

## FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 10 December, 2009. - minute of meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor Kevin Stewart, Convener; Councillor Fletcher, Vice Convener; and Councillors Cassie, Cormack, Crockett, Corall, (substitute for Councillor Dean from article 5), Dean (until article 5), Dunbar, Farquharson, Graham (until article 5), Greig (substitute for Councillor Yuill), Kiddie, Laing, Leslie, McCaig, John West and Young (substitute for Councillor Graham from article 5)

### MINUTE OF PREVIOUS MEETING

1. The Committee had before it the minute of its previous meeting of 12 November, 2009.

#### The Committee resolved:-

to approve the minute as a correct record.

### COMMITTEE BUSINESS STATEMENT

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

#### The Committee resolved:-

- (i) to remove items 1 (Westburn House and Westburn Park – Westburn Road), 4 (Granitehill Road premises), 6 (School Transport Contracts), 9 (Queens Links Outdoor Centre), 10 (Causewayend School and Lodge), 11 (Actual Variance – Employer Contribution Rate), 13 (Physiotherapy Service), 14 (Tillydrone Sites), 20 (Behavioural Impact Training – Tender Outcome and Award of Contract), 21 (Property Sales Investigation – Follow Up Report) and 22 (Anti Poverty Strategy);
- (ii) to note that a report would be submitted at its next meeting on item 7 (Corporate Asset Management Plan); and
- (iii) to otherwise note the updates contained within the business statement.

### MOTIONS LIST

3. The Committee had before it the outstanding motions list as prepared by the Head of Democratic Services.

#### The Committee resolved:-

- (i) to delete item 1 (Motion by Councillor Milne – Eric Hendrie Park) from the list; and

- (ii) to note that a report would be submitted in relation to item 2 of the list (Motion by Councillor Jennifer Stewart – Garden Areas for Terraced Dwellings in Hazlehead Area) in March 2010.

### **MATTER OF URGENCY**

**The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 that an additional report by the Chief Executive be considered as a matter of urgency as it addressed the budgetary implications of the Chief Officers' Pay Award.**

### **DECLARATION OF INTEREST**

**The Convener declared an interest in the following item of business by virtue of his position as chair of NESTRANS, but did not consider it necessary to withdraw from the meeting.**

### **FINANCIAL STRATEGY REVENUE BUDGET 2010/11**

**4.** The Committee had before it a report by the City Chamberlain which advised members of the projected base budget position for 2010/11 based on information provided by Services in relation to known budget movements, and provided details of growth pressures and proposals for savings.

The report summarised the 2010/11 General Revenue Fund Budget, advised on current projected spend, outlined the position with regard to the different funding streams the Council had available to it and provided the abridged savings proposals put forward by Services. Reference was also made to the implications for public sector funding due to the economic downturn, and the likely effect on future service delivery.

Appended to the report was an overview of the Council's net expenditure, a table summarising growth by Service that had not been included in the 2010/11 base budget, and an outline of the savings and efficiencies now proposed by Services. A detailed breakdown of these proposals had also been published prior to the meeting.

#### **The report recommended:-**

that the Committee

- (i) considers the content of the report; and makes recommendations to the meeting of Council of 16 December, 2009 in regard to a package of savings and efficiency options from those outlined, to achieve a balanced budget taking account of any growth and feedback from consultation; and
- (ii) gives further guidance to Directors on further changes to be explored over the coming weeks in order to identify further possible savings required to achieve a balanced budget.

The Chief Executive circulated an additional report which advised that provision had been included in the Revenue Budget to meet nationally agreed pay awards for teachers of 2.4% (amounting to £3.5m) and for Chief Officials of 2.5% (£67,000). For all other categories of staff there were no nationally agreed pay awards, although the trades unions had requested a 3% pay increase or £600, whichever was greater, for all remaining staff. The report reminded members that the recruitment process for the appointment of second tier officers was currently underway, and that these posts would be remunerated at a higher rate than the current second tier officers, to reflect their new roles and responsibilities.

**This report recommended:-**

that Chief Officials be requested not to accept the nationally agreed pay award; and that therefore no pay award would be applied for 2010/11 if this were agreed to.

The Chief Executive confirmed that both she and the Directors had agreed to decline the pay award for 2010/11.

At this point the Committee were circulated proposals from (1) the Administration, and (2) the Conservative members and Councillor Boulton for the Revenue Budget 2010/11. Arising from this, discussion took place as to whether the Council could choose to withdraw from NESTRANS, or withdraw funding from the SDPA (as proposed in the papers by the Conservative members and Councillor Boulton). The Committee were advised by the City Solicitor that the Council could not withdraw from NESTRANS without breaching statute. The Director of Enterprise, Planning and Infrastructure further advised that membership of the SDPA was a legal requirement. Councillor Farquharson stated that he would proceed on the basis that funding to these bodies could be reduced.

The Convener, seconded by Councillor Cormack moved:-

that the Committee approve the recommendation in the Chief Executive's report and recommend the following proposals to the Council meeting of 16 December, 2009, for approval, in order to balance the 2010/11 Revenue Budget:-

Ref No.	Title of Service Change	2010/11	2010/11	
		£'000	FTE	Head
<b>COUNCIL EXPENSES</b>				
CX1	Various Administration Costs	(20)	0.0	0.0
	<b>TOTAL</b>	<b>(20)</b>	<b>0.0</b>	<b>0.0</b>
<b>OFFICE OF CHIEF EXECUTIVE</b>				
OCE4	Reduction in expenditure Election Unit	(27)	0.0	0.0
OCE1	Reduction in Clerical Assistant/ WPO post	(9)	(0.5)	(1.0)
OCE2	Remove Chief Public Affairs Officer post	(75)	(1.0)	(1.0)
OCE5	Remove Chief Officials Pay Award	(67)	0.0	0.0
	<b>TOTAL</b>	<b>(178)</b>	<b>(1.5)</b>	<b>(2.0)</b>

Ref No.	Title of Service Change	2010/11	2010/11	
		£'000	FTE	Head
<b>CORPORATE GOVERNANCE</b>				
CG5	Deletion of Clerical Assistant post (vacant) (G27130)	(20)	(1.0)	(1.0)
CG6	33% reduction in training budget (G27130)	(2)	0.0	0.0
CG50	50% reduction in hardware budget (G27130)	(2)	0.0	0.0
CG51	50% reduction in hardware budget (G51123)	(2)	0.0	0.0
CG52	20% reduction in courses (F11061)	(1)	0.0	0.0
CG53	40% reduction in travel (F11061)	(2)	0.0	0.0
CG54	Removal of Audit Fee (F11061)	(2)	0.0	0.0
CG7	Vacant posts - not filled	(98)	(4.0)	(4.0)
CG8	Overtime reduction	(10)	0.0	0.0
CG9	Corporate Training Budget	(80)	0.0	0.0
CG10	Misc Savings	(58)	0.0	0.0
CG11	Deletion of Team Manager - P & RM following VS	(41)	(1.0)	(1.0)
CG12	Removal of one Project Leader - currently vacant	(31)	(1.0)	(1.0)
CG14	Payroll - Postage Savings	(2)	0.0	0.0
CG15	Annual review of renewal costs of insurance premiums	(40)	0.0	0.0
CG16	Strain on the Superannuation Fund	(77)	0.0	0.0
CG17	AECC Swap Agreement	(100)	0.0	0.0
CG18	Removal of WPO Supervisor post	(25)	(2.0)	(2.0)
CG19	Change post from Committee Officer to Assistant	(13)	0.0	0.0
CG20	Efficiency savings	(15)	0.0	0.0
CG21	Efficiency savings (Various)	(10)	(1.0)	(1.0)
CG22	Change post of Senior Solicitor to Solicitor (Licensing)	(9)	0.0	0.0
CG23	Disestablishment of vacant Area Officer	(22)	(2.0)	(2.0)
CG24	Disestablishment of 2 WPO posts	(36)	(2.0)	(2.0)
CG25	Efficiency savings (Various)	(77)	0.0	0.0
CG26	Automated Bank Reconciliation	(22)	(1.0)	(1.0)
CG27	Reduction in Training budget	(5)	0.0	0.0
CG28	Efficiency savings (Various)	(16)	0.0	0.0
CG29	Review of staffing requirements - payroll	(33)	(1.5)	(2.0)
CG30	RCC Admin Budget	(5)	0.0	0.0
CG31	Accord Admin Budget	(8)	0.0	0.0
CG32	Electronic Transfer of data	(22)	0.0	0.0
CG33	Electronic billing and merging of documentation	(2)	0.0	0.0
CG34	Removal of staffing assistant post	(19)	(1.0)	(1.0)
CG35	Strain on the Superannuation Fund	(16)	0.0	0.0
CG36	Deletion of clerical assistant post	(20)	(1.0)	(1.0)
CG38	Public Notices - Advertising Traffic Orders	(70)	0.0	0.0
CG39	Backup Software Support - reduced annual costs	(30)	0.0	0.0
CG40	Core Network Support Costs - reduced annual support	(9)	0.0	0.0
CG41	Core Hardware Support Costs- consolidation of servers	(25)	0.0	0.0

Ref No.	Title of Service Change	2010/11	2010/11	
		£'000	FTE	Head
CG42	Reduction in Misc Software - reduction in required spend	(15)	0.0	0.0
CG43	Fixed Line costs - review of BT and THUS fixed lines	(40)	0.0	0.0
CG45	Project Support Officer Post	(22)	0.0	0.0
CG46	Procurement	(1,178)	0.0	0.0
CG47	Corporate Recruitment Advertising	(50)	0.0	0.0
CGI3	Scottish Water/Benefit funding	(122)	0.0	0.0
CGI4	Insurance Team Commission for Arms length organisation	(6)	0.0	0.0
CGR1	Restructure of 3rd tier Management	(58)	(1.0)	(1.0)
CGR2	Remove one part time Change Manager post.	(24)	(0.7)	(1.0)
CGR3	Review of 4th tier management	(170)	(4.0)	(4.0)
CGR4	Reduction in number of ICT analysts.	(89)	(3.0)	(3.0)
CGR5	Deletion of Posts	(148)	(4.0)	(4.0)
CGR6	24x7x365 Service Delivery Model	(83)	0.0	0.0
CP1	Strategist Central Proposals	(19)	0.0	0.0
CP2	Strategist North	(4)	0.0	0.0
CP4	Women's Centre/Grant payments to projects	(8)	0.0	0.0
CP5	Detached and Citywide Youth Work	(9)	0.0	0.0
CP6	Head of Community Planning and Regeneration	(5)	0.0	0.0
CP7	Directorate	(26)	(1.0)	(1.0)
CGX1	Backfilling of Posts	(154)	0.0	0.0
CGX2	Corporate Strain on the Fund	(500)	0.0	0.0
CG37	Prison Visiting Committee	(4)	0.0	0.0
	<b>TOTAL</b>	<b>(3,811)</b>	<b>(32.2)</b>	<b>(33.0)</b>
<b>ENTERPRISE, PLANNING AND INFRASTRUCTURE</b>				
CCM1	Marketing General	(2)	0.0	0.0
CCM2	Graphic Design	(2)	0.0	0.0
CCM3	Graphic Design Unit	(6)	0.0	0.0
CCM4	Hogmanay	(100)	0.0	0.0
CCM5	Summerhill Graphics Unit	(35)	(1.0)	(1.0)
CCM6	Waste Marketing	(12)	0.0	0.0
EES1	Reduce Visit Scotland Funding	(8)	0.0	0.0
EES2	Reduce ACSEF Funding	(11)	0.0	0.0
EES3	Reduce AREG Funding	(50)	0.0	0.0
EES4	Reduce Convention Bureau Funding	(11)	0.0	0.0
EES5	Remove Energy Futures Centre Funding	(89)	0.0	0.0
EES6	Water savings	30	0.0	0.0
EPIOS1	Operational support	(75)	(1.5)	(2.0)
F1B	Reduce Park and Ride Operation	(100)	(4.0)	(4.0)
F2	Reduction In Post Room Staff	(30)	(1.5)	(2.0)
F3	Reduction in Administration Team	(30)	(1.5)	(2.0)
F4B	Reduction in Facilities Supervisors	(60)	(2.0)	(2.0)

Ref No.	Title of Service Change	2010/11	2010/11	
		£'000	FTE	Head
F5B	School Crossing - Reduce Manned Points	(90)	(5.0)	(12.0)
F6	Closure Of Summerhill	(180)	N/A	N/A
F7	Facilities Structure	(87)	N/A	N/A
F8B	Catering Service Review	tbc	tbc	tbc
PI1	E-planning Project Manager	(24)	(0.5)	(1.0)
PI2	E-planning Project Co-ordinator	(23)	(1.0)	(1.0)
PI3	Planner - Development Management	(13)	(0.4)	(1.0)
PI4	Freezing Senior Building Standards Officer	(44)	(1.0)	(1.0)
PI5	Planner - Development Plan and Access	(39)	(1.0)	(1.0)
PI6	Planner - Infrastructure Programmes	(39)	(1.0)	(1.0)
PI7	Planning Trainee - Infrastructure Programmes	(26)	(1.0)	(1.0)
PI8B	Freezing Planner Post for one year	(39)	(1.0)	(1.0)
PI9B	Senior - Strategic Programmes	(49)	(1.0)	(1.0)
PI10C	Freeze Trainee Planner Post	(26)	(1.0)	(1.0)
PI11C	Freeze Trainee Building Standards	(26)	(1.0)	(1.0)
PI12C	Freeze Building Standards Officer Post	(39)	(1.0)	(1.0)
R1	Street Lighting Electricity Costs	(450)	0.0	0.0
R2B	Dealing with Public Enquiries/Complaints	(30)	(1.0)	(1.0)
R3B	Winter Maintenance	(15)	0.0	0.0
R4	Taxicard	(10)	0.0	0.0
R5	Charges for TROs for New Developments	(10)	0.0	0.0
R6B	RTPI System	(80)	0.0	0.0
R7	Roads/Transport Structure	(35)	(1.0)	(1.0)
R8C	Road Staff Reductions (1)	(250)	(8.0)	(8.0)
R10B	16-18 Concession	(8)	0.0	0.0
R12B	Abandon Taxi Card Scheme	(130)	0.0	0.0
R13B	ITS Maintenance Contract	(20)	0.0	0.0
R14B	Blue/Green Badge Scheme	(50)	0.0	0.0
CG1	Removal of Senior Estates Surveyor post	(45)	(1.0)	(1.0)
CG2	Reduction in term consultancy	(250)	0.0	0.0
CG3	Removal of Senior Building inspector post	(30)	(1.0)	(1.0)
CG4	Removal of Principal Architect post	(55)	(1.0)	(1.0)
	<b>TOTAL</b>	<b>(2,803)</b>	<b>(40.4)</b>	<b>(50.0)</b>
<b>HOUSING AND ENVIRONMENT</b>				
HSG1	Central (Point)	(13)	(0.5)	(1.0)
HSG2	Housing Repairs	(115)	(3.0)	(3.0)
HSG3	Non Housing Repairs	(42)	(1.0)	(1.0)
HSG4	Sales and Consent	(31)	(1.0)	(1.0)
HSG5	Reduced Commissioning of homelessness services	(122)	0.0	0.0
HSG6	Community Safety	(34)	0.0	0.0
HSG7	Police Posts	(117)	0.0	0.0
HSG8	Transport Marshals	(20)	0.0	0.0
HSG9	Deletion of 3rd tier Community Safety Manager	(55)	(1.0)	(1.0)

