

ABERDEENSHIRE COUNCIL

BUSINESS SERVICES COMMITTEE

SKYPE MEETING, 11 NOVEMBER, 2021

Present: Councillors A Kille (Chair), M Findlater (Vice-Chair), L Berry, R Cassie (as substitute for Councillor E Durno), J Cox (as substitute for Councillor H Partridge), I Davidson, A Duncan, A Forsyth, J Hutchison, G Petrie, D Robertson, N Smith, B Topping and R Withey.

Apologies: Councillors E Durno and Cllr H Partridge.

Officers: Director of Business Services, Head of Customer and Digital Services, Head of Property & Facilities, Registration Service Team Leader, Pay and Reward Manager (Finance), Team Manager (Finance), Facilities Manager (Property and Facilities), Treasury Management Officer (Finance), Legal Services Manager (Ruth O'Hare) and Committee Officer (Kasia Balina).

1. DECLARATION OF MEMBERS' INTERESTS

The Chair asked Members if they had any interests to declare, in terms of the Councillors' Code of Conduct. No interests were declared.

2A. PUBLIC SECTOR EQUALITY DUTY

In taking decisions on the undernoted items of business, the Committee **agreed**, in terms of Section 149 of the Equality Act 2010:-

- (1) to have due regard to the need to:-
 - (a) eliminate discrimination, harassment and victimisation;
 - (b) advance equality and opportunity between those who share a protected characteristic and persons who do not share it; and
 - (c) foster good relations between those who share a protected characteristic and persons who do not share it, and
- (2) to consider, where an equality impact assessment has been provided, its contents and to take those into consideration when reaching a decision.

2B. EXEMPT INFORMATION

The Committee **agreed**, in terms of Section 50A (4) and (5) of the Local Government (Scotland) Act 1973, to exclude the public from the meeting during consideration of the items specified below so as to avoid disclosure of exempt information of the classes described in the undernoted paragraphs of Part 1 of Schedule 7A of the Act.

Item No	Paragraph No of Schedule 7A
12	8
13	8
14	8
15	8
16	8

3. MINUTE OF MEETING OF 9 SEPTEMBER, 2021

On consideration of the circulated Minute of Meeting of the Committee of 9 September, 2021, Members **agreed** to approve it as a correct record.

4. OUTSTANDING BUSINESS LIST

There was circulated a report by the Director of Business Services, which updated Members on progress made with actions agreed at previous meetings of the Business Services Committee held since 22 April, 2021.

The Director of Business Services introduced the report and provided a verbal update to the Committee on each item.

After consideration, the Committee **agreed**:-

- (1) to note the current position in respect of actions arising at previous meetings; and
- (2) that those actions which had been completed should be removed from the outstanding actions list.

5. FINANCIAL PERFORMANCE REPORT AS AT 30 SEPTEMBER 2021

Consideration was given to the report dated 5 October, 2021 by the Director of Business Services, which (1) advised the Committee of the revenue and capital position to 30 September 2021 and of the forecast position to the end of the financial year and (2) provided an update on progress in achieving agreed savings.

Following consideration of comments on the pressure caused by housing benefit issues and also on budget monitoring, the Committee **agreed** to:-

- (1) note the Revenue forecast over budget position of £751,929;
- (2) note that the Director had approved budget virements, as set out in Appendix 2b to the report;
- (3) approve the virements, as set out in Appendix 2b to the report;
- (4) note the progress with agreed savings, as set out in paragraph 6.2 within the report;
- (5) note the Capital under budget position of £1,293,000; and

- (6) instruct the Director of Business Services to contact COSLA to enquire whether the other local authorities had similar concerns in respect of the Housing Benefit subsidy and report back on this to the next Committee meeting.

6. REVIEW OF THE PERFORMANCE OF THE TREASURY MANAGEMENT FUNCTION AND INVESTMENTS FOR THE PERIOD TO 30 SEPTEMBER 2021

There was circulated a report dated 1 October, 2021 by the Director of Business Services which (1) detailed performance in relation to the treasury management and investment activity for the period to 30 September 2021 and (2) demonstrated compliance and monitoring in relation to the Treasury Management Strategy Statement and Prudential Indicators for the period 1 April 2021 to 30 September 2021.

The Committee made comments in respect of the economic situation impacting upon treasury management and **agreed** to:-

- (1) note that Investment Income was currently below the budget position, as detailed in paragraph 4.3 of the report;
- (2) note that there had been no restructuring of Finance, as detailed in paragraph 4.4 of the report;
- (3) note the new Public Works Loan Board (PWLB) borrowing of £50 million, as detailed in paragraph 4.5 of the report;
- (4) note the Treasury Management Activities, as detailed in Appendix A to the report;
- (5) note compliance with the Treasury Management Indicators and the review of the performance of the Treasury Management Function to 30 September 2021, as detailed in Appendix B to the report;
- (6) agree that a further report be provided after the end of the financial year on the outturn review of the performance of the Treasury Management function for the period 1 April 2021 to 31 March 2022; and
- (7) instruct that a report on the global situation and associated risks be submitted to a future meeting.

