

Item 4.1 - Minutes

Finance and Resources Committee

10.00am, Thursday 23 February 2017

Present

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

1. Deputation: Save Porty Fives Campaign

The Committee agreed to hear a deputation from Mary Campbell and Mike Livesley from the Save Porty Fives Campaign, in relation to concerns about the sale of the Powerleague site in Portobello.

The deputation thanked the Committee for hearing them and explained that this matter had only come to their attention although they acknowledged that the matter had been under consideration since Autumn 2015.

The main points raised by the deputation were:

- Those campaigning were concerned at the loss of what they perceived to be a well used local facility and were dismayed with the description of the site as an ageing facility and surplus land.
- The deputation were concerned that there had been no notification of the closure of the facility.
- The deputation argued that part of the attraction of Portobello was that it had a lot of leisure facilities. The site was formerly the Portobello outside swimming pool and the football pitches.
- Planning permission for housing adjacent to the site included a description of the facility, and it was felt that the amenity as described for these houses was now inaccurate.
- Mike Livesley spoke as a weekly user of the pitches and praised the facility as one of the best in this area of the city and a better option than the pitches available for hire at Portobello. Mr Livesley described the facility as having eight pitches that were in excellent condition, with high fences which kept the balls in the field of play.

- There was concern that those who currently played football at the site would no longer be able to continue when the site was closed. Enquiries had been made to find alternatives but it was clear that demand outstripped supply for this type of facility.
- The deputation advised the Committee that they had put out a petition which has received around a thousand signatures.

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

The Head of Corporate Property responded to the points made, as follows:

- The Council had no policy or procedure to consult on the sale of property in their investment portfolio. Consultation would only be undertaken if there was a statutory requirement i.e in the case of schools, libraries, community centres, which were within the Council's operational portfolio.
- The site was originally marketed for sale in 2004, and initially there were a number of bids from mainstream house builders which were under consideration, however at that time the recession took hold and resulted in those offers being diminished or withdrawn.
- It was confirmed that the facility was no longer suitable for the leaseholder's (Powerleague) business purposes and that they wished to look at alternative sites within East Edinburgh.
- The deputation were advised that viability of the business was a matter for the leaseholder (Powerleague) who were a commercial company who had chosen not to continue with this lease. It was confirmed that it was the leaseholder who had approached the Council regarding the termination of the lease, the Council did not approach the leaseholder.
- The capital receipt for the sale of the site was included in a funding package for the new sports centre to be built on the Meadowbank site. This was a significant sporting venue for residents across Edinburgh and any erosion of the funding could jeopardise the project going ahead.
- There had been no suggestion from the Council that Powerleague could operate from Meadowbank as a commercial business and that there would not be any plans to do so. Powerleague was currently looking at two possible sites for relocation in Edinburgh, no further details could be disclosed at this time due to commercial sensitivity.

2. Minutes

Decision

To approve the minute of the Finance and Resources Committee meeting of 19 January 2017 as a correct record.

3. Key Decisions Forward Plan

The Finance and Resources Committee Key Decisions Forward Plan from 23 February - 23 March 2017 was submitted.

Decision

To note the Key Decisions Forward Plan from 23 February – 23 March 2017.

(Reference – Finance and Resources Committee Key Decisions Forward Plan, submitted.)

4. Rolling Actions Log

The Finance and Resources Committee Rolling Actions Log for 29 October 2015 to 19 January 2017 was submitted.

Decision

To note that items 4, 5, 8 and 9 were closed.

(Reference – Finance and Resources Committee Rolling Actions Log, submitted.)

5. Transformation Programme: Progress Update

An update report was provided on the Council Transformation Programme including details on progress with organisational reviews, key programme workstreams, the implementation of the localities model and the revised savings target for the programme and also set out progress in developing an ongoing programme of transformational change across the Council.

Decision

- 1) To note the revised transformation programme savings target, as detailed in paragraph 3.3 of the report.
- 2) To note the workstream updates as detailed in the report.
- 3) To note that there was a separate update report elsewhere on the agenda that provided details of progress with the Asset Management Strategy.
- 4) To note the progress with the implementation of the localities model.
- 5) To note the plans for the development of future transformational change within the Council.
- 6) To note the management information dashboards for the period 14 February 2017 attached at Appendix 1 to the report.
- 7) To agree that a separate report on the progress of the implementation of the localities model would be submitted to a future Committee.

