

## ANGUS COUNCIL

MINUTE of MEETING of the **CORPORATE SERVICES COMMITTEE** held in the Town and County Hall, Forfar on Thursday 21 June 2012 at 4.00 pm.

**Present:** Councillors ALEX KING, BILL DUFF, BRIAN BOYD, COLIN BROWN, GLENNIS MIDDLETON, IAIN GAUL, MARTYN GEDDES, IAN McLAREN, DONALD MORRISON, ROB MURRAY, BOB MYLES, MARGARET THOMSON, PAUL VALENTINE and SHEENA WELSH.

Councillor KING, Convener, in the Chair.

### 1. APOLOGIES/SUBSTITUTES

Apologies for absence were intimated on behalf of Councillors Mairi Evans and David Lumgair with Councillor Middleton substituting for Councillor Evans.

### 2. DECLARATION OF INTEREST

Councillor King declared an interest in item 7 as he was a member and Treasurer of the Abbey Theatre Club, Arbroath. He indicated he intended to remain in the meeting for the item as the issue had been approved under the Head of Property's delegated authority but if there was to be any discussion on the matter, he would take no part in discussion and voting and would vacate the Chair.

### 3. COMMITTEE MEMBERSHIP

The Committee agreed to note the members who had been appointed to this Committee.

### 4. REMIT OF COMMITTEE

There was submitted and noted the remit of the Corporate Services Committee.

### 5. APPOINTMENTS

In accordance with Standing Orders 32 and 33, the Committee agreed that the undernoted appointments be made:-

#### (a) Executive Sub-Committee

Convener, Vice-Convener and Councillor Boyd

#### (b) Capital Projects Monitoring Group

Convener, Vice-Convener and Councillor Boyd

### 6. MINUTES

#### (a) Previous Meeting

The [minute of meeting of this Committee of 8 March 2012](#) was approved as a correct record and signed by the Convener.

#### (b) Special Meeting

The [minute of special meeting of this Committee of 9 February 2012](#) was approved as a correct record and signed by the Convener.

## 7. PROPERTY TRANSACTIONS

With reference to Article 5 of the minute of meeting of this Committee of 8 March 2012, there was submitted [Report No 353/12](#) 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 I, II(i), (ii) and (iii), III(i) and IV(i), (ii) and (iii) which had been completed under the delegated authority of the Head of Property; and
- (ii) to approve the transactions detailed in Appendix II(iv) and (Appendix III(ii), both Brechin Common Good; Appendix IV(iv) Montrose Common Good and Appendix V(i).

## 8. PROPOSED DISPOSAL OF LAND AT ARBROATH ENTERPRISE PARK, ARBROATH

There was submitted [Report No 354/12](#) by the Director of Corporate Services advising the Committee that the tenant of Plot 9(c), Arbroath Enterprise Park, Arbroath had exercised their option to purchase.

The Committee, for its interest, agreed:-

- (i) to note the contents of the Report; and
- (ii) to approve the disposal of the factory and yard known as Plots 9(c), Arbroath Enterprise Park to Armstrong Packaging Ltd on the provisional terms and conditions contained in the Report.

## 9. SALE OF LAND – BRECHIN BUSINESS PARK

There was submitted [Joint Report No 355/12](#) by the Director of Infrastructure Services and the Director of Corporate Services advising the Committee of the sale of land at Plot 17/18 (extending to 1.06 hectare) at Brechin Business Park.

The Committee, for its interest, agreed:-

- (i) to note the contents of the Report; and
- (ii) to note the sale of Plot 17 and part of Plot 18 Brechin Business Park (1.06 hectare) to an international engineering and metal stockholder on the terms outlined in the Report, as per authority delegated to the Head of Economic Development and Environmental and Consumer Protection.

## 10. PROPOSED LEASE AGREEMENT OF LAND, BRENT AVENUE, MONTROSE

With reference to Article 9 of the minute of meeting of the Infrastructure Services Committee of 14 June 2012, there was submitted [Joint Report No 297/12](#) by the Director of Corporate Services and the Director of Infrastructure Services advising the Committee of the outcome of negotiations for the new lease of an industrial unit and expansion land at Brent Avenue, Montrose.

