

FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 17 September, 2009. - minute of meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor Kevin Stewart, Convener; Councillor Fletcher, Vice Convener; and Councillors Cassie, Cormack, Crockett, Dean, Dunbar, Farquharson, Graham, Laing, Malone (substitute for Councillor Yuill), McCaig, Noble (substitute for Councillor Donnelly), John Stewart (substitute for Councillor Leslie) and John West.

WELCOME AND INTRODUCTION

1. The Convener welcomed members to the first meeting of the Finance and Resources Committee, and also welcomed Stewart Carruth, who had recently taken up his appointment as Director of Corporate Governance.

DEPUTATION REQUEST AND ORDER OF AGENDA

2. The Convener advised the Committee that a request for deputation had been received from Mr Ian Fryer, who wished to be heard in relation to item 9.4 of the agenda (St. Machar Outdoor Centre).

The Committee resolved:-

- (i) to agree to hear Mr Fryer in relation to item 9.4 of the agenda (St. Machar Outdoor Centre), and to discuss this item as the first item of exempt business; and
- (ii) to take item 9.2 on the agenda (Pinewood/Hazledene, Countesswells Road – Future use of sites) as the last item of business.

SUB COMMITTEES AND WORKING GROUPS – CG/09/062

3. The Committee had before it a report by the Interim Director of Corporate Governance which requested that the future of the Working Groups and Sub Committees within its remit be determined.

By way of background the report advised that at its meeting of 24 June, 2009 (article 7 refers), Council revised the committee structure and therefore the Sub Committees and Working Groups required to be reallocated. Appended to the report was a list of Sub Committees and Working Groups which would report directly to the Finance and Resources Committee, and information to assist the

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committee in determining which Working Groups and Sub Committees should be retained.

The Convener advised that Energising Aberdeen had been disbanded at its last meeting in January of this year, but that a formal committee decision had to be taken in this regard, and requested that the Committee take this decision today.

The report recommended:-

that the Committee –

- (a) consider the list of Working Groups and Sub Committees in the appendix, and determine which of these groups should be wound up;
- (b) for those remaining, agree the renaming of the groups as either sub committees or working groups, also as detailed at the appendix; and
- (c) for those remaining, make adjustments to membership and composition if required.

The Committee resolved:-

- (i) to retain the 3Rs Project Board, the Arena Community Stadium Advisory and Monitoring Board and the Corporate Health and Safety Committee, and for these groups to be renamed as working groups;
- (ii) to disband the Equal Pay and Modernisation Steering Group and Energising Aberdeen;
- (iii) to request that officers consult with the trades unions on the future of the Local Government Employees (Joint Consultative Committee), and for the trades unions to take a view on whether they would wish this Group to continue or if they were content with the present practice of raising issues through the Leadership Board, and for a decision to be taken as to the future of the Local Government Employees (Joint Consultative Committee) at a future meeting;
- (iv) to retain the Lord Provost Sub Committee; and
- (v) to agree that Councillor Laing replace Councillor Collie as a member of the 3Rs Project Working Group; and that Councillor Dunbar replace Councillor John West as a member of the Lord Provost Sub Committee.

COMMITTEE BUSINESS STATEMENT

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

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The Committee resolved:-

- (i) to delete item 2 (Park House – Westburn Road – Proposed Joint Development by Council and Grampian Police) and to incorporate this item into item 1 (Westburn House); and further to note that a report would be brought back on this item next cycle;
- (ii) to note that reports would be submitted next cycle on items 3 (105 – 107 Urquhart Road), 4 (Frederick Street Development site) and 14 (Causewayend School and Lodge);
- (iii) to note that reports would be submitted in December on items 5 (Granitehill Road premises), 7 (Grove Nursery Site - Hazlehead), 17 (Actuarial Valuation – Employer Contribution Rate), and 19 (Physiotherapy Service);
- (iv) to delete items 9 (Resources Development and Delivery Restructuring), 15 (Culter Ground Depot), 21 (Vacation of Croft House and Aberdon House), 22 (Elected Member Personal Development Plan – Progress Report), 24 (Coningham Road – Potential Site for Dental Surgery) and 25 (ICT – 3Rs) from the list;
- (v) with reference to item 16 (AECC Funding), to note that a verbal update would be provided on this item at a point in the meeting when the press and public were not present, and to request that this item be transferred to the Enterprise, Planning and Infrastructure business list, and deleted from this list; and
- (vi) to otherwise note the updates as contained within the list.

MOTIONS LIST

5. The Committee had before it the motions list, containing outstanding motions which were now within the remit of the Finance and Resources Committee, as prepared by the Head of Democratic Services.

The Committee resolved:-

- (i) to transfer item 3 (Nativity Scene for Aberdeen – Motion by Councillors Jennifer Stewart and Greig) to the Enterprise, Planning and Infrastructure Committee motions list; and
- (ii) to otherwise note the updates as contained within the list.

CORPORATE GOVERNANCE – PERFORMANCE REPORT – CG/09/031

6. The Committee had before it a report by the Interim Director of Corporate Governance which presented key information and management information for the

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Corporate Governance Service. The report explained that the information presented was at a high level and combined data available from the former services of Resources Management and Continuous Improvement.

The report advised that the performance information would continue to be provided at each committee meeting, however, the detail would be reviewed in line with the outcomes of the separate report on the agenda on "Performance Management – Reporting and Target Setting 2009/10", and subsequent to any further amendments proposed by the Director of Corporate Governance.

The Convener took the opportunity to thank Gordon Edwards (Interim Director of Corporate Governance and former Corporate Director for Resources Management) for his help and support over the past years. The Convener continued that Mr Edwards had aided the Council through difficult times and had been very supportive to all members during his time in post. He wished him the very best for his future.

At this juncture, the City Solicitor provided a brief update on the 3Rs Project, and advised that she would provide a further update at a later point in the meeting when the press and public were not in attendance.

With reference to page 31 of the report (Sickness Absence), the Committee enquired as to why there was such a difference in the average days of sickness absence between the former Resources Management and the Continuous Improvement services. The Interim Director of Corporate Governance advised that there were pockets of high sickness absence in the former Continuous Improvement Service, but that officers were addressing this proactively.

The Committee raised concerns with regard to page 51 of the report (Percentage of Staff who had been Appraised), and requested that these figures be improved for next cycle.

The Committee resolved:-

- (i) with reference to page 37 of the report, to request that details of the structural survey undertaken on Rosemount Community Centre be circulated to all ward members;
- (ii) to note that the information on fire risk assessments stated when they were last undertaken; and to request that members be advised of when they are next due; and
- (iii) to note that the City Solicitor would provide an update on the 3Rs Project, and for this to be heard as the second item of exempt business.

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PERFORMANCE MONITORING – REPORT AND TARGET SETTING 2009/10 – CG/09/032

7. The Committee had before it a report by the Interim Director of Corporate Governance which presented proposed performance measures and improvement targets to be reported to the Finance and Resources Committee for the functions of the Corporate Governance Service.

Appended to the report was a table which set out the details of the review of measures and targets and the reasons for each proposed target which had been compiled following consultation with the Heads of Service and other Managers. The review of measures for 2009/10 included active consideration of indicators relating to unit costs across the Services.

The Committee resolved:-

- (i) to approve the measures and targets proposed for the functions of the Corporate Governance Service as at appendix A;
- (ii) to instruct the Director of Corporate Governance to report back to Committee in due course on any proposed amendments to these measures and targets;
- (iii) to agree that the measures be recorded within the Council's electronic performance management system, "Covalent" and that reports be prepared and submitted to the Committee from the information held in this system;
- (iv) to note the requirements of the 2009/10 Direction on Statutory Performance Indicators; and to further note that these requirements had been taken into account in the preparation of the measures proposed within the report;
- (v) to instruct that any performance information regarding rent arrears should be presented to this Committee and the Housing and Environment Committee; and
- (vi) in relation to item 16 (Business Rates Collected in Year), to instruct that the target for this year be adjusted from 98.3% to 98.5%.

EFFICIENCIES PROGRAMME UPDATE – CG/09/033

8. The Committee had before it a report by the Interim Director of Corporate Governance which provided information on the work being progressed across all services to secure greater efficiency in service delivery and operating methods.

By way of background the report advised that previously, reports associated with the efficiencies programme had been directed to the Continuous Improvement Committee. The report continued that the projects currently active across the

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Council that would deliver service improvements, expenditure cuts or productivity gains comprised of (1) Costing and Repairs Management System; (2) InfoSmart (an electronic document and workflow management system); (3) WorkSmart (the use of mobile/non office based approaches to deliver services); (4) Electronic Service Delivery (use of the website, interfacing with support systems in order to deliver services); (5) Corporate Asset Management system; (6) the Diagnostic Pathway, (7) ID Management (this would ensure that the updating of personal information used by several Council systems would only require one input); (8) Rationalisation of receptions in St Nicholas House (the total number had been reduced to four as at 3 August, 2009, with another scheduled to close by the end of August); (9) Policies and Procedures review; (10) Information and Knowledge Management; and (11) Support Staff review (this would commence when the third tier management was determined within the new structure and would allow for a detailed analysis of team and service requirements together with cognisance of the impact of new technology, including InfoSmart and WorkSmart).

The report continued to provide further information on these projects and the complexity involved in their delivery, and provided information on the Efficiencies Programme Steering Group which fulfilled the remit of Project Board for all of the listed projects in an attempt to reduce the number of meetings that Services had to attend from potentially nine or ten to a single meeting.

The Committee resolved:-

- (i) to note the extent of work being undertaken under the Efficiencies Programme which would produce both productivity gains and cash savings;
- (ii) to note the cross service working for the attainment of efficiencies; and
- (iii) to promote and support, where asked, the implementation of these projects to enable the Council to secure the savings and service improvements that they offer.

CORPORATE GOVERNANCE, 2009/10 REVENUE BUDGET MONITORING – CG/09/007

9. The Committee had before it a report by the City Chamberlain and the Interim Director of Corporate Governance which provided information on the 2009/10 Corporate Governance Service budget and current year revenue budget performance to date based on the first quarter; and advised on areas of risk and management action that should be taken in this regard. The Corporate Governance budget, which amounted to around £23m net, was shown at the end of the first quarter to be within budget, having incurred net expenditure of 19%. While this reflected a positive position in general terms, the detail provided further

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opportunities to examine the potential pressure points and areas where expenditure and income were yet to be recorded.

The report highlighted two areas of risk and advised of the management action being taken in these cases, namely:-

(1) Payment of fees to the appointed external property surveying/evaluation contractor. This was a cost which was being carefully managed, as indications were that the cost may not be fully covered, due to restrictions on the capital programme; and

(2) The nature of recharging services at year end. The fact that many of the Corporate Governance Services were of a supporting nature, with internal customers, meant that there was always potential for unforeseen events at the year end of not recovering what was expected. Until the income was received and recorded there remained a risk. Existing recharging practices were being reviewed in order to confirm charging arrangements and reaching agreement on these with all customers.

The report concluded that as of next cycle the reporting format would follow that agreed at the Budget Monitoring Board on 31 July, 2009.

The Committee resolved:-

- (i) to note the report, the information on management action and risk that was contained therein; and
- (ii) to instruct officers to continue to review budget performance and report on service strategies as required to ensure a balanced budget.

NEW RESIDENTIAL CHILDREN'S UNIT – SCW/09/006

10. The Committee had before it, upon a remit from the Social Care and Wellbeing Committee (article 11 of the minute of meeting of 3 September, 2009 refers) the report and accompanying business case in support of the provision of a new residential unit for Looked After and Accommodated Children at 8 Marchburn Road, Aberdeen.

The relevant article from the minute, which was also circulated, indicated that the report recommendations were that the Social Care and Wellbeing Committee:-

- (a) agree the identified preferred site for the development of a residential children's unit at 8 Marchburn Road, Northfield;
- (b) direct the establishment of an officer's group chaired by the Head of Children's Services to specify both the build and service, building on previous experience in the city and best practice nationally;

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- (c) refer the report and accompanying business case to the Finance and Resources Committee; and
- (d) request that progress be reported back on a regular basis.

The Social Care and Wellbeing Committee resolved:-

- (i) to instruct officers to ensure that community engagement with relevant community groups and residents was undertaken; and
- (ii) to approve the recommendations subject to progress reports being submitted to the Children's Services Sub Committee, which would refer any decisions required to this Committee (i.e. the Social Care and Wellbeing Committee).