(References – Finance and Resources Committee, 1 December 2016 (item 6), report by the Chief Executive, submitted.)

6. Asset Management Strategy Transformation Programme - Update

The Committee considered a progress report 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 Management Information dashboard reports provided in Appendix 1 to the report.

(References – Finance and Resources Committee, 1 December 2017 (item 7), report by the Acting Executive Director of Resources, submitted.)

7. Governance of Major Projects: Progress Report

An update report was provided of the major projects portfolio and assurance reviews.

Decision

- 1) To note the current synopsis of the dashboard reports for the major projects portfolio set out in Appendix 1 to the report.
- 2) To agree the proposed future portfolio dashboard reporting matrix outlined in Appendix 3 to the report.
- 3) To note the outcome and recommendations of new Boroughmuir High School assurance review set out in paragraphs 3.3, 3.4 and 3.5 of the report.
- 4) To agree the assurance review schedule for Q4 2016/17 and Q1 2017/18 detailed in Appendix 2 to the report.

(References – Governance, Risk and Best Value Committee, 24 October 2016 (item 9); report by the Chief Executive, submitted.)

8. Strategic Direction for Tackling Homelessness in Edinburgh

Details were provided on plans to integrate a range of activity to tackle homelessness in the city and to create a comprehensive strategy to coordinate the varied work that was underway including information on demand, future delivery options and changes to funding arrangements and an update on the implementation of the Homelessness Prevention Commissioning Plan (the Plan).

Decision

- 1) To note the current demand for homelessness services, including temporary accommodation.
- 2) To note the potential loss of income to the Council, following welfare benefit changes.

- 3) To note the potential impact of Department of Work and Pensions (DWP) changes to the benefit system on people who were homeless and/or dependent on welfare benefits.
- 4) To note progress towards the delivery of the commissioning plan for homelessness services and the further development required to ensure this work continued to fit with the Council's strategic intentions.
- 5) To approve the extension of three contracts from the Crisis and Complex work stream, as detailed in Appendix 1 to the report, to 31 March 2018, with a maximum value of £1,100,000.
- 6) To approve the extension of six contracts from the Young People's Visiting Support Services, as detailed in Appendix 1 to the report, to 31 March 2018 with a maximum value of £340,000.
- 7) To approve the extension of six contracts from the Young People's Accommodation Service work stream, as detailed in Appendix 1 to the report, to 31 March 2019 with a maximum value of £1,300,000.
- 8) To approve the extension of 26 contracts from the Temporary Accommodation – Housing Support and Temporary Accommodation – Housing Management work streams as detailed in Appendix 2 to the report, to 31 March 2019 with a maximum value of £8,000,000.
- 9) To approve the extension of 16 contracts from the Older People's Service work stream, as detailed in Appendix 2 to the report, to 31 March 2018 with a maximum value of £1,200,000.
- 10) To approve the extension of one contract from the Resettlement work stream, as detailed in Appendix 2 to the report, to 31 March 2018 with a maximum value of £250,000.
- 11) To note that all contract extensions would include an appropriate break clause to give notice in the event of changes negotiated with providers, procurement and savings requirements.
- 12) The note that a report on the feasibility of revising the strategy to shorten the period of contract extensions would be provided to a future Committee.

(References – Finance and Resources Committee, 13 May 2015 (item 23); report by the Head of Safer and Stronger Communities /Chief Social Worker, submitted.)

Declaration of Interest

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

9. Council People Strategy and People Plan 2017 - 2020

Details were provided of the new Council People Strategy and Plan through to 2020 which described the people opportunities and challenges the Council faced over the short, medium and long term, and set out the key strategic themes which would need to be addressed in order to deliver on commitments

Decision

- 1) To note the progress to date since previous update to Committee in March 2015.
- 2) To approve the Council's People Strategy outlined in Appendix 1 to the report.
- 3) To refer the report to the Corporate, Policy and Strategy Committee for noting.

(References – Finance and Resources Committee, 19 January 2017 (item 16); report by the Acting Executive Director of Resources, submitted.)

10. Managing Workforce Change – Workforce Dashboard

Committee considered a report that provided monitoring information to 17 February 2017 on the number of employees exiting the organisation through voluntary severance arrangements, associated annualised costs, the number of staff accessing support from the Career Transition Service, 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

To note progress made to date.

(References – Finance and Resources Committee, 19 January 2017 (item 16); report by the Acting Executive Director of Resources, submitted.)

