

Committee Minutes

Finance and Resources Committee

Edinburgh, 20 March 2012

Present:- Councillors Wheeler (Convener), Aldridge, Burns, Chapman, Child, Dawe, Edie (substituting for Councillor Snowden), Elliott-Cannon, Henderson, McKay, Mowat, Rankin, Rose (substituting for Councillor Kate MacKenzie) and Work (substituting for Councillor Buchanan).

1 Minute

Decision

To approve the minute of the meeting of the Finance and Resources Committee of 17 January 2012 as a correct record.

2 Wester Hailes Healthy Living Centre – Motion by Councillor Wilson

The following motion by Councillor Wilson had been remitted from the Council in terms of Standing Order 28(3):

- “1. Edinburgh South West Neighbourhood Partnership (ESW NP), at its meeting of 24 January 2012, mandated Councillor Donald Wilson (as Partnership Chair) to submit this Motion to Full Council.
2. The ESW NP continues to seek early resolution of the issues surrounding the difficulties with the development of the access between the new-build Wester Hailes Healthy Living Centre and the West Side Plaza Shopping Centre.
3. The surrounding local community have continuously expressed concerns, and severe disappointment, at the apparent lack of progress in securing this important access route.
4. The ESW NP therefore requests an urgent report on the progress of this development, with a focus on the intention (and resolution) of securing suitable access across/under the local railway line.
”

5. The above report to return to Council within a maximum of 2 cycles.”

Decision

To approve the motion by Councillor Wilson.

(Reference – Act of Council No 14 of 2 February 2012.)

Declaration of Interests

Councillor Edie declared a financial interest in the above item as a stakeholder Director of NHS Lothian.

3 Complaints Process for Statutory Notices

Arrangements were proposed to enable elected members to take an overview of the Property Conservation complaints resolution process. The proposals incorporated feedback from the Cross-Party Political Sounding Board.

Decision

To agree that:

- 1) the Political Sounding Board would review samples of cases concluded by the Resolution Team, starting in April 2012, using the approach outlined in the report by the Director of Services for Communities.
- 2) the Sounding Board would review the frequency and volume of sampling in the light of experience.
- 3) the conclusions from the sampling would be incorporated into 6-monthly progress reports to the Finance and Resources Committee.

(References – Act of Council No 10 of 22 December 2011; report by the Director of Services for Communities, submitted.)

4 Interim Guidance on the Appointment of Consultants

An update was provided on the interim review of guidance on the appointment of consultants.

Decision

- 1) To note the content of the report by the Director of Corporate Governance.
- 2) To instruct the Director of Corporate Governance, as part of the wider governance review, to consider the fitness for purpose of the Council's existing guidance on the appointment of consultants and to put in place revised guidance as appropriate, and to report back to the Finance and Resources Committee for approval of the revised guidance.

(References – Finance and Resources Committee 7 June 2011 (item 9); report by the Director of Corporate Governance, submitted.)

5 Irrecoverable Miscellaneous Debts – Follow Up

The procedures adopted in relation to irrecoverable debts and the action taken when the Director of a company with an irrecoverable debt was also a Director of another company or companies that had financial dealings with the Council were detailed.

Decision

- 1) To note the content of the report by the Director of Corporate Governance.
- 2) To instruct the Director of Corporate Governance, as part of the wider governance review, to consider the fitness for purpose of the Council's existing policies in relation to irrecoverable debts and to put in place revised policies where appropriate.

(References – Finance and Resources Committee 1 November 2011 (item 21); report by the Director of Corporate Governance, submitted.)

6 Corporate Governance Revenue Budget Monitoring 2011/12 – Month 10 Position

The revenue monitoring position for Corporate Governance after ten months of the financial year was detailed, together with an update on the projected outturn for 2011/12.

Decision

- 1) To note the report by the Director of Corporate Governance and the continuing action being taken to ensure Corporate Governance expenditure remained within budget.
- 2) To request a report within two cycles on the actions being taken on the impact of changes to the Housing and Council Tax Benefits systems.

(Reference – Finance and Resources Committee 17 January 2012 (item 12); report by the Director of Corporate Governance, submitted.)