Ref No.	Title of Service Change	2010/11	2010/11	
		£'000	FTE	Head
HSG10	Clinterty	(6)	0.0	0.0
HSG11	Review of Supporting People	(182)	0.0	0.0
HSG12	Sacro Mediation Service - Non Council Tenant	(5)	0.0	0.0
HSG13	Neighbourhood Watch Co-ordinator	(7)	0.0	0.0
HSG14	Small Grants Budget	(0.5)	0.0	0.0
HSG15	Neighbourhood Budget	(5)	0.0	0.0
HSG16	The Point - St Nicholas House	(22)	(1.0)	(1.0)
ENV1	Use of Agency Staff	(33)	(35.0)	(60.0)
ENV2	Depot Consolidation	(40)	0.0	0.0
ENV6	Reduced running costs of replacement cremators	(80)	0.0	0.0
ENV3	Increase income from Ranger Service	(5)	0.0	0.0
ENV4	Increase Crematorium Charges	(90)	0.0	0.0
ENV8	Roundabout & Green space Sponsorship	(150)	0.0	0.0
ENV13	Laboratory of the Public Analyst	(27)	0.0	0.0
ENV24	Landlord Registration Fees	(96)	0.0	0.0
ENV25	Contract Monitoring to Sports Trust	(15)	0.0	0.0
ENV28	Sale of Surplus Vehicles	(27)	0.0	0.0
ENV29	Shared Trading Standards Service	(20)	(0.5)	(1.0)
W2	Trade Waste Collection	(40)	0.0	0.0
W3	Special Waste Collection Charges	(22)	0.0	0.0
DIR1	Operational support	(151)	0.0	0.0
DIR2	Vacancy Management	(242)	0.0	0.0
ENV5	Reduction to In Bloom Campaigns	(25)	0.0	0.0
ENV7	Review of Environmental Services	(150)	(2.5)	(5.0)
ENV9	Stop annual winter bedding	0	0.0	0.0
ENV10	Saving to staff structure	(32)	(1.0)	(1.0)
ENV11	General Cost Reductions	(15)	0.0	0.0
ENV12	Professional trainee and support post cuts	(20)	(1.0)	(1.0)
ENV14	Laboratory of the Public Analyst	(16)	0.0	0.0
ENV15	Pest Control Materials	(10)	0.0	0.0
ENV16	Environmental Protection Transport Savings	(5)	0.0	0.0
ENV17	Duthie Park Store	(20)	(1.0)	(1.0)
ENV18	Non Statutory post Cuts	(30)	(1.0)	(1.0)
ENV19	Lead Environmental Manager	(68)	(1.0)	(1.0)
ENV21	Reduce Parks Maintenance	(80)	(1.5)	(3.0)
ENV26	Market Testing - Grounds Service	(393)	(20.0)	(20.0)
ENV27	Market Testing of Street Sweeping	(78)	0.0	0.0
ENV30	Review of Environmental Health/Protection Service	(10)	(1.0)	(1.0)
ENV31	Sheltered Placement	(8)	(4.0)	(4.0)
W1	Waste Implementation Team Structure	(65)	(3.0)	(3.0)
W4	Market Testing of Waste	tbc	tbc	tbc
W5	Waste Marketing	(70)	0.0	0.0
	<b>TOTAL</b>	<b>(2,910)</b>	<b>(80.0)</b>	<b>(110.0)</b>

Ref No.	Title of Service Change	2010/11	2010/11	
		£'000	FTE	Head
<b>EDUCATION, CULTURE AND SPORT</b>				
C01	Catering	(24)	0.0	0.0
C02	Reduction in central support/management posts	(145)	(4.0)	(4.0)
C03	Reduction in CLD Team Leader/Development posts	(68)	(1.5)	(2.0)
C04	Reduction in CLD Senior Community Worker Posts	(37)	(1.0)	(1.0)
C05	Reduction in Community Training Unit Budget	(30)	0.0	0.0
C06	Reduction in CLD Training and Development Funding	(80)	0.0	0.0
C07	Arts Development Team	(23)	(1.0)	(1.0)
C08	Sports & Culture Grants	(191)	0.0	0.0
C09	5% Reduction in funding for Sport Aberdeen	(500)	0.0	0.0
C10b	Museum and Gallery Staffing Reductions	(62)	(2.5)	(4.0)
C11	5% Reduction in grants to Community Projects	(33)	0.0	0.0
C12	Reduction in budgets for leased community centres	(29)	0.0	0.0
C13	8.75% reduction in Neighbourhood Planning budget	(40)	0.0	0.0
C14a	Library Service - Reduction in library posts	(122)	(4.5)	(6.0)
C14b	Library Service Charges	(20)	0.0	0.0
C15a	Citymoves	(14)	0.0	0.0
C15b	Arts Education	(11)	0.0	0.0
C16	Tribal Electronic Strategic Planning	(17)	0.0	0.0
C17	Admin Support Integrated Children's Service	(15)	0.0	0.0
C18	Integrated Children's Service Development Budget	(17)	0.0	0.0
C20	5% Reduction in gross budget for Adventure Aberdeen	(20)	(1.0)	(1.0)
C21	Reduction in Clerical Post	(24)	(1.0)	(1.0)
C22	Station House Media Unit	(50)	0.0	0.0
C23	Linkfield Swimming Pool	(125)	tba	(10.0)
L01	Schools - Teaching	(2,225)	(83.5)	(83.5)
L02a	Secondary Schools Technical Support	(197)	(5.9)	(5.9)
L02b	Secondary Schools Admin/Clerical	(218)	(11.0)	(11.0)
L03	Non-statutory	(535)	(6.5)	(6.5)
L04	ICT- Glow/European/Resources	(20)	0.0	0.0
L05	Facilities - Education	(750)	0.0	0.0
L06	School Transport	(125)	0.0	0.0
L07	Continuing Professional Development Learning	(75)	0.0	0.0
L08	Staffing adjustments due to school roll reductions	(211)	(9.2)	(9.2)
L12	Additional Support Needs	(1,552)	(5.0)	(7.0)
L13	Early Years, Early Intervention	(145)	0.0	0.0
DS01	Directorate and Support Costs	(164)	(6.0)	(6.0)
DS02	Operational Support	(647)	(12.0)	(12.0)
	<b>TOTAL</b>	<b>(8,560)</b>	<b>(155.6)</b>	<b>(171.1)</b>



Ref No.	Title of Service Change	2010/11	2010/11	
		£'000	FTE	Head
<b>SOCIAL CARE AND WELLBEING</b>				
SCW-ML01	Tendering for Services	(125)	tbc	tbc
SCW-ML02	Redesign of training team	(150)	(3.0)	(3.0)
SCW-ML03	Apply eligibility criteria across all Supporting People Services	(300)	0.0	0.0
SCW-ML06	Increase all charges in day care	(45)	0.0	0.0
SCW-ML07	Review of role of Community Placement Team	(100)	(9.0)	(10.0)
SCW-ML08	Tendering for Garden Crafts Products	(37)	tbc	tbc
SCW-ML09	Redesign of Contract and Commissioning Functions	(130)	(3.0)	tbc
SCW-LT02	Recommission Mental Health Day Care Unit	(150)	0.0	0.0
SCW-LT03	Close residential care home	(200)	(13.0)	(13.0)
SCW-LT05	Close OP day care unit	(210)	(3.0)	(6.0)
SCW-LT06	Restructuring of Adults Services	(60)	(1.0)	(1.0)
SCW-LT07	Vacancy Management	(800)	0.0	0.0
SCW-LT08	Review role of hospital teams	(150)	(4.0)	(4.0)
SCW-LT09	Restructuring of Care Management	(150)	(3.0)	(3.0)
SCW-SD01	Decommission Service from Primrosehill Family Centre	(80)	0.0	0.0
SCW-SD03	Increase capacity within residential children's homes	(100)	0.0	0.0
SCW-ML10	Redesign of delivering self-directed care	(100)	(3.0)	0.0
SCW-ML11	Move to a single sensory service	(100)	0.0	0.0
SCW-ML12	Remove the grants payment in support of Talking Books	(13)	0.0	0.0
SCW-LT14	Reduce staffing levels in Care at Home Service	(160)	(5.0)	(5.0)
SCW-ML15	LD establishments staff restructure	(100)	0.0	0.0
SCW-LT11	Close LD Residential Establishment	(200)	(9.0)	(9.0)
SCW-LT13	Integrate Community Learning Disability with Adult Care	(50)	(1.0)	(1.0)
SCW-LT15 & 24	Horizons - reduce staffing levels	(280)	(7.0)	(7.0)
SCW-LT19	Restructure OP residential staff	(100)	0.0	0.0
SCW-SD04	Reduction of Senior Social Worker post in Children's services	(50)	(1.0)	(1.0)
SCW-SD05	Reduction in Changing Children's Services Fund	(100)	0.0	0.0
SCW-FMcB01	Reduction in Strategist Posts	(240)	(5.0)	(4.0)
SCW-FMcB03	Maximising income	(50)	0.0	0.0
SCW-FMcB05	Reduction in Administrative Support	(37)	tbc	tbc
F7-Facilities	Facilities Structure	(58)	tbc	tbc
SCW-LT16	Community Care Review team	(300)	(6.0)	(9.0)
SCW-FMcB04	Realign structure	(63)	(1.0)	(1.0)
	<b>TOTAL</b>	<b>(4,788)</b>	<b>(77.0)</b>	<b>(77.0)</b>
	<b>Overall Total</b>	<b>(23,070)</b>	<b>(386.7)</b>	<b>(443.1)</b>

**ITEMS DEFERRED FOR A FURTHER REPORT**

		2010/11	2010/11	
<b>Enterprise, Planning and Infrastructure</b>		<b>£'000</b>	<b>FTE</b>	<b>Head</b>
R11B	Supported Bus Services	(80)	0	0
<b>Education, Culture and Sport</b>				
C19	Community Learning Hubs	(100)	(4.0)	(11.0)
L09a	Learning Estate Primary	(193)	(7)	(10)
L09b	Learning Estate Secondary	(295)	(10)	(10)
<b>Social Care and Wellbeing</b>				
SCW-ML13	Voluntary Organisations Grants	(300)	-	-
SCW-LT04	Welfare Rights Team	(180)	(10)	(10)
		<b>(1,148)</b>	<b>(31)</b>	<b>(41)</b>
SCW-LT02	Recommission Mental Health Day Care Unit			
	Saving accepted but a further report is required.			