7. PAYROLL SYSTEM UPDATE

With the reference to the Minute of Meeting of the Business Services Committee of 10 September, 2020 (Item 10), when the Committee had agreed that sufficient reassurance had been provided and not to proceed to Stage Two of the Committee Review process (CRP) and instructed officers to report to the Business Services Committee on a six monthly basis, there was circulated a report dated 5 October, 2021 by the Director of Business Services which provided an update on how the review of the payroll system was progressing, with updates on future implementation and detailing progress with outstanding matters.

The Committee **agreed** to note the ongoing development activities being progressed in relation to the HR/Payroll system.

8. SCRUTINY REFERRAL FROM AUDIT COMMITTEE – INTERNAL AUDIT REPORT 2127 -PROCUREMENT COMPLIANCE

With the reference to the Minute of Meeting of the Audit Committee of 16 September, 2021 (Item 6), when it had been agreed that a Stage 1 Scrutiny Referral be made to Business Services Committee to consider the issues raised within the audit report and identify any improvements which could be made to ensure non-compliance issues were addressed, including considering alterations that may be required to the Scheme of Governance and Financial Regulations, there was circulated a report dated 30 September, 2021 by the Director of Business Services which asked Members to consider that the Committee Review Process be applied in respect of areas of service improvement on the matter of procurement compliance, as detailed in Internal Audit report 2127.

The Committee **agreed**:-

- (1) to the request from Audit Committee to conduct the Committee Review Process in respect of the matter of service delivery identified by the Audit Committee for improvement;
- (2) that the Head of Commercial and Procurement will report to Committee with the Stage 1 Report at the meeting on 24 February, 2022; and
- (3) to instruct the Head of Commercial and Procurement to report to Audit Committee on 16 December, 2021 with this Committee's decision.

9. DRAFT GAELIC LANGUAGE PLAN 2022-27

With the reference to the Minute of Meeting of the Committee of 10 June, 2021 (Item 12A), when the Committee had agreed to approve the high level aims to support the development of the next version of the Council's Gaelic Language Plan, there was circulated a report dated 26 October, 2021 by the Director of Business Services which presented to Committee for consideration and approval the draft Gaelic Language Plan 2022-2027.

The Committee **agreed**:-

- (1) to approve the draft Gaelic Language Plan 2022 – 2027 (the draft Plan) attached as Appendix 1 to the report;
- (2) to note that the draft Plan had been considered by Area Committees and comments had been incorporated;
- (3) to note that feedback from Area Committees as detailed in Appendix 2 to the report;

- (4) that the draft Plan had been submitted to the Bord Na Gaidhlig for approval, in accordance with the requirements of the Gaelic Language (Scotland) Act 2005; and
- (5) to receive a further report when comments were received back from the Bord Na Gaidhlig.

10. BUSINESS SERVICES' DIRECTORATE PLAN 2020-22 – MID-YEAR PERFORMANCE REPORT – PROGRESS ON PROJECTS/ACTIONS AND PERFORMANCE INDICATORS (APRIL 2021 – SEPTEMBER 2021)

With the reference to the Minutes of Meetings of the Committee of 10 June, 2021 (Item 7), when the final Business Services' Directorate Action Plan had been approved, and 9 September, 2021 (Item 10), when an Interim Performance Report had been presented to the Committee as a baseline, there was circulated a report dated 26 October, 2021 by the Director of Business Services, which provided Members with a mid-year update on progress made in relation to projects/actions and performance indicators within the Business Services' Directorate Action Plan.

Having considered Members' comments on the Office Space Strategy; low level of overall spend; the energy usage in buildings; child poverty; wellbeing and resilience of the Business Services workforce, the Committee **agreed** to:-

- (1) acknowledge progress made in relation to the projects/actions and performance indicators contained within the Business Services' Directorate Action Plan which support the Council Plan 2020-22; and
- (2) instruct the Director of Business Services to continue to present performance reports to the Committee on a six-monthly basis, in line with the Performance Management Framework, evidencing progress and performance with delivery of the Council Plan 2020-22.

11. REVIEW OF NON-STATUTORY CEREMONY FEES

With the reference to the Minute of Meeting of the Committee of 9 September, 2021 (Item 9), when it had been agreed to consult on proposed changes to civil ceremony fees, there was circulated a report dated 16 October, 2021 by the Director of Business Services, which asked Members to approve proposed amendments to non-statutory fees relating to ceremonies provided by Aberdeenshire Council's registration service.