7 Revenues and Benefits Contact Centre

The outcome of a review of the call handling performance of the Revenues and Benefits contact centre in 2011/12 was detailed and an update was given on those service improvements made and planned.

Decision

To note the issues arising in 2011/12 that affected contact centre performance and the actions taken and planned to address these going forward.

(References – Finance and Resources Committee 17 January 2012 (item 14); report by the Director of Corporate Governance, submitted.)

8 Managing Requests for Information

An update was given on the arrangements for managing requests for information received under legislation covering Freedom of Information (FoI) and Environmental Information Requests (EIR).

Decision

To note the improvements in performance achieved to date and the steps outlined to strengthen this service.

(References – Finance and Resources Committee 17 January 2012 (item 14); report by the Director of Corporate Governance, submitted.)

9 Environment Internal Improvement Plan Update

The first progress update on the implementation of the internal improvement plan or Public Sector Comparator for Environment Services was presented. The plan had been renamed *imProve it* to better reflect the programme's objectives of delivering the improvements and efficiencies required in the services.

Decision

- 1) To note the progress being made in implementing the *imProve it* programme.
- 2) To agree that bi-annual updates would be provided to the Finance and Resources Committee for the duration of the programme.

(References – Act of Council No 2 of 24 November 2011; report by the Director of Services for Communities, submitted.)

10 Annual Treasury Strategy 2012/13

The Council had approved an Annual Treasury Strategy for 2012/13 and referred it to the Committee for scrutiny.

Decision

- 1) To note the Treasury Management Strategy for 2012/13.
- 2) To congratulate the Treasury Team on their achievements.

(References – Act of Council No 8 of 15 March 2012; report by the Director of Corporate Governance, submitted.)

11 Urban Broadband Fund Bid

An update was provided on Edinburgh's "Connected Capital" Programme bid to the Urban Broadband Fund as part of the Westminster Government's Super-Connected Cities Initiative. The bid would provide capital funding for the programme with revenue costs to be met by the Council and its partners. An announcement of indicative funding was due to be made in the 2012 UK Budget Statement on 21 March 2012.

Decision

- 1) To note the submission of the “Connected Capital” Edinburgh Bid to the Urban Broadband Fund as part of the Super-Connected Cities Initiative.
- 2) To note the timescales for the next stages in the process as detailed in paragraph 2.8 of the report by the Director of Corporate Governance.
- 3) To endorse the recommendation for draw down of up to £1.9m over three years from the BT Efficiency Fund to match investment from the UK Government, subject to the outline plan being agreed by the Department for Culture Media and Sport.
- 4) To refer the Director’s report to the Council and recommend the release of £1.9m over three years from the BT Efficiency Fund to the programme.
- 5) To note that a further report would be provided to a future Committee once funding had been announced and detailed plans were in place.

(References – Finance and Resources Committee 20 March 2012 (item 5.2); report by the Director of Corporate Governance, submitted.)

12 Proposed Lease of Land at Balerno High School to Currie Rugby FC

Decision

- 1) To approve a 60 year lease of 5.12 hectares at Bridge Road, Balerno to Currie Rugby FC, linked to a partnership agreement between the Club and Children and Families, at a rent of £750 per annum. This would be subject to an initial five year rent free period to reflect the cost of improvement works and on such other terms and conditions as might be agreed by the Director of Services for Communities and the Acting Head of Legal and Administrative Services.
- 2) To approve, in principle, extending the length of the Club’s existing ground lease for the site of their club house to be co-terminus with the sports pitches lease and to incorporate a redundant shower block and adjacent land, on the basis that terms and conditions would be reported to Committee for approval once they had been provisionally agreed.

(Reference – report by the Director of Services for Communities, submitted.)

13 Delegated Authority for the Appointment of Building Contractors for Extensions at Towerbank and Corstorphine Primary Schools and Construction of the New Seaview Children's Respite Centre

Decision

To delegate authority to the Director of Children and Families and the Director of Services for Communities to accept tenders and enter into contracts on behalf of the Council for the construction of the extensions at Towerbank and Corstorphine Primary Schools and the new Seaview Children's Respite Centre on the basis that the respective contract sums were within the budget allowance for each of these projects.