The Committee, for its interest, agreed:-

- (i) to note the contents of the Report; and
- (ii) to homologate the decision of the Convener in approving the leases of the industrial unit at Brent Avenue, Montrose plus expansion land on the provisional terms and conditions contained within the Report.

**11. PROPOSED DISPOSAL OF SITE ADJACENT TO QUEEN'S DRIVE, ARBROATH**

There was submitted [Report No 357/12](#) by the Director of Corporate Services advising the Committee that the tenant of a site at Queen's Drive, Arbroath had requested to acquire the site from Angus Council.

The Committee agreed:-

- (i) to note the contents of the Report; and
- (ii) to approve the disposal of the site at Queen's Drive, Arbroath to the current tenants on terms and conditions to be agreed by the Head of Property.

**12. PROPOSED DISPOSAL OF STORE, REID PARK, HILLSIDE, FORFAR**

There was submitted [Report No 358/12](#) by the Director of Corporate Services advising the Committee that the store at Reid Park, Hillside Road, Forfar was vacant and surplus to Angus Council's requirements.

Having heard Councillor Middleton the Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to approve the store at Reid Park, Forfar be declared surplus to requirements of Angus Council;
- (iii) to offer the property for sale to the owner of the adjacent property at 18 Hillside Road, Forfar in the first instance, notwithstanding the terms of Financial Regulation 17.2.1; and
- (iv) to market the property for sale on the open market in the event of the owner of 18 Hillside Road, Forfar being unwilling to purchase at a negotiated mutually acceptable value.

**13. PROPOSED RIGHT OF ACCESS, KATARINE STREET, FORFAR**

There was submitted [Report No 359/12](#) by the Director of Corporate Services advising the Committee that the owner of a house at Katarine Street, Forfar had submitted a request to formalise an existing prescriptive right of access over land held in the ownership of Forfar Common Good.

The Report indicated that it was proposed that a Deed of Servitude be granted to permit vehicular and pedestrian access over land held in the ownership of the Forfar Common Good to the house at 18 Katarine Street, subject to the grantee paying an appropriate Grassum and meeting the Council's surveyors and legal fees. The grantee would only have access over the land and would have no rights to carry out any works to the land. Access to the remaining land held in the ownership of the Forfar Common Good would not be affected by the granting of a deed of servitude.

The Committee agreed:-

- (i) to note the contents of the Report; and
- (ii) to approve the grant of a deed of servitude over land at Katarine Street, Forfar.

**14. OPERATIONAL ARRANGEMENTS FOR COMMON GOOD PROPERTIES – DELEGATION TO THE HEAD OF PROPERTY**

There was submitted [Report No 356/12](#) by the Director of Corporate Services recommending that the Head of Property be granted delegations to enhance operational management of Common Good properties on behalf of the respective Common Good Funds.

The Report indicated that it was the custom and practice for all property related matters, no matter their significance, involving the respective Common Good Funds to be the subject of a Committee Report to the Corporate Services Committee for consideration and approval. In each case, the respective burgh councillors were consulted regarding the proposal and any objections reported to Committee. There had been a number of occasions when the Committee timetable introduced operational delays whilst dealing with these matters, particularly the entering into new leases and the actioning of rent changes following rent reviews. Given that the Head of Property exercised delegated authority widely for such matters for non Common Good properties, it was considered appropriate to review this custom and practice with a view to dealing with non-significant matters timeously and avoid delays.

A review of recent Common Good property transactions which had been submitted to the Committee for approval had identified that none of the recommendations by the Head of Property had been challenged. It was therefore proposed that the Head of Property be given delegated authority to authorise non-significant transactions for Common Good properties, as set out in the Report. In each case, the views of all the burgh councillors would be sought and should there be any objection from a burgh councillor to the proposal but rather the matter would be addressed in a Report to Committee for consideration. The exercise of these delegations would be reported within the property transaction report submitted to the Committee.

