

ANGUS COUNCIL

MINUTE of MEETING of the **CORPORATE SERVICES COMMITTEE** held in the Town and County Hall, Forfar on Thursday 18 October 2012 at 4.00pm.

Present: Councillors ALEX KING, BILL DUFF, BRIAN BOYD, MAIRI EVANS, IAIN GAUL, MARTYN GEDDES, DAVID LUMGAIR, IAN McLAREN, DONALD MORRISON, ROB MURRAY, BOB MYLES, PAUL VALENTINE and JIM HOUSTON.

COUNCILLOR KING, Convener, in the Chair.

1. APOLOGIES/SUBSTITUTES

Apologies for absence were intimated on behalf of Councillors Colin Brown, Margaret Thomson and Sheena Welsh with Councillor Jim Houston substituting for Councillor Welsh.

2. DECLARATIONS OF INTEREST

The Committee noted that there were no declarations of interest.

3. MINUTE OF PREVIOUS MEETING

The [minute of meeting of this Committee of 30 August 2012](#) was approved as a correct record and signed by the Convener.

4. PROPOSED DISPOSAL OF LAND: NORTH LINKS COTTAGE, BROOMFIELD ROAD, MONTROSE

With reference to Article 5 of the minute of meeting of this Committee of 9 June 2011, there was submitted [Report No 597/12](#) by the Director of Corporate Services advising of the proposed disposal of land at North Links Cottage, Broomfield Road, Montrose.

The Report indicated that the owner of North Links Cottage wished to acquire an area of land marked 1 on the plan attached to the Report as Appendix 1, and that, in the circumstances, it was proposed that this area was disposed to them. It was further proposed that the area marked 2 on the plan was no longer occupied or used by North Links Cottage and therefore should be returned to Angus Council to form part of the wider proposed development area detailed in Report No 417/11, as considered by this Committee on 9 June 2011.

The Committee agreed to approve the disposal of ground adjacent to North Links Cottage, Broomfield, Montrose, on provisional terms and conditions to be negotiated by the Head of Property.

5. W H BROWN CONSTRUCTION (DUNDEE) LTD (IN RECEIVERSHIP)

There was submitted [Report No 598/12](#) by the Director of Corporate Services advising the Committee that W H Brown Construction (Dundee) Ltd had been placed into Receivership, and of the consequent effect on current building projects and the action being taken by the Corporate Services Department.

The Report indicated that at the time of the Receivership, the company had been appointed as successful contractors for carrying out the Roof Refurbishment of Single Storey Bays at Bruce House, Arbroath. This project had not commenced on site and the Joint Receivers had no objection to the award of the project to the second placed tenderer, assuming that the Council mitigated any additional costs. Using the second placed tenderer would entail additional costs of £16,900 plus related professional fees, but still represented value for money. These additional costs would be deducted from retention monies held. One other project remained unsettled with W H Brown Construction (Dundee) Ltd, namely the construction of twelve Affordable Houses at sites in Carnoustie and Monifieth. This project had been completed in December 2011 and was currently in the defects liability period which would expire on 1 December 2012. The Joint Receivers had agreed that defects works could be procured separately and any costs to the Council would be deducted from retention monies currently standing at £20,085.05, held under this contract.

It was anticipated that the Council could be exposed to as yet unknown minor additional costs as a result of the Receivership of the contractor.

The Committee agreed:-

- (i) to note that W H Brown Construction (Dundee) Ltd, Dundee ceased work on all Council projects as of 20 August 2012, and Joint Receivers were appointed on the same date;
- (ii) to note the construction projects contracted with W H Brown Construction (Dundee) Ltd, which were procured by the Property Division and detailed in Report No 598/12, and the responsive action being taken;
- (iii) to note that the Director of Corporate Services would ensure that any further action required to protect the Council's interest, would be undertaken; and
- (iv) to otherwise note the current situation as set out in the Report.

6. THOMSON & DOUGLAS LTD (IN LIQUIDATION)

There was submitted [Report No 599/12](#) by the Director of Corporate Services, advising the Committee that Thomson & Douglas Ltd was in Creditor's Voluntary Liquidation, and detailing the effect on current Council building projects, along with the action being taken by the Corporate Services Department.