(References – Education, Children and Families Committee 21 June 2011 (item 8); joint report by the Directors of Education, Children and Families and Services for Communities, submitted.)

14 Corporate Procurement Transformation Project

The future delivery model for the provision of procurement services had been considered as part of the Alternative Business Models programme. Following the Council's decision to retain procurement strategy and delivery functions in-house, along with other corporate and transactional services, the market for potential procurement collaboration opportunities had been investigated and an opportunity to bring in external expertise had been identified.

Approval was sought to award a contract to deliver Council-wide procurement savings and improvements in collaboration with the internal procurement team.

Decision

- 1) To appoint Mott MacDonald as the preferred bidder.
- 2) To delegate authority to the Director of Corporate Governance to negotiate and enter into a contract on the material terms set out in his report as soon as possible with the outcome reported to the July 2012 meeting of the Finance and Resources Committee.
- 3) To note the proposed contract commencement date of early April 2012.

(References – Act of Council No 1 of 19 January 2012; report by the Director of Corporate Governance, submitted.)

15 Contract for Integrated Employability Services

The Council had approved a commissioning strategy for employability services. Approval was now sought to award a Block Contract for the provision of Integrated Employability Services.

Decision

- 1) To award a contract for the provision of Integrated Employability Services to a consortium led by Stevenson College of Further Education, for a period of two years, from 1 April 2012-31 March 2014, with an option to extend for up to a further two years.
- 2) To request a progress report on the operation of the contract within 9 months.

(References – Act of Council No 18 of 27 October 2011; report by the Director of Corporate Governance, submitted.)

16 Agency Framework Agreements for the Purchase and Supply of Electricity and Natural Gas on Behalf of the City of Edinburgh Council

Decision

To sign up to a new Agency Framework Agreement which authorised Scottish Procurement to award contracts on behalf of the Council for the purchase of half-hourly, non-half-hourly and unmetered electricity supplies and natural gas supplies for a maximum period of three years starting from 1 April 2013 and 1 April 2014 respectively (including the options to extend each for a further three year period exercisable in 12 month instalments).

(Reference – report by the Director of Corporate Governance, submitted.)

17 Framework for Supply of Postal Services on behalf of the City of Edinburgh Council

Decision

To adopt the Scottish Procurement Framework and to award a contract within the framework for the supply of postal services (Lot 1) to TNT Post Scotland Ltd for a period of three years (with an optional 4th year) from 1 April 2012 to 28 February 2015.

(Reference – report by the Director of Corporate Governance, submitted.)

18 Framework Agreement for the Provision of Security Solutions

Decision

To adopt the Scotland Excel framework agreement for the provision of Security Solutions with effect from 1 April 2012.

(Reference – report by the Director of Corporate Governance, submitted.)

19 Framework Agreement for Unescorted Passenger Journeys

Decision

To appoint a Framework Agreement for Unescorted Passenger Journeys to City Cabs (Edinburgh) Ltd (Lots 1 & 3) and Central Radio Taxis (Tollcross) Ltd (Lot 2).

(Reference – report by the Director of Corporate Governance, submitted.)

Declaration of Interests

Councillor Work declared a non-financial interest in the above item as a licensed taxi driver.

20 Communal Heating Installation at Greendykes and Wauchope Houses

Decision

To award a contract for the Communal Heating installation at Greendykes House and Wauchope House to Easy Heat Systems Ltd.

(References – Finance and Resources Committee 29 March 2011 (item 12); report by the Director of Services for Communities, submitted.)

21 Festival Theatre – Proposed Acquisition of Land

Approval was sought to acquire the feuhold interest in land which formed part of the entrance foyer of the Festival Theatre, Nicolson Street.

Decision

To acquire 23-27 Nicolson Street at a purchase price of £650,000 and on other terms and conditions to be agreed by the Acting Head of Legal and Administrative Services.

(Reference – report by the Director of Services for Communities, submitted.)