The business case, which was before the Finance and Resources Committee for consideration, advised that Capital funding was required to create a replacement for the unit at Kincorth, as this was unlikely to be fit for purpose in the future. The business case explained that the new unit would contain 6 bedrooms with a specification designed to provide high quality physical accommodation, and that the existing unit at Kincorth would be vacated after the completion of the new unit.

The business case concluded that the required budget would be £1.7 million over a three year period (09/10 - £200,000; 10/11 - £1.3 million; and 11/12 - £200,000).

Appended to the report was the Children's Services balanced scorecard for July 2009.

The Committee resolved:-

to approve the business case.

DECLARATIONS OF INTEREST

The Vice Convener and Councillor John West both declared interests in the subject of the report referred to in the following article by virtue of their appointment as members of the Board of Directors for Sport Aberdeen. Councillor Fletcher did not consider his interest required him to leave the meeting. Councillor John West, however, left the meeting and took no part in the Committee's deliberations on the report.

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SPORT ABERDEEN – START UP SUPPORT

11. Reference was made to article 13 of the minute of meeting of Council of 19 August, 2009, at which time there was under consideration a report by the Interim Director of Education, Culture and Sport in connection with a request from the Board of Sport Aberdeen that the Council provide a Letter of Comfort to assist them in the securing of a lease for the accommodation of staff. The report made reference to (1) the period of start up which Sport Aberdeen would have to go through as the managing body elect of the Council's sports services, prior to the actual transfer of assets; (2) the decision taken by the Board at a meeting on 3 June, 2009, that in order to establish a new brand image, staff would be accommodated in a building external to the Council; and (3) the request from the prospective head tenant of the accommodation identified for a Letter of Comfort from the Council in the terms outlined within the report. The resolution of the Council at the said meeting was to defer consideration of the matter pending the production of more information which appropriate officers were instructed be reported on to the Finance and Resources Committee.

The Committee now had before it (a) the said report by the Interim Director of Education, Culture and Sport which was previously before the Council; and (b) the further information requested in the form of a paper from the Council's new Director of Education, Culture and Sport which identified the costs in question, outlined the position in which the Board of Sport Aberdeen currently found itself in the lead up to a formal handover of assets, and explained how it was anticipated that the start up costs could be repaid in the longer term.

At this juncture, the Convener thanked John Tomlinson, who was leaving the Council after a number of years as Corporate Director for Neighbourhood Services (North) and more recently as Interim Director for Education, Culture and Sport, for all of his help and support over the past years, and wished him well for his future.

The Committee resolved:-

to authorise the Director of Education, Culture and Sport, in conjunction with the City Solicitor, to provide start up support in terms of a repayable grant to Sport Aberdeen in order for the company to sign a lease for accommodation, subject to the appropriate Council officers being satisfied that all the possible financial consequences can be quantified and are considered reasonable, and subject also to repayment of the grant by Sport Aberdeen over a two year period.

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APPLICATION FOR FUNDING FROM THE YOUTH ACTIVITIES SMALL GRANTS FUND 2009/10 – H&E/09/065

12. The Committee had before it a report by the Director of Housing and Environment which set out the recommendations by the Youth Activities Grant Funding Group for the third round of funding in the financial year 2009/10, which had a closing date of 10 July, 2009.

By way of background the report advised that the Council had approved the Youth Activities Grant budget of £50,000 for the year 2009/10 at the Council budget meeting of 12 February, 2009. The report further advised that eleven applications had been received for this round and that six recommendations for funding had been made by the Youth Activities Funding Group. The report continued that the total sum recommended for approval within this round was £6,640 and that if the recommendations outlined were approved there would be an uncommitted budget of £17,738 remaining.

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

The Committee resolved:-

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

Group Name	Summary of Application	Decision
Northfield Academy Reading Group	To fund the cost of books and coach hire to attend the Scottish Book Awards ceremony in Edinburgh.	to award £800.
Bucksburn and District Novice Juvenile Pipeband	For 24 Glengarrie hats at £33.29 each.	to award £470.
Kincorth Community Centre – Various music groups	To fund the cost of new musical equipment.	To award £670.
Tilly Youth Project	To fund the cost of a music PC and Digidesign 03	To award £1500.

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Group Name	Summary of Application	Decision
	Soundcard.	
Cordyce School	To fund the cost of plants and materials to improve Cordyce Community Garden.	To award £1500.
The Hub	To fund the cost of five 32 inch flat screen TVs	To award £300 towards the cost of two TVs.
Aberdeen Lad's Club – Senior Youth Club	To contribute to the cost of (1) mini bus, driver and fuel for trips; and (2) a range of activities.	To award £1300.
Middlefield Music Group	To fund the cost of musical equipment.	To award £1500.
Friends for Life Club/ Holiday Fun Club	To supply equipment for special needs children.	To award £1252.
Torry Breakfast Club	To fund the cost of a games console and games to encourage pupils to attend Breakfast and Homework Club.	To award £550.
Inchgarth Community Centre – Youth Club	To fund the cost of young people attending the Deeside Outdoor Sports and Activity Centre.	To award £1500.
Kincorth Roller and Skate Park	To fund the cost of a fun park for young people in Kincorth and the surrounding areas.	To award £1500.
Torry Youth Café	To fund the cost of an away day to Motherwell to the mobile climbing	To award £440.

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Group Name	Summary of Application	Decision
LGBT	wall. To fund the cost of two excursions, resources and promotion for the group.	To award £1350.
Aberdeen Synchronised Skating Club	To fund the cost of costumes and rink hire for two skating teams to take part in competitions.	To award £1500.
School Grounds Group – Bridge of Don	To fund the cost of developing a garden and seating area outside one of the main school exits.	To award £500.
Aberdeen FC Ladies and Girls	To fund the cost of training facilities for the football teams.	To award £1500.
Children 1st – Safe Healthy, Achieving, Nurtured, Active, Respected, Responsible and Included.	To fund the cost of transport, refreshments, DVD recording equipment, stationary, and outdoor activity for the new group.	To award £1080.
Ferryhill Youth Club	To fund the cost of a weekend outdoor educational trip at Cromdale Centre.	To award £1500.
21 st Aberdeen (Cults) Scouts	To fund the cost of travel, accommodation, insurance etc for a trip to Ukraine.	To award £400.

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Group Name	Summary of Application	Decision
Spital Muslim Youth Club	To fund the cost of setting up the first Muslim Youth Website for the youth of Aberdeen.	To award £950.
Stoneywood-Dyce Cricket Club	To fund the cost of a variety of coaching aids for junior sections of SDCC.	To award £500.
Hilton Senior Youth Club	To fund the cost of an outdoor activity and cooking sessions every month.	To award £1260.
Blue Horizon – Catalyst	To fund the cost of a week of activities and trips during the summer holidays.	To award £1500.
Hazlehead Academy – Channel Five Theatre Company	To contribute towards the cost involved in the production of the musical 'Hair'.	To award £400.
Dyce Girls Development Group	To fund the cost of the refurbishment and decoration of a room in the primary school so it can be used by all young people in the Dyce community.	To award £1340.
Citizenship Group	To enable young people to take part in activities for educational experiences and to help them complete their Youth	To awards £1500.

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Group Name	Summary of Application	Decision
	Achievement Awards.	
Scottish Business in the Community in Grampian – 2009 Community Sports Challenge	To fund the cost of providing activities for young people in deprived areas of Aberdeen through the introduction of sporting activity.	To award £1500.
Aberlour Childcare Trust	To fund the cost of young people attending a National Participation Event at Auchengillan Outdoor Centre in Stirlingshire.	To award £400.
Grampian Society for the Blind – Young Person's Group	To fund the cost of a tandem bike, to enable young, partially sighted or blind people to gain experience of riding a bike.	To award £1500.

- and
- (ii) to instruct the Head of Community Planning and Regeneration to arrange for distribution of these funds.

INFORMATION COMMUNICATION TECHNOLOGY (ICT) CONNECTIVITY FOR EDUCATIONAL ESTABLISHMENTS – CG/09/030

13. With reference to article 32 of the minute of meeting of the Resources Management Committee of 5 February, 2009 the Committee had before it a report by the Director of Corporate Governance which (1) presented the outcomes of the procurement of consultancy undertaken throughout February and March 2009 for the review phase of the project; (2) advised of findings and recommendations provided by the appointed consultancy firm upon completion of the review phase of the project on 31 July, 2009; and (3) detailed the recommended approach for

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project progression and implementation of an upgraded Wide Area Network (WAN) connectivity solution for schools.

The report provided a table which summarised the likely cost associated with each technological option considered as follows:-

<u>Option</u>	<u>Capital</u>	<u>Revenue (Annual)</u>	<u>5 Year Total</u>
Do nothing		£323,564	£1,617,822
Upgrade secondaries to 100mps	£25,080	£363,935	£1,844,751
Local loop unbundling	£365,860	£317,098	£1,951,350
Point-to-Multipoint Wireless	£505,114	£69,175	£851,058
Managed Fibre (50% of sites only)		£235,000	£1,175,000
Multi Protocol Label Switching (MPLS)	£438,000	£946,935	£5,172,675

The report continued that Point-to-Multipoint Wireless was the most financially viable solution available to the Council and effectively satisfied bandwidth, resilience and scalability requirements of the project, and advised (a) that capital funds of £700,000 had been secured for the purposes of this project from the non housing capital programme 2009/10; and (b) that of this, £665,000 of the capital remained following the review phase for project implementation.

The report advised that the Council's current education related Wide Area Network was not fit for purpose and required to be upgraded due to:-

- increased revenue costs;
- an increase in the number of sites requiring access to the corporate network;
- existing network resilience was extremely limited, meaning risk of significant and widespread downtime existed; and
- the current infrastructure had bandwidth limitations with all schools currently operating with 10 megabytes per second circuits.

The report highlighted that a further report on the subject would be presented to the Education, Culture and Sport Committee of 8 October, 2009 in order for this Committee to also have the opportunity to consider the recommendations within the

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report and further, to request that officers be instructed to convey to the city schools information outlining the recommended solution, the benefits of this and addressing any health and safety concerns that school stakeholders may have.

Appended to the report were images of potential wireless equipment and a copy of the report produced by Mott MacDonald, which outlined the school's connectivity review that had been undertaken and the recommendations for the Council's next steps.

The Committee resolved:-

- (i) to approve that Point-to-Multipoint Wireless be progressed as the preferred approach for education WAN connectivity;
- (ii) to instruct that a formal procurement exercise be undertaken to identify a preferred supplier to establish a desired network design; details of which should be reported back to a future meeting requesting permission to proceed with procurement and implementation; and
- (iii) to note that a further report on the subject would be presented to the Education, Culture and Sport Committee on 8 October, 2009.

LANDFILL TAX CREDIT FUNDING 2010 – 2013 – EPI/09/032

14. With reference to article 32 of the minute of meeting of the Resources Management Committee of 10 March, 2009, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which presented the Committee with a mechanism for the direction of landfill tax credits arising from the disposal of the Council waste in accordance with the requirements of Landfill Communities Fund and the Waste Management Services contract.

By way of background the report advised that tax on landfill waste had been introduced by the UK Government in 1996 as a means to reduce the amount of landfill waste and to promote a shift to more environmentally sustainable methods of waste management. The tax credit scheme, administered by HM Treasury, enabled operators of landfill sites to contribute money to enrolled environmental bodies to carry out projects that met environmental objectives contained within the landfill tax regulations.

The report continued that since the introduction of the Waste Management Service contract, the Council had provided 10% funding to SITA, who in turn had made equal tax credit payments to Aberdeen Forward Limited and Aberdeen Greenspace Limited.

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The report outlined the funding requirement for the next three years and proposed a funding assessment mechanism as follows:- (1) the Council establish assessment criteria for selecting Landfill Communities Fund partners; (2) the Council make an open invitation to community groups in Aberdeen to make a case to receive funding between 2010/11 and 2012/13; (3) that Council officers assess the applications and report with recommendations to the Finance and Resources Committee; and (4) further to Committee approval, the Council enter into a funding agreement with partners, to include a requirement to submit expenditure reports in advance of an annual approval process for future years' funding.

Appended to the report was a list of the objectives of the Landfill Communities Fund.

