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To: Councillor Kevin Stewart, Convener; Councillor Yuill, Vice Convener; and Councillors Cassie, Cormack, Crockett, Dean, Dunbar, Farquharson, Fletcher, Graham, Kiddie, Laing, Leslie, McCaig and John West.

Town House,
ABERDEEN 24 November, 2010

FINANCE AND RESOURCES COMMITTEE

Members of the **FINANCE AND RESOURCES COMMITTEE** are requested to meet in Committee Room 2 - Town House on **THURSDAY, 2 DECEMBER 2010 at 2pm.**

JANE G. MACEACHRAN
HEAD OF LEGAL AND DEMOCRATIC SERVICES

BUSINESS

1 DETERMINATION OF EXEMPT ITEMS OF BUSINESS

2 REQUESTS FOR DEPUTATION

3 MINUTES, COMMITTEE BUSINESS STATEMENT AND MOTIONS LIST

- 3.1 Minute of Previous Meeting of 28 September, 2010 - for approval (Pages 1 - 38)
- 3.2 Minute of Meeting of the Lord Provost Sub Committee of 8 July, 2010 - for noting (Pages 39 - 42)
- 3.3 Committee Business Statement (Pages 43 - 62)
- 3.4 Motions List (Pages 63 - 66)

4 REFERRALS

4.1 Lease Request for Cove Community Allotments - this matter was referred by the Housing and Environment Committee of 26 October, 2010 (Pages 67 - 72)

4.2 Finance Pressures - Homelessness - referred by the Housing and Environment Committee of 26 October, 2010. (Pages 73 - 82)

Members: please note that officers are recommending that the Service Charge be raised by a lesser amount than agreed at the meeting of the Housing and Environment Committee.

4.3 Future Use of Various Education, Culture and Sport Service Properties - referred from the Education, Culture and Sport Committee of 18 November, 2010 (Pages 83 - 96)

4.4 21st Century Secondary School Provision - this matter was referred by the Education, Culture and Sport Committee of 28 October, 2010 (Pages 97 - 98)

4.5 Future Use of Various Operational Properties - referred by the Social Care and Wellbeing Committee of 4 November, 2010 (Pages 99 - 104)

Members: please note that the recommendations contained in the report to the Social Care and Wellbeing Committee were approved.

4.6 Pavement Cafes - Notice of Motion by Councillor John West - referred by the Enterprise, Planning and Infrastructure Committee of 9 November, 2010 (Pages 105 - 120)

5 PERFORMANCE MANAGEMENT AND CORPORATE GOVERNANCE SERVICE ISSUES

5.1 2010/11 Financial Monitoring - Corporate Governance Service (Pages 121 - 126)

6 FINANCE

6.1 Business Plan 2011/12 to 2015/16 (Pages 127 - 184)

6.2 Non Housing Capital Programme 2010/2011 Monitoring Report and Progress on Future Years (Pages 185 - 190)

6.3 General Fund Revenue Budget 2010/11 - Monitoring Report (Pages 191 - 196)

- 6.4 2010/11 Common Good Budget - Monitoring Report (Pages 197 - 202)
- 6.5 Aberdeen City Council Charitable Trusts (Pages 203 - 220)
- 6.6 Treasury Report - Mid Year Review (Pages 221 - 226)
- 6.7 Accord Card Update (Pages 227 - 240)
- 6.8 Request for Funding - East Grampian Coast Partnership (Pages 241 - 244)
- 6.9 Youth Activities Small Grants Fund 2010/11 - Applications for Round 3 Funding (Pages 245 - 252)
- 6.10 Review of Cash Handling Arrangements (Pages 253 - 256)
- 6.11 Aberdeen Greenspace Trust Business Plan (Pages 257 - 294)

7 HUMAN RESOURCES

No reports.

8 PROPERTY

- 8.1 Corporate Asset Management System (Pages 295 - 300)
- 8.2 Aberdeen Local Development Plan - Proposed Plan (Landowners Outcomes) (Pages 301 - 312)

9 GENERAL

- 9.1 Tender for Provision of Forestry Consultancy Services (Pages 313 - 318)
- 9.2 Security Measures - Former International School (Pages 319 - 322)
- 9.3 Combined Heat and Power District Heating (Pages 323 - 334)
- 9.4 Joint Customer Contact Centre Business Case (Pages 335 - 338)

ITEMS WHICH THE COMMITTEE MAY WISH TO CONSIDER IN PRIVATE

10 REFERRAL

- 10.1 Future Funding and Development of AECC - referred by the Enterprise, Planning and Infrastructure of 9 November, 2010 (Pages 339 - 352)

11 FINANCE

- 11.1 Trading Services Monitoring (Pages 353 - 366)
- 11.2 Aberdeen International Football Festival (Pages 367 - 374)
- 11.3 London 2012 (Pages 375 - 378)

12 HUMAN RESOURCES

- 12.1 Business Plan - Workforce Reduction and Options - to follow

13 PROPERTY

- 13.1 Townscape Heritage Initiative - verbal update by the Head of Planning and Sustainable Development
- 13.2 Land at Pitmedden Road, Dyce (Pages 379 - 390)
- 13.3 17 Affleck Street - Proposed Sale (Pages 391 - 396)
- 13.4 Review of Shops (Pages 397 - 410)
- 13.5 Staff Houses (Pages 411 - 418)
- 13.6 Bon Accord Indoor Bowling Centre (Pages 419 - 434)
- 13.7 Breach of Lease Conditions (Pages 435 - 440)
- 13.8 Mastrick Youth Project Relocation - Hillylands (Pages 441 - 446)
- 13.9 Review of Business Centres (Pages 447 - 456)

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If you require any further information about this agenda, please contact Rebecka Steven on 522869 or rsteven@aberdeencity.gov.uk

FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 28 September, 2010. minute of meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor Kevin Stewart, Convener; Councillor Yuill, Vice Convener; and Councillors Cooney (as substitute for Councillor Cassie until article 21), Cormack, Crockett, Dean, Farquharson, Fletcher, Graham, Laing, Leslie, May (as substitute for Councillor Kiddie), McCaig, Stuart (as substitute for Councillor Dunbar), John West and Young (as substitute for Councillor Cassie from article 21).

DETERMINATION OF EXEMPT ITEMS OF BUSINESS, ORDER OF AGENDA AND REQUESTS FOR DEPUTATION

1. The Convener (1) proposed that the Committee consider those reports identified on the agenda as being for determination in private, with the press and public excluded; (2) advised that three requests for deputation had been received in accordance with Standing Order 10; (3) requested that the Committee consider one late report (3Rs Hedging Arrangements and Facilities Management Issues) at item 11.8 of the agenda on this day; and (4) further requested that consideration of the report at item 12.10 of the agenda (Land at Pitmedden Road, Dyce) be deferred until the next meeting of the Committee.

The Committee resolved:-

- (i) in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting from item 10.1 of the agenda onwards (article 33 of this minute) so as to avoid disclosure of information of the class described in the following paragraphs of Schedule 7(A) to the Act:- article 33 (paragraph 2), article 34 (paragraph 6), article 35 (paragraph 6), article 36 (paragraph 4), article 37 (paragraph 8), article 38 (paragraphs 8 and 10), article 39 (paragraph 6), article 40 (paragraph 8), article 41 (paragraph 6), article 42 (paragraph 9), article 43 (paragraph 9), article 44 (paragraph 9), article 45 (paragraphs 6 and 9), article 46 (paragraphs 6 and 9), article 47 (paragraph 9), article 48 (paragraphs 6 and 9), article 49 (paragraphs 6 and 9), article 50 (paragraphs 6 and 9), and article 51 (paragraphs 6 and 9);
- (ii) to agree to hear deputations from (1) Mike Miller; and (2) Mike Shepherd in relation to item 7.7 of the agenda (Tax Increment Financing for the City Garden Project); and (3) Steve Robb (Convener of Unite the Union) in relation to item 12.9 of the agenda (Staff Houses);
- (iii) to consider the deputation in relation to item 12.9 of the agenda (Staff Houses), and the corresponding report as the first item of exempt business on this day;
- (iv) to consider the report titled '3Rs Hedging Arrangements and Facilities Management Issues' (item 11.8 of the agenda) on this day; and
- (v) to defer consideration of the report titled 'Land at Pitmedden Road, Dyce' (item 12.10 of the agenda) until the next meeting of this Committee of 2 December, 2010.

DECLARATIONS OF INTEREST

During discussion of article 8 of the minute (Transfer of Sports Services to Sport Aberdeen), Councillors Fletcher and John West declared an interest by virtue of their positions as Council representatives on Sport Aberdeen. They did not feel it necessary to withdraw from the meeting.

MINUTE OF PREVIOUS MEETING

2. The Committee had before it the minute of its previous meeting of 17 June, 2010.

Councillor Crockett queried as to why comments made by Councillor John Stewart concerning Councillor Young, during discussion on the transfer of sports services to Sport Aberdeen (article 8 of the minute refers) had not been noted within the minute. The clerk to the Committee advised that such comments would only be included if this had been specifically requested by a member at the time. Further to a short recess, the clerk confirmed that such a request had not been made.

The Committee resolved:-

- (i) in relation to article 8 (Transfer of Sports Services to Sport Aberdeen), resolution (v) of the minute (that Sport Aberdeen be requested to enter into consultation with the local community and local members with a view to the provision of public swimming sessions at Northfield Swimming Pool at times when the community are most likely to want to use the pool), the Director of Education, Culture and Sport was instructed to report back on progress next cycle; and further, to keep the local Councillors (the Convener, Councillor Dunbar and Councillor Graham) apprised of the situation;
- (ii) in relation to article 39 of the minute (Town Centre Regeneration Fund), it was agreed to substitute the word 'suspension' for 'invoke', in order to accurately reflect the action that had been undertaken by officers; and
- (iii) to approve the minute as a correct record subject to the above amendment.

MINUTE OF MEETING OF THE LORD PROVOST SUB COMMITTEE

3. The Committee had before it the minute of meeting of the Lord Provost Sub Committee of 29 April, 2010.

The Committee resolved:-

to note the minute.

COMMITTEE BUSINESS STATEMENT

4. The Committee had before it a statement of pending and outstanding Committee business, which had been prepared by the Head of Legal and Democratic Services.

In relation to item 11 of the list (Altens Community Centre), the Director of Education, Culture and Sport advised that officers had written to the Dyce Development and Amenities Committee on three occasions to date, with no response. Members requested that Mrs Bruton write to the Committee on one further occasion, and to provide an update next cycle in this regard.

The Committee resolved:-

- (i) to delete items 3 (Summerhill Education Centre), 7 (Ground at Loirston Loch), 14 (Pinewood/Hazeldene), 16 (Common Good Budget) (resolution (vii) only), 32 (Staff/Tied Houses) (resolution (ii) only), and 33 (Retail Rocks) from the business list;
- (ii) in relation to item 4 (Leaking of report on St Nicholas House), the Committee noted that the elected members concerned had agreed to be interviewed; and requested that the Monitoring Officer provide an update next cycle to confirm that these interviews had taken place;
- (iii) in relation to item 11 (Altens Community Centre) to note the update provided by the Director of Education, Culture and Sport, and to request that Mrs Bruton (1) write to the Dyce Development and Amenities Committee on one further occasion; and (2) provide an update on this at the next meeting of 2 December, 2010;
- (iv) to note that a report would be submitted next cycle on item 35 (Future Funding and Development of AECC); and
- (v) to otherwise note the updates as contained within the list.

MOTIONS LIST

5. The Committee had before it the outstanding motions list as prepared by the Head of Legal and Democratic Services.

The Committee resolved:-

to note the updates as contained within the list.

CITY WIDE COMMUNITY FUND – MOTION BY COUNCILLOR McCAIG

6. With reference to article 22 of the minute of meeting of Council of 30 June, 2010, the Committee had before it a motion in the following terms by Councillor McCaig:

“Council recognises the benefits that can be gained from small scale investment in local areas, and agrees to investigate the establishment of a city wide ‘community fund’ from which community groups, including community councils, can bid for money from to fund specific projects in their local area; and requests that officers report back on potential funding levels and streams with consideration given to this proposal as an alternative to ward budgets”.

The Committee resolved:-

to request a report back addressing the terms of Councillor McCaig’s motion.

WORK NOTICES – DELEGATION OF POWERS (H&E/10/093)

7. The Committee had under consideration, upon a remit from the Housing and Environment Committee of 24 August, 2010 (article 15 refers), a report by the Director of Housing and Environment requesting that a number of delegated powers be granted to certain officers charged with the responsibility for issuing certain Work Notices, Maintenance Orders and Penalty Notices, dealt with under both housing and anti social behaviour legislation.

The Committee had before it on this day, a copy of the report referred to and the minuted article from the meeting of 24 August, 2010, which recorded the detail of the Committee resolution. The minute highlighted that in relation to some of the expenditure to be the subject of delegation, the budget had been approved by this Committee and, as a result, ratification by this Committee would be required for the change proposed.

The Committee resolved:-

to ratify the decision by the Housing and Environment Committee to approve recommendation (c) in the report - utilisation of £50,000 for the implementation of Work Notices from the monies in the 2010/11 Private Sector Housing Grant budget originally allocated for Serious Disrepair Notice Enforcement Works; and recommendation (d) - that the £50,000 allocation in the 2010/11 Private Sector Housing Grant budget for the serving and enforcement of Maintenance Orders, can also be utilised for Maintenance Accounts.

INTRODUCTION OF FURNISHINGS SERVICE CHARGE (H&E/10/133)

8. The Committee had before it, upon a remit from the meeting of the Housing and Environment Committee of 24 August, 2010 (article 21 refers), the decision of that Committee to agree the introduction of a furnishings service charge, as detailed within the report on that matter prepared by the Director of Housing and Environment. A copy of the relevant minuted article containing the detail of the Committee resolution was also before members.

The Committee resolved:-

to ratify the decision of the Housing and Environment Committee regarding the introduction of a furnishings service charge.

HOUSE IN MULTIPLE OCCUPATION (HMO) LICENCE – APPLICATION FEES

9. The Committee had before it for ratification, upon a remit from the meeting of the Housing and Environment Committee of 24 August, 2010 (article 11 refers), the decision of that Committee following their consideration of various options concerned with Houses in Multiple Occupation Licences (HMO Licences), on the banding of such properties and on the fees to be charged in respect of new licences and also renewals.

The minuted article from the said meeting outlined the detail of the decision taken and for which ratification was now sought, with a view to implementing the new regime with effect from 1 October, 2010.

The Committee resolved:-

that on the basis that the changes would be effective from midnight on 28 September, 2010 (ie, this day), the decisions of the Housing and Environment Committee on the bandings for HMO licences and the fees to be charged, be ratified.

WASTE MANAGEMENT SERVICES CONTRACT – PROGRESS REPORT (H&E/10/122)

10. The Committee had under consideration, upon a remit from the meeting of the Housing and Environment Committee of 24 August, 2010 (article 31 refers), the decision of that Committee to recommend to this Committee that they approve the allocation of zero waste fund monies to development works at Sclattie and East Tullos Waste Transfer Stations, in order to allow the continuance of efficient recycling and waste disposal services. Also circulated to members was the report by the Director of Housing and Environment which provided an update on the waste management services contract between the Council and Sita UK Limited, together with an outline specification for the development of an alternative solution to that contract in light of the refusal of planning permission in 2004 for a combined materials recycling facility and energy from waste plant at Altens. The draft of the minuted article from the meeting in question had been circulated and confirmed that following the decision in 2004, the contractor had continued to provide baseline services as envisaged under the Waste Management Services contract and had, in addition, addressed emerging needs required in response to the developing policies of the Scottish Government and the Council.

The Committee resolved:-

that as recommended by the Housing and Environment Committee, it be agreed that the Council's capital and revenue budget allocation for a zero waste fund be utilised for development works at Sclattie and East Tullos Transfer Stations.

RESOURCING A HIGH QUALITY PLANNING SYSTEM (EPI/10/205)

11. The Committee had under consideration, upon a remit from the meeting of the Enterprise, Planning and Infrastructure Committee of 7 September, 2010 (article 15 refers), the decision of that Committee to agree the officer responses prepared in relation to the recently published Scottish Government consultation document entitled 'Resourcing a High Quality Planning System', which it was determined, in view of the possible implications for the effective use of resources and arising out of possible changes in the fee structure for planning applications, should be the subject of ratification by this Committee.

The Committee resolved:-

that the consultation responses be ratified as requested.

CORPORATE GOVERNANCE PERFORMANCE REPORT (CG/10/173)

12. With reference to articles 12 and 13 of the minute of its previous meeting of 30 June, 2010, the Committee had before it a report by the Director of Corporate Governance which presented information on the progress and performance associated with the Service's implementation of the Corporate Governance Business Plan.

In relation to page 144 of the report, the Committee congratulated officers in the Procurement Team for achieving a significantly greater level of savings from improved procurement than had been targeted.

With further reference to page 144 of the report, the Committee intimated its concern at the figures provided for the 'average days lost through sickness absence' indicator. The Director of Corporate Governance assured the Committee that this was being tackled, both within the Service and on a corporate level, but added that the figure of 12.9 days (as an average of days lost through sickness absence) was broadly in line the Scottish national average of 12.5 days.

Concern was raised in relation to page 148 of the report (percentage of invoices paid within 30 calendar days), and again the Director assured members that action was being taken to raise the figure of 64.7% towards the target of 88.5%.

The Committee resolved:-

to note the content of the report.

2010/11 FINANCIAL MONITORING – CORPORATE GOVERNANCE SERVICE (CG/10/153)

13. With reference to articles 14 and 15 of the minute of its meeting of 11 May, 2010, the Committee had before it a report by the Head of Finance which (a) provided information on the current year's revenue budget performance to date for the Corporate Governance Service, including a high level summary as at July, 2010; and (b) provided an update on the progress being made with regard to various projects within the Non Housing Capital Programme, previously approved by Council, which were aligned to the Corporate Governance Service.

With regard to the position of the revenue budget for the Service, the report advised that there were projected net additional costs of £1.2 million (4.9%) across the overall current net budget of £24.5 million. Appended to the report was the Service report and associated notes.

In relation to the Capital Programme, the report continued to explain that this remained under review by the Corporate Asset Management Group.

A detailed discussion took place regarding the strain on the Corporate Governance budget due to the extensive use of temporary accommodation of late. It was noted that it would not be known if changes would be made to housing benefit, which would cause a further strain on this budget, until the outcome of the Comprehensive Spending Review in November. In response to a question from

members, the Head of Housing and Community Safety advised that it was affordable for the Council to proceed with the Private Sector Leasing Scheme.

The Committee resolved:-

- (i) to note the content of the report in respect of the revenue position, and the information on management action and risks that was contained therein;
- (ii) to note the information included in relation to the Capital Programme; and
- (iii) to instruct officers to continue to review budget performance, and report on Service strategies as appropriate.

REVENUE BUDGET 2010/11 MONITORING

14. With reference to article 16 of the minute of its meeting of 11 May, 2010, the Committee had before it a report by the Head of Finance which advised on the projected outturn and financial position for the Council for the financial year 2010/11.

Appendix A to the report provided a financial statement which highlighted that the Council was managing a risk of £4.4 million (1%) in relation to the current outturn position varying from budget. This was on the assumption that the savings of £4.5 million from employments costs would be made.

The report continued to explain that the savings that had been approved at a corporate level had been allocated to the Service budgets, to ensure that there was greater clarity in relation to the availability of financial resources in each Service.

Members noted that the Social Care and Wellbeing Service current projected position seemed to be positive, but explained that this position had to be closely monitored for the remainder of the financial year.

The Committee resolved:-

- (i) to note the content of the report; and
- (ii) to instruct Directors to continue to take cost reduction opportunities during the remainder of the year to achieve a balanced budget.

IRRECOVERABLE INCOME (CG/10/148)

15. The Committee had before it a report by the Head of Finance which (a) requested approval, in terms of financial regulation 11.3.7, to write off business rates debts in excess of £25,000 deemed to be irrecoverable during 2009/10; and (b) advised of the numbers and values of Council Tax, business rates, community charge, housing benefit overpayments and rent arrears of up to £10,000, deemed to be irrecoverable during 2009/10 after all approved recovery procedures had been followed, in terms of financial regulations 11.3.6 and 11.3.9.

The Head of Finance advised the Committee that he had requested benchmarking information from other local authorities, and would report on this next cycle.

The Committee resolved:-

- (i) to note the value of Council Tax, business rates, community charge, housing benefit overpayments and rent arrears deemed by the Director of Corporate Governance as irrecoverable, as detailed at appendices (i) – (v); and
- (ii) that the business rates amounts over £25,000 (and as detailed at appendix (vi) in the exempt section of the agenda (article 34 of this minute refers)) deemed as irrecoverable by the Director of Corporate Governance, also be written off.

2010/11 COMMON GOOD BUDGET – MONITORING REPORT (CG/10/154)

16. With reference to article 18 of the minute of its meeting of 11 May, 2010, the Committee had before it a report by the Head of Finance which provided information on the actual income and expenditure of the Common Good budget for the year to 31 July, 2010, along with an estimated outturn for the year, comparing this with the approved budget, and an indication on the forecast status of the cash balances.

Appended to the report were details of the approved budget for the Common Good for 2010/11, which indicated that the estimated outturn remained the same as the budgeted net deficit of £450,000; and further information in relation to the analysis of miscellaneous and general income and expenditure (appendix 2), donations, grants, contributions, etc. (appendix 3) and other projects (appendix 4).

The report concluded that this gave a projected cash balance as at 31 March, 2010 of £5.3 million, and explained that the Council had previously adopted an underlying principle that these balances should be no less than £4.8 million, after adjusting for the Greenferns development site as at 31 March, 2011, utilising the consumer price index as a basis for calculating indicative cash balances.

The Committee resolved:-

- (i) to note the income and expenditure position as at 31 July, 2010, and the estimated outturn for the year;
- (ii) to note the estimated cash balances as at 31 March, 2011 of £5.3 million, based on projected current forecasts; and
- (iii) to request that the Head of Finance advise the Committee, by way of email, as to the total worth of the Common Good, including both assets and cash.

SCOTTISH OPERA - REQUEST FOR SUPPORT - 2010/11 COMMON GOOD BUDGET (CG/10/155)

17. The Committee had before it a report by the Head of Finance which provided details of a request from Scottish Opera, for support from the Common Good towards the cost of a project titled 'One Day in Aberdeen: A 12 Hour Photo Marathon'.

The Committee resolved:-

to not approve the request for £6,000 funding by Scottish Opera.

DECLARATIONS OF INTEREST

Councillor Laing declared an interest in the subject matter of the following article by virtue of her position on Oakbank School Board of Governors, and withdrew from the meeting prior to consideration of the report.

The following Councillors also declared interests, but did not feel it necessary to withdraw from the meeting: the Convener by virtue of his position as advisor to the Middlefield Community Project Gardens; Councillor Cooney as a Council representative on Aberdeen International Youth Festival Trust; Councillor Cormack as a Council representative on the Board of Aberdeen Performing Arts, and as a Council representative on the Aberdeen Endowment Trust; Councillor Crockett due to his position on the Citizens' Advice Bureau Board of Directors; Councillor Dean as a Director of Grampian Society for the Blind; Councillor Farquharson as a Council representative on the Aberdeen Endowment Trust; Councillor Fletcher as a Director of Sport Aberdeen, as a Council representative on Fersands Area Forum, and Printfield Area Forum and Community Project, and as a Director of Aberdeen Sports Village; Councillor Graham by virtue of his position as advisor to the Middlefield Community Project; Councillor Leslie as a Council representative of Aberdeen International Youth Festival Trust, and as a Board member of Aberdeen Foyer and of Alcohol Support Limited; Councillor John West as a Director of Sport Aberdeen, and as a Council representative of Aberdeen International Youth Festival Trust; and Councillor Yuill as a Council representative of Aberdeen International Youth Festival Trust.

ADMITTED BODIES WITHIN ABERDEEN CITY COUNCIL PENSION FUND WITH LINKS TO ABERDEEN CITY COUNCIL (CG/10/181)

18. With reference to article 11 of the minute of its meeting of 11 March, 2010, the Committee had before it a report by the Head of Finance which provided details of organisations that had admitted body status within the Pension Fund, and had links to the Council in terms of grants or service contracts.

The report (1) provided information on the Local Government Pension Scheme regulations; (2) defined community interest bodies and transition bodies; (3) provided information on guarantees and bonds; and (4) detailed the admitted bodies, and in particular, those identified as having links to the Council (contained within the exempt papers, article 35 of this minute refers).

The report concluded that as at 31 March, 2008, the Pension Fund Actuary estimated that the fund was 83% funded with an overall scheme deficit of £372.3 million, based on a number of actuarial assumptions; and that the total deficit figure in respect of those admitted bodies with ties to the Council, was £24 million.

The Committee resolved:-

to note the content of the report, including the information contained within the exempt section of the agenda pertaining to this matter (article 35 of this minute refers).

REVIEW OF GENERAL SERVICE CAPITAL PROGRAMME 2010/11 (EPI/10/255)

19. Reference was made to article 2 of the minute of the Budget meeting of Council of 11 February, 2010, when the Council approved the estimated capital budget for 2011/12, and the capital budget for 2010/11. The Committee had before it on this day, a joint report by the Director of Corporate Governance and the Director of Enterprise, Planning and Infrastructure which advised that officers had undertaken a review of this year's Capital Programme, and had identified that the revised total programme was now £108 million (with the Council having made £69 million of revenue provision for capital expenditure).

Appended to the report were details of the current position with regards to capital expenditure.

The Committee resolved:-

- (i) to confirm the Capital Programme 2010/11 at £69 million, and instruct the relevant officers to proactively manage spending to be within this limit through the scrutiny process detailed within the report; and
- (ii) to instruct the Corporate Asset Management Group to review the Capital Programme for 2011/12 onwards; to ensure that it linked into the Priority Based Budgeting exercise; and to report back on this work at the next meeting of 2 December, 2010.

DECLARATION OF INTEREST

During discussion of the following item of business, the Convener declared an interest due to his membership of the Union Terrace Gardens Board. He did not feel it necessary to withdraw from the meeting.

TAX INCREMENT FINANCING FOR THE CITY GARDEN PROJECT (EPI/10/239)

20. With reference to article 16 of the minute of meeting of Council of 30 June, 2010, the Committee had before it, a report by the Director of Enterprise, Planning and Infrastructure which (a) provided further information on Tax Increment Funding (TIF); and (b) requested that a number of other projects in the city be included in the business case that was to be presented to Council on 27 April, 2011.

The projects which officers requested be included were as follows:

- the public realm works associated with the creation of a high quality pedestrian route linking Union Square, the City Garden, Aberdeen Art Gallery, the Bon Accord Centre, and St Nicholas House (in anticipation of its future redevelopment);
- the demolition, site preparation, and enabling infrastructure related to the regeneration of Upper Denburn (inclusive of the Denburn Health Centre and car park);

- enabling infrastructure and construction costs related to the Aberdeen Art Gallery extension; and
- the demolition, site preparation and enabling infrastructure relating to the redevelopment of St Nicholas House.

Having previously agreed to hear two deputations on this matter (article 1 of this minute refers), the Convener invited Mike Miller to speak, followed by Mike Shepherd.

Mr Miller was of the opinion that the 'loose coupling' approach that had been proposed was a risky option for the Council, and that this type of approach was usually utilised in areas of deprivation where the rates were low to begin with, and could be increased. He continued to explain that he felt that a 'direct coupling' approach would be less risky to the Council, and that the use of TIF schemes should be reserved for when pump priming was needed to ensure that development took place.

Mike Shepherd, who was speaking on behalf of the Friends of Union Terrace Gardens group, requested clarity on the statement made within the report that the project would have zero financial risk to the Council, which, in his opinion, would be impossible to achieve. Mr Shepherd suggested that the Council should not be borrowing funds when it was in such a stringent financial position; he further requested an explanation as to what contingencies would be put in place for the project given that the Council would not be providing any capital or revenue funds.

Members asked a number of questions of the deputations, and of officers.

During the course of debate, Councillor Laing made a remark concerning officers' knowledge of TIF. A number of members commented on the nature of these remarks, and Councillor Laing subsequently apologised to any officer who may have taken offence in this regard.

The report recommended:-

that the Committee -

- approve the inclusion of several other important city centre projects (as detailed above) within an expanded Tax Increment Funding (TIF) business case;
- note that these are projects which the Council would wish to progress regardless of whether or not the City Garden project is realised;
- note that a subsequent paper may require to be submitted to the next meeting of this Committee of 2 December, 2010, requesting a Council contribution towards additional consultancy costs, over and above the agreed £100,000 being provided by Scottish Enterprise, which are directly related to the inclusion of additional projects within an expanded TIF business case; and
- note that a final business case will be reported to the Council meeting of 27 April, 2011.

The Convener, seconded by Councillor Fletcher, moved:

that the Committee approves recommendation (a) as detailed above; instructs that a report be submitted to the next meeting with an update on the consultancy costs; reiterates that the Council would not be making any contribution towards additional consultancy costs that may arise from the

expanded business case; further reiterates that Pricewaterhouse Coopers' assignment is to bring forward a business case that contains zero financial risk to the Council; and to approve recommendation (c) as detailed above.

Councillor Graham, seconded by Councillor Cooney, moved as an amendment: that the Committee takes no action on this matter.

On a division, there voted: for the motion (11) – the Convener; the Vice Convener; and Councillors Cormack, Dean, Farquharson, Fletcher, Leslie, May, McCaig, Wendy Stuart and John West; for the amendment (4) – Councillors Cooney, Crockett, Graham and Laing.

The Committee resolved:-

to adopt the successful motion.

Councillor Graham intimated that he wished the report dealt with in the preceding article (Tax Increment Financing for the City Gardens Project) to be referred to Council for a final decision, and was supported by Councillors Cooney, Crockett, Laing in this respect. As the proposal did not have the required number of members supporting it in terms of Standing Order 36(3), the report was not referred to Council, and the decision of this Committee as detailed above, was final.

PROPOSED FEE STRUCTURE – LANDLORD'S CONSENT ETC (EPI/10/229)

21. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which proposed that a charge be introduced for dealing with requests from tenants relating to subjects within the Council's non operational property portfolio, and for the preparation of condition reports.

By way of background the report advised that in the past such requests had been dealt with free of charge, but it was now felt reasonable that the Council seek to recover costs (which would be clearly linked to the cost of staff time in dealing with the work) associated with tenants' requests.

The report continued that subjects such as pigeon lofts, garages and sites for garages, and other such subjects that could not be deemed to be commercial and would typically have rents of less than £1,000 per annum would not be subject to this proposed charge.

The Committee resolved:-

- (i) to approve the introduction of charging for dealing with tenants' requests and the preparation of schedules as described within the report;
- (ii) to delegate powers to the Head of Asset Management and Operations to vary the charges periodically, as deemed appropriate, in line with operating costs etc, and for this to be incorporated into the Scheme of Delegation documents; and
- (iii) to instruct that the Head of Asset Management and Operations report back to this Committee at any point when any changes have been made to the charges.

APPLICATIONS FOR YOUTH ACTIVITIES SMALL GRANTS FUND 2010/11 – ROUND 2 (ESC/10/075)

22. With reference to article 22 of the minute of its previous meeting of 17 June, 2010, the Committee had before it a report by the Director of Education, Culture and Sport which presented the recommendations of the Youth Activities Grant Funding Group for the second round of funding for the financial year 2010/11, which had a closing date of 22 July, 2010.

The report advised that twelve new applications had been received this round, and that one further application that had been deferred from last round had also been considered. Eleven recommendations for funding had been made by the Youth Activities Grant Funding Group. The report continued that the total sum recommended for approval was £12,058.60, and that if the recommendations outlined were approved there would be an uncommitted budget of £13,245.40 remaining.

Appended to the report were details of the applications received and the recommendations made by the Youth Activities Grant Funding Group.

The Committee resolved:-

- (i) to ratify the recommendations of the Youth Activities Grant Funding Group and to therefore approve funding to the following organisations:

Group Name	Summary of Application	Decision
Kittybrewster Congregational Church – Youth Film Group	To purchase new equipment to set up a film club.	to award £450
Oldmachar XL Club	To purchase gardening equipment with the aim of converting an area of the school into an outdoor classroom/garden.	to award £1,500
Fersands and Fountain Community Project Youth Groups 12-18	To provide 4 different groups with a monthly activity budget of £30 for 12 months.	to award £1,440
Aberdeen City Ladies Football Club	To contribute towards the cost transportation, training facilities and coaching certificates for the club.	to award £1,500
Aberdeen and District Battalion – The Boys’ Brigade	To purchase tents, stoves, rucksacks, compasses, maps and karrimats.	to award £1,316.10
VSA – Friends for Life	To contribute towards the cost of equipment for an area in the community centre to	to award £1,500

Group Name	Summary of Application	Decision
	enable the group to run a successful club.	
Parents for Parents	To purchase games equipment, vacuum cleaner, fruit and cooking ingredients.	to award £1,000
Child and Family Service	To fund one to one outings with caseworkers for young people.	to award £300
Filipino Community of Aberdeen	To hire a venue, and purchase sports equipment and costumes for Dance Troupe and Basketball Sport.	to award £500
Act Daft – Aberdeen Arts Centre	To purchase costumes, set, lights etc to stage a show.	to award £1,500
Fusion Youth Dance Company	To deliver dance workshops, candidate costs and studio hire.	to award £1,052.50

and

- (ii) to instruct the Director of Education, Culture and Sport to arrange for the funds to be distributed accordingly.

SOCIETY OF PERSONNEL DIRECTORS SCOTLAND – ANNUAL CONFERENCE

23. The Committee had before it a request for elected members to attend the annual conference of the Society of Personnel Directors, Scotland, by way of a letter from the President of the organisation.

The Committee resolved:-

- (i) that no elected members would attend this conference; and
(ii) to instruct officers to include a summary report on the conference in a future information bulletin.

ACCESS FROM THE NORTH PROPOSALS (THIRD RIVER DON CROSSING) – COMPULSORY PURCHASE ORDER (EPI/10/225)

24. Reference was made to article 11 of the minute of meeting of the Council of 25 April, 2007, at which time there was under consideration a report by the former Head of Resources Development and Delivery (remitted from the former Environment and Infrastructure Committee of 22 March, 2007 to the former Resources Management Committee of 29 March, 2007, which subsequently referred it to the aforementioned meeting of Council) which advised of the likely

need to promote a Compulsory Purchase Order (CPO) to facilitate the acquisition of parcels of land required for the purposes of Access from the North Proposals (Third River Don Crossing), which the Council had agreed to pursue. The resolution of the Council was to endorse the decision of the former Resources Management Committee to support the view of the former Environment and Infrastructure Committee that appropriate officers progress the CPO, notwithstanding the continuing efforts of agents appointed by the Council to negotiate voluntary sale agreements with landowners.

The Committee now had before it a further report on the matter prepared by the Director of Enterprise, Planning and Infrastructure which advised of events since the decision taken in 2007, which had culminated in January, 2010, with the Council lodging a fresh planning application for a Third River Don Crossing. The report also indicated that in addition to fulfilling the outstanding remit to progress the land acquisitions required for the project, certain parcels of land held by the Council under the Housing Revenue Account (HRA) and under Common Good, would need to be transferred to the General Services Account (Roads), an exercise which would require, in the case of HRA property, the approval of Scottish Ministers. In all cases it was acknowledged that land transfers would be at market value. It was also acknowledged that in the case of acquisitions from private landowners using compulsory purchase powers, the landowners involved may not be fully aware of the implications for them in that situation and in order to address that issue, a guidance document had been prepared, a copy of which was annexed to the report. The draft CPO document was circulated to members at the meeting.

The report recommended:-

that the Committee –

- (a) notes the content of the report;
- (b) resolves to make 'THE ABERDEEN CITY COUNCIL ACCESS FROM THE NORTH PROPOSALS ("THIRD DON CROSSING") COMPULSORY PURCHASE ORDER 2010' and authorises the Head of Legal and Democratic Services to implement the necessary statutory procedures following on from the making of that Order;
- (c) approves the delegation of power to the Head of Legal and Democratic Services and the Head of Asset Management and Operations, in consultation with the Convener of this Committee, to purchase land required for the scheme by a negotiated process in advance of exercising compulsory purchase powers under the CPO, assuming such purchases represent market value and are within the scheme budget;
- (d) authorises officers to seek the approval of Scottish Ministers for the land required from the Housing Revenue Account to be transferred to the General Services Account (Roads) at market value, subject to the approval of the Housing and Environment Committee;
- (e) authorises the transfer of land required from the Common Good Account to the General Services Account (Roads), at current market value;
- (f) notes that officers will provide regular updates to Committee in relation to progress with land acquisition against budget; and
- (g) authorises the issue of a guidance document to parties whose properties are affected by the scheme, which outlines the CPO process and its implications.

The Convener, seconded by Councillor Fletcher, moved:

that the report recommendations be approved and appropriate officers authorised accordingly.

Councillor Graham, seconded by Councillor Laing, moved as an amendment: that the Council take no action on the matter.

On a division, there voted:- for the motion (11) – the Convener; the Vice Convener; and Councillors Cormack, Dean, Farquharson, Fletcher, Leslie, May, McCaig, Wendy Stuart and John West; for the amendment (4) – Councillors Crockett, Graham, Laing and Young.

The Committee resolved:-

that the terms of the successful motion be adopted.

PROPERTY ASSET MANAGEMENT PLAN – 2010 UPDATE (EPI/10/251)

25. Reference was made to article 32 of the minute of meeting of the former Resources Management Committee of 16 June, 2009, at which time there was approved the corporate Property Asset Management Plan for the Council, which had been prepared in recognition of the strategic importance to the local authority of utilising its property efficiently to assist in the delivery of all of its services. It was further acknowledged in the report that the Corporate Asset Group would submit regular reports to the Committee advising of progress on the key actions identified within the Plan. The Committee now had under consideration a report by the Director of Enterprise, Planning and Infrastructure to which had as an appendix, the document entitled 'Property Asset Management Plan Update 2010' which had been presented to and approved (with minor alterations) by the Corporate Asset Group.

The report before members represented an executive summary of the content of the document under the headings of objectives and priorities; current asset management performance; key challenges and achievements; delivery arrangements; investment planning; performance management; and key priorities. The report also explained that throughout the document the commercial/investment portfolio was referred to as the 'tenanted non residential property portfolio' (TNRP), the recognised terminology for such assets.

Members made reference to a number of comments and inferences contained within the report, particularly in relation to schools, and questioned where these had originated. Officers advised that this was a rolling document, and subject to changes.

The report recommended:-

- (a) that the Committee appoint an elected member with responsibility for promoting Asset Management and participating in the Corporate Asset Group;
- (b) that the Property Asset Management Plan Update 2010 document be approved;
- (c) that in relation to the tenanted non residential portfolio review (TNRP), the Head of Asset Management and Operations be instructed to report to the next meeting of 2 December, 2010 on the potential disposal of Shops and Ground Lease (Shops); and

- (d) that also in respect of the TNRP review, the Head of Asset Management and Operations be instructed, in conjunction with the Head of Finance, to prepare a schedule of property reviews with a view to completing within eighteen months and to report on those reviews, to appropriate meetings of this Committee.

The Committee resolved:-

that on the basis that the member appointed with responsibility for promoting Asset Management and to participate in the Corporate Asset Group be the Convener, the report recommendations be approved.

LEGAL SERVICES CONTRACT ARRANGEMENT (CG/10/176)

26. The Committee had before it a report by the Director of Corporate Governance which requested approval to extend the Council's contract for the provision of external legal services with Brodies LLP for a six month period, in order to allow future delivery of these services to be considered and retendered for, as appropriate.

The report explained that officers were currently considering options emerging from the priority based budgeting exercise, and further that the Head of Legal and Democratic Services was in preliminary discussions with other public sector bodies with a view to preparing a joint tender notice.

The Committee resolved:-

- (i) to approve the extension of the external legal services contract with Brodies LLP for a six month period from 1 October, 2010 to 31 March, 2011; and
- (ii) to note that a further report would be submitted to Committee prior to inviting future tenders, in order for the estimated expenditure to be approved.

PROPERTY SERVICES – CONTRACT EXTENSION AND RETENDER (EPI/10/242)

27. With reference to article 43 of the minute of its meeting of 12 November, 2009, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which requested that the Council's contract with Ryden LLP be extended to tie in with the Council's asset valuation cycle, and to meet timescales for contract retendering.

The report advised that further to the decision taken at the aforementioned meeting of this Committee, to tender for three separate services (rating, asset valuation, and general property services), officers were now of the opinion that a single tendering exercise conducted in three lots would be more appropriate, where one contractor would undertake the rating revaluation appeals, one contractor would be appointed to undertake asset valuations for the next four years, and finally, a framework agreement would be put in place for up to five contractors for general property advice.

The report detailed the proposed revised timetable for the procurement of these services.

The Committee resolved:-

- (i) to approve the extension of the Property Valuation Services Contract with Ryden LLP from 1 December, 2010 to 30 March, 2011;
- (ii) to note that the current contract allows for an extension to November 2011, if required; and
- (iii) to note the position with regard to the retendering of services; and further that the post of Head of Resources Development and Delivery would now be replaced by the Head of Asset Management and Operations.

SUPPLY AND DELIVERY OF VEHICLES AND ITEMS OF PLANT – PERMISSION TO PROCURE AND AWARD CONTRACT (CG/10/161)

28. The Committee had before it a report by the Director of Corporate Governance which requested approval to conduct a tendering exercise for the supply and delivery of vehicles and items of plant, and to award contracts as a result of this proposed tendering exercise.

By way of background, the report advised that both this Council and Aberdeenshire Council currently purchased a large proportion of their vehicles and items of plant requirements through existing Scotland Excel national contractual arrangements and through existing contracts within the two Councils. This particular tendering exercise was required to source vehicles and items of plant which did not fall under any of the existing Scotland Excel contracts or any existing current contracts within this Council or Aberdeenshire Council. The report continued that there would be a joint collaborative tender between the two Councils, as both Councils required to purchase similar vehicles and items of plant and would also be afforded the benefits derived from undertaking a larger scale contract. Both Councils would implement the contracts that resulted from the tendering exercise,

The Committee resolved:-

to instruct the Central Procurement Unit to conduct a competitive tendering exercise, in line with the Council's Standing Orders, Financial Regulations and European Union procurement legislation, for the supply and delivery of vehicles and items of plant.

ROADS AND QUARRY MATERIAL TESTING SERVICES – PERMISSION TO PROCURE AND AWARD CONTRACT (CG/10/162)

29. The Committee had before it a report by the Director of Corporate Governance which requested approval for officers to conduct a tendering exercise for the provision of roads and quarry materials testing services, and to award a contract as a result of the tendering exercise.

By way of background the report advised that the British Standards Institute Quality Management System required that all materials (aggregates, asphalt, concrete, road pavement surfaces, soils and stabilised soils) be tested periodically. The

report continued to explain that there would be a joint collaborative exercise with Aberdeenshire Council, and that both Councils would implement the resultant contract.

The Committee resolved:-

to instruct the Central Procurement Unit to conduct a competitive tendering exercise in line with the Council's Standing Orders, Financial Regulations, and European Union procurement legislation, for the provision of roads and quarry materials testing services.

CASH IN TRANSIT SERVICES 2010 – 2013 – AWARD OF CONTRACT (CG/10/160)

30. The Committee had before it a report by the Director of Corporate Governance which requested approval to award a contract to the preferred bidder for the provision of cash in transit services.

By way of background, the report advised that the agreement with the Council's current cash in transit services provider would expire on 30 September, 2010, and that the Council had a mandatory requirement to ensure that all monies being stored and banked by Services were accounted for accordingly in a clear and robust manner. An onsite cash safe option slightly increased cash uplift charges, but in turn allowed for a reduced number of collections leading to a reduced overall uplift charge for these sites with the safes. The report explained that the tender specification required tenderers to demonstrate safe option capability or similar innovations which could provide for a reduced cash handling charge, combined with an improvement in cash storage and security.

The report concluded that this was a joint tender with Aberdeenshire Council, and that both Councils would implement the resultant contract.

The Committee resolved:-

to award of the contract for cash in transit services, to Loomis UK Limited, for a period of three years, commencing on 1 October, 2010.

ESTATES MANAGEMENT CONTRACTS (CG/10/158)

31. The Committee had before it a report by the Director of Corporate Governance which requested approval to conduct tendering exercises, participate in collaborative procurements, and undertake mini competitions under pretended frameworks for the provision of estates management contracts.

The report detailed the current contracts and annual expenditure in relation to estates management, and explained that work had been undertaken on identifying expenditure levels, current contractual arrangements and collaborative opportunities with other public sector partners in the Chief Executives' Forum (Procurement Sub Group).

The report proposed that the following estates management services be procured collaboratively:

- Refrigeration Plant Maintenance and Repair
- Lift Plant Maintenance and Repair
- Legionella Preventative Maintenance
- Fire Fighting Equipment Maintenance and Repair
- Emergency Lighting/Fire Alarms Maintenance and Repair
- Boiler Plant/Automatic Controls Maintenance and Repair
- Portable Appliance Testing
- Fixed Appliance Testing

The following contracts would thereafter require to be tendered through the national approved contractors list (Constructionline):

- Roof Repairs
- Glazing Repairs
- Cremator Maintenance
- Public Clocks Maintenance and Repair
- Patient Handling Equipment Maintenance and Repair
- Asbestos Removal

The report concluded that it was intended to utilise both direct contracts and framework contracts to allow the maximum flexibility for the Council in procuring from a number of suppliers, allowing access to a choice of suppliers (to ensure the continuity of service provision), whilst also allowing economies of scale to be generated to gain improved pricing.

