tillydrone Vision as a contribution towards costs of the the Mayor and Town Clerk of Kamuli visiting Aberdeen in March 2013 as a celebration of the Twinning between the areas.

### **FLEET ASSET MANAGEMENT PLAN (EPI/13/015)**

15. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which sought approval of the Fleet Asset Management Plan.

**The Committee resolved:-**

to approve the Fleet Asset Management Plan and to instruct the Corporate Asset Group to implement and develop the Plan in future years.

### **CENTRE FOR SCOTTISH PUBLIC POLICY (OCE/13/002)**

16. The Committee had before it a report by the Chief Executive which sought approval for the Council to join the Centre for Scottish Public Policy at a fee of £200 for 2013, which could be met from the Council Financial Assistance Budget.

**The report recommended –**

that the Committee agree that the Council join the Centre for Scottish Public Policy.

**The Committee resolved:-**

- (i) to approve the recommendation; and
- (ii) to request that a report on the benefit to the Council of membership on this body be submitted to the Committee within one year to enable members to determine if membership should continue.



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### **LIBRARY MANAGEMENT SYSTEM TENDER - LIBRARY AND INFORMATION SERVICES (ECS/13/009)**

17. The Committee had before it a joint report by the Director of Education, Culture and Sport and the Director of Corporate Governance which sought approval of a tender exercise for the provision of a library management system for the Library and Information Service for a maximum of five years at the estimated expenditure detailed in the report.

**The report recommended –**

that the Committee approve the estimated annual expenditure of £75,000 for five years on the provision of a library management system, in accordance with Standing Order 1(3) of the Council's Standing Orders Relating to Contracts and Procurement.

**The Committee resolved:-**

to approve the recommendation.

### **FRAMEWORK AGREEMENT FOR ELECTORAL SERVICES TENDER (OCE/13/001)**

18. The Committee had before it a report by the Chief Executive which sought approval of a procurement service for a multi-supplier framework agreement for the provision of electoral services for a period of four years at the estimated expenditure detailed in the report.

**The report recommended –**

that the Committee –

- (a) agree that a procurement exercise for the establishment of a multi-supplier framework agreement for the provision of electoral services over a four year period be conducted, in line with Council's Standing Orders relating to Contracts and Procurement, Financial Regulations and relevant EU legislation; and
- (b) approve the estimated cost of the framework agreement over a four year period of between £150,000 and £439,000 (based on a range of services that might or might not be purchased or scheduled and any other elections and referendums over that time period), in accordance with Standing Order 1(3) of the Council's Standing Orders Relating to Contracts and Procurement.

**The Committee resolved:-**

to approve the recommendations.

### **LEGAL SERVICES - EXTERNAL PROVISION OF SERVICES (EPI/12/258)**

19. The Committee had before it a report by the Director of Corporate Governance which sought approval of a procurement exercise for the provision of a framework agreement for the provision of legal services over a four year period at the estimated expenditure detailed in the report.

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### **The report recommended –**

that the Committee -

- (a) agree that a procurement exercise be undertaken to establish a Framework Agreement for the provision of legal services over a four year period, in line with the Council's Standing Orders relating to Contracts, Procurement, Financial Regulations and relevant EU legislation.
- (b) approve the estimated value of the framework agreement over a four year period of between £250,000 and £350,000 per annum (based on previous spend and the range of services that might or might not be purchased).

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

to approve the recommendations.

## **CONDITION AND SUITABILITY PROGRAMME 2013/2014 (EPI/13/002)**

**20.** The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised of the provisional Condition and Suitability Programme which was included in the approved Non-Housing Capital Budget allocation for 2013/14.

### **The report recommended –**

that the Committee -

- (a) approve the Condition and Suitability Programme 2013/14 projects listed in appendix A;
- (b) instruct appropriate officers to implement the detailed programme;
- (c) 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 due to unforeseen circumstances during the year:
- (d)
  - (i) authorise the Director of Enterprise, Planning and Infrastructure, the Head of Asset Management and Operations and the General Manager – Asset Management, in connection with the Programme, to undertake or instruct tendering procedures or competitive quotes procedures as appropriate and the awarding of contracts following thereon, subject to the necessary funding being available in the approved Non Housing Capital Budget; and
  - (ii) exempt all such procedures and contracts from Standing Order 1(3) of the Council's Standing Orders relating to Contracts and Procurement; and
- (e) note the amendments to the 2012/13 Programme and the progress with the approved projects.