22 Proposed Sale of Land at 80 Newcraighall Road

Decision

To sell the area of land extending to 1.267 Ha (2.98 Acres) or thereby at 80 Newcraighall Road to The Eyre Estate on the main terms and conditions detailed in the report by the Director of Services for Communities and on other terms and conditions to be agreed by the Director of Services for Communities and the Acting Head of Legal and Administrative Services.

Reference – report by the Director of Services for Communities, submitted.)

23 Sale of Ground at Queensferry High School

Approval was sought to sell 99.10 sq metres of land on the eastern boundary of Queensferry High School to the owners of the adjoining property at 90 Station Road, South Queensferry.

Decision

Not to sell the 99.10 sq metres or thereby of land on the eastern boundary of Queensferry High School adjacent to 90 Station Road, South Queensferry, Edinburgh.

(Reference – report by the Director of Services for Communities, submitted.)

24 Proposed Sale of Land at West Gorgie Place

Decision

To sell the area of land extending to 0.109 Ha or thereby at West Gorgie Place to West Register Realisation Limited on the main terms and conditions detailed in the report by the Director of Services for Communities and on other terms and conditions to be agreed by the Director of Services for Communities and the Acting Head of Legal and Administrative Services.

(Reference – report by the Director of Services for Communities, submitted.)

**25 New Lease and Rent Review – Early Days Nursery,
36 Palmerston Place, Edinburgh**

Decision

To approve a 20 year lease of 36 Palmerston Place, Edinburgh, to Early Days Nursery from 1 April 2012 at a revised rent of £28,000 per annum, with five yearly reviews and a tenant's break option after 10 years.

(Reference – report by the Director of Services for Communities, submitted.)

26 Proposed Lease of Queensferry Recreation Centre

Approval was sought to grant a long lease of Queensferry Recreation Centre to a not-for-profit organisation at a nominal annual rent.

Decision

- 1) To grant a long-term lease of Queensferry Recreation Centre to the not-for-profit Queensferry Sports and Community Hub CIC (Community Interest Company) to be created by Queensferry Rugby Football Club on the main terms and conditions referred to in the report by the Director of Services for Communities and on the agreement of all other terms and conditions by the Director of Services for Communities and the Acting Head of Legal and Administrative Services.
- 2) To refer the report to the Culture and Leisure Committee for information.

(References – Culture and Leisure Committee 26 April 2011 (item 19); report by the Director of Services for Communities, submitted.)

27 Fixed Line Telecommunications

The outcome of a recent procurement process for fixed-line telephony was detailed.

The Director of Corporate Governance recommended that the Committee:

- 1) awards the Council's fixed line telephony contract to O2 for the next two years, with a possible two year extension, under the terms and conditions of the Scottish Procurement framework.
- 2) notes the efficiency savings which this contract would deliver at least £350,000 phased over two years.

Decision

- 1) To note the outcome of the recent tender process and the recommendation in the report by the Director of Corporate Governance to award the Council's fixed line telephony contract to O2.
- 2) To delegate authority to the Director of Corporate Governance to conclude contractual arrangements.
- 3) To note that a further update would be presented to Committee as part of reporting on other aspects of the ICT efficiency savings target of £830k.

(Reference – report by the Director of Corporate Governance, submitted.)

Declaration of Interests

Councillor Henderson declared a financial interest in the above item as an employee of BT and left the room during its consideration.

28 Valedictory

This was the last meeting of the Finance and Resources Committee of the present Council. The Convener thanked all members of the Committee for their support and for the non-partisan way in which business had been dealt with. In particular, he expressed his appreciation to the Vice-Convener, Councillor Elliott-Cannon, the opposition spokespersons and the Council officials for their support in helping to make his job easier.

29 Irrecoverable Miscellaneous Debts

The Committee resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 that the public be excluded from the meeting during consideration of the following item of business for the reason that it involved the disclosure of exempt information as defined in Paragraph 6 Part 1 of Schedule 7(A) of the Act.

Details were given of miscellaneous debts outstanding and deemed uncollectible. All possible methods of recovery had been attempted and the debts remained outstanding.

Decision

To deem uncollectible and approve for write off miscellaneous debt to the value of £804,972.13 as detailed in Appendix 1 to the report by the Director of Corporate Governance.