

Item 4.1 - Minutes

Finance and Resources Committee

10.00am, Thursday, 4 June 2015

Present

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

1. Deputation: Unison - Health and Social Care 2015/16 Budget Action Plan

The Committee agreed to hear a deputation from Kirsten Hey, Murdo McLean and Brian Crozier of Unison.

The main points raised by the deputation were:

- Vacant posts from care and social work staff leaving were not being filled which in reality equated to job cuts on the frontline.
- There was a high turnover rate of care staff both within the Council and the private sector. There was uncertainty about whether exit interviews were conducted with staff that were leaving, as this type of feedback could help to identify the issues that could be addressed to prevent further staff from leaving.
- Private care providers were struggling with high staff turnover rates and were sometimes withdrawing care packages at short notice which led to hospital admissions when no alternative arrangements could be made.
- Budget cuts within Health and Social care had resulted in staff feeling overwhelmed without the correct tools or support to do their increasingly complex jobs.
- There were 6000 hours of unmatched home care with clients on waiting lists for up to a year for critical care which led to hospital admissions.

The Convener thanked the Deputation for their presentation and invited them to remain for the Committee's consideration of the report by the Acting Director of Services for Communities.

2. Health and Social Care 2015/16 Budget Action Plan – report by the Director of Health and Social Care

An update was provided on the budget action plan which was developed to mitigate the Health and Social Care overspend. The report also set out the reasons for the increased need for adult social care together with the approaches taken by Health and Social Care to invest in prevention and in the management of demand.

Decision

- 1) To note the 2015/16 Budget position for Health and Social Care as set out in the report, including: an estimated 2014/15 budget overspend of £5.6 million, the £3 million reduction in the Health and Social Care budget for 2015/16, and the full year effect in 2015/16 of unfunded budget pressures of £16.5 million.
- 2) To note the Director of Health and Social Care's Budget Action Plan, detailed at Appendix 1 of the report, that described the actions that had been taken and in hand to deliver expenditure reductions of £11.560 million by the end of 2015/16.
- 3) To note that the Budget Action Plan sat within a wider strategic work/transformation programme in Health and Social Care that was intended to underpin financial sustainability going forward.
- 4) To note the update from the Chief Executive on corporate support to Health and Social Care, in relation to the remaining funding gap of £5 million, and change and programme management support to assist delivery of the wider Health and Social Care transformation programme and that the Finance and Resources Committee would be provided with a report detailing the results of month 3 monitoring to identify any progress/issues in relation to the £5 million Health and Social Care funding gap.
- 5) To note that the draft external review of Health and Social Care's financial challenges had been received from KPMG only recently and that the recommendations were being considered.
- 6) To refer the report to the Health, Social Care and Housing Committee for information.
- 7) To authorise the Director of Corporate Governance, in consultation with the Convener and Vice-Convener of the Finance and Resources Committee, to extend the contract with KPMG for 3 months for additional work to be carried out on the review of the Health and Social Care Budget, subject to funding being identified for the additional £160,000 costs.
- 8) To agree that the Director of Health and Social Care would meet with KPMG to discuss the proposals contained with the report and future measures in relation to the Health and Social Care Budget.
- 9) To agree that the Director of Health and Social Care would clarify whether exit interviews were carried out with staff who had left Health and Social Care posts and to investigate whether untrained staff had administered drugs to health and social care clients.

Declarations of Interest

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

(References – Finance and Resources Committee, 19 March 2015 (item 5); report by the Director of Health and Social Care, submitted.)

3. Minutes

Decision

To approve the minute of the Finance and Resources Committee of 13 May 2015 as a correct record.

4. Key Decisions Forward Plan

The Finance and Resources Committee Key Decisions Forward Plan from 4 June 2015 to 27 August 2015 was presented.

Decision

To note the Key Decisions Forward Plan from 4 June 2015 to 27 August 2015.

(Reference – Finance and Resources Committee Key Decisions Forward Plan, 4 June 2015 to 27 August 2015, submitted.)