The Committee resolved:-

- (i) to authorise officers to commence an assessment process for applicants for Landfill Communities Funding, and report the results to the 10 December, 2009 committee meeting;
- (ii) to instruct the Director of Enterprise, Planning and Infrastructure to establish funding, subject to the normal budget process, in the 2010/11 budget and the medium term plan for the 10% of match funding element of the scheme identified in table 1 within the report; and
- (iii) to delegate authority to the Director of Enterprise, Planning and Infrastructure to review, and if appropriate, approve expenditure plans for authorised environmental bodies for 2011/12 and 2012/13.

DECLARATIONS OF INTEREST

The Vice Convener and Councillor John West declared interests in the subject matter of the following article by virtue of their appointment as Directors of Sport Aberdeen. Both members chose to withdraw from the meeting throughout discussion of this item.

SPORT ABERDEEN – LEGAL AGREEMENTS – ECS/09/039

15. The Committee had before it a report by the Director of Education, Culture and Sport which summarised the key principles contained within the proposed transfer of legal agreements between the City Council and Sport Aberdeen. The report advised that the documents had been submitted to Sport Aberdeen and their legal advisers for their agreement or feedback; and proposed that any significant changes were reported to a relevant future committee or meeting of Council.

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By way of background the report advised that work had been ongoing for some time to transfer the sports function from the Council to Sport Aberdeen. Detailed discussions had taken place through the Sports Trust Project Board, which had met on a regular basis over the past twelve months to oversee the transfer process.

The report continued that in conjunction with the Council's legal advisers, Brodies, officers had developed a comprehensive set of legal documents, setting out the relationship between the Council and Sport Aberdeen including their obligations, the scope of the services, and the service standards required by the Council. The documents had been formally submitted to Sport Aberdeen in early September, 2009, in the hope that Sport Aberdeen or their legal advisers could agree to the content as soon as possible.

The report concluded that Sport Aberdeen had been developing their own financial plan, which would set out how they intend to meet the Council's requirements and the cost of providing the services. It was anticipated that, once this had been received, there may be a period of negotiation between both parties, however, given the desire by both parties for the transfer to take place as soon as possible it was hoped that the financial plan could be reported to a relevant future committee or Council meeting in order for legal documentation to be signed off at an early date.

Appended to the report were summaries of the legal documentation.

A short discussion took place regarding the Leaping Leopards Nursery, and members were advised that the building would remain as an asset of the Council.

The Committee resolved:-

- (i) to agree with the key principles contained in the proposed transfer, facilities and funding, and service provision agreements between the Council and Sport Aberdeen, subject to any specific feedback from the Sport Aberdeen Board and their legal advisers; and
- (ii) to request that any significant changes arising from negotiations with Sport Aberdeen be reported to a relevant future committee or Council meeting, in order for legal documentation to be signed off as soon as possible.

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IRRECOVERABLE INCOME – CG/09/011

16. The Committee had before it a report by the City Chamberlain which requested approval on debts recommended as irrecoverable in excess of £10,000 as required in terms of financial regulation 7.3.7; and advised of numbers and values, of up to £10,000 of Council tax, business rates, community charge, housing benefit overpayments and rent arrears deemed to be irrecoverable during 2008/09 after all approved recovery procedures had been followed, as required in terms of financial regulation 7.3.8.

The report advised that the sums deemed as irrecoverable were fully provided for in terms of bad debt provision and with regard to business rates, those sums were met by the rating pool and had no impact on the Council's finances. The report continued that the total in appendices (i) to (v) was 9,775 cases with a value of £3,299,306.27 compared to 10,685 cases and £3,307,770.20 in 2007/08.

The report emphasised that prior to completing the list, full advice where appropriate, had been received from the City Solicitor's Office and the Council's debt recovery agents (Sheriff Officers) in order to determine that debts were indeed irrecoverable. The report put the debts in context by explaining that the annual sums raised in 2008/09 for Council tax (including water charges) and business rates was £133m each and rent was £35.2m. The sums deemed irrecoverable within the report covered a number of financial years.

The report identified the reasons and the financial year in which the debt was first raised in the categories of (1) Council tax, (2) community charge, (3) housing benefit overpayments, (4) business rates, and (5) rent arrears; and appended to the report was a breakdown of the reasons and years these debts were accrued.

The Committee resolved:-

- (i) to note the value of the Council tax, business rates, community charge, housing benefit overpayments and rent arrears deemed by the Director of Corporate Governance as irrecoverable and shown in appendices (i) to (v); and
- (ii) to approve that the amounts in excess of £10,000 which were shown in appendix (vi) (contained within the exempt section of the agenda) for business rates be deemed as irrecoverable and be written off.

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NON HOUSING CAPITAL PROGRAMME 2009/10 – CG/09/022

17. With reference to article 26 of the minute of meeting of the Resources Management Committee of 16 June, 2009, the Committee had before it a report by the City Chamberlain which provided an overall status report on the Non Housing Capital Programme as at 30 June, 2009, which included both income and expenditure.

Appended to the report as appendix 1 was a financial statement which was aligned to the new service structure and outlined the original approved budget for the current year, the total budget including any carried forward from 2008/09 and the actual income and expenditure as at 30 June, 2009.

The report advised that the revised approved programme was now £83.860 million prior to an allowance for project variations and slippage and reprofiling of approved budgets from 2008/09. The report continued that an analysis had been carried out between the budgets available and the actual expenditure against these budgets in 2008/09, in order to identify the required level of carry forward of unspent budgets from 2008/09 to 2009/10, in order that outstanding works could be completed. Based on the feedback to date, the amount identified to be carried forward was £11.774 million, which was reflected in appendix 1 within the total budget 2009/10 including carry forward.

The total payments as at 30 June, 2009 were approximately £3.895 million or 6% against the funded programme, which included carry forwards of £68.205 million which was broadly in line with the same pattern of spend in 2008/09 with the trend for payment to be principally in the later periods of the year.

The report concluded that based on information from previous years and the current low level of spend to date, it was anticipated that at this stage there would possibly be significant slippage in the programme this financial year and that this would require to be closely monitored by budget holders during the year with details of projected spend being reported to both the individual service committee and, within the overall report, to this Committee.

Appendix 2 to the report listed all the projects in the non housing capital programme 2009/10 aligned to the new service structure, and those funded by the capital fund.

The Committee resolved:-

- (i) to note the current position of the Non Housing Capital Programme for 2009/10;

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- (ii) to approve the budget movements and the carry forward of £11.774 million of unspent budgets from 2008/09 to 2009/10 in order to facilitate the completion of outstanding works;
- (iii) to approve the removal of previously approved funding from the capital fund in respect of repairs and maintenance – health and safety;
- (iv) to instruct the City Chamberlain to continue to update the Committee, in consultation with the Directors, on the overall position of the Non Housing Capital Programme; and
- (v) to instruct the City Chamberlain to update each service committee, in conjunction with the Director, on the service specific capital projects.

2008/09 COMMON GOOD OUTTURN – CG/09/019

18. With reference to article 13 of the minute of meeting of the Resources Management Committee of 5 May, 2009, the Committee had before it a report by the City Chamberlain which provided information on the actual income and expenditure for the year as at 31 March, 2009, and an explanation of significant variances between this and the estimated outturn for the year and the budget.

Appended to the report were (1) a summary monitoring report for the Common Good for 2008/09 which showed that there was net expenditure of £315,255 (subject to audit) which reflected a movement of £317,328 from the figures previously estimated for the year; (2) further details on miscellaneous income and expenditure and donations, grants and contributions (appendices 2 and 3); and (3) the reasons for this variance, including details of the most significant items which contributed towards this which included:-

- a saving of £58,000 in central support costs as a budgeted property charge of £60,000 was not applied at year end;
- the zero tolerance project funding was discontinued during the year resulting in a saving of £18,000;
- property rental income had come in at £103,000 more than anticipated due to rental increases; and
- income from invested funds was £80,000 over the expected estimated outturn as it had been forecast on a prudent basis given the recent economic situation.

This gave a projected cash balance of £5.548 million as at 31 March, 2009 (subject to audit). The report continued that the Council had previously adopted an underlying principle that these balances should be no less than £4.754 million as at 31 March 2009 utilising the consumer price index (CPI) as a basis for calculating indicative cash balances.

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The report concluded that the audit of the Common Good was progressing and would be updated to the Audit and Risk Committee on receipt of the audit certificate for the 2008/09 financial statements at the end of September, 2009.

The Committee resolved:-

to note the contents of the report and that the actual outturn position would be confirmed on completion of the audit of the Common Good for 2008/09.

2008/09 NON HOUSING CAPITAL PROGRAMME FINAL OUTTURN – CG/09/021

19. With reference to article 15 of the minute of meeting of the Resources Management Committee of 5 May, 2009, the Committee had before it a report by the City Chamberlain which provided members with a statement of the variance analysis between the unaudited final outturn and previously reported outturn for the 2008/09 Non Housing Capital Programme as at 31 March, 2009. For comparison purposes, the analysis was presented in the format of the previous corporate structure.

Appended to the report at appendix 1 was a financial statement which outlined the projected outturn as reported at the Resources Management Committee of 5 May, 2009 and the unaudited final outturn for the financial year 2008/09.

The report advised that the total spend at 31 March, 2009 was £62.601 million or 87% against the funded programme of £71.990 million. This was decrease of £9.389 million compared to the previously reported projected outturn to the Resources Management Committee of 5 May, 2009. This was due to delays in various projects and the transfer of expenditure relating to routine repairs and maintenance of fixed assets (£0.981 million) and payments to third parties (£2.6 million) to the general fund revenue account in accordance with the code of practice in local authority accounting. Detailed variance notes were contained within appendix 2.

The report concluded that the audit of the 2008/09 statutory accounts were currently under way and would be reported to the Audit and Risk Committee upon receipt of the audit certificate at the end of September 2009.

The Committee resolved:-

- (i) with reference to pages 200 and 201 of the report, to request that an explanation be provided to members as to why there was no spend (as at 31 March 2009) recorded against a number of items;

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- (ii) to note the variance analysis between the unaudited final outturn and previously reported outturn of the Non Housing Capital Programme for 2008/09; and
- (iii) to note that the position was subject to completion of the audit of the 2008/09 year end statutory accounts.

At this juncture, the Convener left the meeting and the Vice Convener took the Chair.

2009/10 COMMON GOOD BUDGET – MONITORING REPORT UPDATE – CG/09/020

20. The Committee had before it a report by the City Chamberlain which provided the actual expenditure and income for the year up to 31 July 2009 and an initial outturn for the year, and compared this with the approved budget.

The approved budget for the common good for 2009/10, as provided at appendix 1 to the report, advised that the estimated outturn for the year to 31 March 2010 was a net expenditure of £319,630 compared to a budget of £392,515. The report outlined the main reasons behind the initial favourable movement of £72,885 from the budget compared to the current outturn and provided further supporting details at appendices 2, 3 and 4 in relation to analysis of miscellaneous and general income and expenditure (appendix 2) donations grants contributions etc. (appendix 3) and other projects (appendix 4).

The report highlighted that as more detailed information was made available throughout the year, it was possible that there would be compensating reductions in expenditure or additional income to offset the current forecast cost of £319,630 for 2009/10, however, taking account of the foregoing at this stage, the working balances as at 31 March, 2010 would be £5.228 million.

The report advised that the Council had previously adopted an underlying principle that these balances should be no less than £4.544 million, after adjusting for the Greenfern development site, as at 31 March, 2010, utilising the consumer price index as a basis for calculating indicative cash balances. As trustees of the Common Good, the Council had a duty to ensure that cash balances were maintained at such levels as they generated annual income, earned from the investment of the balances to fund the expenditure met from the common good.

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The report concluded that it was intended that monitoring reports for the Common Good would be based on future round information from the collaborative planning system, in line with other Council budgets.

The Committee resolved:-

- (i) to note the position as at 31 July, 2009 and the current initial estimated outturn for the Common Good; and
- (ii) to note the estimated cash balances of the Common Good as at 31 March, 2010 of £5.228m based on this current forecast.

The Convener rejoined the meeting at this point, and resumed the Chair.

ABERDEEN CITY COUNCIL CHARITABLE TRUSTS – CG/09/023

21. The Committee had before it a report by the City Chamberlain and City Solicitor which outlined the implications for the various charitable trusts controlled and administered by the Council through the introduction of the regulatory body, the Office of Scottish Charities Register (OSCR); and outlined the procedures which required to be brought into force to comply with the requirements of OSCR.

