

Item 4.1 - Minutes

Finance and Resources Committee

10.00am, Tuesday 30 October 2014

Present

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

1. Minutes

Decision

To approve the minutes of the Finance and Resources Committee of 30 September 2014 as a correct record.

2. Key Decisions Forward Plan

The Finance and Resources Committee Key Decisions Forward Plan for 30 October 2014 to 30 November 2014 was presented.

Decision

To note the Key Decisions Forward Plan for 30 September 2014 to 30 November 2014. (Reference – Finance and Resources Committee Key Decisions Forward Plan 30 October 2014 to 30 November 2014, submitted.)

3. Rolling Actions Log

The Finance and Resources Committee Rolling Actions Log for 30 October 2014 was submitted.

Decision

- 1) To note the Rolling Actions Log.
- 2) To note that action twenty eight had been completed and the Rolling Actions Log would be updated to reflect this.

(Reference – Rolling Actions Log 30 October 2014, submitted.)

4. Business Bulletin

The Finance and Resources Committee Business Bulletin for 30 October 2014 was presented.

Decision

To note the Business Bulletin.

(Reference – Finance and Resources Committee Business Bulletin, submitted.)

5. Health and Social Care Integration: Update

An update was provided on the progress of the integration programme since the last report in September 2014. The update outlined responses to the Scottish Government consultation on the Public Bodies (Joint Working) Scotland Act Regulations, the Leadership Group and Shadow Health and Social Care Partnership remits and Integration Scheme remits.

Decision

- 1) To note the publication of the responses to the Consultation on the Regulations for the Public Bodies (Joint Working).
- 2) To note the Joint Leadership Group arrangements and the comparison with the Shadow Health and Social Care Partnership remit.
- 3) To note the progress with the preparation of the Integration Scheme.

Declaration of Interest

Councillors Ricky Henderson and Edie declared financial interests as a non-Executive Director of NHS Lothian and Chair of the Care Inspectorate, respectively.

(References – Finance and Resources Committee, 30 September 2014 (item 5); report by the Director of Health and Social Care, submitted.)

6. Revenue Monitoring 2014/2015 – Half Year Position

Committee considered a report that set out the projected half-year revenue monitoring position for the Council, based on analysis of period five data.

Decision

- 1) To note the projected overall overspend position at the half-year.
- 2) To instruct the Director of Health and Social Care to identify proposed measures to bring expenditure back into line with approved levels and report these at period eight.
- 3) To note the on-going risks and challenges in maintaining a balanced position for the remaining areas of the budget which would require active management and scrutiny throughout the year.
- 4) To note the balanced position projected on the Housing Revenue Account (HRA).
- 5) To approve the virements as set out in the report.
- 6) To refer the report to the Governance, Risk and Best Value Committee as part of its work programme.
- 7) To instruct the Director of Corporate Governance to bring recommendations within one cycle as to how the Corporate Debt Policy should be amended in relation to the recovery of outstanding statutory notices.

- 8) In relation to all other debts owed to the Council, to establish an Member/Officer Working Group with a remit to review the Corporate Debt Policy and report to the Finance and Resources Committee in January 2015, to allow any recommendations to be considered as part of budgetary process. Membership would comprise of the Convener and Vice Convener of the Committee, one member from each political group represented on the Committee and two officers nominated by the Head of Finance. Substitutes may be appointed from the same political group. The Vice-Convener would be the chair of the working group. Meetings would be clerked and minuted by Committee Services, who would also track the Working Group's actions/delivery. A schedule of meetings would be agreed at the first meeting.

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

7. Capital Monitoring 2014/2015 – Half Year Position

Details were provided of the overall position of the Council's capital budget at the half-year position, based on month five data, and the projected outturn for the year.

Decision

- 1) To note the projected capital outturn positions on the General Fund and Housing Revenue Account (HRA) at month five.
- 2) To note the prudential indicators at month five.
- 3) To note that the Acting Director of Services for Communities was closely monitoring the capital receipts position.
- 4) To refer the report to the Governance, Risk and Best Value Committee for consideration as part of its workplan.