5. Rolling Actions Log

The Finance and Resources Committee Rolling Actions Log for 29 August 2013 to 13 May 2015 was submitted.

Decision

- 1) To note the Rolling Actions Log.
 - 2) To note that Items 11 (action 2) and 18 were recommended for closure.
- (Reference – Rolling Actions Log, 29 August 2013 to 13 May 2015, submitted.)

6. Edinburgh Integration Joint Board – Integrated Senior Management Structure

Committee approval was sought to progress implementation of a new integrated senior management structure to support the Edinburgh Integration Joint Board (EIJB).

Decision

- 1) To agree the proposed organisational arrangements for the senior management structure reporting to the Chief Officer of the Edinburgh Integration Joint Board (EIJB).
- 2) To approve the arrangements for the joint appointments process for the posts reporting to the Chief Officer.

Declarations of Interest

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

(References – Finance and Resources, 13 May 2015 (item 9); report by the Health and Social Care, submitted.)

7. Health and Social Care Integration - Update

A progress report on the integration of Council social care services with NHS Lothian health services was presented.

Decision

- 1) To note that comments had been received from Scottish Government on the Integration Scheme.
- 2) To note subject to approval of the minor amendments, the first Integration Joint Board (IJB) meeting could be held on 17 July 2015.
- 3) To note the latest Scottish Government guidance on 'aids and adaptations' including the Housing Revenue Account element.
- 4) To note the Council must review its governance and committee arrangements to ensure the IJB was given its statutory role.
- 5) To note the Council must establish and agree how it would provide business support functions to the IJB, jointly with NHS Lothian.

Declarations of Interest

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

(References – Health, Social Care and Housing Committee, 21 April 2015 (item 15); report by the Director of Health and Social Care, submitted.)

8. Accounts Commission Review of Treasury Management

Details were provided on the review of Treasury Management in local authorities across Scotland produced by the Accounts Commission.

Decision

- 1) To note the Accounts Commission report and the recommendations contained within the report.
- 2) To note that the reporting of Treasury Management activities would be reviewed.
- 3) To consider how scrutiny of Treasury Management could be improved within the Council and what further support would assist in delivering that scrutiny.
- 4) To refer the report to the Governance Risk and Best Value Committee for their further consideration.

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

9. Financial Strategy 2015/16 to 2019/20

Committee were presented with the information on the framework designed to align existing resources to the Council's key priorities as part of the overall strategy to reconcile increasing demands with a reduction in funding.

Decision

To note the Council's financial strategy for the period 2015/16 to 2019/20 and that updates on progress would continue to be reported to the Committee going forward. (References – Finance and Resources Committee, 13 May 2015 (item 11); report by the Director of Corporate Governance, submitted.)

10. Finance Policies – Assurance Statement

The Committee considered a report which set out the results of the review of Council policies. A policy framework had been developed which aimed to strengthen governance arrangements by ensuring that all current policies were consistent and easily accessible.

Decision

To note that the Finance policies detailed in the report had been reviewed and were considered as being current, relevant and fit for purpose.

(References – Governance, Risk and Best Value Committee, 22 May 2014 (item 7); report by the Director of Corporate Governance, submitted.)

11. Review of Corporate Debt Policy

Details were provided on the conclusions of the Corporate Debt Policy Working Group which was convened to examine all non-statutory notice related aspects of the Corporate Debt policy.

Decision

To note the main findings of the Corporate Debt Policy Working Group and that a number of minor changes to the current policy would be submitted to the Corporate Policy and Strategy Committee on 9 June 2015 for approval.

(References – Corporate Policy and Strategy Committee, 30 September 2014 (item 6); report by the Director of Corporate Governance, submitted.)

12. Extension of the Contract for Edinburgh's Christmas and Edinburgh's Hogmanay

An update was provided on the performance of Underbelly Ltd and Unique Events Ltd who were awarded the contract for Edinburgh's Christmas and Edinburgh's Hogmanay. Also contained within the report was research into the positive economic impact the contract has had on the city.

