

# Item 4.1(a) - Minutes

## Finance and Budget Committee

10.00 am, Thursday, 21 March 2013

### Present

Councillors Rankin (Convener), Bill Cook (Vice-Convener), Aldridge, Corbett, Dixon, Godzik, Griffiths, Ricky Henderson, Jackson (substituting for Councillor Heslop), McVey, Orr (substituting for Councillor Ross), Rose (substituting for Councillor Whyte from item 10), Walker and Whyte (items 1-9).

### 1. Minute

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#### Decision

To approve the minute of the Finance and Budget Committee of 21 February 2013 as a correct record.

### 2. Key Decisions Forward Plan

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The Finance and Budget Committee Key Decisions Forward Plan for June 2013 was presented.

#### Decision

To note the Key Decisions Forward Plan for June 2013.

(Reference – Finance and Budget Committee Key Decisions Forward Plan June 2013, submitted.)

### 3. Business Bulletin

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The Finance and Budget Committee Business Bulletin was presented.

#### Decision

To note the Business Bulletin.

(Reference – Finance and Budget Committee Business Bulletin, submitted)

## **4. Corporate and Transactional Services Improvement Programme: Quarterly Update**

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A quarterly update was provided on the progress of the Corporate and Transactional Services (C&TS) Improvement Programme.

### **Decision**

- 1) To note that progress had been made in planning and defining the approved C&TS Improvement programme.
- 2) To note that the next quarterly update would be provided to the Committee in June 2013.
- 3) To note that progress would be further monitored and reported via the Corporate Programmes Office, as part of the overall change programme for the Council.

(References – Act of Council No. 8.2, 31 January 2013; Finance and Budget Committee, 21 February 2013 item 7.2; report by the Director of Corporate Governance, submitted.)

## **5. Loan to Edinburgh Leisure in Relation to the Edinburgh International Climbing Arena (EICA) at Ratho**

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Approval was sought to write-off the £230,000 loan advanced to Edinburgh Leisure in respect of the operation of the Edinburgh International Climbing Arena at Ratho.

### **Decision**

To agree to continue the report for two cycles to allow a more detailed report to be brought back to Committee.

(References – Act of Council No. 8.15, 27 June 2007; Culture and Sport Committee, 12 March 2013 item 7.8; report by the Director of Corporate Governance, submitted.)

## **6. Budget Framework 2014/15-2017/18 – Financial Outlook**

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Details were provided of the key assumptions underpinning the Budget Framework as they would affect the setting of 2014/15's and future years' budgets.

### **Decision**

To note the report's contents in the context of the overall financial position facing the Council in considering the 2014/15 and future years' revenue and capital budgets.

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

## **7. Welfare Reform – Scottish Welfare Fund Arrangement**

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Approval was sought for an interim arrangement for the Bethany Christian Trust to supply goods for Scottish Welfare Fund recipients in relation to Community Care Grants for a period of nine months.

### **Decision**

- 1) To approve an interim arrangement for the Bethany Christian Trust to supply goods for Scottish Welfare Fund recipients in relation to Community Care Grants for a period of nine months.
- 2) To note the arrangement would be reviewed as further information on the Scotland Excel contract became available and a further report would be presented to the Committee regarding the appointment of a longer term supplier.

(References – Corporate Policy and Strategy Committee, 4 December 2012 and 22 January 2013 items 7.1 and 7.4; report by the Director of Corporate Governance, submitted.)

### **Declaration of Interest**

Councillor Rankin and Whyte declared a non-financial interest in the above item as Board Members of Excel Scotland.

## **8. Empty Properties – Council Tax Charges**

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Approval was sought to implement new Council Tax charges for relevant empty homes. The Council's stance on empty properties was included in the Coalition pledges, approved by Council on 23 August 2012.

### **Motion**

- 1) To note the content of the report and the implications of the Scottish Government legislation.
- 2) To approve the revised Council Tax liabilities detailed in Appendix 2 of the Director's report, specifically the intention to reduce Council discount to 10% after six months, with a 100% increase after 12 months for empty and unfurnished properties.
- 3) To note the intention to introduce the changes in the second half of the year.
- 4) To note the Council's commitment to engage with affected property owners.

- moved by Councillor Rankin, seconded by Councillor Cook.

## **Amendment**

To maintain the current arrangement for Council Tax charges for relevant empty properties.

- moved by Councillor Whyte, seconded by Councillor Jackson.

## **Voting**

For the motion - 10

For the amendment - 3

## **Decision**

To approve the motion by Councillor Rankin.

(References – Act of Council No. 8.1(a), 23 August 2012; report by the Director of Corporate Governance, submitted.)

## **Declaration of Interest**

Councillor Corbett declared a financial interest in the above item as an employee of Shelter Scotland.