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to approve the proposed delegations, for non-significant operational property transactions to Common Good properties, to the Head of Property;
- (iii) to note the arrangements to be applied should burgh councillors object to a proposal; and
- (iv) to note that exercise of these delegations would be reported in the Property Transaction Report submitted to the Committee.

#### **15. PROPERTY RENEWAL AND REPAIR FUND 2012/2013 – PHASE 2**

With reference to Article 4 of the minute of meeting of this Committee of 8 March 2012, there was submitted [Report No 360/12](#) by the Director of Corporate Services advising the Committee on the next programme of urgent repairs to be undertaken utilising the Renewal and Repair Fund.

The Report indicated that the repairs had been discussed and agreed with respective departments as being the highest priorities of funding and the proposed expenditure had been agreed with the Head of Finance.

The Committee agreed:-

- (i) to note the contents of the Report; and
- (ii) to approve the next programme of works for the execution of urgent property repairs, at an estimated cost of £228,600, by utilising the Property Renewal and Repair Fund.

#### **16. PROPERTY MAINTENANCE END OF YEAR REPORT 2011/2012**

With reference to Article 13 of the minute of meeting of this Committee of 1 September 2011, there was submitted and noted [Report No 361/12](#) by the Director of Corporate Services presenting the 2011/2012 end of year status of expenditure on the maintenance of non-housing properties.

**17. ENERGY AND ENVIRONMENTAL CONSERVATION SPEND TO SAVE PROJECTS 2012/2013**

With reference to Article 9 of the minute of meeting of this Committee of 1 September 2011, there was submitted [Report No 362/12](#) by the Director of Corporate Services seeking approval for the provision of supplementary funding from the Property Renewal and Repair Fund to undertake the programme of "Spend to Save" energy efficiency projects in support of the Council's energy management strategy, at an estimated cost of £42,350.00.

The Report indicated that the programme of "Spend to Save" energy efficiency projects detailed in Appendix 1 to the Report, which was intended should be undertaken in 2012/2013, had been prepared following consideration of the recommendations from non-housing property energy audit reports and opportunities which had arisen as new technology and energy saving techniques had become available. The projects had been discussed and agreed with the respective departments as being complementary to their own energy efficiency practices.

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to note the programme of "Spend to Save" energy efficiency projects planned for 2012/2013; and
- (iii) to approve the bid for supplementary funding in the sum of £42,350 from the Property Renewal and Repair Fund in 2012/2013.

**18. PROVISION OF BIOMASS HEAT SUPPLY CONTRACTS INCLUDING TEMPORARY ARRANGEMENTS FOR MONTROSE SPORTS CENTRE AND KINLOCH CARE CENTRE, CARNOUSTIE**

With reference to Article 12 of the minute of meeting of this Committee of 1 September 2011, there was submitted [Report No 363/12](#) by the Director of Corporate Services advising the Committee of changes to the procurement strategy detailed in the Procurement Authority Approval Request as a consequence of changes in scope and the imminent availability of new contracts available through Scottish Procurement.

The Report indicated that the estimated value of the contract detailed in the Report significantly exceeded the EU Procurement Threshold for Supply/Service Contracts. However, the procurement process being undertaken by Scottish Procurement would ensure compliance with EU Procurement Rules enabling the Angus Council Procurement to be undertaken timeously by mini competition through the Scottish Procurement Biomass Energy Supply Framework.

The Corporate Procurement Manager had been extensively consulted regarding these procurement processes and had confirmed his approval of the procurement strategy detailed in the Report, particularly the proposed short-term negotiated contract with the Council's existing biomass energy supply contractor, pending procurement through the Scottish Procurement Biomass Energy Supply Framework.