Decision

- 1) To note the performance of the 2013/14 and 2014/15 events.
- 2) To note that the consortium was seeking to identify sponsorship or other additional external income which in turn would improve the financial return from the consortium to the Council.
- 3) To note that the consortium was also in discussions to extend the programmes into other areas of the city.

- 4) To approve the extension of the contract to the consortium of Unique Events and Underbelly Ltd for an initial period of 12 months for 2016/17 at a maximum cost of £1,312,456.
- 5) To note that the Director of Corporate Governance had delegated power to agree the final terms of the extension to the contract and to enter into the extension to the contract.
- 6) To refer the report to the Corporate Policy and Strategy Committee for its information.
- 7) To instruct officers to work with event organisers and relevant bids to extend the 2015/16 Christmas and Hogmanay program in the first instance to include the Grassmarket and Old Town.
- 8) To instruct officials from Corporate Governance and Economic Development to work with the event organisers to secure commercial opportunities designed to increase the Council's financial return on the event in 2015/16 and 2016/17
- 9) To submit a report to the Finance and Resources Committee in August 2015 providing details of policing costs for the event for 2015/16 and 2016/17.
- 10) To make representation to the Scottish Government examining mechanisms for funding towards the Council's contribution to increasing visitor numbers in Edinburgh.

Declaration of Interest

Councillor Whyte declared a non-financial interest as a member of the Scottish Police Authority.

(References – Culture and Sport Committee, 26 May 2015 (item 7); report by the Director of Corporate Governance, submitted.)

13. Edinburgh's Christmas and Edinburgh's Hogmanay Key Performance Indicators 2014/15 – referral report from the Culture and Sport Committee

The Culture and Sport Committee on 26 May 2015 considered an update report other key performance indicators of Edinburgh's Christmas and Edinburgh's Hogmanay for 2014/15. The events were successful and returned a profit share of £28,754 however, the Council had to cover an unbudgeted cost of £107,000 for Police Scotland Services. The report was referred to the Finance and Resources Committee as part of its deliberations on the extension of the Edinburgh's Christmas and Edinburgh's Hogmanay contract with a view to covering unbudgeted costs and limiting financial exposure to the Council.

Decision

To note the report.

Declaration of Interest

Councillor Whyte declared a non-financial interest as a member of the Scottish Police Authority.

(References – Culture and Sport Committee, 26 May 2015 (item 7); report by the Director of Corporate Governance, submitted.)

14. Home Energy Efficiency Programmes for Scotland: Area Based Schemes update

An update was provided on the Home Energy Efficiency Programmes for Scotland: Area Based Scheme (HEEPS:ABS) for Edinburgh. HEEPS:ABS was a Scottish Government programme which specifically targeted areas of fuel poverty by funding owners' contributions to energy efficiency works to their homes.

Decision

- 1) To note the success of the Home Energy Efficiency Programmes for Scotland: Area Based Schemes (HEEPS: ABS) projects to date.
- 2) To note that the Council would continue to access the Energy Saving Trust (EST) framework to deliver HEEPS: ABS projects for the duration of it's lifetime.
- 3) To note that additional resources from the Housing Revenue Account (HRA) would be required to establish a customer relationship team where work was being carried out in mixed tenure areas.
- 4) To refer the report to Health, Social Care and Housing Committee for information.

(References – Health, Social Care and Housing Committee, 17 June 2014 (item 9); report by the Acting Director of Services for Communities, submitted.)

15. Temporary Accommodation Framework - Award of Contract

Approval was sought to award a multi-supplier Framework agreement consisting of two Lots for Temporary Accommodation Bed and Breakfast and Shared House delivery for a term of two years.

Decision

To approve the appointment of the following Providers for two years, with the option to extend for up to a maximum of two years:

- Lot 1 – Dalkeith House, Leamington Guest House, 3A Solutions Ltd, Cameron Guest House Group, Ardblair House, Bainfield House, Shiloh B&B, Newington Guest House for the provision of Bed and Breakfast Temporary Accommodation.
- Lot 2 – Camstone (Scotland) Ltd, Cameron Guest House Group, St Albans Lodge for the provision of Shared House Temporary Accommodation.

