

Finance and Resources Committee

10.00am, Thursday, 9 June 2016

Present

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

1(a) Deputation: Inch House Community Centre

The Committee agreed to hear a deputation from the Inch Management Committee in relation to Item 7.12 – Inch House Community Centre.

The main points raised by the deputation were:

- Approximately 20,000 people from the Inch area and beyond used the Inch Community Centre.
- The Community Centre offered many classes and clubs, including 2 youth clubs, a dance club, bowling, a lunch club and various others.
- The Management Committee had been unable to use all of the building due to some rooms being in a state of disrepair, and had pushed hard for repairs to be carried out.
- Loss of the historic building would have a detrimental impact on the local community, and a petition to save the building had been signed by 2,500 people and had the full support of the local MP, MSP and Councillor.
- The Management Committee favoured Option 1 described in the report by the Acting Executive Director of Resources.

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

Declaration of Interest

Councillor Paul Edie declared a non-financial interest as Chair of the Care Inspectorate.

1(b) Inch House Community Centre

Committee considered a report that summarised the history and deterioration in the condition of Inch House Community Centre and set out the results of series of surveys regarding its condition. It was proposed that the Council explored opportunities for a

restorative purchaser to acquire the building and for a further report to be brought to Committee on the way forward.

Decision

- 1) To note that Inch House Community Centre was now in a position where major expenditure would be required if the building was to be made fit for purpose for future use.
- 2) To note that a further report would be brought to Committee once opportunities for the potential of a restorative purchaser and grant funding availability had been explored.
- 3) To provide details on the approaches taken to secure funding for historic buildings by other local authorities across Scotland in the further report to Committee.

Declaration of Interest

Councillor Paul Edie declared a non-financial interest as Chair of the Care Inspectorate.

(Reference – report by the Acting Executive Director of Resources, submitted.)

2. Minutes

Decision

To approve the minute of the Finance and Resources Committee of 12 May 2016 as a correct record.

3. Key Decisions Forward Plan

The Finance and Resources Committee Key Decisions Forward Plan from 9 June 2016 to 18 August 2016 was submitted.

Decision

To note the Key Decisions Forward Plan from 9 June 2016 to 18 August 2016.

(Reference – Finance and Resources Committee Key Decisions Forward Plan, 9 June 2016 to 18 August 2016, submitted.)

4. Rolling Actions Log

The Finance and Resources Committee Rolling Actions Log for 27 August 2015 to 12 May 2016 was submitted.

Decision

To note that Items 4, 5, 6 and 8 had been closed.

(Reference – Rolling Actions Log, 27 August 2015 to 12 May 2016, submitted.)

5. Governance of Major Projects: Progress Report

An update was provided on 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 of the report.
- 2) To note the updated assurance review schedule and findings of assurance review/health checks undertaken since the previous report to Committee, as described in section 3.4 – 3.13 of the report.
- 3) To note the Transformation Team under the new Strategy and Insight Division was now operational from 2 May 2016 with a number of current vacancies.
- 4) To ensure that evidence was provided in the next report to the Finance and Resources Committee that the Fleet Review was operating within budget.

(References – Finance and Resources Committee, 17 March 2016 (item 7); report by the Chief Executive, submitted.)

6. Asset Management Strategy (AMS) Transformation Programme - Update

Details were provided of the progress made on the implementation of the Asset Management Strategy (AMS) for Property and Facilities Management.

Decision

- 1) To note the continued progress in each of the key Asset Management Strategy (AMS) Transformation Programme work streams.
- 2) To note the development and content of the Management Information dashboard reports and Milestone Programme provided in Appendices A and B of the report.
- 3) To note the proposal to accelerate the building survey programme so that it was completed within twelve months.
- 4) To note the Benefits Realisation Tracker was currently being developed and populated to create a revised baseline for savings.

(References – Finance and Resources Committee, 17 March 2016 (item 1c); report by the Acting Executive Director of Resources, submitted.)

7. Managing Workforce Change – Workforce Dashboard

Committee considered a report that provided an overview of monitoring information on the number of employees that has exited the organisation through voluntary severance arrangements, the associated annualised cost savings, the number of staff that had accessed support/Career Transition Services, the number of surplus staff and associated costs and a summary of the latest available information on Council wide staffing numbers, sickness absence, agency expenditure and vacancies.