By way of background, the report advised that the OSCR came into operation during 2007, and provided a framework for the regulation of charitable bodies. The principles of OSCR were to enhance public confidence in charities and increase transparency and public accountability. The report continued that in order to achieve this, significant independently reviewed financial information was required to be provided by charities on an annual basis and strict rules introduced regarding eligibility and the disposal of assets. This created issues for all Scottish local authorities, including this Council, as they all had a significant number of charitable trusts which were historically included in the full Council accounts and audited as part of the main Council audit. In many cases these trusts were small in value resulting in the benefits of the trust potentially being eliminated by the costs of the work involved.

The report further advised that in practice all Councillors were considered to be trustees for almost all of the trusts, with the City Chamberlain in the position of Treasurer.

The report set out proposals to (1) deal with the current year annual returns for the charitable trusts due by the end of 2009; and (2) review the trusts as to their charitable status and how the funds were dispersed in the longer term.

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The report concluded by highlighting that in moving towards compliance with OSCR requirements, the proposals would potentially involve significant staff time and could result in additional costs being incurred. It was proposed that any such costs be charged to those trusts with significant levels of incomes on a pro rata basis.

Appended to the report was a list of the trusts and a note of their value as at 31 March, 2009.

The report recommended:-

that the Committee –

- (a) note the implications for the various charitable trusts controlled and administered by the Council from the introduction of the regulatory body OSCR;
- (b) approve the proposed actions outlined in the report to meet the requirements of OSCR, including the allocation of any costs incurred on a pro rata basis to the trusts; and
- (c) instruct that a further report be presented to the Finance and Resources Committee by the end of 2009.

The Committee resolved:-

- (i) to instruct officers to write to the Scottish Government in order to ascertain whether it would be possible for the Council to wind up all charitable trusts with a fund of £20,000 or less and reallocate such funds in order to create a worthwhile fund for the citizens of Aberdeen, and to report back thereafter; and
- (ii) to otherwise approve the recommendations contained within the report.

OUTLINE TIMETABLE - BUDGET PROCESS – CG/09/008

22. The Committee had before it a report by the City Chamberlain which proposed an outline timetable for the 2010/11 budget process. The report proposed the key dates in the budget process which would allow early decisions to be taken and presented to Council in December in order to produce balanced budgets by the statutory dates, and also to ensure that full information sharing and engagement with stakeholders, service users, public sector and voluntary sector partners and the wider business community would be undertaken. The timetable was set out in appendix 1 to the report.

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The Committee resolved:-

- (i) to note that the Anti Poverty Strategy would be included in the budget process; and
- (ii) to approve the outline timetable and budget process for the 2010/11 budget, as contained within appendix 1 of the report, which would require the Council budget meeting to be held on 11 February, 2010.

APPLICATIONS FOR FINANCIAL ASSISTANCE 2009/10 – CG/09/024

23. The Committee had before it a report by the City Chamberlain which provided information on applications for financial assistance which had recently been received. The report continued that there was a budget remaining of £12,279 for ad hoc grants in 2009/10 and that approval of the two requests could be met from the uncommitted budget remaining. Details of the budget were appended to the report.

The Committee resolved:-

to approve the following applications:-

<u>Organisation</u>	<u>Approved Level of Funding</u>
Stonewall	£1,725
Show Racism the Red Card posters	£1,000

ON STREET PARKING ZONE X (HARLAW AND WEST END) – TENDER APPROVAL – EPI/09/030

24. With reference to the minute of meeting of the Resources Management Committee of 16 June, 2009 (article 26 (item 35) refers), the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised that the contract to implement the on street parking Zone X was currently out to competitive tender and requested that delegated authority be provided to the Director of Enterprise, Planning and Infrastructure to award the contract to the winning tenderer.

By way of background the report advised that following the informal and preliminary statutory consultations undertaken for the on street parking Zone X (West End and

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Harlaw) in 2008, the formal consultation procedures were approved by Area Committee South on 19 February, 2009 (article 8 refers). Further work on the scheme was halted until the business case “Non Housing Capital Budgets – ID No. 216 – Car Parking Extend Pay and Display – Zone X – West End” was approved by the Resources Management Committee of 16 June, 2009. The report continued that officers had now finalised the design and contract documentation for the civil works to implement the scheme.

The report concluded that due to the required timescales for tendering, accepting and awarding the contract, in combination with committee deadlines and the programming of works, it was considered necessary to request authorisation for officers to award the contract to the winning tenderer provided the return was within estimate.

The Committee resolved:-

to delegate authority to the Director of Enterprise, Planning and Infrastructure, after consultation with the Convener of Finance and Resources, the Convener of Enterprise, Planning and Infrastructure, and with the City Chamberlain and the City Solicitor, to award the contract provided the tender return is within 10% of the estimate for the works.

DECLARATION OF INTEREST

Councillor Gordon Graham declared an interest in the subject matter of the following article by virtue of his membership of Auchmill Golf Course, and due to the assistance he provided to the Steering Committee. Councillor Graham felt it necessary to withdraw from the meeting throughout discussion of this article.

AUCHMILL GOLF COURSE BUSINESS PLAN, TRANSITIONAL LICENCE AND DRAFT LONG TERM LEASE TO MAINTAIN GOLF COURSE – H&E/09/066

25. With reference to article 23 of the minute of meeting of Council of 25 March, 2009, the Committee had before it a report by the Director of Housing and Environment which provided an update on progress made (1) towards agreeing the terms of a licence to occupy the golf course at Auchmill, between the Council and the Management Committee of Auchmill Golf Club (MCAGC); and (2) in achieving the required savings for 2009/10.

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The report provided the background to the decisions taken by Council at its meeting of 25 March, 2009, and advised that due to proposed changes in the part of the club in respect of the terms and conditions of the Council's employee transferring to them, and the consequent legal requirements under TUPE regulations, conclusion of the licence to occupy had been delayed and as a consequence, the savings projected to be made from the start of April 2009 to the end of August 2009 (five months at a net rate of £8,500 per month, totalling £42,500) had not been realised. Work was therefore ongoing in the Environment Service to find alternative savings to make up for this deficit.

The report concluded that officers had been working with the MCAGC and its solicitors to reach agreement on the content of the licence to occupy; and that the transfer to MCAGC of the Council's employee took place on Tuesday, 1 September, 2009.

The Committee resolved:-

- (i) to note the date of transfer of the maintenance of the course to the Management Committee of Auchmill Golf Club under the terms of the licence to occupy not exceeding one year; and
- (ii) to instruct the Director of Housing and Environment to report to the 19 November, 2009 meeting of the Housing and Environment Committee on progress towards making up the deficit in savings projected for the cessation of grounds maintenance of the Auchmill Golf Course by the Council in the financial year 2009/10.

**GORDON HIGHLANDERS COMMEMORATIVE STATUE – FUNDING REQUEST
– ECS/09/036**

26. With reference to article 14 of the minute of meeting of Council of 24 June, 2009, the Committee had before it a report by the Director of Education, Culture and Sport which requested funding from the Common Good Fund to develop and erect a commemorative statue to the Gordon Highlanders.

The report explained that the Education, Culture and Sport Committee of 27 August, 2009 had confirmed the membership of the Gordon Highlanders Statue Working Group (article 6 refers). The report concluded that in order to allow the project to progress it was deemed important to know whether and how much funding would be available.

The Committee resolved:-

to approve the allocation of £125,000 from the Common Good fund to cover all

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costs associated with this project.

WOODSIDE CUSTOMER ACCESS POINT – ECS/09/035

27. The Committee had before it a report by the Director of Education, Culture and Sport which requested approval to commit £27,000 of the underspend generated from the Woodside Customer Access Point (CAP) to additional work to the Woodside CAP to bring the older part of the building up to the same decorative order as the new extension.

The report advised that the proposed work would include (1) refurbishment of the coffee bar area, (2) installation of new perimeter skirtings and resealing of the gymnasium floor to prolong its lifetime, (3) repainting the small hall, (4) the purchase of furniture for the newly created service and public spaces including a coffee shop counter in the food co-op area, and (5) adaptation of the staff room to create a drying room and provide lockers to enable community wardens to be based in the new facility.

The Committee resolved:-

to approve the additional work to the Woodside CAP from the underspend being generated by the project.

RUTHRIESTON DEPOT SITE – FUTURE USE/DISPOSAL – CG/09/054

28. Reference was made to article 11 of the minute of meeting of the Resources Management Committee of 26 August, 2008, at which time, in accordance with the recommendation of Area Committee Central, it was agreed to declare the Ruthrieston Depot site surplus to Council requirements and to remit to the Head of Resources, Development and Delivery to consider and report with options for the re use or disposal of the property. The Committee now had before it a progress report on the matter.

The report before Members advised of an approach by a Council Service who were expressing an interest in the possible acquisition of the site under the Housing Revenue Account for future development to provide residential accommodation. The report author confirmed that that proposal was now being investigated in consultation with other Services, with a view to reporting further to a future meeting of the Committee.

The Committee resolved:-

to note the report and authorise the Head of Resources Development and Delivery

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to pursue in greater detail the possible transfer of the Ruthrieston Depot site to the Housing Revenue Account and to report further thereon to future meetings of this Committee and the Housing and Environment Committee.

CULTER GROUNDS DEPOT SITE – FUTURE USE/DISPOSAL – CG/09/053

29. Reference was made to article 9 of the minute of meeting of the Resources Management Committee of 5 February, 2009, at which time, in accordance with the recommendation of Area Committee South, it was agreed to declare surplus to service requirements the Council owned premises in Johnstone Gardens East, Peterculter, formerly utilised as the Culter Grounds Depot and to remit to the Head of Resources Development and Delivery to consider and report further on an appropriate use for the site or as regards its disposal. The Committee now had under consideration a further report on the matter by the Corporate Director for Corporate Governance.

The report (1) described the property in question which extended to some 265 square metres; (2) confirmed that no expressions of interest had been received when the availability of the site had been circulated to other Council Services; (3) advised of the outcome of the evaluation inspection carried out by the Council's external property advisers; and (4) invited the Committee to authorise the advertisement of the subjects for sale on the open market as representing best value for the Council.

The Committee resolved:-

to note the report and the to instruct the Head of Resources Development and Delivery to market the property for sale and to report back in due course on the offers received.

CROFT HOUSE CARE HOME – FUTURE USE/DISPOSAL – CG/09/052

30. Reference was made to article 9 of the minute of meeting of the Resources Management Committee of 16 June, 2009, at which time the Committee noted the decision of Area Committee Central to declare Croft House Care Home, Oldcroft Place, Aberdeen, surplus to the requirements of the Social Care and Wellbeing Service, and instructed the Head of Resources Development and Delivery to report further in due course on the future use or disposal of the building. The Committee now had under consideration a further report on the matter from the Director of Corporate Governance.

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The report (1) contained a description of the site which extended to some 1.30 acres; (2) advised of an interest expressed in the property from another Council Service who felt that it had the potential to be redeveloped for use either as affordable accommodation or as a temporary or interim accommodation unit under the Homelessness Provisions; and (3) indicated that option appraisals in respect of both uses would now be undertaken in consultation with both Services.

The Committee resolved:-

- (i) to authorise the Head of Resources Development and Delivery to pursue in greater detail the possible transfer of the property to the Housing Revenue Account; and
- (ii) to instruct a report back on the outcome to both this Committee and the Housing and Environment Committee, in due course.

ABERDON CARE HOME – FUTURE USE/DISPOSAL – CG/09/051

31. Reference was made to article 9 of the minute of meeting of the Resources Management Committee of 16 June, 2009, at which time the Committee noted the decision of Area Committee Central to declare Aberdon Care Home, Conningham Road, Tillydrone, Aberdeen, surplus to the requirements of the Social Care and Wellbeing Service and instructed the Head of Resources Development and Delivery to report further in due course on the future use or disposal of the building. The Committee now had under consideration a further report on the matter from the Director of Corporate Governance.

The report before Members contained a description of the site which extended to some 1.58 acres and continued to advise of an interest expressed in the property from another Council Service who felt that it had the potential to be redeveloped for use either as affordable accommodation or as a temporary or interim accommodation unit under the Homelessness Provisions; and indicated that option appraisals in respect of both uses would now be undertaken in consultation with both Services.