11. Annual Workforce Controls Report

Details were provided of the key findings from workforce metrics across all current Service Areas in the City of Edinburgh Council.

Decision

- 1) To note progress made to date.
- 2) To refer the report to the Governance, Risk and Best Value Committee as part of its work programme.

(References – Finance and Resources Committee, 14 January 2016 (item 6); report by the Acting Executive of Resources, submitted.)

12. Re-employment and Re-engagement of Staff

Committee considered a report that provided an analysis of the situation to date on the numbers of staff who had left the Council and applied or returned within the one year time bar.

Decision

To note the report.

(References – Finance and Resources Committee, 3 November 2016 (item 31); report by the Acting Executive Director of Resources, submitted.)

13. Annual Treasury Strategy 2017/18

Details were provided of a proposed Treasury Management Strategy for the Council for 2017/18 including an Annual Investment Strategy and a Debt Management Strategy.

Decision

- 1) To note the Treasury Management Strategy for 2017/18.
- 2) To refer the report to Council for approval of the Treasury Strategy and remit to the Governance, Risk and Best Value Committee for scrutiny.

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

14. Winding Up of Usher Hall Charitable Trust

Approval was sought for the formal winding up of the Usher Hall Charitable Trust and the transfer of the remaining assets to the Usher Hall to contribute to the purchase cost of its new grand piano.

Decision

- 1) To approve the use of the remaining funds of the Usher Hall Trust to contribute to the purchase cost of the new grand piano at the Usher Hall.
- 2) To approve the formal winding up of the Usher Hall Trust.

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

15. Redhall House and Grounds, 7 Redhall House Drive, Edinburgh – Update Report

An update on the planning application process for Redhall House and Grounds was provided.

Decision

- 1) To note the outcome of the planning process.
- 2) To note the intention of the owner to submit a revised application that would take the comments of the Reporter into consideration.

(References – Finance and Resources Committee, 29 October 2015 (item 15); report by the Acting Executive Director of Resources, submitted.)

16. Lothian Chambers and 329 High Street – Proposed Office Rationalisation – Referral from the Economy Committee

The Economy Committee on 7 February 2017 approved the disposal of Lothian Chambers and the seven storey property at 329 High Street by way of a lease on a direct negotiated basis and referred the decision to the Finance and Resources Committee for ratification.

Decision

To ratify the decision of the Economy Committee to dispose of both properties at Lothian Chambers and 329 High Street by way of a lease on a direct negotiated basis.

(References – Finance and Resources Committee 24 September 2015 (Item 2(b)); Economy Committee 7 February 2017 (item 8); report by the Acting Executive Director of Resources, submitted.)

17. Common Good Register

A bi-annual update report was provided which detailed the current position of the Common Good Register.

Decision

- 1) To note the report.
- 2) To note that further reports would be brought to Committee on a bi-annual basis.

(References – Act of Council (No.10), 2 June 2016; Finance and Resources Committee, 18 August 2016 (item 18); report by the Acting Executive Director of Resources, submitted.)

18. Contract Award for the Supply of Domestic Furniture, Furnishings and White Goods

Approval was sought to award a contract to The Furnishing Service (TFS) for the supply, distribution and installation of domestic furniture, furnishings and white goods from 1 March 2017.

Decision

To approve the award of a contract to The Furnishing Service (TFS) for the supply, distribution and installation of Domestic Furniture, Furnishings and White Goods from 1 March 2017 until 31 October 2018 with the Council's option to extend for up to two years.

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

19. Edinburgh Tram Extension and Leith Programme – Award of Contracts under Delegated Authority

Details were provided of the procurement processes undertaken, the outcome of the processes and the appointments made subsequently to the approval given by Full Council in December 2015 to commence a number of activities to progress the development of a tram extension from Newhaven to Leith.

Decision

- 1) To note the outcome of the procurement process for Technical Advisor for the Edinburgh Tram Extension and subsequent award to Atkins Ltd for a contract award value of £449,710.

- 2) To note the outcome of the procurement process for Project and Commercial Manager for the Edinburgh Tram Extension and subsequent award to Turner and Townsend Ltd for a contract award value of £617,705.
- 3) To note the outcome of the procurement process for Legal Adviser for the Edinburgh Tram Extension and subsequent award to Ashurt LLP for a contract award value of £118,872.
- 4) To note that the award of the contracts was undertaken by the Chief Executive, under the Council's Scheme of Delegation, in consultation with the Convener and Vice Convener of the Finance and Resources Committee.