The Committee resolved:-

to instruct the Head of Procurement, in conjunction with colleagues from the Enterprise, Planning and Infrastructure Service to conduct competitive tendering exercises in line with Council's Standing Orders, Financial Regulations and European Union procurement legislation, wherever possible taking part in procurements on a collaborative basis for the provision of estates management services using both framework contracts and direct contracts as required.

NORTH TERRITORY HUB PROGRAMME (EPI/10/227)

32. With reference to article 4 of the minute of meeting of the former Budget Monitoring Board of 10 September, 2009, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which provided an update on the procurement process that was being undertaken to select a private sector development partner to join with the north territory participants and the Scottish Futures Trust to improve efficiency and provide better value for money in delivering community infrastructure projects in the north territory.

The report advised of the background to this project, and detailed the procurement process that had been undertaken.

The Committee resolved:-

- (i) to note the satisfactory progression of the north territory procurement process to identify a private sector development partner; and
- (ii) to instruct that the outcome of the north territory procurement process be reported to the Enterprise, Planning and Infrastructure Committee of 9 November, 2010, in order for a decision to be taken on the level of participation the Council wishes to take in the hub.

In accordance with the decision recorded under article 1 of this minute, the following items were considered with the press and public excluded.

DECLARATIONS OF INTEREST

The Convener and Councillor Yuill declared interests in the report referred to in the following article by reason of their membership of Unison. Councillors Crockett, Graham and Young also declared interests by virtue of their membership of Unite the Union. None of the members felt it necessary to withdraw from the meeting.

STAFF HOUSES (EPI/10/234)

33. Reference was made to article 51 of the minute of the previous meeting of this Committee of 17 June, 2010, at which time there was under consideration a report prepared for the Audit and Risk Committee on the matter of tied housing and the justification, if any, for houses to remain tied, which had presented a number of options to members regarding the future management of the properties in question. As part of the decision of this Committee on that occasion, the Head of Asset Management and Operations was instructed to consult the tenants of the staff houses on various appropriate issues that may affect their future occupancy, including the proposal to remove the rental discounts currently applying and to increase the rents payable by them to the levels of the prevailing Housing Revenue Account rents, all as detailed within the report before the members at that time, and to report back to the Committee with the outcome of that consultation. The Committee now had before it a report by the Director of Environment, Planning and Infrastructure which contained the information requested.

The report referred to the decision taken by the Committee at its meeting on 17 June, 2010, and pointed out the need, in terms of Sections 25 and 39 of the Housing (Scotland) Act 2001, to consult such tenants before giving notice of a rent increase and to have regard to the views expressed by those consulted. Having confirmed that the Head of Asset Management and Operations had responsibility for fifty one staff houses, the report (1) advised of the numbers which were currently vacant, were still required to be kept as tied housing and were currently occupied by persons awaiting relocation; (2) advised also of the notification given to the tenants affected and their trades union representatives; and (3) confirmed that eighteen responses had been received, including two from trades unions, copies of which were before the Committee.

The report proceeded to outline the concerns expressed by the affected tenants and their trades union representatives and provided officers responses in this regard. Also mentioned was the commitment given by the Council to the Scottish

Government that all housing stock would be brought up to the Scottish Housing Quality Standard by 2015, and the implications for that commitment arising out of the issue of staff housing. The situation with tied housing in the cities of Dundee, Edinburgh and Glasgow was also outlined within the report, as was the role of the Housing Cases Review Sub Committee in considering applications from tied tenants for rehousing.

The report recommended:-

that the Committee –

- (a) have regard to the views expressed by or on behalf of those tenants consulted;
- (b) approve the removal of the rental discounts currently applying to the staff house rents of those tenants consulted, with effect from 1 December, 2010 or as soon as practicable thereafter;
- (c) approve the increase of the rents currently payable by all those staff house tenants consulted, to the levels of the prevailing Housing Revenue Account rents, with effect from 1 December, 2010 or as soon as practicable thereafter;
- (d) agree that no Service is required to pay any rental subsidies in respect of the tenancies that are the subject matter of this report, with effect from 1 December, 2010 or as soon as practicable thereafter; and
- (e) instruct the Head of Asset Management and Operations to take, or arrange for the taking of, any such actions as may be necessary in order to implement the above recommendations.

At this point in the meeting and with reference to the decision taken earlier regarding the receipt of deputations (article 1 of this minute refers), a deputation from the Unite and GMB Unions was invited to address the Committee. Subject to an apology on behalf of the representative from the GMB Union who had been called away on other union business, the Committee heard Mr Robb as Convener of Unite the Union, who began by declaring an interest in the subject matter of the report, by reason of his tied tenancy of a staff house belonging to the Council. Mr Robb was allowed to proceed on the understanding that he speak only about the general issue in hand, and in no way about his specific circumstances. Mr Robb, in addressing the Committee, made reference (1) to the agreements entered into in 1990 between individual members of staff and the former Grampian Regional Council, following discussions between the local authority and the then trades unions which represented the staff involved; (2) to the custodianship aspects of the arrangement entered into, a matter which it was acknowledged at the time would deliver benefits to the local authority in the form of reduced vandalism costs and improved security; (3) to the devastating impact on the lives of the staff involved, that would result from increasing rent charges by the order of, on average, 800%; and (4) to the need for the local authority to take a more reasonable approach to the matter and to accept that the situation was not the fault of the staff members involved. Mr Robb concluded his presentation by pointing out that although the rent payments for staff housing had failed to increase over the years as might have been expected, the other side of the equation was that little or no repair or refurbishment work to the properties had been undertaken during that period. He requested that the Committee accept that it was unfair to expect staff occupying tied houses to absorb 20 years of rent increases all at one time, and to consider a more gradual approach to the matter. Mr Robb withdrew from the meeting on concluding his presentation and prior to any debate on the matter taking place.

The Convener, seconded by Councillor Fletcher, moved:-

that the report's recommendations be approved and that, in addition, the Director of Enterprise, Planning and Infrastructure prepare a further report exploring the possibility of staff occupying former tied houses, following the realignment of their rents to prevailing HRA levels, being able to benefit from the full range of rights currently available under a normal council house tenancy (including inheritance rights and right to buy).

Councillor Crockett, seconded by Councillor Laing, moved as an amendment:-

that the report recommendations be not approved; and that appropriate officers be requested to provide more detailed information showing the level of rent increase proposed in each case and explaining any, additional tenancy rights which may be created following realignment to HRA levels.

On a division, there voted:- for the motion (10) – the Convener, the Vice Convener and Councillors Cormack, Dean, Fletcher, Leslie, McCaig, May, Wendy Stuart and John West; for the amendment (5) – Councillors Cooney, Crockett, Farquharson, Graeme and Laing.

The Committee resolved:-

that the terms of the successful motion be adopted.

IRRECOVERABLE INCOME – APPENDIX

34. With reference to article 15 of this minute, the Committee had before it an appendix containing details of business case write offs above £25,000.

The Committee resolved:-

to note that this matter had been dealt with under article 15 of this minute.

DECLARATIONS OF INTEREST

Councillors Laing and Young declared an interest in the subject matter of the following article by virtue of their positions on Oakbank School Board of Governors. It was not necessary for the Councillors to withdraw, as the matter had been dealt with at a previous point in the meeting.

ADMITTED BODIES WITHIN THE ABERDEEN CITY COUNCIL PENSION FUND WITH LINKS TO ABERDEEN CITY COUNCIL – APPENDIX

35. With reference to article 18 of this minute, the Committee had before it an appendix containing details of admitted bodies with ties to the Council.

The Committee resolved:-

to note that this matter had been dealt with under article 18 of this minute.

ABERDEEN BUSINESS ENTERPRISE SCHEME LOANS – MONITORING REPORT (CG/10/175)

36. With reference to article 39 of the minute of meeting of the former Resources Management Committee of 16 June, 2009, the Committee had before it a report by the Head of Finance which provided monitoring information on outstanding small business loans made under the Aberdeen Business Enterprise Scheme (ABES). The report outlined the current status of outstanding loans and where appropriate, advised on actions being taken to pursue arrears.

Appended to the report were details of the individual loans that were outstanding.

The Committee resolved:-

- (i) to note the current list of outstanding loans, and that efforts were being made to pursue those where there was no agreed repayment arrangement; and
- (ii) to agree that no further action be taken to pursue the loans identified to be written off in appendix 1; and approve the writing off of the outstanding balances in respect of these loans.

TRADING SERVICES MONITORING 2009/10 (CG/10/179)

37. With reference to article 35 of the minute of its meeting of 11 May, 2010, the Committee had before it a report by the Head of Finance which provided details of the current positions and forecast outturns for the financial year 2009/10 for trading activities, both significant and non significant.

Appended to the report were figures that advised on the anticipated full year income and expenditure for each of the services identified by the Council as a significant trading activity under the Local Government (Scotland) Act 2003, with similar information also provided for non significant activities.

The Committee resolved:-

- (i) to note that the forecast outturn to 31 March, 2011 showed a projected overall surplus for the significant trading activities in the order of £7.6 million, compared with a budgeted surplus of £7.7 million;
- (ii) to note that the provisional full year results indicated that the financial objective for each significant trading activity would be achieved, before allowing for the effects of pension adjustments required under the provisions of Financial Reporting Standard number 17 (FRS17), the value of which was unknown at this time;
- (iii) to note that following a previous decision by Committee (article 32 of the minute of meeting of this Committee of 12 November, 2009 refers), a review of the Council's trading activities had been undertaken earlier in 2010 and as a result of this review, the building cleaning and catering services were found to no longer meet the criteria for inclusion as non significant trading activities (article 20 of the minute of meeting of this Committee of 11 May, 2010 refers); and accordingly, that both of these services had been moved to the General Fund for 2010/11; and

- (iv) to note that, whilst there was no statutory requirement for fleet services, as the Council's sole non significant trading activity, to meet the best value financial objective, an overall surplus of £114,000 was currently forecast for the year for this activity.

CUSTOMER FIRST PROGRAMME – CAPITAL SPEND (CG/10/149)

38. With reference to article 40 of the minute of its meeting of 11 March, 2010, the Committee had before it a report by the Director of Corporate Governance which requested approval to spend the remaining non housing capital funding allocated to the Customer First programme at the meeting of the former Resources Management Committee of 16 June, 2009 (article 26(26) refers). This request related to the development of a Customer Contact Centre at Frederick Street, the Customer Service Centre at Marischal College, and the development of a corporate training facility on the second floor at Frederick Street.

The report detailed how the capital funds would be spent, and concluded that the Customer First Programme would deliver efficiencies through improved customer service, delivering critical elements of the technical infrastructure to enable this to happen, and allowing centralisation of frontline service provision through the development of a customer services delivery team.

The Committee resolved:-

- (i) to approve the remaining capital spend of £1,250,000 for 657A – Customer First programme – CRM Technologies budget, to fund current and future developments to support centralised customer service provision; and
- (ii) to approve the remaining capital spend of £501,000 for 657B – Customer first programme – Frederick Street budget, to accommodate additional ICT, furniture and additional building works costs for both the first and second floor.

TRANSITION EXTREME – RESTRUCTURING OF BANK GUARANTEES (ECS/10/082)

39. With reference to article 28 of the minute of meeting of the Education, Culture and Sport Committee of 16 September, 2010, the Committee had before it a report by the Director of Education, Culture and Sport which requested that the existing bank guarantees provided to Transition Extreme by the Council, to cover loan and overdraft facilities, be restructured.

The Committee resolved:-

- (i) to approve that each loan (loan 1 – revised guarantee of £345,000; loan 2 – revised guarantee of £140,000; and overdraft limit – revised guarantee of £250,000), be guaranteed separately for its lifetime ; and
- (ii) to instruct that a further report be submitted at its meeting of 1 February, 2011.

DECLARATIONS OF INTEREST

Councillors Dean and Fletcher declared interests in the subject matter of the following article, as members of the Board of Aberdeen Exhibition and Conference Centre (AECC). Neither Councillor felt it necessary to withdraw from the meeting during consideration of this matter.

AECC EXPANSION PROJECT FOR OFFSHORE EUROPE (EPI/10/253)

40. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which requested authority to procure the construction of an improved hard standing area for the erection of a modern, high quality temporary event space which would provide enhanced income for the AECC through its contract for Offshore Europe 2011, and into the future.

The report advised that two planning applications have been submitted in this regard, and provided a detailed breakdown of the financial implications associated with this proposed project.

The report explained that the improved facility would provide a sustainable investment for the Offshore Europe Exhibition and Conference, and also further opportunities for existing events including the All Energy Conference and Exhibition, which could seek additional space in future.

The Committee resolved:-

to approve the funding of the project from within this year and next year's capital plan, on the basis that the improved facility secures an income stream for the AECC which would offset the capital repayment charges, so the level of subsidy to the AECC would be reduced over the coming years by taking this into account.

MATTER OF URGENCY

With reference to article 1 of this minute, the Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 that the following report be considered as a matter of urgency in order for the Committee to have the most up to date and relevant information before them on this day.

3Rs PROJECT – HEDGING ARRANGEMENTS AND FACILITIES MANAGEMENT ISSUES

41. With reference to article 44 of the minute of its meeting of 11 May, 2010, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which provided an update on progress in relation to the 3Rs project, in particular, the replacement of the facilities management contractor, and the hedging arrangements.

By way of background, the report reminded members (1) that the 3Rs project had been restructured in July, 2009, as a result of Landsbanki (the senior funder), experiencing financial problems in October, 2008; and (2) that Robertson Facilities

Management Limited had been identified as the replacement facilities management contractor in May, 2010.

The report advised that in July, 2009, Landsbanki had stated that they wished to organise hedging arrangements to manage interest rate risk in relation to NYOP (the project company). At this time, NYOP were not in a position to enter into hedging arrangements due to timing issues, but it was agreed that this would be arranged after the conclusion of refinancing.

The Committee resolved:-

- (i) to authorise the Director of Corporate Governance and the Director of Enterprise, Planning and Infrastructure, in liaison with the Convener of this Committee and the Leader of the Council, to negotiate and agree a position with NYOP Education (Aberdeen) Limited on the hedging arrangements, and to ensure that the Council's risk profile does not materially change;
- (ii) subject to the satisfactory conclusion of negotiations at (i) above, to grant consent under clause 7.2 of the Project Agreement to allow NYOP Education (Aberdeen) Limited to enter into the proposed hedging arrangements with the Bank of Ireland, subject to the completion of all legal and financial due diligence confirming that the Council's Termination Liabilities (and other liabilities) do not increase as a result of the proposed hedging arrangements;
- (iii) to agree to amend the drafting within the 3Rs Schools Project Agreement to include a period to benchmark the use of electricity, gas and water (called a normalisation period), subject to the completion of all necessary due diligence; and
- (iv) to authorise the Head of Legal and Democratic Services or her nominated representative, to complete the assessment of each of above (i) – (iii), and to undertake the final negotiation, completion and approval on behalf of the Council of all documents required to facilitate the proposed hedging arrangements and replacement of the facilities management contractor.

TOWNSCAPE HERITAGE INITIATIVE – VERBAL UPDATE

42. Reference was made to article 42 of the minute of its previous meeting of 17 June, 2010, at which time there was under consideration the latest verbal update provided by the Head of Planning and Sustainable Development regarding the progress of the works being carried out to The Green area of the city centre under the Townscape Heritage Initiative Project, with particular reference to the concerns expressed about access to the area and disruption to local businesses, as a result of the works. The resolution of the Committee at that time was to request that officers write to Scottish Water expressing concerns about the leak at Carmelite Lane, in particular with regard to the timing of the resultant repair works and also to instruct officers to ensure that the footways on Carmelite Street affected by the remedial works were reinstated to their present standard by Scottish Water. The Committee now heard the Head of Planning and Sustainable Development who advised as regards progress since the meeting in June.

Dr Bochel indicated that since last reported, the wider works at The Green under the initiative were now substantially complete. On the matter of Carmelite Lane, she advised that the streetscape works would commence at the end of October and

it was anticipated that they would be completed by the end of November. It was indicated that the issue of additional cost (if any) had yet to be fully examined.

The Committee resolved:-

- (i) that the situation be noted; and
- (ii) to instruct that, should the Council incur any additional costs as a result of the works being undertaken at Carmelite Lane, the Head of Planning and Sustainable Development seek to recover these costs in full.

CORPORATE ASSET MANAGEMENT SYSTEM – PROGRESS REPORT

43. Reference was made to article 10 of the minute of meeting of the Audit and Risk Committee of 19 January, 2010, when it was agreed in relation to the Corporate Asset Management System (CAMS) Project, that an update report would be submitted to each meeting of this Committee. Accordingly the Committee had before it the latest update report prepared by the Director of Corporate Governance (further to the previous update at the meeting of this Committee of 16 June, 2010 (article 43 refers)).

The report reminded members that the project involved the replacement of stand alone systems with a corporate solution; indicated that the current phase was focused upon replacing ‘Estateman’ for non housing property with ‘CAPS Uniform’, part of the Corporate Asset Management System; and advised of progress made in relation to non housing property module, where the link was now complete and the conform/e-Financial link which was undergoing further development with a view to completion in mid September. The report also highlighted certain issues related to staff training and the cost of that and the upgrading of the Confirm software to Version 9, which although part of standard ICT procedures would result in a financial saving. An appointment to the post of Confirm System Manager post within the Asset Management and Operations Service of Enterprise, Planning and Infrastructure was also addressed within the report, in the context of transferring future reporting responsibilities on the project to that Service.

The Committee resolved:-

- (i) to note the progress made to date in replacing the existing stand alone systems with the Corporate Asset Management System (CAMS);
- (ii) to approve the proposal to complete the original project and establish future contract management; and
- (iii) to request that the Director of Enterprise, Planning and Infrastructure report back on progress to the next meeting of 2 December, 2010.

DECLARATIONS OF INTEREST

Interests in the report referred to in the following article were declared by Councillor Fletcher as a Board member (when incorporated) of Retail Rocks Aberdeen Limited and also by Councillor Dean as a member of the Project Steering Group. Neither member felt it necessary to leave the meeting during the Committee’s deliberations on the matter.

RETAIL ROCKS ABERDEEN – THE COMPETITION STAGES (EPI/10/238)

44. Reference was made (1) to article 24 of the minute of meeting of this Committee of 28 January, 2010, and (2) to article 52 of the minute of meeting of this Committee of 17 June, 2010, which, among other matters, detailed the basis of the Retail Rocks initiative being a Scottish Government backed concept aimed at the regeneration of town centres by focusing on the creation of successful local retail businesses; confirmed that, in Aberdeen, the scheme would involve the bringing back into use of vacant retail units in the Torry area; and further confirmed that initial support for the scheme would take the form of access to a rent free retail unit for one year plus mentoring support, to be competed for by applicants with a retail business idea. In pursuance of previous decisions taken in respect of this matter, the Committee now had before it a report by the Director of Enterprise, Planning and Infrastructure which sought to update members on progress and to address issues surrounding the competition and the possible need for an associated increase in the current budget allocation.

The report outlined the progress made since June, 2010, when the matter was last reported, which included the identification of three Councillors as Directors to sit on the Board of Retail Rocks Aberdeen Limited, leaving two places still to be filled before the company could be incorporated; the acquisition of a future shop unit for the project, with negotiations being at an advanced stage; and the awarding of a tender for works that will address structural disrepair and associated matters in some of the buildings where units are located. On the matter of Project Implementation during the period October, 2010 to March, 2011, the report indicated that the next stage would be the launch of the competition, in respect of which two key issues need to be addressed (1) a requirement for the underwriting of the final costs of the project works; and (2) the appointment of the competition panel, which the report suggested be done in consultation with the Project Steering Group and, if required, involving the three Council Directors.

The report, having highlighted the complexity of the property investigations and negotiations which were required and the resultant slippage in the original programme dates, included a revised timescale prepared by officers and which would allow contact to be made now with the Scottish Government seeking formal approval for the delayed spend linked to completion of property acquisitions, the preparation of technical specifications, the undertaking of refurbishment works and the competition process itself.

The report recommended:-

- (a) that the progress to date on the development of the environmental infrastructure and building investment in Torry through this project, be noted;
- (b) that it also be noted that an additional £170,000 budget provision would be made available from within the current Enterprise, Planning and Infrastructure budget for 2010/2011, for the completion of the Retail Rocks project to cover (1) shop fit out; (2) competition costs; (3) property running costs; (4) stock acquisition; and (5) project support costs, all as narrated within the report and in the event that private sector funding for these purposes is not realised within the current financial year;
- (c) that members also note the revised project timescales and new arrangements, as narrated within the report and authorise officers to

- negotiate revisions to the programme dates as identified in the original Town Centre Regeneration Fund award with the Scottish Government;
- (d) that the Committee agree to homologate the exercise of delegated authority granted to the Director of Enterprise, Planning and Infrastructure by this Committee at its meeting of 28 January, 2010, for the acquisition of two privately owned retail units and for the renunciation of the lease of the shop unit at 22 Menzies Road, as set out within appendix 1 to the report; and
 - (e) that the Committee agree to receive a progress report at the next meeting of 2 December, 2010.

The Committee explained its concern at recommendation (b), and further noted that this was a matter for the Enterprise, Planning and Infrastructure Committee to consider.

In relation to recommendation (d), the Committee were advised by officers that there was no requirement for the homologation of this decision, and that it should be merely noted.

The Committee resolved:-

- (i) that recommendations (a), (c) and (e) be approved;
- (ii) that recommendation (b) be referred to the Enterprise, Planning and Infrastructure Committee for its consideration; and
- (iii) that the actions of the Director of Enterprise, Planning and Infrastructure under delegated powers, referred to under recommendation (d), be noted.

HAYFIELD RIDING CENTRE, HAZLEHEAD (WESTWOOD COTTAGE) – EPI/10/231

45. The Committee had under consideration a report by the Director of Enterprise, Planning and Infrastructure which advised of a request received from the current tenants of the Hayfield Riding Centre, Hazlehead Park, Aberdeen, that the currently vacant property known as Westwood Cottage, situated within the complex of buildings which form the Riding Centre, be added to their lease.

The report before members described the location of the Cottage, its previous use and its relationship to the buildings that make up the Riding Centre; provided details of the current lease arrangements between the Council, the Mackenzie Course Limited as tenants and Equiworld Club Limited as occupiers/operators of the Centre; and outlined the implications for the Council of acceding to the request.

The report recommended:-

- (a) that the Committee approves in principle the inclusion of Westwood Cottage into the Hayfield Riding Centre lease, at the market rent for the cottage;
- (b) that it be remitted to the Head of Asset Management and Operations to negotiate terms for the addition of the cottage into the existing lease; and
- (c) that it be remitted to the Head of Legal and Democratic Services to formally amend the lease, on terms and conditions as are necessary to protect the Council's interests.

The Convener, seconded by the Vice Convener, moved:

that the report recommendations be approved and appropriate officers authorised accordingly.

Councillor Graham, seconded by Councillor Laing, moved as an amendment:

that the report recommendations be not approved and that the vacant cottage be transferred to the Housing Account.

On a division, there voted:- for the motion (10) – the Convener; the Vice Convener; and Councillors Cormack, Dean, Fletcher, Leslie, McCaig, May, Wendy Stuart and John West; for the amendment (5) – Councillors Crockett, Farquharson, Graham, Laing and Young.

The Committee resolved:-

that the terms of the successful motion be adopted.

WESTSIDE OF CARNIE – OFFER TO PURCHASE (EPI/10/230)

46. The Committee had under consideration a report by the Director of Enterprise, Planning and Infrastructure which related to the Farm of Westside of Carnie, Skene, currently the subject of a lease by the Council under the Agricultural Holdings (Scotland) Act 1991 and in respect of which the tenant had submitted an offer to purchase the Council's interest.

The report contained a detailed description of the area of land involved and the terms and conditions upon which it was currently leased; provided also an indication of the situation that had arisen with the rent review negotiations between the parties; and explained in some detail the possible future outcomes and implications for the Council arising from that rent review, the tenant's rights under the agricultural lease and the sale of the land, if that was what was decided to be done. The report referred to the results of the valuation exercise carried out on the Council's behalf by their term contractor for valuation services; to the planning considerations that needed to be taken into account; and to the ability of the Council to protect its interests as regards any longer term development value which the site may realise. The two main options available to the Council were outlined and assessed in the context of what was in the best interests of the Lands of Skene Trust Fund, under which the subjects at Westside of Carnie were held.

The report recommended:-

that the Committee accept the offer received for the sale of the property at Westside of Carnie, Skene, subject to such a clawback provision as the Head of Legal and Democratic Services considers most suitable to protect the Council's interests.

The Committee resolved:-

That, subject to a requirement for the Head of Legal and Democratic Services to consult with the Convener and Vice Convener of this Committee on the detail of the clawback provision to be imposed, the report recommendation be approved.

ROWAN ROAD/ROSEHILL DRIVE (EPI/10/-)

47. The Committee had under consideration a report by the Director of Enterprise, Planning and Infrastructure which related to the parade of local shops at Rosehill Drive and the Council owned parking area to the rear, which took access from Rowan Road. The purpose of the report related to a suggested excambion (exchange of areas of land) between the Council and the owner of property alongside and to the front and rear of the shops, who has planning permission for an additional retail unit at that location, conditional upon the creation of additional parking on land adjacent to Rosehill Drive.

The report outlined the background to the situation that had arisen and explained how the developer of the additional unit proposed to meet his obligations in terms of his planning consent to improve access and parking at the front of the shops. The proposed excambion was illustrated within a drawing attached to the report, which also confirmed that local authority roads officers were not agreeable to the excambion as suggested, from the point of view that parking spaces for the use of the public at the rear of the shopping units would be lost and also because access to the rear of adjacent shops could be restricted.

The Committee resolved:-

- (i) that the Council as landlord and the developer of the additional shop unit, agree the excambion involving the two areas of land identified on the plan attached; and
- (ii) that it be remitted to the Head of Legal and Democratic Services to formally conclude the excambion on terms and conditions as are necessary to protect the Council's interests.

ST. PETER'S NURSERY AND FORMER PUBLIC TOILETS, OLD ABERDEEN – PROPOSED SALES (EPI/10/244)

48. Reference was made to article 26 of the minute of its meeting of 28 January, 2010, at which time there was under consideration a report by the Director of Enterprise, Planning and Infrastructure which contained an update on the status of a number of former Education, Culture and Sport properties now declared surplus to the requirements of that Service, and further updates regarding other surplus properties. As part of the decision taken at that time it was resolved to authorise the marketing of the former St. Peter's Nursery School property at Spital and also the former public toilets at High Street in Old Aberdeen, and to report further thereon to a future meeting. The Committee now had before it a report on these matters by the Director of Enterprise, Planning and Infrastructure.

The report before members contained a description of both properties and an indication of the estimated market value as advised by the Council's external property contractors, who also undertook the marketing exercise. The results of that exercise in respect of both properties were outlined within the report, which also explained why the highest offer received in each case was not being recommended for acceptance.

The Committee resolved:-

- (i) that the offer received for the former St. Peter's Nursery School site at Spital, Old Aberdeen by Messrs. Houghton, Melvin Smith and Company, on behalf

- of Mr. T. Mahmood and the offer received for the former public toilets at High Street, Old Aberdeen by CMS Cameron McKenna, on behalf of Jasmine Property Investments, in both cases being the second highest offer received, be accepted; and
- (ii) that the Head of Legal and Democratic Services be instructed to conclude missives for the sale of the properties identified, incorporating various qualifications as are necessary to protect the Council's interests.

DECLARATION OF INTEREST

Councillor Dean having declared an interest in the report referred to in the following article by reason of her position as Chair of the Cove Rangers Football Supporters' Club, left the meeting prior to the Committee's consideration of the report and took no part in the deliberations thereon.

BOBBY CALDER PARK AND LOCHINCH FARM (EPI/10/247)

49. Reference was made to article 49 of the minute of meeting of the former Resources Management Committee of 2 October, 2002, at which time it was agreed that Bobby Calder Park, Redmoss, Aberdeen, would be leased to Cove Rangers Football Club Limited for a period of 125 years in return for a peppercorn rent (£1 per annum) and a community benefits package, to be provided by the Football Club. Reference was also made to article 42 of the minute of meeting of this Committee of 12 November, 2009, at which time there was under consideration a report by the Director of Enterprise, Planning and Infrastructure relative to ground owned by the Council at Loirston Loch, previously identified for possible inclusion within the new Aberdeen City Local Development Plan as a potential development site. The resolution of the Committee at that time was to authorise the then Head of Resources Development and Delivery and other appropriate officials (including the then City Solicitor and the then City Chamberlain), to enter into discussions with Hermiston Securities as landowners of adjacent land at Loirston, on the creation of an appropriate Development Agreement for the long term development of the Loirston Loch area and that this matter be reported back to a future meeting of this Committee.

The Committee had before it on this day, a report by the Director of Enterprise, Planning and Infrastructure which sought to advise with regard to progress in the implementation of previous Committee instructions in relation to the areas of land at Bobby Calder Park and Lochinch Farm, Redmoss, Aberdeen. As regards the Bobby Calder Park situation, the report reminded members of the basis of the agreement between the parties, in particular the two suspensive conditions imposed relative to planning approval and finance; and confirmed that, subject to one change in the original proposals whereby the community benefits package would now be delivered by Aberdeen Football Club and not Cove Rangers FC, the Council's agents had confirmed purification of the deal with a formal date of entry of 1 September, 2010.

On the matter of development in the area of Loirston Loch, the report outlined the basis of the arrangement between the Council and Hermiston Securities as the

other main land holder in the area and explored a number of issues which had complicated the proposals and which were examined under the headings of Local Development Plan, Aberdeen Football Club/Community Stadium; Bobby Calder Park/Cove Rangers FC Limited; third party land; other land factors; and Council's financial position. The report continued to advise that discussions were now at the stage where both parties were in a position to approve a deal in principle; and outlined the basis upon which that would be done, including the setting out in tabulated format of an indication of how the risks will be managed. The framework of the community benefits package agreed was appended to the report.

The report recommended:-

- (a) that the Committee note the position in relation to the site at Bobby Calder Park, the development proposals and timescales for Cove Rangers FC Limited and the delivery of the community benefits package; and
- (b) that the Head of Legal and Democratic Services and the Head of Asset Management and Operations be instructed to conclude negotiations for a Development Agreement on the basis of the terms of the report, with Hermiston Securities Limited, to include other terms as determined to protect the Council's position.

The Convener, seconded by the Vice Convener, moved:-

that the report recommendations be approved and appropriate officers authorised accordingly.

Councillor Graham, seconded by Councillor Crockett, moved as an amendment:-

that in the absence of an Environmental Impact Assessment and meaningful local consultation on the matter, consideration of the report be deferred.

On a division between the motion and the amendment, there voted:- for the motion (9) – the Convener; the Vice Convener; and Councillors Cormack, Fletcher, Leslie, McCaig, May, Wendy Stuart and John West; for the amendment (4) – Councillors Crockett, Graham, Laing and Young; declined to vote (1) – Councillor Farquharson; absent from the division (1) – Councillor Dean.

The Committee resolved:-

that the terms of the successful motion be adopted.

SUMMERHILL – SALE AND SERVICE RELOCATION (EPI/10/245)

50. Reference was made to article 53 of the minute of its previous meeting of 17 June, 2010, and the decisions taken at that time in relation to the sale of the Summerhill Education Centre site, in particular the decisions taken that the highest scoring offer for the site be accepted and that the Head of Asset Management and Operations be requested to report further on the actions taken by officers and on the costs associated, in relocating all of the existing users from the Centre. The Committee now had before it a report by the Director of Enterprise, Planning and Infrastructure which provided members with an update on the discussions held with the preferred bidder for the site and also advised with regard to the relocation of services and the financial consequences.

The report indicated that following the meeting on 17 June, 2010, discussions with the preferred bidder were held with the primary objective of agreeing a strategy to take the disposal of the site forward and also to reach a situation where a guaranteed minimum price was identified assuming planning permission for a retail supermarket was forthcoming. The outcome of those discussions was outlined within the report which also made it clear that the agreement reached had allowed the preferred offer to be compared directly with that of the second placed bidder, whose headline figure remained below the revised price identified. The planning issues surrounding the project were also highlighted.

As regards the relocation of current users of the Summerhill Centre, the report indicated that the full provision of community services had been relocated to Northfield Community Centre, Mastrick Community Centre and Sheddocksley Sports Centre; that the one service for which a short term relocation had not been possible was the Mastrick Young People's Project, which continued to operate from self contained facilities situated to the north west of the Summerhill site; that officers had however identified the Hillylands Centre in Mastrick, recently vacated by the Social Care and Wellbeing Service and to be declared surplus to their requirements, for that purpose; and that the budgetary requirements for such a course of action were as detailed within the report. The report concluded with a reference to the fact that the future operational issues surrounding the Hillylands option would be the subject of reports as appropriate to future meetings of the Education, Culture and Sport Committee and also the Social Care and Wellbeing Committee. The relocation outcomes for Council services and community users were detailed within appendix 1 to the report.

The report recommended:-

that the Committee –

- (a) note the issues raised in relation to the conclusion of missives with Optimisation Limited and the prospect of having to meet additional planning monitoring fees of around £5,000;
- (b) agree that a budget of £250,000 from the capital receipt is set aside for the relocation of the Mastrick Young People's Project to the former Hillylands Centre, and that a further sum (£379,993.04) is also set aside from the capital receipt to pay off the outstanding debt on the Hillylands facility; and
- (c) agree that subject to the agreement of the Social Care and Wellbeing Committee and the Education, Culture and Sport Committee, the Hillylands Centre be transferred to the Education Account.

The Committee resolved:-

- (i) that recommendations (a) and (c) be approved;
- (ii) that the Director of Enterprise, Planning and Infrastructure be requested to report back to the Committee in relation to the suggestions contained at recommendation (b); and
- (iii) that the Social Care and Wellbeing Service be requested to carry out an inspection of the equipment at the Hillylands Centre with a view to utilising it elsewhere.

DECLARATIONS OF INTEREST

Councillors Fletcher, Laing and Young all declared interests in the report referred to in the following article by reason of their differing associations with the development company involved, Carlton Rock Limited. Councillor Yuill declared an interest as he resided near the development. All the members who declared an interest left the meeting prior to the Committee's consideration of the matter.

PINEWOOD/HAZLEDENE, COUNTESSWELLS ROAD – UPDATE REPORT (EPI/10/221)

51. With reference to article 40 of the minute of its meeting of 28 January, 2010, the Committee had under consideration the latest report dealing with the future use and disposal of the mostly Council owned sites at Countesswells Road, Aberdeen referred to individually as the Pinewood site and the Hazledene site. The report was in the name of the Director of Enterprise, Planning and Infrastructure and sought to review the current position by referring to the status of the ongoing discussions between all parties having an interest and the options now open to the Council, including the associated risks and benefits for each option and to offer recommendations for the way forward, with supporting rationale.

The report began with background information related to ongoing issues that remain unconcluded; with an update on each of the issues identified, including a references to the now resolved impasse between the Council and Carlton Rock Limited as the development company with an option agreement with the Council's tenants on part of the land in question; and to perceived changes in the housing market conditions, which noted the receipt by the Council of an unsolicited offer to acquire both of the development sites. The report proceeded to outline the three main options available to the Council, as discussed with their external advisers and in respect of which the identified risks were also highlighted. The conclusion arrived at within the report by officers and external advisers, was that any further progress in the matter would require clarification by the Committee as to whether it either wished to discontinue all discussions with interested parties and await the end of the current lease of part of the land involved (2020), when all options available at that time would be reconsidered, or to restate its intention to take the sites to the market at an appropriate time.

The report recommended:-

that the Committee –

- (a) notes the confirmed information now available regarding the tenant's option agreement with Carlton Rock, its significance and potential impact on this property transaction, the options open to the Council and the potential risks and benefits associated with each option;
- (b) decides between the two options of (1) discontinuing all discussions regarding the future use of these sites until immediately prior to the expiry of the current lease in 2020 and reconsider all options available to the Council at that time; or (2) restating its intention to take these sites to the market at an appropriate time;
- (c) confirms that it does not wish to follow up at this time the unsolicited offer received and, if recommendation (b)(2) above is approved, to instruct the Director of Enterprise, Planning and Infrastructure to (1) finalise an agreement with the Council tenant, (2) develop a marketing strategy, (3) develop a tender evaluation strategy, (4) develop a joint working agreement

with Robert Gordon's College, (5) report with regard to recommendations (c)(1), (2), (3) and (4) to Committee within the next three Committee cycles for its consideration and approval, and (6) provide market growth information in spring 2011 plus recommendations for marketing these sites for Committee consideration; and further recommends that if recommendations (c)(1) – (6) inclusive are accepted, the Committee approve the principles of the approach to calculating the split of any future capital receipts outlined in appendix 2 regarding the allocation of capital receipts and the future reversion of part of the tenant's share to the Council with the passage of time to be recalculated on the date of each capital receipt.

Councillor Farquharson moved at this point that the Committee agree the option (b)(2) and restate its intention to take the sites at Pinewood and Hazledene to the market at an appropriate time but, in going with that option, instructs the Director of Environment, Planning and Infrastructure to delay his report back to Committee in terms of recommendation (c)(5) until the option agreement between the Council's tenants and Carlton Rock Limited has expired. Councillor Farquharson did not, however, attract a seconder for his motion, which therefore fell.

The Committee resolved:-

to adopt the option identified under recommendation (b)(2) and restate the Council's intention to take the development sites at Pinewood and Hazledene to the market at an appropriate time and, on that basis, to approve all the other report recommendations.

- **COUNCILLOR KEVIN STEWART, Convener.**

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Agenda Item 3.2

LORD PROVOST SUB-COMMITTEE

ABERDEEN, 8th July 2010 – Minute of Meeting of the LORD PROVOST SUB-COMMITTEE. Present:- Lord Provost Peter Stephen, Chairperson; Depute Provost Dunbar; and Councillors Cooney, Malone and Wisely.

Also in attendance:- Beverley Graham, Office of Chief Executive; Catriona Gilmour, Accountant, Corporate Governance; Paula Fullerton, Enterprise, Planning and Infrastructure; Alasdair Ross, Office of Chief Executive; John Johnstone, Ballroom Manager, Education, Culture and Sport; and Rebecka Steven and Lynsey McBain, Corporate Governance.

APOLOGIES

1. An apology was intimated on behalf of David Gow.

MINUTE OF PREVIOUS MEETING

2. The Sub-Committee had before it the minute of its previous meeting of 29th April, 2010.

The Sub-Committee resolved:-

to approve the minute as a correct record.

MATTERS ARISING

3. (A) Lord Provost Robes

With reference to article 3A, Alasdair Ross advised that the new robes would arrive by the end of July, and that they had been created using fur from the old robes. The Lord Provost indicated that he would now hand back the Tollbooth robes which had been borrowed for use in this interim period, as he would not require use of the robes between now and July.

In relation to the money that had been allocated from the civic hospitality budget for the European Curling Championship that had been returned, the Lord Provost advised that another tournament was to be organised, with a trophy to be provided from the city for one of the competitions. Jamieson and Carry Jewellers had been contacted in this regard, and a trophy would be supplied at a maximum cost of £1000.

- (B) Replacement Boarding and Foam in Furniture

With reference to article 3B, the Lord Provost sought confirmation that this matter was being progressed. Alasdair Ross explained that discussions had taken place with the Facilities Team, and undertook to progress the matter.

BATTLE OF HARLAW WORKING GROUP MINUTE

4. The Sub-Committee had before it for information, the minute of meeting of the Battle of Harlaw Working Group of 25 June 2010.

The Sub-Committee resolved:-

to note the minute.

HMS DIAMOND

5. The Sub-Committee heard from the Lord Provost who advised that the ship, HMS Diamond was due to dock in Aberdeen in 2011, possibly between 11-13 February 2011 and explained that he had met with the Commander Ian Clark in this regard.

The Lord Provost advised that he had contacted the Council Leader John Stewart, Depute Leader Kevin Stewart and the Director of Corporate Governance, Stewart Carruth, to seek permission to offer six chairs bearing the Aberdeen crest, and currently located in the Bruce Room on the third floor of the Town House, to HMS Diamond as a memento from the city. Councillor Kevin Stewart was supportive of this proposal, and Stewart Carruth had requested that officers in Facilities Management be contacted. No response had been received from Councillor John Stewart to date.

The Lord Provost also suggested a civic event be held during the visit of the ship, possibly in the Beach Ballroom. John Johnstone intimated that the Beach Ballroom was available on Friday 11 and 13 February but at present was provisionally booked for Saturday 12 February.

Discussion then focused on various ways to commemorate such an important event, and the Lord Provost undertook to write to the Commander Ian Clark to put these suggestions to him.

The Sub-Committee resolved:-

- (i) to request that contact be made with Simon Williams, Facilities Manager, to ascertain whether six leather chairs from the Bruce Room could be offered to HMS Diamond;
- (ii) to note that the Lord Provost would write to Commander Ian Clark to offer a civic event to commemorate the ship's arrival in Aberdeen and to enquire as to whether a programme of events had been scheduled for 11 – 13 February to date; and
- (iii) to otherwise note the information provided.

CIVIC HOSPITALITY

6. (A) Financial Report

The Sub-Committee had before it for information, the financial information for the Civic Hospitality budget for 2010/11 and 2011/12 and the Lord Provost Common Good Gift Fund for 2010/11.

The Sub-Committee resolved:-

to note the information provided.

(B) **Civic Hospitality Requests 2010/11**

The Sub-Committee had before it various applications for the provision of civic hospitality for the financial year 2010/11.