## **9. Request for Civic Hospitality – 1<sup>st</sup> Battalion Scots Guards**

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Approval was sought to a request for civic hospitality from the 1<sup>st</sup> Battalion Scots Guards for which the costs exceeded the delegated authority set out in the Council's Civic Hospitality Guidelines.

## **Decision**

To approve the request for a civic reception following the homecoming parade by the 1<sup>st</sup> Battalion Scots Guards on 31 May 2013.

(References – Act of Council No. 8.4(a), 25 October 2012; report by the Director of Corporate Governance, submitted.)

## **10. Elected Members ICT and Digital Sounding Board**

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Approval was sought for the revised remit for the Elected Member ICT and Digital Sounding Board and the renaming of the Smart City and ICT Partnership Board to the Elected Member ICT and Digital Sounding Board.

## **Decision**

1) To note the changes to the governance arrangements for ICT and Digital.

- 2) To approve the revised remit for the Elected Member ICT and Digital Sounding Board.
- 3) To approve the renaming of the Smart City and ICT Partnership Board to the Elected Member ICT and Digital Sounding Board.

(References – Finance and Resources Committee, 31 July 2012 item 5; report by the Director of Corporate Governance, submitted.)

## **11. Disposal of Land and Buildings at 79-89 Broomhouse Crescent to the Broomhouse Centre Limited**

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Approval was sought for the sale of land and buildings at 79-89 Broomhouse Crescent to Broomhouse Centre Limited (BCL) at a market value of £108,000. The land and buildings would not be sold to BCL if they failed to secure the required funding from the Big Lottery Fund.

### **Motion**

- 1) To approve the sale of the land and buildings at 79-89 Broomhouse Crescent to Broomhouse Centre Limited (BCL) at a market value of £108,000 and to make a grant of that amount for that purpose, subject to BCL achieving Big Lottery Funding.
- 2) To note the intention to seek Scottish Government consent for disposal of the subjects.
- 3) To approve that BCL would be offered a 21-year lease of the lands and buildings on terms to be agreed by the Directors of Corporate Governance and Services for Communities if BCL was unsuccessful in its bid for Big Lottery Funding for an extension to the premises.

- moved by Councillor Rankin, seconded by Councillor Cook.

### **Amendment**

To approve that BCL would be offered a 21-year lease of the lands and buildings on terms to be agreed by the Directors of Corporate Governance and Services for Communities.

- moved by Councillor Rose, seconded by Councillor Jackson.

### **Voting**

For the motion                      - 10  
For the amendment                - 2

## **Decision**

To approve the motion by Councillor Rankin.

(References – Finance and Resources Committee, 11 January and 29 March 2011, items 35 and 21; report by the Director of Services for Communities, submitted.)

## **Declaration of Interest**

Councillor Dixon declared a non-financial interest in the above item as a Ward Member with close involvement in the proposal.

## **12. Encroachment at Dock Street**

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Approval was sought for the owners of the flats at Dock Street/Coburg Street to have their flawed Titles rectified subject to the Council's legal costs being met.

## **Decision**

To approve that owners of the flats at Dock Street/Coburg Street had their flawed Titles rectified subject to the Council's legal costs being met.

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

## **13. Former North British Rubber Company Building, Gilmore Park/Dundee Street, Fountainbridge Road: Proposed Disposal**

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Approval was sought for the Director of Services for Communities to enter into detailed discussions with Edinburgh Printmakers to agree Heads of Terms for the purchase of the former North British Rubber Company Building.

## **Decision**

- 1) To authorise the Director of Services for Communities to enter into exclusive detailed discussions with Edinburgh Printmakers to agree Heads of Terms for the purchase of the former North British Rubber Company Building.
- 2) To note that a further report would be submitted to the Committee in June that would provide the details of the agreed Heads of Terms for approval.

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

## **14. Edinburgh's Hogmanay and Edinburgh's Christmas – Result of Procurement Exercise**

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Approval was sought to award a Service Contract for the delivery of the Edinburgh's Christmas event programme and Edinburgh's Hogmanay. The term of the contract would be three years with an option to extend up to two years.

## **Decision**

- 1) To approve the award of the contract to the consortium comprising Unique Events Ltd and Underbelly Ltd for a duration of three years (at a cost of £3,892,368) with an option to extend for two further 12 month periods.
- 2) To note that the Director of Corporate Governance had delegated power to agree the final terms of the contract and to enter into the contract.

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

## **15. Capital Investment Programme 2013/14 – Children and Families Asset Management Works Budget Update**

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Approval was sought for the Children and Families Asset Management Works budget 2013/14, which detailed the current and future priorities within the Children and Families estate.

