

# Item 4.1 - Minutes

## Finance and Resources Committee

10.00 am, Thursday, 28 November 2013

### Present

Councillors Rankin (Convener), Bill Cook (Vice-Convener), Corbett, Dixon, Edie, Godzik, Griffiths, Jackson, Lunn (substituting for Councillor Ricky Henderson), Walker and Whyte.

### 1. Minute

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#### Decision

To approve the minute of the Finance and Resources Committee of 31 October 2013 as a correct record.

### 2. Key Decisions Forward Plan

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The Finance and Resources Committee Key Decisions Forward Plan for 28 November 2013 to 16 January 2014 was presented.

#### Decision

To note the Key Decisions Forward Plan for November 2013 – January 2014.  
(Reference – Finance and Budget Committee Key Decisions Forward Plan 28 November 2013 – 16 January 2014, submitted.)

### 3. Business Bulletin

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The Finance and Resources Business Bulletin for November 2013 was presented.

#### Decision

To note the Business Bulletin.  
(Reference - Finance and Resources Committee Business Bulletin, submitted.)

### 4. Zero Hours Contracts – Use by Council: Update Report

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Details were provided of an investigation that was carried out in response to a motion by Councillor Chapman that was approved by Council on 26 September 2013, to investigate the extent of the use of zero hours contracts by the Council and contractors used by the Council.

#### Decision

1) To note the content of the report.

- 2) To request a further report once the register of contractors was complete, with clarification that attention be restricted to those contractors which provided staff services to the Council and with the aim that those contractors provided contracts comparable to those described as “type 2” in the report.

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

## **5. Corporate Governance: High Performing Workforce – Induction and Training**

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Details were provided of the critical requirement identified by the Director of Corporate Governance to review the Council’s suite of regulatory policies. All key policies had been reviewed and redrafted over the last twelve months and all induction and training given to staff would be monitored.

### **Decision**

- 1) To note the progress and implementation to date.
- 2) To consider a further update report in six months on the high performing workforce objective set out in the Corporate Governance directorate plan.

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

## **6. Procurement of Investment Promotion Support - referral from the Economy Committee**

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The Economy Committee had agreed to approve the appointment of the successful consultant following the tendering process to support investment activities in German-speaking markets up to the value of £50,000 per annum in 2014 and 2015. To comply with the guidance on the appointment of contractors, the report was referred to the Finance and Resources Committee for information.

### **Decision**

To note the contents of the report.

(Reference – report by the Head of Legal, Risk and Compliance, submitted.)

## **7. Appointment of Contractor to Undertake Legal Recovery Work for Council Debt**

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Approval was sought to appoint Morton Fraser to undertake external legal work related to the recovery of Council debt. To ensure that the Council received a consistent and best value service, a procurement process had been completed to bring all debt related legal work under one external provider.

### **Decision**

To approve the appointment of Morton Fraser to undertake external legal work related to the recovery of Council debt.

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

## 8. Treasury Management Update re HubCo

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The Council had approved an amendment to the Council's Treasury Management Policy to permit investment in subordinated debt of projects delivered via the 'HubCo' model, subject to an overall limit of £1m. Details were provided of the progress in the consideration of the subordinated debt as an investment.

### Decision

To note the report, on the basis that the Council would not take up subordinated debt as an investment option regarding the James Gillespie Campus Project.

(References - Act of Council No. 17, 27 June 2013; report by the Director of Corporate Governance, submitted.)

## 9. The City of Edinburgh Charitable Trusts Trustee's Report and Accounts

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Approval was sought for the summarised accounts for the City of Edinburgh Charitable Trusts. The accounts had been prepared to comply with the filing requirements set by the Office of the Scottish Charity Regulator (OSCR) for the Council's registered charities for the year ended 31 March 2013.

### Decision

- 1) To note the report.
- 2) To approve the document attached as Appendix 1 to the report and authorise the Convener to confirm the Committee's approval by signing the Trustee's report and accounts when the audit opinion had been issued.
- 3) To note that the audit findings would be reported back to Committee in due course.

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

## 10. Annual Investment Monitoring – Charitable Trusts

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An update was provided on the investment performance and the asset allocation of the investments held by the Charitable Trusts administered by the City of Edinburgh Council at 30 June 2013.

### Decision

- 1) To note the performance and asset allocation of the Charitable Trusts at 30 June 2013.
- 2) To note that the manager was planning to liquidate the Chariguard Fixed Interest Fund.
- 3) To delegate authority to review and implement new investment arrangements to the Director of Corporate Governance.