The Sub-Committee resolved:-

(i) to approve the applications for civic hospitality as follows:-

Occasion	Date of Event	Venue	Hospitality to be granted
Dyce Boys Club and ALC Lewis	16 August 2010	Town and County Hall	Soft Drinks and Finger Buffet for 100
Doors Open Day 2010	11 September 2010	Town and County Hall	Wine/Juice and Finger Buffet for 100
Aberdeen District Scout Council AGM	19 October 2010	Town and County Hall	Tea/Coffee and Biscuits for 60
International Symposium on Travel Demand Management	26 October 2010	St Nicholas Room	Wine/Juice and Canapes for 80
Fiddlers Rally	13 November 2010	Music Hall	Stovies, Dessert, Tea/Coffee/Juice for 110

and

(ii) to approve the application for civic hospitality for the following event, pending confirmation that it will go ahead:-

Occasion	Date of Event	Venue	Hospitality to be granted
Aberdeen Sporting Hall of Fame	TBC	AECC	Wine//Juice on arrival for 250

(C) **Use of Delegated Powers**

The Sub-Committee had before it for information, two applications for civic hospitality, which had been authorised by the Head of Finance and the Head of Legal and Democratic Services through delegated powers, as follows:-

Occasion	Date of Event	Venue	Hospitality Granted
Scottish Youth	21 July 2010	Town House	Soft Drinks and

Theatre Summer Festival			Finger Buffet for 30
Nonlinear Dynamics for Advanced Technologies and Engineering Design	28 July 2010	Beach Ballroom	Stovie Supper for 120

DATE OF NEXT MEETING

7. The Sub-Committee noted that the next meeting was scheduled for Thursday 14 October, 2010 at 10.30am.

-LORD PROVOST STEPHEN - Chairperson

FINANCE AND RESOURCES COMMITTEE

COMMITTEE BUSINESS

DECEMBER, 2010

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
1.	Resources Management Committee 29/03/07 article 44 Area Committee Central 19/11/08 article 18	<u>105-107 Urquhart Road</u> At its meeting of 19/11/08, the Committee resolved:- to request that a Planning Brief be developed for this property, and instruct the Head of Resources, Development and Delivery to report back thereafter.	Update: The Planning Brief for the site was presented as a Bulletin Report last cycle. Officers are currently reviewing market activity. It is hoped a report will be presented next cycle.	Head of Asset Management and Operations	01/02/11	28/09/10
2.	Area Committee Central 23/09/08 article 14; and 01/04/09 article 12	<u>Frederick Street Development Site</u> At its meeting of 1/4/09, the Committee resolved:- to recommend to the Resources Management Committee that in light of the information conveyed to the Committee in relation to the timescales of NHS Grampian, including that capital receipt may not be realised until 2011/12, for officers to continue discussions with NHS Grampian.	Update: Discussions continue with NHS Grampian in relation to the delivery of the project and their project timescale. Planning Permission is now in place for the development and the proposed car park. A relocation plan for services is being developed. It is hoped a report will be presented next cycle.	Head of Asset Management and Operations	07/01/09	02/12/10

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3.	Finance and Resources Committee 12/11/09 article 33	<p><u>Great Southern Road/Holburn Street (Disused Public Toilet and Advertising Site)</u></p> <p>The Committee resolved:- that the Head of Resources Development and Delivery be authorised to consider other options for the disposal of the site including, if appropriate, further negotiation with the current neighbour with a report back to the Committee at an appropriate time.</p>	<p>Update: Further discussions and a revised proposal has been presented to the interested party, following a meeting with the Head of Asset Management and Operations. A response is awaited.</p> <p>It is hoped a report will be presented next cycle.</p>	Head of Asset Management and Operations	28/09/10	02/12/10
4.	Finance and Resources Committee 12/11/09 article 35, 11/03/10 article 34, 11/05/10 article 48, 17/06/10 article 41, 28/08/10 article 4	<p><u>Leaking of Report - St Nicholas House Site</u></p> <p>At its meeting of 17/06/10 the Committee resolved: to refer this matter to the Leadership Board for consideration, and that if there was no resolution, to refer the members in question to the Standards Commission.</p>	<p>At its last meeting, the Committee noted that the elected members concerned had agreed to be interviewed; and requested that the Monitoring Officer provide an update next cycle to confirm that these interviews had taken place.</p> <p>A verbal update will be provided by the Head of Legal and Democratic Services at the meeting.</p>	Head of Legal and Democratic Services Head of Office of Chief Executive	02/12/10	
5.	Finance and Resources Committee 12/11/09 article 40	<p><u>Non Housing Capital Project – Evaluation of Contractors’ Performance</u></p> <p>The Committee resolved:- to instruct the Head of Resources Development and Delivery to report back in two cycles; and in one year on the level of performance of these two contractors on Non Housing</p>	<p>Since the report, one of the contractors has been unsuccessful in all of the tenders that they have submitted. The second contractor referred to in the aforementioned report has carried out one minor project in the intervening period. This project was of such a minor nature that it would be</p>	Head of Asset Management and Operations	02/12/10	

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		projects.	unreasonable to use it as an indicator as to whether they had fully addressed the previously highlighted shortcomings in their performance. As a result, the performance of both of these contractors will continue to be monitored as and when they are successful in the tender process. Recommended for removal.			
6.	Finance and Resources Committee 10/12/09 article 30	<u>Physiotherapy Pilot</u> The Committee resolved:- to approve the continuation of the project and to request that the pilot be assessed for impact, including a cost benefit analysis; and a report submitted to this Committee once this evaluation has been completed.	The Physiotherapy pilot is complete but the Head of Human Resources has asked the Occupational Health Provider, SERCO, to expand on the evaluation report in order that meaningful decisions can be taken in relation to future practice. An update is included in the information bulletin.	Head of Human Resources and Organisational Development	11/03/10	02/12/10
7.	Finance and Resources Committee 10/12/09 article 42	<u>8 Alford Place</u> The Committee resolved:- to instruct the Head of Resources Development and Delivery to advertise the property at 8 Alford Place for sub-lease from 1 April, 2010 until the termination date under the Council's head lease, and report further.	Ryden advise that property market for offices is currently flat with no interest currently expressed in leasing this property. If necessary a bulletin report will be prepared for next appropriate meeting.	Head of Asset Management and Operations	06/05/10	28/09/10

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8.	Finance and Resources Committee 28/01/10 article 2 & 11/03/10 article 31 & 11/05/10 article 34	<p><u>CAB – Debt Advice Service</u></p> <p>At its meeting of 11/03/10 the Committee resolved:- to request a report back at each meeting of this Committee on all matters detailed within the report and in particular until a Service Level Agreement is in place between the Council and the CAB.</p>	<p>Update:</p> <p>The Social Care and Wellbeing Service have initiated a review of Financial Inclusion Services provided as part of the Council's statutory responsibilities. This includes existing funding to the CAB.</p> <p>The aims of the review are to:</p> <ul style="list-style-type: none"> • identify the specific outcomes currently achieved by all Financial Inclusion Services within the city of Aberdeen; • identify all monitoring arrangements in place in respect of all Financial Inclusion Services within Aberdeen which are currently commissioned and financed, in full or part, by the Council; • assess and identify the best financial option for the Council while achieving Best Value; and • identify the financial savings to be made based upon the various options identified. <p>The review is scheduled for completion in December, 2010. CAB will be fully participant in the review process.</p>	Head of Adult Services	Every cycle	

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9.	Finance and Resources Committee 28/01/10 article 13	<p><u>Altens Community Centre and Dyce (Carnegie Hall) Community Centre – Remedial Works</u></p> <p>The Committee resolved:- that appropriate officers be requested to undertake consultation with the community groups concerned in order to ascertain whether the funding identified is actually required and to report back to the Committee thereon in due course.</p>	<p>At its previous meeting the Committee instructed the Director of Education, Culture and Sport to write to the Dyce Development and Amenities Committee on one further occasion, and to provide an update next cycle in this regard.</p> <p>A report will be presented after consultation with the Corporate Asset Management Group.</p>	Director of Education, Culture and Sport	17/06/10	
10	Finance and Resources Committee 28/01/10 article 25	<p><u>Capital Planning</u></p> <p>The Committee resolved:- to approve the amended Capital Prioritisation Process and instruct the Director of Enterprise, Planning and Infrastructure to commence its implementation for 2011/12, and to instruct that regular reports be submitted back to this Committee.</p>		Head of Asset Management and Operations	28/09/10	
11	Finance and Resources Committee 28/01/10 article 26	<p><u>Status of Surplus Education and Other Properties</u></p> <p>The Committee resolved:- to authorise the Head of Resources Development and Delivery to enter into negotiations with the landlord of the site of the former Woodlands Special School, with a view to</p>	<p>Update: Discussions are underway with other interested parties in relation to a lease surrender.</p>	Head of Asset Management and Operations	17/06/10	28/09/10

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		agreeing an appropriate exit strategy for the Council and to report back to this in due course on the outcome.				
12	Education, Culture and Sport Committee 18/02/10 article 25	<p><u>Essential Car User Scheme</u></p> <p>The Committee resolved:- to request that the Finance and Resources Committee look into the issue of Essential Car Users Schemes for all staff and, in particular, the issue of lump sum payments.</p>	<p>This issue was reported to the Corporate Management Team on 13 May, 2010. It was decided that the Chief Executive and Director of Corporate Governance would take the matter forward in conjunction with colleagues in HR. The position will then be reported to Committee.</p> <p>Savings in relation to essential car user allowances are part of a basket of measures currently being consulted on in relation to the incremental progression issue. As this is currently being consulted on, it was considered imprudent to report specifically on this matter at this juncture.</p> <p>It can be confirmed, however, that the allowance has been withdrawn from all Chief Officer posts.</p> <p>The Employment Costs report dealt with this issue – recommended for removal.</p>	Head of Human Resources and Organisational Development	17/06/10	02/12/10

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13	Finance and Resources Committee 11/03/10 article 11	<p><u>Common Good Budget</u></p> <p>The Committee resolved:- to seek a review of Council funding for all trusts in order to assess Best Value.</p>	<p>In relation to resolution (vi), a report will be submitted next cycle.</p> <p>Update: A report will be presented to the next meeting, information on the outputs arising from funding of Trusts is currently being sought to inform the final content of the report.</p>	Head of Finance	28/09/10	02/12/10
14	Finance and Resources Committee 11/03/10 article 12	<p><u>Former Carden School – Dyce</u></p> <p>The Committee resolved:-</p> <p>(i) that the availability of the property be circulated to Service Departments and the North East Property Group;</p> <p>(ii) that failing the identification of any future public sector use, officers be authorised to undertake all other necessary investigations, including the negotiation of boundaries, with the Education, Culture and Sports Service with a view to exposing the site to the market; and</p> <p>(iii) that officers report back to a future meeting of the Committee on the outcome of the foregoing resolutions.</p>	<p>Update: The property was included in surplus property bulletin last cycle, and will be included in future update.</p> <p>Recommended for removal.</p>	Head of Asset Management and Operations	28/09/10	

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15	Finance and Resources Committee 11/03/10 article 20	<u>Applications for Financial Assistance 2009/10</u> The Committee resolved:- to instruct officers to bring forward a report detailing ways in which the grant application system can be streamlined especially with regard to reporting to Committee.	A report will be submitted next cycle.	Head of Finance	28/09/10	01/02/10
16	Finance and Resources Committee 11/03/10 article 26	<u>Corporate Asset Management System – Progress</u> The Committee resolved:- that the Director of Corporate Governance be requested to report back on progress at every cycle, and for the reports to be presented in a format that is easily read and understood.	A report is on the agenda at item 8.1.	Director of Corporate Governance	Every cycle	
17	Finance and Resources Committee 11/03/10 article 28	<u>Grove Lodge</u> The Committee resolved:- that a further report be prepared in due course advising the Committee of the outcome of the marketing exercise.	Update: Property included in surplus property bulletin last cycle, and will be included in future updates.	Head of Asset Management and Operations	28/09/10	

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18	Finance and Resources Committee 11/03/10 article 33	<p><u>Townscape Heritage Initiative</u></p> <p>The Committee resolved:- to request that a verbal update be provided at every meeting of this Committee on the contractual and legal issues associated with this project.</p>	<p>A verbal update will be provided at item 12.1 of the agenda.</p>	Head of Planning and Sustainable Development	Every cycle	
19	Finance and Resources Committee 11/03/10 article 38	<p><u>Landfill Tax Credit Funding 2010-2013</u></p> <p>The Committee resolved:- to approve recommendations (a), (b), (c) and option C in relation to recommendation (d) (to reject the application from Aberdeen Greenspace for funding in 2010/11 and instruct officers to seek funding opportunities for projects in Aberdeen with other Environmental Bodies for 50% of the available Landfill Tax Credits and present a further report with revised recommendations to a future meeting of this Committee); and to request that this report also contain details of the implications for Aberdeen Greenspace.</p>	<p>A report is on the agenda at item 6.11.</p> <p>Recommended for removal.</p>	Head of Planning and Sustainable Development	28/09/10	02/12/10

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20	Finance and Resources Committee 11/05/10 article 28	<p><u>Creation of a Human Resources Service Centre</u></p> <p>The Committee resolved: to instruct that the structural implications are reported to Committee as soon as is practicable, including details of the transfer of staffing posts from all five services.</p>	<p>It is planned to open the HR Service Centre in October. It was considered preferable to report on progress following the opening of the centre.</p> <p>An update is in the information bulletin – recommended for removal.</p>	Head of HR and Organisational Development	28/09/10	02/12/10
21	Finance and Resources Committee 11/05/10 article 30	<p><u>Leaside Hall – Future Use</u></p> <p>The Committee resolved: that the Head of Asset Management and Operations be authorised to arrange for the combined site to be advertised for sale on the open market and to submit a further report to the appropriate meeting of this Committee in due course, detailing the outcome of the marketing exercise and including the appropriate financial and legal advice.</p>	<p>Update: The property is on the market,</p> <p>It is hoped that a report will be presented next cycle.</p>	Head of Asset Management and Operations	02/12/10	
22	Finance and Resources Committee 11/05/10 article 42	<p><u>Station House Media Unit</u></p> <p>The Committee resolved: that appropriate officers be instructed to report again to the Committee on the future management, maintenance and operation of the adjacent car parking area which is not to be included within the subjects leased.</p>	<p>Update: This is currently under review.</p> <p>A report will be presented next cycle</p>	Head of Asset Management and Operations	02/12/10	

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23	Finance and Resources Committee 11/05/10 article 45	<p><u>Granitehill Site</u></p> <p>The Committee resolved: to instruct the Head of Asset Management and Operations to (i) progress preliminary design and costing of the redevelopment of the site at Granitehill for Council purpose in anticipation of submitting a bid to the Non Housing Capital Plan appraisal process for 2011/12, and (ii) maintain a watching brief on market conditions and report back as and when exposure of the site to the market might yield a favourable outcome.</p>	<p>Update:</p> <p>In terms of (i) the Heads of Environment Services and Regeneration and Housing Investment are working to progress on this remit.</p> <p>In terms of (ii) there is no present evidence that market conditions have improved so as to justify exposing the site on the open market</p>	Head of Asset Management and Operations	02/12/10	
24	Finance and Resources Committee 17/06/10 article 19	<p><u>Annual Housing and Council Tax Benefit Report</u></p> <p>The Committee resolved: to instruct that an annual report be submitted to this Committee in June each year, which should detail the previous financial year's Housing and Council Tax Benefit Service.</p>		Head of Finance	16/06/11	
25	Finance and Resources Committee 17/06/10 article 24	<p><u>Kinship Care Service – Business Case</u></p> <p>The Committee resolved:</p> <p>(i) to approve the posts as outlined above on a one year fixed term basis;</p> <p>(ii) to instruct that officers report</p>		Head of Children's Services	16/06/11	

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		back, reviewing the situation when required.				
26	Finance and Resources Committee 17/06/10 article 27	<u>Pay Protection Arrangements – Review</u> The Committee resolved: to instruct that officers report back with an update on this policy in due course.		Head of HR and Organisational Development	01/02/11	
27	Finance and Resources Committee 17/06/10 article 33	<u>Review of Cash Handling Arrangements</u> The Committee resolved: to instruct that a report be submitted at the meeting of 28 September, 2010, outlining progress and confirming the savings to be achieved as a result of this proposed reconfiguration.	A report will be submitted next cycle. A report is on the agenda at item 6.10. Recommended for removal.	Head of Finance/ Head of Customer Service and Performance	28/09/10	02/12/10
28	Finance and Resources Committee 17/06/10 article 49	<u>Queen's Links Outdoor Centre</u> The Committee resolved: that in the event that the provisions referred to at (c) above come to pass (ie if Transition Extreme Sports Limited cannot either obtain appropriate loan funding or evidence its financial stability by 30 September, 2010, then the Head of Asset Management and Operations be authorised, if appropriate, to advertise the Queen's Links Outdoor Centre for lease on the open market	Transitions are in active discussion with their Funder and a decision on the award is expected in mid September 2010. If positive, Transition's Board meeting, on 20 September should be able to commit to the lease. An update will be submitted the next meeting by way of the Information Bulletin.	Head of Asset Management and Operations		02/12/10

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		for any use capable of achieving planning permission), it be remitted to appropriate officers to report back to a future meeting of the Committee on the responses received to the advertising process.				
29	Finance and Resources Committee 17/06/10 article 51	<p><u>Staff/ Tied Houses</u></p> <p>The Committee resolved: to instruct, in terms of any houses affected by the 3Rs Project or the closure of adjoining Council properties, where it is agreed that there is no future requirement for a house to be included with the adjoining property for joint disposal, the Head of Asset Management and Operations consults the tenants of each house adjoining such a property without commitment, on whether (a) they would wish to purchase the house at a Market Value, or at the appropriate reduced value (should the Right to Buy apply in that case), or (b) would wish the house, and, therefore, their tenancy, to possibly transfer to the Housing Revenue Account, subject to the matter being referred to the Housing and Environment Committee at the appropriate time for its consideration; and to report back to</p>	<p>A report is on the agenda at item 12.5.</p> <p>Recommended for removal.</p>	Head of Asset Management and Operations	28/09/10	

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		this Committee with the outcome of that consultation;				
30	Finance and Resources Committee 17/06/10 article 7	<p><u>Employment Costs – Officers’ Declaration of Interests</u></p> <p>The Committee resolved: to concur with the Convener’s request to instruct appropriate officers to carry out a review of the rules and regulations surrounding the declaration of interests when dealing with Council specific matters such as the employment costs report, as these may become more prevalent given the present economic climate, and to report thereon to a future meeting of the Committee.</p>	The Head of Legal and Democratic Services will provide a verbal update at the meeting.	Head of Legal and Democratic Services		
31	Council 18/08/10 article 17	<p><u>Future Funding and Development of AECC</u></p> <p>The Committee resolved: to instruct that reports be submitted to the Enterprise, Planning and Infrastructure and/or Finance and Resources Committees each cycle.</p>	A report is on the agenda at item 10.1.	Director of Enterprise, Planning and Infrastructure/ Head of Finance	Every cycle	
32	Finance and Resources 28/09/10 article 2	<p><u>Transfer of Sports Services to Sport Aberdeen</u></p> <p>The Committee resolved: to instruct the Director of Education, Culture and Sport to report back on progress next cycle (regarding the previous resolution that Sport</p>	A verbal update will be provided at the meeting.	Director of Education, Culture and Sport	02/12/10	

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		Aberdeen be requested to enter into consultation with the local community and local members with a view to the provision of public swimming sessions at Northfield Swimming Pool at times when the community are most likely to want to use the pool) and further, to keep the local Councillors (the Convener, Councillor Dunbar and Councillor Graham) appraised of the situation.				
33	Finance and Resources 28/09/10 article 19	<p><u>Review of General Service Capital Programme 2010/11</u></p> <p>The Committee resolved: to instruct the Corporate Asset Management Group to review the Capital Programme for 2011/12 onwards; to ensure that it linked into the Priority Based Budgeting exercise; and to report back on this work at the next meeting of 2 December, 2010.</p>	<p>Update: The latest update is included in the report 'Non Housing Capital Programme 2010/11 – Monitoring Report' at item 6.2 agenda.</p> <p>Recommended for removal.</p>	Head of Asset Management and Operations/ Head of Finance	02/12/10	
34	Finance and Resources 28/09/10 article 20	<p><u>Tax Increment Financing for the City Garden Project</u></p> <p>The Committee resolved: to instruct that a report be submitted to the next meeting with an update on the consultancy costs.</p>	<p>An update is included in the Information Bulletin.</p> <p>Recommended for removal.</p>	Economic and Business Development Project Director	02/12/10	
35	Finance and Resources 28/09/10 article 23	<p><u>Society of Personnel Directors – Annual Conference</u></p> <p>The Committee resolved:</p>		Head of Human Resources and Organisational Development	01/02/11	

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		to instruct officers to include a summary report on the conference in a future information bulletin.				
36	Finance and Resources 28/09/10 article 24	<p><u>Access from the North Proposals (Third River Don Crossing) - Compulsory Purchase Order</u></p> <p>The Committee resolved: to note that officers would provide regular updates to Committee in relation to progress with land acquisition against budget</p>		Head of Asset Management and Operations		
37	Finance and Resources 28/09/10 article 25	<p><u>Property Asset Management Plan</u></p> <p>The Committee resolved:</p> <p>(c) that in relation to the tenanted non residential portfolio review (TNRP), the Head of Asset Management and Operations be instructed to report to the next meeting of 2 December, 2010 on the potential disposal of Shops and Ground Lease (Shops); and</p> <p>(d) that also in respect of the TNRP review, the Head of Asset Management and Operations be instructed, in conjunction with the Head of Finance, to prepare a schedule of property reviews with a view to completing within eighteen months and to report on those reviews, to</p>	<p>A report is on the agenda in relation to resolution (c) at item 12.4.</p> <p>Resolution (c) recommended for removal.</p>	Head of Asset Management and Operations	02/12/10	

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		appropriate meetings of this Committee.				
38	Finance and Resources 28/09/10 article 33	<p><u>Staff/Tied Houses</u></p> <p>The Committee resolved: that the report recommendations be approved and that, in addition, the Director of Enterprise, Planning and Infrastructure prepare a further report with a view to ensuring that staff occupying former tied houses, following the realignment of their rents to prevailing HRA levels, would also benefit from the full range of rights currently available under a normal council house tenancy (including inheritance rights and right to buy).</p>	<p>A report is on the agenda at item 12.5.</p> <p>Recommended for removal.</p>	Head of Asset Management and Operations		
39	Finance and Resources 28/09/10 article 44	<p><u>Retail Rocks</u></p> <p>The Committee resolved: to agree to receive a progress report at the next meeting of 2 December, 2010.</p>	<p>Update:</p> <p>The report submitted to this Committee last cycle, which was subsequently remitted to the Enterprise, Planning and Infrastructure Committee, was discussed at EP&I on 9 November, 2010. The EP&I Committee agreed to defer any decision relating to the underwriting of private sector funding until their next cycle.</p> <p>In the meantime, the Retail Rocks competition will be launched on 12</p>	Economic and Business Development Project Director	02/12/10	

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			<p>November using existing resources. Future spend will be contained within the limits of the existing resources until such time as the private sector funding is secured or EP&I Committee take a decision in relation to possible underwriting of any additional costs relating to assistance given to winners as part of their prize (the amount of which will be better known as the competition progresses and the nature of the likely winning businesses becomes clearer).</p> <p>Recommended for removal.</p>			
40	Finance and Resources 28/09/10 article 50	<p><u>Summerhill – Sale and Service Relocation</u></p> <p>The Committee resolved: that the Director of Enterprise, Planning and Infrastructure be requested to report back to the Committee in relation to the suggestions contained at recommendation (b) (ie to request that the Committee agree that a budget of £250,000 from the capital receipt is set aside for the relocation of the Mastrick Young People's Project to the former Hillylands Centre, and that a further sum (£379,993.04) is also set aside from</p>	<p>A report is on the agenda at item 12.8.</p> <p>Recommended for removal.</p>	Head of Asset Management and Operations		

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		the capital receipt to pay off the outstanding debt on the Hillylands facility).				
41	Finance and Resources 28/09/10 article 51	<p><u>Pinewood/ Hazledene</u></p> <p>The Committee resolved: to confirm that it does not wish to follow up at this time the unsolicited offer received and to instruct the Director of Enterprise, Planning and Infrastructure to (1) finalise an agreement with the Council tenant, (2) develop a marketing strategy, (3) develop a tender evaluation strategy, (4) develop a joint working agreement with Robert Gordon's College, (5) report with regard to recommendations (c)(1), (2), (3) and (4) to Committee within the next three Committee cycles for its consideration and approval.</p>		Head of Asset Management and Operations	21/04/11	
42	Housing and Environment Committee 26/10/10 article 14	<p><u>Housing and Environment Business Plan</u></p> <p>The Committee resolved: in relation to page 129 of the report (Customer Satisfaction with Housing Repairs Service), to request that officers be proactive in sending out bills to owners for joint repairs etc prior to the VAT increase in January; and to request the Head of Finance to report to the next meeting of the</p>	<p>Update: In accordance with VAT guidance it will be the rate of VAT that applies at time of the supply of the goods / services that determines the rate to be charges. Therefore if the goods / services have been supplied to the customer prior to 1 January 2011 and an invoice has to be issued after that date then the rate of 17.5% will be applied. The Council has adopted the same approach to other VAT</p>	Head of Finance	02/12/11	

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		<p>Finance and Resources Committee in this regard (in relation to all Services of the Council); but further to suggest that this should in no way preclude officers in taking early action to ensure that all requests for payment are sent out timeously;</p>	<p>changes, which have happened in recent years.</p> <p>It is undoubtedly good practice and extremely important that there is as little delay in issuing invoices to customers as possible as this has a positive impact on collection.</p> <p>Recommend for removal.</p>			

FINANCE AND RESOURCES COMMITTEE

MOTIONS LIST

DECEMBER, 2010

<u>No.</u>	<u>Motion</u>	<u>Date of Council Meeting</u>	<u>Committee Motion referred to / date/ decision of Committee</u>	<u>Action taken / Proposed Future Action</u>	<u>Responsible Head(s) of Service</u>	<u>Due Date</u>	<u>Is authority sought to remove motion from list?</u>
1.	<u>Motion by Councillor Jennifer Stewart</u> "That this Council consults with occupiers in the terraced dwellings in Hazlehead Road, Hazlehead Gardens, Hazlehead Terrace, Hazlehead Crescent, Hazlehead Place and Provost Graham Avenue to find out if they can acquire or lease appropriate proportions of the adjacent Council-owned land as individual defensible garden areas and that officers then report back on their findings."	09/04/08	At its meeting of 11 March, 2010, the Committee resolved to agree to an initial survey being conducted by the Housing and Environmental Service with the local residents by means of an explanatory letter and questionnaire in order to gauge the level of interest in the scheme and that a further report be submitted to the this Committee in due course containing the results of the survey and any other detail on the financing of such a scheme.		Head of Asset Management and Operations	28/09/10	No
2.	<u>Motion by Councillor Donnelly</u> "This Council welcomes the Government's move to honour and celebrate The Queen's Diamond Jubilee in 2012 with a	10/02/10	The Committee resolved to request that a report on this motion be submitted to the Lord Provost Sub Committee, and for a further report detailing any financial implications to be	At its meeting of 29 April, 2010, the Lord Provost Sub Committee resolved to request that officers provide further reports on proposed activities and events for Aberdeen once the details	Head of the Office of the Chief Executive	28/09/10	No

<u>No.</u>	<u>Motion</u>	<u>Date of Council Meeting</u>	<u>Committee Motion referred to / date/ decision of Committee</u>	<u>Action taken / Proposed Future Action</u>	<u>Responsible Head(s) of Service</u>	<u>Due Date</u>	<u>Is authority sought to remove motion from list?</u>
	public holiday and weekend event, and calls on this Council to follow suit with a celebration in Aberdeen in recognition of The Queen's service to the people of the United Kingdom and Commonwealth and her 60 year leadership role within the international community of the free world".		brought back to this Committee or the relevant Service Committee thereafter.	of the Government's proposed arrangements for the Diamond Jubilee celebrations are known.			
3.	<u>Motion by Councillor McCaig</u> "Council recognises the benefits that can be gained from small scale investment in local areas and agrees to investigate the establishment of a city wide 'community fund' from which community groups, including community councils, can bid for money from to fund specific projects in their local area; and requests that officers report back on potential funding levels and	30/06/10	At its meeting of 28/09/10, the Committee instructed a report back addressing the terms of the motion.		Head of Finance/ Head of Customer Service and Performance (Community Planning)		No

<u>No.</u>	<u>Motion</u>	<u>Date of Council Meeting</u>	<u>Committee Motion referred to / date/ decision of Committee</u>	<u>Action taken / Proposed Future Action</u>	<u>Responsible Head(s) of Service</u>	<u>Due Date</u>	<u>Is authority sought to remove motion from list?</u>
	streams with consideration given to this proposal as an alternative to ward budgets”.						

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 December 2010
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	North Loirston Farm/ Cove Allotments – Lease Request for Community Allotments
REPORT NUMBER:	EPI/10/282.

1. PURPOSE OF REPORT

At the meeting of the Housing and Environment Committee on 26 October 2010 a report was presented entitled 'Lease request for Cove community allotments - H&E/10/167'

The outcome of the report was that the subject site was declared surplus and the matter be referred to the Finance and Resources Committee.

2. RECOMMENDATION(S)

It is recommended that the Committee:-

- (a) Note the approach from North Loirston Growers Association to establish a community facility on the site and approve, in principle, a lease of the site to them.
- (b) Approve the grant of delegated powers (if required) to the Convener and Vice Convener, along with the Head of Asset Management and Operations and the Head of Legal and Democratic Services to negotiate lease terms with North Loirston Growers Association and, thereafter complete the required legal documentation to give effect to the terms agreed.
- (c) Instruct the Head of Asset Management and Operations to carry out further investigations in relation to the transfer of assets to Community Groups and the use of powers under 'The Disposal of Land by Local Authorities (Scotland) Regulations 2010' in this context and to include their findings in the 2011 Property Asset Management Plan Update.

3. FINANCIAL IMPLICATIONS

There are no current Capital or Revenue costs to the Council in relation to the proposals for the area of land. There will be a modest savings from withdrawing the maintenance of the ground in question.

The subject site is zoned in the current local plan and the proposed local plan as Urban Green Space and part of the Green Space Network. As such the site is unlikely to be of any significant capital value.

4. OTHER IMPLICATIONS

There will be an, as yet, un-quantified investment off staff time required from the Housing and Environment, Legal and Democratic Services Asset Management Teams in taking forward the proposals, negotiating lease terms, drafting legal documentation and thereafter managing any lease. It is also proposed by the Group that the Council's legal costs, recoverable from them, be capped at £500.

Cove & Altens Community Council have secured a grant of £37,500 from the Climate Challenge Fund to meet the majority of costs associated with this project. There is a requirement to spend this grant prior to April 2011; otherwise the grant will be lost.

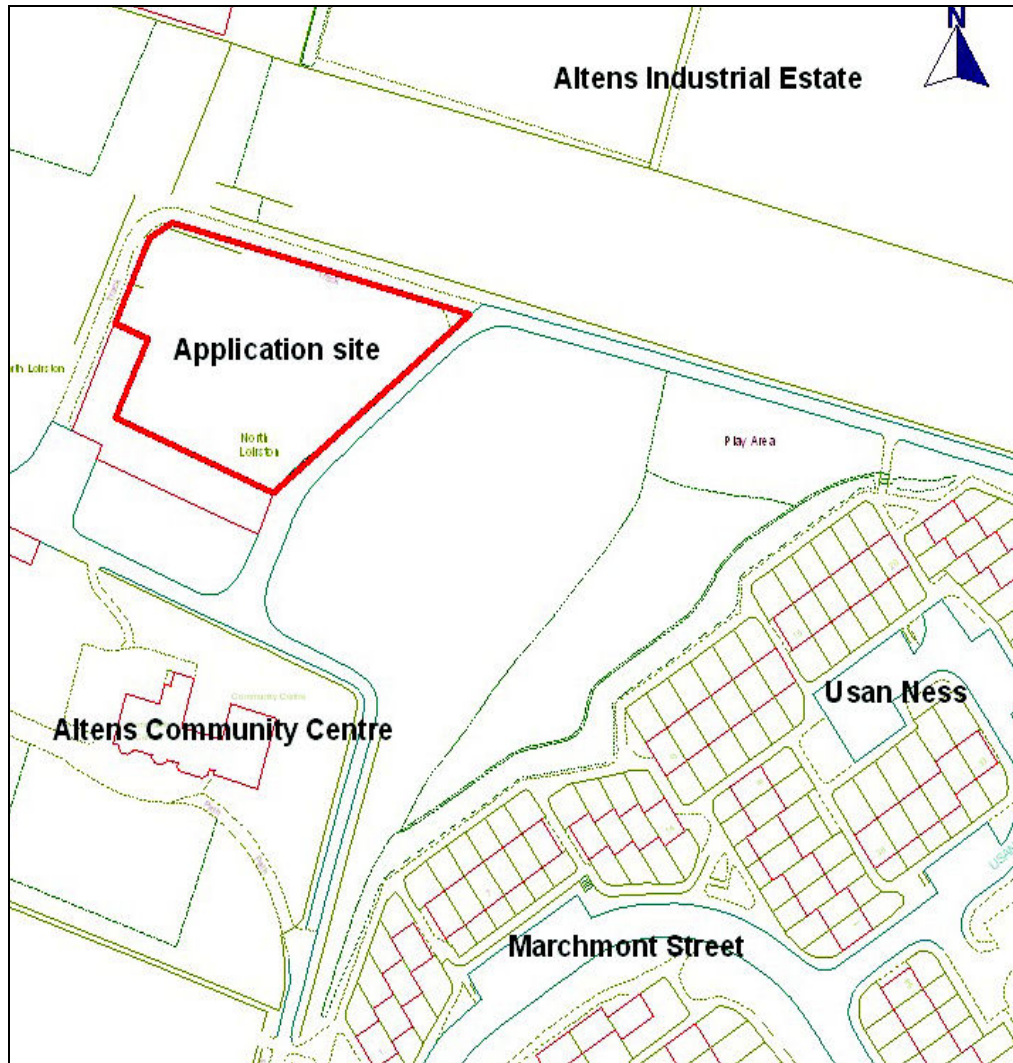
The request to lease ground on this basis, adds to, a number of similar requests in recent years from different community led organisations. Officers are of the view that it would be helpful to members if the principles, for dealing with the same, are considered further and a general policy be developed to assist with any future requests. In developing such a policy there is a need to consider, also, the implications of 'The Disposal of Land by Local Authorities (Scotland) Regulations 2010' which give Local Authorities increased autonomy, in situations where they wish to dispose of land at less than Market Value. It is suggested that this would be best addressed through the 2011 Property Asset Management Plan Update.

5. BACKGROUND/MAIN ISSUES

The Cove community has for some time been in discussions with Housing and Environment with regard to the provision of a local allotments facilities. There are no facilities in the area at the moment. In 2009 an opportunity to secure funds from the Climate Challenge Fund presented itself, and Cove & Altens Community Council, with City Council and other support, successfully applied for, and were granted (in May 2010), £37,500 to establish a sustainable allotment site in Cove.

Following this award much background work has been accomplished, including contracting a project management agent - Aberdeen Forward, setting up a local voluntary management organisation - the Nether Loirston Growers Association, and selecting an appropriate site – a small parcel of Council owned open space adjacent to a Grounds Depot located between Altens Community Centre and Altens Industrial Estate (refer to Fig. 1).

Approaches have however only recently been made to enter into negotiations to lease the area of ground.



A report was presented to the Housing and Environment Committee on 26 October 2010 which made the following recommendations:-

- (i) Approves the request to lease the requested parcel of land for the establishment of a community allotment facility in Cove, on the basis that no capital or ongoing revenue costs will be met by the City Council.

- (ii) Request the Head of Resources Development & Delivery and the City Solicitor to:
 - a. commence rapid lease negotiations with Nether Loirston Growers Association on a 5 year non-commercial lease at a peppercorn rent of £1 per annum (if asked);
 - b. aim to conclude the conveyancing process before the turn of the year;
 - c. cap the services legal fees at £500.
- (iii) Instruct the Head of Environmental Services to report back to this Committee in the second quarter of 2011 providing an update of the status of this project.
- (iv) Congratulate the hard work of Cove & Altens Community Council, including the success of their application to the Climate Challenge Fund to establish this new facility for the community of Cove.

The Committee noted the report and made the following amendments to the recommendations:-

- (i) Declare the site for the project surplus to the requirements of Housing and Environment , and
- (ii) Refer the matter to the Finance and Resources Committee

It was noted that items i) and ii) of the original recommendations were outwith the remit of that Committee. Officers in Legal Services and Asset Management are of the opinion that further investigations and information are required before a positive recommendation can be made to Committee (or in the event that the nature of the lease would be within existing delegated powers, an offer of lease made).

The most significant information required is:-

- Confirmation of the legal status of Nether Loirston Growers Association (constitution etc.).*(since provided although not yet reviewed)*
- Confirmation of the relationships between Cove Community Council and Aberdeen Forward Ltd.
- Confirmation of the Funds available for the project and the ability to transfer funding between all parties involved.
- Details of the proposals for the scheme..).*(since provided although not yet reviewed)*
- A detailed business plan identifying the groups ability to finance the project for the terms of the lease.

Officers are advised that there are currently two major hurdles for this project to cross in order to be successful:

- 1) Planning permission is required in order to establish the site; and
- 2) Council approval to negotiate and lease the land..

Both these hurdles are time critical. The Climate Challenge Grant closes on 31st March 2011. All grants must be fully spent and accounted for by this date. Delays in decisions from either Committee will essentially result in this project becoming non viable and it will immediately cease. It is for this reason that Officers have requested delegated powers, as a delay until the February Committee would cause significant risk to the project.

6. IMPACT

Corporate –

This report links to the Community Plan in the areas of: Homes; Health & Care; Locality Planning; and Environment. It also links to the associated Single Outcome Agreement in terms of our local commitments under National Outcomes: 6 – Health; 10 – Sustainable Places; 11 – Community Participation; 12 – Environmental Protection; 14 – Reducing Environmental Impacts; and 15 – Quality Public Services.

Public -

This community led project, and others like it, go some way to help meet the stated objectives of the Council's Allotments Policy, the Community Gardens Policy, the Nature Conservation Strategy and the emerging Open Space Strategy.

7. BACKGROUND PAPERS

None

8. REPORT AUTHOR DETAILS

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COMMITTEE: Finance & Resources
DATE: 2 December 2010
DIRECTOR: Pete Leonard
TITLE OF REPORT: Finance Pressures – Homelessness
REPORT NUMBER: H&E/10/170

1. PURPOSE OF REPORT

- 1.1. This report sets out measures in response to the current pressures in meeting statutory duty to provide temporary accommodation to households eligible for homelessness assistance and in particular the financial implications of continued use of Bed & Breakfast (B&B) accommodation. This includes the use of hotels procured on a 'room only' basis.

2. RECOMMENDATIONS

It is recommended that the Committee: -

- a. Note the current position.
- b. Note the proposed actions to reduce the usage of B&B accommodation and to reduce the charge we pay to B&B.
- c. Agree the revised service charge from 13 December 2010 of £250.33 for temporary accommodation flats.

3. FINANCIAL IMPLICATIONS

- 3.1. The increased charge would address the projected overspend in the current financial year as outlined in the report to Housing & Environment on 26 October 2010. If the recommendations in this report are agreed, the revised estimated deficit would be £664k compared with £675k in the previous year.
- 3.2. If approved the proposed charging could result in an additional income of £1.3 million pa. The detailed analysis behind the proposed increase has been examined by the Benefits Team. It has been agreed that the full Housing Benefit would be payable from Department of Works and Pensions (DWP).
- 3.3. Further actions to identify compensatory savings are being taken forward such as reviewing commitments to commissioning and the re-phasing the recruitment of homelessness staff.

4. SERVICE & COMMUNITY IMPACT

- 4.1. The proposal links to the Single Outcome Agreement and Vibrant, Dynamic & Forward Looking to 'increase the number of temporary homes for homeless people across the City' and 'retain the 24 hours contact point for homeless people'. It also links to the National Indicator and Target 'All unintentionally homeless households will be entitled to settled accommodation by 2012'.
- 4.2. Our public services are high quality, continually improving, efficient and responsive to local people's needs.
- 4.3. The proposals will assist the Council to deliver against, in particular, one of the five key areas of activity – the services we provide and secure for the most vulnerable members of our community.
- 4.4. There are direct links to the Housing Service Plan 2009 – 2012 – Modernisation of Service, the Resettlement & Homelessness Strategy (2009 – 2013) and the Temporary Accommodation Strategy.

5. REASONS FOR THE COST PRESSURES

- 5.1. Last year (2009 - 2010), the number of homeless people applying to Aberdeen City Council fell by 10% compared with the previous year. The average fall for Scotland as a whole was 1.6%. For the 6 months of the current year to date (April – September) homeless applications have increased by 40%, from 1,334 to 1,872
- 5.2. This has had significant impact on waiting times for housing, the numbers requiring temporary accommodation, time spent in temporary accommodation and costs.
- 5.3. At 30 June 2009 there were 69 households in B&B; by 31 July 2010 this had increased to 143. Over the same period the number of dispersed council properties used to provide temporary furnished accommodation increased from 136 to 179.
- 5.4. The numbers accommodated in B&B increased to a peak of 159 on 27 August 2010; this number has since fallen below 130.
- 5.5. However, it should be noted that inability to fulfil statutory duty has increased significantly over the last month from an average of 37 per month between April 2010 and August 2010 to 140 for September 2010 not being provided with temporary accommodation, leaving the Council open to challenges by advocacy agencies such as Shelter, as well as the Scottish Housing Regulator in the forthcoming inspection.
- 5.6. The increased use of B&B accommodation has partly been as a result of not going ahead with the additional 43 places at Aberdon House.
- 5.7. As 2012 approaches, the abolition of priority need will give more homeless households entitlement to both temporary and permanent accommodation. Intentionally homeless will also be entitled to an enhanced level of

assistance. This will make increased demands on scarce resources.

- 5.8. Further commissioning is projected to reduce overall demand through preventative interventions or provision of support therefore cuts to this may be counter-productive in terms of long term strategy.
- 5.9. Reducing the numbers applying and optimising the income from temporary accommodation are the two factors which would have a major impact on budgets. These should be our priority target.

6. CURRENT FINANCIAL POSITION

- 6.1. The gross budgeted expenditure within Housing and Environment for B&B accommodation in 2009 – 2010 was £952k and this resulted in incurred cost (loss of Housing Benefit subsidy) of £657k within Corporate Governance.
- 6.2. The gross expenditure for 2010 – 2011 increased to £1,039k. Actual expenditure is estimated at £2,125k with loss of subsidy estimated to be £1,268k. There is a budget of £51k within Housing and Environment.
- 6.3. The revised estimated deficit would, therefore, be £664k compared with £675k in the previous year.
- 6.4. The table below outlines the impact of the proposals within the report on reducing the potential loss of subsidy.

Estimated deficit (loss of subsidy)		1,268,750
Increased service charge		331,240
Reduced use of B&B	180,000	
Reduced charge for B&B	93,150	
Total reduced expenditure		273,150
Revised deficit		664,360

- 6.5. Further actions to identify compensatory savings are being taken forward such as reviewing commitments to commissioning and the re-phasing the recruitment of homelessness staff.

7. REDUCE B&B USAGE

- 7.1. Based on the existing stock of temporary accommodation and proposals to increase this and alleviate demand it is proposed that B&B usage will be reduced over time as follows:
- Current usage approx. 160 units
 - March 2011 usage 100 units (with St. Fittick's House, additional Temporary Flats & initial PSL properties)
- 7.2. The projection is predicated on future renewal of the HMO licences for the

Bon Accord Street Accommodation Units being granted. Demand for B&B may be higher should these units close.

7.3. The savings resulting from reduced usage are outlined below.

Reduce usage	B&B	No.	Monthly cost	Monthly loss of subsidy	Saving on loss of subsidy
Current		160	177,000	106,000	
October		140	155,000	92,000	14,000
November		130	144,000	86,000	20,000
December		120	133,000	80,000	26,000
January		100	110,000	66,000	40,000
February		100	110,000	66,000	40,000
March		100	110,000	66,000	40,000
					180,000

8. REDUCE CHARGES FROM B&B OWNERS

8.1. At present the prices range from £30 - £50 per room per night, excluding hotels, with the proportion of units being towards the upper end of the scale.

8.2. We are now proposing to further re-negotiate the charge we pay to B&B owners.

8.3. We have written to all B&B proprietors currently used requesting that they consider reducing the nightly rate charged with effect from 1 October 2010 given the mutual benefit of the current arrangements. The annual equivalent saving achieved from this initiative so far is £50k.

8.4. It is hoped that reductions in the nightly rates levied in response to our letter will reduce the average below £37 for the remainder of the financial year; the extent being dependent on the level of co-operation.

8.5. The savings from reduction in charges are outlined below.

Reduce B&B charge	No.	Monthly cost			Saving on cost
		Average £43pn	Average £37pn	Average £33pn	
Current	160	206,400	177,600	158,400	
October	140	180,600	155,400	138,600	42,000
November	130	167,700	144,300	128,700	39,000
December	120	154,800	133,200	118,800	36,000
January	100	129,000	111,000	99,000	30,000
February	100	129,000	111,000	99,000	30,000
March	100	129,000	111,000	99,000	30,000
			124,000		207,000
		75%	93,150		155,250

8.6. B&B proprietors can make a substantial income from providing rooms to the homelessness service. Often they can achieve a c95% occupancy compared with a more normal average of around 60%.

9. INCREASE REVENUE – INCREASE SERVICE CHARGE FOR TEMPORARY ACCOMMODATION FLATS

9.1. Currently Aberdeen City Council levies a service charge of £152 per week to cover the management cost of temporary furnished properties.

9.2. Expanded service provision agreed by Council on 30 June 2010 will result in an enhanced level of assistance being available to all persons occupying temporary accommodation, at a significantly increased cost to the Council.

9.3. It is now proposed that the service charge will be increased to £250.33 per week. The table below shows the increase revenue from this increase.

9.4. The detailed analysis behind the proposed increase has been examined by the Benefits Team. It has been agreed that the full Housing Benefit would be payable from Department of Works and Pensions (DWP).

.Temp flats	No.	Current charge	Monthly income with revised charge	Monthly additional income
		£152	£250	£250
Dec	240	158,080	260,000	101,920
Jan	260	171,253	281,667	110,413
Feb	260	171,253	281,667	110,413
Mar	280	184,427	303,333	118,907
Annual				441,653
				331,240
Annual		£2,055k	£3,380k	

9.5. An agreed annual up-rating would ensure that charges remain consistent with costs.

10. REPORT AUTHOR DETAILS

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DRAFT

HOUSING AND ENVIRONMENT COMMITTEE

26 October, 2010

HOMELESSNESS – FINANCE PRESSURES (H&E/10/168)

With reference to article 17 of the minute of meeting of Council of 30 June, 2010, the Committee had before it a report by the Director of Housing and Environment which detailed the financial implications associated with the continued use of bed and breakfast accommodation.

The report (1) outlined the reasons for the cost pressures occurring; (2) detailed the current financial position in this regard; and (3) presented a number of proposals as to the way forward, as follows:

- that the number of bed and breakfast establishments being used on a daily basis, be reduced to 100 (from 160) by (a) getting applicants to stay in their current accommodation for one month in order for their situation to be properly assessed; (b) encouraging more use of hostel accommodation; and (c) working with intentionally homeless and non priority persons in temporary accommodation with a view to moving them on timeously.
- that the charge the Council pays to bed and breakfast proprietors be reduced, by negotiation, to an average of £37 per night.

- that the service charge levied per week to cover the management cost of temporary furnished properties, be increased from £152 per week, to £300 per week. This increase would need to be properly managed to ensure that it was eligible for housing benefit, and adequate documentation would be required to be produced in order to satisfy any future external audits. Further, the report advised that temporary accommodation properties attracted a full subsidy from the Department of Work and Pensions, so any additional revenue would supplement existing departmental budgets.

In relation to the proposal to increase the service charge for temporary furnished properties, the report suggested that whilst this charge was flat rate, that this could be reviewed for 2011/12 to be a scaled charge, dependant on property size; and that an annual agreed uprating would ensure that charges remained consistent with costs.

The Committee resolved:-

- (i) to request that a report be brought to the next meeting expanding upon section 11.4 of the report (and specifically the comment made within this section that Edinburgh City Council had more fluid capacity to write off arrears, which were not available to this Council), and for this report to include the full costs of bed and breakfast accommodation, hotels and hostels in the city;

- (ii) to approve the proposed actions to reduce the usage of bed and breakfast accommodation;
- (iii) to agree that the charge the Council pays to bed and breakfast proprietors, be reduced, subject to the approval of the Finance and Resources Committee; and**
- (iv) to approve in principle, the increase in the service charge for temporary accommodation (from £152 per week, to £300 per week), subject to the approval of the Finance and Resources Committee.**

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Future use of various Education, Culture and Sport properties

Additional Information from the Asset Management team

1. Asset Management and Finance understand that the concept of 'ring-fencing' capital receipts is not a universally agreed practice and would therefore not advocate its adoption as being contrary to current procedures and practise. As a corporate body and our assets should be seen as being for the good of the whole organisation and not favouring individual services. The ramifications of agreeing this process would potentially discriminate against those services that are not in a position to raise capital receipts and their resulting inability to make any capital investment.
2. In anticipation of a Report being submitted to Committee, the availability of each property was circulated to all Council Services and the North East Property Group. At this stage HRA has expressed an interest in Smithfield and Balgownie. Officers will return to this Committee with the outcome of discussions in due course. Potential RSL interest has also been noted.