### **Decision**

- 1) To approve the Children and Families Asset Management Works Budget 2013/14 and refer to Council and the Education, Children and Families Committee on 2 May 2013, and 21 May 2013 respectively, for noting.
- 2) To approve delegated authority to the Director of Services for Communities in consultation with the Director of Children and Families and the Convener of the Education, Children and Families Committee to allow alteration of the elemental budget allocations within the overall budget, according to prioritised need and especially to ensure health and safety, political and service requirements were met within the programme.

(References – Finance and Budget Committee, 17 January 2013 item 7.6; report by the Director of Services for Communities, submitted.)

## **16. Finance and Budget Policy Development and Review Sub-Committee Workplan**

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Approval was sought for the Finance and Budget Policy Development and Review Sub-Committee Workplan for 24 April 2013 to 6 September 2013.

### **Decision**

To approve the Finance and Budget Policy Development and Review Sub-Committee Workplan for 24 April to 6 September 2013.

(Reference – Finance and Budget Policy Development and Review Sub-Committee Workplan, submitted.)

## 17. Property Conservation Financial Recovery

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Approval was sought to appoint Deloitte LLP to develop and lead a programme of finalising and billing outstanding Statutory Notice projects. The term of the contract would be approximately 6 months.

The total value of the unbilled work was in the order of £22,000,000 (over 430 projects). Finalising these accounts and billing owners for their share of the works would significantly reduce the financial burden of the Council.

### Decision

- 1) To approve the appointment of Deloitte LLP for the Property Conservation Financial Recovery contract for a period of six months at a notional cost of £792,965.
- 2) To agree that regular update reports on the progress of the Property Conservation Financial Recovery were brought to the Finance and Budget Property Sub-Committee.

(References – Policy and Strategy Committee, 7 August 2012 item 10; report by the Director of Services for Communities, submitted.)

## 18. Lease of Housing Revenue Account Land between Calder Grove and Union Canal

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Approval was sought to lease 1.6 hectares of Housing Revenue Account (HRA) land between Calder Grove and the Union Canal to Scottish Canals for a period of 25 years for the purpose of creating a recreational facility for the community and visitors to the city.

### Decision

- 1) To approve the lease of the site to Scottish Canals subject to consent from Scottish Ministers for the lease of HRA land under Section 12 of the Housing (Scotland) Act 1987.
- 2) To grant delegated authority to the Director of Services for Communities to negotiate and conclude the lease including authority to instruct the Head of Legal, Risk and Compliance to settle the Conveyancing formalities associated therein.

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

## **19. Lease Extension for Ground and Former Scout Hut at 112 Sleigh Drive – Lochend Amateur Boxing Club**

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Approval was sought to extend an existing lease for five years for the ground and building at 112 Sleigh Drive, Edinburgh, to the Trustees for the Lochend Amateur Boxing and Fitness Club (Boxing Club).

### **Decision**

To approve the lease extension to the Trustees for the Lochend Amateur Boxing Club for a period of five years on terms and conditions to be agreed by the Director of Services for Communities and the Head of Legal, Risk and Compliance.

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

## **20. Disposal of Housing Revenue Account Land at Harvesters Way, Wester Hailes**

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Approval was sought to dispose of a site of 2.7 hectares of Housing Revenue Account (HRA) land at Harvesters Way in Wester Hailes to Places for People for the purpose of building mixed tenure affordable housing.

### **Decision**

- 1) To approve the disposal of the site to Places for People for £1 subject to consent from the Scottish Ministers to dispose of HRA land under Section 12 of the Housing (Scotland) Act 1987.
- 2) To grant delegated authority to the Director of Services for Communities to negotiate and conclude the disposal, including authority to instruct the Head of Legal, Risk and Compliance to settle the Conveyancing formalities associated therein.

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

## **21. Framework Agreement for the Supply and Installation of Furnishings/Furniture for Temporary Accommodation**

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Approval was sought to award a framework agreement for the supply and installation of furnishings and furniture for temporary accommodation, including the Core Furnished Tenancy scheme (CFT), to CF Services.

### **Decision**

To approve the award of a two-year framework agreement with the possibility of a two-year extension to CF Services.

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

## **22. Proposed Lease at Harlaw Reservoir for a Micro Hydro Scheme**

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Approval was sought to grant a fifty year lease at Harlaw Reservoir to Balerno Village Trust's Industrial and Provident Society, Harlaw Hydro Ltd (HHL), for the renewal and re-use of a Micro Hydro Scheme using the outflow from the reservoir.

### **Decision**

To approve a new fifty year lease of land and infrastructure at Harlaw Reservoir to Harlaw Hydro Ltd on the terms outlined in the report and on other terms and conditions to be agreed among the Director of Services for Communities, the Head of Legal, Risk and Compliance and HHL.