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

- (i) to approve the recommendations (a), (b), (d) and (e) contained in the report; and
- (ii) 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

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due to unforeseen circumstances during the year, and that an information bulletin report be submitted to advise the Committee when priority changes had been made.

**CORPORATE ASSET MANAGEMENT PLAN 2013 (EPI/13/003)**

21. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which sought approval of the Corporate Asset Management Plan 2013.

**The report recommended –**

that the Committee approve the Corporate Asset Management Plan 2013 and instruct the Corporate Asset Group to implement and develop the Plan.

**The Committee resolved:-**

to approve the recommendation.

**In accordance with the decision recorded under article 2 of this minute, the following items were considered with the press and public excluded.**

**OPEN TEXT SUPPORT (CG/13/005)**

22. The Committee had before it a report by the Director of Corporate Governance which sought approval of a 24 month extension to the existing license support arrangement with Open Text at the estimated expenditure detailed in the report.

**The report recommended –**

that the Committee -

- (a) approve a 24 month extension to the current license support agreement (which expired in June 2013) up to a cost of £60,000 with Open Text for the electronic document management software;
- (b) approve the invoking of the provisions of Standing Order 1(6)(a) and thereby waive the requirement for the service to be re-tendered; and
- (c) note the information contained in the report.

**The Committee resolved:-**

to approve the recommendations.

**REGIONAL COMMUNICATIONS CENTRE DISASTER RECOVERY AND BUSINESS CONTINUITY SERVICES PROCUREMENT (CG/13/004)**

23. The Committee had before it a report by the Director of Corporate Governance which sought approval of a procurement exercise for the provision of a disaster

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recovery and business continuity service for beyond September 2013 at the estimated expenditure detailed in the report.

### **The report recommended –**

that the Committee -

- (a) agree that the Operations Manager, Customer Service and Performance in conjunction with the aligned Category Manager, Central Procurement Unit conduct a competitive tendering exercise in line with Council Standing Orders, Financial Regulations and EU Legislation for the provision of Disaster Recovery and Business Continuity Services for the Regional Communications Centre;
- (b) agree that the contract be awarded for four years with an option to extend up to at least a further one year; and
- (c) approve the total estimated expenditure of approximately £20,000 annually and an estimated total cost of £100,000 over a five year period.

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

to approve the recommendations.

### **SELF-SERVICE PAYMENT KIOSKS PROCUREMENT (CG/13/003)**

**24.** The Committee had before it a report by the Director of Corporate Governance which sought approval for the supply and implementation of two self-service payment kiosks for use within the Service Centre at Marischal College to be granted to the preferred supplier and the contract awarded.

### **The report recommended –**

that the Committee -

- (a) note that on 3 August 2012, the Head of Procurement consulted the Convener of Finance and Resources Convener on a formal tender exercise for the purchase of self-service payment kiosks for use within the Customer Service Centre at Marischal College and that such an exercise had been undertaken;
- (b) approve the award of a contract to Cammax Limited as the bidder which had submitted the most economically advantageous tender in accordance with the award criteria stated in the Council's invitation to tender, such award of contract being subject to the satisfactory completion of the contractual documentation; and
- (c) agree that the contract be awarded for four years with an option to extend for up to a further one year.

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

to approve the recommendations.

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### **ACCORD CARD: LAUNDRY SERVICE PAYMENT (CG/13/017)**

**25.** The Committee had before it a report by the Director of Corporate Governance which advised of the decision to exempt a contract for laundry machine payment units from the requirement of the Council's Standing Orders to go out to competitive tender in terms of the Council's Procurement Standing Order 1(6)(b).

**The report recommended –**

that the Committee note the decision of the Chief Executive, the Head of Finance, the Head of Legal and Democratic Services and the Head of Procurement to exempt a contract for laundry machine payment units from the requirement of the Council's Procurement Standing Orders namely 1(3) and 5.

**The Committee resolved:-**

to approve the recommendation.

### **CONDITION AND SUITABILITY PROGRAMME 2013/2014 (EPI/13/002) - APPENDIX**

**26.** With reference to article 20 of this minute, the Committee had before it an appendix containing details of the estimated cost of the works contained within the condition and suitability programme 2013/2014.