Decision

- 1) To note the progress made to date.
- 2) To include information in the next report to Finance and Resources Committee on the management of redeployment figures and bump redundancy.

(References – Finance and Resources Committee, 12 May 2016 (item 5); report by the Acting Executive Director of Resources, submitted.)

8. Revenue and Capital Budget Framework 2016/20: Potential Equalities and Rights Impacts of Approved Proposed

Committee considered a report on the initial findings of the assessments carried out of the potential equalities and rights impacts of the proposals in the Council's Revenue and Capital Budget Framework for 2016/20 approved by Council on 21 January 2016.

Decision

- 1) To note the report.
- 2) To note that a further update would be reported to the Committee later in the year once additional evidence of actual impacts and the effectiveness of relevant mitigating actions was available.

(References – Finance and Resources Committee, 14 January 2016 (item 9); report by the Acting Executive Director of Resources, submitted.)

9. Waiver Report for CCTV Infrastructure: BT Redcare

Approval was sought for a waiver of contract standing orders to allow the direct award of a contract to BT Redcare, a subsidiary of BT Group plc.

Decision

To approve the direct award of the contract to BT Redcare for the continued lease and maintenance of fibre optic networks used for the Closed Circuit Television (CCTV) network in Edinburgh for the period from 1 July 2016 to 30 June 2017 with the option to extend for a further year to 30 June 2016.

Declaration of Interest

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

(References – Health, Social Care and Housing Committee, 26 January 2016 (item 16); report by the Head of Safer and Stronger Communities and the Chief Social Work Officer, submitted.)

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

An update was provided on the contracts awarded following a waiver of the Council's Contract Standing Orders (CSOs) and the contracts awarded with a value below the threshold that would require Committee approval between 1 January 2016 and 31 March 2016.

Decision

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

Declaration of Interest

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

(References – Finance and Resources Committee, 17 March 2016 (item 17); report by the Acting Executive Director of Resources, submitted.)

11. Implications for Coproduction and Procurement

Details were provided of the options for coproduction and procurement of community services as a result of significant changes to legislation and a request for a report by the Finance and Resources Committee.

Decision

- 1) To note the issues raised in the report.
- 2) To note that a follow up report on the development of a 'light touch' regime for health and social care tenders would be brought to Committee in six months.

(References – Finance and Resources Committee, 17 March 2016 (item 10); report by the Acting Executive Director of Resources, submitted.)

12. Supply of Temporary Security Alarm Systems from 1 July 2016 – 31 March 2017

Approval was sought for an extension to the existing arrangement for the supply and maintenance of temporary security alarm systems to PID Systems Limited.

Decision

- 1) To approve the waiver of Contract Standing Orders to allow the incumbent contractor, PID Systems Ltd to continue to supply and maintain temporary security alarm systems for the period 1 July 2016 until 31 March 2017 to allow a tender exercise to be carried out and a contract awarded in March 2017.
- 2) To approve a direct award to PID Systems Ltd if no suitable providers noted interest in the contract opportunity to be advertised on Public Contract Scotland subject to Commercial and Procurement Services advising that this was compliant with procurement legislation.

(Reference – report by the Acting Executive Director of Resources, submitted.)

13. Contract Award for the Supply of Stationery from 1 August 2016 until 31 May 2020

Approval was sought for the award of a contract to Lyreco for the supply of stationery to the Council from 1 August 2016 to 31 May 2020.

Decision

To approve the award of a contract to Lyreco for the supply of stationery from 1 August 2016 until 31 May 2020.

(Reference – report by the Acting Executive Director of Communities and Families, submitted.)

14. Bridgend Farmhouse and Steadings: Update

An update was provided on the progress of the transfer of Bridgend Farm and Steadings to Bridgend Inspiring Growth (BIG).

Decision

- 1) To note that the transfer of the farmhouse and steadings to Bridgend Inspiring Growth (BIG) was expected to complete in June 2016.
- 2) To note the progress made by BIG since the Finance and Resources Committee approved the transfer in September 2015.