The Asset Management team proposes the following action:

- Former Mile End School – to be marketed as a residential conversion/redevelopment opportunity.
- Former Craighill School - to be marketed as a residential redevelopment opportunity.
- Former Balgownie School – further discussions with HRA prior to being marketed as a residential redevelopment opportunity.
- Former Smithfield School - further discussions with HRA prior to being marketed as a residential redevelopment opportunity. An exercise to investigate demolition costs and a funding mechanism is currently being undertaken.
- Former Hilton Nursery & Community Centre – officers to progress negotiations with the NHS/District Valuer to surrender the NHS lease interest in part of the building. Once this is complete the site is to be marketed as a residential redevelopment opportunity.
- Grazing land adjacent to Airyhall House – officers to enter into discussions with adjoining landowner to promote potential residential scheme as a whole.

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DRAFT

EDUCATION, CULTURE AND SPORT COMMITTEE
18 NOVEMBER 2010

FUTURE USE OF VARIOUS OPERATIONAL PROPERTIES – ECS/10/093

The Committee had before it a report by the Director of Education, Culture and Sport which sought approval to declare various operational properties surplus to service requirements and remit them to the Finance and Resources Committee so that they could be declared surplus to the Council and disposed of on the open market.

The report noted that Councillors had previously discussed the principle of ring-fencing any capital receipts from the sale of educational establishments towards the implementation of the Learning Estate Strategy, particularly in relation to investment in new or refurbished schools. It was highlighted that the capital receipts were crucial to ensuring the delivery of the Learning Estate Strategy.

The report recommended:-
that the Committee:

(a) declare the following properties surplus to the requirements of the Education, Culture and Sport Service

- Former Mile End School
- Former Craighill School
- Former Balgownie School
- Former Smithfield School
- Former Hilton Nursery and Community Centre
- Grazing land adjacent to Airyhall House

(b) remit the properties to the Finance and Resources Committee on 2 December 2010 to have them declared surplus to Aberdeen City Council and to authorise the Head of Asset Management and Operations to instruct officers to commence the disposal process of these properties on the open market; and

(c) recommend to the Finance and Resources Committee that any capital receipts resulting from this report, and the disposal of any other educational establishments, be ring-fenced towards implementing the Learning Estate Strategy.

The Committee resolved:-

- (i) to approve the recommendations contained in the report; and**
- (ii) to note that there could often be a long delay between properties being declared surplus and their eventual disposal; to note the resulting security implications of buildings sitting empty for a great length of time; and to draw this delay to the attention of other Committees in an attempt to speed up the process where possible.**

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ABERDEEN CITY COUNCIL

COMMITTEE:	Education, Culture and Sport
DATE:	18 November 2010
DIRECTOR:	Annette Bruton
TITLE OF REPORT:	Future use of various operational properties
REPORT NUMBER:	ECS/10/093

1. PURPOSE OF REPORT

The purpose of this report is to seek approval from the Committee to declare various operational properties surplus to the service requirements and to agree their future use.

2. RECOMMENDATIONS

That the committee:

a) Declare the following properties surplus to the requirements of the Education, Culture & Sport service:

- Former Mile End School
- Former Craighill School
- Former Balgownie School
- Former Smithfield School
- Former Hilton Nursery & Community Centre
- Grazing land adjacent to Airyhall House

b) Remit the properties to the Finance & Resources Committee on 2 December 2010 to have them declared surplus to Aberdeen City Council and to authorise the Head of Asset Management & Operations to instruct officers to commence the disposal process of these properties on the open market.

c) Recommend to Finance and Resources Committee that any capital receipts resulting from this report, and the disposal of any other educational establishments, be ring-fenced towards implementing the Learning Estates Strategy.

3. FINANCIAL IMPLICATIONS

The disposal of these properties will generate future capital receipts for the Council. As the proposed sales will be at Market Value, there are no state aid implications.

Councillors have previously discussed the principle that any capital receipts received from the sale of educational establishments, could be ring-fenced towards the implementation of the Learning Estates Strategy, particularly in relation to investing in new or refurbished schools. This funding is a crucial element to ensuring the delivery of the Learning Estates Strategy.

No detailed valuation work has been undertaken on these properties as yet.

There will be future costs associated with marketing and holding these properties until disposal process is complete.

4. SERVICE & COMMUNITY IMPACT

Sales of these properties meet the single outcome agreement in relation to the efficient running of the Council and its property portfolio.

These potential disposals will assist in the redevelopment of vacant buildings/sites and will have wider economic benefits.

The subjects are due to be declared surplus, and, as such, there are no Equalities & Human Rights Impact Assessment factors.

5. OTHER IMPLICATIONS

There are no significant other implications in relation to the proposals, although ongoing property maintenance and legal resources will be required in the future to conclude the proposed sales.

6. REPORT

Education, Culture & Sport service have identified that the following properties are now surplus to their requirements and that their availability be referred to the Finance & Resources Committee to consider their future: (see Appendix 1 for plans of each property).

Former Mile End Primary School

Mid Stocket Road
Aberdeen
AB15 5LT

School now vacated for new 3R's school. The site comprises of a traditional three storey and attic granite building under a pitched slated roof and a former janitors house built 1901, extending in total to 34,000 sq ft, or thereby, and occupying a total site area of 1.28 acres, or thereby. The site has residential conversion potential and is identified as OP110 in the draft Local Development Plan.

Former Craighill School

Hetherwick Road

Kincorth
Aberdeen
AB12 5ST

School now vacated and previously used for decant of Beechwood School. The site comprises of a 1960's single and two storey building under a flat roof, extending in total to 16,800 sq ft, or thereby, and occupying a total site area of 3.8 acres, or thereby. The site has residential potential and is identified as OP73 in the draft Local Development Plan.

Former Balgownie School (Braehead)

Tarbothill Road
Bridge Of Don
Aberdeen
AB22 8RF

School now vacated and previously used for decant of Braehead School. The site comprises of a 1970's single storey building under a flat roof, extending in total to 15,300 sq ft, or thereby, and occupying a total site area of 1.6 acres, or thereby. The site has residential potential and is identified as OP8 in the draft Local Development Plan.

Former Smithfield School

Clarke Street
Northfield
Aberdeen
AB16 7XJ

School due to be vacated by October 2010 as part of 3R's project to the new Manor Park School. The site comprises of a 1950's single storey granite building under a flat roof, extending in total to 49,500 sq ft, or thereby, and occupying a total site area of 5.5 acres, or thereby. The site has residential potential and is identified as OP116 in the draft Local Development Plan.

Former Hilton Nursery & Community Centre

Hilton Avenue
Hilton
Aberdeen
AB26 4RE

Former Head Quarters for Great Northern Partnership and now vacant as part of the Community Centres review. The site comprises of a 1950's single storey granite building under a pitched roof, extending in total to 4,500 sq ft, or thereby, and occupying a total site area of 1.5 acres, or thereby. NHS Grampian have a lease for a small part of this building, which is used as dental clinic, and Asset Management officers are currently seeking a mutually agreeable conclusion to these arrangements. The site has residential potential and is identified as OP106 in the draft Local Development Plan.

Grazing land adjacent to Airyhall House

Northcote Crescent
Aberdeen
AB15 7TJ

Former grazing land once part of Airyhall House which was previously sold to Bancon Homes. The site comprises of grassland and woodland extending in total to 3.5 acres, or thereby. The site has residential potential and is identified as part of OP64 in the draft Local Development Plan.

In anticipation of a Report being submitted to Committee, the availability of each property has been circulated to all Council Services and the North East Property Group. To date there have been no specific expressions of interest in any of the properties.

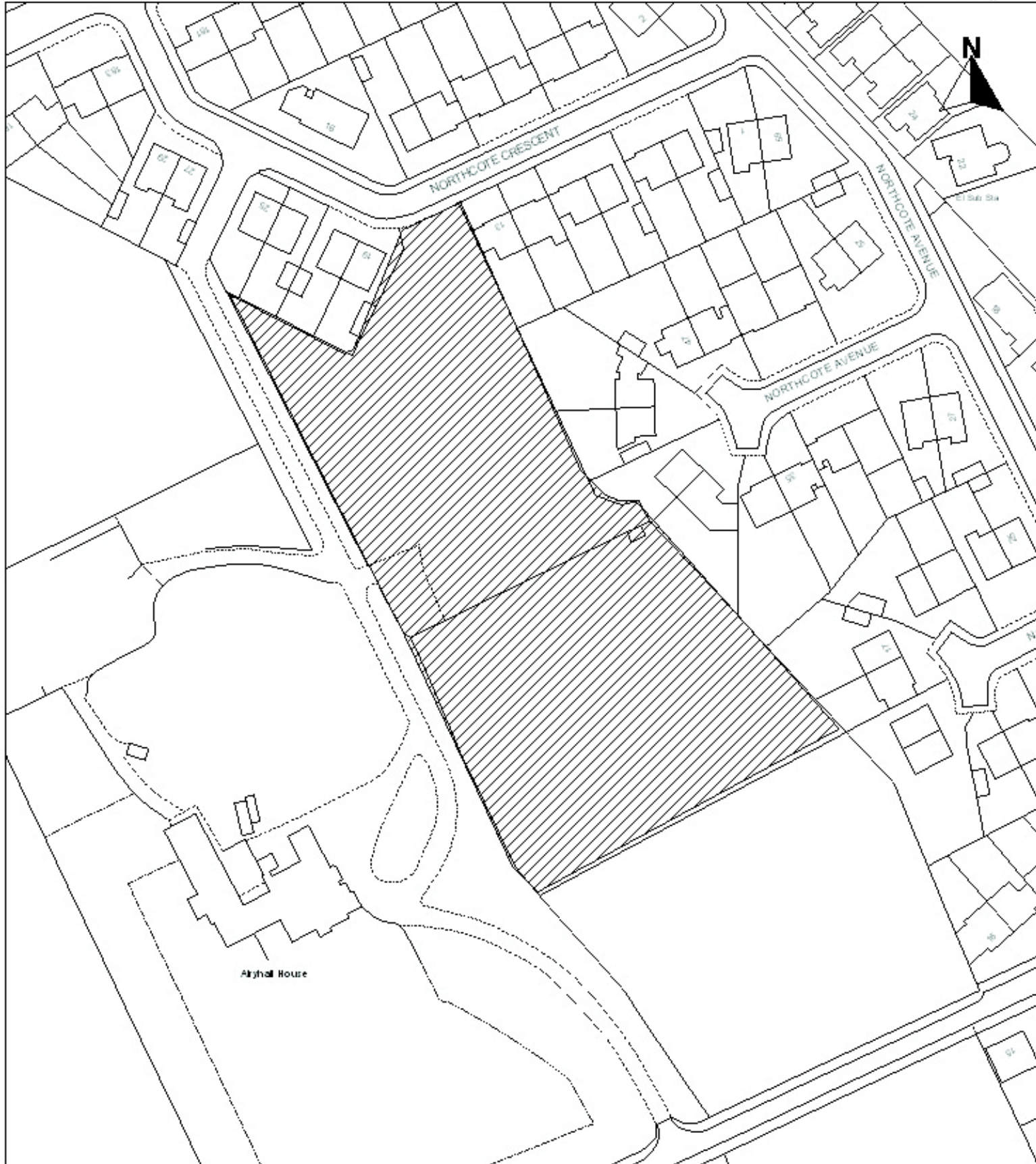
Accordingly, the Committee is now invited to approve the recommendation to declare these properties surplus, and to remit these properties to the Finance & Resources Committee on 2 December 2010.

7. REPORT AUTHOR DETAILS

David Wright
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8. BACKGROUND PAPERS

None



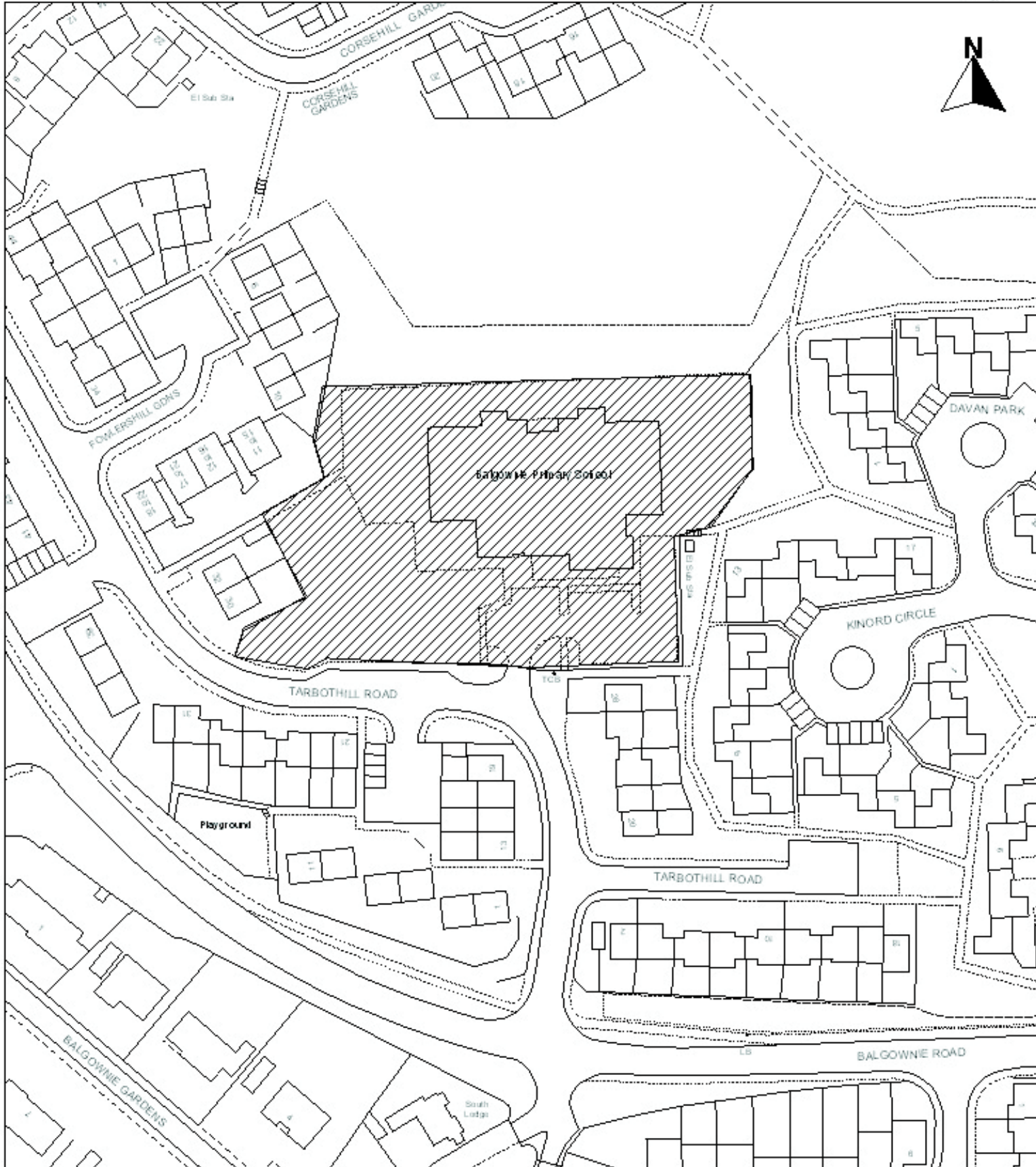
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Scale: 1:1250

Date: 13 October 2010

Map Ref: NJ9003NE





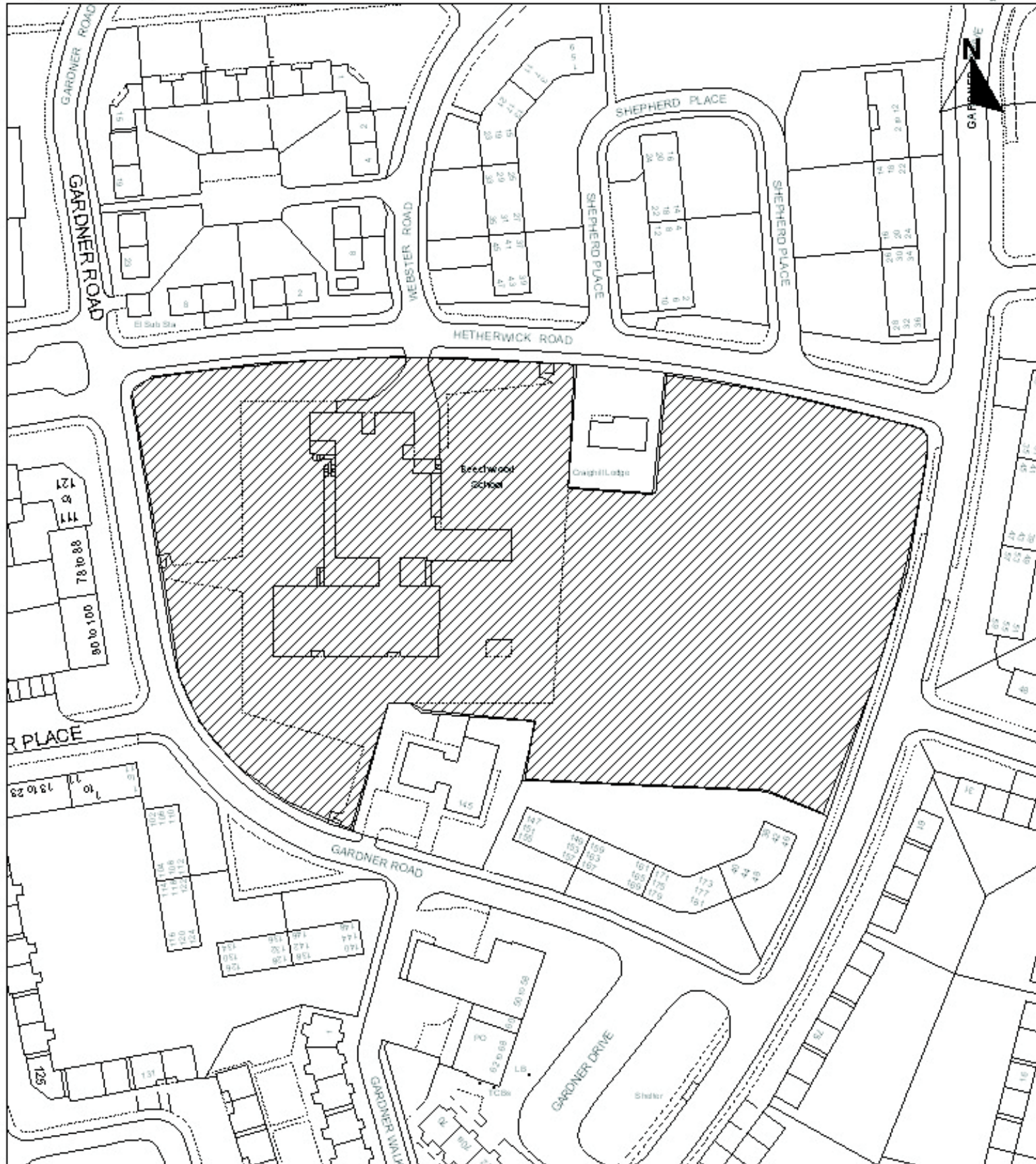
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Date: 13 October 2010

Map Ref: NJ9309NE





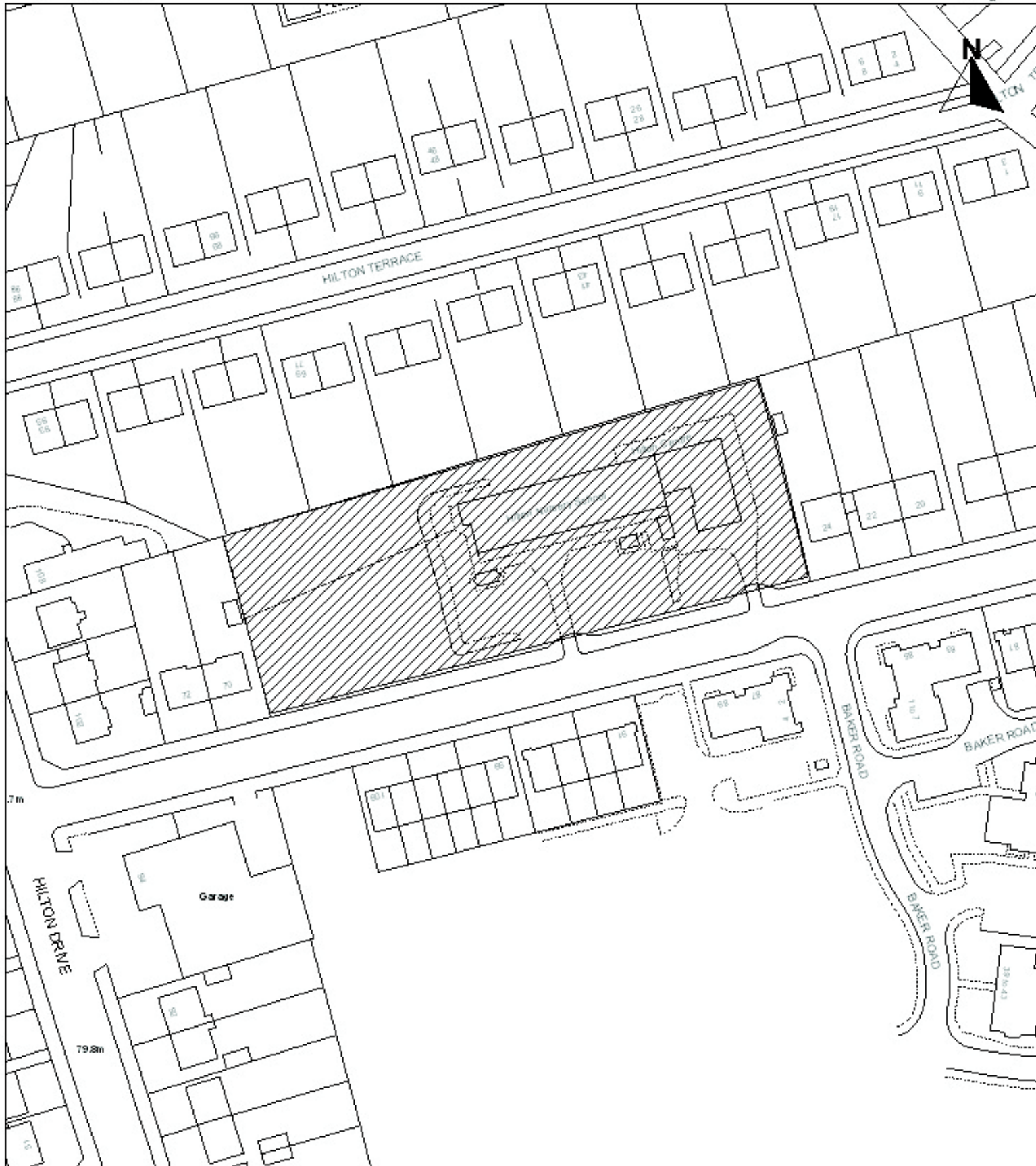
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Scale: 1:1250

Date: 13 October 2010

Map Ref: NJ9302NW





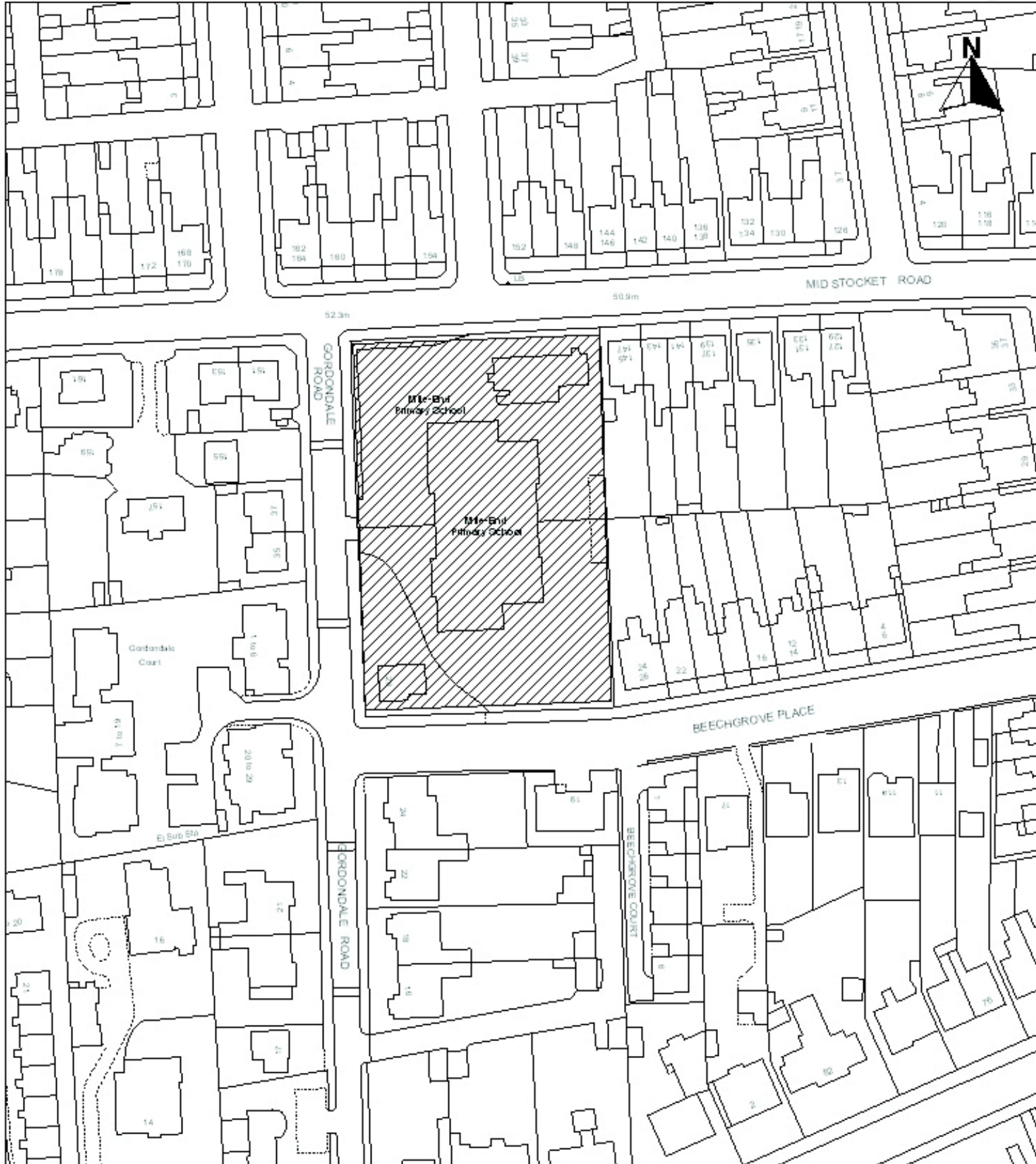
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Scale: 1:1250

Date: 13 October 2010

Map Ref: NJ9208SW





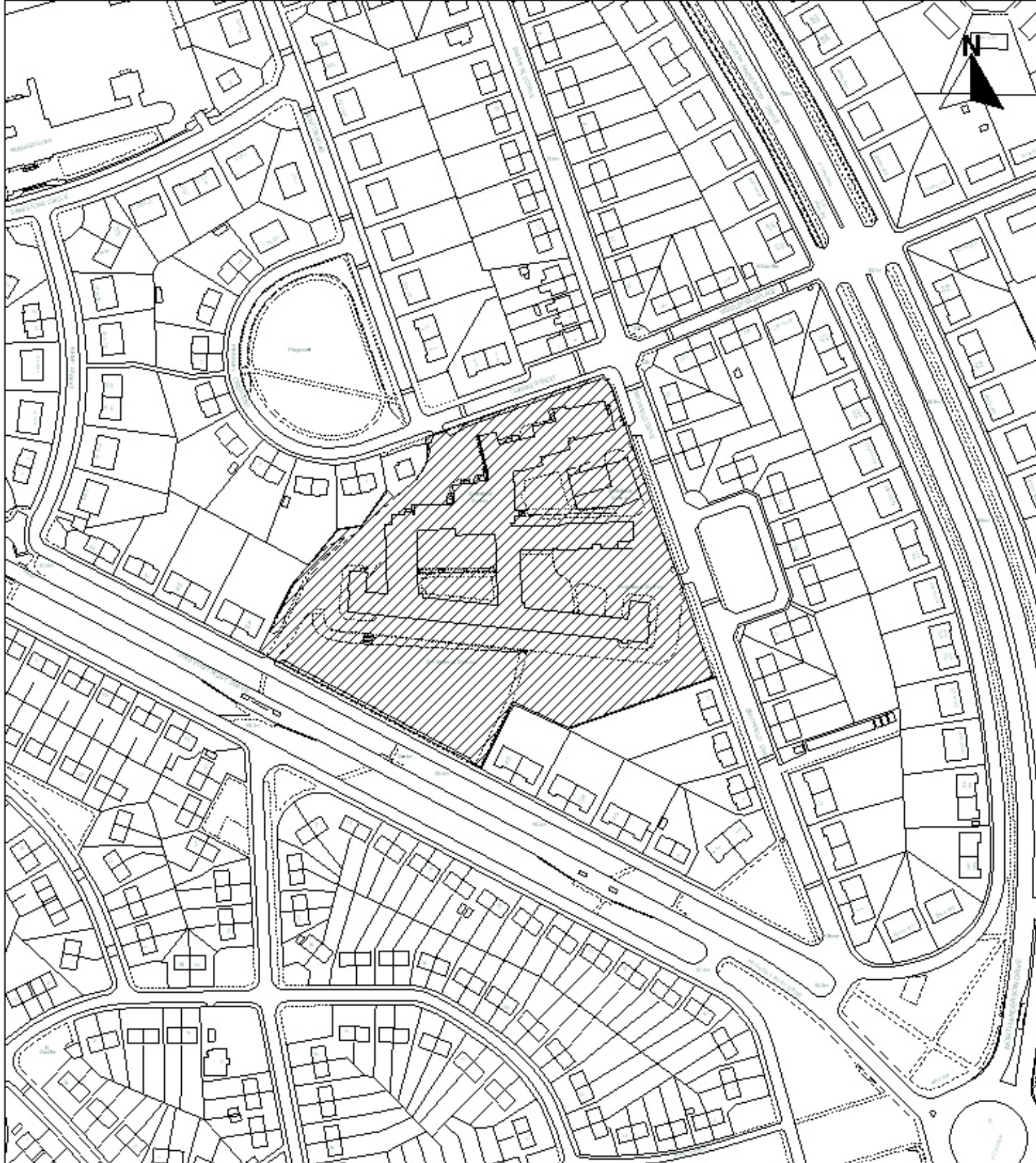
Title: Mile End Primary School AB15 5LT

Scale: 1:1250

Date: 13 October 2010

Map Ref: NJ9206SW





Title: Smithfield School AB16 7XJ

Scale: 1:2500

Date: 13 October 2010

Map Ref: NJ9108SW



DRAFT

SPECIAL EDUCATION, CULTURE AND SPORT COMMITTEE

28 OCTOBER, 2010

21ST CENTURY SECONDARY SCHOOL PROVISION

The Committee had before it a report by the Director of Education, Culture and Sport which detailed the outcome of the stakeholder engagement on the Learning Estate Strategy in relation to secondary school provision in the city. The report also provided options for the immediate and longer term provision and management of sustainable, cost-efficient and suitable educational secondary school facilities which were fit for the 21st Century.

The Committee, amongst other things, resolved:-

to recommend to the Finance and Resources Committee that any receipts generated from any Education, Culture and Sport property resulting from the agreements at today's Committee should be invested back to the Education, Culture and Sport estate.

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Future use of various Social Care and Wellbeing Properties

Additional Information from Asset Management Team

1. In anticipation of a Report being submitted to Committee, the availability of each property was circulated to all Council Services and the North East Property Group. At this stage no service or partner has expressed an interest in any of the properties.

2. **The Asset Management team propose the following action:**
 - Former Glamis Cottage - to be marketed as a residential redevelopment opportunity.
 - Former Burnside Centre - to be marketed as a residential redevelopment opportunity.
 - Former Dominies Road Hostel - to be marketed as a residential redevelopment opportunity.
 - Former Seaview Children's Home - to be marketed as a residential redevelopment opportunity.

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ABERDEEN CITY COUNCIL

COMMITTEE	Social Care & Wellbeing Committee
DATE	4 November 2010
DIRECTOR	Fred McBride
TITLE OF REPORT	Future use of various operational properties
REPORT NUMBER:	SCW/10/095

1. PURPOSE OF REPORT

The purpose of this report is to inform the Committee of various operational properties that are now surplus to the service requirements and to agree their future use.

2. RECOMMENDATION(S)

It is recommended that the Committee:

- a) Declare the following properties surplus to the requirements of the Social Care and Wellbeing service;
 1. Glamis Cottage, 30 Merkland Road, Aberdeen, AB24 3HY (Appendix 1)
 2. Burnside Centre, Mastrick Drive, Aberdeen, AB16 6UE (Appendix 2)
 3. Dominies Road Hostel, 3 Dominies Road, Aberdeen, AB16 5ED. (Appendix 3)
 4. Seaview Children's Home, 1 Seaview Road, Danestone, Aberdeen, AB23 8JL. (Appendix 4)
 5. Hillylands Centre, Croft Road, Aberdeen, AB16 6RB (Appendix 5)
- b) Remit the properties 1 to 4 to the Finance & Resources Committee on 2 December 2010 to have them declared surplus to Aberdeen City Council and to authorise the Head of Asset Management & Operations to instruct officers to commence the disposal process of these properties on the open market; and
- c) Note that the property 5, Hillylands Centre held on the General Account, be re-utilised by Education, Culture & Sport. This will be reported to the next Education, Culture & Sport Committee.

3. FINANCIAL IMPLICATIONS

The disposal of these properties will generate future capital receipts for the Council. As the proposed sales will be at Market Value, there are no state aid implications.

No detailed valuation work has been undertaken on these properties as yet.

The outstanding debt of £379,000 against the Hillylands Centre will be written off against the future receipt of Summerhill.

There will be future costs associated with marketing and holding these properties until disposal process is complete.

4. OTHER IMPLICATIONS

There are no significant other implications in relation to the proposals, although ongoing property maintenance and legal resources will be required in the future to conclude the proposed sales.

5. BACKGROUND/MAIN ISSUES

Social Care and Wellbeing service have identified that these properties are now surplus to their requirements and that their availability be referred to the Finance & Resources Committee to consider their future.

1. Glamis Cottage, 30 Merkland Road, Aberdeen, AB24 3HY. (App 1)
Ex SCWB Nursing Home. A traditional detached, three storey, stone building with modern extensions extending in total to 5000 sq ft, or thereby, fitted out as a 14 bedroom Care Home and occupying a total site area of 0.17 acres, or thereby. The property has been vacant since 31 March 2010 as a result of re-provisioning of the services provided as part of the 2010/11 budget setting process approved by Council in February 2010.
2. Burnside Centre, Mastrick Drive, Aberdeen, AB16 6UE. (App 2)
Ex SCWB Learning Centre. A traditional 1960's single storey, pitched roof property extending in total to 15000 sq ft, or thereby, previously used as a Learning Disability Day Centre, and occupying a total site area of 2.4 acres, or thereby. The property has been vacant since 31 May 2010 as a result of restructuring of Learning Disability Day Service as agreed by Council in December 2008.
3. Dominies Road Hostel, 3 Dominies Road, Aberdeen, AB16 5ED. (App 3)
Ex SCWB Care Home. A traditional 1970's single storey, pitched roof property extending in total to 4800 sq ft, or thereby, previously used as a Residential Care Unit and occupying a total site area of 0.75 acres. This property have been vacant since 31 March 2010 as a result of restructuring of Learning Disability Residential Units as part of the 2010/11 budget setting process approved at Council in February 2010.

4. Seaview Childrens Home, 1 Seaview Road, Danestone, Aberdeen, AB23 8JL. (App 4)
Ex. SCWB Children's Home. A traditional 1970's two storey, detached, pitched roof property extending in total to 2683 sq ft, or thereby, previously used as a Residential Care Unit and occupying a total site area of 0.2 acres. This property has been vacant since February 2010 and the lease to the operator expired April 2010. A building survey report in late 2009 identified a large crack in the wall, which did not result in immediate closure but made the building subject to 3 monthly inspections. The operator stopped taking new referrals around December 2009

5. Hillylands Centre, Croft Road, Aberdeen, AB16 6RB. (App 5)
Ex SCWB Learning Centre. A 1980's single storey, pitched roofed property extending in total to 3700 sq ft, or thereby, previously used as a Community Special Needs Group centre and occupying a total site area of 0.52 acres, or thereby. The property has been vacant since 31 may 2010 as a result of restructuring of Learning Disability Day Service as agreed by Council in December 2008. Education, Culture & Sport are undertaking an options appraisal as part of the Summerhill decant exercise and this property has been identified as a suitable option.

In anticipation of a Report being submitted to Committee, the availability of each property (Seaview circulated October) was circulated to all Council Services and the North East Property Group in June 2010. To date Education, Culture & Sport have shown an interest in Hillylands as a potential location for part of the Summerhill decanting process.

Accordingly, the Committee is now invited to approve the recommendation that the Director of Social Care and Wellbeing be authorised to declare these properties surplus, to enter into discussions to transfer the Hillylands Centre to the Education, Culture & Sport account. and to remit these properties to the Finance & Resources Committee 2 December 2010.

6. IMPACT

Sales of these properties meet the single outcome agreement in relation to the efficient running of the Council and its property portfolio.

These potential disposals will assist in the redevelopment of vacant buildings/sites and will have wider economic benefits.

The subjects are due to be declared surplus, and, as such, there are no Equalities & Human Rights Impact Assessment factors.

7. BACKGROUND PAPERS

There are no background papers for this report.

8. REPORT AUTHOR DETAILS

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DRAFT

ENTERPRISE, PLANNING AND INFRASTRUCTURE COMMITTEE

9 NOVEMBER, 2010

MOTION BY COUNCILLOR JOHN WEST – PAVEMENT CAFÉS - EPI/10/195

With reference to article 16 of the minute of the meeting of the Council of 19 May, 2010, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure in response to the following notice of motion submitted by Councillor John West:-

“In order to promote the café culture, the Council should organise a meeting with representatives of the restaurant and café trade, planning, licensing and road officials with a view to identifying and removing barriers for successful pavement seating.”

The report advised that the Council supported and encouraged the provision of pavement cafés in the city as they made a positive contribution by adding vitality, colour, life and interest to the streetscene. However, it also highlighted that whilst the provision of street cafés was encouraged, it was important that they were properly administered and managed to ensure that they met the high standards expected in the city. In particular they should not obstruct the footway or create a hazard for pedestrians especially for blind, partially sighted and other disabled people and they should also be attractive areas to sit in. To assist in making decisions for granting permissions for chairs and tables, outside premises on the public highway a Pavement Cafés Design Guide was developed and approved by the Council.

In terms of the Pavement Cafés Design Guide, it was highlighted that prior to operating a pavement café the document identified two permissions that were required by the Council which appeared to be the main barriers identified by the trade, namely:- (1) planning approval, and (2) road permit.

Firstly, in terms of planning approval, it was advised that a pavement café required planning approval under the Town and Country Planning (General Permitted Development) (Scotland) Order 1992 Part 4 – Temporary Buildings and Uses (Class 15). The Planning Service interpreted this part of the order as planning permission was required for any of the following aspects in relation to a pavement café:-

- (a) pavement cafés which comprise furniture which was permanent or not readily moveable;
- (b) pavement cafés which were in operation for more than twenty-eight days in total in any calendar year; and
- (c) pavement cafés which were stand alone activities and not associated with existing premises if in use for more than twenty-eight days in total in any calendar year.

Planning permission was not required if the café was on private land which already had permission for the use. The cost of a planning application at present was £319 and there was an additional cost of £60 for an advert if the premises were licensed. Enquiries to other local authorities indicated that there was no consistent approach but the Planning Service maintained that the Council were unable to waive the requirement for planning and/or the application fee as this was national legislation and the Council were legally obliged to continue with the procedure.

Secondly, in relation to the road permit, it was advised that it was necessary to obtain the approval of the Road Authority for placing of tables and chairs on the public footway. This was to ensure that the lay-out of the tables and chairs did not cause an obstruction to pedestrians in accordance with Section 59 of the Roads (Scotland) Act. At present the cost of obtaining a road permit was £150 annual administration fee plus £25 per chair paid annually. It was estimated that an average application should take approximately four to five hours to progress including a site visit and as such there was a cost implication to the Council of approximately £100 in salaries.

The report provided a detailed overview of the comments received following consultation on this matter and also of other issues which had arisen from the current policy. A copy of the Council's Pavement Cafés on the Public Footway policy was appended to the report.

The report recommended:-

that the Committee note the contents of this report and if considered necessary to instruct officers to review the policy document for the placing of tables and chairs on the public footway.

The Committee resolved:-

- (i) **to modify the annual road permit administration fee from £150 to £100 for up to 24 chairs; to refer this matter to the Finance and Resources Committee for approval, and that otherwise the policy and charges remain;**
- (ii) to request officers to review and refresh the wording of the current policy in terms of plain English and conciseness; and
- (iii) to request officers to write to the Scottish Government to advise that although the Committee was aware of forthcoming consultation in this regard they wished, at this time, to request that the Scottish Government consider reducing the existing administrative requirements for pavement cafés in terms of planning.

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning & Infrastructure
DATE	09 November 2010
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Pavement Cafés Notice of Motion by Councillor John West
REPORT NUMBER:	EPI/10/195

1. PURPOSE OF REPORT

At the Council Committee on 19 May 2010 Councillor John West raised a Motion that

“In order to promote a café culture, the Council should organise a meeting with representatives of the restaurant and café trade, planning, licensing and road officials with a view to identifying and removing barriers to successful pavement seating”.

This report is in response to that Motion.

2. RECOMMENDATION(S)

It is recommended that the Committee note the contents of this report and if considered necessary to instruct officers to review the policy document for the placing of tables and chairs on the public footway.

3. FINANCIAL IMPLICATIONS

There is a cost for an application for the placing of tables and chairs on the public footway. There is the cost of a planning application and also a cost for a road permit. These costs are explained further in this report.

4. OTHER IMPLICATIONS

It is an offence under the Roads (Scotland) Act to place an obstruction on the public footway without the permission of the Road Authority and the Road Authority must ensure that the obstruction is not causing any health and safety issues especially to people with a disability. People sitting at tables and chairs on the footway may also create a noise disturbance to neighbouring properties.

5. BACKGROUND/MAIN ISSUES

Aberdeen City Council supports and encourages the provision of pavement cafés in the City as they make a positive contribution by adding vitality, colour, life and interest to the street scene. They can help maximise the use of public spaces, aid the local economy and add to the facilities offered to people who visit, live and work in Aberdeen.

However while the provision of street cafés is encouraged it is important that they are properly administered and managed to ensure that they meet the high standards expected in Aberdeen City. They should not obstruct the footway or create a hazard for pedestrians especially for blind; partially sighted and other disabled people and they should also be attractive areas to sit in.

To assist in making decisions for granting permissions for chairs and tables to be placed outside premises on the public highway a Pavement Cafés Design Guide was developed and approved by Council which laid down the various conditions for operating a pavement café to ensure that the Council's standards are complied with for health, safety and environmental reasons. The design guide was introduced in 2001 and served the situation well at that time but had to be revised several times to reflect the changing conditions. Tables and chairs outside pubs and cafés for the serving of food and drink became increasingly popular especially during the summer months and various venues were seeking to meet the demands of the public for such facilities. The legislation banning smoking in confined public spaces further increased the number of applications. There were also a number of premises which operated pavement cafés which did not have the required permission from the Council and many of these were not in accordance with the policy document.

Following a Notice of Motion from Councillor R Clark a working group was set up to revise the policy document and the present document was approved by the Environment & Infrastructure Committee on 22 March 2007. It is understood that in the original policy document planning approval was not considered a requirement for pavement cafés and applications were processed only by Roads. However during consultation on the document at that time it was pointed out by Legal Services and Planning that planning was required and this was incorporated into the revised document.

Prior to operating a pavement café the policy document identifies two permissions that are required from the Council and these appear to be the main barriers identified by the Trade.

Planning Approval :

The Planning Service advise that a pavement café requires planning approval under the Town and Country Planning (General Permitted Development) (Scotland) Order 1992 Part 4 – Temporary Buildings and Uses (Class 15) which refers to permitted development for “the use of land (other than a

building or land within the curtilage of a building) for any purpose, except as a caravan site or open air market, on not more than 28 days in total in any calendar year, and the erection or placing of immovable structures on the land for the purpose of that use”

The Planning Service interprets this as planning permission is required for any of the following :

- a) Pavement cafés which comprise furniture which is permanent or not readily moveable.
- b) Pavement cafés which are in operation for more than 28 days in total in any calendar year.
- c) Pavement cafés which are stand alone activities and not associated with existing premises if in use for more than 28 days in total in any calendar year.

Planning permission is not required if the café is on private land which already has permission for the use.

The Legal Service confirms that in their opinion a planning application is required for the installation of tables and chairs on the public footway.

The cost for a planning application is at present £319 and there is an additional cost of £60 for an advert if the premises are licensed. Enquiries to other local authorities indicate that there is no consistent approach but the Planning Service maintain that the Council are unable to waive the requirement for planning and/or the application fee as this is national legislation and the Council are legally obliged to continue with this procedure.

Road Permit :

Following planning approval it is also necessary to obtain the approval of the Road Authority for the placing of tables and chairs on the public footway. This is to ensure that the layout of the tables and chairs do not cause an obstruction to pedestrians in accordance with Section 59 of the Roads (Scotland) Act.