**ITEMS TO BE REMOVED FROM PROPOSALS**

		2010/11	2010/11	
<b>Housing and Environment</b>		<b>£'000</b>	<b>FTE</b>	<b>Head</b>
HSG17	Introduction of charging - Care Coordinators	(58)	0	0
ENV20	Winter Gardens Entry Fee	(160)	0	0
ENV22	Closing of Pets Corner	(30)	(3.00)	(3.00)
ENV23	Reduce Cemetery Maintenance	(20)	(1.00)	(1.00)
<b>Education, Culture and Sport</b>				
C10a	Close Tolbooth	(15)	0.0	0.0
C10c	Close Provost Skene's House	(83)	(7.0)	(8.0)
<b>Enterprise, Planning and Infrastructure</b>				
EES7B	Remove AREG Financial Support	(200)	0	0
R9B	Road Staff Reductions (2)	(110)	(4)	(4)
<b>Social Care and Wellbeing</b>		<b>£'000</b>	<b>FTE</b>	<b>Head</b>
SCW-LT10	Close an OP residential Home	(525)	(25)	(25)
SCW-ML14	Reduce Carers Strategy Funding budget	(250)	-	-
SCW-ML04	Implement Charging Policy for Children's Services	(20)	0	0
SCW-ML16	Reduce staffing in MH, LD and Drugs & Alcohol teams	(160)	(4)	(4)
SCW-LT18	10% reduction in LD Change Fund	(20)		
SCW-LT20	Reduce Duty Team by one post	(40)	(1)	(1)
SCW-LT21	Restructure OT service	(50)	(1)	(1)
SCW-LT23	Reduce OOH team by 1 post	(40)	(1)	(1)
SCW-SD07	Close Family Centre	(80)	n/a	n/a

		2010/11	2010/11	
		(1,861)	(47)	(48)

Councillor Farquharson, seconded by Councillor McCaig moved as an amendment:-  
that the Committee recommend the following proposals to the Council meeting  
of 16 December, 2009, for approval, in order to balance the 2010/11 Revenue  
Budget:-

**OFFICER/ADMINISTRATION COST REDUCTIONS REJECTED BY  
CONSERVATIVE AND INDEPENDENT**

<u>Department</u>	<u>Code</u>	<u>Activity</u>	<u>Consequential Cost Increase</u>
Corporate Governance	CP1-7	Community Planning	£71,000
Enterprise, Planning and Infrastructure	EES3	AREG Funding	£50,000
Enterprise Planning and Infrastructure	R3B	Winter Maintenance	£15,000
Housing and Environment	HSG7	Police Posts	£117,000
Housing and Environment	HSG8	Transport Marshal	£20,000
Housing and Environment	W3	Special Waste Collections	£22,000
Education, Culture and Sport	C11	50% Reduction in Grants	£33,000
Education, Culture and Sport	C19	Community Learning Hubs	£100,000
Education, Culture and Sport	L01	Schools - Teaching	£500,000
Education, Culture and Sport	L09a	Learning Estate Primary	£193,000
Social Care and Wellbeing	LT10	Closure of OP Residential Home	£525,000
Social Care and Wellbeing	LT20	Duty Team	£40,000
Social Care and Wellbeing	LT23	Out of Hours Team	£40,000
		<b>TOTAL</b>	<b>£1,726,000</b>

**COMPENSATORY REDUCTIONS SUGGESTED TO BALANCE BUDGET**

<u>Department</u>	<u>Code</u>	<u>Activity</u>	<u>Added Value of Saving</u>
Corporate governance	CP1-7	Community Planning	£171,000
Enterprise, Planning and Infrastructure	EES3	AREG Funding	£100,000
Enterprise, Planning and Infrastructure		S.D.P.A. Funding	£175,000
Enterprise Planning and Infrastructure	CP1/CP2		
Enterprise Planning and Infrastructure	NESTRANS	Abolish NESTRANS and merge City and Shire Roads	£151,000
Education, Culture and Sport	C11	10% Reduction in Grants	£66,000
Education, Culture and Sport	C19	Community Learning Hubs	£150,000
ACC Salaries/Benefits	ALL	Voluntary Reduction in Hours £220m x 20% x 10%	£4,400,000
		<b>TOTAL</b>	<b>£5,213,000</b>

**REJECTED GROWTH ITEMS**

Education, Culture and Sport	G01	Limit School Meals to Needy	£1,000,000
Education, Culture and Sport	G07	Delay Class Sizes until Statutory	£2,000,000
<b>TOTAL</b>			<b>£3,000,000</b>

Councillor Crockett, seconded by Councillor Graham moved as a further amendment:-

that the Committee agrees that proposals for budgetary consideration should be presented to Service committees in the first instance, with a report being brought back to Council thereafter.

On a division between the two amendments, there voted:- for the amendment by Councillor Farquharson (11) – the Convener; the Vice Convener; and Councillors Cormack, Dean, Dunbar, Farquharson, Greig, Kiddie, Leslie, McCaig and John West; for the amendment by Councillor Crockett (3) – Councillors Crockett, Graham and Laing; declined to vote (1) – Councillor Cassie.

On a division between the motion and the successful amendment by Councillor Farquharson, there voted:- for the motion (11) – the Convener; the Vice Convener; and Councillors Cassie, Cormack, Dean, Dunbar, Greig, Kiddie, Leslie, McCaig and John West; for the amendment (1) – Councillor Farquharson; declined to vote (3) – Councillors Crockett, Graham and Laing.

**The Committee resolved:-**

- (i) to adopt the successful motion;
- (ii) to instruct that a report be submitted to the relevant committee on the proposal for voluntary reduction in hours; and
- (iii) in respect of non statutory education matters (1) to note that there would be a 20% reduction in the budget for nutrition; and (2) to instruct that a report be submitted to the relevant committee on the music teaching service and the balance of income generation in relation to these items.

**2009/10 REVENUE BUDGET MONITORING – CORPORATE GOVERNANCE SERVICE – CG/09/154**

5. With reference to article 9 of the minute of its previous meeting, the Committee had before it a joint report by the City Chamberlain and the Director of Corporate Governance which provided information on the 2009/10 Corporate Governance Service Budget and current year Revenue Budget performance to date; and advised of areas of risk, and management action that should be taken in this regard.

The report advised that, overall , there had been a net saving of £446,000, or 1.7%, across an overall current aligned budget of £26.720 million, which reflected a favourable movement of £155,000 since the last report. The report continued that in broad terms, the net projected saving, comparing outturn to budget, reflected a favourable variance of £915,000 on projected staffing savings across the Service.

The report further continued that this was offset by a prudent assessment of recoverable costs and recharges to the Housing Revenue Account and the General Services Capital Programme, in respect of conveyancing work based on the level of recharge last year, and the downturn in activity in the current year for capital receipts.

Appended to the report was the Service report and associated notes.

**The Committee resolved:-**

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

**CAPITAL BUDGET PROGRESS REPORT – CORPORATE GOVERNANCE SERVICE – CG/09/153**

6. With reference to article 10 of the minute of its previous meeting, the Committee had before it a joint report by the City Chamberlain and the Director of Corporate Governance which provided an update on the progress being made with regard to the various projects within the Non Housing Capital Programme, previously approved by Council, which were current aligned to the Corporate Governance Service.

Appendix A to the report contained a table that outlined the Non Housing Capital Programme projects aligned to the Corporate Governance Service and detailed (1) the total approved project costs (from 2009/10 for rolling projects); (2) previous years' project spend; (3) total budget for 2009/10; (4) spend as at 31 October, 2009; (5) commitments for 2009/10; (6) forecast outturn for 2009/10; (7) future years' budget profiles for 2010/2011, 2011/12 and 2012/13; (8) the total forecast costs; and (9) project forecast variance. Comments on particular projects were included in the narrative.

**The Committee resolved:-**

to note the content of the report in relation to the projects outlined at appendix A.

**ANTI POVERTY STRATEGY – CG/09/143**

7. With reference to the minute of meeting of the Corporate Policy and Performance Committee of 10 September, 2009, (article 9 refers) the Committee had before it a report by the Director of Corporate Governance which sought comments on the Council's draft strategy "Achieving Our Potential, Tackling Poverty and Income Equality in Aberdeen City", and provided an update on the practical measures being adopted by the Corporate Governance Service in supporting the strategy.

The report advised that the Corporate Governance Service had a key role in supporting the aims of the draft Anti Poverty Strategy through (1) benefits administration, primarily Council Tax and Housing Benefit; (2) its approach to

collecting income; (3) business rates administration; (4) the administration of the Accord Scheme and national entitlement card; (5) HR policies; and (6) Community Planning and Regeneration; and provided a detailed outline of each of these Services, and how they supported the aims of the strategy.

Appended to the report were (a) the report submitted to the Corporate Policy and Performance Committee of 10 September, 2009; (b) the draft strategy; and (c) a list of the Fairer Scotland initiatives for 2009/10.

Further to discussion, the Convener, seconded by Councillor Kiddie moved:-  
that the Committee supports the draft strategy in principle.

Councillor Young, seconded by Councillor Laing moved as an amendment:-  
that in light of the budget cuts, officers redraft the strategy further to the budget being agreed, to reflect the up to date position.

On a division, there voted:- for the motion (11) – the Convener; the Vice Convener; and Councillors Cormack, Corall, Dunbar, Farquharson, Greig, Kiddie, Leslie, McCaig and John West; for the amendment (3) – Councillor Crockett, Laing and Young; declined to vote (1) – Councillor Cassie.

**The Committee resolved:-**

- (i) to adopt the successful motion; and
- (ii) to note the measures being adopted by the Corporate Governance Service seeking to support the aims of the strategy.

**TIED HOUSING – CG/09/165**

8. With reference to article 5 of the minute of meeting of the Audit and Risk Committee of 8 September, 2009, the Committee had before it a report by the Director of Corporate Governance which advised that there were two tied houses in existence relating to the Corporate Governance Service, both of which were located above area offices, (1) at 21 Inverurie Road, Bucksburn; and (2) at 102 North Deeside Road, Peterculter.

The report explained that the flat above the Bucksburn area office had been vacant since April 2000, and had not been sold separately because of access and security difficulties, due to it being incorporated within the building; and the property above the office at 102 North Deeside Road had been tenanted since February 1994 by the Area Officer/Registrar.

**The Committee resolved:-**

- (i) to note that there were two tied houses in existence relating to the Corporate Governance service, and to instruct that these be included in the Corporate Register; and
- (ii) to remind Directors that reports on tied housing required to be submitted to all Service Committees as soon as possible.

## **UNION STREET – WIRE ROPE SUPPORT SYSTEM FOR BANNERS (EPI/09/078)**

9. The Committee had under consideration, upon a remit from the Enterprise, Planning and Infrastructure Committee (article 12 of the minute of meeting of 26 November 2009 refers), the matter of the funding required in relation to necessary improvements to, and the continuing monitoring of the wire rope support systems attached to the façade of buildings fronting Union Street, and used in connection with the display of banners and also festive displays. The report prepared by the Director of Enterprise, Planning and Infrastructure which was before the Service Committee was also before this Committee, as was a copy of the relevant article.

The report before members indicated that the estimated capital funding for the improvements required was £70,000, added to which may be any legal costs incurred. The annual revenue implications were stated as being an estimated £1,500 for inspection and monitoring costs; and an estimated £5,000 (from year 5 onwards) in respect of a rolling programme of fixings and rope renewal.

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

that the capital and revenue expenditure identified within the report, be approved.

## **TRADE WASTE CHARGING MECHANISMS**

10. The Committee had under consideration, upon a remit from the Housing and Environment Committee (article 12 of the minute of meeting of 19 November, 2009 refers) a report by the Director of Housing and Environment which sought approval (1) for the levying of increased charges in respect of the collection of residual commercial waste, as detailed within the report; and (2) to freeze the charges for commercial recycling collections at present levels, in order to encourage businesses to recycle more of their waste and not to review the current charging regime until the financial year 2011/12.

The report which was before the Housing and Environment Committee was again circulated to members of this Committee and contained the reasons for the recommendations put forward and agreed to by the Housing and Environment Committee.

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

that subject to an amendment whereby the increased charges for trade waste collections be phased in over the period January to April 2010 (ie the increases identified for July 2010 and April 2011 be brought in on April 2010), the report recommendations accepted by the Housing and Environment Committee be approved.

## **DECLARATION OF INTEREST**

**Councillor Crockett declared an interesting the subject matter of the following article to the extent that he had recently given a talk to the Foster Care Associates for which he may raise an invoice.**

## **INTENSIVE COMMUNITY SUPPORT AND LEARNING SERVICE – SPEND TO SAVE INVESTMENT (SCW/09/036)**

11. The Committee had under consideration, upon a remit from the Social Care and Wellbeing Committee (article 9 of the minute of meeting of 1 December, 2009 refers), the capital and revenue costs involved in the establishment of an Intensive Community Support and Learning Service for young people as a direct alternative to residential care, as a spend to save initiative involving the re-use of the building at 116 Westburn Road, Aberdeen.

The report which was before the Social Care and Wellbeing Committee had also been circulated to the members of this Committee as was a draft of the relevant article from the minute of the meeting of 1 December, 2009. The total revenue costs of the project were stated within the report circulated as being £588,727 for the year, with the likely capital spend (mainly set up costs) being contained to a figure somewhere between £50,000 and £75,000.

The Convener moved, seconded by Councillor Greig:-

that the revenue and capital costs identified for the project outlined within the report and approved by the Social Care and Wellbeing Committee, be agreed.

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

that the revenue and capital costs of the project identified within the report and agreed to by the Social Care and Wellbeing Committee, be sanctioned only after the accuracy of the figures quoted by way of expenditure and savings, have been shown to the satisfaction of the Conveners of the Social Care and Wellbeing and Finance and Resources Committees, to be realistic.

On a division between the motion and the amendment, there voted:- for the motion (11) – The Convener; the Vice Convener; and Councillors Corall, Cormack, Dunbar, Farquharson, Greig, Kiddie, Leslie, McCaig and John West; for the amendment (4) – Councillors Cassie, Crockett, Laing and Young.

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

that the terms of the successful motion be adopted.

## **REVENUE BUDGET 2009/10 – MONITORING REPORT – CG/09/166**

12. With reference to article 14 of the minute of its previous meeting, the Committee had before it a report by the City Chamberlain which detailed the projected outturn and current financial position for the Council for the financial year 2009/10, and advised on areas of risk and management action that had been highlighted by the Directors.

Appendix A to the report provided a summary of the overall Council projected position, as well as supporting schedules in relation to the variances that were currently identifiable for each Service. This illustrated a favourable net position of £1.225 million against the budget, after taking account of savings in corporate budgets and an exceptional one off item to a total value of around £10 million, that



would mitigate operational budget cost pressures that were currently now projected to exceed budget by £8.819 million. There had also been a favourable movement of £1.520 million since the last report to Committee, and the appendix outlined where these movements had occurred.

The report advised that the figures revealed an improvement on the value of the projected cost that had been reported to the last meeting, and that it was welcome that in general terms the adverse variances were shrinking and the favourable variances were increasing. The report highlighted however that pressures on operational budgets remained clearly visible from the figures, specifically (1) in relation to the cost of providing and commissioning Social Care generally; (2) the reduction in the amount of income being received for planning and building application fees; and (3) in the reduction in income being received by the sports centres.

The report outlined that a further area of concern was in relation to the Education Culture and Sports Service, where the excess costs were projected to increase in part due to there being a shortfall in the level of teaching staff savings being achieved within the Service.

The report further advised that the figures outlined reflected progress on achieving approved budget savings of £27 million, which were incorporated into the budget, and also assumed a full commitment at this stage against corporate budgeted contingencies. The report continued that if these contingencies were not required then this would have a positive impact on the overall outturn, which may be in the region of between £0.5 million and £1.5 million at the year end, depending on the circumstances during the final quarter of the year.