The Committee resolved:-

- (i) to authorise the Head of Resources Development and Delivery to pursue in greater detail the possible transfer of the property to Housing Revenue Account; and
- (ii) to report further on the outcome to both this Committee and the Housing and Environment Committee, in due course.

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TEMPORARY WORKFORCE POLICY – CG/09/035

32. The Committee had before it a report by the Interim Director of Corporate Governance which proposed the introduction of a new policy to set out how the Council would use a temporary workforce to supplement the permanent workforce in order to help maintain high standards and quality of service delivered by the Council.

The report outlined the main features of the policy, namely (1) to make a clear distinction between the Council's "core" (permanent) workforce and the Council's non core (temporary) workforce; (2) to detail the various circumstances when it is appropriate to engage a temporary workforce; (3) to explain how managers acquire the necessary approval to engage a temporary worker and create a new fixed term post; (4) to detail how the Council would source a temporary workforce, and what would bring the need for temporary additions to the workforce to an end; (5) to introduce a 51 week rule; (6) to place a one month minimum time limit on the re-engagement of a fixed term employee; (7) to explain how the Council would deal with situations when fixed term appointments become permanent opportunities; (8) to clarify the terms and conditions of engagement that would apply to each category of temporary worker; and (9) to clarify that fixed term employees would not be eligible for redeployment although they would be eligible to apply for vacancies restricted to internal candidates.

Appended to the report was the draft Temporary Workforce Policy.

The Committee resolved:-

to approve the introduction of the Temporary Workforce Policy.

REDEPLOYMENT POLICY AND PROCEDURE – CG/09/036

33. The Committee had before it a report by the Interim Director of Corporate Governance which considered a new Redeployment Policy and Procedure. The report advised that a review of the Council's existing Redeployment Policy was necessary to ensure that it continued to meet the needs of the organisation and the workforce, particularly at a time of significant, organisational change and budgetary pressures that would inevitably impact on the size and composition of the workforce.

The report outlined that the new policy recognised that in order to continuously improve the Council's performance and the services it delivers, there was a need at

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certain times to redeploy staff. The policy would help achieve this through a series of steps designed to retain skills and competencies of the Council's employees. The report continued that the new Redeployment Policy and Procedure reflected the arrangements and changes to the existing policy that were put in place to facilitate the effects on staff arising from decisions taken during the last budget process. These changes proved very successful in terms of minimising the impact on staff and retaining employees whose security of employment was at risk.

The report advised that the policy (1) was aimed at streamlining and speeding up the redeployment process as far as possible for the benefit of employees, managers and trades unions; (2) provided a positive and structured framework to ensure that redeployment was managed through early intervention on a fair and consistent basis; (3) clarified the respective roles and responsibilities of redeployees, line managers and Human Resources; (4) indicated that the length of time for the redeployment search would be reduced from five months plus contractual notice to twelve weeks for all staff regardless of their length of service; (5) advised that employees would be placed on the redeployment register and thereby would have access to the full provisions and benefits of the policy and wider redeployment opportunities at an earlier date, as under the existing policy an employee had to wait for a month whilst their employing service searches within the service for redeployment opportunities; (6) set out seven key stages of the process, including an appeal stage if the redeployment search proved unsuccessful and the employment was terminated as a result; (7) provided a more detailed definition of what constituted "suitable alternative employment", as well as outlining what would happen if an employee unreasonably refused an offer of suitable alternative employment; and (8) provided an explanation of what would happen during a trial period. The report also advised that the policy was restricted to permanent employees whose employment was at risk either on redundancy or medical/disability grounds.

Appended to the report was the revised Redeployment Policy and Procedure document.

The Committee resolved:-

to approve the introduction of the Redeployment Policy and Procedure.

**ELECTED MEMBER PERSONAL DEVELOPMENT PLAN PROGRESS REPORT
– CG/09/038**

34. With reference to article 28 of the minute of the meeting of Resources Management Committee of 16 June, 2009, the Committee had before it an update

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on the progress made in the completion of Elected Member Personal Development Plans.

The report advised that since meeting of the Resources Management Committee of 16 June, 2009, the number of role profiles returned had remained at 35 and the number of personal development plans had increased from 16 to 25 with a further one in progress. An additional reminder was issued to Members to complete these by the end of August. The report continued that the Members' Development Programme for 2009/10 was being agreed at present, with the programme based on core elements essential to a Members' role and identified individual needs agreed through Members' Personal Development Plans. The report advised that the first aspect of the development programme would be a series of sessions around the planning process, including development and decision making and design principles. This would be followed by Board of Directors' responsibilities in November, and the remainder of the programme would be discussed and agreed with Democratic Services.

The report went on to outline that following feedback from Members, officers had investigated the possibility of a 360° style report whereby Members would have the opportunity to receive feedback from self selected colleagues. The improvement service was currently piloting a Continuous Professional Development programme with five Councils which incorporated a 360° element. The pilot was being reviewed and it was planned that the programme would be made available to all Councils from January, 2010.

The Committee resolved:-

- (i) to note the position and the progress with regard to the introduction of 360° feedback.
- (ii) to request that a reminder email be sent to all Members regarding role profiles; and
- (iii) to request that Group Leaders encourage their Members to complete their role profiles.

**POLICY STATEMENT ON THE RECRUITMENT OF EX OFFENDERS –
CG/09/039**

35. The Committee had before it a report by the Interim Director of Corporate Governance which proposed the introduction of a policy statement on the recruitment of ex offenders. The report advised that the policy would replace the current guidance note which was appended to the guidelines on Managing Recruitment and Selection.

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The report explained that following an audit by Disclosure Scotland of the Council's registration and performance in requesting Disclosure checks, a recommendation was made that the Council should consider revising its policy statement on the recruitment of ex offenders. The report continued that the policy statement would affirm (1) that the Council would comply fully with the Code of Practice issued by Scottish Ministers under Part V of the Police Act 1997; (2) that the Council would be committed to equality of opportunity, to following best practice, and to provide a service which is free from unfair and unlawful discrimination; (3) that the Council would request a Disclosure only when it was considered relevant to the particular position following a risk assessment of the role; (4) that at interview or under separate discussion, the Council would undertake to ensure that measured discussion on the subject of any offences that might be considered relevant for the position concerned would take place; and (5) that all those involved in the recruitment process would have been suitably trained to identify and assess the relevance and circumstances of Disclosure information and would have received appropriate guidance and training in the relevant legislation relating to employment of ex offenders.

The report recommended:-

That the Committee approves the policy statement detailed at appendix A.

The Committee resolved:-

- (i) to note the recommendation made by Disclosure Scotland; and to take these recommendations into consideration in any recruitment and selection process (where a final decision would be made by the Appointment Panel or appointing officers), taking account of the differing interests and circumstances of each appointment; and
- (ii) to otherwise approve the policy statement as at appendix A.

EMPLOYEE ASSISTANCE SERVICE – DELEGATED POWERS – CG/09/041

36. The Committee had before it a report by the Interim Director of Corporate Governance which (1) advised the Committee of the current collaborative tender exercise undertaken on behalf of Aberdeen City Council, Aberdeenshire Council and the Moray Council for the provision of a joint Employee Assistance Service; and (2) requested the suspension of Standing Orders 75 and 76 to permit the delegation of powers in order for the most economically advantageous tender to be accepted.

The report outlined that following the decision to outsource the existing employee

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counselling services and explore the possibility of joint working with other public bodies, a collaborative tender exercise had been commenced involving the three local authorities with the closing date for receipt of tenders being 18 August, 2009. The report advised that Grampian Police had only recently decided to review their current provision and whilst timing did not allow them to participate at this stage, they had intimated an interest in the future contract.

The tender evaluation in which all three Councils would participate should have reached an outcome by early September, 2009 following presentations provided by all suppliers, however, the timeframe would be dictated by the number of interested parties submitting a response.

The report highlighted that it was essential that the new services be in place by 1 October, 2009 as (1) the existing services were unsustainable and placed an unmanageable workload on the one part time employee; (2) it would allow the employee to transfer to the new provider through TUPE arrangements as soon as possible; (3) it would avoid the risk that the Council would be perceived to be failing to provide a comprehensive counselling service; (4) it would enable the Council to promote the new services to all employees as soon as possible; and (5) it would facilitate the requirements of the collaborating Councils to ensure continuity of service provision.

The Committee resolved:-

- (i) to note the action taken by the Head of Procurement and the Head of Human Resources to undertake the tendering process to appoint an external company to provide an Employee Assistance Service to all employees;
- (ii) to suspend Standing Orders 75 and 76 to the extent necessary to permit the delegation of powers to permit the award of contract, subject to full compliance with Standing Orders in all other respects;
- (iii) to delegate the power to the City Chamberlain, the City Solicitor, the Head of Procurement and the Head of Human Resources in consultation with the Convener of the Finance and Resources Committee to accept the most economically advantageous tender for the provision of an Employee Assistance Service; and
- (iv) to instruct the Head of Procurement to submit a report to the next Finance and Resources Committee on the outcome of the tendering process.

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DELEGATION OF AUTHORITY TO APPROVE VOLUNTARY SEVERANCE AND EARLY RETIREMENT APPLICATIONS – CG/09/042

37. The Committee had before it a report by the Director of Corporate Governance which requested that the delegation of authority to the Chief Executive in consultation with the Conveners of the former Policy and Strategy and Resources Management Committees to approve Voluntary Severance and Early Retirement applications be amended to reflect the new Committee structure of the Council.

The report recommended:-

that the Committee agree that, to reflect the new committee structure, the authority to approve applications under the Council's Voluntary Severance and Early Retirement Schemes be delegated to the Chief Executive in consultation with the Convener of the Finance and Resources Committee and the parent committee.

The Committee resolved:-

to approve the recommendation.

SOCIETY OF PERSONNEL DIRECTORS SCOTLAND ANNUAL CONFERENCE

38. The Committee had before it an invitation to attend the Society of Personnel Directors Scotland Annual Conference which was to be held at the Old Course Hotel, St. Andrews from 4-6 November, 2009. The letter advised that there would be no increase in the conference fee from last year, and the cost would remain at £380 for SPDS members and £400 for non members.

The Committee resolved:-

to authorise three officers to attend this conference.

HOSTING THE CONFERENCE OF PERIPHERAL MARITIME REGIONS (CPMR) GENERAL ASSEMBLY 2010 - EPI/09/031

39. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which requested a referral to the 2010/11 budget process for funding of up to £155,000 towards the cost of hosting the conference of Peripheral Maritime Regions 2010, in case of a shortfall in contributions requested from partner organisations.

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By way of background the report explained that the CPRM brought together over 159 regions from 28 member states across Europe, represented more than 195 million people, and campaigned in favour of a more balanced development of community territory by actively participating in the development and implementation of policies and strategies affecting their member regions.

The Committee resolved:-

- (i) to note the request made to partner organisations for £95,000 of which £10,000 had been confirmed to date, to contribute towards the total cost of hosting the General Assembly, which was £165,000; and
- (ii) to refer a request for funding of up to £155,000 to the 2010/11 budget process in case requests for contributions from other agencies are not successful.

DECLARATION OF INTEREST

Councillor John Stewart declared an interest with regard to the matter of the following deputation and the report on the same subject (St Machar Outdoor Centre) considered immediately after the deputation, by reason of his appointment as the Council representative on the University Court of the University of Aberdeen. Councillor Stewart did not consider it necessary, however, to withdraw during the Committee's deliberations.

ST. MACHAR OUTDOOR CENTRE - DEPUTATION

40. With reference to article 2 of this minute, prior to the meeting going into private session, the Convener again advised members of the receipt of a request for a deputation in relation to the item on the agenda dealing with St Machar Outdoor Centre. Having agreed to receive the deputation at an earlier point in the meeting, the Committee heard Mr Ian Fryer as a representative of Froghall, Powis and Sunnybank Community Association. Mr Fryer highlighted to the Committee the strong desire on the part of the Community Association to take over the running of the St Machar Outdoor Centre for community uses, for example use as a community garden or as allotments. Mr Fryer accepted that there was unlikely to be any direct financial support available from the Council for such a project but asked that the Committee agree to visit the Centre and speak to the community about what they want done with the site, before taking a final decision on its future.

