

Minute

Asset Management Sub-committee

Thursday, 31 January 2019, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Councillors W Leslie Manson, Norman R Craigie, Robin W Crichton, Steven B Heddle, John A R Scott and Graham L Sinclair.

Clerk

- Hazel Flett, Senior Committees Officer.

In Attendance

- Gillian Morrison, Executive Director of Corporate Services.
- Hayley Green, Head of IT and Facilities.
- Darren Richardson, Head of Infrastructure and Strategic Projects.
- Garry Burton, Sport and Leisure Service Manager (for Items 4 to 6).
- Colin Kemp, Corporate Finance Senior Manager.
- Ian Rushbrook, Capital Programme Manager.
- Michael Scott, Solicitor.

Observing

- Marie Love, Community Planning Business Manager (for Items 1 to 5).

Apology

- Councillor James W Stockan.

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor W Leslie Manson.

1. Disclosure of Exempt Information

The Sub-committee noted the proposal that the public be excluded from the meeting for consideration of Item 7, as the business to be discussed involved the potential disclosure of exempt information of the class described in the relevant paragraph of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

2. Revenue Expenditure Monitoring

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Corporate Finance Senior Manager, the Sub-committee:

Noted:

2.1. The revenue financial summary statement, in respect of service areas for which the Asset Management Sub-committee was responsible, for the period 1 April to 31 December 2018, attached as Annex 1 to the report by the Head of Finance, indicating a budget surplus position of £87,800.

2.2. The revenue financial detail by Service Area statement, in respect of service areas for which the Asset Management Sub-committee was responsible, for the period 1 April to 31 December 2018, attached as Annex 2 to the report by the Head of Finance.

2.3. The explanations given and actions proposed, in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance.

Councillor Graham L Sinclair joined the meeting during discussion of this item.

3. Corporate Property Asset Maintenance Programmes

Revenue Expenditure Monitoring

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Corporate Finance Senior Manager, the Sub-committee:

Noted:

3.1. The summary position of expenditure incurred, as at 31 December 2018, against the approved corporate property asset maintenance programmes, as detailed in section 4.1 of the report by the Head of Finance.

3.2. The summary of larger works undertaken as reactive repairs, attached as Appendix 1 to the report by the Head of Finance.

4. Corporate Property Asset Improvement Programmes

Capital Expenditure Monitoring

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Corporate Finance Senior Manager, the Sub-committee:

Noted:

4.1. The summary position of expenditure incurred as at 31 December 2018 against the approved corporate property asset improvement and replacement programmes, as detailed in section 4.1 of the report by the Head of Finance.

4.2. The detailed analysis of expenditure figures and project updates, attached as Appendix 1 to the report by the Head of Finance.

5. Property Asset Management Future Property Sharing Protocol

After consideration of a report by the Executive Director of Corporate Services, together with an Equality Impact Assessment, copies of which had been circulated, the Sub-committee:

Noted:

5.1. That the Orkney Partnership had developed a Property Asset Management Future Property Sharing Protocol, attached as Appendix 1 to the report by the Executive Director of Corporate Services.

5.2. That the aim of the Protocol was to facilitate better and more efficient use of properties through working together to take a more innovative and creative approach to the use, disposal and development of properties.

5.3. That the Orkney Partnership had developed a framework, supported by the Protocol, to ensure that property asset management activity was built into all relevant partnership work.

The Sub-committee resolved to **recommend to the Council:**

5.4. That the Orkney Partnership's Property Asset Management Future Property Sharing Protocol, attached as Appendix 1 to this Minute, be approved in so far as it related to the Council.

Councillor Norman R Craigie joined the meeting during discussion of this item.

6. Stromness Community Development Trust

Request to Lease Land in Stromness

After consideration of a joint report by the Executive Director of Corporate Services and the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Head of IT and Facilities, the Sub-committee:

Noted:

6.1. That Stromness Community Development Trust proposed to upgrade the South End Play Park, at a total estimated cost of £72,000.

6.2. That, in order to secure LEADER funding, the Stromness Community Development Trust required a six year lease of South End Play Park.

6.3. That South End Play Park was an operational asset managed by the Education, Leisure and Housing service.

6.4. That the Council would remain responsible for play park maintenance using the existing revenue budget allocation for South End Play Park supplemented by an annual contribution from Stromness Community Development Trust during the lease.

The Sub-committee resolved, in terms of delegated powers:

6.5. That Stromness Community Development Trust be offered a lease of the South End Play Park, for a period of six years, at a nominal rent of £1 per annum, subject to:

- Stromness Community Development Trust securing the full funding package to enable the proposed project to be completed.
- Such other terms and conditions determined by the Solicitor to the Council.

7. Revenue Repairs and Maintenance and Capital Improvement Programmes

On the motion of Councillor W Leslie Manson, seconded by Councillor Robin W Crichton, the Sub-committee resolved that the public be excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 9 of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Capital Programme Manager, the Sub-committee:

Noted:

7.1. The five year projection for the Revenue Repairs and Maintenance and Capital Improvement Programmes for the period 2019 to 2024, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure.

7.2. That a multi-year approach to the Revenue Repairs and Maintenance and Capital Improvement Programmes allowed for additional flexibility to vary the timing of individual projects as a result of unforeseen events.

The Sub-committee resolved, in terms of delegated powers:

7.3. That the undernoted programmes for 2019 to 2020, together with provisional programmes for 2020 to 2021 and 2021 to 2022, attached as Appendix 2 to this Minute, be approved:

- Revenue Repairs and Maintenance Programme, to be funded from the allocation of £1,662,000 per annum set annually as part of the budget setting process.
- Capital Improvement Programme, to be funded from the allocation of £1,351,400 per annum within the approved capital programme.
- Strategic Reserve Fund Revenue Repairs and Maintenance Programme, to be funded from the allocation of £258,700 per annum set annually as part of the budget setting process.

- Strategic Reserve Fund Capital Improvement Programme, to be funded from the allocation of £118,600 per annum with the approved capital programme.

7.4. That powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Head of Finance, to adjust the three year programme, referred to at paragraph 7.3 above, as variations arose in order to maximise use of the annual budget allocations.

8. Conclusion of Meeting

At 11:30 the Chair declared the meeting concluded.

Signed: L Manson.