The report next addressed the one off and exceptional items within the budget, and explained that in relation to the corporate budget that the Council holds, there were one off opportunities to recover the position in relation to (1) capital financing costs (£6.3 million); and (2) VAT (£3.7 million), but as these would be one off savings it remained important that the Council worked continually to address the financial challenges that it faced in service provision and delivery. A direct result of the overall impact of these favourable variances, it was currently projected that the general fund balance would benefit to the value of £1.25 million, with the reduction in expenditure projected within Service budgets having improved.

The report concluded by detailing the management actions being taken across and within Services currently, to address the unfavourable operational budget positions and outlined these as follows:-

- (a) Vacancy Management (the filling of all vacant posts was being scrutinised and authorised by the Corporate Management Team);
- (b) Reviewing and limiting payments for overtime;
- (c) Reviewing use of agency staff;
- (d) Minimising discretionary expenditure on supplies and services;
- (e) Tightening spend controls across all purchasing decisions;
- (f) The Director for Social Care and Wellbeing would authorise and agree with the Head of Service any admissions for older people, those with learning disabilities and children;
- (g) The Head of Procurement was identifying further opportunities for procurement savings that could be realised in the current year.

With reference to page 164 of the report (Social Care and Wellbeing – Note 5) it was noted that “demand led community care” should have been recorded as “needs led community care”.

**The Committee resolved:-**

- (i) to note the content of the report and the implications of the projected figures on the general fund balance; and
- (ii) to instruct Directors to continue to take cost reduction opportunities during the remainder of the year in order to move the estimated position back in line with the approved budget and continue to report progress through the budget monitoring reports to the Service committees.

**TREASURY MANAGEMENT – ACTIVITY AND POLICY UPDATE – CG/09/151**

**13.** The Committee had before it a report by the City Chamberlain which advised on treasury management activities undertaken to date in 2009/10, and requested that the Council’s policy in regard to reporting suspicions of money laundering be updated.

The report advised that this year’s Loans Pool rate would be significantly lower than previous estimates for the year and previous Loans Pool rates due to a number of factors, namely:- (1) loan rescheduling - fluctuations in gilt prices and the shape of the interest rate yield curve had enabled the Council to repay a £10m Public Works Loans Board loan and then subsequently reborrow over a shorter period, giving the Loans Fund both a one off discount of over £1m, and future year interest savings; (2) temporary loans - unusually low short term borrowing rates on temporary loans (below 0.50%) were providing the Loans Fund with a cheap source of financing; and (3) the Loans Fund would also make significant savings this year on interest payable on reserves and interest on revenue balances, as interest was calculated based on an average of the previously mentioned unusually low short term borrowing rates.

The report continued that at present the estimated Loans Pool rate was at 4.95%, plus 0.05% for expenses. The report however advised that the Council's current funding strategy of cheap short term borrowing would need to change if short term borrowing rates were to rise sharply due to unexpected market events, and that this shift into more expensive, longer term borrowing would adversely affect the Loans Pool rate. The report noted that risk was minimal as analysts were currently advising that the current low interest rate environment was expected to continue for the next six to twelve months. Although year on year reductions to the Loans Pool rate had become the accepted norm, future years’ Loans Pool rate estimates, whilst slightly lower than previous estimates due to interest savings, were still expected to be around 6%. Therefore the rate in 2010/11 would move upwards from what could be achieved this financial year.

The report then explained that Money Laundering Regulations were designed to protect the UK financial system from being used by criminals and terrorists, and that the aim of the regulations was to prevent money or assets that were obtained criminally, being exchanged for money or other assets that were "clean". The Proceeds of Crime Act 2002 had been introduced in February, 2003 which brought together and simplified the previously existing legislation. The Money Laundering

Regulations 2003 had come into force in March, 2004, and these had been superseded in August, 2008 by the Money Laundering Regulations 2007.

The report requested that the Council's policy on Money Laundering be updated, and outlined the responsibilities of the Council under current legislation.

**The Committee resolved:-**

- (i) to note the Treasury Management activities undertaken to date in 2009/10 as detailed within the report; and
- (ii) to agree the adoption of the proposed procedures in regard to the reporting of suspicions of money laundering.

**2009/10 COMMON GOOD BUDGET – MONITORING REPORT UPDATE – CG/09/150**

14. With reference to article 13 of the minute of its previous meeting, the Committee had before it a report by the City Chamberlain which provided information on the actual income and expenditure of the Common Good budget for the year to 31 October, 2009, and an updated outturn for the year, comparing this with the approved budget.

Appended to the report were (1) details of the approved budget for the Common Good for 2009/10, which showed that the estimated outturn for the year to 31 March, 2010 was net expenditure of £289,037, compared to a budget of £307,515, which was a favourable movement of £18,478 from the budget compared to the current outturn; (2) supporting details 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 concluded that this gave a projected cash balance as at 31 March, 2010 of £5.259 million and explained that the Council has 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 Customer Price Index (CPI) as a basis for calculating indicative cash balances.

**The Committee resolved:-**

- (i) to note the position as at 31 October, 2009 and the estimated outturn for the Common Good; and
- (ii) to note the estimated cash balances of the Common Good as at 31 March, 2010 of £5.259 million based on this current forecast.

**2009/10 COMMON GOOD BUDGET – REQUEST BY THE ORGANISING COMMITTEE OF THE NATIONAL SAXOPHONE CONGRESS FOR FUNDING – CG/09/152**

15. The Committee had before it a report by the City Chamberlain on a request by the organising committee of the National Saxophone Congress for £10,000 from the Common Good Fund towards the cost of the Congress due to take place in Aberdeen in July, 2010.

The report (a) provided details of the request; (b) advised of the criteria for Common Good Support; (c) advised of the Common Good cash reserves and balances as at 31 March, 2010; and (d) had appended the original request from the organising committee.

**The Committee resolved:-**

to not approve the funding for the National Saxophone Congress.

**ABERDEEN CITY COUNCIL CHARITABLE TRUSTS – CG/09/155**

**16.** With reference to article 21 of the minute of meeting of 17 September, 2009, the Committee had before it a report by the City Chamberlain which presented financial information and the Trustees' annual report relating to the charitable trust administered by the Council, for approval.

The report advised that further to the last report presented to this Committee, officers held a meeting with officers of the Office of the Scottish Charity Regulator (OSCR) to clarify the reporting information required on an interim basis in relation to Aberdeen City Council Trusts. The required information was detailed in the appendix. The report advised that more detailed information and a separate Trustees Annual Report was required to be submitted in relation to the Lands of Torry, as its gross annual income exceeded £100,000; and that a report would be submitted to the McBey Trust Management Committee to enable a return to be submitted to OSCR in respect of this charity.

**The Committee resolved:-**

- (i) to submit (a) the Trustees' Statement and basic receipt and payments accounts in respect of those trusts with income under £100,000 per annum as detailed at appendix A; and (b) the Trustees' Statement and fully accrued accounts in respect of the Lands of Torry as detailed at appendix B, to the OSCR; and
- (ii) to instruct officers to circulate a plan of the Lands of Torry to all Members by email.

**APPLICATIONS FOR FINANCIAL ASSISTANCE 2009/10 – CG/09/162**

**17.** With reference to article 17 of the minute of its previous meeting, the Committee had before it a report by the City Chamberlain which presented an application for financial assistance from Children 1<sup>st</sup> for £350 towards the Touch of Tartan Ball 2009. The report advised that there was an uncommitted budget remaining of £8,779 for ad hoc grants in 2009/10 and that approval of this request could be met from the uncommitted budget remaining.

**The Committee resolved:-**

- (i) to not award Children 1<sup>st</sup> £350 for the Touch of Tartan Ball 2009, due to this being a retrospective application; and

- (ii) to request that officers contact Children 1<sup>st</sup> to ensure that should they wish to submit an application for financial assistance for the Touch of Tartan Ball 2010, that this is undertaken within the appropriate timescales.

## **NON HOUSING CAPITAL PROGRAMME 2009/10 – MONITORING REPORT – CG/09/160**

**18.** With reference to article 12 of the minute of its previous meeting, the Committee had before it a report by the City Chamberlain which provided an update on the progress being made across all Services on projects within the Non Housing Capital Programme as at 31 October, 2009.

Appendix 1 to the report contained a financial statement which outlined the current position as at 31 October, 2009, and advised that those projects deemed to be of a “rolling” nature had been excluded from the prior year’s spend.

The report advised that the revised programme was now £92.772 million, prior to an allowance for project variations and slippage which has been estimated to reduce the programme by £27.832 million; therefore, the total funded programme was currently £64.940 million.

The report continued that the total payments made as at 31 October, 2009 were approximately £21.097 million or 33% against the funded programme of £64.940 million which was broadly in line with the pattern of spend in previous years with the trend for payment to be principally in the later periods of the year. The report noted that whilst this figure was relatively low, it did not reflect other commitments (for example, those made through accepted tenders).

The report explained that factors outwith the control of the Council may result in project delays (for example, delays in contractors beginning work on site which would contribute towards slippage in spending profiles). It was currently projected that the actual outturn would be £68.480 million, but to ensure that the overall programme remained within the funded level, a further £3.540 million of slippage required to be identified. Based on information from previous years and the low level of spend to date, it was anticipated that this level of slippage was achievable, but would be required to be closely monitored by budget holders during the year with details of projected spend being reported to both individual Service Committee’s and within the overall report to this Committee.

Appendix 2 to the report contained a financial statement which detailed projects funded from the capital fund which indicated an unused balance of £0.827 million from the previously agreed £15 million of capital receipts held within the capital fund.

Appendix 3 to the report provided information on budget movements and revisions for the Non Housing Capital Budget since initially approved by Committee in June, 2009.

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

- (i) to note the current position in relation to the Non Housing Capital Programme for 2009/10 and future years;

- (ii) to approve the budget movement in respect of the reprofiling of budgets for projects 556 and 674 from previous years as detailed in appendix 3;
- (iii) 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
- (iv) to instruct the City Chamberlain to continue to update the Service committees, in conjunction with the Director, on their specific Capital projects.

## **SCHOOL TRANSPORT CONTRACTS – CG/09/0164**

**19.** With reference to the minute of meeting of the Continuous Improvement Committee of 2 June, 2009 (article 12 refers), the Committee had before it a report by the Director of Corporate Governance which advised (1) that contracts for the provision of transport for school children were costed on the basis of mileage and journey time for uplift and return of pupils (as well as escorts where required); and (2) that the mileage and journey times for the contracts would change as the transport requirements alter, due to any changes in the number of pupils attending school year on year.

The report continued that preparation for these contracts renewals had started in order to accommodate a start date of 1 April 2010 and the value of the contracts required advertisement in the European Journal and confirmed that the related processes would be followed.

The report advised that when the 2009/10 requirements were tendered, a refreshed approach to stimulating interest from potential providers and specifying the contracts had been adopted. The report continued that within Aberdeen there was a shortage of high capacity/wheelchair accessible private hire and taxi cars and as such they were in greater demand, cost more to operate and also, in the case of minibuses, required a different licence. These issues had been factored into the pricing structure received by the customer. The larger providers who had these vehicles within their fleets benefited from a limited marketplace with little genuine competition, therefore it was imperative to proactively engage, as widely as possible, with the taxi community to encourage participation in competing for Council business.

The report continued that officers would ensure effective and efficient route planning to allow for maximum vehicle capacity with more children sharing. This would assist in reducing vehicle requirement, mileage, and therefore overall costs, and that these approaches would prove successful in providing Best Value by reducing administration, providing an improvement in quality, reducing costs, increasing the variety and availability of vehicles at the Council's disposal, and increasing competition for the other block contracts once they were due for renewal.

The report concluded by advising that the tender exercise that had been reported to the Continuous Improvement in June 2009 had indicated savings in excess of £300,000 per annum against a spend of £1,059,060.

**The Committee resolved:-**

- (i) to note the content of the report; and
- (ii) to request that officers report back on the outcome of the tendering process in due course.

**ACCORD UPDATE REPORT – CG/12/133**

**20.** The Committee had before it a report by the Director of Corporate Governance which provided an update on progress being made regarding all aspects of the Accord Scheme.

The report provided an update on (1) Smartcard migration; (2) sQuid; (3) card production for new secondary school pupils; (4) schools catering systems administration; (5) payment via the internet, (6) new secondary schools from 3Rs project; (7) Lagan integration; (8) Aberdeen Sports Village; (9) library membership data exchange; (10) operational performance update and delivery; and (11) other possible development opportunities including ACE leisure membership being carried on the card, golf pass/membership being carried on the card, the local production of Accord cards and streamlined administration of free school meals.

**The Committee resolved:-**

to approve the progress and developments being made in advancement of the Accord scheme.

**COUNCIL TAX ON SECOND HOMES AND LONG TERM EMPTY PROPERTIES – CG/12/097**

**21.** The Committee had before it a report by the Director of Corporate Governance which requested that the Committee determine whether to use its discretion to reduce the rate of discount for second homes and long term empty properties from 1 April, 2010 until further notice.

The report advised that a reduced discount rate of 10% for second homes and long term empty properties had been in place since 1 April, 2005 and whilst the number of second homes had remained relatively constant, the number of long term empty properties had reduced considerably. The main factor contributing to this had been the success in reducing the number of Council house voids.

The report concluded that although these properties attracted a 10% discount to Council Tax, the full amount of water and sewage charges were still applicable.

**The Committee resolved:-**

to approve the usage of the Council's discretion to continue a rate of 10% discount from 1 April, 2010 and subsequent years until further notice.

## **PAYMENT DATES FOR COUNCIL TAX AND BUSINESS RATES – CG/12/098**

**22.** The Committee had before it a report by the Director of Corporate Governance which requested that the Committee set the payment dates for 2010/11 and future years for Council Tax and business rates.

The report advised that the Council Tax and business rates were well established and provided statistical information advising of payment methods and dates that payments were currently made.