(References – Finance and Resources Committee, 24 September 2015 (item 1b); report by the Acting Executive Director of Resources, submitted.)

15. Redhall House and Grounds, 7 Redhall House Drive, Edinburgh

Decision

To continue the report until the planning application on Redhall House and Grounds had been considered by the Development Management Sub-Committee.

(Reference – report by the Acting Executive Director of Resources, submitted.)

16. Contract Award for the Supply and Distribution of Groceries and Provisions from 1 July 2016 until 30 April 2020

Approval was sought to award a contract to Blake Bros Ltd for the supply and distribution of groceries and provisions from 1 July 2016.

Decision

- 1) To approve the award of a contract to Blake Bros Ltd for the supply and distribution of groceries and provisions from 1 July 2016 until 20 April 2020.
- 2) To agree that the contract should be managed in such a way as to maximise compliance with the Edible Edinburgh strategy, the Council's Food for Life commitments and to capture the potential sustainability benefits identified.

(Reference - report by the Acting Executive Director of Resources, submitted.)

17. Property Repairs and Maintenance Contract Update

Committee considered a report advising that Internal Audit were undertaking a review of the contract management, monitoring and quality assurance within property repairs and maintenance. A further report would be brought to Committee in August 2016 detailing the outcome of the review.

Decision

To note that an update report on the Property Repairs and Maintenance contracts would be brought to the Finance and Resources Committee in August 2016.

(Reference – report by the Executive Director of Place, submitted.)

18. Award of Contract for Consultancy Services to provide the Water of Leith Basin Siltation Study

Approval was sought for the award of a contract for consultancy services to provide a study of siltation in the Water of Leith Basin.

Decision

To approve the appointment of AECOM to undertake a study and provide a report on siltation on the Water of Leith Basin for a contract sum of £35,561.95.

(References – Transport and Environment Committee, 25 August 2015 (item 11); report by the Executive Director of Place, submitted.)

19. Approval for the Appointment of Consultants to Design Cycling and Walking Schemes

Approval was sought for the appointment of consultants to design cycling and walking schemes in two work packages. Work package 1 consisted of nine cycling schemes and work package 2 consisted on eight walking schemes.

Decision

- 1) To approve the contract award for the design of the cycle schemes work package 1 to AECOM for a value of £377,722 (£359,722 including the cost of £18,000) for additional options.
- 2) To approve the contract award for the design of the walking schemes work package 2 to Grontmij for a value of £120,118.66 (£92,118.66 with contingency/surveys costs of £28,000 to cover allowable expenses and additional options).

(References – Transport and Environment Committee, 17 March 2015 (item 10); report by the Executive Director of Place, submitted.)

20. Approval for 'Smarter Choices, Smarter Places' 2016/17 – Travel Planning Consultants

Details were provided of the 'Smarter Choices, Smarter Places' (SCSP) programme for 2016/17 and approval was sought for the award of a contract for consultancy support to deliver a city-wide travel planning programme with external organisations across Edinburgh and to continue building on the outcomes of the SCSO projects in 2015/16.

Decision

To approve the appointment of consultants to continue building on the outcomes of the SCSP project in 2015/16, to deliver a city-wide travel-planning programme with external organisations across Edinburgh, which would contribute towards a key commitment in the Local Transport Strategy. The anticipated value of the contract was up to £95,000.

(Reference – report by the Executive Director of Place, submitted.)

21. Adoption of Scottish Government Liquid Fuels Framework

Approval was sought to adopt and implement the National Framework Agreement for Liquid Fuels.

Decision

To approve the adoption and implementation of the Liquid Fuels Contract, procured on behalf of the Scottish Public Sector by the Scottish Government via a mini competition, for an initial period of two years with the option to extend up to 24 months.

(Reference – report by the Executive Director of Place, submitted.)

22. 21st Century Homes – Procurement of a Developer for North Sighthill

Details were provided of the outcome of the tender evaluation for the procurement of a developer for the North Sighthill project and approval was sought to appoint a preferred bidder to deliver the housing development in partnership with the Council.