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Members asked Mr Fryer a number of questions and thanked him for his presentation.

EXEMPT INFORMATION

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 during consideration of the following items of business so as to avoid disclosure of exempt information of the class described in the following paragraphs of Schedule 7(A) to the Act:- article 41 (paragraphs 6 and 9), article 42 (paragraph 6), article 43 (paragraph 6), article 44 (paragraph 8), article 45 (paragraph), article 46 (paragraph 8), article 47 (paragraphs 6 and 9), article 48 (paragraphs 8 and 9), article 49 (paragraphs 6 and 9), article 50 (paragraphs 6 and 9), article 51 (paragraphs 6 and 9), article 52 (paragraphs 6 and 9), article 53 (paragraphs 6 and 9), article 54 (paragraphs 8 and 10), article 55 (paragraph 1), article 56 (paragraph 1), article 57 (paragraph 1), article 58 (paragraph 1), article 59 (paragraphs 6 and 9).

ST. MACHAR OUTDOOR CENTRE – FUTURE USE – CG/09/046

41. Reference was made to article 38 of the minute of meeting of the Resources Management Committee of 5 May, 2009, at which time it was agreed, in accordance with the decision taken by Area Committee Central, to declare the St Machar Outdoor Centre surplus to Council requirements and to transfer responsibility for the property to the Asset Management Team for disposal according to the needs of other Council Services. The Committee now had before it a report by the Director of Corporate Governance which advised of the receipt of unsolicited expressions of interest regarding the future use of the site.

The report reminded members (1) that the Outdoor Centre comprised a pavilion, a putting green and two bowling greens, lying within a wider parkland area which also contained two tennis courts, a former putting green, a general amenity area and a playground; (2) that the combined site extended to some 4.6 acres which, in terms of the current Local Development Plan was zoned as Urban Green Space and allocated for the Green Space Network; and (3) that areas zoned for that purpose were protected by policies which contained a presumption against development which would be likely to destroy or erode the recreational character or, alternatively, which required equivalent and equally convenient land to be made

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available for the same purpose with public access.

The report recommended:-

that the Head of Resources Development and Delivery be authorised:-

- (a) to commence discussions with the Neighbourhood Community Planning Service to ascertain if there is any future uses for the properties in connection with the local community; and
- (b) to acknowledge the interest expressed by the third party but not to progress that at the present time.

The Committee at this point heard the Head of Resources Development and Delivery who advised that the pavilion at St Machar had recently been extensively damaged as a result of a fire which it would appear had been started deliberately. The Head of Service thereupon provided some detailed information on the extent of the damage caused, the implications arising from that for the Council as regards the security of the building and public safety and also as to the likely level of expenditure required should it be decided to reinstate the building or have it demolished.

The Committee asked the Head of Resources Development and Delivery a number of questions, specifically about the structure of the pavilion.

The Committee resolved:-

- (i) that the condition report by the Head of Service relative to the St Machar pavilion building be noted;
- (ii) that officers be instructed to commence discussions with the Neighbourhood Community Planning Service to ascertain if there is any future uses for the properties in connection with the local community;
- (iii) that appropriate officers be instructed to acknowledge the interest expressed by the third party and seek to obtain more information on the nature of that interest; and
- (iv) that the Head of Resources Development and Delivery be requested to carry out a detailed assessment of the options available to the Council as regards the damage to the pavilion, and to report back at the next meeting with all costs and implications associated with the different aspects of the St Machar Outdoor Centre including (1) the possibility of retaining the play park; (2) any problems associated with the fact that the surrounding area was categorised as green space; (3) possible future uses for the building; and (4) to ascertain whether the Gibberie Wallie (Gingerbread Wall) was listed.

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3Rs PROJECT – VERBAL UPDATE

42. With reference to article 6 of this minute and article 3 of the minute of meeting of the Urgent Business Committee of 1 July, 2009, the Committee heard the City Solicitor, who provided an update on the current status of the 3Rs project. She advised that at the meeting of the Urgent Business Committee of 1 July, 2009, she (along with the Director of Corporate Governance and the City Chamberlain, or their nominated representatives) had been provided with delegated authority (1) to sign the project refinancing documents on behalf of the Council; and (2) to undertake the final negotiation, completion and approval on behalf of the Council, of the refinancing documents noted below, along with other contracts, letters or documents which require to be signed, including assignments, waivers, acknowledgements and releases in relation to the existing financing documents. It was also agreed that the Council would sign a letter to demonstrate its willingness to enter into an agreement to share the refinancing gain arising from additional financing costs to be split 70% Landsbanki and 30% Council when the final hedging arrangements were confirmed and it could be demonstrated that there was no material increase in the Council's future termination liabilities. The refinancing documents referred to above are as follows:-

- The Project Agreement Supplementary Agreement;
- The Funders' Direct Agreement;
- The Junior Lenders' Direct Agreement;
- The building contractor's collateral agreement;
- The facilities management collateral agreement;
- The assignment of independent technical advisor's deed of appointment;
- The joint insurance account agreement; and
- The certificate to be issued under Section 3 of the Local Government (Contracts) Act 1997.

The City Solicitor requested the Committee to note that the documentation referred to above had been signed and sealed on behalf of the Council by those officials authorised to do under Standing Order 44, together with other necessary documentation; and that all necessary approvals of the Scottish Government (via the Scottish Futures Trust) would be obtained in relation to the refinancing and the continuing availability of Revenue Support Grant.

The City Solicitor also advised that the Council will require to sign a further agreement which is supplemental to the Project Agreement, to implement the terms of the side letter; and requested that the Committee delegate powers to herself in consultation with the City Chamberlain and the Director of Corporate Governance

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to finalise the project on behalf of the Council, and execute the appropriate documentation.

The Committee resolved:-

to note the content of the update provided, and to delegate to the City Solicitor (in consultation with the City Chamberlain and the Director of Corporate Governance) the final negotiation, completion and approval of all contracts, letters, assignments waivers, acknowledgements, releases i.e. documents which are necessary or appropriate to implement the terms of the letter issued by the Council referred to above, and to finalise the project, provided there is no material increase in the Council's future termination liabilities.

DECLARATIONS OF INTEREST

The Vice Convener and Councillors Cassie, Dean and Malone declared interests in the subject matter referred to in the following article as the Council's appointed representatives to the Board of Aberdeen Exhibition and Conference Centre. None of the Councillors considered that the nature of the interests required them to leave the meeting during consideration of the matters before them.

ABERDEEN EXHIBITION AND CONFERENCE CENTRE (AECC) – VERBAL UPDATE

43. With reference to article 4 of this minute, the Committee were provided with a brief update on the AECC by the Interim Director of Corporate Governance, who made reference to the decision taken earlier for financial updates on the AECC to be provided to the Enterprise, Planning and Infrastructure Committee in future. Mr Edwards advised that for this financial year, some of the events at the AECC had not been as large scale as planned due to the economic climate, but that they were still on target to meet their budget.

The Committee resolved:-

- (i) to note the update; and
- (ii) to note that in future, financial updates on the AECC would be presented to the Enterprise, Planning and Infrastructure Committee.

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TRADING SERVICES MONITORING 2008/09 – CG/09/027

44. The Committee had before it a report by the City Chamberlain which provided details of the final positions, subject to audit, for the financial year 2008/09 for those activities identified by the Council as significant trading operations, the criteria for which are identified by the Local Government (Scotland) Act 2003. Information was also provided for other trading activities not regarded as significant.

The report advised that the Local Government (Scotland) Act 2003 required that the statutory trading accounts at least break even over a rolling three year period. Property letting was the only significant trading operation that had failed to meet this requirement, and this had been detailed at appendix A.

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

The Committee resolved:-

- (i) with reference to the final paragraph on page 351 of the report, to request that Councillor Laing be provided with an explanation as to why the income from fines had decreased;
- (ii) to note the actual outturn to 31 March, 2009 was an overall surplus for the significant trading activities of £933,000;
- (iii) to note that these results were arrived at after allowing for (a) rebates of £2.185 million to the general fund and £972,000 to the Housing Revenue Account, (b) FRS 17 pension adjustments of £1.602 million, (c) an exceptional charge of £3.390 million arising from the downward re evaluation of a number of individual investment properties and works depots and (d) an accrual for Equal Pay and Modernisation back payments to staff for the period up to 31 March, 2009 totalling £575,000;
- (iv) to note that for the non significant trading activities as whole, a deficit of £1.869 million was made and was arrived at after allowing for (a) FRS 17 pension adjustments of £105,000, (b) recharging the deficits incurred on school catering of £460,000 and on building cleaning of £272,000 to the education service and (c) an accrual for Equal Pay and Modernisation back payments to staff for the period up to 31 March, 2009 totalling £1.229 million;
- (v) to note that all of the significant trading activities, with the exception of property letting, had met the financial target of breaking even over a three year period, as required by the Act; and
- (vi) to note that these results were still subject to review by the Council's external auditors.

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TRADING SERVICES MONITORING 2009/10 – CG/09/028

45. The Committee had before it a report by the City Chamberlain which provided details of the current positions and forecast outturns for the financial year 2009/10 for trading activities, both significant and non significant identified by the Council. The criteria for inclusion of these services are defined by the Local Government (Scotland) Act 2003.

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

The report recommended:-

that the Committee –

- (a) considers and notes that the forecast outturns to 31 March 2010 show an initial projection of the overall surplus for the significant rating activities in the order of £7.173 million; and further notes that this compared with the budgeted surplus of £7.102 million and that forecasts will be updated as the year progresses;
- (b) notes that the provision of full year results indicate that the financial objective for each significant trading activity will be achieved, before allowing for the effects of pension adjustments required under the provisions of financial reporting standard number 17 (FRS 17), the value of which are unknown at this time;
- (c) notes that, whilst there is no statutory requirement for non significant rating activities to make the meet the best value financial objective, an overall surplus of £212,000 is currently forecast for the year within these activities; and further notes that this forecast is currently in line with budget expectations prior to taking into account any adjustment for FRS 17 pension; and
- (d) notes that the Council's trading operations are currently undertaken by three services and that the relevant service committee will receive detailed information on the ongoing financial position of each of the services trading operations; and to further note that this Committee will continue to receive an overview report.

The Committee resolved:-

- (i) in relation to the reference made to the decrease in income from parking permits, to request that officers advise members as to what this decrease is likely to be; and
- (ii) to otherwise approve the recommendations as detailed above.

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ICON CONTRACT – CG/09/040

46. With reference to article 24 of the minute of meeting of the Resources Management Committee of 25 November, 2008, the Committee had before it a report by the Interim Director of Corporate Governance which requested approval to extend the Council's Catalyst protocol to enable the contract to be signed and provide a hosted service for the processing of debit card and credit card payments, in accordance with mandatory payment card industry compliance.

By way of background the report advised that in order to comply with technical standards developed by Visa and Mastercard, additional layers of security were required for debit card and credit card payments which would shift the liability for fraud from the Council to the card user. The report continued that the Payment Card Industry Data Security Standard was a mandatory compliance requirement to ensure that all card holder information was always stored, processed and transmitted securely. As the Council did not have the resource to meet this compliance, it was agreed to use the Civicas hosted managed service. Risk was therefore transferred from the Council to Civicas.

The Committee intimated its disappointment that this issue had not been progressed at a much earlier date by officers.

Further to discussion, and advice from the City Solicitor, the Convener, seconded by the Vice Convener moved:-

That the Committee agrees to the extension of Catalyst Protocol for this particular contract and to note that Civicas (supplier of ICON) will ensure payment card industry compliance by 1 October, 2009.

Councillor Crockett, seconded by Councillor Laing, moved as an amendment:-

That the Committee does not approve the extension of catalyst protocol for this particular contract in order to protect the Council from a legal claim whilst seeking to procure this service.

On a division, there voted:- for the motion (10) – the Convener; the Vice Convener; and Councillors Cormack, Dean, Dunbar, John Stewart, McCaig, Malone, Noble and John West; for the amendment (4) – Councillors Cassie, Crockett, Graham and Laing; declined to vote (1) – Councillor Farquharson.

The Committee resolved:-

to adopt the terms of the motion.

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DECLARATION OF INTEREST

Councillor Cassie declared an interest in the subject matter of the following article by virtue of being the Chairperson of Garthdee Alpine Sports Limited. Councillor Cassie did not feel it necessary to withdraw from the meeting.