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

- (i) in relation to Council Tax in 2010/11 in future years:- (1) that the day on which monthly instalments of Council Tax is payable shall be on the first day of each month (same as previous years) for non direct debit payers, and the option of 5<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup> and 28<sup>th</sup> of each month (same as previous years) for direct debit payers from April, 2010 to January, 2011 inclusive and the same period each year thereafter; (2) that instalments payable shall be rounded to the nearest £1, any adjustments being made to the first instalment; (3) that the due date for those who wish to pay in full shall be 1 May, 2010 and the same date thereafter; and (4) that any amendment Council Tax bill issued after November, 2010 shall be due in full 30 days after the date of the issue and the same date thereafter; and
- (ii) in relation to business rates in 2010/11 and future years:- (1) that the payment date is the 21<sup>st</sup> of each month (same as previous years) from May, 2010 to February, 2011 inclusive and the same period thereafter; (2) that 30 September, 2010 shall be the date by which full payment must be made by those ratepayers not paying by instalment and the same date thereafter; and (3) that either 1 June, 2010 or the date calculated as the fourteenth day after the issue of a demand, whichever is the latter, be the date by which appeals against business rates being improperly charged (valuation appeals dealt with by the Assessor) must be lodged with the business rates team, and for the same date to apply thereafter.

## **REGIONAL COMMUNICATIONS CENTRE DISASTER RECOVERY SERVICE AND BUSINESS CONTINUITY SERVICE – CG/12/129**

**23.** The Committee had before it a report by the Director of Corporate Governance which requested approval to extend the current Disaster Recovery and Business Continuity service contract with Tunstall, for a further 12 months from 30 April, 2010; and further requested approval to tender for the provision of a Disaster Recovery and Business Continuity service beyond April, 2011, to ensure ongoing best value.

The report advised that the Regional Communications Centre (RCC) provided an invaluable “life and limb” service to vulnerable clients within Aberdeen and a number of partner organisations, and that the service generated an income in excess of £300,000 per annum, and with the growth in both telecare and telehealth technologies, there was a potential to increase income generation in the future. Due to the nature of the service, and the impact it had on the client, partners expected it to be managed and provided to the highest standard.



The report further advised that the existing Disaster Recovery service and Business Continuity service contract had been set up following the 2008 industrial strike action, during which all the staff working in the RCC had opted to go on strike. The report continued that the recent discussions that had taken place within the Council regarding business continuity and corporate risk and priorities, had identified RCC as a priority service, so the Council required a robust contingency which would allow the service to be delivered in the event of swine flu or a pandemic flu outbreak among staff, or other such scenario that would limit the Human Resource capacity.

The report concluded that the financial and legal ramifications of the RCC being unable to provide a service effectively and efficiently in such a scenario, would be partner organisations withdrawing from their agreement and seeking alternative providers, resulting in reduction of loss of income; or alternatively the failure to provide the service resulting in injury or death to vulnerable clients could result in business partners or relatives of the client pursuing legal action against the Council.

**The Committee resolved:-**

- (i) to approve the 12 month extension of the disaster recovery and business continuity service with Tunstall from 30 April, 2010, based on the terms and conditions outlined in the existing contract; and
- (ii) to approve the tender process to explore best value for Disaster Recovery and Business Continuity service for the Regional Communication Centre.

**CUSTOMER CONTACT CENTRE DEVELOPMENT AT FREDERICK STREET (ICTs) TENDER – CG/12/128**

**24.** With reference to article 26 (item 26) of the minute of meeting of the Resources Management Committee of 16 June, 2009, the Committee had before it a report by the Director of Corporate Governance which requested approval (1) to spend the capital funding allocated to the Customer Contact Centre ICT element of the Customer First programme that had been approved at the previously mentioned Committee meeting; (2) to invite tenders; and (3) to purchase the required ICT hardware and software for the development of the Customer Contact Centre at Frederick Street.

By way of background the report advised that the Customer Contact Centre had opened on 31 July, 2006 at Kittybrewster, delivering Housing Repairs and Environmental Services during the hours of 7.30am and 5pm. In July 2007, service delivery had expanded to include the delivery of Roads and Street Lighting. With the volume of calls of almost 300,000 to date, the Contact Centre was a busy frontline service, the success of which relied upon the effective use of the multi skilled team of Customer Service Advisers and efficient business processes.

The report continued that the telephone was still the most popular way for customers to contact the Council, and that it would remain so for the foreseeable future, and therefore using the Customer Contact Centre for telephone enquiries and automated payments was the most cost effective way of achieving the level of service to which the Council aspired. The report explained that it was officers intentions to seek to reduce the number of advertised telephone numbers for the

Council and route as much telephone interaction as possible through the Customer Contact Centre; the vision therefore was to have an authority wide Customer Contact Centre, where all existing telephony teams (including the Regional Communications Centre, the Switchboard, and the Council Tax & Benefits Contact Centre) would be integrated. In order to be able to deliver on this vision, the Customer Contact Centre at Frederick Street required the specified technology in place to make it fit for purpose leading to the capability of future expansion and being able to deliver on the increased demand for customers. This would initially allow the integration of the existing Contact Centre at Kittybrewster, the Switchboard and the Regional Communications Centre and the potential for further expansion of the services offered in the future.

The report concluded that the implementation of the ICT hardware and software detailed within the report would enable the centralisation of all existing telephone teams in the Council, and ensure a reduction in the number of disparate systems used by all telephone teams in the future, which would lead to a reduced need for multiple systems to be maintained and supported by internal ICT resources. The implementation of this enhanced technology would also enable the further expansion of services delivered via the Contact Centre in the future and therefore improve on the existing service offered to customers.

**The Committee resolved:-**

- (i) to approve the capital spend of £545,000 for all associated ICT software and hardware already allocated for this purpose;
- (ii) to authorise the undertaking of a formal EU procurement exercise for the related ICT hardware and software required for the development of the customer contact centre at Frederick Street for the following:- Contact Centre Software (including switchboard functionality); Contact Centre telephone switch; Telephone handsets and headsets; Voice recording system; Voice mail system; Workforce Management Software; TV screens for messaging purposes and related software for managing the messages/updates/staff communication; Computer servers; Hardware associated with the required solutions; and Computer Telephony Integration (CTI) with Lagan CRM system – to be funded from the Customer First Programme Non Housing Capital programme in relation to the CRM system and Data link; and
- (iii) to approve the purchase of the following through existing contracts:- implementation of existing Implementation of existing RCC Tunstall PNC5 system and specialist support required for implementation; and PCs including investigation of issuing two screens per user.

**APPLICATION FOR YOUTH ACTIVITIES SMALL GRANTS FUND 2009/10 – ROUND 5 – ESC/09/070**

**25.** With reference to article 19 of the minute of its previous meeting, the Committee had before it a report by the Director of Education, Culture and Sport which set out the recommendations by the Youth Activities Grant Funding Group for the fifth round of funding for the financial year 2009/10, which had a closing date of 29 September, 2009.

The report advised that seven new applications had been received for this round, three having been deferred from the previous round. Five recommendations for funding had been made this round by the Youth Activities Grant Funding Group.

The report continued that the total sum recommended for approval within this round was £4,450 and that if the recommendations outlined were approved there would be an uncommitted budget of £10 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 Youth Activities Grant Funding Group and to therefore approve funding to the following organisations:-

<b>Group Name</b>	<b>Summary of Application</b>	<b>Decision</b>
Befriend a Child	To fund the cost of holding monthly group sessions for supported children, activities including junk modelling, crafts and baking.	to award £1,200
Enterprise Group – Cults Academy Group	To fund the cost of organising a fashion show, to sell tickets to the public, with the full proceeds of the event being donated to the national charity “Dreams Come True”	to award £850
Dyce Academy Duke of Edinburgh	To fund the cost of replacing old equipment so the group could complete their Duke of Edinburgh Awards (for example 10 tents, ground sheets and compasses)	to award £700
Aberoriginal (Scout Venture)	To fund the cost of purchasing disco equipment and a PA system for various scouting events.	to award £850
Bon Accord Explorer Scout Unit	To fund the cost of purchasing equipment to replace obsolete kit (for example cameras, compasses and maps)	to award £850

and

- (ii) to instruct the Head Education, Culture and Sport to arrange for the funds to be distributed accordingly.

**UK CITY OF CULTURE – ECS/09/082**

**26.** With reference to article 19 of the minute of meeting of the Education, Culture and Sport Committee of 24 November, 2009, the Committee had before it a report by the Director of Education, Culture and Sport which detailed the results of the feasibility research and potential bid for Aberdeen to become UK City of Culture.

The report advised that the research has been led by the Culture and Sport strategy team with the core aims of establishing the potential benefits of the title of UK City of Culture to Aberdeen, and analysing the city's current standing in line with the bid criteria. It was further identified that this work provided a key focus to increase partnership engagement and consultation in order to develop the draft cultural strategy.

The core purpose of the research process was to determine the feasibility of submitting an initial bid, however, the report advised that the process has brought a series of benefits for developing culture in Aberdeen. The UK City of Culture bidding process had increased partnership engagement with organisations and individuals around delivering Aberdeen's cultural objectives set out in the draft cultural strategy, increased public debate and engagement on culture, and ultimately set out a framework for future cultural initiatives, partner engagement and co-creation towards realising Aberdeen's Cultural ambitions.

The report provided the results of the feasibility study which were based on Aberdeen's current cultural status and future objectives as well as analysing previous successful and unsuccessful bids from cities across Europe for the European Capital of Culture Award.

The report indicated that the UK City of Culture Working Group in June 2009 had calculated that a minimum of £10 million would be required to deliver a City of Culture programme year and that the research officers had established that to deliver a programme which would provide the required standard for a UK City of Culture and more importantly provide the necessary lasting benefits, would cost a minimum of £12.5 million. The report continued that at present there was no confirmation of where this additional funding would be found, and that while it was anticipated that additional funding could be secured from partners, private sponsorship and national organisations, the Council as a minimum would have to underwrite any shortfall in additional funding. The report outlined key risks associated with the project including (1) the failure to engage with partners at the necessary level; (2) the failure to engage with the public; (3) a lack of lead up time to have infrastructure and funding in place for 2013; and (4) the failure of the UK City of Culture prize to act as catalyst for the anticipated changes.

The report further advised that the feasibility research had indicated that to proceed to the full bid process would require the formation of a framework of formal partnership engagement groups as an executive group, consisting of high level officials from bid partners, which as a collective would require to have a high level of influence locally and a broad range of experience, knowledge and skills. The research supported the formation of such a group regardless of the UK City of Culture, to support the implementation of Aberdeen's cultural objectives as laid out in the draft cultural strategy, Vibrant Aberdeen.

The report concluded that the outline proposal feedback which had been received on 30 October 2009 had indicated that Aberdeen possessed the track record of delivering cultural events which would be required for a City of Culture but would need to progress a distinctive bid identity, define partners' working relationships and expand on objectives and programming details.

A 'frequently asked questions' document had been released by Regeneris on 19 November 2009 which had stated that the £10 million figure must be new money and must not include current local authority expenditure on culture. Further clarification from Regeneris was sought on this figure and they acknowledged that this issue had caused confusion amongst bidding cities but concluded Aberdeen would be required to secure additional funding in order to proceed with a 2013 bid with any degree of potential success.

**The Committee resolved:-**

- (i) to note the progress and benefits of the feasibility research carried out by officers and partners;
- (ii) to note the findings of the feasibility research; and
- (iii) to defer any potential bid for the 2013 Capital of Culture title, and endorse the proposal that officers and partners develop proposals for a potential bid for the 2017 Capital of Culture title.

**DECLARATIONS OF INTEREST**

**The Convener and Councillor Kiddie declared interests in the subject matter of the following article by virtue of their membership of Unison. Councillors Crockett and Young also declared interests by virtue of their membership of Unite. None of the Councillors felt it necessary to withdraw from the meeting during discussion of this item of business.**

**VOLUNTARY SEVERANCE/EARLY RETIREMENT – REVISED POLICY – CG/09/173**

**27.** The Committee had before it a report by the Director of Corporate Governance, which sought approval for changes to the existing Voluntary Severance/Early Retirement (VS/ER) policy.

The report explained that the Council currently faced crucial financial pressures and was required to look at all aspects of business in order to assess affordability. A review of the existing VS/ER policy had shown that it was currently unaffordable in its current form, as Service budgets were currently charged over £3.5 million per year in respect of enhanced pension years' payments due to VS/ER, and it was essential to put in place measures that prevent Service costs from increasing. The report advised that the only way to reduce this annual cost in respect of added years, was to move away from the awarding of added years to pension scheme members who retire early.

The report further highlighted that the current policy provided for an employee to receive a one off voluntary severance (under 50 years of age) or voluntary redundancy (over 50 years of age) payment, which was calculated by multiplying

the employee's weekly contractual pay by the number of weeks shown in the ready reckoner. The Employment Rights Act provided a statutory maximum level of pay that an employer could choose to apply, in order to manage costs, which was currently £380 per week, but updated regularly by statutory regulation.

The report intimated that five meetings had been held with trades unions and the initial proposals had been posted on the Zone (the Council's intranet). The overarching view of respondents highlighted that there should be a phased approach to the proposals and trades unions were particularly of the view that added years should be retained in any scheme going forward, for the reason it would continue to offer an incentive for early retirement applications. This had been recognised in the phased approach. The trades unions also indicated that they would take these proposals back to their members and consult with them before making any commitment as to their position.

The report then went on to advise that the proposed VS/ER policy allowed all permanent employees of the Council with over two years continuous service to express an interest in voluntary severance, and those in the Local Government Pension Scheme (LGPS) would have the option to choose early retirement, where they were able to immediately access their pension benefits.

The report outlined a summary of the main benefits of the options open to employees under the new policy as follows:-

#### Option One - Voluntary Severance

- the employee would qualify regardless of age or whether they were a member of the Local Government Pension Scheme (LGPS);
- the scheme would apply on redundancy and efficiency of service grounds;
- the full costs of an employee's release would require to be recouped over a five year period;
- the employee could immediately access their pension benefits based on their pensionable service and contributions without reductions;
- a one off voluntary severance payment would apply, and be calculated as follows:
  - (i) based on employee's age and continuous length of service using the ready reckoner at appendix 1 of the proposed policy;
  - (ii) number of weeks on ready reckoner multiplied by the employee's basic weekly pay up to statutory maximum for redundancy (currently £380 per week);
  - (iii) for employees whose basic weekly pay exceeds statutory maximum their weekly pay for the calculation would be the statutory maximum payment plus 33% of the difference between their basic pay and the statutory maximum; and
- a severance payment would include any statutory redundancy payment to which the employee would have been entitled.