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

8. Corporate Governance – Revenue and Budget Monitoring 2014/2015 and Capital Investment Programme Month Five Position

Details were provided of the projected financial position of the Corporate Governance revenue budget after five months of the financial year and the risks in terms of achieving the projected outturn for the year 2014/15.

Decision

- 1) To note the service was currently projecting a balanced revenue budget.
- 2) To note the risks to the Corporate Governance 2014/15 revenue budget projection.
- 3) To note the service was currently projecting a balanced Capital budget.

(References – Finance and Resources Committee, 28 August 2014 (item 4); report by the Director of Corporate Governance, submitted.)

9. Governance of Major Projects: Progress Report

Committee considered a report that provided an update of the major projects portfolio and the forthcoming assurance review schedule.

Decision

- 1) To note the current synopsis of the dashboard reports for the major projects portfolio set out in appendix 1.
- 2) To note the current assurance review schedule for the last two quarters of 2014/15 set out in appendix 2.
- 3) To note that the report would be referred to the Governance, Risk and Best Value Committee for its consideration.

(References – Governance, Risk and Best Value Committee, 30 July 2014 (item 5); report by the Director of Corporate Governance, submitted.)

10. Governance of Major Projects: Update on Edinburgh International Conference Centre

Details were provided of the financial position of the Edinburgh International Conference Centre.

Decision

- 1) To note the report.
- 2) To refer the report to the Governance, Risk and Best Value Committee for scrutiny.
- 3) To agree that the Director of Corporate Governance would bring a progress report to the Governance, Risk and Best Value Committee in 3 cycles.

(References – Governance, Risk and Best Value, 14 August 2014 (item 13); report by the Director of Corporate Governance, submitted.)

11. External Fraud Prevention and Detection – Annual Report and Future Planned Activity

Committee considered a report on external fraud prevention and detection activity for 2013/14.

Decision

- 1) To note the annual report on external fraud activity for 2013/14.
- 2) To note the creation of a new Corporate External Fraud structure.
- 3) To refer the report to the Governance, Risk and Best Value Committee to address a request for information on internal fraud investigations.

(References – Governance, Risk and Best Value, 14 August 2014 (Item 3); report by the Director of Corporate Governance, submitted.)

12. Commercial Excellence Programme - Update

An update was provided to the Committee on progress with regard to the Commercial Excellence programme.

Decision

To note the report.

(References – Finance and Resources Committee, 28 August 2014 (item 13); report by the Director of Corporate Governance, submitted.)

13. Operational Governance – Review of Contract Standing Orders and Guidance on the Appointment of Consultants - referral from the City of Edinburgh Council

The City of Edinburgh Council on 23 October 2014 considered a report detailing the outcome of the review of the Council's Contract Standing Orders. Approval was sought for a number of proposed key changes to the Contract Standing Orders and the Guidance on Appointment of Consultants. The report was referred to the Finance and Resources Committee for detailed scrutiny and review.

Decision

- 1) To refer the report to Council recommending that:
 - (i) Option 1, described in the report, was approved.
 - (ii) recommendation 1.1.3, 'to delegate authority to the Director of Corporate Governance to make such revisions to the Contract Standing Orders as may be necessary in order to implement the decisions of Council in relation to the report, as required as a result of changes to legislation or statutory guidance and any other minor or consequential changes' was approved, subject to the addition of 'in consultation with the Convener and Vice-Convener of the Finances and Resources Committee'
 - (iii) recommendation 1.1.4, 'to note that there will be an annual review of Contract Standing Orders to ensure that they continue to work effectively and secure continuous improvement and Best Value' was approved, subject to addition of 'and that any reasons will be contained within the report'.
- 2) To agree that the report would be referred to Council in 3 cycles to coincide with the Director's report that would be brought to Council on this item.

(References – Act of Council (No.10), 23 October 2014; report by the Head of Legal, Risk and Compliance, submitted.)

14. Acting Up/Secondment Arrangements

An update was provided on the initial findings from a review of acting up and secondment arrangements across the Council.

Decision

- 1) To note the current issues regarding the Council's arrangements for acting up/secondments.
- 2) To note the deliverables of the Workforce Management Controls Project being taken forward in Phase 2 of the Better Outcomes through Leaner Delivery (BOLD) programme.