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

## 11. Civic Clocks and Time Ball: Maintenance Service

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It was proposed to appoint James Ritchie & Sons, Clockmakers Ltd to provide a winding and maintenance service for the thirty eight civic clocks and time ball for three years.

### Decision

To appoint James Ritchie & Sons, Clockmakers Ltd, to provide a winding and maintenance service for the thirty eight civic clocks and time ball for three years.

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

## 12. National Housing Trust – Phase 2B

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A contract for the delivery of ninety six new affordable homes under the National Housing Trust (NHT) Phase 2B to Forth Ports Limited was recommended for acceptance. On the 2 May 2013 the City of Edinburgh Council agreed to the Council's participation in procurement Phase 2B of the NHT.

### Decision

- 1) To approve the award of a contract for delivery of ninety six homes under National Housing Trust (NHT) 2B to Forth Ports Limited.
- 2) To note that the Council would be required to enter into a Limited Liability Partnership with Forth Ports Limited and Scottish Futures Trust in order to acquire and then manage the homes.

(References – Act of Council No. 15, 2 May 2013; report by the Director of Services for Communities, submitted.)

## 13. Extension of Homelessness Contracts

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Approval was sought to extend homelessness contracts due to expire in March 2014 in order to allow further time for the implementation of the Homelessness Prevention Commissioning Plan.

### Decision

- 1) To approve the extension of the contracts for eighty three commissioned homelessness and other services until 31 March 2015.
- 2) To note that contract extensions would include an appropriate break clause to give notice in the event of changes due to procurement and savings requirement.

### Declarations of interest

Councillors Corbett and Edie declared a financial interest in the above item as an employee of Shelter Scotland, and as Chair of the Care Inspectorate respectively. Both left the meeting during the discussion of this item.

(References – Finance and Budget Committee, 17 January 2013 (item 10); report by the Director of Services for Communities, submitted.)

## **14. Homelessness Prevention Commissioning Plan – Update and Proposals for Advice and Support – referral from Health, Social Care and Housing**

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The Health, Social Care and Housing Committee on 12 November 2013 considered a report which provided an update on progress on the implementation of the Homelessness Prevention Commissioning Plan. The report was referred to the Finance and Resources Committee for information.

### **Decision**

To note the report.

### **Declarations of interest**

Councillors Corbett and Edie declared a financial interest in the above item as an employee of Shelter Scotland, and as Chair of the Care Inspectorate respectively. Both left the meeting during the discussion of this item.

(Reference – report by the Head of Legal, Risk and Compliance, submitted.)

## **15. Contract Extension – ECCO Monitoring System**

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Approval was sought to extend the contract with the Gallery Partnership Limited (Gallery) as providers of the Edinburgh Common Client Outcomes Monitoring System.

### **Decision**

To approve the extension of the contract with Gallery at a cost of £98,990 for the period 1 February 2012 to 31 March 2015.

### **Declarations of interest**

Councillors Corbett and Edie declared a financial interest in the above item as an employee of Shelter Scotland, and as Chair of the Care Inspectorate respectively. Both left the meeting during the discussion of this item.

(References – Policy and Strategy Committee, 6 September 2011 (item 2); report by the Director of Services for Communities, submitted.)

## **16. Partnership and Procurement Arrangements with Edinburgh & Lothians Greenspace Trust**

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At the Finance and Resources Committee of 31 October 2013, further information was requested on the uniqueness of the Edinburgh and Lothians Greenspace Trust (ELGT) with regard to regularising the relationship between the Council and ELGT.

Contract Standing Orders required work in excess of £25,000 to be awarded to third parties via complete tendering. It was agreed by the Finance and Resources Committee on 31 October 2013 to waive Contract Standing Orders to allow work to be continued to be delivered by ELGT due to their ability to access additional external funding to benefit the Council's park and green spaces.

## **Decision**

- 1) To note the uniqueness of the Edinburgh and Lothians Greenspace Trust (ELGT).
- 2) To note the waiver of Contract Standing Orders to allow works to continue to be delivered by ELGT.
- 3) To approve the establishment of a framework agreement that allowed up to £1m of improvement work to be delivered by ELGT over a four year period (the £1m limit was exclusive of any additional funding that ELGT was able to access on behalf of the Council).

(References – Finance and Resources Committee, 31 October 2013 (item 14); report by the Director of Services for Communities, submitted.)

## **17. Progress with the Contract to Supply and Deliver Groceries and Provisions**

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An update was provided on the progress of a contractor appointed by Committee on the 29 November 2012 to supply and deliver groceries and provisions for the Council. The steps that were taken to address issues with the contractor and the outcome of discussions and subsequent actions were detailed in the report.