The cost of obtaining a road permit is £150 annual administration fee plus £25 per chair paid annually. This cost was agreed by Committee when approving the policy document and also includes an element for the rental of part of the public footway in line with the Council’s rules on street trading.

It is estimated that an average application should take approximately 4-5 hours to progress including a site visit and so there is a cost implication to the Council of approximately £100 in salaries.

Trade Consultation

The Licence Trade and the traders at the Beach have been consulted and useful discussions took place.

Both organisations feel that the requirement for planning permission is unreasonable due to the expense involved. They are all willing to accept that planning permission should be required for a large outdoor area and suggest that if planning is deemed necessary then it should be relaxed so that applications for tables to accommodate up to 24 chairs do not require a planning application.

Consultees also feel that the cost of the Road Permit is excessive. However they acknowledge that there should be a cost and suggest an annual fee of £100 would be more appropriate for all applications.

Another issue raised by the Traders related to only allowing the name of the premises as advertising on the enclosures or parasols. They often receive offers from suppliers to provide these items but these will bear the name or logo of the supplier. If these offers can be accepted this will save the applicant a considerable sum of money and they would ask that this condition be removed. However they acknowledge that it should be restricted to discreet advertising by suppliers and not used for general advertising.

Whilst the Traders generally accept the rest of the policy document they consider it to be rather over officious and not user friendly. They feel that it could be condensed with less jargon but still carry the same authority. A copy of the policy is attached for information.

At present Roads officers are continually serving notices on pavement cafés without the required permission and advising the owners of the procedure to obtain approval. However this is generally ignored but to date Roads Service have not used the ultimate sanction of removing the tables and chairs from the area and charging the owner for the costs involved in accordance with the Roads (Scotland) Act due to the sensitive nature of the matter and adverse publicity that this may attract. The Trade feel that owners perhaps do not co-operate at present due to the reasons that they have identified but are confident that if a more reasonable cost is introduced they will be able to exert pressure on all their members to conform to the policy accordingly. This support by the Trade would also make it easier to enforce for Council officials and rationalise the system at present in operation where some premises are paying the full cost for tables and chairs whereas many are ignoring the existing policy.

Other Issues

The policy document requires that the layout of the pavement café must be agreed with roads officers and applicants are encouraged to discuss the layout prior to submitting a planning application. The size and layout of a pavement café depends on the characteristics of the site, the space available, the street furniture and type of premises. However there are a few fundamental principles to follow which generally relate to the passage of pedestrians in and around the area including wheelchair users and buggies and also ensuring that the pavement café does not obstruct the visibility for

drivers and road signs. The visual impact of the pavement café is also taken into consideration. However the Beach traders feel that there could be more flexibility at the beach where there is a wide footway in front of the premises and you would expect tables and chairs to be on the footway at this location.

Other conditions contained in the policy document generally refer to legal, safety, health and safety issues and include :

- The pavement café should not extend beyond the width of the frontage of the main property without the permission of the adjacent owners. It should also be located in an area directly in front of and visible from the main premises.
- Alcohol must be purchased from within the main premises and carried out to the pavement café by the customer. It is the responsibility of the applicant to ensure that the license held allows for the consumption of alcohol off the premises.
- The permit holder will be responsible for the control of customers using the pavement café and if there are breaches of this condition then the permit may be withdrawn. Music whether amplified or not will not be permitted to avoid any nuisance to any residents or businesses in the vicinity or to any other users of the footway.
- The permit holder is responsible for the cleanliness of the pavement café at all times. All tables must be cleared of all uneaten food, used crockery, etc and properly cleaned of spillage immediately customers vacate them. Any food spillage must also be removed and the area washed immediately. All tables and chairs and other equipment must be properly maintained and kept in a clean, tidy and safe condition at all times and removed overnight for storage off site.
- Pavement cafés will not be permitted to open later than 10.30 p.m. although this may be extended if the normal closing time of the premises has been extended with permission of the licensing board for a special event in the City.

These conditions are all considered reasonable for the safety and benefit of customers and the public and are generally accepted by the Trade.

The main issue is the cost of an application for a pavement café and the requirement to have to obtain planning permission. Where there is some flexibility to review and revise the charges for the roads permit, advice from Legal Services and Planning would indicate that the planning approval and cost cannot be avoided. The Trade representatives who were consulted have intimated their agreement to an annual fee of £100 for tables to accommodate up to 24 chairs and planning should only be required for larger areas.

6. IMPACT

The Council aims to deliver “a city which is vibrant, dynamic, forward looking – an even better place to live and work, where people can expect high-quality services that meet their needs”. Pavement cafés make a positive contribution by adding vitality, colour, life and interest to the street scene. They can help maximise the use of public spaces, aid the local economy and add to the facilities offered to people who visit, live and work in Aberdeen.

7. BACKGROUND PAPERS

Copy of the existing Design Guide for Applicants for Pavement Cafés on the Public Footway

9. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

PAVEMENT CAFÉS ON THE PUBLIC FOOTWAY

ROADS (SCOTLAND) ACT 1984 – SECTION 59

A Design Guide for Applicants

1. Introduction

Aberdeen City Council supports and encourages the provision of pavement cafés in the City, as they make a positive contribution by adding vitality, colour, life and interest to the street scene. They can help maximise the use of public spaces, aid the local economy and add to the facilities offered to people who visit, live, and work in Aberdeen.

Whilst the provision of street cafes is encouraged, it is important that they are properly administered and managed to ensure that they meet the high standards expected in Aberdeen City. They should not obstruct the footway or create a hazard for pedestrians, especially for blind, partially sighted and other disabled people.

This guide is intended to help businesses understand where pavement cafés might be encouraged, the permissions needed from the Council and others and how applications will be assessed. Although each application will be considered on its merits this guide contains key points which must be considered in every case.

Should you wish to establish and operate a pavement café outside your premises please read this guide thoroughly to check that your proposal meets all the criteria. Council officers will also be pleased to offer advice with your application.

Pavement café permits will only be issued to cafes, restaurants, public houses or other catering establishments that serve food and drink within the premises, as covered by the existing licence, and employ sufficient staff to provide table management to the outside area. Alcohol may be consumed at the pavement café only if permitted under the terms of the applicant's liquor licence.

2. Legislative Requirements

For the purpose of this guide pavement cafés are considered to be tables and chairs placed on the footway where food and drink can be consumed by customers.

Before agreeing to permit a pavement café on a footway, the Council must ensure that the public's rights to use the footway are not detrimentally affected, and would also need to consider the impact of a pavement café on neighbouring activities, in particular whether there is likely to be an impact on residential amenities.

The Council's policies and standards also need to be complied with for health, safety and environmental reasons.

The guide relates only to the possible establishment of a pavement café on a footway (cafés on private land are not covered by this guide. They do not need a pavement café permit, although they will require planning permission). You should check with the Council to establish the status of the land in question. Land which you consider to be private may in fact have the status of a footpath if the public have enjoyed access over it for at least twenty years or if the Council have formally adopted the land.

Before proceeding it would be wise to check with Regulatory Services and if any permissions are necessary see Contacts Section at the end of the guide.

3. Permissions Required

Permissions to use the Footway for pavement cafes are granted by the issue of permits by the City Council as the Roads Authority under **Section 59 of the Roads (Scotland) Act 1984**. **Tables and chairs placed on the Footpath without permission are an illegal obstruction and the Council will take enforcement action in such cases.**

A proposal to extend the pavement café beyond the width of your own frontage also needs the express written consent of any other interested frontagers who are affected by the proposal.

Planning permission will also be required if the pavement café is to be in use for more than 28 days in any calendar year.

Permanent fixtures such as canopies will require planning permission.

4. Designing the Pavement Café - Size and Layout

To a large extent the size and layout of your proposed pavement café will depend upon the characteristics of the site outside your premises, the space available, the street furniture, the type of premises, etc. Ideally it should be seen as an integral part of the main premises rather than an unrelated after-thought. There are however a few fundamental principles to follow.

The pavement café should generally occupy an area **directly** in front of and be visible from your existing premises.

The needs of other users of the footway should be taken into account e.g. pedestrians, trades people, adjacent businesses etc. Be a good neighbour !

A clear pedestrian route of at least 2.0 metres must be maintained between the kerbline and the pavement café boundary. Where this is not possible applications will be deemed to be unsuitable and refused. In areas of very high pedestrian flow it may be necessary to leave a clear route of greater than 2 metres in width. It must be clearly understood that even when these dimensions are available the footway may not be suitable for occupancy as a pavement café.

Depending on the scale of the pavement café and its location, it may be necessary for an application to be accompanied by a pedestrian/disabled audit, which can be supplied by a qualified member of the Royal Society for the Prevention of Accidents.

In pedestrianised areas the pavement café boundary should be **a maximum** of 4 metres from the building line.

No structures or signs will be allowed outside the designated area, the presence of tables and chairs should never discourage pedestrians from using the footway.

Emergency exit routes from your own and adjacent buildings should not be obstructed by the street café and emergency service vehicles must have access along all streets at all times, even in pedestrianised streets.

It is not appropriate to set a standard size for pavement cafés. Each application will be evaluated on its merits taking account of the site characteristics, the space available and the proposed layout.

The layout of the café's furniture and means of enclosure must provide adequate access and circulation space for all customers including wheelchair users and those with push chairs, buggies, etc.

Tables and chairs should not be located where they will impede drivers, sight lines or obscure footway signs.

The area to be used must allow for other requirements such as kerbside parking, bus stops, pedestrian crossings and access to inspection chambers.

When designing the pavement café you should consider whether :

your existing toilet and washing facilities are adequate to accommodate any increased customer numbers;

and is the pavement café seating provision of appropriate proportions to that of the internal – it should ideally not be of a greater proportion than 25% of the interior seating provision.

The pavement café should not adversely affect the architectural or historic character of a listed building or its setting or the conservation area in which it is located.

If it is intended to operate the café during the hours of darkness the applicant should consider the level of lighting in the proposed café area. Whilst this may be perfectly adequate for a footway it may need supplementing to allow your café to operate safely. If it is proposed to attach the lighting to the building, consent may be needed if the building is listed.

5. Boundaries

Once the size and layout of a pavement café is agreed it is important that it is adhered to at all times. All activities associated with the café must be contained within the agreed boundary including all tables, chairs, parasols, planters, barriers/fencing etc.

In all instances, unless it is inappropriate or impracticable, you will have to provide a portable means of enclosure for the pavement café area such as barriers or planters. These should be stable and sturdy, e.g. colourful canvas separators on metal uprights, not contain protruding parts and have a tapping rail. Ropes or chains do not provide sufficient positive guidance for the blind and visually impaired and therefore are not considered suitable. Limited advertising may be permitted on the enclosures but will be restricted to the name of the café only. They must not be used to advertise services or products sold, but can contain the premises title and logo, and proposed details should be provided with the application.

When the area of a pavement café has been agreed a definitive plan of the area showing the boundaries and the dimensions will be attached to, and form part of, the Permit. **A copy of the Permit and plan must be kept on prominent display on the premises at all times and be available for inspection.**

6. Furniture

This guide does not wish to define a standard style of furniture for pavement cafes but **the furniture should be of a high quality, uniform in style, capable of being moved in and out of premises, and should not detract from the surrounding architecture.** Plastic, garishly coloured or picnic style equipment is not suitable and will not be approved. Only

furniture approved by the Council may be used. The Council reserves the right to reject applications where inappropriate furniture is proposed.

When choosing your furniture you should have regard to the footway surface on which it will stand. Uneven or sloping surfaces may require more sturdy styles of furniture and tables and chairs with narrow or thin legs may cause damage to certain paving.

Full details, including metric dimensions, materials and colours, of proposed furniture, ideally accompanied by photographs, illustrations or drawings, will be required as part of the application.

At least one children's high chair should be available for customers to use within the street café.

Please Note: If planters are to be used within your permitted area, these MUST be well maintained with a vibrant array of bedding plants/flowers. If planters are noted poorly maintained, without plants, or contain litter, cigarette stubs, glass products, the Roads Authority will request their removal with immediate effect.

If you intend to use parasols, they must not be attached to the building. You will be required to use the large heavy-duty commercial type, fitted with wind flaps, and be tested to withstand up to force 8 gales. Garden style umbrellas are not acceptable and bright, garish or reflective colours should be avoided. Their metric dimensions, materials and colour must be specified as part of the application and their proposed locations shown on the site layout plan. Parasols, when opened, should be safely secured and contained entirely within the boundaries of the pavement café to ensure they do not cause an obstruction or present a danger to any user of the pavement café or any other users of the footway. If heating or lighting is to be provided it is recommended that it should be electrical and attached to inside of the parasol, in a safe manner.

All items which constitute a Pavement Café must be readily portable by staff and are to remove at the close of business each day or at any time if required in an emergency.

The only advertising permitted on parasols is the name of the café. Such advertising must not be too dominant and should not detract from the appearance of the building and its setting, especially in conservation areas. Parasols advertising food, drink or other products will not be allowed.

Canopies, awnings, blinds etc. which are to be attached to the building will require advertisement consent or planning permission. Advice should be sought from Planning Services.

If you intend to use space heaters, their metric dimensions materials and colour must be specified as part of the application. **You will also be required to submit a formal risk assessment as required by the Management of Health and Safety at Work Regulations 1999 in support of your application.** This should be carried out by a competent person i.e. someone who has knowledge of the law, British Standards, and Health and Safety Executive Codes of Practice and Guidance. In considering an application, the Council will have regard to the inherent safety of the equipment, its location, storage of Liquid Petroleum Gas Cylinders, maintenance and training arrangements. The City Council will consider the adequacy of the risk assessment which must :

- Identify the hazards e.g. fire, explosions, burns, impact from falling equipment/cylinders
- Decide who may be harmed and how
- Evaluate the risks and decide whether proposed precautions will be adequate or whether more could be done
- Record findings, review assessment and revise on an annual basis or more frequently if the situation requires it e.g. a significant change in equipment, etc.

7. Managing the Pavement Café Service

Alcohol must be purchased within the premises for consumption outside. Advice on this may be sought from the Licensing Board, however it is the responsibility of the applicant to be aware of whether or not the licence held allows for the consumption of alcohol off the premises. The permit holder will be held responsible for the control of customers using the pavement café, discouraging disorder. They must ensure that their customers are informed that they must remain within the boundaries of the pavement café, when in possession of alcohol, otherwise they are in contravention of the bylaw that bans drinking alcohol in public places. Where there is evidence of continuous breaches of this, the permit will be withdrawn.

The crockery or cutlery used in pavement cafés should be of good quality and a uniform style. Menus should be readily available either at the tables or on request.

It is a requirement of the Council that customers are able to purchase **food only** at pavement cafes at all times. This is intended to create a relaxed and sociable European style of eating and drinking that will appeal to a wide range of customers.

The pavement café area is to be used only for the service and consumption of food and drink. Food and drink must not be stored or prepared outside the normal premises, as there may be difficulties with temperature control and a risk of contamination. It is imperative that good food hygiene practices are followed at all times.

The use of barbecues, rotisseries, ice cream machines, drinks machines or any other equipment for the preparation and/or sale of food and drink for consumption off the premises will not be permitted within the pavement café area.

All the food and drink which is consumed within the pavement café area should be ordered and purchased from within the existing premises.

All notices required in terms of Consumer Protection/Environmental Health legislation must be displayed in accordance with the requirements of the law. Further advice is available from the Commercial /Trading Standards Service.

All tables must be cleared of all uneaten food, used crockery, cutlery etc. and properly cleaned of any spillage immediately customers vacate them.

Any food spilt on the Footway must be removed immediately and the area washed immediately. This will minimise the likelihood of birds and/or vermin scavenging in the area.

If birds roost on buildings or in trees adjacent to the pavement café, applicants must provide parasols to cover the area of the tables and chairs in order to minimise the risk of food contamination.

8. Site Cleanliness

The permit holder will be responsible for the cleanliness of the pavement café area at all times. Care should also be taken to ensure that litter does not stray or get blown further afield. An area of approximately five metres around the site should be kept clear of any stray or wind blown litter from the café.

The area should be swept when necessary to keep it clear of litter and refuse. Spillage and breakage, especially of glass and crockery, should be cleared up immediately. Care must be taken to avoid nuisance to customers and to ensure that hazards are not created during this work. **The café area should be thoroughly washed at the end of each trading day.**

There must be at least one suitable litter bin and one suitable smoking bin provided within the café area at all times of operation. Wheelie bins are not suitable for this purpose.

If smoking is permitted in the pavement café each table should be provided with an ashtray which should be emptied each time the table is cleared. If smoking is not permitted a "No Smoking" sign should be placed on each table. **At the end of each day all discarded cigarette stubs must be cleared.**

All tables and chairs and other equipment must be properly maintained and kept in a clean, tidy and safe condition at all times, and removed overnight for storage off site.

Failure to comply with the cleaning requirements will jeopardise renewal of the permit. Failure to comply with them at the end of the day may result in the Council carrying out the work for which the permit holder will be charged.

9. Good Citizenship

It will be the responsibility of the permit holder to ensure that the pavement café is operated in accordance with these guidelines and the conditions of the permit. The pavement café should be managed and maintained to the same standards as the interior of the premises.

The pavement café must be operated in a safe and efficient manner ensuring that there is no safety risk or nuisance caused to other users of the footway or nearby premises.

The pavement café area should be kept under supervision at all times of its operation and all patrons/customers should be seated at all times. Patrons/customers are not permitted to drink whilst standing in the café area.

The Council will not permit any fixtures to or any excavation of any kind to the surface of the footway.

Every effort should be made to avoid causing damage to the Footway or adjacent property. The cost of rectifying any damage to the footway surface or to street furniture caused by any activity connected with the pavement café operation may be recharged to the permit holder. Grampian Police will be consulted on all pavement café applications.

The permit holder is responsible for the satisfactory conduct of people within the pavement café. Rowdy or unruly behaviour may lead to the suspension or termination of the permit.

Music, whether amplified or not, will not be permitted to avoid nuisance to any residents or businesses in the vicinity or to any other users of the footway.

The permit holder will be required to indemnify the Council against all actions, demands, costs, charges or expenses arising from using the footpath under the permission granted. The Council will, therefore, require the permit holder to take out third party public liability insurance in the sum of at least £5,000,000 with an insurance company of repute to be approved by the Council. **Details of the third party liability insurance should be enclosed with the pavement café permit application.**

Granting a permit to operate a pavement café does not imply an exclusive right to the area. The operator of the café should be aware that the Council reserves the right to gain access to the café area for cleaning, repairing and maintaining the footway or street furniture. Other organisations, such as statutory undertakers, may also require access for maintenance and repair of their equipment. The Council therefore reserves the right to suspend the permit temporarily if, for any reason, it becomes necessary.

The Council will not allow any wheeled refuse containers, beer kegs, bottle crates, A-boards or advertising signs or any other unsightly or unapproved items to be placed on or adjacent to the pavement café area. The Council will need to be satisfied that applicants have made satisfactory arrangements for the storage and collection of all refuse associated with their business. The Council reserves the right to refuse a permit to any applicant who has not

made suitable arrangements for the internal storage and collection of refuse and to withdraw the permit if the approved arrangements are not adhered to.

10. Hours of Operation

Pavement cafes will not be permitted to remain open later than 10:30pm. This may be extended if the normal closing time of the premises has been extended with permission from the licensing board for **a special event in the City**. The proposed hours of operation will need to be included on your application. **All furniture, etc is to be removed and the pavement café area swept and washed within 30 minutes of the pavement café closing.** This condition may be waived in pedestrianised areas with the proviso that the Council has the right to change its mind should circumstances change.

In certain pedestrianised areas the footway remains open to vehicular traffic during part of the working day; if the presence of a pavement café in such areas would obstruct the free flow of traffic it may be necessary to restrict the opening hours of cafes to between these times. In any case the Council reserve the right to stipulate the hours between which the pavement café can operate.

11. Getting the Permissions Needed from Your Neighbours

If you propose to extend the pavement café beyond the width of your own frontage the Council will need to be certain that agreement has been reached with any neighbour whose frontage is affected by the proposal before it can approve your application. Letters confirming these agreements should be forwarded with your application.

12. Footway Permission

It is recommended that you seek advice before you submit your application. Council officers will be pleased to provide advice on specific cases before the formal application is made. This does not guarantee approval of permissions being sought but it may help to minimise expenditure on preparing an application and save expenditure in cases where an application would be turned down. We are here to help.

To apply for your permission to use the footway for a pavement café you will need to complete an application form for a pavement café permit.

You should enclose with your application details of the furniture, parasols and the means of enclosure to be used. These details should include their metric dimensions, colours, materials, etc., as well as drawings, photos or pictures of the proposed items. City Council may refuse an application if it is felt that in our opinion, the location is generally unsafe for such reasons as:-

- Dangerously busy adjacent road
- Distraction to motorists approaching nearby junctions
- A particularly intensive pedestrian volume at the location
- etc

Applicants are reminded that no sales from the pavement are allowed and the use of unbreakable glasses and ashtrays is recommended.

13. How Long Will It Take

As each application is different, then the time taken to process them will inevitably vary. In general, it is estimated that it will take approximately one month to process an application from its receipt to issuing a permit. The application process will be expedited if your proposal complies with the good practice procedures contained in these guidelines, and your application is accompanied by all the required supporting information.

14. What Will It Cost?

The fee for processing an application for a pavement café permit covers the administrative and legal costs incurred in the preparation and issue of the permit, and the rental of part of the public footpath, in line with the Council's rules on street trading.

The cost is **£150 annual administration fee plus £25 per chair paid annually**.

Once your application has been processed and approved you will be invoiced for the relevant amount.

In addition the Planning Permission standard charge for change of use is £319.

The fees will only be charged once both approvals are given but all proposals need both permissions to proceed.

15. The Pavement Café in Operation

Pavement café permits issued by Aberdeen Council are not transferable and should not, therefore, be regarded as a transferable asset.

Permits are normally granted for a maximum of one year and are renewable annually at the discretion of the Council.

Permits and plans of the Pavement Café should be displayed in a prominent position.

The permit will include a number of terms and conditions based on these guidelines that must be complied with. **The Council will carry out periodic inspections to make sure that all the terms and conditions of the permit are being adhered to. These guidance notes and plans of the pavement café MUST be kept on your premises at all times.**

The Council/Police may suspend or terminate a permit if any of the conditions of the permit are breached.

In the event of streetworks requiring to be done in the area of a pavement café the Council will serve 3 days written notice to the pavement café owner/manager to remove all furniture/barriers etc.

16. Contact

Raymond Moffat: Direct Dial (01224) 522427, Direct Fax (01224) 523537

Email : raymondm@aberdeencity.gov.uk

Applications should be returned to: Aberdeen City Council, Enterprise, Planning and Infrastructure, Street Occupations, 2nd Floor, St Nicholas House, Broad Street, Aberdeen AB10 1BY

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 December 2010
DIRECTOR	Stewart Carruth, Director of Corporate Governance
TITLE OF REPORT	2010/11 FINANCIAL MONITORING
REPORT NUMBER:	CG/10/191

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to
- i) Bring to Committee members notice the current year revenue and capital budget performance to date for the Services within Corporate Governance which relate to this Committee; and
 - ii) Advise on any areas of risk and management action.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Committee:
- i) Note this report and the information on management action and risks that is contained herein; and
 - ii) Note the content of this report in relation to the capital programme; and
 - iii) Instruct that officers continue to review budget performance and report on Service strategies.

3. FINANCIAL IMPLICATIONS

Financial Implications are detailed in section 5 Background/Main Issues

4. OTHER IMPLICATIONS

None

5. BACKGROUND/MAIN ISSUES

- 5.1 This report informs members of the current year revenue budget performance to date compared with budget and provides a high level summary to period 6, end of September 2010. It also outlines any cost pressures that are immediately identifiable from the expenditure incurred to date and actions being undertaken to manage these.
- 5.2 An overview of the current Capital Budget for Corporate Governance is also provided.

Financial Position and Risks Assessment

- 5.3 The Service report is attached at Appendix A. There is a projected net reduction in costs of £800K (3.1%), across the overall current net budget of £26 M.
- Core activities of Corporate Governance are currently projecting an under-spend of £700K. This reflects a favourable variance of £1M of expected staffing savings across the Service. In addition projected savings in the region of £300K will be achieved from training courses.
 - The above is offset by a reduction in recoverable costs, in part due to the reduction in staff costs included in the above savings. Also external legal charges are £300K over budget. This is due to corporate legal actions which have arisen since the budget was set. External support has also been required to complete essential work, which otherwise would not be completed due to staff vacancies.
 - Within the area of the Corporate Debt Income Manager, further staff savings of £300K have been identified. The projected additional costs relating to housing benefit awards of £1.5 million previously reported have been transferred to Housing and Environment. There will be a reduction in recoveries against Council Tax of £100K; however this will be compensated for by a matching increase in net Council Tax income to the Council but out-with the Revenue Budget.

5.4 The Capital Budget for Corporate Governance is £13.4M with spend to period 6 was £2.1M. Included in these figures is £1.4M budget for Grampian Police, the spend to date for which is £940K. A carry forward figure of £850K from 2009/10 is included in the above budget.

5.5 The largest project for Corporate Governance is the procurement of a Managed Data Centre with a budget of £4.3 million. Current projections suggest that this will come in within budget with completion in 2011/12. Further detail is attached in Appendix B to this report.

6. IMPACT

6.1 The issues referred to in this report impact on the overall financial position of the Council which are included in another report on the agenda.

7. BACKGROUND PAPERS

Financial ledger data extracted for the period ;(not attached)

8. REPORT AUTHOR DETAILS

Hugh Coleman, Finance Manager
 hcoleman@aberdeencity.gov.uk
 01224 522712

DIRECTORATE : CORPORATE GOVERNANCE

APPENDIX A

Figures in Brackets represent income or a favourable variance

As at	30 September 2010	Full Year Revised Budget	Year to Date			Forecast to Year End		
			Revised Budget	Actual Expenditure	Variance Amount	Out-turn	Variance Amount	Variance Percent
ACCOUNTING PERIOD 6		£'000	£'000	£'000	£'000	£'000	£'000	%
Head of Finance - S.95 Officer		4,093	2,308	2,228	(80)	3,972	(121)	-3.0%
Head of Legal and Democratic Services		2,138	1,058	1,229	171	2,364	226	10.6%
Head of Human Resources and Org Dev		4,340	2,186	1,830	(356)	3,864	(476)	(11.0%)
Head of Procurement		361	192	303	111	241	(120)	(33.3%)
Head of Customer Service and Performance		12,382	5,831	5,659	(172)	12,252	(130)	0.0%
Operational Support Manager		622	325	276	(49)	543	(78)	(12.6%)
TOTAL BUDGET (EXCLUDING CDIM)		23,936	11,900	11,525	(375)	23,236	(700)	(2.9%)
Corporate Debt Income Manager		2,116	993	983	(10)	2,010	(106)	-5.0%
TOTAL BUDGET		26,052	12,893	12,508	(385)	25,246	(806)	-3.1%

NON HOUSING CAPITAL PROGRAMME 2010/11
MONITORING STATEMENT TO 24 SEPTEMBER 2010 (PERIOD 6)

APPENDIX B

Project ID	Project Description	Job Code	Head of Service	Budget Holder	Per report to Council 11/02/10	F&RC 28/09/10	Per report to Council 11/02/10 + Adjustments + c/f from 09/10	F&RC 28/09/10	F&RC 28/09/10	F&RC 28/09/10	Actual Spend to Sept 10 £'000	Percentage Spend to Requirement %
					Estimated Budget 2010/11 £'000	Carry Forward from 09/10 £'000	Revised Budget 2010/11 £'000	Spent/ Legally Committed £'000	Requested but not Committed £'000	Minimum Required 2010/11 £'000		
Corporate Governance												
Corporate Accommodation												
334	Mobile Working	Various	Paul Fleming	Lyle Smith	970	0	970	55	445	500	27	5.41%
<i>Project Description/Project Cost - Providing ICT equipment to allow mobile working for any Service that will benefit from adopting such an approach. Three tender processes are live at the moment. One for the equipment to enable mobile working; one for a s</i>												
630	Data Centre Move	CT43101	Paul Fleming	Paul Fleming	4,335	46	4,381	106	2,834	2,940	38	1.30%
<i>Project Description/Project Cost - The subject of this project is the procurement of a Managed Data Centre, to replace the existing facility within St Nicholas House, and the implementation of a Virtual Desktop Environment (VDE) to support the move to Mar</i>												
657A	Customer First Programme - CRM System	CG54501	Paul Fleming	Jacqui Gale	450	0	450	50	90	140		0.00%
<i>Project Description/Project Cost - The Customer First Programme is a key vehicle for transforming the way in which our customers access our services one element of which is the implementation of Customer Relationship Management technologies to support str</i>												
657B	Customer First Programme - Frederick Street	CG54501	Paul Fleming	Jacqui Gale	2,400	62	2,462	1,683	706	2,389	1,048	43.87%
<i>Project Description/Project Costs - Initial review of tender responses have indicated that soft marketing testing was inaccurate. Project has therefore been reprofiled and i the £62K carried forward from 09/10. It should also be noted that the £73K slip</i>												
					8,155	108	8,263	1,894	4,075	5,969	1,113	18.65%

Project ID	Project Description	Job Code	Head of Service	Budget Holder	Per report to Council 11/02/10	F&RC 28/09/10	Per report to Council 11/02/10 + Adjustments + c/f from 09/10	F&RC 28/09/10	F&RC 28/09/10	F&RC 28/09/10	Actual Spend to Sept 10 £'000	Percentage Spend to Requirement %	
					Estimated Budget 2010/11 £'000	Carry Forward from 09/10 £'000	Revised Budget 2010/11 £'000	Spent/ Legally Committed £'000	Requested but not Committed £'000	Minimum Required 2010/11 £'000			
277	Corporate ICT IT Infrastructure Improvements Repairs/Renewals <u>Project Description/Project Costs</u> - Rolling programme of works to improve the ICT Infrastructure and ongoing replacement of ICT Infrastructure assets which are not performing adequately and/or have reached the end of their natural lifespan. The majorit	Various	Paul Fleming	Sandra Massey	1,776		119	1,895	293	178	471	2	0.32%
346	IT Hardware & Software Development	Various	Paul Fleming	Ann Irvine	0		60	60	60	0	60	0	0.00%
565	ICT Disaster Recovery Funding <u>Project Description/Project Cost</u> - This project funds the reduction or elimination of prioritised single points of failure on the ICT Infrastructure, identified through major ICT incidents and regular ICT Disaster Recovery scenarios. There are no curren	CT41201	Paul Fleming	Sandra Massey	100		25	125	57	10	67	28	41.42%
708	Development of Online Service Delivery <u>Project Description/Project Cost</u> - Under the new common CSAP structure, the work of CRM and e-Government Teams are much more closely aligned. This is reflected in the options being developed for the five year costed business plan which will see a single	CT46621	Paul Fleming	Ian Watt	150		0	150	38	211	249	19	7.50%
709	Integrated Document Management <u>Project Description/Project Cost</u> - Implementation of a corporate electronic document management and workflow solution. Will ensure that paper and digital based records are available to all parts of the council. This work is a direct support to many proces	CT46631	Paul Fleming	Lyle Smith	824		0	824	124	30	154	45	29.00%
711	Electronic Corporate Performance Management System <u>Project Description/Project Cost</u> - The purpose of this project is to improve the Council's measurement, monitoring, reporting and management of performance and project data	CT46651	Paul Fleming	Martin Murchie	55		0	55	0	0	0	0	0.00%
714	Identity Management <u>Project Description/Project Cost</u> -The outcome of this project is to create a link between several ICT systems all of which hold and use information about employees. The development work will now be achieved by a method different to that included in the in	CT46681	Paul Fleming	Ialcolm Matheso	0		0	0	0	0	0	0	0.00%
					2,905		204	3,109	572	429	1,001	93	9.25%

Project ID	Project Description	Job Code	Head of Service	Budget Holder	Estimated Budget 2010/11 £'000	Carry Forward from 09/10 £'000	Revised Budget 2010/11 £'000	Spent/ Legally Committed £'000	Requested but not Committed £'000	Minimum Required 2010/11 £'000	Actual Spend to Sept 10 £'000	Percentage Spend to Requirement %
	Other ICT											
690	Consol Upgrade/Replacement <i>Project Description/Project Cost</i> - Upgrade or replacement of the existing job costing, contract management and management information system for Building Services, Roads services, and Ground Services with possible extension for Environmental Services and	CD11101	Paul Fleming	Allen Small	0	5	5	5	0	5	0	2.00%
746	Application Processing System <i>Project Description/Project Cost</i> - Ongoing review of planning systems to meet the requirements of the Planning etc (Scotland) Act 2006 and the development of e-planning. Underspend of £26,000.	CV70201	Paul Fleming	Sharron Taylor	20	0	20	20	0	20	0	0.54%
771	HR/Payroll <i>Project Description/Project Cost</i> -The current position with the HR/ Payroll project is the ongoing exploration of joint procurement or sharing arrangement options is creating a considerable delay to the HR/ Payroll project time frame.	CT46691	Paul Fleming	Rupali Kulkarni	120	0	120	0	0	0	0	0.00%
					140	5	145	25	0	25	0	0.83%
	Miscellaneous											
769	Police - Capital Grant	CF44720	Barry Jenkins	Barry Jenkins	1,408	533	1,941	1,408	0	1,408	935	66.43%
					1,408	533	1,941	1,408	0	1,408	935	66.43%
Total - Corporate Governance					12,608	850	13,458	3,899	4,504	8,403	2,141	25.48%

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 nd December 2010
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Business Plan 2011/12 to 2015/16
REPORT NUMBER	CG/10/202

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present to members the proposed Business Plan for the five year period 2011/12 to 2015/16.

2. RECOMMENDATION(S)

- 2.1 It is recommended that Members:
- (i) consider the content of the draft Business Plan; and
 - (ii) make recommendations to Council on 15th December 2010 in regard to the Business Plan and specifically the transformation, efficiency and stop / reduce options outlined in the Business Plan to achieve a balanced budget taking account of any feedback from consultation.
- 2.2 It is also recommended that Members give guidance to Director on further changes or service options to be explored over the coming weeks.

3. REPORT AUTHOR DETAILS

Stewart Carruth
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Aberdeen City Council Five year Business Plan - 2011/12 to 2015/16

Executive Summary

1. For Aberdeen City Council in early 2010 the dominant influences on its future funding and service delivery environment were:
 - that according to a number of external sources including CPPR, KPMG, local authorities in Scotland will require to generate between 10% - 15% savings in real terms over the next three years
 - this meant that Aberdeen city council would be required to deliver between £50 and £75 million savings over three years from 11/12 to 13/14; And
 - that in order to realise savings of this scale and to continue to deliver high quality services, the Council would have to engage staff, partners, stakeholders and citizens to determine the nature of service delivery, the level of service standards and the method of delivering these services ; Therefore
 - to perform successfully in this environment the Council would have to forward plan, for the period of known financial settlements, with the express view of utilising public engagement to prioritise the services to be delivered and to clearly identify those services which will no longer be funded; With
 - the overall context of this activity being to ensure that there is achievement of the corporate strategies and objectives of the Council

2. From this position a set of objectives were determined for the council:
 - to produce a five year Business Plan that funds and develops prioritised services
 - ownership of the programmes of transformation, required to develop and deliver the prioritised services, by Directorates and Elected Members
 - to conduct this work through a dynamic process that encouraged cross directorate challenge and corporate thinking and behaviors' to create a corporate Business Plan
 - to be able to continue the process into the second and subsequent years

3. The process adopted encompassed:
 - confirmation of service hierarchy, per Directorate and across the Council (what services are actually delivered)
 - identification of service costs (not budgets) and of addressable spend
(taking into account the current costs and content)
 - future requirements built into the data via demographics, legislation, etc., and the effect they will have on service demand, service cost, service location, service support, e.g. capital investment to give the totality of expectations and the associated cost, currently and through the next five years

- formation of service options, for all services in service hierarchy (looking for transformation, efficiency, stop / reduce options and where there is a need for transformation or investment how to fund that, e.g. making posts self funding)
 - review of service options by managers in the home Directorate;
 - Directorate agreement on prioritised service options with short, medium and long term impact
 - then Corporate agreement on programmes for transformation; efficiency changes and cost cutting measures
 - which led to the creation of the five year Business Plan, encompassing the above programmes and providing a budget that will combine making the necessary savings and building for the future and noting risks associated with implementation
4. Core to the creation of the Business Plan has been a meaningful engagement with a wide range of staff, partners, and stakeholders. This has led to there being a wide spread understanding of what the future could be and how they can contribute to shaping the actuality of that future. That in turn changes the roles for these groups from passive recipients to being active in the wider community.

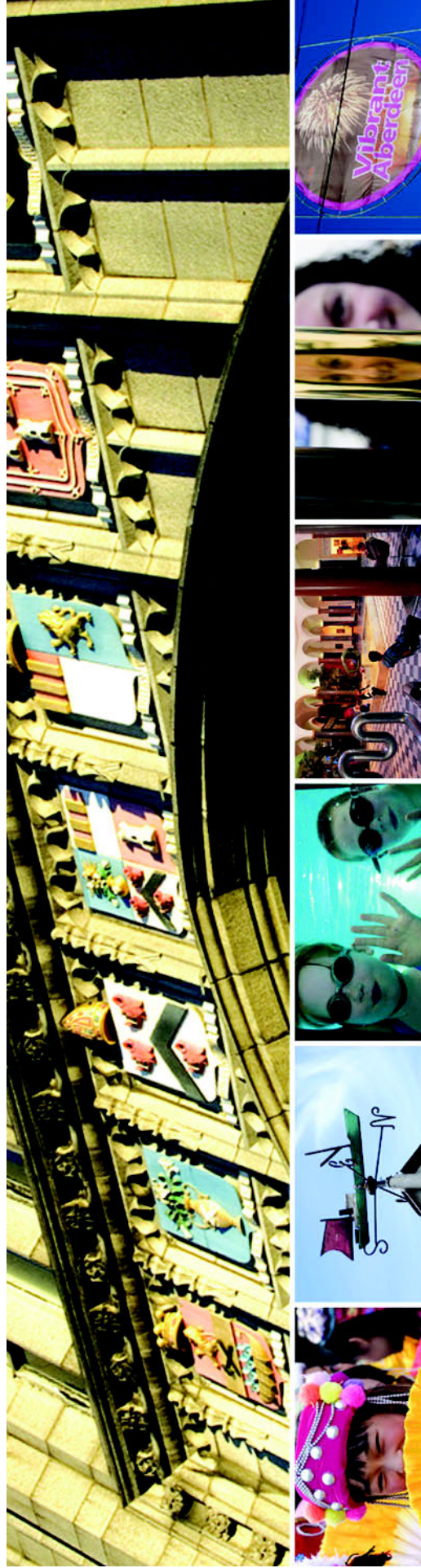
The engagement undertaken has included:

- meetings with stakeholders, per Directorate, during the development of options
 - top 100 stakeholders being involved in a council wide session
 - questionnaires being made widely available from all council offices and with local press support
 - website prompts for comments and also provides the questionnaire
 - City Voice – citizens panel used for feedback
 - briefings of press from Chief Executive and Administration Leaders
 - analysing the feedback and working that into the development of the service options
5. The outcomes achieved by adopting this approach include:
- enhancement of leadership at all levels of the council
 - direction of travel established making planning and implementation more straightforward
 - confirmation from engagement activity of the priorities for the council
 - provision of data on an equitable basis across all Directorates on which to base objective decision making
 - active buy-in from all engaged with as they have a remit in forming the future
 - dialogue and discussion is focused on the issues and impact of change
 - collectively moves a wide spectrum of interested parties to a position where shared acceptance of the outcomes of decision making can be achieved
 - clearly identifies what the workforce planning requirements are so enabling planning to address these issues

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Aberdeen City Council

Priority Based Budgeting: Final Draft Report (version 1.4a)
October 2010





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Executive Summary

(version 1.4a)



Context

This report provides the output of work between May and September 2010 to identify options to deliver services differently in a sustainable manner.

The options contained within this report were identified at service level and subsequently discussed and agreed by the Council's Corporate Management Team. In comparison to the more traditional annual approach, the longer term approach has enabled officers to think radically about how to deliver key services from a reduced cost base.

The vision for future services in Aberdeen responds to the drivers for change and aspires to deliver services which are efficient but still outcomes focused.

The package of options proposed acknowledges that services must maximise the expenditure on actual services and reduce indirect overhead costs.

At the heart of this is the recognition that current service delivery models need to be challenged and redesigned to ensure the customer is at the heart of what Aberdeen City Council ("ACC") does. This will be a challenge not just for this Council, but will require significant increase in joint working with other public, voluntary and business sector partners within the region, building on the initial conversations that have been undertaken in joining up service delivery to the community.

Summary of savings

Directorate	Contribution	% of overall saving
Social Care & Wellbeing	£25m	17%
Education Culture & Sport	£55m	37%
Housing & Environment	£19.9m	13%
Enterprise Planning & Infrastructure	£22.6m	15%
Corporate Governance	£11.9m	8%
Corporate Savings	£15.6m	10%
Totals	£150m	

A total of approximately £150m of potential savings have been identified of which £48m have been highlighted as having a high implementation risk.

The nature of the savings proposed will result in a redesign of services as well as a change in the nature of how services to the people of Aberdeen are delivered. For example, we have considered ways in which the Council can work collaboratively with the public, private and voluntary sectors to ensure that they are able to sustain essential public services with reduced resources.

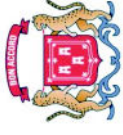
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Note: a glossary of terms is included at the end of this document

(version 1.4a)



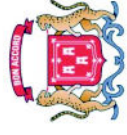
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Section 1

CONTEXT AND APPROACH

(version 1.4a)

Overview



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The future funding challenge faced by the Council required a more radical approach to ensure funds are allocated to deliver agreed prioritised service outcomes. A priority-based approach was therefore taken to determine future service and cost commitments to bridge the 5 year funding gap.

Aberdeen City Council has:

- ▶ The second smallest funding per head in Scotland and
- ▶ Already identified and delivered £100m of savings through a focus on cost reduction.

However:

- ▶ Expectations and demand for services is increasing
- ▶ The cost of services is forecast to increase by 19% over the next five years and
- ▶ This funding gap is currently estimated to be £120m in 5 years

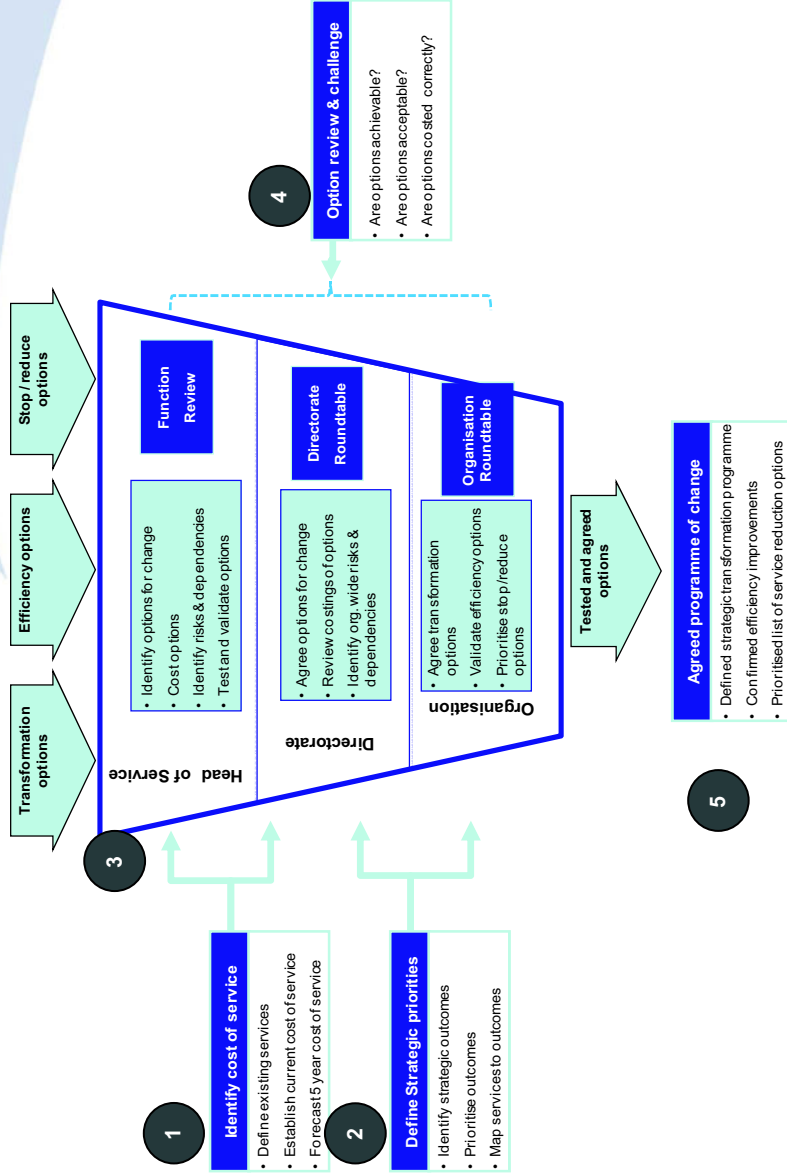
The following were the key elements of the priority-based approach:

- ▶ Prioritisation of ACC's desired outcomes and linking the priorities to services to gain an understanding of services which contributed most and least to the organisation's goals.
- ▶ Establishment of the current and future costs of services and greater transparency of the drivers of costs and income.
- ▶ Development of a range of options to address the funding gap over the next 5 years.
- ▶ Review of approximately 200 council services during the project . In total more than 750 options were identified in collaboration with Directors, Heads of Service and Service Delivery Managers.
- ▶ Service Representatives and Service Accountants provided rigour on assumptions and financials during the process. Additional challenge on the options was provided by experts in the relevant services.