GARTHDEE ALPINE SPORTS LIMITED – SITE DEVELOPMENT PROPOSALS – ECS/09/020

47. The Committee had under consideration a report by the Director of Education, Culture and Sport on development proposals submitted by Garthdee Alpine Sports Limited, the charitable trust company set up as the arms length organisation engaged to operate the facilities at the Garthdee Sports and Alpine Adventure Centre, on behalf of the Council. The report outlined the means by which the company is currently funded by the Council, i.e. through Service Level Payments within a three year financial plan funded from the Council's revenue budget.

The report before members outlined the two development proposals which the management of Garthdee Alpine Sports Limited (GASL) had put forward for consideration, one of which involved internal building alterations to the main reception and management office areas to provide an expanded contact/circulation area for customers, increased retail display function and a reconfigured administrative office space. The report confirmed that all the costs involved would be met by the company from their facility development budget. The second development project outlined within the report involved the installation of a groundwater harvesting system, to act as a supplement to the existing water irrigation system and, if successful, significantly reduce the centre's reliance on mains fed supply and as a result deliver financial and environmental efficiencies. As with the other development proposal the report author confirmed that the costs involved would be met by the company. The report outlined the legal considerations arising, in particular the amendments required to the current Service Level Agreement between GASL and the Council. It was indicated that guidance received from both the Council's legal service and the firm of independent legal advisors who were involved in the setting up of the original arms length arrangement, had been that separate legal agreements be developed for each proposal. The cost of the legal services required would either be met directly by GASL or offset against the wider review of Service Level Payments arising from the two developments in question.

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The report recommended:-

that the Committee –

- (a) approves progression of the development proposals relating to the alteration of internal space within the pavilion building subject to these meeting all relevant planning, building control and survey conditions;
- (b) approves the proposal for investigations into the potential for a groundwater harvesting solution and any subsequent development submitted by Garthdee Alpine Sports Limited, subject to these meeting all relevant planning, building control and survey conditions;
- (c) instructs officers to progress the necessary legal documentation supporting the provision of a licence for works and further to the outcome of the test bore hole investigation, authorises officers to progress the required revisions to the Funding and Service Provision Agreement between Aberdeen City Council and Garthdee Alpine Sports Limited in connection with the groundwater harvesting proposal; and
- (d) instructs officers to update members on the outcomes of the investigation into the potential of a groundwater harvesting solution and specifically identify future implications of service provision costs as this detail becomes available.

The Committee resolved:-

that the report recommendations be approved and appropriate officers authorised accordingly.

AWARD OF REPLACEMENT/RENEWAL CONTRACTS – NON HOUSING CAPITAL PLAN – CG/09/044

48. The Committee had under consideration a report from the Director of Corporate Governance which advised of the tenders received in respect of three projects to be carried out under the Replacement and Renewal budget heading within the Non Housing Capital Plan and sought approval for acceptance of the tendering contractor achieving the highest score in each case, evaluated on a quality/price basis.

The report explained that the Replacement and Renewal budget heading was designed to address prioritised repair works on a city wide corporate basis within the Council's operational property portfolio and continued that the contract works had been identified by colleagues within the former Neighbourhood Services who considered them a priority from the backlog of identified works highlighted in the property condition survey database. The three packages of works involved (a) replacement windows at Riverbank Primary School; (b) re-roofing of St Machar

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Academy games hall; and (c) replacement windows (phase 4) at Scotstown Primary School. The report highlighted that as the tenders being proposed for acceptance were not the lowest tender submitted, Committee approval in each case would be required. Appended to the report were the details of all the tenders received in respect of each project, including the tender evaluation scores achieved.

The Committee expressed its disappointment that the contract for the replacement windows at Riverbank Primary School had not been authorised at an earlier date. Members were provided with an explanation by the Head of Resources Development and Delivery in this regard.

The report recommended:-

that the Committee –

- (a) notes the background for reporting these tenders;
- (b) approves the award of the contract for the replacement windows at Riverbank Primary School to Muirfield (Contracts) Limited;
- (c) approves the award of the contract for the re-roofing of St. Machar Academy games hall to Grainger Building Services Limited; and
- (d) approves the award of the contract for the replacement windows (Phase 4) at Scotstown Primary School to Camstruction Limited.

The Committee resolved:-

that the report recommendations be approved and the contracts awarded accordingly.

SUMMERHILL EDUCATION CENTRE – APPOINTMENT OF MARKETING AGENT – CG/09/047

49. Reference was made to article 59 of the minute of meeting of the Resources Management Committee of 5 May, 2009, at which time there was under consideration a report by the Corporate Director for Resources Management which continued to address the matter of the expressions of interest received by the Council relative to the Summerhill Education Centre in respect of which the Council was prepared to consider all options for disposal. The resolution of the Committee at the said meeting, included, amongst these, the instructions –

- (i) that appropriate officers identify suitable agents with appropriate experience of all market sectors and of planning issues to advise the Council on the marketing of the Summerhill site, on the understanding that the marketing exercise will be carried out after the summer recess (late August/September) with bids being invited towards the end of 2009; and

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- (ii) that appropriate officers pursue a quick response from the Scottish Government to the request submitted in terms of Section 74(2) of the Local Government (Scotland) Act 1973 and continue negotiations with Grampian Police in this regard.

The Committee now had before it a further report on the matter by the Interim Director of Corporate Governance which sought to progress the issue of the appointment of a marketing agent and also to update members as regards the interest expressed in the Summerhill site by the Grampian Police Joint Board.

The report advised (1) that in pursuance of the Committee instruction in relation to the appointment of a marketing agent, tender documents had been prepared; (2) that the offers received by the closing date for tenders were evaluated against the stated criteria; and (3) that the outcome of the exercise was presented within an appendix to the report. Also presented as an appendix was a copy of a letter received from the Local Government Division of the Scottish Government, the terms of which had not amounted to a clear grant of approval for a disposal of the site at Summerhill for a consideration that was less than the best that could be obtained. In the circumstances the report author's view was that the only way to arrive at a decision on the offer from Grampian Police would be to consider it alongside the other bids received, which would allow officers to make recommendations and the members to arrive at a decision, fully informed.

The report recommended:-

that the Committee note the position of the Scottish Government in relation to "Best Value" and agree –

- (a) that the Head of Resources Development and Delivery be authorised to appoint Graham & Sibbald as external Property Advisers in relation to the sale and marketing of the Summerhill Education Centre, as identified in their tender submission; and
- (b) that Grampian Police be invited to make representations along with all other potential bidders in the marketing exercise.

The Committee resolved:-

that the recommendation contained within the report be approved and the Head of Resources Development and Delivery be authorised accordingly.

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2 WEST CRAIBSTONE STREET, ABERDEEN – CG/09/048

50. The Committee had under consideration a report by the Interim Director of Corporate Governance which sought to advise on the offers received following the marketing of the vacant Council property at 2 West Craibstone Street, Aberdeen, for sale in accordance with an earlier Committee instruction (article 29 of the minute of meeting of the Resources Management Committee of 30 September, 2008).

The report (1) contained a brief account of the previous use of the property, which comprised a three storey and basement terraced building of traditional construction; (2) referred to the decision to market it for sale and the steps taken by the Council's external property contractors in that regard; and (3) advised of the outcome of the tender process.

The report recommended:-

- (a) that the tender received on behalf of Mr Stewart Davidson, being the highest offer received, be accepted; and
- (b) that the City Solicitor be instructed to conclude the sale on the basis of the offer received and otherwise on terms and conditions which will protect the Council's interests.

The Committee resolved:-

that the report recommendations be adopted and appropriate officers authorised accordingly.

DECLARATION OF INTEREST

Councillor Dean declared an interest in the subject matter of the following article by virtue of her position as a Board member of NHS Grampian. Councillor Dean left the meeting prior to the consideration of the report and took no part in the Committee's deliberations thereon.

20 WHINHILL ROAD, ABERDEEN – CG/09/049

51. Reference was made to article 32 of the minute of meeting of the Resources Management Committee of 30 September, 2008, at which time there was under consideration a report by the Head of Resources Development and Delivery which contained the terms of a revised offer from NHS Grampian in relation to the

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purchase of the site at 20 Whinhill Road, Aberdeen, for use to provide a new local medical centre. The resolution of the Committee at that time was to approve the sale on the basis of the offer received, which was conditional upon the results of site investigations and also planning consents being obtained for the development proposed. The Committee now had before it a further report on the matter by the Interim Director of Corporate Governance.

The report before Members contained an update on current negotiations with NHS Grampian, in particular as regards the implications for the sale value of 20 Whinhill Road, of the results of the site investigations. The revised valuation of the site carried out by the Council's external property advisers, was detailed within the report. The report indicated that having taken their own independent advice, NHS Grampian were agreeable to the sale proceeding on the basis of the revised valuation referred to.

The report recommended:-

that the Committee approve the sale of 20 Whinhill Road, Aberdeen, at the reduced value identified and authorise the City Solicitor to conclude the bargain on that basis.

The Committee resolved:-

that the report recommendation be approved.

FAULDS ROW, KINCORTH (FORMER TAVR SITE) – CG/09/050

52. The Committee had under consideration a report by the Interim Director of Corporate Governance which related to a site at Faulds Row, Kincorth, Aberdeen (443 square metres) which was currently leased to the Highland Reserve Forces and Cadets Association (HRF&CA). The report considered the future use of the site, the current lease for which was due to expire in November, 2009.

The report (1) described the site (location plan annexed) upon which a small hut had now been erected; (2) provided the detail of the current lease between the Council and HRF&CA; (3) outlined the rights of the Council as landlord, following termination of the current lease in November, 2009; and (4) advised with regard to the condition of the hut and the expression of interest received when its future availability was circulated to other Council Services, the local Community Council and local members. The report confirmed that pending consideration of the matter by the Finance and Resources Committee, the availability of the hut had not been

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advertised on the open market. The report indicated, however, that an interest had expressed in the site by the North East Scotland Disabled Veterans Association had been responded to on a “without prejudice” basis by Council officers, who issued the Association with indicative draft terms and conditions of lease that would, potentially, be the basis of discussion as a way forward should the Committee agree to such a course of action. The detail of these terms and conditions were provided within the report, which also advised of the response thereto on behalf of the Association. The offer of a below market value rental by the Association was highlighted within the report as creating possible State Aid implications for the Council which would require to be the subject of approval by the Scottish Government in terms of Section 74 of the Local Government (Scotland) Act 1973.

The report recommended:-

that the Committee –

- (a) approves the lease of the site and hut at Faulds Row, Kincorth to the North East Scotland Disabled Veterans Association on the provisional terms and conditions described within the report;
- (b) approves that the rent be restricted to £2,000 per annum;
- (c) instructs officers to fully investigate the legal implications of such a decision and to obtain the consent of the Scottish Government to lease the site and hut at below market value, as required under Section 74 of the Local Government (Scotland) Act 1973; and
- (d) instructs the City Solicitor to formally conclude the lease to the North East Scotland Disabled Veterans Association, on such terms and conditions as are necessary to protect the City Council’s interests.

The Committee resolved:-

that the report recommendations be approved and appropriate officers authorised accordingly.

31 AUCHINYELL ROAD, GARTHDEE, ABERDEEN – CG/09/056

53. The Committee had under consideration a report by the Interim Director of Corporate Governance relative to the property at 31 Auchinyell Road, Aberdeen, owned and operated by the Aberlour Child Care Trust and registered with the Care Commission since 2002 as a property within which a care home service was provided for up to four people with learning disabilities. The report advised of an approach by the Trust to the Council to the effect that they wish to dispose of the property.

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The report contained certain background information concerning the Trust's wish to withdraw from delivering the service they currently provide at 31 Auchinyell Road and confirmed that the Social Care and Wellbeing Service of the Council would like to see the provision of care to the existing residents continue. The financial implications for the Council in taking over the role currently provided by the Trust were also outlined within the report. The report further advised that due to the timescales involved, the normal process of obtaining Committee approval to initiate negotiations had required to be set aside and such negotiations undertaken during the Council recess. The report emphasised that the Council would not be entering into any agreements which would have an impact on TUPE regulations in relation to the existing staff at 31 Auchinyell Road.

The report recommended:-

that the Head of Resources Development and Delivery, together with the City Solicitor, be authorised to continue negotiations with the agents acting on behalf of Aberlour Child Care Trust to secure a new lease of the facility and report to the Committee with the outcome of these negotiations in due course.