#### Option Two - Early Retirement on the Grounds of Redundancy

- the employee would qualify if they were a member of the LGPS and could immediately access their pension benefits;
- the scheme would apply only where a redundancy situation could be identified (for example, deletion of a post);

- the full cost of the employee's release would require to be recouped over a five year period;
- the employee could immediately access their pension benefits based on their pensionable service and contributions without reduction;
- a one off voluntary redundancy payment would apply, and be calculated as follows:
  - (i) based on employee's age and continuous length of service using the ready reckoner at appendix 2 of proposed policy;
  - (ii) number of weeks on ready reckoner multiplied by the employee's basic weekly pay up to statutory maximum for redundancy (currently £380 per week);
  - (iii) for employees whose basic weekly pay exceeds statutory maximum, their weekly pay for the calculation will be the statutory maximum plus 33% of the difference between their basic pay and the statutory maximum; and
- a voluntary redundancy payment would include any statutory redundancy payment to which the employee would have been entitled.

#### Option Two (B) Early Retirement on the Grounds of Efficiency of the Service

- the employee would qualify if they were a member of the LGPS and could immediately access their pension benefits;
- the scheme would apply where a business efficiency could be achieved;
- the full cost of the employee's release would require to be recouped over a five year period; and
- the employee could immediately access their pension benefits based on their pensionable service and contributions without reduction and no one off compensatory payment would apply.

#### Option Three Employee Requested Early Retirement

- the employee would qualify if they were between the age of 50 and 60, a member of the LGPS and could access their pension benefits;
- the scheme would apply where no redundancy situation exists or where no service efficiency would apply;
- the scheme would apply where there was no cost to the employer; and
- the employee could immediately access their pension benefits but benefits would be actuarially reduced and no one off compensatory payment would apply.

#### Option Four - Rule of 85

The rule of 85 was removed from the Local Government Pension Scheme in 2006 but some significant protections exist for certain scheme members. The rule of 85 allowed certain members of the pension scheme to access their pension benefits early without any actuarial reduction, and from the 1 April, 2010 the employee must be 55 or over.

The report continued to outline the policy surrounding compulsory redundancy, and advised that the policy was primarily about determining the benefits associated with employees volunteering to leave employment by reason of redundancy, efficiency

or early retirement, but highlighted that in the future, there may be a requirement for the Council to make employees compulsorily redundant, in accordance with the provision of the Managing Redundancy Policy, although every reasonable effort would be made to prevent such situations occurring.

The statutory provisions for calculating redundancy payments would be;

- Half a week's pay for each full year of service where age during the year is less than 22;
- One week's pay for each full year of service where age during the year is 22 or above, but less than 41; and
- One and a half week's pay for each full year of service where age during the year is over 41.

The report concluded by outlining that within the current scheme there were legal provisions which restricted an employee taking an enhanced voluntary package, which included access to pension and a voluntary redundancy payment and then returning to employment with the Council within a month. Should the person choose to apply for a vacancy, be successful and accept new employment with the Council there would be a condition on their severance terms that they must repay the difference between what they had been paid on voluntary terms and what they would have received if they had been made compulsorily redundant. It was noted however that this provision would not apply to people in a compulsory redundancy situation.

**The report recommended:-**

- (a) that the provisions of the new Voluntary Severance/Early Retirement policy as detailed in appendix 1 be approved;
- (b) that the replacement of current provisions of the Voluntary Severance/Early Retirement policy with the new provisions with immediate effect be approved;
- (c) that the Committee approve the introduction of the compensatory benefits that are provided in the proposed Voluntary Severance/Early Retirement policy to be phased in up to 31 March 2011 as follows:-

	<b>Added Years for Pension</b>	<b>Voluntary Severance/ Voluntary Redundancy Payment</b>
<b>Application Approved</b>		
Before 1 April 2010 (leaving date can be beyond 1 April 2010)	Up to 3 added years <ul style="list-style-type: none"> <li>• 1 Added Year pro-rated for pension membership for 10 years continuous service and over</li> <li>• 2 Added Years pro-rated for pension membership for 20 years continuous service and over.</li> <li>• 3 Added Years pro-rated for pension membership for 30 years continuous service and over.</li> </ul>	Payment in accordance with number of weeks shown in the relevant ready reckoner up to the statutory maximum payment value* (currently £380) plus 50% of the difference between basic pay and statutory maximum payment
Before 1 April 2011 (leaving date can be beyond 1 April 2011)	Up to 1 added year <ul style="list-style-type: none"> <li>• Added Year pro-rated for pension membership for 10 years continuous service and over.</li> </ul>	Payment in accordance with number of weeks shown in the relevant ready reckoner up to the statutory maximum payment



April 2011)	years continuous service and over	value* plus 40% of the difference between basic pay and statutory maximum payment
Final Scheme - full implementation will be from 1 April 2011	Nil Added Years	Payment in accordance with number of weeks shown in the relevant ready reckoner up to the statutory maximum payment* value plus 33% of the difference between basic pay and statutory maximum payment

and

- (d) that amendments to the scheme of pensions discretions (as detailed within the report) to reflect the changes within the Voluntary Severance/Early Retirement scheme, including the phased implementation of the revised compensatory benefits, be approved.

The Convener moved, seconded by Councillor Fletcher:-  
that the report recommendations be approved.

Councillor Crocket, seconded by Councillor Laing, moved as an amendment,-  
that in light of the trades unions' position which is set out in paragraph 6.2 of the report, the Committee defers making any decision until such time as the trades unions consult their members and report back to the management as per the agreed working practices.

On a division, there voted:- for the motion (10) – The Convener; the Vice Convener; and Councillors Cormack, Corral, Dunbar, Greig, Kiddie, Leslie, McCaig and John West; for the amendment (4) – Councillor Crocket, Cassie, Laing and Young; Declined to vote (1) – Councillor Farquharson.

**The Committee resolved:-**  
that the motion be adopted.

## **CORPORATE HEALTH AND SAFETY POLICY AND STRATEGY – CG/09/169**

**28.** The Committee had before it a report by the Director of Corporate Governance which outlined the current Corporate Health and Safety policy which had been reviewed in line with best practice and current legislative requirements.

The report highlighted that the policy had been designed to contribute to the business performance of the Council as part of a demonstrable commitment to continuous improvement within Health and Safety performance, and reflected the legal obligations placed upon the Council by the Health and Safety at Work etc. Act 1974, and the Management of Health and Safety at Work Regulations 1999. The report continued that alongside this policy it was also expected that each Service would develop a more specific Health and Safety policy.

The report outlined the broad strategy for Health and Safety for the Council for the six years between 2010 and 2016, and advised that it aimed to build on the improvements in Health and Safety management systems that had already been achieved.

Appended to the report was the revised Health and Safety Policy and the revised Health and Safety Strategy.

**The report recommended:-**

That the Committee -

- (a) approve the revised Corporate Health and Safety Policy;
- (b) instruct all Directors to ensure that all their managers understand and are competent in their role and responsibilities in applying the new policy; and
- (c) approve the revised Health and Safety Strategy.

**The Committee resolved:-**

- (i) to request that should there be any courses in the future on the roles and responsibilities of elected members regarding Health and Safety, that all elected members be made aware of this course and be invited to attend; and
- (ii) to otherwise approve the recommendations.

**FIRST AID AND MANUAL HANDLING COURSES AND E-LEARNING TENDERING – CG/09/171**

**29.** The Committee had before it a report by the Director of Corporate Governance, which outlined the case inviting tenders for training providers for first aid and manual handling training courses and an eLearning solution.

The report advised that (1) at present the Council had no formal agreement with training providers for first aid and manual handling training and that both courses had been provided on an “ad-hoc” basis as and when required; (2) recent changes in the Health and Safety Executive’s guidance on providing first aid training led to a review of training which had been provided in this area, and it was felt that there was also a need to identify and review the content of all handling courses; (3) both training courses had been identified in the Employee Development Activity Report and a commitment was given to review the associated budgeting arrangements; (4) tendering of this exercise was to ensure that the Council deliver best value in the health and safety area with regards to cost, competence and reliability; and (5) in terms of an eLearning solution the current arrangements for an eLearning provider was due to expire in August 2010 and in order to secure a provider with no visible break in service, it would be necessary to commence the tendering process in early 2010.

**The Committee resolved:-**

to approve the tendering process to (1) appoint training providers for first aid and manual handling training courses; and (2) secure a provider for an eLearning solution.

**PHYSIOTHERAPY PILOT – CG/09/170**

**30.** The Committee had before it a report by the Director of Corporate Governance which outlined the aims and objectives of the physiotherapy pilot which was currently in place.

By way of background, the report advised that in 2008/09, 23% of all accidents to Council employees were related to manual handling incidents, the second highest cause of injury to employees, and as part of the programme to address this, it had been agreed to run a pilot physiotherapy scheme in those areas where manual handling issues had been most prevalent.

The report continued that the main aim of the physiotherapy project was to reduce lost time from work as a result of back and general musculoskeletal problems, and the physiotherapy service was primarily aimed at employees who had a musculoskeletal condition which (1) had resulted in current sickness absence; (2) had the potential to deteriorate and result in sickness absence; (3) was the result of an injury at work; (4) was affecting their ability to carry out their full range of normal duties; and (5) appeared to be activated by their work duties or postures.

The report highlighted that should the scheme be successful, it was thought that it could reduce sickness absence by treating the problem rapidly, assessing the workplace, increasing staff retention and boosting staff morale. It was hoped that this in turn would produce cost savings in the long term.

The report concluded by advising that similar projects in other local government areas had shown a return on investment of between 211% and 500%, with savings in the cost of related absence reduced from between £16,500 to £45,450.

**The Committee resolved:-**

to approve the continuation of the project and to request (1) that the pilot be assessed for impact, including a cost benefit analysis; and (2) that a report be submitted to this Committee once this evaluation has been completed.

**RELOCATION POLICY – CG/09/172**

**31.** With reference to article 33 of the minute of meeting of the former Resources Management Committee of 5 May 2009, the Committee had before it a report by the Director of Corporate Governance which requested that the current relocation scheme be rebranded to ensure that the package remained effective, and sufficiently attractive for new employees.

The report reminded members that the Resources Management Committee of 5 May 2009 agreed to increase the maximum level of relocation assistance to new employees to 10% of the salary of the job or £7,500 whichever was the greater. This increase was based on the rate of inflation over the last 9 years since the scheme was first introduced for higher paid jobs and this was regarded as proportionate in order to attract applicants of quality and calibre. The purpose of this increase was to assist with the Director recruitment exercise and whilst approving the increase to the upper limit, the Committee requested that the Head of Human Resources undertake a wider review of the relocation assistance that the Council offers.

The report proposed that the policy be rebranded as a corporate Relocation Policy whilst retaining the scheme in its current form with only a small number of relatively minor changes, namely:-

- (1) Rebranding - the relocation scheme would be converted to policy status and rebranded as a corporate policy in order to ensure parity with other aspects of recruitment as relocation had strategic linkages for workforce planning;
- (2) Delegation of authority to approve claims - the point of authorisation would be amended from the Director to the Head of Service in most cases, in line with other corporate policies;
- (3) Reduction of the repayment period - a significant change to the repayment period was proposed, as relocation was a recruitment incentive rather than a retention tool, protracted repayment periods should be avoided and benchmarking along with research had indicated that eighteen months to two years was now the standard period for repayment. It was proposed to reduce the repayment period from three to two years with a reducing amount due for repayment as length of service increases;
- (4) Introduction of an 'orientation day' - on request, and where practicable, a new recruit could be escorted around the city so that key points of interest could be highlighted;
- (5) Time off to make relocation arrangements - recognising that relocation could be a time consuming and anxious time for people, up to three days time off with pay would be introduced to help new recruits make their relocation arrangements; and
- (6) Additional support - to help a new recruit's family relocate, the Council on request, would put their partner in touch with local recruitment agencies and give them access to Council vacancies should they require employment, and would also provide them with the relevant local information such as a list of doctors, dentists, childcare establishments and schools in the area.

The full draft policy was appended to the report.

The report advised that collaborative planning was underway with public sector partners, led by NHS Grampian, to tender for a preferred supplier to provide relocation services. The report continued that the tender would hopefully identify one or more provider that could deal with removals, legal and mortgage services and offer preferential rates in this regard. This would enable competing firms to offer their services for very competitive rates as they would be assured of work, and could win follow on business should they provide a high level of service to those relocating.

The report concluded that the addition of this service to the relocation policy would be at no cost to the Council.

**The report recommended:-**

that the Committee:-

- (a) approve the Relocation policy as appended to the report; and
- (b) approve the proposal to amend the policy to include the result of the relocation services tender exercise once completed.

The Convener moved, seconded by the Vice Convener:-

that the report recommendations be adopted.

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

that (1) the Committee agree the maximum relocation assistance of 10% of salary of the job or £7,500 whichever is the lesser, (2) agree the proposed changes as outlined in sections 1 to 6 of the report and; (3) agree that the

proposal to amend the policy to include the result of the relocation service tender exercise be approved once completed.

On a division there voted:- for the motion (12) – The Convener; the Vice Convener; and Councillors Cassie, Cormack, Corral, Dunbar, Farquharson, Greig, Kiddie, Leslie, McCaig and John West; for the amendment (3) – Councillor Crockett, Laing and Young.