A summary of the Priority Based Budgeting ("PBB") approach is set out on the next page.

Section 1 Context and Approach (version 1.4a)

Overview of PBB Process



As outlined in the diagram on the left, there are five key elements to the PBB process:

1. Understand the significant areas of spend and forecast the cost and demand pressures.
2. Understand how services contribute to the organisation's strategic priority outcomes. Map costs to priorities and understand where marginal decisions are needed.
3. Develop transformation, efficiency and stop/reduce options for reducing expenditure.
4. Test the feasibility and benefits of each option throughout the process.
5. Agree a Directorate package of transformation and efficiency options to take forward and a prioritised list of stop or reduce options.

Following discussion by the Corporate Management Team ("CMT") and approval by elected members, these options will then be translated into the 5 Year Business Plan and budget.

The development of service options was an iterative process at Head of Service, Directorate and organisation level. Options evolved and were filtered out during each stage of review.

Definition of Option Categories



Service options were categorised into four groups to compare options across Directorates and facilitate decision making at the Corporate Roundtable

- A. Immediate Efficiency options**

Options that do not change the nature of the existing service, but focus on it being delivered more efficiently and effectively.

These are 'quick wins' with immediate benefits.
- B. Efficiency with barriers options:**

Options which would not change the nature of the service delivery but cannot be achieved without changes to legislation .
- C. Transformation options**

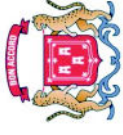
Options which change the nature of the service delivery.

Category B and C relate to opportunities that will achieve material benefits to the Council but will require additional resource and planning to achieve the stated savings.
- D. Stop / Reduce options**

Options that stop or reduce the level of service provided or reduce the number of clients it is available to.

These are the most 'painful' options and are undesirable. It is assumed that implementing these options will only take place if the sum of Transformation and Efficiency options within A, B and C are not enough to meet the funding gap.

All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranking reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.



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Section 2

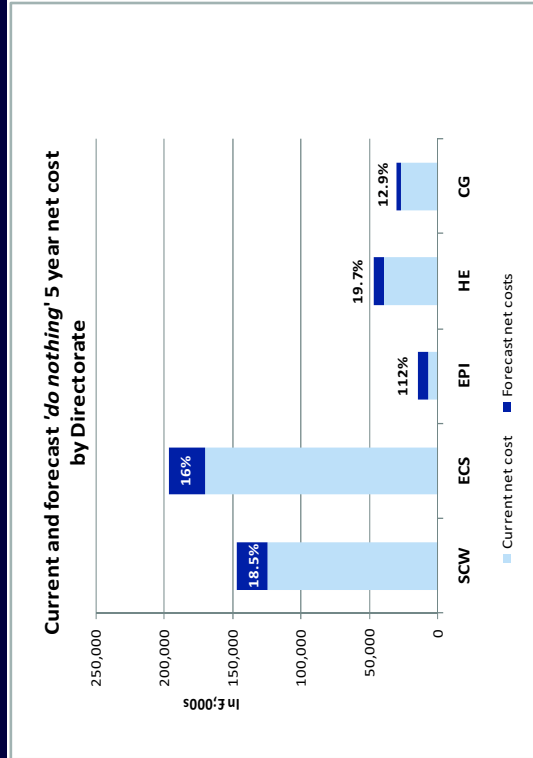
ACC CONSOLIDATED SUMMARY

(version 1.4a)

Current and future cost of services



The current net cost of Aberdeen City Council services is £367m*. This cost is forecast to rise to £436m by 2015/16.

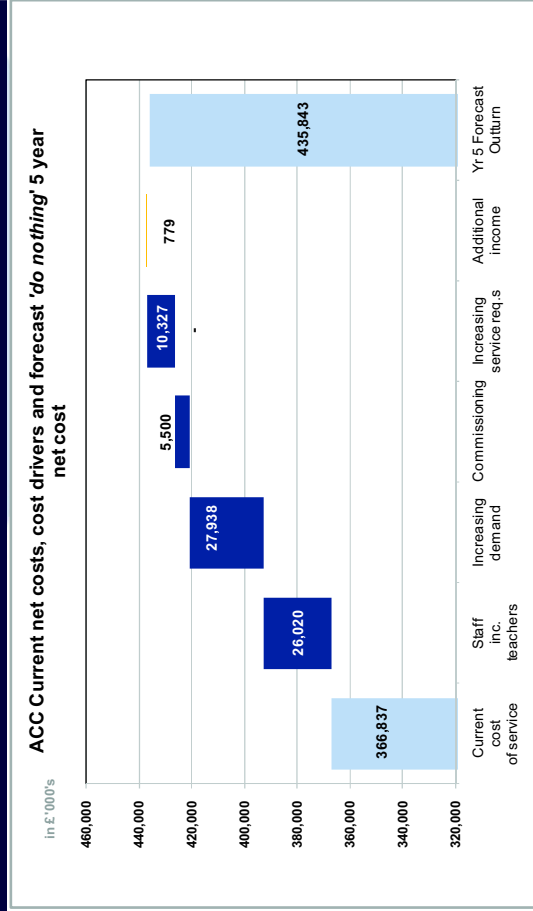


Social Care & Wellbeing along with Education Culture & Sport account for 80% of ACC's total net costs (£294m)

The net costs of these two Directorates is forecast to increase by £50m by 2015/16, accounting for 73% of the overall forecast rise.

*Current net cost of services includes the cost of services within the scope of the PBB project. It is based on the 2010/11 budget. It does not include:

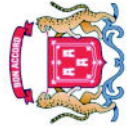
- The Office of Chief Executive budget
- Capital finance costs
- Contributions to the repairs and maintenance fund
- Miscellaneous expenditure budget items
- Housing and Revenue Account



The cost pressures that will impact on services over the next 5 years are driven by:

- Rising ACC staff costs and nationally agreed teachers' terms and conditions
 - Staff pay awards have not been incorporated into the future cost pressures. This would result in a further £1.4m of salary costs to the Council.
 - Demographic changes causing an increase in demand for services
 - Increasing costs of externally commissioned services
 - Increasing requirements of services (due to environmental considerations and repair and maintenance needs of existing infrastructure and assets)
- A relatively small increase in income levels has been forecast to offset these cost pressures.

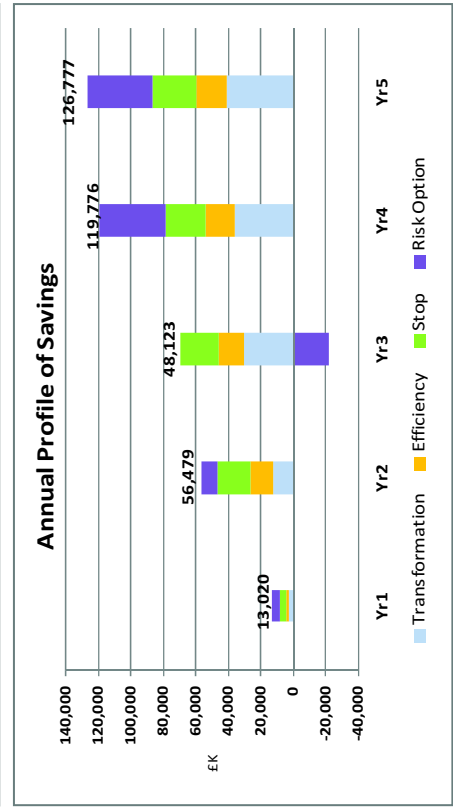
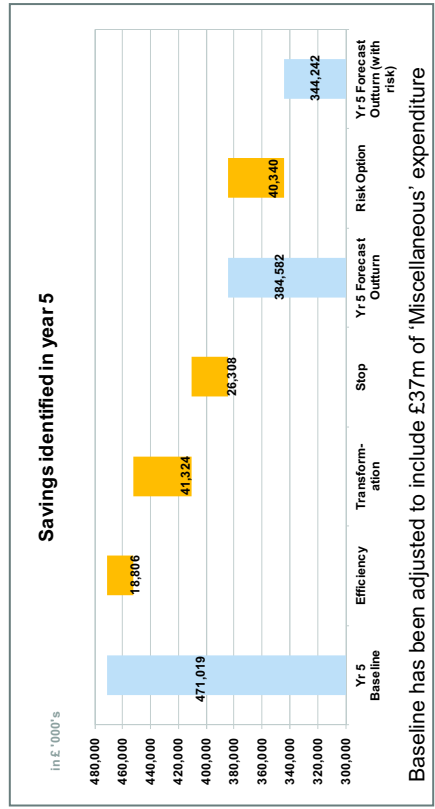
Summary of consolidated savings



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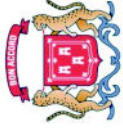
Savings of £150m have been identified, representing 31% of the total forecast 5 year 'do nothing' baseline. This includes savings from higher risk options that will require national change in policy and the revenue impact of some significant capital finance options.

Savings in the charts on the left are the sum of individual Directorate savings, plus the Council wide savings listed on page 39. The graphs of savings will be updated following committee on 21/2/10 before Council. therefore in v1.4a they are indicative.



Directorate	Contribution	% of overall Directorate 5 year costs	% of overall saving	Risk adjusted element
SC&W	£25m	17%	17%	£5.8m
EC&S	£55m	28%	37%	£31m
H&E	£19.9m	42%	13%	£nil
EP&I	£22.6m	155% *	15%	£9.8m
CG	£11.9m	39%	8%	£1.7m
Corporate Savings	£15.6m	n/a	10%	n/a
Totals	£150m	n/a	n/a	£ 48.3m

- Risk options are highlighted within individual Directorate summaries in the following pages.
- The capital options are included within EP&I summary pages.
- All savings have been calculated at current costs.
- Redundancy costs are included and are assumed to be a full year of staff cost.
- Unless otherwise state, capital expenditure and receipts have not been included.
- * This percentage reflects the movement in the net budget; the movement in EP&I's gross budget is 30%.



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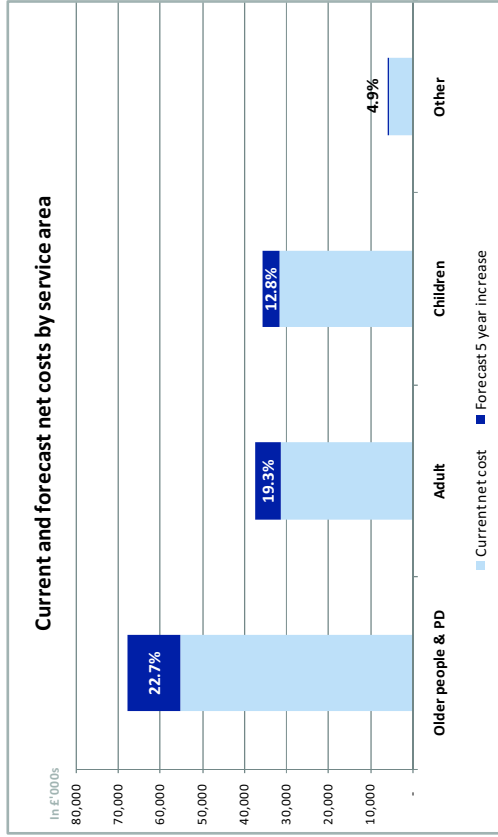
Section 3 **SERVICE OPTIONS** (version 1.4a)

Section 3 Service Options (SC&W) (version 1.4a)

Social Care & Wellbeing (SC&W): Cost of services

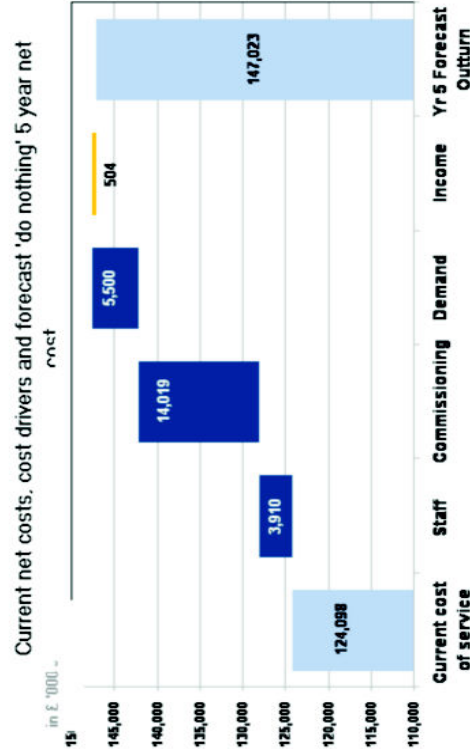


The current net cost of Social Care and Wellbeing services is £124m*. This cost is forecast to rise by 18.5% to £147m by 2015/16.



Older People and Adult Physical Disability services have the largest current net costs (£55.2m) and have the largest 5 year forecast cost pressures (22.7%).

The effect of the entire Directorate forecast cost pressures will be an increase in the proportion of total net costs incurred by Older People and Adult Physical Disability services, from 44% to 46%.



The cost pressures that will impact on SC&W services over the next 5 years is driven by:

- An increase in demand for services due to an ageing population;
- Rising ACC staff costs, and
- An increase in the cost of services commissioned externally

These cost pressures are marginally offset by a forecast increase in income due to the rising levels of demand.

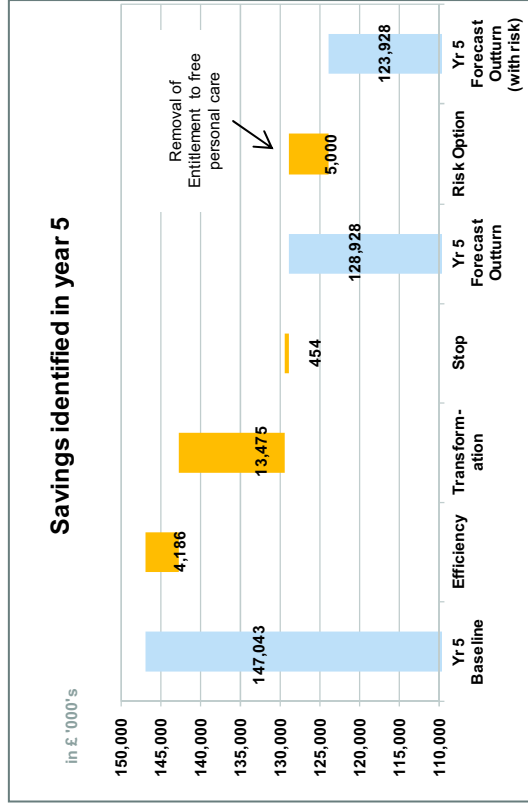
* Current net cost of service is based on the 2010/11 budget. It excludes capital finance costs and contributions to the repairs and maintenance fund.

Section 3 Service Options (SC&W) (version 1.4a)

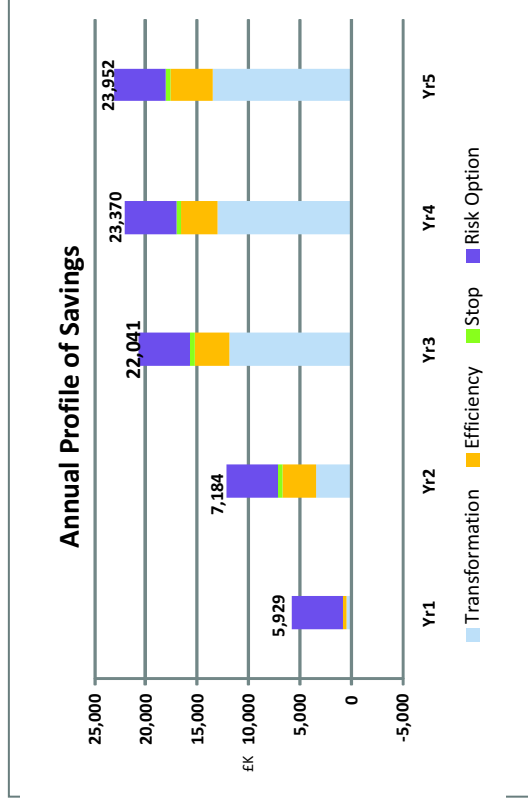
Summary of SC&W savings



- A total of £25m of savings have been identified for Social Care & Wellbeing services.
- £19m are core savings, representing 12% of the Directorate 5 year baseline.
- A further £5m of saving relates to a higher risk option, abolishing free personal care, and requires a change to, or contravention of, national policy.



Savings will be achieved through a combination of more effective assessment and management of client needs such that they can be met by a lower cost of services, and options that seek to reduce the unit cost of services through measures such as externalising services and improved commissioning arrangements.



Revenue investment is required in year 1 to implement some efficiency options (this is mostly the assumed cost of staff redundancy). No capital investment requirements have been identified.

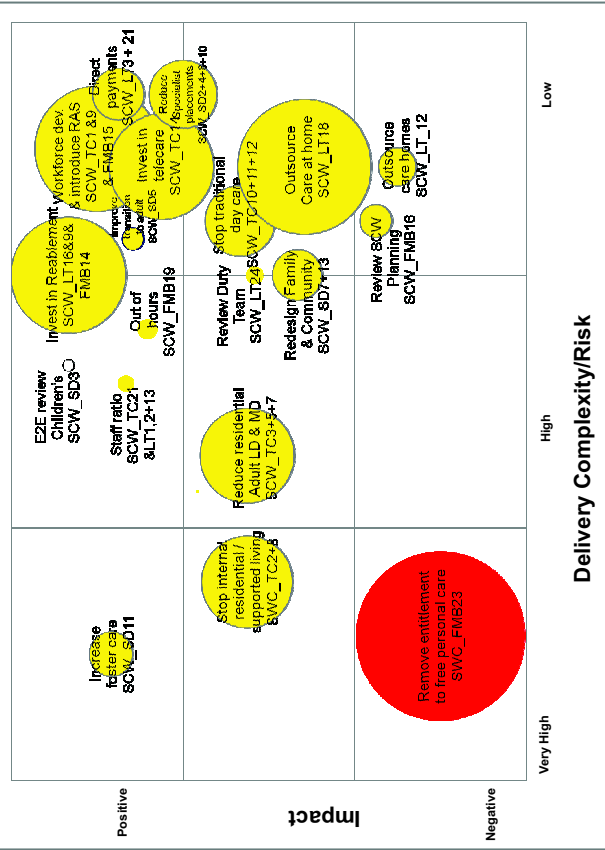
Section 3 Service Options (SC&W) (version 1.4a)

SC&W: Transformation options



- Transformation options will manage levels of increasing demand and meet individuals' needs more cost effectively through:
1. Transforming the assessment & care planning process
 2. Promoting prevention through early intervention
 3. Reducing residential care
 4. Re-designing adult day support
 5. Delivering outcomes focused commissioning

The impact on service and the complexity of implementation of Transformation options and Efficiencies with barriers



Ref	Option description	Value in Yr 5 (£k)
SCW_TC2+8	Re-provision in-house adult residential / supported living.	1,478
SCW_TC3+5+7+26	Reduce use/length of stay of residential care for adults with mental health issues and spot purchase placements. Do not reinvest all monies from previous service closures.	789
SCW_TC1+9 & SCW_FMB15	Develop the workforce to improve approaches to personal outcome planning, risk enablement and reflective practise and re-commission Disability Services with the use of a Resource Allocation System and personalised budgets	2,763
SCW_TC10+11+12	Stop in-house adult learning disability day care services and spot purchase as required	525
SCW_TC14 & SCW_LT19	Develop and implement a strategy for increased use and take up of tele-care within learning disabilities and older persons services	1,648
SCW_TC21 & SCW_LT1+2+13	Review workforce mix to reduce the number of professional staff and replace with para-professional staff.	45
SCW_SD2+4+8+10	Reduce the number of specialist care placements for children and young people by redesign and small addition to existing local services	999
SCW_SD3	End to end review of service provision in children's services	0
SCW_SD5	Improve early planning for young people moving from Childrens' to Adult' Services	82
SCW_SD7+13	Redesign of Family and Community Support Services	435
SCW_SD11	Investment in local fostering and adoption capacity	335
SCW_LT3 + 21	Move to personalised budgets for people in receipt of home care services	475
SCW_LT16, SCW_LT19, SCW_FMB14 & SCW_LT20	Invest in reablement to constrain growth.	1,767
SCW_LT24	Review Social Work Duty team	50
SCW_FMB16	Redesign Directorate planning & strategy	177
SCW_FMB19	Review out of hours service as part of the corporate review of staff who work a non standard working week	67
SCW_FMB21	Jointly commission service with other organisations	500
TOTAL		12,135

Section 3 Service Options (SC&W) (version 1.4a)

SC&W: Efficiency options



Efficiency options will deliver better value for money on services provided by:

- 1.Improving existing commissioning arrangements with 3rd party provider
- 2.Commissioning more services externally
- 3.Ensuring individual clients have the most cost effective care packages suitable to meet their level of need
- 4.Improving internal processes and practices

The efficiency option to outsource care-at-home has also been plotted on the 9 box chart on page 13 due its savings potential.

Reference	Option description	Value in Yr 5 (£k)	Comment
SCW_LT18	Outsource care-at-home-services	1,465	
SCW_T23	Stop subsidising criminal justice social work – provide only with Northern Community Justice Authority grant	350	
SCW_FMB1	Review all Directorate Support Services	250	
SCW_LT8+LT27+28	Re-tender for care-at-home-services to reduce costs	624	
SCW_LT15	Review of all Supporting People packages	500	
SCW_LT25	Review charges for respite services according to financial circumstances of carer i.e. if carers can afford to pay for respite charge the full cost	217	
SCW_SD6	Introduction of charging for Children's Services	7	
SCW_TC15+16+17	Rationalise the welfare rights / debt advice and financial inclusion services	70	
SCW_FMB2	Review/Cap Kinship Payments	50	
SCW_TC18	Re-commission Integrated Community Drug Rehabilitation Service	48	
SCW_FMB3	Revise the charging policy with a 5% increase in all charges	50	
SCW-TC19	Re-evaluate social work contribution to Integrated Addiction Services	79	
SCW_TC24	Re-evaluate provision of Mental Health day services/stop growth	6	
SCW_SD14	Renegotiate commissioned services from the third sector in community & youth justice	129	
SCW_SD9	Change relationship with provision of services for children with disabilities	25	
SCW_SD15	Outsource 4 children's homes	24	
SCW_FMB8	Reduce budget for Learning and Development Team by 2%	16	
	2% year on year uplift built into SCM commissioned costs (exc op res + nursing) stripped back to 1% year on year increase	767	With barriers
	Opt out of national home care rate and uplift rate by 2% year on year	430	With Risk
	Opt out of national care home rate - not paying quality award element of fee	1,456	With Risk
SCW_LT_12	Transfer 2 care homes for older people to external provider	0	
SCW_LT_14	Close two ACC care homes for older people	173	
TOTAL		6,736	

Section 3 Service Options (SC&W) (version 1.4a)

SC&W: Identified Stop / Reduce options



It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
1	SCW_TC25	Stop funding community carers & room to care	68	
14	SCW_TC22	Stop Employability Services	60	
	SCW_FMB23	Remove entitlement to free personal care	5,000	
62	SCW_LT6+LT7	Re-provision in-house day care centres (Craigton Road & Kingswood)	310	
	SCW_FMB6	Stop kinship care payments	787	With risk
74	SCW_FMB5	Stop Directorate policy and strategic development	1,053	
75	SCW_FMB10	Stop funding mental health day care	274	
82	SCW_FMB4	Stop Integrated Community Drug Rehabilitation Service Services (Adult Addictions)	707	
83	SCW_FMB12	Reduce threshold for service eligibility to emergency	0	

CMT preferred order of implementation, ranked against Council priorities, up to the point that any outstanding funding gap is filled

Options above this red line have been included in current calculations of total savings. This is based on current predictions of future funding levels and anticipated savings from transformation and efficiency options

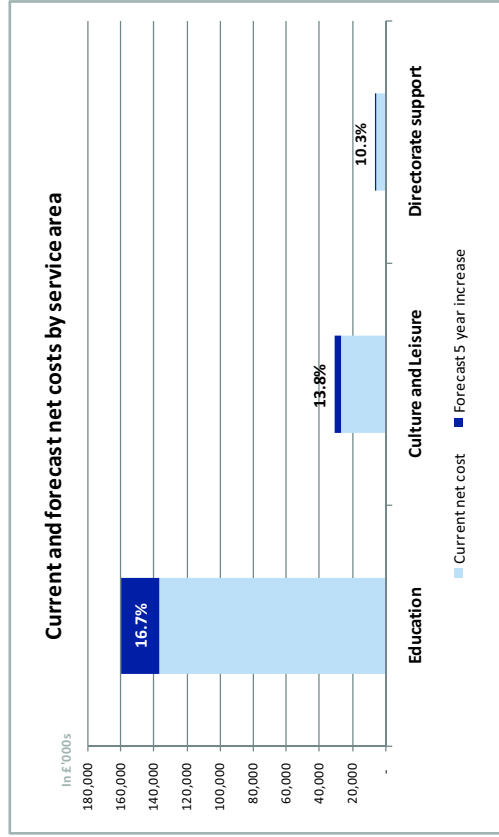
Section 3 Service Options (EC&S) (version 1.4a)

Education, Culture & Sport (EC&S): Cost of services



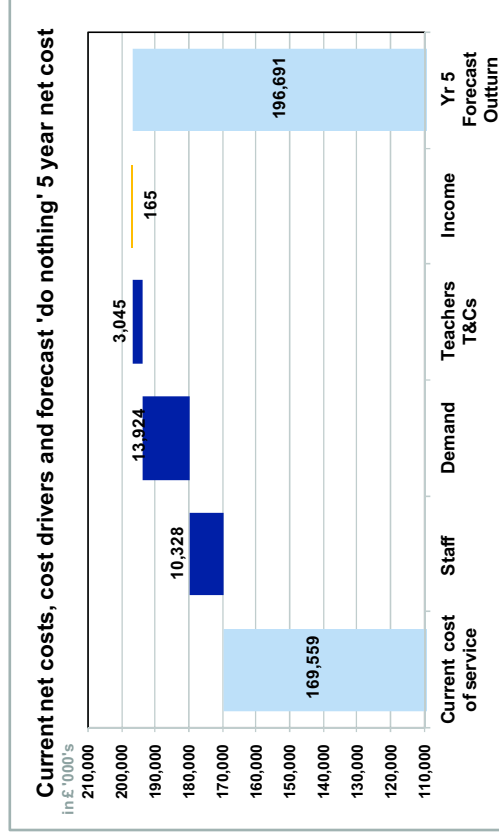
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The current net cost of Education, Culture and Sport services is £170m*. This cost is forecast to rise by 16% to £197m by 2015/16.



Within EC&S, Education services account for the majority of current net costs (£136.7m) and have the largest 5 year forecast cost pressures (16.7%).

The effect of the entire Directorate forecast cost pressures will be a slight increase in the proportion of total net costs incurred by Education services, from 80.6% to 81.1%.



The cost pressures that will impact on EC&S services over the next 5 years are driven by:

- Rising cost of staff, in particular nationally set teacher's T&Cs
- An increase in demand for services due to changing demographics and rising instances of Additional Needs

These cost pressures are marginally offset by a forecast increase in services generating income due to the rising levels of demand.

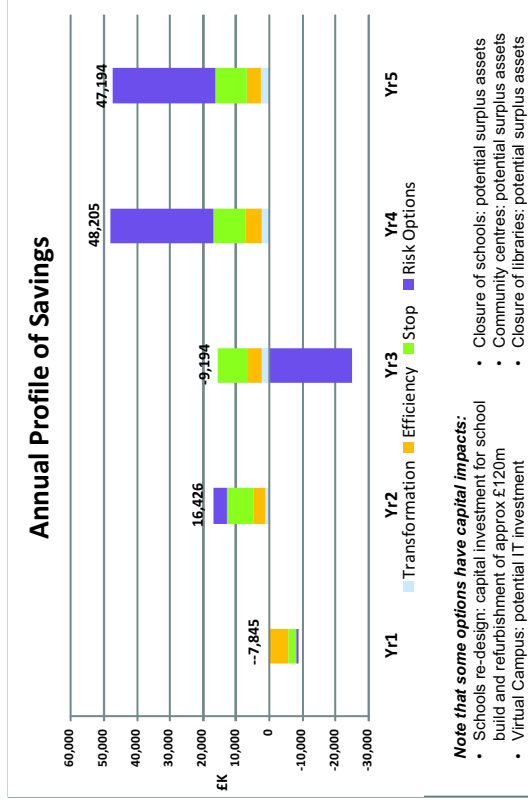
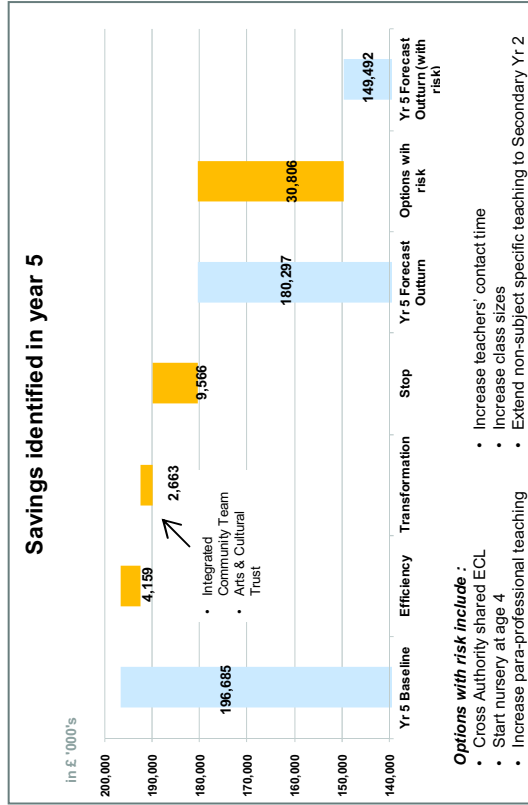
* Current net cost of service is based on the 2010/11 budget. It excludes capital finance costs and contributions to the repairs and maintenance fund

Section 3 Service Options (EC&S) (version 1.4a)

Summary of EC&S savings



- A total of £55m of savings have been identified for Education, Culture & Sport services.
- £30.8m of identified savings come from high risk options and can only be achieved with changes to national agreements.
- Total savings represent 28% of the Directorate baseline. The £16.2m of core savings which have been identified represent 8% of the Directorate 5 year baseline.



The greatest savings can be achieved from high risk options relating to changes to traditional staffing models and a radical change in the delivery of Education services. These options require negotiations with unions and national government, along with a shift in public expectations.

Otherwise, the largest savings from this Directorate come from reducing or stopping services.

Phasing of options reflects the lead time needed to implement high risk options.

Implementation costs mainly relate to impacts of staffing. Capital expenditure requirements are not reflected in this chart but the wider schools re-design option assumes a significant capital investment over the next 20 years and reductions in library, community and cultural services may release capital assets.

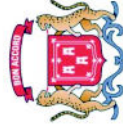
Section 3 Service Options (EC&S) (version 1.4a) EC&S: Transformation options

Transformation options will reduce overall costs and focus financial resources on actual service delivery, whilst increasing curriculum choice and encouraging independence and lifelong learning through:

1. Re-designing Education provision and creating a different service delivery model
2. Greater shared provision or commissioning of services in Community learning and Additional Support Needs
3. Consolidation of Cultural and Sports services into a Trust, potentially operating at a regional level for greater synergies

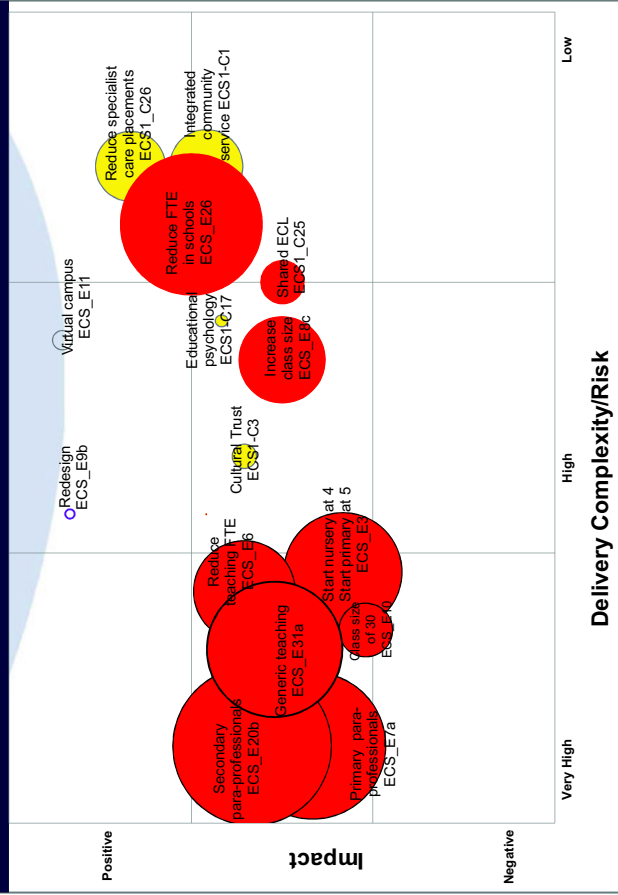
Ref	Option description	Value in Yr 5 (£k)
ECS1-C1	Integrated Communities Service	1,106
ECS1_C26	Reduce the number of out of authority placements by redesign and small addition to existing local services	1,190
ECS1-C3	Move to Cultural Trust	144
ECS_E11	Redesign of senior secondary school towards a Virtual City Campus	94
ECS1-C17	Educational Psychology: Develop joint/alternative service delivery	35
ECS_E9b	Redesign of secondary school estate	-1,034*
ECS_E20b	Redesign the profile of professional staffing in secondary schools	6,083
ECS_E7c	Redesign the profile of professional staffing in primary schools	5,181
ECS_E3	Start nursery at 4 years	3,388
ECS1_C25	Potential shared services with other local authorities	450
ECS1-C6	Create Community Collections Centre & redeveloped Art Gallery	-50
ECS1-C7	Create Libraries & Information Heritage Centre	-50
TOTAL		16,537

Page 20



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The impact on service and the complexity of implementation of Transformation options and Efficiencies with barriers



Options that have been identified as higher risk are those that have significant barriers to implementation, these include:

1. Changes in statute
2. Changes to national agreements
3. Agreement from some other 3rd party that cannot be assumed

Higher risk options (including efficiency and Stop / Reduce) are shown in red above

* The figures presented are the proposed savings. Therefore when a figure is a negative, i.e. -1034, what is being indicated is either an investment or a decrease in income.

Section 3 Service Options (EC&S) (version 1.4a)

EC&S: Efficiency options



Efficiency options will deliver better value for money on services provided by:

1. Reviewing commissioned services
2. Increasing productivity through changes to the terms and conditions of teachers
3. Making optimal use of school facilities

Options regarding teachers' terms and conditions have been identified as a higher level of risk due to the required changes to national agreements.

Reference	Option description	Value in Yr 5 (£k)	Comment
ECS1-C10	Root and branch review of commissioned arts and sports services	1,800	
ECS_E37	Change the delivery model of music tuition	796	
ECS_E19	Rationalise school administration	578	
ECS_E8d	Increase class sizes in primary schools – P1 from 18 to 25	440	
ECS_E4	Provide 1 nursery teacher for each school	265	
ECS_E30	Changes to terms of engagement of casual teachers	250	
ECS_E35	Contracting supply teachers for pupil attendance time only	168	
ECS1-C20	Educational Psychology: Not filling current vacant posts	168	
ECS1_C22	Contract out catering at beach ballroom / art gallery OR income generate	85	
ECS_E5	Nursery nurses to provide non class contact cover for nursery teachers	80	
ECS_E32	Pensions reduction: no contribution for temporary promoted posts	26	
ECS_E36	Remove devolved educational management savings targets for schools	-2,500	
ECS_E40	Maximising class sizes in upper stages of secondary school	1,457	
ECS_E26	Increase teaching time to match pupil time in secondary schools	4,840	With Risk
ECS_E31a	Extend non-subject specific/generic teaching until end of S2	4,418	With Risk
ECS_E6	Increase teaching time to match pupil time in primary schools	2,480	With Risk
ECS_E8c	Raise P1 to 3 class sizes to 33 and composite classes in P1 to 3 to 30	1,800	With Risk
ECS_E10	All secondary S1 & S2 classes at 30	700	With Risk
ECS_E39	Remove budgeted pay award to reflect any future national agreement	2,500	With Risk
ECS_C27	Establishment of revenue funding for Old Torry Community Centre and for Ruthieston Community Centre to enable transfer to leased Community Centre status	18	
ECS_E41	Absorb the anticipated increase in demand for ASN services within current costs	9,000	
TOTAL		29,369	

Section 3 Service Options (EC&S) (version 1.4a)

EC&S: Identified Stop / Reduce options



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It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

CMT preferred order of implementation, ranked against Council priorities, up to the point that any outstanding funding gap is filled

Options above this red line have been included in current calculations of total savings. This is based on current predictions of future funding levels and anticipated savings from transformation and efficiency options

**Stop options also exist for these items totalling approx £4m (ECS_E13 & E15)*

*** These options form part of ECS-C3 but are included in this list for visibility.*

Priority ranking	Reference	Option description	Value in Yr 5 (£k)
39	ECS_E22	Reduce Pupil Support Assistants provision by 50% in primary schools	2,850
13	ECS_E9a	Secondary school estate – close 2 schools	2,346
15	ECS_E29a	Primary school estate – close 5 schools	1,015
24	ECS1-C9	Close up to 8 Community Libraries over 5 years	452
27	ECS_E17a	Additional Support Needs: Increase teacher / pupil ratios to 1:10 – Secondary	600
30	ECS_E18a	Additional Support Needs: Increase teacher/ pupil ratios to 1:10 – Primary	500
31	ECS_E24	Reduce Pupil Support Assistants provision by 50% in secondary schools	1,000
35	ECS_E12	Withdraw music tuition	450
40	ECS1-C11a	Community Centres - review council financial support	58
54	ECS_E28	Close Music School	0
55	ECS1-C11e	Provision of development programme grant and building revenue costs to leased Centres in regeneration areas only	353
64	ECS_E34	Stop Curriculum for Excellence training in Modern Foreign Languages	100
65	ECS1-C8	Close all 16 Community Libraries	994
68	ECS1-C13	Cease communities teams services	5,676
69	ECS_E14	Reduce Teacher Support for Learning allocation – secondary schools	560*
70	ECS_E16	Reduce Teacher Support for Learning allocation – primary schools	580*
71	ECS1-C11f	Cease all Council financial support including development programme grant and building revenue costs to leased Community centres	127
72	ECS_E25	Stop pre-school education	4,293
76	ECS_E21	Remove remaining Pupil Support Assistants provision in primary schools	2,850
77	ECS_E23	Remove remaining Pupil Support Assistants provision in secondary schools	1,000
81	ECS1-C2	Close all art galleries & museum visitor venues (over 4 years)	735**
87	ECS1-C2a	Close all art galleries & museum visitor venues (1 year)	0**

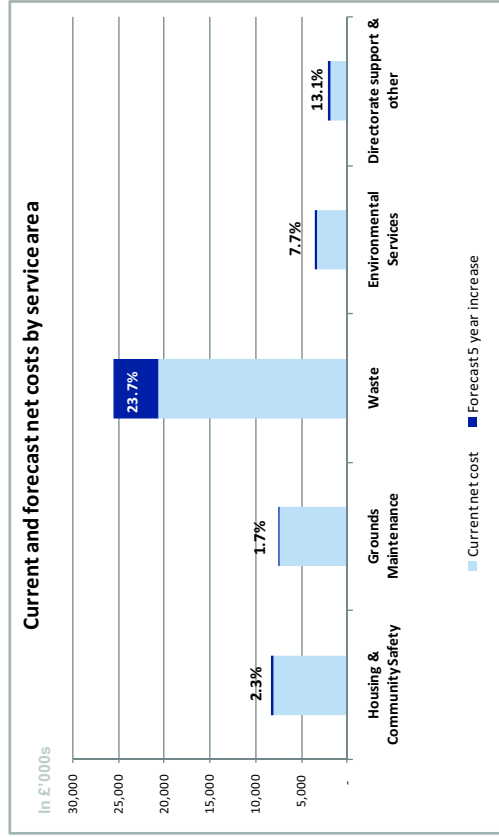
Section 3 Service Options (H&E) (version 1.4a)

Housing & Environment (H&E): Cost of services



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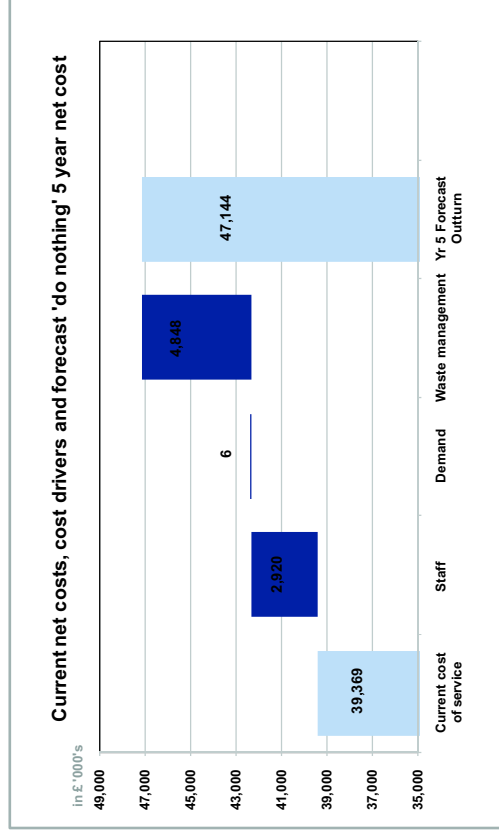
The current net cost of Housing and Environment services (excluding HRA) is £39m*. This cost is forecast to rise by 20% to £47m by 2015/16.



The above chart does not include the net income of trading services nor Housing and Regeneration services (non HRA), however these are included in the total net cost figures.

Waste services account for the majority of current net costs (£20.7m) and has the largest 5 year forecast cost pressures (23%).

The effect of all Directorate forecast cost pressures will be an increase in the proportion of total net costs incurred by Waste services, from 52.5% to 54.3%.



The cost pressures that will impact on H&E services over the next 5 years are driven by:

- Rising cost of ACC staff
- Increasing requirements for waste management
- Rising demand for services

No increase in income has been forecast.

* Current net cost of service is based on the 2010/11 budget. It excludes capital finance costs and contributions to the repairs and maintenance fund

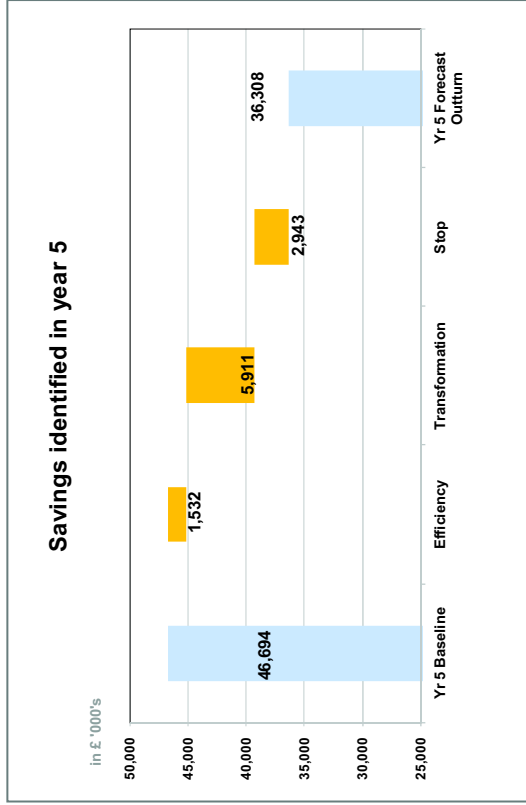
Section 3 Service Options (H&E) (version 1.4a)

Summary of H&E savings

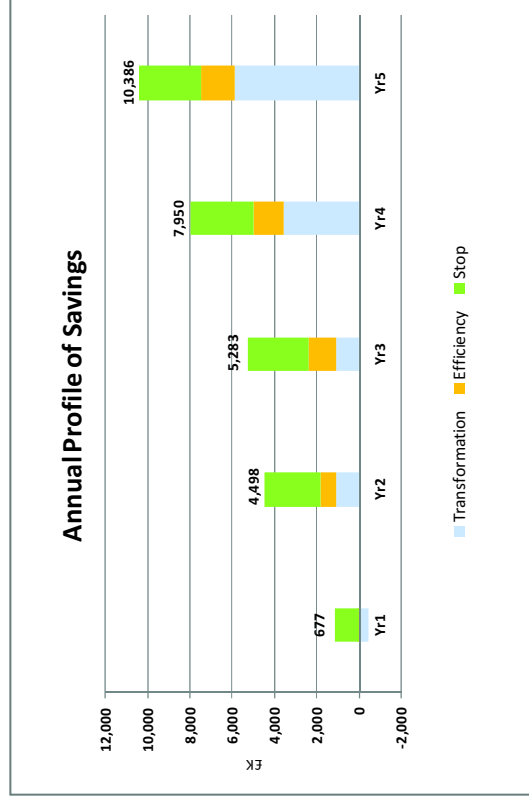


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- A total of £19.9m of savings opportunities have been identified for H&E services.
- This is equivalent to 22% of the Directorate's 5 year forecast baseline.
- There are no options which have been highlighted as being high risk, although the benefit profile need to be refined as detailed implementation plans are developed for the options chosen.



The majority of the savings from Housing and Environment are derived from transformation options, most significantly predicted savings of £4.8m from reviewing the waste strategy. A further £1m of transformation savings will arise from externalising services.