The Committee **agreed** to:-

- (1) note that a public consultation was carried out in relation to proposed changes to civil ceremony fees from 27 September 2021 until 24 October 2021;
- (2) acknowledge the summary of consultation responses set out in paragraph 4.5;
- (3) implement the proposed changes as set out in Appendix 1 to the report with effect from 1 January 2022; and

- (4) note that the review had been delayed due to the current Covid-19 pandemic, and that in order to realign with the Corporate Charging Policy schedule, a further review of registration fees would be initiated in late 2022, with agreed recommendations to be introduced from 1 April 2023.

12. BUSINESS SERVICES' DIRECTORATE SUPPLEMENTARY PROCUREMENT PLAN 2021/22 – PROCUREMENT APPROVAL

Consideration was given to a circulated report dated 26 October, 2021 by the Director of Business Services which (1) advised that the Scheme of Governance provided that Committee approval was required for expenditure of £50,000 or more on the purchase of goods, works and services from external suppliers via the Procurement Plan, as the first stage of the procurement approval process; and (2) included the Supplementary Procurement Plan, as detailed in Appendix 1.

The Committee **agreed**:-

- (1) to approve the items on the Supplementary Procurement Plan as detailed in Appendix 1 and note that those items would be added to the Annual Directorate Procurement Plan approved by this Committee on 25 February 2021;
- (2) not to reserve approval of the Procurement Approval Form or business case for any item with a value up to £1,000,000;
- (3) to approve the Procurement Approval Form for the Microsoft Enterprise Agreement Renewal contract, attached as Appendix 3 to the report;
- (4) not to reserve the award of the contract for the item relating to the Microsoft Enterprise Agreement Renewal which has a contract value that exceeds £1,000,000; and
- (5) to acknowledge that the Head of Customer and Digital Services and Head of Property and Facilities Management had the delegated authority to award the final contract of the items with a contract value up to £1,000,000 (and those items with a contract value that exceeds £1,000,000 where the Committee had not reserved the right to award the final contract).

13. HARD FACILITIES MANAGEMENT (HARD FM) UPDATE

There had been circulated a report dated 11 October, 2021 by the Director of Business Services, which asked Members to consider the performance of FES Limited, the term contractor, under the Hard Facilities Management contract.

The Committee **agreed** to:-

- (1) note the performance of FES Limited under the Hard Facilities Management contract; and
- (2) receive further updates on a six-monthly basis.

14. HARD FM FUTURE DELIVERY

There had been circulated a report dated 11 October, 2021, by the Director of Business Services, which sought approval for the appointment of FES FM Ltd as the preferred bidder for the restructured Hard FM tender delivering Planned Preventative and Reactive Maintenance and to proceed to Contract Award.

Thereafter, the Committee **agreed** to:-

- (1) note that the current contract arrangements for Hard FM would expire on 31 March, 2022 and that the contractual option for any extension past the initial five-year term had lapsed;
- (2) accept the tender from FES FM Ltd;
- (3) approve the Award Report detailed in Appendix 1 to the report recommending FES FM Ltd, subject to the agreement of additional funding to the repairs and maintenance fund for Type B operational properties; and
- (4) note progress made, and approve proposed amendments, in the procurement of new delivery arrangements in relation to supporting Hard FM framework for Minor Works and Lifecycle Component Replacement projects.

15. INTERNAL CATERING SERVICES

With the reference to the Minute of the Meeting of the Committee of 22 April, 2021 (Item 8), when Members were provided with an update on the contractual position regarding the Internal Catering Services for Woodhill House and Gordon House, there was circulated a report dated 13 October, 2021 by the Director of Business Services, which advised the Committee that the Head of Property and Facilities Management, in accordance with the delegation under A11 of the List of Officers Powers in Part 2B of the Scheme of Governance, had terminated the Internal Catering Services contract with Elior for Woodhill House and Gordon House.

The Committee **agreed** to:

- (1) note that the Council had confirmed it had served notice to terminate the Internal Catering Contract with Elior Ltd.; and
- (2) instruct the Head of Property and Facilities Management to provide a further report on the proposed catering arrangements for Woodhill House and Gordon House to a future meeting.

16. UTILITIES CONTRACTS

With the reference to the Minute of Meeting of the Committee of 25 February, 2021 (Item 18), when the Committee had approved a Procurement Approval Form as part of its consideration of the Directorate Procurement Plan in relation to the procurement of a series of call-off contracts by Procurement Scotland for the provision of utilities, there was circulated a report dated 21 September, 2021 by

the Director of Business Services, which provided the Committee with an update of energy and water contracts.

The Committee **agreed** to:-

- (1) note the current Utilities Contracts providers and expenditure for 2020/2021;
- (2) approve the Procurement Approval Form for the biomass contract, as detailed in Appendix 1 to the report; and
- (3) approve the proposed increase of spend on the Spend Analysis and Recovery contracts to £200,000, and to note the success to date on recovery of costs.