**The Committee resolved:-**  
to adopt the motion.

### **DATA CENTRE PROVISION (CG/09/157)**

**32.** Reference was made to article 18 of the minute of meeting of the former Continuous Improvement Committee of 9 December, 2008 at which time there was under consideration a report by the Corporate Director for Continuous Improvement which sought to update members on work carried out to provide a new Data Centre which would house the Council's ICT Infrastructure and advised of options explored for the purpose of determining best value, and it was resolved that, based upon current market opportunities, the preferred option was to procure prefabricated modular Data Centre units to be sited within the grounds of the Frederick Street Business Centre site. At the time officers were instructed to pursue the favoured option as a matter of urgency. The Committee now had under consideration a report by the Director of Corporate Governance which advised of developments since the December, 2008 decision and requested approval in principle to a change in the means by which the Council's Data Centre requirements are to be secured.

The report (1) indicated that in pursuing the Committee instruction, officers' attention was directed toward, firstly, a joint approach to the provision of the Council's data centre requirements and, thereafter, to the potential for those requirements to be provided by a third party; (2) advised that, in reviewing the market for data centre functionality, an options paper was prepared for consideration by the Corporate Management Team; and (3) explained that the four options identified were that the service be provided in a Council owned facility (option one), that it be provided within a co-located facility (option two) that a managed Data Centre approach be utilised (option three) or that a fully managed service be acquired (option four). The report author briefly commented on all four options and concluded by stating that whereas the co-located and the managed Data Centre options were both stepping stones towards the fully managed service, that option (option four) carried the highest risk to the move to Marischal College.

In outlining the advantages of a fully managed Data Centre which had the best potential for improving service levels and innovative ways of reducing the overall ICT cost for the Council, the report author expressed the opinion that the fully managed service was an eventual outcome that should be discounted at this time in light of the development demands and investment related to having a fit for purpose ICT service. The report pointed out that significant room existed for negotiation on costs, services provided, revenue generation and location of facilities with the co-location, managed Data Centre and fully managed service options; that of all the options open to the Council, the managed Data Centre

provided the greatest potential for the future ICT service that the Council would require; and as the current position differs from that approved by the Council in December, 2008, an “in principle” agreement on the part of the members was being sought so that officers could prepare a detailed proposal covering all aspects of such an option, for consideration at the January, 2010 meeting of the Committee.

**The report recommended:-**

- (a) that members agree in principle to the provision of the Council’s Data Centre requirements by way of a “managed Data Centre” arrangement; and
- (b) that it be remitted to the Director of Corporate Governance to report to the meeting of the Finance and Resources Committee in January, 2010, on all aspects of that option and its implementation, to include required consultation, etc.

The Convener moved, seconded by the Vice Convener:-

that the Committee approves the recommendations as contained within the report.

Councillor Crocket, seconded by Councillor Young, moved as an amendment:-

- (a) that the Committee agrees to instruct officers to report to the January, 2010 meeting with a detailed option appraisal, with options to include a managed Data Centre as well as retaining the service in house;
- (b) that officers be instructed to investigate the “wee faux pas” comments of Councillor Kevin Stewart as detailed within the Press and Journal of 12 September, 2007;
- (c) that officers be instructed to provide all elected members with details of the amount of lost rental income from these premises from the date of eviction until the present time; and
- (d) that the Convener be instructed to write to all former occupiers and apologise for evicting them from these premises in such a short timescale.

Councillor Cassie, seconded by Councillor Farquharson, moved as a further amendment:-

that prior to any agreement being given on a way forward, officers be instructed to produce a detailed report for consideration by the Committee at its meeting in January 2010, and for this the report to contain a comprehensive options appraisal in respect of the provision of the Council’s ICT needs by way of a managed Data Centre as opposed to retaining the service in house.

On a division between the amendment by Councillor Crockett and the amendment by Councillor Cassie, there voted:- for the amendment by Councillor Crockett (3) – Councillors Crockett, Laing and Young; for the amendment by Councillor Cassie (11) – The Convener; the Vice Convener; and Councillors Cassie, Corall, Cormack, Farquharson, Greig, Kiddie, Leslie, McCaig and John West; declined to vote (1) – Councillor Dunbar.

On a division between the motion and the successful amendment there voted:- for the motion (10) – the Convener; the Vice Convener; and Councillors Corall, Cormack, Dunbar, Greig, Kiddie, Leslie, McCaig and John West; for the amendment (5) – Councillors Cassie, Crockett, Farquharson, Laing and Young.

**The Committee resolved:-**

that successful motion be adopted.

**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 33 (paragraphs 1 and 2), article 34 (paragraph 8), article 35 (paragraphs 4, 6, 8 and 9), article 36 (paragraphs 8 and 10), article 37 (paragraph 8), article 38 (paragraph 1), article 39 (paragraphs 6 and 9), article 40 (paragraphs 6 and 9), article 41 (paragraphs 6 and 9), article 42 (paragraphs 6 and 9), article 43 (paragraphs 8 and 9) and article 44 (paragraphs 8 and 9).

**CAUSEWAYEND SCHOOL SITE (ECS/09/062)**

**33.** The Committee had under consideration, upon a remit from the Education, Culture and Sport Committee (article 25 of the minute of meeting of 24 November, 2009 refers) the resolution of that Committee that (1) with effect from 1 March, 2010, the whole Causewayend School site be transferred to the Property Account; (2) that appropriate officers be instructed to take immediate steps to recover vacant possession of the Causewayend School Lodge, prior to 1 March, 2010; and (3) the Head of Resources Development and Delivery be instructed to bring recommendations on the future use of the site to a future meeting of this Committee.

The report considered by the Education, Culture and Sport Committee was also before the members of this Committee, as was a copy of the relevant article from the minute of the meeting on 24 November, 2009.

The Convener moved, seconded by the Vice Convener:-

that that part of the resolution of the Education, Culture and Sport Committee relating to Causewayend School and Causewayend School Lodge, which was referred to this Committee for approval, be agreed and appropriate officers authorised accordingly.

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

that the Committee defer a decision on the matter referred to it by the Education, Culture and Sport Committee, until written confirmation is obtained from the tenant of Causewayend School Lodge that he is indeed willing to move to the alternative tied accommodation which had been identified for him and his family.

On a division between the motion and the amendment, there voted:- for the motion (11) – the Convener; the Vice Convener; and Councillors Corall, Cormack, Dunbar, Farquharson, Greig, Kiddie, Leslie, McCaig and John West; for the amendment (3)

– Councillors Crockett, Laing and Young; absent from the division (1) – Councillor Cassie.

**The Committee resolved:-**

that the successful motion be adopted.

**TRADING SERVICES MONITORING 2009/10 – CG/09/163**

**34.** With reference to article 32 of the minute of its previous meeting, 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.

Appended to the report were figures that advised on the anticipated full 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 non significant activities.

**The Committee resolved:-**

- (i) to note that the forecast outturn to 31 March, 2010 showed an updated projection of an overall surplus for the significant trading activities in the order of £8.099 million and that this compared favourably with the budgeted surplus of £7.564 million and the previous forecast position of a surplus £7.827 million;
- (ii) to note that the provisional full year results indicated that the financial objective for each significant trading activity, apart from grounds maintenance, would be achieved, before allowing for the affects of pension adjustments required under the provisions of Financial Reporting Standards no.17 (FRS17), the value of which are unknown at this time;
- (iii) to note that, whilst there was no statutory requirement for non significant trading activities to meet the best value financial objective, an overall cost of £967,000 was currently forecast for the year within these activities; and that this forecast was broadly in line with budgeted expectations, and was before taking into account any adjustments for FRS17 pension;
- (iv) to note that the Council's trading operations were currently undertaken by three Services, and that the relevant Service Committee would received detailed information on the ongoing financial position reach of the Services' trading operations;
- (v) to note that this Committee would continue to receive an overview report; and
- (vi) to note that following the decision of the last committee meeting, a review of the Council's trading activities would be undertaken.

**BELMONT MEDIA CENTRE – ECS/09/060**

**35.** The Committee had before it a report by the Director of Education, Culture and Sport which detailed the current situation in respect of the Council's support to the Belmont Media Centre. The report set out the legal risks of the current situation and the immediate options open to the Council, and in this requested agreement on



a future course of action in relation to the Media Centre; and presented options in this regard. The report outlined possible State Aid and EU procurement issues that could arise as a result the options outlined within the report being implemented.

**The Committee resolved:-**

- (i) to instruct officers to formally terminate City Screen (Aberdeen) Limited's right to occupy the Belmont Media Centre and the implied service provision contract on 31 August 2010; and to continue on the current informal basis until this date;
- (ii) in the absence of a current formal lease and service provision agreement, to approve under Standing Order 69(3)(i), an exemption from Part V of the Standing Orders for the informal contractual agreement between the Council and City Screen (Aberdeen) Limited until 31 August, 2010; and
- (iii) to agree that the Centre should continue as a supported Media Centre; and instruct officers to review the cultural and educational remit for the Belmont Media Centre, and to undertake a competitive tendering exercise to find the most economically advantageous commercial operator to run the facility and deliver the services.

**MANAGEMENT DEVELOPMENT BEHAVIOURAL IMPACT TRAINING –  
FURTHER INFORMATION – CG/09/167**

**36.** With reference to article 54 of the minute of the meeting of this Committee of 17 September 2009, the Committee had before it a report by the Director of Corporate Governance provided further information to the previous report on Behavioural Impact Training.

The report (1) responded to the Committee's request by identifying what was meant by 'behavioural impact training'; (2) identified the value and expected impact to the organisation of this type of training; and (3) sought approval to grant the tender to the preferred provider, as identified in the previous report.

The report outlined that a recent paper commissioned by the UK Government drew a similarity between management behaviour and organisational performance and advised that to gain maximum performance, organisations would be required to determine which management behaviours were required to support their desired culture and objectives. Behavioural impact training supported this by ensuring that managers understood what these required behaviours were, understood their impact on their own and others' performance, recognised their responsibility for demonstrating the behaviours and would therefore be equipped with the skills to consistently apply these.

The report further advised that a recent Best Value report identified the need for the Council to increase leadership capacity through greater accountability, a greater task focus, a more engaged workforce and a commitment to an effective and meaningful performance culture.

The report reminded the Committee that five providers had been invited to tender, and were required to base their proposals on the various outcomes, namely:- (1) a greater focus on tasks and outcomes; (2) a greater understanding of personal style and a broader appreciation of others' preferred styles; (3) enhanced communication

skills; and (4) a range of tools and strategies which could be used to embed outcomes (1) – (3) in participants' practice.

The report advised that the preferred provider as identified in the previous report, was Momentum Consultants and throughout the tendering exercise, they had demonstrated a clear understanding of the Council's main objective to provide a quality service to all citizens.

The report highlighted that in order to achieve the maximum benefit from the training, the Council would be required to roll out the training in the following ways:- (a) target managers whose staff had already been through the programme; (b) roll the training out to head teachers and new senior management recruits as a matter of priority; (c) offer a small number of refresher training places; and (d) prepare tailored events on negotiation, communication and questioning skills to elected members, linked to the Elected Member Development Programme.

The report concluded by outlining the anticipated benefits of the training and advised that, should it be rolled out widely over the long term, then a positive effect should be noted in maximising budgets, absence management figures, employee satisfaction and retention.

**The report recommended:-**

that the Committee

- (a) considers the case for the further roll out of behavioural impact training; and
- (b) approves the award of contract to Momentum Consultants, subject to the Council's terms and conditions being agreed between the parties.

**The Committee resolved:-**

to approve the recommendations.

**EMPLOYEE BENEFITS – CG/09/168**

**37.** The Committee had before it a report by the Director of Corporate Governance which sought approval for the Council to improve its current employee benefits package. The report included proposals for the extension of the salary sacrifice schemes that were currently offered, and the expansion of voluntary benefits in the form of discounts and offers from both local and national vendors. In addition, this report dealt with the issue of the existing Childcare Benefit Scheme contract with Bentley Jennison that expired on 25 November 2009.

The report outlined the aims of the benefits package as increasing employee engagement, improving morale, making recruitment easier, improving the retention of staff, reducing the absence rate of staff, reducing staff resistance to change, and making a significant difference to the efficiency and effectiveness of the organisation. It was suggested that employee benefits could be provided to support organisational goals by encouraging the employee behaviours and values required for organisational success. The report further outlined that the cost of a scheme through a provider company was governed by three main factors, namely (1) the number of employees; (2) the costs of the promotional and management media; and (3) the expected local advertising revenue.

The report proposed that a flexible benefits scheme in the Council would be implemented on a phased basis, as follows:- in year one, the Council would invite tenders to identify and engage a provider company, focus on delivery of salary sacrifice schemes, create a process to identify and release employer National Insurance savings, collate identified savings, improve marketing and awareness of benefits to maximise uptake, and continue working with public sector partners to widen scheme membership; in year two, the Council would utilise savings made in year one to develop and enhance the voluntary benefits offered and significantly improve the communication of the whole benefits package.

The report highlighted that discussions were ongoing with Aberdeenshire Council with a view to offering a joint benefits package that would represent enhanced value for money. Contact was also being made with other public sector partners in Aberdeen in this regard, however, it was unlikely that the timescales for public sector partners would coincide with the Council's timescales in the first instance, and it was therefore proposed to conduct the tender and construct the contract in such a way to allow public sector partners to join the scheme at a later date.

The report reminded members of the decision taken at the former Resources Management Committee of 25 November, 2008 (article 27 refers), where it was agreed that a Childcare Benefit Scheme be provided to the Council by Bentley Jennison. Bentley Jennison had been successful in their application to run the Scheme having been examined by a cross service panel during a competitive tender process, however, the contact came to an end on 25 November 2009. The report advised that approval was being sought to extend the contract with Bentley Jennison for a maximum of one further year to allow the childcare contract to be subsumed into the wider tender for employee benefits and it was anticipated that the wider Employee Benefits Package could be put in place within the next six to eight months, subject to the necessary Committee approvals and competitive tender exercise being completed.