The Committee resolved:-

that the City Solicitor be authorised to secure a lease of the facility in accordance with the agreed Heads of Terms and incorporating other terms and conditions as required to protect the Council's interests.

BEHAVIOURAL IMPACT TRAINING – TENDER OUTCOME AND AWARD OF CONTRACT – CG/09/037

54. With reference to article 36 of the minute of meeting of the Resources Management Committee of 5 February, 2009, the Committee had before it a report by the Interim Director of Corporate Governance which presented the outcome of the recent procurement exercise undertaken to contract Behaviour Impact Training for managers.

The report advised that the Best Value report of 2008 highlighted the need for the Council to increase its leadership capacity and capability and to raise the levels of self awareness in managers. As part of its Development Activities Report of 5 February, 2009, the Resources Management Committee approved in principle the intention to address this through an intensive behavioural impact programme for managers. The report outlined that the programme's aim was to develop skills in task oriented, yet people focused thinking. The expected outcome would be a shift in culture to one where managers would be focused on what needs to be achieved yet at the same time, hold a strong awareness of the impact of their behaviour on

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others and how they can use this to achieve constructive results and build positive relationships within the organisation. The programme would be targeted at all managers in the Council, including Head Teachers and Depute Heads.

The report further highlighted that given the potential value of this contract to the successful tenderer, it was necessary to undertake a competitive tender exercise in line with EU law and the Public Contracts (Scotland) Regulations 2006. The process commenced early in 2009 with a total of 79 potential providers having responded. As a result the six who most closely matched the requirements were issued with an invitation to tender with a closing date of submission on 25 August, 2009. Following the issue of the invitation to tender, one provider chose to withdraw their interest which meant that five remained. The five remaining tenders were evaluated against the criteria, and a preferred bidder was indicated to the Committee on this basis within the report.

The report recommended:-

that the Committee approves the award of contract to the preferred provider subject to the Council's terms and conditions being agreed between the parties.

The Committee resolved:-

to defer the report for one cycle in order to be provided with more information (1) on the style and format of the training ; and (2) on the differences it had made to members of staff who had undertaken the training.

BUSINESS CASE – CUSTOMER CONTACT CENTRE – TEAM LEADER – CG/09/058

55. The Committee had before it a business case prepared by the Head of Customer Relations Management which sought approval for the establishment of one new permanent post: Contact Centre Team Leader (1 full time equivalent) and the disestablishment of two existing permanent posts: Contact Centre Customer Service Advisor (0.5 full time equivalent) and the Switchboard Telephone Supervisor (1 full time equivalent).

The business case highlighted that if approved, this would be a step towards the creation of a flexible staffing model across Customer Services and that stronger links would be established between the existing team and the Customer Contact Centre and the Switchboard Team at St Nicholas House, which would help to provide more efficient service delivery, in preparation for the co-location of the two teams. The business case continued that the proposals would result in efficiency savings of between £700.65 and £1,707.55 in 2009/10 and £2,586.63 to £6,735.09

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in 2010/11, which would contribute to the service's budget savings.

In addition to this one of the posts was currently vacant with the other to fall vacant from 1 January, 2010 due to the retirement of the current postholder. Therefore no existing staff would be directly impacted upon by the proposals to disestablish the two posts.

The Committee resolved:-
to approve the business case.

BUSINESS CASE – SERVICE DESK COORDINATOR – CG/09/059

56. The Committee had before it a business case prepared by the Head of Service Design and Delivery which advised that following the early retirement/voluntary severance exercise, one of the Team Leader posts within Service Design and Development had become redundant in March, 2009. To facilitate this redundancy, changes had been made to line manager reporting arrangements for staff within the Operation and Technology and Information Systems Sections of Service Design and Development. This had brought about an imbalance in workload across the remaining Team Leaders and therefore the structure within these sections had been reviewed.

The business case proposed the disestablishment of the permanent post of Help Desk Supervisor to be replaced by a permanent post of a Service Desk Coordinator permanent position at Grade 13.

In terms of budget in 2009/10 £14,108 would be available from revenue staffing budget through the disestablishment of the Help Desk Supervisor post from 1 October. The remaining £4,343 to £6,987 required from the revenue staffing budget would be met from staff vacancies. In 2010/11 the £28,216 would be available from the revenue staffing budget through the disestablishment of the Help Desk Supervisor post. It was anticipated that the remainder would be secured from a small proportion of savings gained through better contract management of ICT supplies and services.

The Committee resolved:-
to approve the business case.

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BUSINESS CASE – STAFFING PROPOSALS FOR WOODSIDE CUSTOMER ACCESS POINT – CG/09/057

57. The Committee had before it a business case prepared by the Head of Customer Relations Management which advised that Woodside Customer Access Point was currently under development and was due to open in the last quarter of the calendar year. The Access Point would form part of a wider community facility (Woodside Fountain Centre), encompassing Sandilands Housing Office, Woodside Community Centre, St. Machar Credit Union, Fersands Mini Market, Fersands and Fountain Community Project and Fersands Family Centre. The business case continued that the Access Point in Woodside would be in addition to the existing Access Points in Mastrick, Kincorth and The Point in the city centre, and would thereby provide another face to face facility for customers, and allow residents access to a wider range of services under one roof.

The business case sought approval for the establishment of an interim staffing model comprising one full time equivalent fixed term Team Leader post and one full time equivalent fixed term Customer Service Adviser post for a period of approximately twelve months; and one permanent full time equivalent Customer Service Adviser post. It also sought approval for the disestablishment of two Clerical Assistant posts. The business case advised that one of these posts was ring fenced to the permanent Customer Services Adviser post in the Access Point, and the second was currently vacant. The business case further sought approval to offer the fixed term posts as a secondment opportunity to existing staff in Mastrick and Kincorth Access Points and the Point for the duration of the interim staffing model and also proposed that the line management of the Woodside Access Point Team be placed under the operational control of the Customer Service Development Manager within the CRM team for the same period.

The business case explained that if approved, this would (1) create an opportunity to draw up existing experience and open a new facility within an already experienced team; (2) provide great potential for existing staff to develop further; (3) put in place the foundations for a more flexible and efficient staffing model across customer services in general and establish stronger links between the Access Points; and (4) provide the opportunity to fully evaluate service demand within the Woodside area upon which the permanent staffing model would be based. The report concluded that the maximum impact on the 2009/10 budget of the staffing model would be £41,196.95.

The two new Customer Service Adviser posts would be funded through the budget made available through the disestablishment of the two existing Clerical Assistant posts. The difference in salary between the Customer Service Adviser posts salary grade G9 and the Clerical Assistant post salary grade G8 would be funded

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through the Housing Revenue Budget. The Team Leader post would be funded through Customer Relations Management although discussions would be ongoing with services to secure funding for services delivered on their behalf from the Access Point. It was also noted that the proposed post would be funded from within existing budgets and therefore no additional funding would be required.

The Committee resolved:-

to approve the business case.

BUSINESS CASE – CONVERSION OF THE POST OF WEBSITE CONTENT AND PROMOTION OFFICER TO E-GOVERNMENT ASSISTANT – CG/09/060

58. The Committee had before it a business case prepared by the Head of Service Design and Delivery which sought approval for the conversion of a post from Website Content and Promotion Officer to E-Government Assistant.

The business case outlined that within the staffing complement of the E-Government Team there were presently two Website Content and Promotion Officer (WCAPO) posts, one of which had been vacant since December, 2007. Two attempts to fill the post in 2008 had been unsuccessful and following the requirement to contribute to savings from all team budgets, the post was initially kept vacant while other options were looked at. The result of that exercise was a recommendation to disestablish one of the two WCAPO posts and to establish an E-Government Assistant post.

The business case advised that if the WCAPO vacancy continued for the anticipated nine months in 2009/10, there would be an approximate saving of £20,000. There would also be a saving in revenue in future years of between £6,000 and £10,000 per annum based on difference between WCAPO posts and the E-Government Assistant post.

The Committee resolved:-

to approve the business case.

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DECLARATIONS OF INTEREST

Councillors Cassie declared an interest in the subject matter of the report referred to in the following article, by reason of his position as Member of the Board of Robert Gordon's College. Councillor Cassie did not consider that the nature of his interest required that he withdraw from the meeting.

The Vice Convener declared a pecuniary interest in the subject of the report, by reason of his employment by the property development company involved and left the meeting prior to consideration of the matter and took no part in the Committee's deliberations thereon. Councillor John Stewart declared an interest by virtue of his relationship with Councillor Fletcher and he too left the meeting prior to any consideration of the report.

Councillor Laing declared a non pecuniary interest by virtue of her position on the Board of Oakbank School (currently in a contractual arrangement with the property development company) and left the meeting prior to consideration of the report before the Committee.

PINEWOOD/HAZLEDENE, COUNTESSWELLS ROAD – FUTURE USE OF SITES – CG/09/043

59. The Committee had under consideration a report by the Director of Corporate Governance which related to the future use of the sites at Countesswells Road, Aberdeen, referred to as Pinewood/Hazledene, in which the Council held a proprietary interest together with the Board of Governors at Robert Gordons College and Duthie Holdings Limited (as Council tenant of part of the combined site). The report sought to advise the Committee of the current status of on going dialogue with the interested parties and also the outcome of discussions held in pursuance of earlier Committee instructions.

The report reminded Members that when the matter was last considered by the former Resources Management Committee of the Council, at its meeting on 5 May, 2009 (article 60 refers), it was resolved to note the recommendations within the report and to agree that, if no progress can be made at this time with Carlton Rock (the property development company acting on behalf of the Council's tenant), following their refusal to provide the Committee with details of their contractual agreement with that tenant, to authorise officers in conjunction with external advisers to (a) discuss with Robert Gordons College what progress if any can be

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made towards the potential development of the area of Pinewood in their ownership, thereby commencing development of land (at an as yet unknown date) in support of the Local Plan; (b) to suspend in the short term discussions with the Council's tenant pending the outcome of discussions with Robert Gordons College and the market becoming more stable; and (c) to report back to this Committee on Committee instruction (a) following the summer recess.

The report confirmed that the Committee decision of 5 May had been communicated to all interested parties and that subsequent discussions had taken place separately with Carlton Rock and Robert Gordons College. The report concluded that the discussions with Carlton Rock had made no progress toward any positive outcome, but that the discussions with Robert Gordons College were fruitful, resulting in the receipt of their written agreement on a possible way forward, as outlined within the report.

The report recommended:-

that the Committee –

- (a) notes the continued impasse in the discussions with Carlton Rock;
- (b) approves the proposed communication to the Council's tenant outlining a way forward should their agreement with Carlton Rock expire prior to the end of the tenancy agreement with the Council, in 2020;
- (c) restates the Council's intent of taking these sites to the market at the appropriate time, following a future report to Committee for approval and, in the meantime, to move forward with Robert Gordons College in submitting a planning application for the first phase of the development; and
- (d) instructs the Head of Resources Development and Delivery to report back to Committee early 2010 on progress made or earlier if necessary should circumstances materially alter from those currently being reported to Members.

The Convener moved, seconded by Councillor Malone:-

- (i) that subject to deletion of the last part of recommendation (c), the report recommendations be approved; and
- (ii) that any planning implications and any implications for the Local Plan that may occur as a consequence of the delay in the marketing of the sites at Pinewood/Hazledene be the subject of a separate report to the Enterprise, Planning and Infrastructure Committee.

Councillor Cassie moved as an amendment, seconded by Councillor Crockett:-

That consideration of the report be deferred until the next meeting of the Committee, and that the Head of Resources Development and Delivery be requested to include as further information, the financial implications for the

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Council of not marketing the land at Pinewood/Hazledene for sale at this time, including the likely impact on the Local Plan housing land supply and the recently approved Structure Plan, and also on the access arrangements proposed for the Robert Gordons College site, which is not in Council ownership.

On a division, there voted:- for the motion (8) – the Convener and Councillors Dean, Dunbar, Farquharson, McCaig, Malone, Noble and John West; for the amendment (3) – Councillors Cassie, Crockett and Graham; absent from the division (3) – the Vice Convener and Councillors Laing and John Stewart.

The Committee resolved:-

to adopt the terms of the motion.

- **COUNCILLOR KEVIN STEWART, Convener.**