Revenue investment requirements for the waste strategy are estimated to be £500K in year 1.

Efficiency options have a net £36K of implementation costs in year 1, with all options returning benefits from year 2.

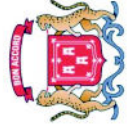
Section 3 Service Options (H&E) (version 1.4a)

H&E: Transformation options

Transformation options will create a new service delivery model that is able to meet demands on services and remove cost from the baseline:

1. Waste strategy will implement a long-term waste strategy that changes the way waste is collected and delivers agreed waste targets. It will leverage full benefit from partnership opportunities
2. Core environmental services will be market tested to determine the optimum delivery framework for each service.

Ref	Option description	Value in Yr 5 (£k)
HE_ES_WS2	Review existing Waste Strategy to determine most cost effective options for diverting waste from landfill	4,822
HE_ES_GM05	External delivery or attain equivalent efficiency savings on grounds maintenance service	659
HE_ES_ST5	External delivery / attain equivalent efficiency savings on street cleaning service	300
HE_HCS_H01(viii)	Establish Private Sector Leasing Scheme	100
HE_EP_EP02	Merge Emergency Planning team with SCG support group and potential outsource of some activities	30
	Property Services LLP	8,940
	Lobby for removal of landfill tax	580
TOTAL		15,431



The impact on service and the complexity of implementation of Transformation options and Efficiencies with barriers

Impact	Very High	High	Low
Positive		Merge with SCG support group & potential outsourcing of some activities HE_EP_EP02	Leasing scheme HE_HCS_H01(viii)
Negative		Outsource Grounds HE_ES_GM05 Outsource Street Services HE_ES-ST5	
		Review waste strategy HE_ES_WS2	

Only H&E options that relate to the General Fund have been considered in this document.

Options relating to the HRA have been identified however their impact (if any) on the net position on the General Fund is yet to be determined.

Section 3 Service Options (H&E) (version 1.4a)

H&E: Efficiency options



Several efficiency options identified are incompatible with alternative Transformation options that have been agreed. For this reason, their savings have not been recognised. However they remain valid options in the event that the alternative Transformation options are not implemented

Reference	Option description	Value in Yr 5 (£k)
HE_ES_WS3	External delivery or attain equivalent efficiency savings in domestic waste collection	650
HE_ES_WS9	Increase commercial waste collection charges	270
HE_ES_HT04	Implement mobile working for field staff in Trading Standards and Environmental Health	180
HE-ES-PT5	Close all toilets except two and run a community toilet scheme	151
HE_ES_WS10	Invest in 1 FTE to work with communities to divert waste from landfill by improving recycling	75
HE_ES_HT01	Restructure Environmental Health and Trading Standards	70
HE_HCS_S01 (iii)	Restructuring of Housing Strategy (non HRA) team	40
HE_ES_WS8	Short-term improvements to recycling performance at Recycling Centres	38
HE_ES_ASSL2	Scientific Labs to seek and increase the level of work from the private sector.	33
HE_ES_HT03	Cease non-statutory food surveillance sampling which will reduce income in Scientific Services Laboratory	25
TOTAL		1,532

Section 3 Service Options (H&E) (version 1.4a)

H&E: Identified Stop / Reduce options



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It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

CMT preferred order of implementation, ranked against Council priorities, up to the point that any outstanding funding gap is filled

All Housing and Environment Stop / Reduce options were 'above the line' and have been included in current calculations of total savings unless double count of savings have been identified

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
20	HE_ES_ASSL1	Sub contract high cost / low volume testing to companies that can carry out work cheaper than labs	50	
23	HE_HCS_CS05(xi)	Remove funding for deploying street urinals	8	
25	HE_HCS_CS05(xii)	Remove budgets for transport marshals	70	
25	HE_HCS_CS05(vii)	Private sector / commercial mediation	25	
26	HE_HCS_CS05(viii)	Remove budget for community based reparation service	22	
29	HE_HCS_HM02	Stop Instant Neighbour Contract	0	Saving would be made in HRA not General Fund
34	HE_HCS_CS05(v)	Remove funding of Inspector working to address antisocial behaviour (in line with national agreements)	68	
41	HE_ES_PT01	Close all toilets with no community toilet scheme	70	
43	HE_ES_ST1	Reduce street cleaning (specific service reduction options)	155	
44	HE_ES_GM01	Reduce grounds maintenance (specific service reduction options)	416	
45	HE_ES_WS5	Remove Recycling Points in areas covered by kerbside collections	69	
46	HE_HCS_CS05(x)	Street Football – remove funding	5	
49	HE_ES_WS7	Remove paper recycling in multi occupancy areas	0	Savings up to Yr 4 only
50	HE_HCS_CS05(vi)	Agreement to remove funding for dispersal of groups and closure of premises	6	
51	HE_HCS_CS05(ix)	Agreement to remove funding for Safer Aberdeen Programme	12	
56	HE_ES_PC01	Close all parks and gardens and cease maintenance	1,141	
61	HE_HCS_S02(ii)	Stop Scheme of Assistance	117	
73	HE_HCS_S02(i)	Reduce provision on housing support	100	

Section 3 Service Options (H&E) (version 1.4a)

H&E: Additional Stop / Reduce options



Additional savings items have been identified by the Directorate following the Corporate Roundtable. These items replace savings quoted for a Transformation option which upon investigation was found to be unfeasible. The options below were therefore not ranked in the ACC prioritised list of stop and reduce options but are included in the overall Directorate and ACC savings total.

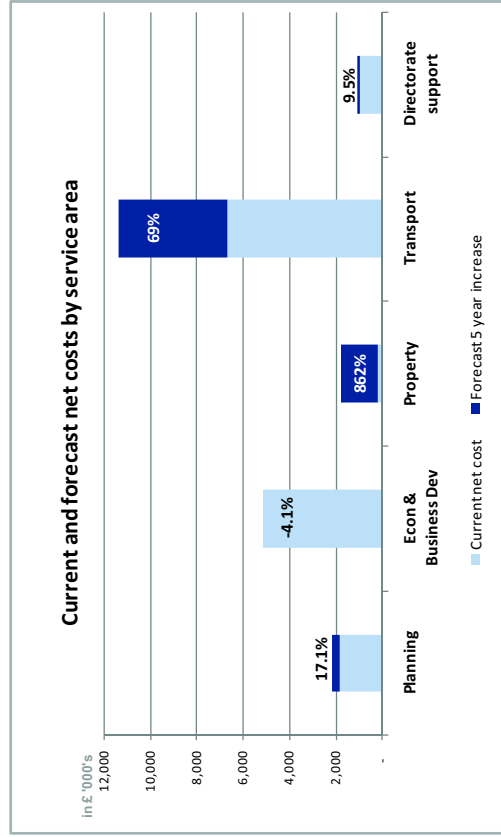
Reference	Option description	Value in Yr 5 (£k)	Comment
HE_ES_BSAD1	Increase Bereavement Services charges (cremation and burial fees) by 10%	176	
HE_ES_PT6	Close all public toilets and replace with community toilet scheme	128	
HE_HCS_CS05a	Remove funding used by Community Safety Managers for local neighbourhood safety initiatives	15	
HE_HCS_CS05b	Remove funding from Aberdeen Safer Trust for Community Safety Partnerships small grants scheme	5	
HE_HCS_CS05c	Remove funding contribution to Sergeant working on addressing antisocial behaviour (in line with national agreements)	27	
HE_HCS_CS05d	Remove funding contribution to Constable working on addressing antisocial behaviour (in line with national agreements)	22	
HE_HCS_CS05e	Remove funding contribution to Community Safety Partnership meeting costs	7	
HE_HCS_CS05g	Reduction in the contingency for ad-hoc grant applications	25	
HE_HCS_CS05h	Remove funding from Wilful Fires Sub Group for diversionary activities initiatives	7	
HE_HCS_CS05i	Remove funding for legal costs of antisocial behaviour case preparation	70	
HE_HCS_CS05j	Remove funding for training budget of Community Safety Partnership members	3	
HE_HCS_CS05k	Remove funding from Community Safety Partnership promotion / marketing budget	3	
HE_HCS_CS05l	Remove funding for subscriptions to national organisations	1	
HE_HCS_CS05m	Remove funding for Community Safety partnership analysts	52	
HE_HCS_CS05n	Remove funding contribution for non-HRA activity Antisocial behaviour Investigation	25	
HE_HCS_CS05o	Remove funding contribution for non-HRA activity from Aberdeen Families Project	30	
TOTAL		2929	

Section 3 Service Options (EP&I) (version 1.4a)

Enterprise, Planning & Infrastructure (EP&I): Cost of services



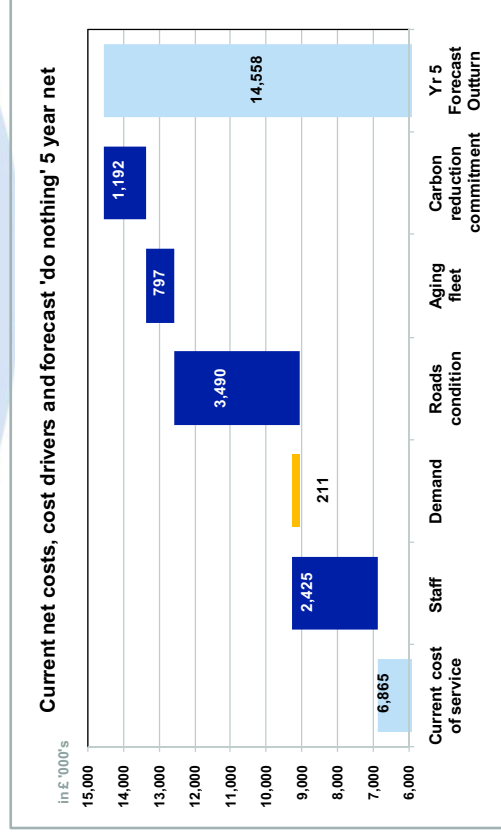
The current net cost of Enterprise, Planning and Infrastructure services is £6.8m*. This cost is forecast to rise by 112% to £14.5m by 2015/16.



The chart above does not show the net income of trading services, although these are included in the total net cost figures.

Asset management & operations account for the majority of current net costs (£6.7m) and with a predicted increase of £4.6m account for the largest forecast cost pressures over the next five years. The largest % forecast increase in net costs is within Property services.

The effect of all Directorate forecast cost pressures will be a significant increase in the proportion of total net costs incurred by Property services (from 2% to 12%) and a corresponding decrease in the proportion of total net cost from other services.



The cost pressures that will impact on EP&I services over the next 5 years are driven by:

- Rising cost of ACC staff
- The deteriorating condition of roads, which increases the cost to maintain them
- An ageing fleet of vehicles, increasing the cost to maintain and run
- Increased targets in carbon reduction to be met

These cost pressures are marginally offset by some falling costs due to a fall in expected demand for some services.

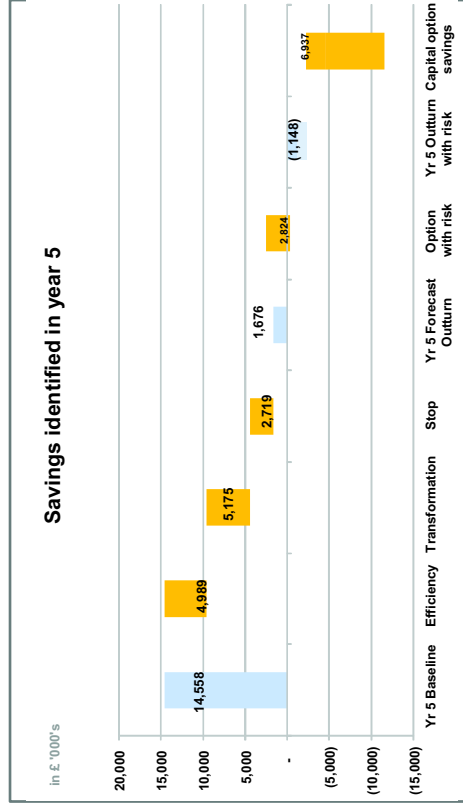
* Current net cost of service is based on the 2010/11 budget. It excludes capital finance costs and contributions to the repairs and maintenance

Section 3 Service Options (EP&I) (version 1.4a)

Summary of EP&I savings



- A total £22.9m of savings have been identified for EP&I services.
- £12.9m of this relates to core savings and income opportunities, equivalent to 88% of the Directorate's 5 year net forecast baseline. (gross budget is 30.6%)
- A further £ 2.8m of new income has been identified as higher risk options.
- £6.9m of year 5 net revenue savings have been identified from capital options.



The total identified savings are the revenue impact of 3 capital options: Investment in roads (AMO17) and sale of property (AMO11a & 11b). The former creates a revenue saving in reduced maintenance costs, while the latter could reduce revenue rental income. The net effect of these options are shown in a separate bar on the chart above (capital option saving).

Two revenue generation options have been identified as having implementation risks as both require national agreement amendments (AMO25 – PCN rate change & AMO26 – road user charging).



The revenue impact of capital options is included in the chart above, however the capital finance requirements are not included, notably roads investment (estimated £21.7m investment p/a) and the receipt of sale of property assets.

The option to introduce road user charging requires significant revenue implementation costs in year 3. Capital investment is also required for a system holding vehicle registration numbers.

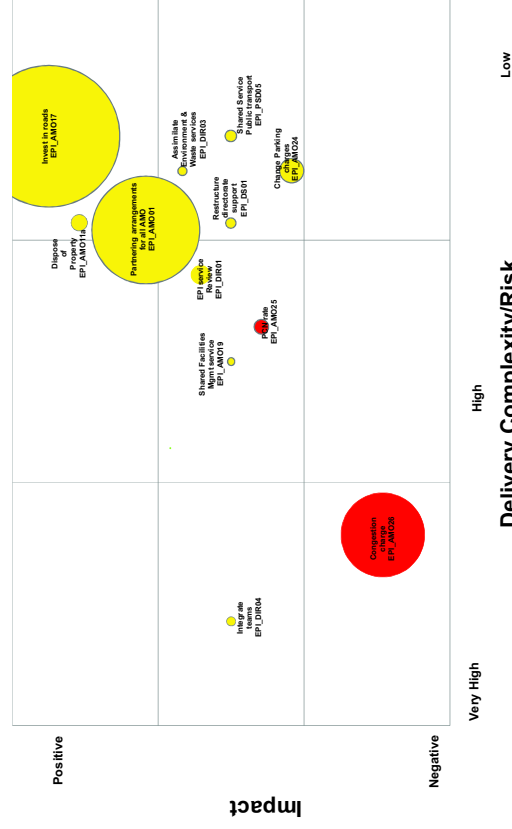
Section 3 Service Options (EP&I) (version 1.4a) EP&I: Transformation options

Transformation options include a combination of targeted investment, changes in service delivery models and optimising use of capital assets, including:

1. Investment in roads infrastructure to reduce the long-term cost of repair.
2. Investment in the city's economic development agenda
3. A framework of strategic partnerships for delivery services (including parking, road services, & facilities management)
4. Shared service arrangements for public transport services
5. Optimisation of investment and asset portfolios (making disposals where necessary)

Ref	Option description	Value in Yr 5 (£k)
EPI_AMO17	New investment - additional capital funding for roads	7,735
EPI_AMO01	Enter into a partnering arrangement for all asset management & operations services	4,481
EPI_DIR01	Full EP&I service review	559
EPI_PSD05	Public Transport Unit shared service with a possible transfer of procurement Central Procurement Unit.	51
EPI_DIR03	Assimilate Environmental & waste services from H&E to EP&I	31
EPI_DIR04	Integration across economic development, planning and regeneration services	31
EPI_AMO19	Shared facilities management services with public sector partners	22
EPI_AMO11a	Dispose of selected property portfolio	0
TOTAL		12,910

The impact on service and the complexity of implementation of Transformation options & Efficiencies with barriers



Options that have been identified as higher risk are those that have significant barriers to implementation, these include:

1. Changes in legislation
2. Changes to national agreements or policy
3. Agreement from some other 3rd party that cannot be assumed

Higher risk options (including efficiency) are shown in red above

Section 3 Service Options (EP&I) (version 1.4a)

EP&I: Efficiency options



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Efficiency options will deliver better value for money on services provided by:

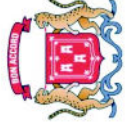
1. Increasing income opportunities
2. Improving ACC's energy efficiency
3. Introducing new mobile technologies into everyday practice

Efficiencies with risk provide means to raise additional income from motorists, however they require changes in national policy and / or legislation

Reference	Option description	Value in Yr 5 (£k)	Comment
EPI_AMO05	Car parking - Increase charges every 2 years	1,911	
EPI_AMO18	Increased mobile and/or remote working for staff throughout the Council	780	
EPI_EBD03a	Increase revenue - advertising on fixed assets	750	
EPI_DIR06	Enable renewable energy network for a low carbon economy (combined heat and power, wind farm etc)	400	
EPI_PSD11a	Charge for pre-application consultations and co-ordination of master plans	160	
EPI_AMO09	Use of Wi-Fi for roads Urban Traffic Control communications (Traffic Signals)	92	
EPI_AMO06	Increase revenue – charge for road space used by utility companies during road works	68	
EPI_AMO07	Increase roads revenue - driveway applications	30	
EPI_EBD03c	Increase revenue - sponsorship of bus shelters / stops	30	
EPI_EBD03b	Increase revenue - roundabout sponsorship	20	
EPI_EBD03d	Only undertake fully funded events	442	
EPI_AMO08	Reduce street lighting whole life costs with energy efficient lanterns	19	
EPI_AMO20	Improved energy efficiency in council buildings	14	
EPI_PSD11b	Investigate further options for generating income from environmental projects	10	
EPI_AMO11b	Tactically dispose of property assets to generate capital investment	-798	Capital Option
EPI_DS01	Restructuring EP&I Directorate Support Unit	42	With barriers
EPI_AMO24	Optimise parking service operations through different service delivery models	222	With barriers
EPI_AMO25	Adopt the Scottish Governments proposed change of the Parking Charge Notices rate to £80 or £100	86	Risk
EPI_AMO26	Explore introducing road user charging as part of a review of the Local Transport Strategy to invest in our roads and transport assets	2,738	Risk
TOTAL		7,016	

Section 3 Service Options (EP&I) (version 1.4a)

EP&I: Identified Stop / Reduce options



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It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

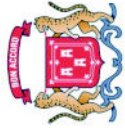
All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
12	EPI_AMO14	Self fund catering (Town House & Kittybrewster) otherwise stop	18	
19	EPI_EBD02e	Reduce marketing materials to minimum	29	
21	EPI_AMO16	Reduce non-housing property maintenance inspections	99	
28	EPI_EBD02c	Reduce economic development to a minimum – stop events, twinning, marketing and graphics (50%)	526	
32	EPI_PSD05a	Public Transport Unit - reduce bus shelter expenditure	158	
33	EPI_AMO15	Reduce school patrols	325	
48	EPI_PSD02	Rationalise planning application management	44	
59	EPI_EBD02g	Reduce economic development team to minimum	1,409	
60	EPI_AMO13	Reduce traffic management and road safety operations	111	
			2,719	

CMT preferred order of implementation, ranked against Council priorities, up to the point that any outstanding funding gap is filled

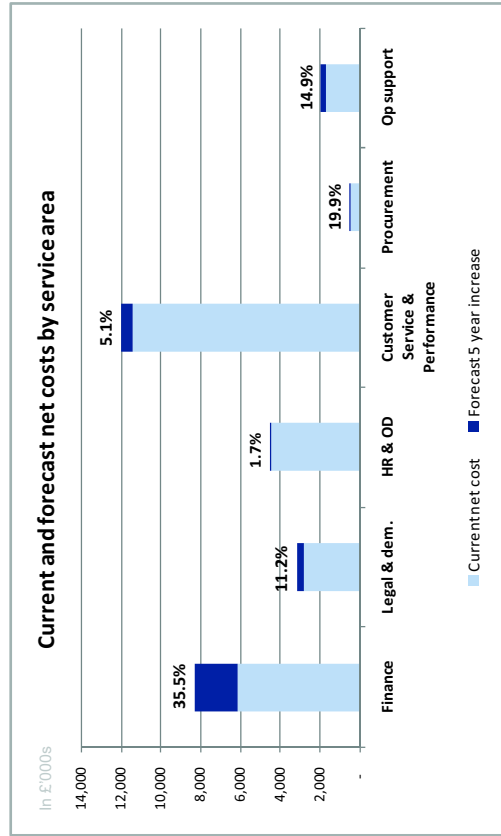
Section 3 Service Options (CG) (version 1.4a)

Corporate Governance (CG): Cost of services



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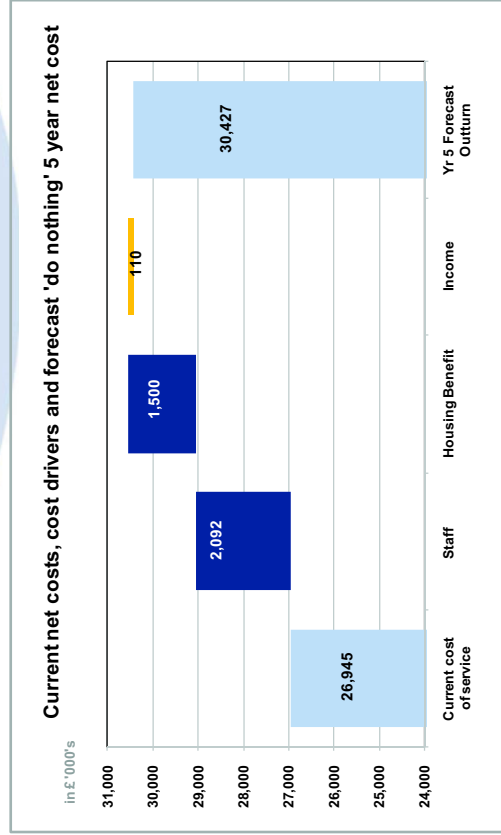
The current net cost of Corporate Governance services is £27m*. This cost is forecast to rise by 12.9% to £30m by 2015/16.



Customer Services and Performance have the largest current Directorate net costs (£11.4m). However Finance has the largest 5 year forecast cost pressures (36%).

The effect of all Directorate forecast pressures will be to:

- Increase the proportion of total net costs that are incurred by Finance, from 23% to 27%.
- Decrease the proportion of total net costs incurred by Customer Services and Performance from 43% to 40%.



The cost pressures that will impact on Corporate Governance services over the next 5 years are driven by:

- Rising ACC staff costs and
- An increase in demand for Housing benefits service

These cost pressures are marginally offset by a forecast increase in income.

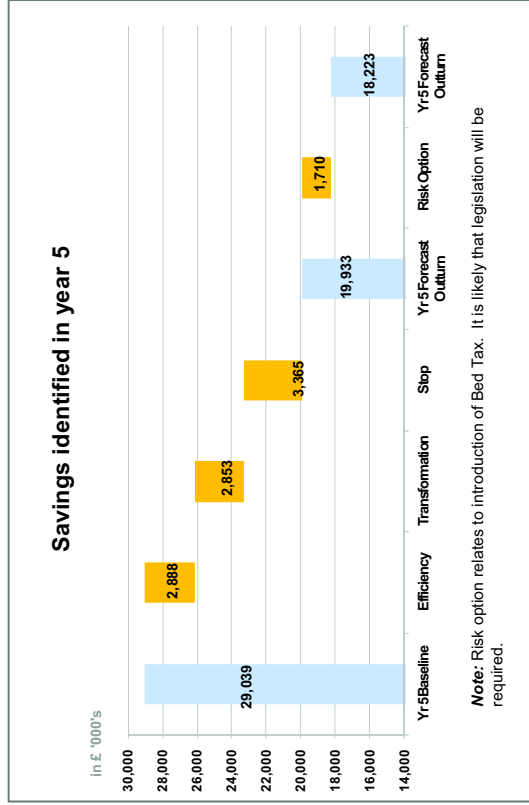
* Current net cost of service is based on the 2010/11 budget. It excludes capital finance costs and contributions to the repairs and maintenance fund.

Section 3 Service Options (CG) (version 1.4a)

Summary of CG savings

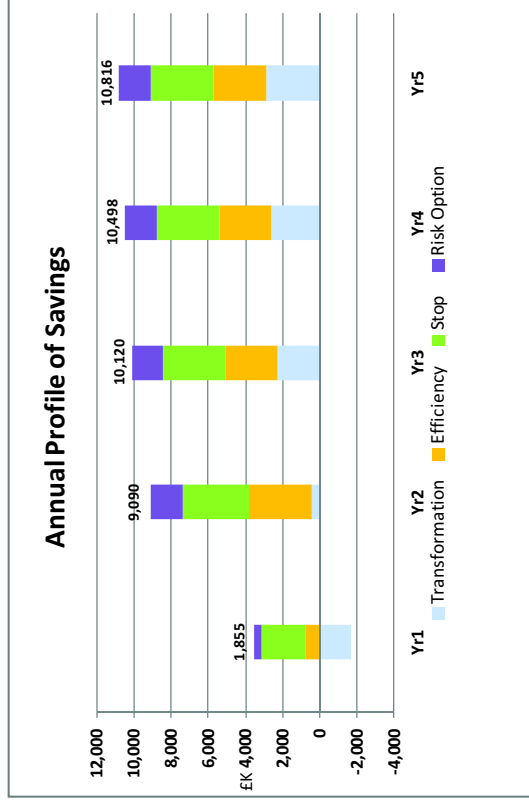


- A total of £11.9m of savings have been identified for Corporate Governance services.
- Core savings total £9.1m, which represents 31% of the Directorate’s forecast five year baseline.
- £1.7m of savings relate to a ‘risk option’ where further clarification of legal barriers is required.



Savings from transformation options relate in the main to externalisation of the main back office functions.

The sustainable efficiency savings are driven by options to improve administration around the democratic process. Approximately half of the savings in the stop/reduce category (£2.4m) relate to stopping funding for Fairer Scotland.



The savings profile includes tactical efficiency options for HR, Legal and Finance which will be implemented in years 1 and 2.

It is assumed that options that involve externalisation of services are to be implemented in Year 3.

Section 3 Service Options (CG) (version 1.4a) CG: Transformation options

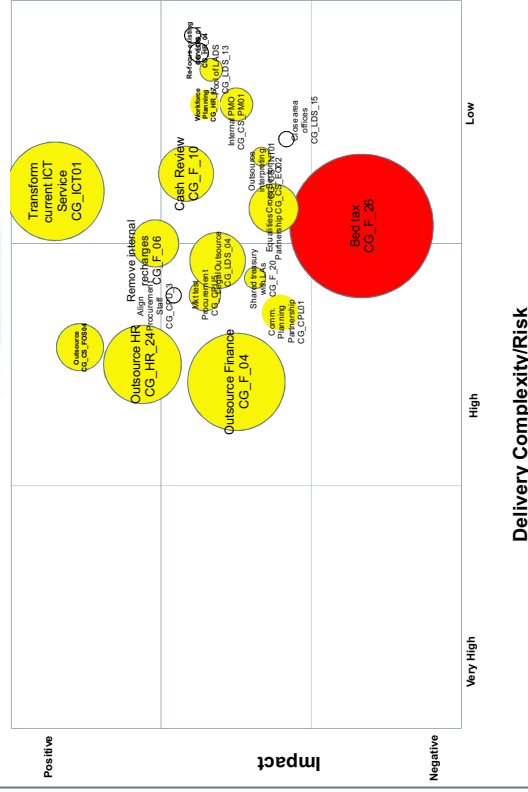
Transformation options will:

1. Drive greater standardisation and consolidation of activities.
2. Provide a more flexible service able to meet the requirements of a changing customer base
3. Streamline and effectively manage information

In the future services will either become increasingly centralised within the Council or be delivered by external providers.

Ref	Option description	Value in Yr 5 (£k)
CG ICT01	External delivery of ICT	803
CG_F_04	External delivery of Finance	780
CG_HR_24	External delivery of Human Resources & Organisational Development	506
CG_LDS_04	External delivery of Legal Services	259
CG_CS_FOS04	External delivery of Customer Services	184
CG_CS_CPL01	External delivery of Community Planning	109
CG_CS_PM01	Programme Management Office - fully internal	90
CG_CPU_5	External delivery of procurement function	80
CG_LDS_13	To create a "pool" of WPO/clerical/admin support across Legal and Democratic Services	42
CG_CPU_3	Re-alignment of procurement staff across the 5 authorities	0
CG_HR_04	Refocus and rationalise existing Health & Safety service	0
TOTAL		2,853

The impact on service and the complexity of implementation of Transformation options and Efficiencies with barriers



Options that have been identified as higher risk are those that have significant barriers to implementation. These include:

- 1.Changes in legislation
- 2.Changes to national agreements
- 3.Agreement from some other 3rd party that cannot be assumed

Higher risk options (including efficiency and stop/reduce) are shown in red above

Section 3 Service Options (CG) (version 1.4a)

CG: Efficiency options



Efficiency options will deliver better value for money on services provided by:

1. Changing internal processes and structures
2. Maximising income opportunities
3. Employing external service providers

Reference	Option description	Value in Yr 5 (£k)	Comment
CG_CPU_01	Targeted contract savings	500	
CG_CPU_2a	Re-alignment of identified staff to Central Procurement Unit on a temporary basis – Social Care & Wellbeing	1,000	
CG_CPU_2b	Re-alignment of identified staff to Central Procurement Unit on a temporary basis – E P & I ; H & E	350	
CG_CPU_7	Close the Social Work occupational therapy stores and transfer operations to the Whitemyres Centre	105	
CG_LDS_09	Maximise the capabilities of modern.gov capabilities to circulate agendas & change minute style	79	
CG_LDS_18	Merge Archive and Registrars to form a joint service	52	
CG_F_16	Merge Social Work Assessments into Revenues and Benefits	50	
CG_LDS_08	Transfer committee services from Legal to Democratic Services	44	
CG_LDS_25	Hire out Town House facilities to external groups and bodies.	38	
CG_LDS_7D	Only one committee member of staff at each committee meeting	29	
CG_LDS_24	Increasing the number of ceremonies provided, e.g. baby naming	24	
CG_LDS_27	Expand charging in Archives - family history requests	10	
CG_F_08	Trusts & Common Good - review support	10	
CG_F_10	Cash Review - Area Offices	125	With barriers
CG_CS_EQ02	Equalities function being delivered by cross-sector partnership	200	With barriers
CG_F_06	Remove internal recharges across ACC	182	With barriers
CG_HR_17	Move away from centralised workforce planning in the longer term	75	With barriers
CG_CS_INT01	Externalise delivery of interpreting and translating service	28	With barriers
CG_F_20	Review Treasury transactional activities through joint working	37	With barriers
CG_LDS_15	Closing of Area Offices at Bucksburn and Peterculter	-50	With barriers
CG_F_26	Bed tax	1,710	With Risk
CG_CPU_2c	Reduce rates on targeted contracts across ACC	1,000	
TOTAL		5,598	

Section 3 Service Options (CG) (version 1.4a)

CG: Efficiency options: Additional options Years 1&2



Additional efficiency options have been identified which will be implemented to improve services prior to implementing an alternative delivery model (i.e. Transformation options).

In this case, no efficiency savings are shown in year 5, but savings in Years 1 and 2 are included in the profile of Years 1 to 5 savings. These items are listed below with the total savings for Year 2.

Reference	Option description	Value in Yr 2 (£k)	Comment
CG_HR_07	Payroll incorporated into Human Resource (HR) Service Centre	20	
CG_HR_10	Develop Business Partner Model – basic queries to HR Service Centre	60	
CG_HR_13	Transactional HR Services incorporated into HR Service Centre	60	
CG_LDS_14	Increased use of Paralegals	18	
CG_HR_19	Corporate HR team to focus on core corporate employee issues; client incorporated in HR Service Centre	80	
CG_HR_22	Recruitment and selection processed through the HR Service Centre	105	
CG_LDS_01	Transform in-house delivery of legal services	30	
CG_F-13	Revenue and Benefits establishment review	125	
CG_F_01	Services Accounting - process improvement	140	
TOTAL		638	

Section 3 Service Options (CG) (version 1.4a)

CG: Identified Stop / Reduce options



It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
3	CG_CPU_6	Rationalise central store function	43	
4	CG_LDS_07b	Council committees align to statutory minimum	450	
	CG_LDS_7e	Savings of convenors and vice convenors payments if reduced number of committees	108	
6	CG_LDS_20	Charge fully for provision of archive service to Aberdeenshire Council	36	
7	CG_LDS_21a	Reduce members support unit	37	
8	CG_LDS_22	Cease delivering mail to Councillors' homes	11	
9	CG_LDS_26	External delivery of conveyancing service	0	
10	CG_CS_CM01	Subsume change management function into Programme Management Office	271	
22	CG_CS_FS03	Reduce Fairer Scotland Fund	1,000	
37	CG_CS_FS01	Cease Fairer Scotland Fund	1,375	
38	CG_LDS_02	Cease all external legal support	0	Reduced to £0 to avoid double count with LDS_04
47	CG_CS_PMQ07	Align Corporate Information & Research resource to work demand	142	
79	CG_CS_FOS07	Customer Service - stop face to face provision	783	
80	CG_CS_FOS08	Customer Service - stop developments	427	

CMT preferred order of implementation, ranked against Council priorities, up to the point that any outstanding funding gap is filled

Options above this red line have been included in current calculations of total savings. This is based on current predictions of future funding levels and anticipated savings from transformation and efficiency options

Section 3 Service Options (version 1.4a)

Council wide options



Ref	Option description	Value in Yr 5 (£k)
ACC_SO13	Review Corporate Administration	900
ACC_SO19	Rationalise operational support	25
ACC_SO7	Review and rationalise cross Council ICT	250
ACC_SO18	Reduce management teams	1,075
ACC_SO1	Reduce funding to Grampian Police (in line with national agreements)	3,555
ACC_SO2	Reduce funding to Grampian Fire & Rescue	2,132
ACC_SO6	Reduce miscellaneous grants	605
ACC_SO11	Review terms and conditions of staff	0
ACC_SO9	Review corporate training / conferences	555
ACC_SO3	Reduce funding to Joint Valuation Board	254
ACC_SO5	Reduce staff advertising	100
ACC_SO4	Stop general advertising	60
ACC_SO22	Electronic mail and send	400
ACC_SO17	Self-service administration across the Council	63
ACC_SO21	Move to cash free Council	49
ACC_SO08	Corporate Bond issue	-400
ACC_SO10	Reduce level of contingency	3,000
ACC_SO16	Explore commercial opportunities	0
ACC_SO20	Explore expanding use of Common Good for General Fund	0
ACC_SO_23	Remove discretionary enhancements to pensioners	3,000
ACC_SO_24	Charge levy on car parking for private businesses	0
TOTAL		15,623

These options relate to council-wide savings opportunities. They have not been included within any individual Directorate savings but are included in the total ACC consolidated position.

Section 3 Service Options (version 1.4a)

Further Innovation



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Although a large number of options have been identified, both at Service level and also options that will have an impact across the Council, further research across local government in the UK has identified further options for consideration by elected members. *They have been included within this section merely to highlight the full scale of potential options, rather than suggesting that these may or may not be appropriate or acceptable.*

This list is intended to supplement the existing options that have been identified through dialogue and engagement at Function and Directorate level. These options have not been costed and have not been included within the proposed package of options.

The options fall into two key areas – those that impact the **scope** of service that ACC could deliver and those that relate to the **delivery** of services.

1. SCOPE OF SERVICES

- Creation of a Local Authority Bank (commercial basis within legal remit)
- Buy out Post Office and run as a commercial business in the region
- “Easyjet” Council model with differential pricing for services
- Commercialise local authority services (go into the business of providing service)
- Developing centres of excellence and then selling services outside of geographical areas / hosting services to other Councils across UK mainland
- Change the 'social contract' with your community, e.g. Big Society agenda (vanguard communities)
- Building Resilient Communities
- Changing behaviours of individuals ('targeting difficult families')

Section 3 Service Options (version 1.4a)

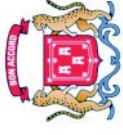
Further Innovation (continued)



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2. DELIVERY OF SERVICES

- Creation of separate public entity for the delivery of social care
- Delivery of library services via private sector funding, e.g. via supermarkets or cafes as places to deliver these services in order to attract teenagers and 20 - 30 age group.
- Strategic commissioning hubs
- 'True' commissioning model, e.g. move to North American model of public service provision at local level
- 'Near Shoring' : move services to cheapest part of UK, e.g. Islington runs services out of Manchester
- Cultural change within staff through temporary outsourcing to change working patterns
- Democracy: Put in elected mayor system to cover all local public services
- Joint management teams, education departments etc., with partners across sectors
- Variety of different operating models that move away from Local Authority delivery, e.g. social enterprises, mutuals, co-operatives and community interest company
- Employ a significant part of the workforce through a recruitment agency 'partner' and therefore benefit from alternative terms and conditions
- Other revenue / income avenues e.g. Manchester own a significant part of MCFC, GMEX, airport resulting in a significant cash generator



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Section 4

DEPENDENCIES

(version 1.4a)

Section 4 Inter-dependencies (version 1.4a)

Key options



A. city region agenda Approach to Services

During the Corporate Roundtable, it was recognised that a number of services provided by different Directorates all fit within a wider city region agenda Agenda, each impacting on the same communities within Aberdeen. It was agreed that these services, and the identified options relating to them, should be collectively reviewed to understand the combined effect of services on these communities and the impact of any changes made.

The services and related options identified as within the city region agenda Agenda are:

Directorate	Service	Options identified
Education Culture & Sport	Community Learning	New structure of Community Building
Social Care & Wellbeing	Family & Community Support	Redesign service
Enterprise, Planning & Infrastructure	City Wardens	
Housing & Environment	Community Safety	various options
Housing & Environment	Homelessness	Homeless strategy

B. Social Care & Wellbeing (SC&W) and Housing

Part of the transformation options within SC&W, aligned to shifting the balance of care, aim to reduce the number of people in residential care. It is anticipated that the Council will need to consider alternative accommodation arrangements to support implementation of this option and this could lead to an increase in demand on Housing Services.

Any cost implications of this demand will need to be considered as the implementation plans become more developed.

C. Customer contact and Out of Hours services

During the Corporate Roundtable, it was recognised that further efficiencies may be possible by consolidating customer contact points across the Council, especially in relation to contact outside of core business hours. SC&W have identified an option to review their "out-of-hours" service. It was also agreed to extend the scope of this to consider other Council services providing "out of hours" customer contact. Services identified as providing "out of hours" services are:

Directorate	Service
Social Care and Wellbeing	Out of hours
Corporate Governance	Regional Contact Centre
Housing & Environment	Building Services call outs

Key options (2)



D. Education and Children's Services

There are a number of inter-dependencies between the benefits accruing from Education options (increasing teacher productivity [ECS_E6 & E26], changes to class sizes [ECS_E8d, E8c, E31a & E10] and the use of para professionals [ECS_E7c & E20b]).

Further options to reduce or stop classroom and learning support have also been identified. The cumulative financial benefits from the chosen options have been included within the analysis of savings.

Serious consideration would have to be given to the impact these options may have on children's education experience. Financial benefits may not therefore be fully realisable, even if existing implementation barriers around national agreements are overcome.

Further dependencies have also been identified with the SC&W option to review Children's Services (SCW_SD3). This option would place additional demands on teaching professionals and the use of para-professionals may limit the ability of teachers taking this wider role.

Opportunities were identified to develop the role of Educational Psychologists to have greater involvement in Children's Services. Full financial and non-financial impacts of these cross Directorate dependencies need to be confirmed.

E. Corporate Governance

The future shape of the services delivered by Corporate Governance will depend on the configuration and nature of delivery of all other services within the Council.

Section 4 Inter-dependencies (version 1.4a)

Impact on Capital Programme



Savings identified relate only to revenue expenditure. It should be noted however that a number of options also have a capital impact. Some require capital investment to be implemented, while others may remove the need for a capital asset and thus create the opportunity for a future capital receipt. The most significant potential capital impacts, which relate to EC&S and EP&I options are highlighted below.

Ref no.	Option	Capital impact	Capital impact where known (£ks)
EPI_PSD08	Stop Western Peripheral Route	De-capitalise investment	
EPI_AMO08	Reduce street lighting whole life costs	Investment	£1.5m in year 1
EPI_AMO09	Use Wi-Fi for Urban Traffic Control	Investment	
EPI_AMO11a	Tactical disposal of property assets	Receipt	73
EPI_AMO11b	Tactical disposal of property assets	Receipt	As above
EPI_AMO17	Additional capital funding for roads	Investment	£21.7m p/a
EPI_AMO18	Increase mobile / remote working	Investment	
EPI_AMO20	Improve energy efficiency	Investment	
EPI_AMO26	Introduce road user charge	Investment – vehicle registration numbers system	
EPI_DIR06	Enable renewable energy network	Investment	
ECS_E9b	Redesign of secondary schools	Investment in new schools & refurbish 2 existing schools	£120m – starting in year 5 and lasting beyond 10 year timeframe for capital programme
ECS_E11	Senior campus	Investment in IT	
ECS_E19	Centralising school admin	Investment in IT	
ECS_E28	Close the Music School	Potential receipt	
ECS_E29a	Closure of 5 primary schools	Potential receipt	
ECS_C2	Closure of art gallery & museums	Potential receipt	
ECS_C9	Closure of 8 community libraries	Potential receipt	
ECS_C11e	Cease financial support to 14 centres	Potential receipt	
ECS1-C6	Create Community Collections Centre & redeveloped Art Gallery	Investment for Collections Centre	£10m – potential for third party funding
ECS1-C7	Libraries & Information Heritage Centre	Investment for Heritage Centre	

Further work is required to fully determine the capital impact of all options. This will in part depend on the details and timescales of implementation. Loss of income from any disposal of commercial properties also needs to be balanced against the need to release capital. Once identified, the capital impact will need to be considered in the wider context of the Council's Capital Programme.



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Section 5 **NEXT STEPS** (version 1.4a)

Section 5 Next Steps (version 1.4a)

Ensuring Success



The success of delivering against the Council priorities alongside successfully delivering the very ambitious and challenging package of options within this Plan will directly link into the impact on the people of Aberdeen. This link should not be broken and the development of the next phase needs to home in on delivering against a number of outcomes, rather than individual service options.

To deliver this, ACC will need to ensure that it has the strongest possible capability, capacity and governance in place to ensure the successful delivery of the overall 5 Year Business Plan, not just in regards to the discrete Programme, but as an overall Council. Key to this are:

- Development of an appropriate culture within the Council to drive, embrace and embed change
- Clear leadership and strategic direction that will steer, guide and continuously support the change
- Customer and community needs kept at the heart of the change
- Ability to report progress and impact to the local community in order to gain recognition, support and greater autonomy over time

To achieve this, the key steps below need to be finalised by mid February 2011. They are discussed in more detail over the following pages:

Key Activities	
1.	Address inter-dependencies
2.	Develop Business Cases for key Transformation options
3.	Develop Implementation Plan
4.	Prepare 5 Year Financial Plan
5.	Complete Business Plan

Section 5 Next Steps (version 1.4a)

1. Address inter-dependencies



- A number of inter-dependencies have been identified during the development of service options which need to be resolved in the next stage of development of the Business Plan
- Communicate capital impacts arising from Directorate programmes to the Capital Programme
- Capital expenditure and receipts will need to be profiled for each year
- Review the totality of Transformation options and identify the degree of change impacting on the organisation
- Consider how the organisation will manage a change programme and potential risks of initiating the full package of identified options

2. Develop Business Cases for key Transformation options



- Detailed business cases are needed for key Transformation options articulating the return on investment and timing of benefits
 - Link in with Workforce Planning to capture the FTE impacts of Transformation options, including redundancy, re-deployment or requirements for TUPE. This is vital to establishing investment costs required in years 1-3.
 - Link in with the Capital Programme to ensure capital expenditure and receipts profile is captured. This is vital to understanding which investment decisions can be funded and when.
 - Factor in any upfront professional fees and ongoing inspection costs needed
- The business case may package up Council-wide, cross Directorate options. Inter-dependencies must be clearly understood and documented in these.

3. Develop Implementation Plan



- Early development of the overall Implementation Programme is critical to plan implementation of chosen service options. This needs to consider timing and duration of:
 - Stakeholder engagement
 - Employee consultation and notice periods
 - Negotiations with third parties
 - Sale, build or refurbishment of properties
 - Critical business-as-usual periods
- In addition a programme and change management process is needed to support the realisation of benefits.
- Processes need to be in place to maintain effective two-way communications and engagement throughout the change.
- Ability to track progress and impact of the change. Benefits will need to be captured as well as the impact changes have on service performance/outcomes.
- Critical to sustaining momentum and pace is early identification of Programme/project capability and capacity to sustain implementation. Management information will also be needed to continually test where internal resources require supplementing by external organisations, partner organisations or the delivery of training.

4. Prepare 5 Year Financial Plan



- A 5 Year Financial Plan will be incorporated within the final 5 Year Business Plan
- The 5 Year Financial Plan will translate service options into subjective budget lines at Level 2 of the service hierarchy only. Information from Directorates on inter-dependencies, details of business cases and implementation plans are needed to inform the Financial Plan and ensure double counts are avoided.
- Confirmation required on funding levels
- Additional overlay to Financial Plan for corporate funding options and financing requirements (including capital financing)
- Perform sensitivity analysis
- Year 1 of the 5 Year Financial Plan forms the basis for the 2011/2012 budget

Glossary

(version 1.4a)



ACC - Aberdeen City Council

CG – Corporate Governance

CMT – Corporate Management Team

ECL – Education, Culture, Learning

EC&S – Education, Culture and Sport

EP&I – Enterprise, Planning and Infrastructure

FTE – Full Time Equivalent

H&E – Housing and Environment

HR – Human Resources

HR & OD – Human Resources and Organisational Development

PBB – Priority Based Budgeting

HRA – Housing Revenue Account

SC&W – Social Care and Wellbeing

WPO – Word processor operator

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ABERDEEN CITY COUNCIL

COMMITTEE:	Finance and Resources
DATE:	2 December 2010
DIRECTOR:	Stewart Carruth
TITLE OF REPORT:	Non Housing Capital Programme 2010/2011 Monitoring Report and Progress on Future Years
REPORT NUMBER:	CG/10/197

1. PURPOSE OF REPORT

This report provides an update to Committee of the progress across all services on projects within the 2010/11 Non Housing Capital Programme as at 31 October 2010 and provide details of the progress to date on reviewing and developing the programme for 2011/12 and beyond.