**The Committee resolved:-**

- (i) to approve the proposal for the development of a flexible benefits offering for employees of the Council for implementation on a two phased basis;
- (ii) to authorise officers to proceed with a tender exercise in order to engage a provider to manage the employee benefits offering for the Council;
- (iii) to note the financial arrangements for the Scheme; and
- (iv) to approve the extension of the existing Contract for the Childcare Benefit Scheme with Bentley Jennison for a maximum period of one further year; and to exempt this contract extension from the requirements of Standing Order 71(8) under Standing Order 69(3)(i) on grounds of the special circumstances detailed in this report.

**CUSTOMER SERVICES DELIVERY TEAM RESTRUCTURE**

**38.** The Committee had before it four business cases prepared by the Head of Customer Relations Management which sought approval to streamline areas of the Customer Services Delivery team.

- (A) Customer Relations Management (CRM) Restructure 1

Business case one proposed (1) the establishment of two Team Leader (support) posts and one Fraud Support post; (2) the disestablishment of 9.89 Customer Care Assistant posts and one Document Processing Assistant post; (3) the conversion of an Appeals Officer post to a Support Officers post; and (4) the redesign of an Assistant Appeals Officers post. The business case advised that within the current year's revenue/capital budget a saving of £8,064 would be met should the business case be approved, and for the next financial year an efficiency saving of £195,280 would be made. The Team Leader post would be established on salary Grade 11, Fraud Support Assistant Grade 9 and Assistant Appeals Officer would move from Grade 12 to 10.

**The Committee resolved:-**

to approve the business case.

(B) CRM Restructure 2

Business case two proposed (1) the establishment of one permanent Development Officer post (Systems) on salary grade G13; (2) the disestablishment of one permanent Development Officer (Administration) post based on salary grade G12; (3) the redesign of three existing jobs (Assistant Development Officer, Systems Officer and Systems Administrator); and (4) the change in job title to three positions as follows:- former titles of Development Officer (Technical), Assistant Development Officer (Technical) and Team Leader (Systems) revised to Systems Officer, Assistant Development Officer and Systems Administrator. The business case outlined that the cumulative cost associated with the changes would be £18,975 which could be met from other business case savings.

**The Committee resolved:-**

to approve the business case.

(C) CRM Restructure 3

Business case three proposed the establishment of three permanent Customer Care Assistant posts and the change in job title to 12 posts:- former titles of Team Leader and Customer Care Assistant posts revised to Arrears Officer and Arrears Assistant. The cumulative cost associated would be £25,842 on the current year's budget and £84,218 on the full year revenue budget.

**The Committee resolved:-**

to approve the Business Case.

(D) CRM Restructure 4

Business case four proposed (1) the disestablishment of three permanent Customer Care Assistant posts and one permanent Senior Systems Officer; (2) the change in job title of a Rates Officer to a Rates and Service Income Officer; and (3) the redesign of 10.5 existing jobs which would include 4.5 Customer Care Assistant posts, two Senior Support Assistants, three Support Assistants and one Support Officer. The saving on the current financial years budget would be £24,601 and £80,174 on the full year revenue budget.

**The Committee resolved:-**

to approve the business case.

**KIRKTON AVENUE, PITMEDDEN ROAD INDUSTRIAL ESTATE, DYCE (0.74 ACRE SITE) - FUTURE USE (EPI/09/131)**

**39.** The Committee had under consideration a report by the Director of Enterprise, Planning and Infrastructure relative to an area of amenity ground extending to 0.74 of an acre at Kirkton Avenue, Pitmedden Road Industrial Estate, Dyce, in respect of which the owner/occupier of adjacent ground had approached the Council with a request to buy.

The report before members (1) identified the ground in question, the prospective purchaser and other neighbouring owners/tenants who may have an interest in the matter; (2) provided a brief history of the sale of adjacent land to the same company in 2007; and (3) provided an assessment of the situation both from the Council's and the neighbouring owners/tenants' viewpoint. The report confirmed that planning colleagues and other Council Services had been made aware of the approach and gave an indication of the comments received, if any.

**The Committee resolved:-**

that the Head of Resources Development and Delivery be instructed to enter into negotiations with the prospective purchasers of the site and to report again on the outcome of these to a future meeting.

**GRANITEHILL ROAD SITE (EPI/09/128)**

**40.** Reference was made to article 36 of the minute of meeting of the former Resources Management Committee of 16 June, 2009, at which time there was under consideration the latest in a series of reports in relation to the Council owned site at Granitehill Road, Aberdeen, which following the damaging of the former Richards factory building in an arson attack in 2006, had been cleared and was now available for reuse. Given the various options under consideration by the Council, which included a possible excambion involving land adjacent to the Council site in the ownership of Mansell Contractors, the creation on part of the site of a North East Safety Centre and the location at Granitehill of an improved Council Services Depot, the Resources Management Committee at its meeting in June 2009 had resolved (1) to note the delay with the proposed Mansell land swap; (2) to approve the request from the Aberdeen Safer Communities Trust for a further period of six months in which to demonstrate that the project for a North East Safety Centre can be fully fundable in capital and revenue terms; (3) to agree that appropriate officers be instructed to make immediate provision of £10,000 from the Asset Management Planning Budget in respect of the design and costing of an improved Council Services Depot at Granitehill to allow a bid to be made to the Capital Programme for 2010/11; and (4) to instruct the Head of Resources Development and Delivery to report on progress to the meeting this day. The Committee now had before it a progress report which had been prepared by the Director of Enterprise, Planning and Infrastructure.

The report before members indicated, (a) as regards the possible land swap with Mansell, that whereas the land owned by the Council had been cleared of buildings

and surveyed as regards possible remediation works, the buildings on the site to be given up by Mansell had yet to be demolished; (b) that the situation which prompted the request from Mansell that the deal be placed on hold for twelve months, remained substantially unchanged; and (c) that even if the situation were to have changed at the end of the twelve months and the land swap proceed, the earliest that a deal could be concluded would be the summer of 2011.

As regards the reservation of part of the site in favour of the Aberdeen Safer Communities Trust who wish to provide a North East Safety Centre at that location, it was reported that the Trust had advised that at present they had not secured any further funding towards the cost of the building and also that, as community safety was regarded as a statutory duty, until the public sector allocates the necessary funding there is little prospect of the private sector or the third sector committing either. The situation regarding the possible relocation of Council Services from several smaller area based depots which are substandard, was also the subject of comment within the report which confirmed that because of the uncertainty in respect of both the land swap with Mansell and the creation of a North East Safety Centre, it had not been possible to any meaningful degree, to assess the design and costings of the "super depot" facility at Granitehill for the purposes of a bid as part of the 2010/11 budget process. The realignment of the Environmental and Roads Services within the new management structure was also cited as a reason why it had not been possible to implement the Committee instruction in that regard.

**The Committee resolved:-**

- (i) to note the current situation; and
- (ii) to instruct the Head of Resources Development and Delivery to (1) advise Mansell that they must confirm by 31 March, 2010 whether or not they are to progress with the proposed land swap; (2) advise the Aberdeen Safer Communities Trust that they must confirm by 31 March, 2010, that the necessary funding is in place to develop the North East Safety Centre; (3) progress with the Director of Housing and Environment and the Director of Enterprise, Planning and Infrastructure, the development options for a Council Services Depot at Granitehill; and (4) report progress in relation to the instructions given at (1), (2) and (3) hereof to the meeting of this Committee in May 2010.

**QUEENS LINKS OUTDOOR SPORTS CENTRE (EPI/09/129)**

**41.** Reference was made to article 29 of the minute of meeting of the former Resources Management Committee of 25 November, 2008, at which time there was under consideration a report by the Corporate Director for Resources Management which advised of an interest expressed in the Queens Links Outdoor Sports Centre site (declared surplus to Council requirements in August, 2008) by Transition Extreme Sports Ltd, the tenants of the immediately adjacent area of ground at Queens Links. The resolution of the Committee at the time was to instruct the Head of Resources Development and Delivery to enter into negotiations with the interested party as regards a possible lease of the site and to report back thereafter. The Committee now had before it a report on the matter by the Director of Enterprise, Planning and Infrastructure.

The report now before members (1) outlined the basis upon which Transition Extreme Sports Ltd currently lease the site occupied by them at Queens Links; (2) gave a brief indication of the use to which the additional ground, which extended to some 1.24 acres, would be put; (3) advised of the likely source of the funding for a development on the former sports centre site; and (4) advised also of the views expressed as regards that potential development by Council planning officers. The report made reference to the discussions held with the Council's external property advisers, as regards an appropriate valuation for the site; and also confirmed that should the Committee be of a mind to approve a lease on the basis of the negotiations that have taken place between the parties, the consent of the Scottish Ministers under Section 74 of the Local Government (Scotland) Act 1973, would not be required.

**The Committee resolved:-**

- (i) to approve the granting of a new long term lease on the former Queens Links Outdoor Sports Centre site to Transition Extreme Sports Ltd, on similar terms and conditions to those of their ground lease of the adjacent site, on condition that they have received confirmation of appropriate loan funding from Social Investment Scotland by 31 March, 2010 and that their financial stability has been evidenced to the Council;
- (ii) to instruct that the City Solicitor formally conclude such a lease on terms and conditions as are necessary to protect the Council's interests;
- (iii) that if Transition Extreme Sports Ltd cannot either obtain appropriate loan funding or evidence their financial stability by 31 March, 2010 then officers be instructed to advertise the Queens Links Outdoor Centre for lease on the open market for any use capable of achieving planning permission; and
- (iv) that in the event that the situation described under (iii) comes to pass, officers be requested to report back to a future meeting of this Committee on the response to the advertising process.

**8 ALFORD PLACE, ABERDEEN (EPI/09/130)**

**42.** Reference was made to article 38 of the minute of meeting of the former Resources Management Committee of 16 June 2009, at which time there was under consideration a joint report by the Corporate Director for Resources Management and the Programme Director for Social Care which advised of a difficulty that had arisen with the sub lease at 8 Alford Place, Aberdeen, a privately owned property currently leased by the Council and the subject of a sub lease in favour of Mental Health Aberdeen. The resolution of the Committee at that time was that the Council settle the outstanding rent review with its landlord and seek to recover the sub rent due from Mental Health Aberdeen as the Council would with any other party leasing or sub leasing a Council property; and remit to appropriate officers to continue discussions with Mental Health Aberdeen with a view to identifying a solution to their funding problem and in addition, to request the charitable body to provide their up to date accounts for the consideration of the City Chamberlain. The Committee now had before it a further report on the matter by the Director of Enterprise, Planning and Infrastructure.

The report before members advised that although the Council's sub tenants had indicated that they were willing to meet their sub lease obligations, the level of rent now being charged for the property was financially unsustainable for them in the

longer term; that because of the financial situation they find themselves in, the sub-tenant had requested the Council to permit them to renounce their lease and quit the property as at 31 March, 2010; and that should this Committee be sympathetic to the request received, the property would require to be marketed with a view to having a new sub tenant ready to occupy the premises from 1 April, 2010. The advice of the Council's retained external consultant for valuation services, was outlined within the report.

**The Committee resolved:-**

- (i) to approve the request from Mental Health Aberdeen that they be permitted to renounce their sub lease of 8 Alford Place with effect from 31 March, 2010;
- (ii) to instruct the City Solicitor to agree a formal Minute of Renunciation on terms and conditions as are necessary to protect the Council's interests, such terms and conditions to include reimbursement of all Council expenses incurred by complying with Mental Health Aberdeen's request; and
- (iii) to instruct the Head of Resources Development and Delivery to advertise the property at 8 Alford Place for sub lease from 1 April, 2010 until the termination date under the Council's head lease, and report further.

**MASTRICK LIBRARY – REWIRING (EPI/09/138)**

**43.** The Committee had under consideration a report by the Director of Enterprise, Planning and Infrastructure which related to the Non Housing Capital Plan budget heading of "Replacement and Renewal", the purpose of which was to address prioritised repairs on a city wide corporate basis within the Council's operational property portfolio and, in this case, advised of the tenders received in respect of a package of works for the rewiring of the Mastrick Library, being works identified by colleagues within the former Neighbourhood Services as priority works.

The report confirmed (1) that all the tender submissions received had been evaluated on a quality/price basis (best value basis); (2) that in terms of Council Standing Orders any tender proposed for acceptance which was not the lowest tender received, required to be the subject of Committee approval; and (3) that although Standing Orders did not specifically cover tenders evaluated on a quality/price basis, in the case under consideration the contractor achieving the highest combined score failed to meet the minimum quality threshold in all of the five quality criteria in which they were measured. Annexed to the report as appendix 1, was the table containing the individual tendering contractors' scores within which it was obvious that two other contractors also failed to satisfy the minimum quality threshold.

**The Committee resolved:-**

- (i) to note the background for the reporting of the tender in respect of the rewiring of Mastrick Library; and
- (ii) to award the contract to Maclin Electric Ltd, Aberdeen, who were the highest scoring tenderer meeting the required quality threshold.



**BRIDGE OF DON ACADEMY – REPLACEMENT OF ROOF COVERING (EPI/09/142)**

**44.** The Committee had under consideration a report by the Director of Enterprise, Planning and Infrastructure which related to the Non Housing Capital Plan budget heading of “Replacement and Renewal”, the purpose of which was to address prioritised repairs on a city wide corporate basis within the Council’s operational property portfolio and, in this case, advised on the tenders received in respect of works for the replacement of the roof covering at Bridge of Don Academy, being works identified by colleagues within the former Neighbourhood Services as priority works.

The report confirmed (1) that all the tender submissions received had been evaluated on a quality/price basis (best value basis); (2) that in terms of Council Standing Orders any tender proposed for acceptance which was not the lowest tender received required to be the subject of Committee approval; and (3) that in the case under consideration the contractor achieving the highest score did not submit the lowest price. Annexed to the report as appendix 1, was the table containing the individual tendering contractors’ scores.

**The Committee resolved:-**

- (i) to note the background for the reporting of the tender in respect of the replacement of the roof covering at Bridge of Don Academy; and
- (ii) to award the contract to Muirfield (Contracts) Ltd, who were the highest scoring tenderer meeting the required quality threshold.

**- COUNCILLOR KEVIN STEWART, Convener.**