Decision

- 1) To approve the appointment of Keepmoat Regeneration Ltd as preferred bidder for the North Sighthill project.
- 2) To note the total budget of £19.339 million for the North Sighthill project, as detailed in the financial implications section of the report.
- 3) To note that the £12.746 million of prudential borrowing formed part of funding requirements presented within the Housing Revenue Account (HRA) five year capital programme approved by Council on 21 January 2016.
- 4) To authorise the Executive Director of Place, on behalf of the Council, to enter into the Developer Agreement and all other ancillary documents (which would comprise of the 'Contract') relative to the North Sighthill project.

(References – Finance and Resources Committee, 13 May 2015 (item 25); report by the Executive Director of Place, submitted.)

23. Refurbishment and Redevelopment at the City Observatory Calton Hill Complex – Delegated Authority for Award of Contract

Details were provided of the refurbishment and re-development of the City Observatory and associated buildings within the Playfair designed walled grounds of Calton Hill. In order to accelerate delivery to meet an opening time for the 2017 Festival, approval was sought to delegate authority to the Executive Director of Place to appoint the contractor that submitted the most economically advantageous tender.

Decision

- 1) To delegate authority to the Executive Director of Place, in consultation with the Convener and Vice-Convener of the Finance and Resources Committee, to appoint the contractor with the most economically advantageous bid to deliver the

refurbishment works and development of the City Observatory, Calton Hill Complex.

- 2) To note that tenders had been received from four short listed building contractors; that the Council had completed the quality assessment of the bids and was currently in the process of evaluating the commercial bids.

(Reference – report by the Executive Director of Place, submitted.)

24. Award of Contracts – Innovative Approaches to the Delivery of Care at Home Services

Decision

To withdraw the report.

(Reference – report by the Chief Officer, Edinburgh Health and Social Care Partnership, submitted.)

25. Tynecastle Nursery – referral report from the Education, Children and Families Committee

The Education, Children and Families Committee on 24 May 2016 approved the revised strategy for the delivery of a replacement Tynecastle Nursery. Approval was sought of the terms and conditions for the delivery of a replacement Tynecastle Nursery as outlined in Paragraph 3.5 of the report.

Decision

To approve the terms and conditions for the delivery of a replacement Tynecastle Nursery as outlined in paragraph 3.5 of the report.

Declarations of Interest

Councillors Ricky Henderson and Joan Griffiths declared financial interests as season ticket holders of Hearts Football Club and contributors to the Foundation of Hearts, and Councillor Paul Edie as Chair of the Care Inspectorate, respectively.

(References – Education, Children and Families Committee, 25 May 2016 (item 2.2); report by the Acting Executive Director of Children and Families, submitted.)

26. Appointments to Sub-Committees and Working Groups – 2016/17

Committee considered a report which invited them to appoint the membership of its Sub-Committees and Working Groups for 2016/17.

Decision

- 1) To appoint the membership of the Sub-Committees and Working Groups for 2016/17 as detailed in Appendix 1 of the report.
- 2) To agree that Councillor Main would replace Councillor Chapman as the elected member for the Green Group on the Joint Consultative Board.

- 3) To note that a further report would be brought to Committee in August to review the Terms of Reference and Delegated Functions for the Property Sub-Committee and the Elected Member ICT and Digital Sounding Board.

(Reference – report by the Chief Executive, submitted.)

27. Property Conservation – Programme Momentum Progress Report and Edinburgh Shared Repairs Service Update

An update was provided on the progress of Programme Momentum and the Edinburgh Shared Repairs Service (ESRS).

Decision

- 1) To note the management information dashboard reports in Appendix 1 of the report.
- 2) To note the progress of debt recovery work.
- 3) To note the progress of the settlement process.
- 4) To note the status of the remaining legacy projects.
- 5) To note the update on the implementation of the Edinburgh Shared Repairs Service (ESRS).

(References – Finance and Resources Committee, 12 May 2015 (item 14); report by the Acting Executive Director of Resources, submitted.)

28. Edinburgh Shared Repairs Service – Missing Shares

Committee considered a report regarding the City of Edinburgh Council's Scheme of Assistance that promoted the principle that homeowners had the primary responsibility for maintaining and repairing their own homes.