The Report detailed the current situation as regards the firm's term contracts with the Council for the Maintenance of Properties Excluding Council Housing, and other contracts for construction work. The employment of the contractor had been determined and the sites secured against any unauthorised removal of plant and materials. Builders Works Orders under the Urgent Repairs and Jobbing Term Contracts – Maintenance of Properties Excluding Council Housing 2012 – 2015 would be issued to the next lowest contractors as detailed in Report No 599/12.

The Committee agreed:-

- (i) to note that Thomson & Douglas Ltd, Kingsmuir, by Forfar, had ceased work on all Council projects as of 3 July 2012, and the Liquidators were appointed on the same date;
- (ii) to note the construction projects contracted with Thomson & Douglas Ltd procured by the Property Division, and the responsive action being taken, all as detailed in Report No 599/12;
- (iii) to note that the Director of Corporate Services would ensure that any further action required to protect the Council's interest, would be undertaken; and
- (iv) to otherwise note the current situation as set out in the Report.

7. PROPERTY TRANSACTIONS

With reference to Article 13 of the minute of meeting of this Committee of 30 August 2012, there was submitted [Report No 601/12](#) by the Director of Corporate Services advising members of the outcome of property transactions dealt with under delegated authority and seeking approval for property transactions which had been provisionally agreed.

The Committee agreed:-

- (i) to note the property transactions detailed in Appendices 1, 2(1) and 3(1) which had been completed under the delegated authority of the Head of Property;
- (ii) to approve the transactions detailed in Appendices 2(2) and Appendix 4; and
- (iii) to homologate the decision of the Head of Property, in consultation with the Convener, detailed in Appendix 3(2) to approve the new lease of the café at Montrose Leisure Centre to enable early entry by the new tenant.

8. CAPITAL MONITORING – GENERAL FUND CAPITAL PROGRAMME – 2012/2013

With reference to Article 9 of the minute of meeting of this Committee of 8 March 2012, there was submitted [Report No 602/12](#) by the Director of Corporate Services advising members of the capital expenditure incurred for the period from 1 April to 31 August 2012, and measuring projected capital expenditure for the year against budgeted provision.

The Report indicated that at this stage in the financial year, the latest year end estimate of gross expenditure was £286,000 over the 2012/2013 gross capital monitoring budget, and £203,000 over on a net basis. Whilst some additional funding had been generated in this regard, expenditure overspends in 2012/2013 would require a compensating underspend to be made in 2013/2014 in order to balance the overall capital programme.

The Committee agreed:-

- (i) to note, for its interest, the expenditure position on the General Fund Capital Programme as at 31 August 2012, as detailed in Tables 1 and 2 and the accompanying Capital Monitoring Statement, all as contained in Appendix 1 to Report No 602/12;
- (ii) to note the commentary on projects anticipating significant variances against budget, as detailed in section 5 of the Report; and
- (iii) to note that the next meeting of the Capital Projects Monitoring Group would take place on Tuesday 30 October 2012.

9. HOUSING CAPITAL AND PLANNED MAINTENANCE MONITORING REPORT - 2012/2013

With reference to Article 4 of the minute of meeting of the Neighbourhood Services Committee of 4 October 2012, there was submitted [Joint Report No 562/12](#) by the Director of Neighbourhood Services and the Director of Corporate Services setting out the actual capital and planned maintenance positions as at 31 August 2012, together with projected outturns for the year to 31 March 2013, and updated capital funding proposals.

The Committee, for its interest, agreed:-

- (i) to note the expenditure figures presented for the Housing Capital and Planned Maintenance Programmes for the period to 31 August 2012;
- (ii) to note the capital receipts position for the period to 31 August 2012;
- (iii) to note the year end capital and planned maintenance positions and updated indicative funding proposals; and
- (iv) to note that relevant officers were endeavouring to ensure that the capital programme and planned maintenance programme remained within overall available resources.

10. REVENUE MONITORING/PROJECTED OUTTURN STATEMENT 2012/2013

With reference to Article 11 of the minute of meeting of this Committee of 8 March 2012, there was submitted [Report No 603/12](#) by the Director of Corporate Services advising as to actual revenue expenditure incurred and income received for the period 1 April to 31 August 2012, together with the anticipated year end position in respect of each Council Department.