Declaration of Interest

Councillor Corbett declared a financial interest as an employee of Shelter Scotland.

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

16. Extension of Short Term Lets for Homeless Households contract

Committee considered a report which sought approval to extend the existing contract to supply emergency accommodation for homeless households to Easylet Scotland (Ltd) for a further 18 months.

Decision

- 1) To approve the extension of the Easylet Scotland (Ltd) contract for an additional 18 months, in line with the option contained in the current contract.
- 2) To agree to increase the scope of the contract by 23 homes which would give a total of 130 homes.
- 3) To authorise the Acting Director of Services for Communities to agree the final terms of the contract extension and to enter into the contract.

Declaration of Interest

Councillor Corbett declared a financial interest as an employee of Shelter Scotland.

(References – Finance and Resources Committee, 16 January 2014 (item 19); report by the Acting Director of Services for Communities, submitted.)

17. Contract Award for Homeless Prevention – Crisis and Complex Services

Approval was sought to award two contracts for the duration of a pilot to two third sector organisations that currently provided support to people who had complex needs and were homeless or at risk of becoming homeless.

Decision

- 1) To note that overall savings of £245,679 had been achieved which reduced the annual budget expenditure from £1,819,843 to £1,574,164. New services would be implemented from August 2015.
- 2) To note the collaborative work with service providers and other stakeholders carried out to date to achieve a joint approach for the delivery of services for people in housing crisis and people who had complex needs as defined in paragraph 2.5 of the report.
- 3) To approve the award of a contract to Turning Point Scotland to provide visiting housing support to this client group for the duration of an 18 month pilot (with an option to extend for a further six months to allow services to be re-procured). The total annual value of the contract from August 2015 was £262,824.
- 4) To approve the award of a contract to Streetwork UK to provide visiting housing support and a Rough Sleeper Crisis Centre to this client group for the duration of an 18 month pilot (with an option to extend for a further six months to allow services to be re-procured). The total annual value of the contract from August 2015 was £1,311,341.

- 5) To note the review process for the pilot as outlined in section 3.13 and 3.14 of the report.

Declaration of Interest

Councillor Corbett declared a financial interest as an employee of Shelter Scotland.

(References – Health, Social Care and Housing Committee, 28 January 2014 (item 16); report by the Acting Director of Services for Communities, submitted.)

18. Sale of Housing Revenue Account Land – Clovenstone Park

The Committee considered a report which sought approval to sell 1120 square metres of Housing Revenue Account (HRA) land to the Wester Hailes Baptist Church (WHBC),

An application would be made to Scottish Ministers for consent to dispose of this HRA site under Section 12 of the Housing (Scotland) Act 1987.

Decision

- 1) To approve the sale of the site to the Wester Hailes Baptist Church (WHBC) under terms and conditions to be agreed by the Acting Director of Services for Communities and the Head of Legal, Risk and Compliance and subject to approval from Scottish Ministers under Section 12 (5) of the Housing (Scotland) Act 1987.
- 2) To grant authority to the Acting Director of Services for Communities to negotiate a sale price with the applicant which reflected best value to the Housing Revenue Account (HRA).
- 3) To grant authority to the Acting Director of Services for Communities to negotiate and conclude sale of the site.

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

19. Redhall House and Lawn – Progress Report

An update was provided on the progress of Redhall House and Lawn where legal proceedings against the owner which sought to enforce development obligations had formally commenced

Decision

- 1) To note the progress that had been made in relation to the legal and planning processes.
- 2) To note the protracted period since a petition on Redhall House was first submitted in November 2013 and the gap of more than 5 months between a planning application being submitted on 23 December 2014 and additional information being received so that public consultation could commence on 1 June 2015.
- 3) To instruct officers to seek further assurance from the building owner and/or agent that they understood the need for demonstrable progress to protect a deteriorating building.