(References – Act of Council (No. 5), 10 December 2015; report by the Executive Director of Place, submitted.)

20. Approval to Extend the Contract for Cycle Design Schemes

Approval was sought for a contract extension for designing cycling schemes to the consultancy AECOM of £158,678 to allow the completion of the design of schemes to be carried through to construction in 2017/18.

Decision

To approve the award of the contract extension for Cycle Design Schemes to AECOM for up to a value of £158,678.

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

21. Proposed Sale of Land at Niddrie Mains, Edinburgh, for Zero Waste Substation

Approval was sought for the disposal of 50.24 sq m (541 sq ft) of land in Niddrie Mains to an adjacent proprietor, Scottish Power Distribution PLC. The area of land formed a narrow strip along the edge of an existing electricity substation.

Decision

To approve the sale of land to Scottish Power Distribution PLC under the terms and conditions outlined 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.)

22. Disposal of Housing Revenue Account Land Adjacent to 24 Featherhall Avenue, Edinburgh

Approval was sought for the disposal of approximately 214 sq m of land on the corner of Featherhall Avenue to the proprietor of the adjacent nursery, Miss Chelsea Black.

The land was declared surplus to the Council's operational requirements in October 2013 and had provided the nursery with an entrance pathway since it opened in 2014.

Decision

To approve the sale of the land at Featherhall Avenue to Miss Chelsea Black under the terms and conditions outlined in the report and on such other terms and conditions to be agreed by the Acting Executive Director of Resources.

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

23. Minute of Amendment of Servitude – Davidson’s Mains Park – Gas Mains Diversion

Approval was sought to the grant of a Minute of Amendment to the existing servitude to Scottish Gas Networks (SGN) in relation to a gas main located in Davidson’s Mains Park.

Decision

To approve the grant of a Minute of Amendment to the existing servitude to Scottish Gas Networks (SGN) on the terms outlined in the report and on such other terms and conditions to be agreed by the Acting Executive Director of Resources.

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

24. Priestfield Tennis and Sports Association – Proposal for New Lease

Approval was sought to renew the lease for tennis courts and pavilion facilities at Kirkhill Road to the Trustees of the Priestfield Tennis and Sports Association (PTSA) for 25 years at a market rent of £2,250 per annum.

Decision

To approve the grant of a new lease of the tennis courts and pavilion facilities at Kirkhill Road to the Trustees of the Priestfield Tennis and Sports Association (PTSA) on the terms outlined in the report, and on such other terms and conditions to be agreed by the Acting Executive Director Resources.

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

25. Proposed Lease Extension at Thistle Lawn Tennis Club, Katesmill Road, Edinburgh

Approval was sought for approval of a 14 year lease extension to Thistle Lawn Tennis club to the area of ground at Katesmill Road to allow the undertaking of approximately £160,000 improvement works to the site.

Decision

To approve a 14 year lease extension to Thistle Lawn Tennis Club of the tennis courts and associated facilities at Katesmill Road, Edinburgh on the terms outlined 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.)

26. Resolution to Consider in Private

The Sub-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 2, 6, 8 and 9 of Part 1 of Schedule 7(A) of the Act.

27. Council Properties Companies – Referral Report from the Economy Committee

On 7 February 2017, the Economy Committee considered a report by setting out the options available to the Council regarding the operating model for its property companies, including issues arising and proposed transitional arrangements.

Decision

To instruct the Chief Executive and the Board of CEC Holdings, EDI, Parc Craigmillar, Waterfront Edinburgh and Shawfair Land Limited to commence consideration and the potential implementation of Option 3 as set out in the report by the Chief Executive.

(References – Finance and Resources Committee, 4 June 2015 (item 32); Economy Committee, 7 February 2017 (item 14); report by the Acting Executive Director of Resources, submitted.)

Declarations of Interest

Councillors Whyte and Rose declared a non financial interests in the above item as a Director of EDI and its subsidiary companies and as a Board Member of CEC Holdings, respectively.

28. Waiver – Transfer of Waste

Details were provided of the actions taken during December 2016 and January 2017, due to the unforeseen closure of the Powderhall Waste Transfer Station and approval was sought to waive the contract standing orders to award a number of temporary contracts as detailed in the report.

Decision

To note the actions taken from December 2016 to January 2017 and to approve a waiver of contract standing orders to allow the award of a number of temporary contracts following the unforeseen closure of Powderhall Waste Transfer Station.

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