Homeowners were sometimes unable to progress essential repairs and maintenance due to other owners being unwilling or unable to contribute to their share of the costs. In order to prevent a minority of owners delaying essential repairs, approval was sought for the Council to pilot the use of Section 50 of the Housing (Scotland) Act 2006 which allowed local authorities to pay missing shares, subject to specific criteria being met.

Decision

- 1) To approve the payment of missing shares to enable essential common repairs to proceed in accordance with Section 50 of the Housing (Scotland) Act 2006.
- 2) To agree that the Council would recover payments made in relation to missing shares including associated administrative expenses and interest.
- 3) To agree to pilot the missing share scheme over the 2016/17 financial year. This would be limited to 3 projects and cost benefit would be assessed at the year end as to its efficiency.

(Reference – report by the Acting Executive Director of Resources, submitted.)

29. Proposed Disposal of 0.22 Ha at Edinburgh Capital Hotel, 187 Clermiston Road

Committee considered a report that was continued at the Finance and Resources Committee meeting on 12 May 2016 to allow time to establish if the purchaser would accept the provision of a right of way through the subjects of disposal. This was accepted by the purchaser.

Approval was sought to sell the land to Hotel Property Fund (Syndicate 1) Limited (HPF) at market value on the main terms outlined in the report.

Decision

To approve the disposal of the HRA land at 187 Clermiston Road, extending to 0.22 Ha (0.54 acres) or thereby, to the adjacent proprietor, Hotel Property Fund (Syndicate 1) Limited, trading as Edinburgh Capital Hotel, on the terms and conditions to be agreed by the Acting Executive Director of Resources.

(References – Finance and Resources Committee, 12 May 2016 (item 17); report by the Acting Executive Director of Resources, submitted.)

30. Disposal of Land in Princes Street Gardens – National Galleries of Scotland Proposed Extension

Approval was sought for the disposal of a strip of land in East Princes Street Gardens to enable the extension of the National Gallery to National Galleries Scotland on the main terms set out in the report.

Decision

To approve the disposal of the strip of land,(shown outlined in red in the appended diagram to the report), to National Galleries Scotland (NGS) on the terms and conditions outlined in the report and on other terms to be agreed by the Acting Executive Director of Resources.

(Reference – report by the Acting Executive Director of Resources, submitted.)

31. Port Edgar Marina – Proposed Lease Extension

Approval was sought to grant a lease extension to Port Edgar Holdings Ltd (PEHL) to facilitate the continued investment at Port Edgar sooner than would otherwise be the case.

Decision

To approve the grant of a 10 year extension of Port Edgar Marina, from April 2044 until April 2054, and the grant of irritancy protection on the terms and conditions set out in the report and on other terms and conditions to be agreed by the Acting Executive Director of Resources.

(Reference – report by the Acting Executive Director of Resources, submitted.)

32. Site at Newcraighall Road, Edinburgh – Proposed Disposal

Committee considered a report which sought approval to sell approximately 0.14 hectares (0.37 acre) of Council owned land at Newcraighall Road, Edinburgh to South Yorkshire Pensions Authority (SYPA).

Decision

To approve the disposal of the land at Newcraighall Road, extending to 0.14 hectares (0.37 acre) or thereby, on the terms and conditions outlined in the report and on such terms and conditions to be agreed by the Acting Executive Director of Resources.

(Reference – report by the Acting Executive Director of Resources, submitted.)

33. Participatory Budgeting Process – referral report from the Communities and Neighbourhoods Committee

The Communities and Neighbourhoods Committee on 10 May 2016 considered an update report on the development and delivery of participatory budgeting in the city, supported by a multi agency Participatory Budgeting Development Group. Committee were asked to note the report.

Decision

To note the report.

(Reference – report by the Acting Executive Director of Resources, submitted.)

34. 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 item of business on the grounds that it involved the disclosure of exempt information as defined in Paragraph 12 of Part 1 of Schedule 7(A) of the Act.

35. Property Conservation – Unimplemented Statutory Notices

An update was provided on unimplemented statutory notices in Edinburgh issued by the former Property Conservation Service.

Decision

Detailed in the Confidential Schedule, signed by the Convener, with reference to this minute.

(Reference – report by the Acting Executive Director of Resources, submitted.)