

GUILDRY AND MORTIFICATION FUNDS SUB COMMITTEE

ABERDEEN, 14th June 2010. - Minute of Meeting of the GUILDRY AND MORTIFICATION FUNDS SUB COMMITTEE. Present:- Councillor John West, Master of Mortifications, Chairperson; Councillor Crockett; and Mr Frederick G.S. Dalgarno, Dean of Guild.

Officers in Attendance:- Ciaran Monaghan, Office of Chief Executive; James Argo and Richard Wood, Enterprise, Planning and Infrastructure; and Hugh Coleman and Martyn Orchard, Corporate Governance.

MINUTE OF PREVIOUS MEETING

1. The Sub Committee had before it the minute of its previous meeting of 16th June 2009.

The Sub Committee resolved:-
to approve the minute.

WOOLHILLOCK CROFT, CARNIE, SKENE - EPI/10/173

2. The Sub Committee had before it a report by the Director of Enterprise, Planning and Infrastructure, which was to be considered by the Finance and Resources Committee on 17th June 2010, which set out options for a possible disposal strategy in relation to Woolhillock Croft, Skene.

The report advised that the Council owned Woolhillock Croft, Skene, as identified on a plan appended to the report, which was held on Common Good/Trust Funds Account. The report stated that the tenant passed away on 29th December 2009 and that the executors of the tenant's estate had served notice on the Council to bring the lease to an end at 28th May 2010.

The report set out the following options for the Finance and Resources Committee:-

- (1) To advertise Woolhillock Croft to let on an agricultural lease, on a five year Short Limited Duration Tenancy, leaving the way open for the Council to reconsider the matter, should the planning designation of the site be changed at some point in the future. The Short Limited Duration Tenancy did not give the tenant the right to buy under the Agricultural Holdings (Scotland) Act 2003 and the Council would gain vacant possession of the land, house and building at the end of the lease;
- (2) To advertise the house and steading for outright sale, on the open market, after the Council had sought and obtained planning permission to change the use of the steading to residential, rather than agricultural use. In such a sales strategy, small areas of land would require to be included with both house and steading and the remaining area of land leased on a five year Short Limited Duration Tenancy. This option could lead to the purchasers of the house and steading strongly objecting to any future planning application for a

change of use in the land, should the Council try to have it re-designated in the future; and

- (3) To advertise Woolhillock Croft for outright sale, on the open market for the house, steading and land. This option would not allow the Council to benefit from any future change in the planning designation but would produce the best capital receipt at the present time.

The report recommended:-

that the Finance and Resources Committee -

- (a) instruct the Head of Asset Management and Operations to advertise and then lease Woolhillock Croft on a five year Short Limited Duration Tenancy; and
- (b) instruct the Head of Legal and Democratic Services to formally conclude the lease on terms and conditions as necessary to protect the Council's interests.

The Sub Committee resolved:-

- (i) to support the approval of the recommendations; and
- (ii) to request officers to provide the Finance and Resources Committee with a larger and clearer plan to help members identify the area in question.

LANDS OF SKENE INCOME - CG/10/126

3. The Sub Committee had before it a report by the Head of Finance which advised of the likely receipt of additional income to the Lands of Skene Trust during the current financial year and provided options for the use of these funds.

The report advised that during 2004/05, part of the land belonging to the Lands of Skene Trust was sold for £365,000. This sale had a condition attached that if it was sold on then the Trust would receive a share of any uplift. This clause had been triggered and, as agreement could not be reached with the purchaser, a legal action was in course to recover the share of the uplift due, however this was being contested in the Court of Session. The report stated that a settlement figure in the region of £1million, after any unrecoverable costs, had been estimated by Council officers. These funds, if received, would go to the Lands of Skene Trust, of which the Common Good owned 30%, the Bridge of Don Fund owned 30% and the Guildry owned 40%. The report added that capital receipts from land disposals had in the past been retained within the Trust to maintain its value.

The report considered that as the receipt of uplift monies was a somewhat unusual development, it was appropriate to consider what course of action to take if/when the legal action was settled. The options were as follows:-

- (1) The capital sum be retained by the Lands of Skene Trust and income earned from it be disbursed in accordance with previous practice; or
- (2) The additional income be disbursed along with other income at the end of the financial year to the Common Good, Bridge of Don Fund and the Guildry.

The report highlighted that it would be beneficial to the Common Good and Bridge of Don Fund to receive a cash windfall given the reduction in income that was being received due to the fall in interest rates. The report added that in practice, the

income to the Guildry was rarely fully used however any cash windfall would help maintain income levels in the short term.

The report recommended:-

that the Sub Committee -

- (a) note the content of the report; and
- (b) indicate its preference as to the allocation of the additional income likely to be received.

The Sub Committee resolved:-

to recommend to the Council that option 2 be approved - that the additional income be disbursed along with other income at the end of the financial year to the Common Good, Bridge of Don Fund and the Guildry.

EXEMPT INFORMATION

The Sub 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 item of business so as to avoid disclosure of exempt information of the classes described in paragraph 4 of Schedule 7(A) of the Act.

GUILDRY FUNDS AWARD 2009 - OCE/10/013

4. The Sub Committee had before it a report by the Chief Executive which informed of a Guildry Funds Award which had been made in 2009 and sought permission for the expenditure of £800, for the grant given to the applicant.

The report explained that the Guildry Funds Award scheme for 2009 had resulted in a single grant being made. A grant of £800 was offered to assist an applicant towards the cost of undertaking training in Video Interactive Guidance, a technique that made use of consensual video recording of families seeking support to manage the difficulties they faced. The applicant's aim was to make use of the training in their work with Children 1st in Aberdeen.

The report recommended:-

that the Sub Committee approve the grant of £800 as a Guildry Funds Award.

The Sub Committee heard the Head of Service, Office of Chief Executive explain the background to the case. He advised that the application had been approved following discussion with the Dean of Guild due to it having missed the last meeting of the Sub Committee and there being no further meetings scheduled at that time.

The Sub Committee also heard the Dean of Guild provide an update on possible future developments in relation the Guildry Funds Award. The Dean of Guild undertook to circulate more information to the Sub Committee once it was available.

The Sub Committee resolved:-

- (i) to approve the recommendation; and
- (ii) to agree that meetings be held as and when necessary to avoid such an occurrence in the future.

- JOHN WEST, Master of Mortifications, Chairperson.