(References – Finance and Resources Committee, 5 June 2014 (item 11); report by Director of Corporate Governance, submitted.)

15. Agency Staffing for Council Care and Support Services: Adoption of the Scotland Excel Framework

Approval was sought to adopt the Scotland Excel Framework to supply agency staff in order to meet mandatory staffing levels within the Council's care homes, care and support services, day centres and intermediate care services.

Decision

- 1) To approve the adoption of the Scotland Excel National Framework to provide agency staffing for care and support services.
- 2) To agree to work with the less expensive providers on the framework to enable a phased approach whilst ensuring no reduction in quality or supply levels.
- 3) To allow service areas to make decisions about the best use of the framework.

(Reference – report by Director of Health and Social Care, submitted.)

16. ICT and Digital Transformation Programme: - Update

Committee considered a report that provided a quarterly update and summary of achievements for the ICT Digital Transformation Programme.

Decision

- 1) To agree to close Phase One of the ICT and Digital Transformation Programme.
- 2) To note the wide range of ICT and associated customer service improvements delivered through the programme.
- 3) To note the progress the programme had made in achieving its financial savings targets.
- 4) To note that the next phase of ICT transformation would be focused on channel shift and will be part of the Bold channel shift programme.

(References – Finance and Resources Committee, 7 May 2014 (item 12); report by the Director of Corporate Governance, submitted.)

17. Welfare Reform – Update

An update was provided on the ongoing welfare reforms.

Decision

- 1) To note the ongoing actions relating to Welfare Reform.
- 2) To note the change to the reporting cycle from bi-monthly to quarterly.

(References – Corporate Policy and Strategy Committee, 30 September 2014 (item 4); report by the Director of Corporate Governance, submitted.)

18. Contracts Awarded Under Delegated Authority (Waiver Reports) and Procurement Activity

Committee considered a report in relation to contracts awarded under delegated authority in addition to those waivers that had been reported to Committee over the period.

Decision

To note the report and the authorisations made under delegated authority.

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

19. Review of Contract Procedures Relating to the Council ICT Procurement Process

An update was provided on the key activities being undertaken through the ICT Services Procurement project.

Decision

- 1) To note the progress through the ISOS (Invitation to Submit Outline Solutions) stage of the procurement.
- 2) To note the bidders identified for ITPD2 (Invitation to Participate in Dialogue 2).
- 3) To note the timelines for the competitive dialogue leading to ISDS (Invitation to Submit Detailed Solutions).
- 4) To note that updates would be provided to each subsequent Elected Member ICT & Digital Sounding Board.
- 5) To note that the next update report would be provided to Finance and Resources Committee on 15 January 2015.
- 6) To refer the report to Governance, Risk and Best Value Committee of 13 November 2014.

(References – Finance and Budget Committee, 19 September 2013 (item 5); report by the Director of Corporate Governance, submitted.)

20. Adoption of the Scotland Excel Framework Contract for the Supply of Salt for Winter Maintenance on behalf of the City of Edinburgh Council.

Approval was sought to adopt the Scotland Excel Framework Contract for the supply of Salt for Winter Maintenance. The Framework Contract covered the purchase of bulk and bagged salt, delivered to council harbours and depots, and included associated equipment and products.

Decision

To approve the adoption of the Scotland Excel Framework for the City of Edinburgh Council for the supply of Salt for Winter Maintenance and associated equipment.

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

21. Adoption of the Scotland Excel Framework Contract for the Supply and Distribution of Meats (Fresh, Prepared and Cooked) incorporating Fresh Fish on behalf of the City of Edinburgh Council from 1 November 2014 to 31 October 2016

Approval was sought from the Committee to adopt the Framework Contract for the Supply and Distribution of Meats (Fresh, Prepared and Cooked) incorporating Fresh Fish arranged by Scotland Excel, Centre of Procurement Expertise for Scotland's local government sector.

Decision

To continue the report until the Finance and Resources Committee of 27 November 2014 for further information to be provided.

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

22. Waiver Report for Precinct Sweeper Maintenance

The Committee considered a report to award a six month contract extension to Tennant UK Cleaning Solutions Ltd.

