

Committee Minutes

Finance and Resources Committee

Edinburgh, 28 August 2012

Present:- Councillors Rankin (Convener), Bill Cook (Vice-Convener), Aldridge, Balfour (substituting for Councillor Whyte), Blacklock, Corbett, Dixon, Griffiths, McVey, Ricky Henderson, Rose (substituting for Heslop), Ross and Walker.

1 Property Investigation – Financial Update

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

- a) certain financial issues relating to the Property investigation;
- b) proposals for the remit and appointment of a Property Sub-Committee; and
- c) proposals for the delegation of certain powers to officers on related matters.

Decision

- 1) To note the serious financial risks arising in Property Conservation and Property Care Services.
- 2) To note the financial provision made so far to cover those risks.
- 3) To note that further financial provision might be necessary as the extent of the risks became clearer.
- 4) To appoint a dedicated Property Sub-Committee with the political composition and remit as set out in the report and that party groups pass their membership details to Committee Services.

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- 5) That the Director of Services for Communities report to the Property Sub-Committee before any payments to owners were made.

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

Declaration of Interests

Councillor Blacklock declared a financial interest in the above item as an individual who had lodged a complaint about the service and left the meeting room.

2 Property Investigation – Exclusion of Contractors

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 -

- a) the status of Council and Police investigations in relation to certain building contractors, and directors or other senior individuals associated with them as part of the wider Property service investigations; and
- b) proposals about future engagement with those contractors.

The Director of Services for Communities recommended that the Committee: -

- a) ratify and approve the decision to suspend Contractors A, B, C, D and E with effect from 2 July to today's Committee meeting;
- b) continue the suspension of Contractors A, B, C, D and E, pending a final decision in relation to their proposed exclusion from the frameworks;
- c) invite Contractors A, B, C, D and E to a meeting with the Director of Services for Communities at which they would each be given the opportunity to state their case in relation to their proposed exclusion from existing frameworks;
- d) delegate authority to the him (in consultation with the Convener and Vice-Convener) to take such decision with regard to the proposed exclusion from existing frameworks of each of the 5 contractors as he considered appropriate following any such meeting;
- e) note the position set out in paragraphs 3.23 to 3.26 of the report and agree that the Council's treatment of the Contractors regarding any future tenders be considered on the merits of the specific case;

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- f) accept that there was a case to be answered in relation to the contractor specified in section B of the Director's report;
- g) invite the contractor specified in section B of the Director's report to meet with a senior officer of the Council to be given the opportunity to state their case regarding the recommendations to exclude the company from existing frameworks, and from future and current tenders; and
- h) Further to such meeting, to delegate authority to the senior officer (in consultation with the Convener and Vice Convener) to make such decisions regarding the exclusion of the contractor specified in section B of the Director's report from existing frameworks and from future and current tenders as the senior officer considers appropriate.

The Committee approved recommendations a), b) c), e), f) and g) and amended recommendation h) as follows: -

"To not approve recommendation h) and instead agree that further to the meeting referred to in g) above, that the senior officer reports the outcome to the Property Sub-Committee for a final decision on the exclusion"

Recommendation d)

Motion

To approve recommendation d).

- moved by Councillor Rankin, seconded by Councillor Bill Cook.

Amendment

That once meetings have taken place as outlined in recommendation c) the Director of Services for Communities prepare a report for the Property Sub-Committee to come to a decision on the matter.

- moved by Councillor Balfour, seconded by Councillor Aldridge.

Voting

For the motion - 6 votes
For the amendment - 6 votes

There being an equal number of votes for the motion and the amendment, the Convener used his casting vote in favour of the motion.

Decision on Recommendation d)

To approve the motion by Councillor Rankin.

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In terms of Standing Order 53, the requisite number of members required that the decision on recommendation d) be referred to the Council as a recommendation.

Decision

- 1) To ratify and approve the decision to suspend Contractors A, B, C, D and E with effect from 2 July 2012 to today's Committee meeting;
- 2) To continue the suspension of Contractors A, B, C, D and E, pending a final decision in relation to their proposed exclusion from the frameworks;
- 3) To invite Contractors A, B, C, D and E to a meeting with the Director of Services for Communities at which they would each be given the opportunity to state their case in relation to their proposed exclusion from existing frameworks;
- 4) To recommend to the Council in terms of Standing Order 53 that authority be delegated to the Director of Services for Communities (in consultation with the Convener and Vice-Convener) to take such decision with regard to the proposed exclusion from existing frameworks of each of the 5 contractors as he considered appropriate following any such meeting;
- 5) To note the position set out in paragraphs 3.23 to 3.26 of the report and agree that the Council's treatment of the Contractors regarding any future tenders be considered on the merits of the specific case;
- 6) To accept that there was a case to be answered in relation to the contractor specified in section B of the Director's report;
- 7) To invite the contractor specified in section B of the Director's report to meet with a senior officer of the Council to be given the opportunity to state their case regarding the recommendations to exclude the company from existing frameworks, and from future and current tenders; and
- 8) That further to the meeting referred to in 7) above, that the senior officer reports the outcome to the Property Sub-Committee for a final decision on the exclusion.

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