- 4) To request a further report was brought back to the Finance and Resources Committee no later than October 2015 or upon determination of the planning application if sooner to report on the progress that had been made.

(References – Finance and Resources Committee, 27 November 2014 (item 12); report by the Acting Director of Services for Communities, submitted).

20. Adoption of the Scotland Excel Framework for Janitorial Products from 5 June 2015 until 28 February 2018 with an option to extend for one further year

Approval was sought to adopt the Framework Contract for the supply and distribution of janitorial products with an estimated value of £4.9 million.

Decision

To approve the adoption of the Scotland Excel led Framework Agreement, for the supply and distribution of Janitorial Products, from 4 June 2015 - 28 February 2018, with an optional 12 month extension. The three suppliers awarded a place on the framework were:

- Alliance Disposables;
- Instock Disposables; and
- Unico.

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

21. Supply and Delivery of Refuse Collection Vehicles

Committee considered a report which sought approval to award 12 contracts for the duration of a pilot to third sector organisations that currently provided support to young people to prevent homelessness.

Decision

To approve the appointment of Dennis Eagle Limited, DAF Trucks Ltd, Heil Europe Ltd and FAUN Zoeller (UK) Ltd. to supply and deliver Refuse Collection Vehicles (RCVs), as listed below:

- 26 Tonne RCV Chassis – Dennis Eagle Limited
- 26 Tonne RCV Body - Dennis Eagle Limited
- 26 Tonne RCV Bin Lift - FAUN Zoeller (UK) Ltd
- 26 Tonne Side-loading RCV Chassis – DAF Trucks Ltd
- 26 Tonne Side-loading Body – Heil Europe Ltd
- 18 Tonne RCV Chassis – Dennis Eagle Limited
- 18 Tonne RCV Body - Dennis Eagle Limited
- 18 Tonne RCV Bin Lift - FAUN Zoeller (UK) Ltd.

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

22. Award of Contract for Flooding Planning Consultancy

Approval was sought to award a contract to Mott MacDonald Ltd for Flood Planning Consultancy.

Decision

To approve the appointment of Mott MacDonald Ltd to provide a Flooding Planning Consultant at a cost of £36,561.38.

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

23. Property Conservation – Programme Momentum Progress Report

An update was provided on the progress of the property conservation programme momentum.

Decision

- 1) To note the management information dashboard reports in Appendix 1 of the report.
- 2) To note the progress in respect of financial recovery.
- 3) To note progress on the new debt recovery arrangement with Morton Fraser and to note that the level of outstanding debt would increase initially as the remaining bills were issued and the billing process drew to a close.

(References – Finance and Resources Committee, 13 May 2015 (item 28); report by the Director of Corporate Governance, submitted.)

24. Appointments to Sub-Committees and Working Groups - 2015/16

Approval was sought to re-appoint the membership of the Finance and Resources sub-committees and working groups for 2015/16.

Decision

- 1) To appoint the membership of the Sub-Committees and Working Groups for 2015/16 as detailed in Appendix 1 to the report.
- 2) To note that the Corporate Debt Policy Working Group had concluded its review of the Corporate Debt Policy and did not require to be reappointed.
- 3) To agree that the Property Sub-Committee would be disbanded.

(References – Finance and Resources Committee, 7 May 2014 (item 13); report by the Head of Legal, Risk and Compliance, submitted.)

25. Proposed New Lease to Highland Care Agency Ltd at 4 Granton Square, Edinburgh

Committee authority was sought to grant a new 10 year lease, to Highland Care Agency Ltd, on the terms set out in the report.

Decision

To approve a lease to Highland Care Agency Ltd from 1 July 2015 to 30 June 2025, on the terms outlined in the report, and on other terms and conditions to be agreed by the Acting Director of Services for Communities.