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

## **23. Arboretum Pavilion and Playing Field: Lease to Erskine Stewart's Melville Governing Council**

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Approval was sought to grant a sixty year lease to Erskine Stewart's Melville Governing Council, at the Arboretum Road pavilion and playing field in accordance with the recommendations approved within the report to the Education, Children and Families Committee on 9 October 2012.

### **Decision**

To approve a new sixty year lease of the pavilion to Erskine Stewart's Melville Governing Council on the terms and conditions outlined in the report and on other terms and conditions to be agreed among, the Director of Services for Communities, the Director of Children and Families, the Head of Legal, Risk and Compliance and Erskine Stewart's Melville Governing Council.

(References – Education, Children and Families Committee, 9 October 2012 item 5; report by the Director of Services for Communities, submitted.)

## **24. Moredun Community Centre and Former Craigour Care Home – Excambion of Land**

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Approval was sought for the Council to dispose of the land shown in Appendix 1 to the Director's report, to Castle Rock Edinvar (CRE) Housing Association at market value, and to remove the land shown in Appendix 1 from within the boundary of Moredun Community Centre and the former Craigour Care Homes sites to incorporate it into Moredun Park.

### **Decision**

- 1) To dispose of the land shown indicatively in Appendix 1 to the Director's report to CRE Housing Association at market value.

- 2) To remove the land shown indicatively in Appendix 1 of the Director's report from within the boundary of Moredun Community Centre and the former Craigour Care home sites to incorporate it into Moredun Park.
- 3) To agree that other terms and conditions of the disposal would be negotiated by the Director of Services for Communities and the Head of Legal, Risk and Compliance.

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

## **25. Summary Report on Property Transactions Concluded under Delegated Authority**

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Details were provided of transactions concluded in terms of the Council's 'Scheme of Delegation to Chief Officials'.

### **Decision**

To note that the nine transactions had been concluded in terms of the Council's 'Scheme of Delegation to Chief Officials'.

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

## **26. Miscellaneous Debts – Write Off**

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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 of Part 1 of Schedule 7(A) of the Act.

Approval was sought to write off identified miscellaneous outstanding debt that was deemed uncollectible, to the value of £507,045.68.

### **Decision**

To approve that the identified miscellaneous debt deemed uncollectible, to the value of £507,045.68, be written off.

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

## **27. Former Curriehill Primary School, 210 Lanark Road West, Currie – Proposed Disposal**

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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 Paragraphs 6 and 9 of Part 1 of Schedule 7(A) of the Act.

Approval was sought for the sale of the former Curriehill Primary School at 210 Lanark Road West, Currie, to Cruden Homes, in accordance with the terms set out in the Director's report.

### **Decision**

To approve the sale of the former Curriehill Primary School at 210 Lanark Road West Currie, to Cruden Homes, in accordance with the terms as set out in the Director's report, and on such other terms and conditions to be agreed by the Director of Services for Communities and the Head of Legal, Risk and Compliance.

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

## **28. 55-63 Dundee Street, Fountainbridge: Proposed Acquisition**

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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 Paragraphs 6 and 9 of Part 1 of Schedule 7(A) of the Act.

Approval was sought for the acquisition of 55-63 Dundee Street by way of a Contract of Excambion with the disposal of the Council owned property at 72-74 Eyre Place.

### **Decision**

- 1) To approved the acquisition of 55-63 Dundee Street by way of a Contract of Excambion with the disposal of the property at 72-74 Eyre Place and on such other terms and conditions to be agreed by the Director of Services for Communities and the Head of Legal, Risk and Compliance.
- 2) To approve that the proposed transfer value of £650,000 was met from the Boroughmuir High School capital project budget.

(References – Act of Council, Nos. 8.2 and 8.1, 24 November 2011 and 28 June 2012; joint report by the Director of Services for Communities and the Director of Children and Families, submitted.)

## **29. Computer Aided Facilities Management (CAFM) System**

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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 Paragraphs 6 and 9 of Part 1 of Schedule 7(A) of the Act.

Approval was sought to progress with the procurement and implementation of a Computer Aided Facilities Management (CAFM) system that would support the core Property and Facilities Management (P&FM) functions.

## **Decision**

- 1) To approve the contracts for the provision of a Computer Aided Facilities Management Solution. The full value of the contracts was £809,328, up to the financial year 2015/16.
- 2) To approve the purchase of the Computer Aided Facilities Management solution including implementation, hosting and support services from BT Global Services.
- 3) To approve the purchase through the existing Council / BT Partnership agreement.
- 4) To approve that the current Open Journal of the European Union (OJEU) (Open Procedure) should be abandoned and no contract be awarded.

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