**The Committee resolved:-**

to note that this matter had been dealt with at article 20 of this minute.

### **PROPERTY - VACANT AND SURPLUS ASSETS (EPI/13/044)**

**27.** With reference to article 30 of the minute of its meeting of 6 December 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 following discussion with the marketing agent for the former Victoria Road School it was recommended that Committee agree that officers pursue the appropriate consents to demolish the property in order to assist the marketing of the property;
- (c) agree that the former Janitors Lodges at Braeside School Lodge, Braeside Place and Burnside School Lodge, Mastrick Place which were currently vacant, be declared surplus to the requirements of the Property Account; and note that their

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future use/disposal would now be taken forward in accordance with the Surplus Property Procedure with a future report to the Committee when appropriate;

- (d) note the sale of 29 Redmoss Avenue (£205,863), concluded since the Committee's meeting on 6 December 2012;
- (e) note the lease of the following properties held on the tenanted non residential portfolio, concluded since the Committee's meeting on 6 December 2012:-
- |  |         |
|--|---------|
| • Units 4,5 & rear compound, Kirton Avenue | £45,000 |
| • 32 Menzies Road                          | £4,000  |
| • Units 51 Howe Moss Avenue, Dyce          | £24,000 |
| • Mill of Brotherfield                     | £5,500  |
| • 26 Menzies Road                          | £4,560  |

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

to approve the recommendations.

### **SUPPLEMENTARY REVIEW OF ADVANCE FACTORIES (EPI/13/047)**

**28.** With reference to article 30 of the minute of its meeting of 21 April 2011, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which: (a) presented estimate costs for a programme of repairs and upgrading works necessary to prevent further deterioration of the Council's Advance Factory Investment Portfolio; and (b) set out various options on repair, funding and re-investment of these properties.

### **The report recommended –**

that the Committee –

- (a) agree that the Council should not carry out the identified necessary repair and upgrading works to 16 advance factory units located at Farburn Industrial Estate and Woodlands Road, Kirkhill Industrial Estate, Dyce;
- (b) agree that the Head of Asset Management and Operations investigate whether the demolition and sale/lease and redevelopment of the cleared sites at Farburn and Woodlands Road was to the Council's financial advantage and in the event that it wasn't -
- (c) agree that the Head of Asset Management and Operations hire an agent to market the 16 advance factory units for sale, in either single lots, or in groups, or provisionally negotiates their sale to the sitting tenants, so as to maximise the aggregate capital receipt;
- (d) agree that the Head of Asset Management and Operations undertake a similar cost/benefit analysis for each group of advance factories in the portfolio, to determine whether it was to the Council's financial advantage to fund, organise and carry out the necessary repairs and re-let the improved properties or, as with recommendations (b) and (c), to demolish and re-develop or to sell "as is";

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- (e) instruct the Head of Asset Management and Operations to report to future meetings of this Committee on the outcome of the implementation of recommendations (b), (c) and (d), in order that Committee might consider the approval of offers for advance factories or authorising the implementation of repair and upgrading works programmes, or any other potential property schemes for groups of advance factories;
- (f) agree that the Head of Asset Management and Operations investigate, with other appropriate officers, the mechanism by which the Council could borrow money to create a budget to fund repairs to its present advance factory portfolio, and/or fund the development of new advance factories;
- (g) agree that the Head of Asset Management and Operations open “without commitment” discussions with private Landlords on the potential development of their undeveloped industrial sites with new advance factories, either by means of a Joint Venture with the Council, or by the Council being granted a head lease or any other appropriate development mechanism;
- (h) instruct the Head of Asset Management and Operations to report to future meetings of the Committee on the outcome of the implementation of recommendations (f) and (g), in order that the Committee might consider the approval, in principle, of such potential development schemes; and
- (i) approve, in principle, that any capital receipt generated by the Council in the implementation of any of the recommendations in the report, be wholly set aside provide a separate capital budget to assist the implementation of all the other recommendations in the report.

**The Committee resolved:-**

to approve the recommendations.

### **DECLARATION OF INTEREST**

**Prior to the consideration of the following item of business, Councillor Crockett declared an interest in the subject matter by virtue of his previous appointment as a Director of Glencraft and then withdrew from the meeting.**

### **PREMISES AT 132 WELLINGTON ROAD (EPI/13/046)**

**29.** With reference to article 44 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 members with an update on ongoing discussions with Glencraft regarding the company’s occupation of premises at 132 Wellington Road.