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to note the estimated total cost of £102,000 (at 2011/2012 prices), subject to price increases, for the short-term contracts covering the revenue running costs over the seven month period for the biomass heat supply contracts, as detailed in the Report;
- (iii) to note the updated estimated total cost of £1,400,000 (at 2011/2012 prices), subject to price increases, for the long-term contracts covering the revenue running costs over the ten year period for the biomass heat supply contracts, as detailed in the Report;

- (iv) to note the revised procurement strategy detailed in the Report; and
- (v) to note that, following approval of the Procurement Authority Approval Request detailed in Report No 585/11, the outcome of the short-term negotiated contract and the outcome of the long-term contract would be reported by the Head of Property through his six monthly Tenders Accepted under Delegated Authority Report.

**19. CENTRAL WATER EFFICIENCY FUND 2012/2013 – PHASE 1**

With reference to Article 14 of the minute of meeting of this Committee of 20 April 2011, there was submitted [Report No 364/12](#) by the Director of Corporate Services advising the Committee on Phase 1 of the programme of projects to be undertaken, utilising the Central Water Efficiency Fund in 2012/2013 which would assist the Council in reducing the cost of the water charges.

The Report indicated that a Central Water Efficiency Fund had been established using revenue budget underspends carried forward from 2011/2012 (Report No 79/12 refers). The Fund had been set up with an initial allocation of £50,000 and would operate on a revolving basis, i.e. projected savings by return to the Fund to pay back the initial investment and thereafter the savings would be accrued to the participating department. The Fund could then be used to invest in further water efficiency measures.

The programme of water efficiency projects, detailed in Appendix 1 to the Report, which it was intended should be undertaken in 2012/2013, had been discussed and agreed with the respective departments as being complementary to their own water efficiency practices. The respective departments had agreed to the repayment terms associated with the individual projects.

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to approve Phase 1 of the Programme of Central Water Efficiency Fund projects, at an estimated cost of £13,500 from the Fund in 2012/2013;
- (iii) to note the total forecast annual savings for the participating departments would be in the order of £13,663; and
- (iv) to note that the participating departments had agreed to make designated repayments to the Central Water Efficiency Fund, as per the repayment terms.

**20. CLEANING OF GLASS IN COUNCIL BUILDINGS (EXCLUDING EDUCATION AND SOCIAL HOUSING) 2012/2015 – REVISED PROCUREMENT STRATEGY**

There was submitted [Report No 365/12](#) by the Director of Corporate Services advising the Committee of a revised procurement strategy to be adopted by the Head of Property to improve the arrangements for the delivery of glass cleaning and to deliver value for money.

The Report indicated that Angus Council had regularly had difficulty in procuring and maintaining satisfactory contract arrangements for glass cleaning of Council buildings, given the significant disparity between the workloads in the respective burghs. The Report therefore detailed the revised procurement strategy for the procurement of glass cleaning in Council buildings (excluding Education and Social Housing).

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to approve the revised strategy for the procurement of glass cleaning services for simple and complex buildings;

- (iii) to note the estimated total cost of £48,000 for a three year contract, with an option to negotiate for an additional year, for window cleaning of selected complex buildings (at outturn prices);
- (iv) to note that the procurement authority was within the Head of Property's delegated authority limit of £50,000 for service contracts, as contained in Section 16 of the Financial Regulations;
- (v) to note that the funding for this project, amounting to £48,000, would come from the revenue budgets of the various client departments;
- (vi) to note that Building Managers would procure and fund the window cleaning of specific simple properties on an individual basis; and
- (vii) to note the financial implications detailed in section 7 of the Report.

## **21. TENDERS ACCEPTED UNDER AUTHORITY DELEGATED TO THE HEAD OF PROPERTY**

With reference to Article 6 of the minute of meeting of this Committee of 20 October 2011, there was submitted [Report No 366/12](#) by the Director of Corporate Services, containing details of tenders accepted by the Head of Property under delegated authority during the period 1 October 2011 to 31 March 2012.

The Committee agreed:-

- (i) to note the contents of the Report; and
- (ii) to note that a further Report would be submitted detailing tenders accepted during the next six month period.