### **Decision**

- 1) To note the progress to date and the actions taken by officers to address service issues which had arisen since the beginning of the delivery programme on 14 January 2013.
- 2) To note the continued actions which would be taken by officers by way of a programme of performance review discussions which would be held with the contractor.

(References – Finance and Budget Committee, 29 November 2012 (item 15); report by the Director of Services for Communities, submitted.)

## **18. 21<sup>st</sup> Century Homes – Land at Leith Fort**

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The Economy Committee, at its meeting on 19 November 2013, approved the sale of the land at Leith Fort at market value to Port of Leith Housing Association (POLHA) for the purpose of building mid-market rent homes and had referred the report to the Finance and Resources Committee for ratification.

### **Decision**

To ratify the decision of the Economy Committee to approve the sale of the land at Leith Fort, on the terms and conditions outlined in the report and on such terms and conditions to be agreed by the Director of Services for Communities and the Head of Legal Risk and Compliance

(References – Economy Committee, 19 November 2013 (item 17); report by the Director of Services for Communities, submitted.)

## **19. Lease of 18 West Harbour Road**

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The Economy Committee, at its meeting on 19 November 2013, approved a ten year lease of 18 West Harbour Road, Granton, and had referred the report to the Finance and Resources Committee for ratification.

### **Decision**

To ratify the decision of the Economy Committee to approve a ten year lease of 18 West Harbour Road, Granton, on the terms and conditions outlined in the 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.

(References – Economy Committee, 19 November 2013 (item 20); report by the Director of Services for Communities, submitted.)

## **20. Lease Renewal – Drummond Tennis Club, Scotland Street Lane**

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The Economy Committee, at its meeting on 19 November 2013, approved the renewal of a twenty-five year lease to the Drummond Tennis Club at Scotland Street Lane East, and had referred the report to the Finance and Resources Committee for ratification.

### **Decision**

To ratify the decision of the Economy Committee to approve the renewal of a twenty-five year lease of Drummond Tennis Club, Scotland Street Lane, on the terms and conditions outlined in the 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.

(References – Economy Committee, 19 November 2013 (item 21); report by the Director of Services for Communities, submitted.)

## **21. Sale of Access Strip, 50 Greenbank Drive, Edinburgh**

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The Economy Committee, at its meeting on 19 November 2013, approved the disposal of an area of ground extending to 6.40 sq.m to British Telecom plc (“BT”), and had referred the report to the Finance and Resources Committee for ratification.

### **Decision**

To ratify the decision of the Economy Committee to approve the disposal of an area of ground extending to 6.40 sq.m to British Telecom plc (“BT”) on the terms and conditions outlined in the 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.

(References – Economy Committee, 19 November 2013 (item 18); report by the Director of Services for Communities, submitted.)

## **22. Proposed New Lease – Unit 12, Broomhouse Workspace, Edinburgh**

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The Economy Committee, at its meeting on 19 November 2013, approved an annual lease of the industrial premises at Unit 12, Broomhouse Workspace, to Edinburgh North West Foodbank, and had referred the report to the Finance and Resources Committee for ratification.

### **Decision**

To ratify the decision of the Economy Committee to approve an annual lease of the industrial premises at Unit 12, Broomhouse Workspace, to Edinburgh North West Foodbank, on the terms and conditions outlined in the 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.

(References – Economy Committee, 19 November 2013 (item 19); report by the Director of Services for Communities, submitted.)

## **23. Resolution to consider in private**

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### **Decision**

The Committee, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting for the following item of business on the grounds that it involved the disclosure of exempt information as defined in Paragraph 9 of Schedule 7(A) of the Act.

## **24. Disposal of Land at 37 Prestonfield Gardens, Edinburgh**

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The Economy Committee, at its meeting on 19 November 2013, approved the disposal of land at 37 Prestonfield Gardens, Edinburgh, subject to approval from Scottish Ministers to dispose of HRA land under Section 12(5) of the Housing (Scotland) Act 1987, and had referred the report to the Finance and Resources Committee for ratification.

### **Decision**

To ratify the decision of the Economy Committee to approve the disposal of land at 37 Prestonfield Gardens, Edinburgh, subject to approval from Scottish Ministers to dispose of HRA land under Section 12(5) of the Housing (Scotland) Act 1987, on the terms and conditions outlined in the 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.

(References – Economy Committee, 19 November 2013 (item 23); report by the Director of Services for Communities, submitted.)