Decision

To award a six month contract extension to Tennant UK Cleaning Solutions Ltd.

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

23. Waiver Report for Contract Hire of 25 Tonne Forklift Trucks

Approval was sought to award a six month contract extension to Gray Forklift Services Ltd.

Decision

To award a six month contract extension to Gray Forklift Services Ltd.

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

24. Fleet Replacement Programme – Supply and Delivery of Cars and Vans

Approval was sought to award a contract for approximately four years for the Supply and Delivery of Cars and Vans to Peugeot Motor Company PLC.

Decision

To continue the report to the Finance and Resources Committee of 27 November 2014 to allow a revised report to be produced that would include details of costings of the fleet replacement programme.

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

25. Property Conservation – Progress Report

An update was provided to the Committee on the progress of the Property Conservation Programme Momentum.

Decision

- 1) To note the progress made to date on the programme.
- 2) To note the management information dashboards in Appendix 1 of the report.
- 3) To note the progress and next steps in the development of the blueprint, costed business plan and implementation plan for the new service.

(References – Finance and Resources Committee, 30 September 2014 (item 23); report by the Director of Corporate Governance, submitted.)

26. Street Lighting - Supply and Delivery of LED Luminaires

Committee considered a report regarding the introduction of Light Emitting Diode (LED) lighting as an opportunity for the Council to make significant savings in terms of energy consumption and carbon emissions. Approval was sought for the contract to be awarded to MacLean Electrical.

- 1) To award the contract to MacLean Electrical to supply and deliver approximately 7,200 Light Emitting Diode (LED) luminaires to the City of Edinburgh Council.
- 2) To note that the contract was made under the urgency provisions of the Committee's Terms of Reference and Delegated Functions in order to take up the funding from Salix and that the action was being reported to this Committee as required by Provision-4 of these Terms of Reference.

(References – Finance and Resources Committee, 16 January 2014 (item 23); report by the Acting Director of Services for Communities submitted.)

27. Loanhead to Gilmerton Cycleway Proposed Lease Extension – Land at Former Railway Line west of Lasswade Road

Approval was sought to grant a fresh 20 year lease at a rent of £1 per annum, to secure long term use of the Loanhead to Gilmerton cycle scheme.

Decision

- 1) To approve the extension of the existing five year lease to 20 years on the main terms and conditions as set out in the report and on the other terms and conditions to be agreed by the Acting Director of Services for Communities and the Head of Legal, Risk and Compliance.

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

28. Resolution to consider in private

The Committee, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting for the following items of business on the grounds that they involved the disclosure of exempt information as defined in Paragraphs 1 and 6 of Schedule 7(A) of the Act.

29. Property Conservation – Irrecoverable Sums and the Provision for Impairment and Settlements

Approval was sought to write-off irrecoverable sums in excess of £100,000 per project. The report also provided an update on the current provision for impairment and settlements.

Decision

- 1) To note the irrecoverable sums of less than £50,000 per project authorised under existing delegated authority in Appendix 1 of the report.
- 2) To note the irrecoverable sums in excess of £50,000 but less than £100,000 per project authorised under existing delegated authority in Appendix 2 of the report.
- 3) To approve the irrecoverable sums in excess of £100,000 per project as set out in Appendix 3 of the report.
- 4) To note the current provision for impairment and settlements in Appendix 4 of the report and the assumptions that underpin the provision.
- 5) To note the Legacy Service report in Appendix 5 of the report.

(References – Finance and Resources Committee, 30 September 2014 (item 29); report by the Director of Corporate Governance, submitted.)

30. Property Conservation – Debt Recovery

An update was provided to the Committee on proposals for changes to council policy in relation to the recovery of debt associated with statutory notices.

Decision

To note the report.

(References – Finance and Resources Committee, 30 September 2014 (item 30); report by the Director of Corporate Governance, submitted.)

31. Flexible Retirement for Head of Service

Approval was sought for an application for flexible retirement for a Head of Service.

Decision

To continue the report until the Finance and Resources Committee of 27 November 2014 to allow for a full Business Case to be produced supporting the application for flexible retirement.

(Reference – report by the Director of Children and Families, submitted.)