## **22. AUTHORITY TO WRITE OFF BAD DEBTS (COUNCIL TAX, NON-DOMESTIC RATES AND HOUSING BENEFIT OVERPAYMENTS) FINANCIAL YEAR 2011/2012**

With reference to Article 13 of the minute of meeting of this Committee of 9 June 2011, there was submitted [Joint Report No 367/12](#) by the Director of Corporate Services and the Head of Finance, seeking authority to write off the amounts detailed as bad debts in respect of Council Tax (including water and sewerage), non-domestic rates, housing benefit overpayments and miscellaneous accounts which had either been in the hands of Sheriff Officers and Debt Recovery Agencies, or were untraced debtors.

The Committee agreed that the amounts detailed in the Report be written off, it having been noted that the files would remain open and every effort made to collect the debts, should circumstances change.

## **23. COUNCIL TAX AND NON-DOMESTIC RATES COLLECTION PERFORMANCE**

With reference to Article 16 of the minute of meeting of this Committee of 9 June 2011, there was submitted [Joint Report No 368/12](#) by the Director of Corporate Services and the Head of Finance, advising the Committee of the collection performance details Council Tax and non-domestic rates for the year ended 31 March 2012 and setting out comparisons with previous financial years.

Arrears figures and recovery action were also referred to and all figures stated which related to the accounts for 2011/2012 were still subject to audit.

The Report indicated that, subject to audit, the figures showed the year's collection of Council Tax had continued to improve, with a small reduction in non-domestic rates collection performance, which had been achieved in the difficult current economic climate.

The Report also sought authority to extend the existing contractual arrangements for a further two years with A A Hutton LLP, the Council's Debt Collection Agents, which would assist the service in seeking to maximise collection levels.



The Committee agreed:-

- (i) to note the contents of the Report; and
- (ii) to approve the extension of the existing contractual arrangements with A A Hutton LLP for a further two years commencing 1 October 2012.

**24. PREPARATION OF THE 2013/2014 GENERAL FUND REVENUE AND CAPITAL BUDGETS**

With reference to Article 17 of the minute of meeting of this Committee of 9 June 2011, there was submitted [Joint Report No 369/12](#) by the Director of Corporate Services and the Head of Finance advising the Committee of the current position in relation to the 2013/2014 Revenue and Capital Budget preparation process, identifying the main stages of the budget cycle and seeking approval of the proposed approach to budget preparation for the 2013/2014 financial year.

The Report indicated that the budgetary process, as described in the Report, was largely similar to that adopted in 2012/2013 and was in line with the Council's Financial Regulations.

Further reports regarding the Revenue and Capital Budget process would be brought forward, as required, as the budget cycle progressed.

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to approve the approach to the budget preparation process as set out in section 4 to the Report; and
- (iii) to note the forward financial planning work that was underway, as set out in section 5 to the Report.

**25. FINANCE DIVISION EXEMPTIONS AND CONTRACT AWARDS UNDER DELEGATED POWERS – 1 OCTOBER 2011-31 MARCH 2012**

There was submitted and noted [Report No 370/12](#) by the Director of Corporate Services advising the Committee on the Financial Regulations exemptions granted (or refused) and the contracts awarded under delegated powers by Finance Division for the period from 1 October 2011 until 31 March 2012.

**26. RESOURCELINK LICENCE RENEWAL**

There was submitted [Report No 371/12](#) by the Director of Corporate Services seeking approval for renewal of the existing contract in respect of the Council's Payroll and Human Resources system known as Resourcelink.

The Report indicated that it was proposed that the current Resourcelink licence and maintenance contract be renewed for a further five year period until 30 June 2017 to provide ongoing certainty in the provision of this core system. The contract renewal would be on the same terms and conditions as previous contracts. The core Payroll and Human Resources system functionality would cost £69,000 per annum and this represented a £4,775 reduction in the cost prevailing under the previous contract which had been negotiated.

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to note that the current Resourcelink contract expired on 30 June 2012;
- (iii) to approve that the extension of the contract be exempted from tendering requirements under Financial Regulation 16.24.10(a); and



- (iv) to authorise the Director of Corporate Services to procure continuation of the Resourcelink system on the basis set out in the Report.