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

26. Roseburn to Union Canal – Approval for Stage 2 of Consultancy Contract

Approval was sought for the appointment of WSP UK Ltd to undertake Stage 2 of the consultancy contract for the Roseburn to Union Canal study.

Decision

To approve the appointment of WSP UK Ltd to undertake Stage 2 of the consultancy contract for the Roseburn to Union Canal study.

(References – Transport and Environment Committee, 3 June 2015 (item 12); report by the Acting Director of Services for Communities, submitted.)

27. Proposed New 15 year Lease of Tourist Information Centre, Princes Mall, Edinburgh

The Committee were provided with a report seeking approval to grant a new 15 year lease of a newly created Tourist information Centre on the Plaza level of Princes Mall, Edinburgh at a rent of £90,700 per annum.

Decision

To approve a 15 year lease for a new Tourist Information Centre to VisitScotland Limited, on the terms outlined in the report, and on the other terms and conditions to be agreed by the Acting Director of Services for Communities.

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

28. Resolution to consider in private

Decision

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 6, 8 and 9 of Schedule 7(A) of the Act.

29. Property Conservation – Irrecoverable Sums; Debt Recovery and Settlements

An update was provided on irrecoverable sums approved under delegated authority and approval sought for irrecoverable sums in excess of £100,000 per project.

Decision

- 1) To note the irrecoverable sums of less than £50,000 authorised under delegated authority in Appendix 1 of the report.

- 2) To note the irrecoverable sums of between £50,000 and £100,000 authorised under delegated authority in Appendix 2 of the report.
- 3) To authorise the irrecoverable sums in excess of £100,000 per project as set out in Appendix 3 of the report.
- 4) To note the settlement sums authorised to complainants and other affected owners under delegated authority in Appendix 4 of the report.
- 5) To note the provision for impairments and settlements in Appendix 5 of the report.

(References – Finance and Resources Committee, 13 May 2015 (item 36); report by the Director of Corporate Governance, submitted.)

30. ICT Procurement Project – Capital Funding

Details were provided on the risks of an injection of public capital into the ICT Procurement project funded by borrowing in line with the Council's approved Treasury Management Strategy.

Decision

To approve the recommendations by the Director of Corporate Governance, detailed in the confidential schedule, signed by the Convener, with reference to this minute.

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

31. 21st Century Homes – Award of Contract for Leith Fort Housing Development

Approval was sought to enter into contracts with CCG (Scotland) Ltd ("CCG") for the design and build of 32 Council homes and associated infrastructure at Leith Fort.

Decision

- 1) To authorise the Acting Director of Services for Communities to enter into two contracts with CCG for Council housing of £3,032,274 and infrastructure of £2,805,828.
- 2) To designate the Acting Director of Services for Communities (or alternative officer designated by him in writing) as the proper officer to execute the contracts, in each case subject to such amendments as the proper officer deemed appropriate and any other associated documents.
- 3) To note that Port of Leith Housing Association (POLHA) had agreed to enter into a contract with CCG for £5,680,718 in respect of housing and would contribute £2,051,416 to the Council for shared costs.

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

32. Fountainbridge – Transfer of land to the EDI Group Limited

The Committee were presented with a report that sought approval to sell the surplus development land at Fountainbridge to EDI on the main terms contained within the

report. Also outlined was the process through which receipts for the land would be recouped by the Council.

Decision

- 1) To approve the transfer of the land to EDI in accordance with the terms set out in the report and on such other terms and conditions to be agreed by the Acting Director of Services for Communities.
- 2) To note, with approval, the award to EDI at the Scottish Property Awards 2015 for excellence in master-planning at Fountainbridge, built upon the quality of community engagement; and in that light, recognised the aspiration of the local community to have a permanent physical presence on the development site consistent with the master-plan and the place-making principles cited at paragraph 4.1 of the report.

Declaration of Interest

Councillor Whyte declared a non-financial interest pending confirmation of nomination to the EDI Board.

(References – Health, Social Care and Housing Committee, 21 April 2015 (item 6); report by the Acting Director of Services for Communities, submitted.)