**The report recommended –**

that the Committee -

- (a) approve the sub lease of the premises to Glencraft for 20 years from 1 April 2013 at an initial rent of £180,000 per annum; and

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- (b) instruct the Heads of Asset Management and Operations and Legal and Democratic Services to conclude the lease in terms which protected the Council's position.

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

- (i) to approve the recommendations; and  
 (ii) to request officers to continue to work with Glencraft towards identifying new premises.

### **PROPERTY SALES (EPI/13/014)**

**30.** The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented the outcome of the marketing of a 0.38Ha (0.946 Acre) Site at Denmore Road, Bridge of Don.

#### **The report recommended –**

that the Committee –

- (a) accept the highest offer submitted by Pinsent Masons LLP, on behalf of Sparrows Offshore Services Ltd, for the 0.38Ha (0.946 Acre) site at Denmore Road, Bridge of Don; and  
 (b) instruct the Head of Legal and Democratic Services to conclude missives for the sale of this property incorporating various qualifications as were necessary to protect the Council's interests.

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

to approve the recommendations.

### **BOBBY CALDER PARK (EPI/13/045)**

**31.** With reference to article 32 of the minute of the meeting of Council of 22 August 2012, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which considered the development options open to the Council for the land at Bobby Calder Park.

#### **The report recommended –**

that the Committee –

- (a) agree that as the identification of a site for a new secondary school to the south of the Dee was amongst the Council's key priorities, Bobby Calder Park be reserved as a possible site for this project until such time as a final site was approved for the new school;  
 (b) authorise officers to progress more detailed negotiations with Cove Rangers Football Club (or their trustees) with the view to a more modest project being taken forward by them, subject to a long ground lease being agreed, on the basis that such a use would be compatible with any proposals for a new secondary school; and



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- (c) note the other interests in the site and instruct the Head of Asset Management to advise these parties that no discussions would be advanced until a decision was made with regard to a new secondary school and a site identified for use by Cove Rangers Football Club.

**The Committee resolved:-**

to approve the recommendations.

### **FERRYHILL ENGINE SHED - CURRENT STATUS (EPI/13/023)**

**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 with the licence to occupy the Ferryhill Engine Shed, granted to the Ferryhill Railway Heritage Trust (FRHT) and due to expire on 28 February 2013.

**The report recommended –**

that the Committee –

- (a) note the current position with FRHT in progressing the various key issues in relation to the temporary Licence to Occupy and a future lease and development of the Engine Shed and site as a Railway Heritage Museum;
- (b) agree to the continuation of the Licence to Occupy granted to FRHT on a month to month basis, for up to a maximum of six months, to allow discussions on the key issues to be clarified; and
- (c) instruct the Head of Asset Management and Operations to report back to this Committee on any variation of circumstances.

**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 its position regarding an existing agricultural tenancy.

### **DECLARATION OF INTEREST**

Councillor Graham declared an interest in the subject matter of the following article by virtue of his position on the Auchmill Golf Club Council and withdrew from the meeting.

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**GREENFERNS DEVELOPMENT UPDATE (EPI/13/050)**

**33.** With reference to article 48 of the minute of its meeting of 17 June 2011, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which provided information on an area of land owned by the Council in relation to the methods by which an agricultural tenancy could possibly be brought to an end, and identified possible future uses for the site.

**The report recommended –**

that the Committee –

- (a) authorise the Head of Legal and Democratic Services to make a formal offer to the tenants of the property identified in the report to surrender their lease on the terms noted within the report;
- (b) in the event that the offer detailed at recommendation (a) was not accepted, instruct the Head of Asset Management and Operations and the Head of Legal and Democratic Services to make the necessary appointments to make an application for planning permission in principal for the site and thereafter take all necessary action to bring the lease of the property identified in the report to an end;
- (c) instruct the Head of Asset Management and Operations to bring a future report to the Committee on the outcome of these actions detailed above; and
- (d) note that a further report in relation to the Greenferns Holding would be submitted to the Committee in early course.

**The Committee resolved:-**

to approve the recommendations.

**- COUNCILLOR WILLIE YOUNG, Convener.**