In the main, expenditure was currently behind the phased budget, and an underspend of £0.815 million was projected for 2012/2013.

The position would be closely monitored, together with the Housing Revenue Account which was projecting a £671,000 surplus during 2012/13, and any change would be advised in subsequent Reports to this Committee.

The Committee agreed:

- (i) to note the contents of Report No 603/12 for its interest and in particular the comments on the financial implications section regarding the projected year end position; and
- (ii) to approve the virements set out in section 7 of Report No 603/12, which were in excess of the permitted delegated authority limits as prescribed in section 4.3 of the Financial Regulations.

11. MISCELLANEOUS ACCOUNTS – DEBT WRITE OFF

With reference to Article 12 of the minute of meeting of this Committee of 8 March 2012, there was submitted [Joint Report No 604/12](#) by the Director of Corporate Services and the Head of Finance containing details of miscellaneous accounts which were recommended to be written off.

The Report indicated that a relatively small number of accounts had been identified for write off and that the number and value in the context of the total number and value of accounts issued in the year were relatively insignificant. The Report emphasised that even though the debts were written off, they would be pursued in the light of any further information which might become available.

The Committee agreed that the accounts detailed in Appendix 1 of the Report, amounting to £72,770.95 including £1,084.10 of VAT, be written off as irrecoverable.

12. MOBILE TELEPHONY PUBLIC SECTOR NETWORK FRAMEWORK

There was submitted [Report No 605/12](#) by the Director of Corporate Services, seeking authority to award the Council's mobile telephony contract to Vodafone under the terms of the Government Procurement Service Public Services Network Framework.

The Report detailed the current position whereby the Council used Vodafone for the supply of its mobile telephony requirements, and outlined the steps taken to procure a new contract with effect from 19 October 2012 until 27 June 2014, at an estimated value of £130,000 per annum and £260,000 over the whole life of the contract, including any option to extend. The Head of Information Technology would review the contract, including market testing, at the mid point of the contract.

The Committee agreed to approve the award of the contract for mobile telephony to Vodafone, as detailed in the Report.

13. CITRIX ENVIRONMENT APPSENSE LICENSING

There was submitted [Report No 606/12](#) by the Director of Corporate Services seeking approval for the procurement of 2500 AppSense Licenses via a Government Procurement Service contract.

The Report detailed how, in terms of the Council's Corporate IT Strategy, a key element was provision of a desktop infrastructure which enabled the flexible approach to be taken to application and data delivery which underpinned the prospective agile working outcome options. It had been determined therefore that procurement of AppSense software would support the expansion of the Council's Citrix technology, in turn supporting the Corporate Asset Management and IT Strategies, and in addition, was a key element in enabling a transformation to more agile work practices.

The Committee agreed:-

- (i) to note the current position regarding the further development of the Citrix environment; and
- (ii) to authorise the Head of Information Technology to procure the licence and maintenance contract on the basis detailed in the Report.

14. DATACENTRE COMMUNICATIONS INFRASTRUCTURE ENHANCEMENT

With reference to Articles 4 and 5 of the minute of meeting of this Committee of 26 January 2012, there was submitted [Report No 607/12](#) by the Director of Corporate Services seeking approval for procurement of an enhanced communications infrastructure for the new IT datacentres at Orchardbank, Forfar and Arbroath Academy.

The Report detailed the proposals and options appraisal, identifying three technologies required to achieve (1) the necessary resilient cross network connectivity; (2) the technical capability required to ensure a proficient Citrix environment; and (3) additional fire wall provision. The investment would contribute to mitigation of the risk that services were disrupted as a result of IT infrastructure failure identified in the Corporate Risk Register.

The Committee agreed:-

- (i) to approve procurement of the enhanced communications infrastructure for the new datacentres;
- (ii) to approve the allocation of £80,000 from the available balance in the IT Renewal and Repair Fund to meet the cost of 10Gb interconnectivity to the storage area network;
- (iii) to authorise the Head of Information Technology to procure the required equipment and services on the basis set out in the Report; and
- (iv) to note that this investment would contribute to mitigation of the risk that services could be disrupted as a result of IT infrastructure failure identified in the Corporate Risk Register.