2. RECOMMENDATION(S)

It is recommended that the Committee:

- a) Note the current position on the Non Housing Capital Programme for 2010/2011 and future years; and
- b) Instruct the Head of Finance and/or Head of Asset Management and Operations to continue to update the Committee, in consultation with the Directors, on the overall position and projected out-turn of the Non Housing Capital Programme.

3. FINANCIAL IMPLICATIONS

- 3.1 The monies required to fund the capital programme are achieved through external borrowing, capital receipts and grant income.
- 3.2 The overall cost of capital is calculated on a Council wide basis and therefore the impact on the Council is included within this summary report. It is important that approved projects are managed and monitored in a robust way to ensure there is accuracy in relation to expenditure projections and thereby enable the Council to calculate and evaluate the overall need for, and cost of, borrowing. To facilitate this process detailed information on a project by project basis is reported to each service

committee as any variation will impact on the Council's General Fund revenue account.

4. OTHER IMPLICATIONS

Failure to invest adequately in the Council's asset base may lead to the erosion of those assets and their value. It may also reduce the effectiveness and efficiency of service delivery and furthermore lead to the Council not complying with current health and safety requirements. If the continuation of close budgetary control is not exercised and maintained the Council may operate out with the capital control mechanisms laid down by the Scottish Government in relation to the Prudential Code for the 2010/2011 Non Housing Capital Programme.

5. BACKGROUND/MAIN ISSUES

Capital Programme 2010/11

- 5.1 The financial statement at Appendix 1 outlines the current position as at 31 October 2010.
- 5.2 The revised programme is now £108.474 million, prior to any allowance for project variations and slippage (ie. the anticipated underspend on the total programme which will "slip" from one year to the next). A review of the programme has identified a minimum required spend level of £80.275 million. This committee has previously confirmed that funding for the programme should remain at the previously approved level of £69.114 million and instructed officers to proactively manage spend to be within this limit. Thus, anticipated spend must be reduced by £11.161 million.
- 5.3 To facilitate the process of bringing expenditure to a sustainable position, regular meetings are being held with service representatives to scrutinise spend profiles and agree likely levels of expenditure for each project.
- 5.4 The re-profiling of budgets to the minimum requirement also affects the funding profile, with the previously assumed level of contributions and sponsorship in relation to projects not now being available as the associated spend will not be incurred in the year. In order to maintain the funding level at £69.114 million, the un-supported borrowing level has to increase by £6.5 million. A provision of £0.75 million has been made in the revenue budget forecast outturn to cover any potential impact of this additional un-supported borrowing and any potential for the total expenditure not being reduced to £69.114 million
- 5.5 The total payments made as at 31 October 2010 are approximately £32.556 million or 47% against the funded programme of £69.114 million.

This figure does not reflect commitments made through accepted tenders etc.

- 5.6 The Council previously agreed that £15 million of capital receipts held within the Capital Fund be utilised to fund a specific programme of capital works. A balance of £0.535 million is available to spend during 2010/11. It was agreed by Council in February 2010 that no further carry forward of unspent balances will be available after 31 March 2011. The current position is reflected in Appendix 2.

Capital Programme 2011/12 and Beyond

- 5.7 Work is ongoing through the Corporate Asset Group to review the programme for both the current and future years, to ensure it links with Priority Based Budgeting (PBB) and Asset Management Plans. The review encompasses both currently approved projects and the identification of new bids resulting from the Priority Based Budgeting exercise.
- 5.8 An initial high level exercise has been undertaken to score projects in terms of avoidability, linkage to PBB, urgency and alternative methods of financing. The next steps are to consider the risks associated with each project and to refine the timing and spend profiles of projects in order to propose a sustainable programme for future years, taking account of funding availability and affordability.
- 5.9 Appendix 1 includes the estimated budget for 2011/12 as approved by Council in February 2010. This will change as a result of the aforementioned review of the programme with updates being reported to committee as appropriate in due course.

6. IMPACT

- 6.1 Corporate – the capital programme encompasses projects which will link in one or several ways to the Community Plan, Single Outcome Agreement, Corporate and Individual Service Plans and *Vibrant, Dynamic & Forward Looking*.
- 6.2 Public – this report will be of interest to the public as it demonstrates financial performance.

7 BACKGROUND PAPERS

None

8 REPORT AUTHOR DETAILS

Sandra Buthlay, Senior Accountant, sbuthlay@aberdeencity.gov.co.uk, (52)2565

	(Council Feb 10) Approved Budget 2010/2011	Adjustments & Carry Forward from 2009/2010	Revised Budget 2010/2011	Service Determined Minimum Required 2010/2011	Actual Spend at Oct 2010 *	(Council Feb 10) Estimated Budget 2011/2012
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure						
Corporate Governance	12,720	738	13,458	8,403	2,572	4,204
Education, Culture and Sport	13,524	3,312	16,836	8,120	3,187	24,196
Enterprise, Planning and Infrastructure	56,234	2,847	59,081	51,416	20,694	28,975
Housing and Environment	12,174	4,817	16,991	11,791	6,103	9,352
Social Care and Wellbeing	2,108	0	2,108	545	0	200
Expenditure	96,760	11,714	108,474	80,275	32,556	66,927
Add: Prior Year Slippage (100%)	1,915	0	0	0	0	29,603
Expenditure	98,675	11,714	108,474	80,275	32,556	96,530
Less: Slippage	(29,603)	0	(39,360)	(11,161)	0	(28,959)
Expenditure	69,072	11,714	69,114	69,114	32,556	67,571
Capital Fund Projects	812	(277)	535	535	0	0
Total Expenditure	69,884	11,437	69,649	69,649	32,556	67,571
Funding						
Supported Borrowing	10,321	0	10,321	10,321	10,321	10,321
Un-supported Borrowing	35,325	0	35,325	41,825	12,777	15,896
General Capital Grant	13,286	42	13,328	13,328	7,775	13,286
Specific Capital Grant	365	0	365	365	0	0
Capital Receipts – Sales	2,775	0	2,775	2,775	1,373	19,215
Capital Receipts - Contributions	4,000	0	4,000	500	310	8,612
Capital Receipts - Sponsorship	3,000	0	3,000	0	0	0
Use of Capital Fund	812	(277)	535	535	0	0
Total Income	69,884	(235)	69,649	69,649	32,556	67,571
Projected Over/(Under) Spend	0	0	0	0	0	0

– Actual spend to end Oct 2010 reflects payments made and processed.

Appendix 2

Projects Funded from the Capital Fund

		Budget £'000	Total Spend to Date £'000	Under / (Over) Spend £'000	Funding Required £'000	Comment
1	ICT Schools	300	300	0	0	Complete
2	ICT Continuous Improvement	700	326	374	34	Surplus funding removed.
3	Roads Investment	5,000	4,872	128	0	Complete
4	Street Lighting	4,000	4,000	0	0	Complete
5	Repairs and Maintenance – Health & Safety	2,000	488	1,512	0	Removed (per F&R Committee 17/09/09)
6	Improvements to Play Parks	450	403	47	47	Projects to be identified
7	Improving DDA Access	375	370	5	0	Complete
8	Improvements to Car parks	250	206	44	0	Complete
9	George Street	575	468	107	107	Projects to be identified
10	Improvements to Public Toilets	250	163	87	87	Projects to be identified.
11	Small Environmental Improvements	100	180	(80)	0	Complete
12	ICT investment	200	190	10	10	Final spend on E-Procurement project.
13	CRM investment	550	451	99	0	Complete
14	Investment in Cleaning	250	0	250	250	Held pending additional vehicle parking facilities.
	Total	15,000	12,417	2,583	535	

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ABERDEEN CITY COUNCIL

COMMITTEE:	Finance and Resources
DATE:	2 December 2010
DIRECTOR:	Stewart Carruth
TITLE OF REPORT:	General Fund Revenue Budget 2010/11 - Monitoring
REPORT NUMBER:	CG/10/200

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to inform Members on the projected outturn and current financial position for the Council for financial year 2010/11 and to advise on areas of risk and management action that have been highlighted by directors.

2. RECOMMENDATION(S)

It is recommended that the Committee notes the content of the report

3. FINANCIAL IMPLICATIONS

- 3.1 While it is felt that a balanced budget position can be achieved in the current financial year, it is worth noting that should the projected outturn be reflected by the accounts at the end of the year there will be a reduction in the General Fund balance of £0.2 million.
- 3.2 It is important to recognise that the budget has been set with the intention of increasing the General Fund balance by £3.6 million and therefore this would represent a movement against budget of £3.8 million.
- 3.3 Uncommitted General Fund balances at year end would be £10.75 million and therefore slightly below the recommended balance of £11.2 million that the Council has previously set, which is defined as between 2.5% and 3% of the net revenue budget.

4. SERVICE & COMMUNITY IMPACT

- 4.1. As a recognised top priority the Council must take the necessary measures to balance its budget. Therefore, Services are expected to work within a financial constraint as defined by their annual budgets.

- 4.2. Opportunities to balance the budget will be identified by each Director and reported as necessary through the relevant service committee.

5. OTHER IMPLICATIONS

- 5.1. Every organisation has to manage the risks inherent in the operation of large and complex budgets. These risks are minimised by the regular review of financial information by services and corporately by Members. This report is part of that framework and has been produced to provide an overview of the current operating position.

6. REPORT

- 6.1. At its meeting of 28 September 2010 the Committee reviewed the financial performance of the Council in relation to its General Fund, Revenue Budget for financial year 2010.
- 6.2. During the intervening period the Corporate Management Team has received reports on the financial performance and is aware of the risks that exist.
- 6.3. This report builds upon the previous report and updates the Committee on matters that have arisen or are emerging in relation to the financial performance and operational environment as well as considering the revised projected outturn for the Council as a whole.
- 6.4. Service Committee reports on their financial position have been considered during the current cycle of meetings.
- 6.5. Information within this report provides a high level expenditure projection for the consideration of Members and presents actual financial figures to the end of September 2010 and the projections based thereon.
- 6.6. Appendix A includes a summary of the Council position.

Financial Position

- 6.5 In overall terms the statement at Appendix A shows the Council is managing risk of £3.8 million in relation to the outturn position varying from budget. This represents less than 1% variance from budget and the Corporate Management Team believes that a balanced budget position can be achieved for this financial year.

- 6.6 Within the Service budgets and projections it was assumed that there would be savings from 'a reduction in employment costs' of £4.5 million. At a Special Council meeting on 2 November 2010 a new proposal was discussed and the outcome was the approval to pay staff increments where applicable, with effect from 1 April 2010. Additional costs are therefore to be borne for this financial year.
- 6.7 This is to be funded from in-year staff savings with the balance coming from earmarked general fund reserves. This has the impact of committing resources that were originally earmarked for use elsewhere and therefore the scope to use these earmarked sums is now reduced. It shouldn't have any further impact in the current year, and as there is improvement in the overall position for the Council it may be possible to meet these costs from the current year's budget.
- 6.8 Also included in the projections are costs associated with the national pay award that affects the majority of non-teaching staff and amounts to 0.65% in the current year. The value of this has been estimated at £1 million across the Council. The payments were only made at the end of October so work is ongoing to capture the exact cost. Future reports will provide confirmation of the position.
- 6.9 The most significant risks and matters arising from the figures that are presented include the following:
- 6.10 Social Care and Wellbeing – An under spend of £2.3 million in relation to under commitment of demand led budgets – offset in part by reduced grant income. Staff costs also remain well within budget and are contributing substantially to the under spend. It is recognised that to the demand and needs led nature of this Service pose a risk for cost pressures to arise at any time. Continued scrutiny and control is essential to maintain this favourable forecast position.
- 6.11 Housing and Environment – An impact of dealing with homelessness was identified earlier in the year, in that there was a mismatch within the Corporate Governance budget in relation to the Housing Benefit being paid out and the subsidy being received. This mismatch is currently projected to amount to £1.5 million and in order to address it there has been a report to Housing and Environment Committee and there is a separate item on this agenda also. It has been agreed with the directors that the impact should be shown against Housing and Environment, however it remains high on the list of areas of risk that the Corporate Management Team are following carefully. The Corporate Governance and Housing and Environment staff have been working together to progress an urgent resolution.

- 6.12 In addition there is pressure on the generation of £0.7 million of income from the Repairs Fund and Housing Revenue Account, based on the experience of 2009/10, where there were reduced recoveries. This followed a review of the method of recharge and the new operational structures that are now in place.
- 6.13 Education, Culture and Sport – The deterioration in the forecast since the last report is principally due to there being a shortfall in the value of budget that is available to pay for the school catering service. At present there is forecast to be a £1.5 million cost, a cost that has arisen mainly in connection with the full implementation of equal pay and modernisation. A corporate approach to mitigate this position is being taken and again is high on the agenda for the Service directors.
- 6.14 The service is also experiencing cost pressures in relation to teachers' long-term absence and the costs arising from the out-of-authority placement of children.
- 6.15 Corporate Budgets – An estimate is included of an additional sum that may be required to cover further capital financing costs in the current year. The value has been reduced since the last report however there still remains the possibility that the capital expenditure profile and value will mean additional costs are incurred. This is based upon the fact that the funding available for capital expenditure is less than the full capital programme and there are continuing risks that the necessary slippage will not be achieved. The Capital Asset Group has instructed that no further legal commitments be entered into without prior approval of the group.
- 6.16 The figures outlined reflect progress on achieving approved budget savings of approx. £25 million which were incorporated into the budget and also assume a full commitment at this stage against the budgeted contingencies

Management Actions

- 6.14 Directors and Heads of Services are expected to work together and with Finance to find the means by which savings are identified, quantified and reported, working towards a balanced budget position for the year.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

Financial ledger data extracted for the period, and service committee reports on financial monitoring;

**ABERDEEN CITY COUNCIL
2010/11**

FINANCIAL MONITORING

As at end of September 2010	Year to Date				Forecast to Year End		
Accounting Period 6	Full Year Revised Budget £'000	Revised Budget £'000	Actual Expenditure £'000	Variance Amount £'000	Forecast Outturn £'000	Variance Amount £'000	Variance Percent %
Services							
Office of Chief Executive	777	379	518	139	732	(45)	(5.8)%
Corporate Governance	26,052	12,893	12,508	(385)	25,246	(806)	(3.1)%
Enterprise Planning and Infrastructure	26,578	7,436	7,111	(325)	27,252	674	2.5%
Housing and Environment	42,842	21,222	22,974	1,752	45,310	2,468	5.8%
Education Culture and Sport	183,566	85,718	77,697	(8,021)	186,821	3,255	1.8%
Social Care and Wellbeing	123,836	60,839	56,785	(4,054)	120,497	(3,339)	(2.7)%
Total Service Budgets	403,651	188,487	177,593	(10,894)	405,858	2,207	0.5%
Total Corporate Budgets	42,055	15,479	14,606	(873)	43,341	1,286	1.0%
Total Net Expenditure	445,706	203,966	192,199	(11,767)	449,199	3,493	0.8%
Funding:							
<u>Government Support-</u>							
General Revenue Grant & Non-Domestic Rates	(343,070)	(122,393)	(122,393)	0	(343,070)	0	0.0%
<u>Local Taxation-</u>							
Council Tax & Community Charge Arrears	(106,207)	(53,104)	(54,568)	(1,465)	(105,952)	255	0.2%
Total Funding	(449,277)	(175,497)	(176,961)	(1,465)	(449,022)	255	0.1%
Net Impact on General Fund	(3,571)	28,470	15,238	(13,232)	177	3,748	

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 nd December 2010
DIRECTOR	Stewart Carruth
TITLE OF REPORT	2010/11 Common Good Budget – Monitoring Report Update
REPORT NUMBER:	CG/10/193

1. PURPOSE OF REPORT

The purpose of this report is to

- a) Inform the committee of the income and expenditure status of the Common Good for the six months to 30 September 2010 along with the estimated out-turn for the year
- b) Provide an indication on the forecast status of the cash balances.

2. RECOMMENDATION(S)

It is recommended that the Committee

- a) Notes the income and expenditure position as at 30 September 2010 and the estimated out-turn for the year; and
- b) Notes the estimated cash balances as at 31 March 2011 of £5.3 million based on current forecasts.

3. FINANCIAL IMPLICATIONS

The financial implications are detailed in the report at section 6.

4. OTHER IMPLICATIONS

None.

5. BACKGROUND/MAIN ISSUES

Spend to Date (as at 30 September 2010) and Updated Estimated Out-turn

5.1 The approved budget for the Common Good for 2010/11 is £450k The estimated out-turn for the year to 31 March 2011 is £430k which is a favourable movement of £20k when compared to the budget. Further details are given in Appendix 1 to this report.

5.2 The change in estimated out-turn are a result from the following:

	Forecast Variance £'000s
<u>Line 5 Civic Administration Unit</u> – the non filling of staff vacancies has resulted in a reduction in the estimated out-turn	6
<u>Line 6 Receptions</u> - Given that the majority of receptions have now been approved for 2010/11, the estimated out-turn figure has been adjusted to reflect a more accurate expenditure figure	10
<u>Line 10 Misc. Civic Hospitality Expenditure</u> - the hospitality to visitors/groups to the Town House budget have been adjusted to reflect more accurate expenditure levels during the year to date	2
<u>Line 12 Upkeep of Civic Car</u> – close monitoring of the budget has resulted in a reduction in the estimated out-turn	4
<u>Line 21 Interest on Invested Funds</u> - Estimated out-turn has been updated to more accurately reflect interest rates.	(2)
	20

Cash Balances

- 5.3 The projected cash balances as at 31 March 2011 is £5.3 million as follows: -

	£M
Cash balance available for use 1 April 2010	5.7
Less:	
Estimated Out-turn	0.4
Projected Cash Balance as at 31 March 2011	<u>5.3</u>

- 5.4 The Council has previously agreed an underlying principle that the cash balance should be no less than £4.8 million, after adjusting for the Greenfern Development Site, as at 31 March 2011. This utilises the Consumer Price Index (CPI) as a basis for calculating indicative cash balances to ensure that the value of the Fund is not eroded over time.
- 5.5 As trustee of the Common Good, the Council has a duty to ensure that cash balances are maintained at levels to generate sufficient annual income to fund the expenditure from the Common Good.

6. IMPACT

The management of the Common Good contributes towards the most efficient and effective use of the Council's funds.


It is essential that the value of the Common Good is preserved in such a way that it continues to be able to support the wide range of artistic and other ventures it presently does, in the long term.

7. BACKGROUND PAPERS

None.

9. REPORT AUTHOR DETAILS

Catriona Gilmour - Accountant

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RECURRING EXPENDITURE

	BUDGET 2010/11 £s	ACTUAL TO 30th SEPTEMBER 2010/11 £s	ESTIMATED OUT-TURN 2010/11 £s
1 General Properties/Estates	25,800	2,376	25,800
2 Other Expenses	29,528	(454)	29,528
3 Central Support Services	141,834	-	141,834 Note 1
4 Donations, Grants, Contributions	678,025	235,645	677,025 Note 2
<u>Civic Hospitality</u>			
5 Civic Administration Unit	285,161	89,351	279,097
6 Receptions, etc	165,000	21,393	155,000
7 Entertainment for Elderly/Disabled Citizens	195,000	-	195,000 Note 1
8 Older Persons Development Officer	17,410	-	17,410 Note 1
9 Hospitality for Children and Community Centres	4,000	-	4,000 Note 1
10 Misc. Civic Hospitality Expenditure	23,000	1,420	21,000
11 Sub-Total Civic Hospitality	689,571	112,165	671,507
12 Upkeep of Civic Car	59,746	20,089	55,688
13 Funding - Twinning Activities	137,352	-	137,352 Note 1
14 Archivist Unit	181,476	49,014	181,476
15 Christmas Illuminations and Festivals	213,000	-	213,000 Note 1
16 Contributions to Trusts & Festivals	325,000	-	325,000 Note 1
17 Other Projects	85,876	-	85,876 Note 1
18 Other Recurring Expenditure	40,250	6,108	40,250
19 Sub-Total Recurring Expenditure	2,607,458	424,943	2,584,336

RECURRING INCOME

	BUDGET 2010/11 £s	ACTUAL TO 30th SEPTEMBER 2010/11 £s	ESTIMATED OUT-TURN 2010/11 £s
20 Income from Properties and Estates	(2,246,691)	(1,242,641)	(2,246,691)
21 Interest on Invested Funds	(54,000)	(7,466)	(51,500)
22 Miscellaneous Income	(60,150)	(75)	(60,150) Note 1
23 Total Recurring Income	(2,360,841)	(1,250,182)	(2,358,341)
24 Budgeted (surplus)/deficit on recurring items	246,617	(825,239)	225,995

NON-RECURRING ITEMS

	BUDGET 2010/11 £s	ACTUAL TO 30th SEPTEMBER 2010/11 £s	ESTIMATED OUT-TURN 2010/11 £s
<u>Non Recurring Expenditure Items</u>			
25 Gordon Highlanders Statue	125,000	-	125,000
26 Charity Shop Refurbishment	15,000	-	15,000
27 Battle of Harlaw	10,000	-	10,000
28 CLAN	55,000	55,000	55,000
29 Sub-Total Non-Recurring Items	205,000	55,000	205,000
30 Budget Deficit after Non-Recurring Items	451,617	(770,239)	430,995
31 Cash Balances as at 1 April	(5,750,722)		(5,750,722)
32 Estimated Cash Balances as at 31 March	(5,299,105)		(5,319,727)
33 Indicative Cash Balance	(5,271,382)		(5,271,382) Note 3
34 Adjustment for Greenfern Development Site	470,873		470,873
35 Revised Cash Balance to maintain value using CPI	(4,800,509)		(4,800,509)

EXPLANATORY NOTES

Note 1

Although there is no "spend to date", the expenditure for these items is committed and consists of year end transfers made as part of the preparation of the final accounts. It is expected that final expenditure for these items will be close to budget and estimated out-turn.

Note 2

The timing of payments under this heading varies from organisation to organisation. Some receive the full sum at the start of the year, some are paid in stages over the year, and other expenditure is only met at the year end. The actual spend to date is shown in Appendix 3.

Note 3

Indicative cash balance using CPI

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 nd December 2010
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Aberdeen City Council Charitable Trusts
REPORT NUMBER:	CG/10/192

1. PURPOSE OF REPORT

In order to comply with the requirements of the Office of Scottish Charities Register (OSCR), it is necessary to present financial information and a Trustees' Annual Report relating to the charitable trusts administered by the Council to Committee for approval.

2. RECOMMENDATION(S)

It is recommended that the Committee

(a) approves the following information outlined for submission to OSCR:-

(i) Trustees' Report and basic Receipt and Payments Accounts in respect of those trusts with income under £100,000 per annum as detailed in Appendix A.

(ii) Trustees' Report and Fully Accrued Accounts in respect of the Lands of Torry as detailed in Appendix B.

(b) notes the position with regard to the reorganisation of the Trusts

3. FINANCIAL IMPLICATIONS

All financial implications are dealt with in section five of the report.

4. OTHER IMPLICATIONS

Failure to comply with the requirements of OSCR could result in action being taken against the Council.

5. BACKGROUND/MAIN ISSUES

Background - Aberdeen City Council Charitable Trusts

- 5.1 The principal aims of Office of Scottish Charities Register (OSCR) are to enhance public confidence in charities and increase transparency and public accountability. To achieve this, significant independently reviewed financial information is required to be provided by charities on an annual basis. In addition, strict rules apply regarding eligibility and the disposal of assets.
- 5.2 It should be noted that more detailed information and a separate Trustees Annual Report is required to be submitted in relation to the Lands of Torry as its gross annual income exceeds £100,000.
- 5.3 As outlined in the report to the Finance and Resources Committee on 17th June 2010, steps are being taken to amalgamate all the trusts with assets below £20,000. Limited progress has been made on this but other major corporate priorities have taken precedence.

Proposals and Actions

- 5.4 It is proposed that the Committee approve the following information for submission to OSCR by Council officers. It should be noted that the financial information presented forms part of the Council's Statutory Accounts and as such was included in their audit :-
- (a) The Trustees' Report and basic Receipt and Payments Accounts in respect of those trusts with income under £100,000 per annum as detailed in Appendix A.
- (b) The Trustees' Report and Fully Accrued Accounts in respect of the Lands of Torry in Appendix B.

6. IMPACT

It is essential that the Trusts are managed in such a way that they continue to support the aims within the community for which they were established.

7. BACKGROUND PAPERS

None.

8. REPORT AUTHOR DETAILS

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Appendix A

Trustees Annual Report 2009/10– Aberdeen City Council Charitable Trusts

This report relates to the charitable trusts administered by Aberdeen City Council. The names and registered charity numbers, purpose and type of governing document of the trusts are shown below.

Reference and administration details

The charity names, charity numbers, purposes of the charities, and where available details of governing document for the charities covered by this report are given in Appendix 1 of this document.

The principal address for all these charities is Aberdeen City Council, Town House, Broad Street, Aberdeen. AB10 1AH

The Secretary of these Trusts is Jane MacEachran, Head of Legal & Democratic Services, Aberdeen City Council and the Treasurer is Barry Jenkins, Head of Finance, Aberdeen City Council.

The Trustees are the Councillors of Aberdeen City Council, as follows:-

Councillor George Adam	Councillor Jenny Laing
Councillor Yvonne Allan	Councillor Gordon Leslie
Councillor Marie Boulton	Councillor Aileen Malone
Councillor Scott Cassie	Councillor Andrew May
Councillor Ronald Clark	Councillor Callum McCaig
Councillor Norman Collie	Councillor Mark McDonald
Councillor Neil Cooney	Councillor Alan Milne
Councillor John Corall	Councillor Jim Noble
Councillor Irene Cormack	Councillor George Penny
Councillor Bill Cormie	Councillor John Reynolds
Councillor Barney Crockett	Councillor Richard Robertson
Councillor Katharine Dean	Lord Provost Peter Stephen – (Chairperson)
Councillor Alan Donnelly	Councillor Jennifer Stewart
Councillor Jackie Dunbar	Councillor John Stewart
Councillor Jim Farquharson	Councillor Kevin Stewart
Councillor Neil Fletcher	Councillor Wendy Stuart
Councillor Gordon Graham	Councillor John West
Councillor Martin Greig	Councillor Kirsty West
Councillor James Hunter	Councillor Jillian Wisely
Councillor Leonard Ironside	Councillor Willie Young
Councillor Muriel Jaffrey	Councillor Ian Yuill
Councillor James Kiddie	

All Trustees have served for the whole of the financial year to 31 March 2010.

Structure, governance and management

The type of governing document has been shown above where available but the venerable nature of some of the trust has made this difficult to provide in all cases.

The Trustees are elected in the course of the Local Authority elections, and new members are supplied with training as part of their induction process.

The positions of Secretary and Treasurer are filled by professionally qualified officers of Aberdeen City Council.

Objectives and activities

In the information given above, the charitable purposes of each Trust have been provided.

In general the charities activities are limited to the accrual of income from investments, which are remitted to appropriate organisations for further disbursement or use as appropriate given the purposes of the charity.

Financial Review

The attached accounts show the income and expenditure for the individual charities along with the surplus or deficit for the year. None of the individual charities are carrying forward a deficit on their reserves.

Where Governance Costs are allocated to charities these are in proportion to the value of the sums invested with the Council and are based on time spent by officers of Aberdeen City Council providing financial and other support to the organisations.

The investment policy of the Trust is to invest any surplus moneys in Aberdeen City Council loans fund.

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of Trust's financial activities during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statement of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and which enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006, the Statement of Recommended Practice for Charity Accounts 2005 and the provisions of the Trust Deed. The Trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention or detection of fraud and other irregularities

The Trustees declare that they have approved the trustees' report above.
Signed on behalf of the charity's trustees

..... Secretary

.....Treasurer

Appendix 1

CHARITY NAME	CHARITY NUMBER	PURPOSE	GOVERNING DOCUMENT
Guildry Funds	SC011857	Support the Historic Guildry Activities	
Jean Guild	SC018557	Widows of Burgesses and Aged Virgins 24 December 1634	
Catherine Rolland	SC018544	Widows of Decayed Burgesses 9 December 1659	
Booth Coal Fund	SC018531	Provision of Coal to the Poor in the Parish of Newhills	Trust Deed 17 April 1929
Miss Jane Smith Trust	SC018534	For Deserving Poor in the Parish of Peterculter	
Aberdeen Shipwrecked Seamens' Fund	SC018540	Charitable Purposes	General Meeting 8 July 1815
Mary Duthie Williams	SC018542	Provision of Blankets for Deserving Poor 19 March 1906	Trust 16 March 1906
W D Watson's Trust	SC018543	Poor Deserving Female Factory Workers. A preference being given to Former Employees of Patrick Watson & Sons	Will 1 December 1909
Catherine Rolland	SC018544	Poor of Aberdeen and Kirk Session of King Edward 9 December 1659	
Mollison Fund	SC018546	Upholding Tomb and Poor Widows connected with St Clements Parish Church 4 December 1911	
Lady Durris	SC018559	Charitable Purposes 15 March 1754	
Lady Durris	SC018559	Kirk Session of Durris and Strachan and Poor Families 15 March 1754	
Janet Fordyce	SC018560	Poor of Aberdeen 30 March 1815	
Families of Fishermen and Seamen Lost at Sea	SC018562	Charitable Purposes 18 October 1965	Public Subscription
Old Aberdeen Soup Kitchen and Dalgarno Coal Fund	SC018563	Poor of Aberdeen	Will 2 October 1958
George Davidson	SC018564	Poor of Footdee 30 November 1663	
James Reid	SC018565	Charitable Purposes 15 November 1792	Mortification 15 November 1792
City of Aberdeen Relay Scheme Charitable Trust	SC021305	Charitable Purposes 4 July 1966	Trust Deed 18 October 1965
John Mather	SC018537	Infirmary - 18 February 1807	

CHARITY NAME	CHARITY NUMBER	PURPOSE	GOVERNING DOCUMENT
Bedlam Fund	SCO18538	Persons Deprived of the Use of Reason	Almagamation of funds 1718
Dr Robert Beveridge	SCO18539	Promotion of the Study of Pathology at the Infirmary 18 March 1882 & 19 July 1886	
George Ogilvie	SCO18545	Founding Hospital, now payable to the Infirmary 1 February 1772	
Mrs Henrietta Wood	SCO18541	For use of the Boys' Hoster (Westfield) 19 August 1958	
Alexander Forbes of Morkeu	SCO18552	To provide a Summer Treat to Inmates of Woodend Home (Glenburn Wing) 16 October 1893	Trust 16 October 1893
Miss Eliza Moir	SCO18553	For use of the Boys' Hostel (Westfield) 19 August 1958	Will 12 May 1954
CML Werdmuller	SCO18558	For South African Students at Aberdeen University	Notice of Motion 30 November ?
Mrs Gibson's Bequest	SCO18561	Sermons Against Cruelty to Animals 14 February 1829	Bequest
John Burnett	SCO18567	Chaplain of Prison 2 July 1824	Mortification 2 July 1824
Former Health Dept Prize Fund	SCO18577	For Bi-Annual Prize to Member of Staff for Best Contribution to Welfare of Handicapped Persons 6 June 1960	
Education Endowment Investment Fund	SCO25063	Advancement of Education and the Improvement of General Social Wellbeing	Statute
Leutenant Colonel Charles M. MacQuibban Memorial Fund	SCO18547	Comforts for Non-Commissioned Officers and Men of the 1st Battalion, Gordon Highlanders	Trust Deed 11 September 1974
John Black's Trust	SCO18536	Aberdeen Art Gallery & Industrial Museum	Trust Deed 22 August 1980
Mrs Harvey Loutit	SCO18548	For Display Cases in Regional Museum 14 September 1969	
Captain Harvey Loutit	SCO18549	Building Fund of Regional Museum of Aberdeen City	
Bridge of Don Fund	SCO18551	Upkeep of Bridge	
Sir Thomas Jaffrey's Gift	SCO18554	Purchase of Works of Art for Aberdeen Art Gallery 30 September 1925	Gift Deed 22 April 1929
Miss Margaret Cumming Innes	SCO18555	Purchase of Etchings for Aberdeen Art Gallery 17 June 1929	
Miss Margaret C Hamilton	SCO18556	Purchase of Exhibits for Regional Museum 11 September 1942	

CHARITY NAME	CHARITY NUMBER	PURPOSE	GOVERNING DOCUMENT
Sir John Anderson	SC018566	Public Library	Decree 12 July 1929
Alexander MacDonald's Bequest	SC018568	Purchase of Works of Art for Aberdeen Art Gallery 11 December 1882	Trust Deed 11 December 1882
Sir Alex Lyon Trust	SC018569	Purchase of Works of Art for Aberdeen Art Gallery 6 June 1927	Will 23 February 1927
John Clark	SC018570	Upholding the Bridge of Goval 20 September 1682	
Alexander Webster's Bequest	SC018571	Purchase of Pictures for Aberdeen Art Gallery 15 January 1912	
Sir James Murray's Gift	SC018573	Purchase of Works of Art for Aberdeen Art Gallery 18 April 1927	Gift 10 April 1927
Cowdray Hall & Art Museum Trust	SC018574	For the construction and maangement of the Cowdray Hall	
Aberdeen Art Gallery Trusts	SC018575	For the purposes of the Art Gallery	
Robert Anderson Bequest	SC018576	Public Library	
Bridge of Dee Fund	SC021297	Upkeep of Bridge	
Lands of Skene	SC018533	Various	

DRAFT

Title of Charity	Guildry	Booth Coal Fund	Lands of Skene	Miss Jane Smith Trust	John Black's Trust	John Mather	Bedlam Fund	Dr Robert Beveridge	Aberdeen Shipwrecked Seamen's Fund	Mrs Henrietta Wood	Mary Duthie Williams
Cost Centre Charity No	Q79021/022/023 SCO11857	Q79253 SCO18531	Q79610 SCO18533	Q79254 SCO18534	Q79123 SCO18536	Q79403 SCO18537	Q79236 SCO18538	Q79409 SCO18539	Q79247 SCO18540	Q79509 SCO18541	Q79240 SCO18542
SECTION A - STATEMENT OF RECEIPTS AND PAYMENTS											
	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s
Receipts											
Donation	710							3			
Investment Income Received	15645	10	10164	12	174	2	74	7	1175	78	61
Rents from Land & Buildings			23343								
Share of Land Free Revenue	10456										
Proceeds from Sale of Fixed Assets			1750								
Total Receipts	26811	10	35257	12	174	2	77	7	1175	78	61
Sales											
Payments											
Property Repairs			2445								
Investment Management							15				
Payments relating directly to charitable activities	3754						13				
Grants & Donations		4	26139	12		2	49	7			21
Governance Costs	12188	6	6673		114				771	51	40
Total Payments	15942	10	35257	12	114	2	77	7	771	51	61
Surplus/(deficit) for Year	10869	0	0	0	60	0	0	0	404	27	0
SECTION B - STATEMENT OF BALANCES											
	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s
Aberdeen City Loans Fund as at 1 April 2009											
- Unrestricted Funds	911328	640	667260	305	2884	112	5418	430	77136	5138	3988
- Restricted Funds					8528						
Surplus/(Deficit) shown on Receipts & Payments Account	10869	0	0	0	60	0	0	0	404	27	0
Aberdeen City Loans Fund as at 31 March 2010											
- Unrestricted Funds	922197	640	667260	305	2944	112	5418	430	77540	5165	3988
- Restricted Funds					8528						
Total Investments as at 31 March 2010	922197	640	667260	305	11472	112	5418	430	77540	5165	3988
Land as at 1 April 2009	628184		903200								
Revaluation											
Land as at 31 March 2010	628184	0	903200	0	0	0	0	0	0	0	0
Other Assets as at 1 April 2009	300										
Revaluation											
Other Assets as at 31 March 2010	300	0	0	0	0	0	0	0	0	0	0
Total Assets as at 1 April 2009	1539812	640	1570460	305	11412	112	5418	430	77136	5138	3988
Total Assets as at 31 March 2010	1550681	640	1570460	305	11472	112	5418	430	77540	5165	3988
Total Liabilities - Amount at Credit of Fund as at 31 March 2009	1539812	640	1570460	305	11412	112	5418	430	77136	5138	3988
Total Liabilities - Amount at Credit of Fund as at 31 March 2010	1550681	640	1570460	305	11472	112	5418	430	77540	5165	3988

Title of Charity	Miss Margaret Cumming Innes	Miss Margaret C Hamilton	Jean Guild	C M L Werdmuller	Lady Durriss	Janet Fordyce	Mrs Gibson	Families of Fishermen & Seamen Lost at Sea	Old Abdn Soup Kitchen & Dalgarno Coal Fund	George Davidson	James Reid	Education Endowment Investment Fund
Cost Centre Charity No	Q79121 SCO18555	Q79126 SCO18556	Q79202 SCO18557	Q79130 SCO18558	Q79219/220 SCO18559	Q79229 SCO18560	Q79302 SCO18561	Q79248 SCO18562	Q79238 SCO18563	Q79205 SCO18564	Q79227 SCO18565	Q54006 SCO25063
SECTION A - STATEMENT OF RECEIPTS AND PAYMENTS	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s
Receipts												
Donation												
Investment Income Received	54	14	11	240	57	1	5	145	5		1	17793
Rents from Land & Buildings							2					
Share of Land Free Revenue												
Proceeds from Sale of Fixed Assets												
Total Receipts	54	14	11	240	57	1	7	145	5	0	1	17793
Sales												
Payments												
Property Repairs												
Investment Management												
Payments relating directly to charitable activities												
Grants & Donations				83	11	1			5		1	1028
Governance Costs	70	9	7	157	34			95				
Sales	70	9	7	240	45	1	0	95	5	0	1	1028
Surplus/(deficit) for Year	-16	5	4	0	12	0	7	50	0	0	0	16765
SECTION B - STATEMENT OF BALANCES	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s
Aberdeen City Loans Fund as at 1 April 2009												
- Unrestricted Funds	2559	414	728	15742	3756	60	276	9489	345	6	43	
- Restricted Funds	1000	500										110087
Surplus/(Deficit) shown on Receipts & Payments Account	-16	5	4	0	12	0	7	50	0	0	0	16765
Aberdeen City Loans Fund as at 31 March 2010												
- Unrestricted Funds	2543	419	732	15742	3768	60	283	9539	345	6	43	
- Restricted Funds	1000	500										126852
Total Investments as at 31 March 2010	3543	919	732	15742	3768	60	283	9539	345	6	43	126852
Land as at 1 April 2009												
Revaluation												
Land as at 31 March 2010	0	0	0	0	0	0	0	0	0	0	0	
Other Assets as at 1 April 2009												575105
Revaluation												165893
Other Assets as at 31 March 2010	0	0	0	0	0	0	0	0	0	0	0	740998
Total Assets as at 1 April 2009	3559	914	728	15742	3756	60	276	9489	345	6	43	685192
Total Assets as at 31 March 2010	3543	919	732	15742	3768	60	283	9539	345	6	43	867850
Total Liabilities - Amount at Credit of Fund as at 31 March 2009	3559	914	728	15742	3756	60	276	9489	345	6	43	685192
Total Liabilities - Amount at Credit of Fund as at 31 March 2010	3543	919	732	15742	3768	60	283	9539	345	6	43	867850

Title of Charity	W D Watson's Trust	Catherine Rolland	George Ogilvie	Mollison Fund	Lt Col Charles M MacQuibban Memorial Fund	Mrs Harvey Loutit	Captain Harvey Loutit	Bridge of Don Fund	Alexander Forbes of Morkeu	Miss Eliza S Moir Bequest	Sir Thomas Jaffrey's Gift
Cost Centre Charity No	Q79249 SCO18543	Q79203/204 SCO18544	Q79402 SCO18545	Q79507 SCO18546	Q79251 SCO18547	Q79128 SCO18548	Q79127 SCO18549	Q79011 SCO18551	Q79243 SCO18552	Q79508 SCO18553	Q79120 SCO18554
	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s
SECTION A - STATEMENT OF RECEIPTS AND PAYMENTS											
Receipts											
Donation											
Investment Income Received	79	131	5	1	23	5	596	1938	28	86	98
Rents from Land & Buildings								7841			
Share of Land Free Revenue											
Proceed frm Sale of Fixed Assets											
Total Receipts	79	131	5	1	23	5	596	9779	28	86	98
Sales											
Payments											
Property Repairs											
Investment Management											
Payments relating directly to charitable activities											
Grants & Donations	27	15	5	1	8						
Governance Costs	52	86			15		391	1272	18	57	64
Total Payments	79	101	5	1	23	0	391	1272	18	57	64
Surplus/(deficit) for Year	0	30	0	0	0	5	205	8507	10	29	34
SECTION B - STATEMENT OF BALANCES											
	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s
Aberdeen City Loans Fund as at 1 April 2009											
- Unrestricted Funds	5156	8622	343	53	1531	107	33900	127241	1848	5674	1417
- Restricted Funds						207	5240				5000
Surplus/(Deficit) shown on Receipts & Payments Account	0	30	0	0	0	5	205	8507	10	29	34
Aberdeen City Loans Fund as at 31 March 2010											
- Unrestricted Funds	5156	8652	343	53	1531	112	34105	135748	1858	5703	1451
- Restricted Funds						207	5240				5000
Total Investments as at 31 March 2010	5156	8652	343	53	1531	319	39345	135748	1858	5703	6451
Land as at 1 April 2009								471538			
Revaluation											
Land as at 31 March 2010	0	0	0	0	0	0	0	471538	0	0	0
Other Assets as at 1 April 2009											
Revaluation											
Other Assets as at 31 March 2010	0	0	0	0	0	0	0	0	0	0	0
Total Assets as at 1 April 2009	5156	8622	343	53	1531	314	39140	598779	1848	5674	6417
Total Assets as at 31 March 2010	5156	8652	343	53	1531	319	39345	607286	1858	5703	6451
Total Liabilities - Amount at Credit of Fund as at 31 March 2009	5156	8622	343	53	1531	314	39140	598779	1848	5674	6417
Total Liabilities - Amount at Credit of Fund as at 31 March 2010	5156	8652	343	53	1531	319	39345	607286	1858	5703	6451

Title of Charity	Sir John Anderson	John Burnett	Alexander MacDonald's Bequest	Sir Alex Lyon Trust	John Clark	Alexander Webster's Bequest	Sir James Murray's Gift	Robert Anderson Bequest	Former Health Dept Prize Fund	Bridge of Dee Fund	City of Abdn Relay Scheme Charitable Trust Q79250	Cowdray Hall & Art Museum Trust	Aberdeen Art Gallery Trusts	
Cost Centre Charity No	Q79125 SC018566	Q79301 SCO18567	Q79117 SC018568	Q79122 SC018569	Q79502 SC018570	Q79118 SC018571	Q79119 SC018573	Q79124 SC018576	Q79510 SC018577	Q79012 SC021297	SC021305	SC018574	SC018575	
	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	£s	
SECTION A - STATEMENT OF RECEIPTS AND PAYMENTS														
Receipts														
Donation													0	0
Investment Income Received	24	6	500	51	64	271	117	1	47	523	11		0	0
Rents from Land & Buildings													0	0
Share of Land Free Revenue													0	0
Proceed from Sale of Fixed Assets													0	0
Total Receipts	24	6	500	51	64	271	117	1	47	523	11	0	0	
Sales														
Payments														
Property Repairs													0	0
Investment Management													0	0
Payments relating directly to charitable activities			475										0	0
Grants & Donations	8	6									4		0	0
Governance Costs	16		328		42	178	77		31	344	7		0	0
Total Payments	24	6	803	0	42	178	77	0	31	344	11	0	0	
Surplus/(deficit) for Year	0	0	-303	51	22	93	40	1	16	179	0	0	0	
SECTION B - STATEMENT OF BALANCES														
Aberdeen City Loans Fund as at 1 April 2009														
- Unrestricted Funds	1562	393	7808	746	4184	4649	2658	69	3063	34351	710	0	0	
- Restricted Funds			25040	2632		13143	5000					0	0	
Surplus/(Deficit) shown on Receipts & Payments Account	0	0	-303	51	22	93	40	1	16	179	0	0	0	
Aberdeen City Loans Fund as at 31 March 2010														
- Unrestricted Funds	1562	393	7505	797	4206	4742	2698	70	3079	34530	710	0	0	
- Restricted Funds			25040	2632		13143	5000					0	0	
Total Investments as at 31 March 2010	1562	393	32545	3429	4206	17885	7698	70	3079	34530	710	0	0	
Land as at 1 April 2009													0	0
Revaluation													0	0
Land as at 31 March 2010	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Assets as at 1 April 2009													0	0
Revaluation													0	0
Other Assets as at 31 March 2010	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Assets as at 1 April 2009	1562	393	32848	3378	4184	17792	7658	69	3063	34351	710	0	0	
Total Assets as at 31 March 2010	1562	393	32545	3429	4206	17885	7698	70	3079	34530	710	0	0	
Total Liabilities - Amount at Credit of Fund as at 31 March 2009	1562	393	32848	3378	4184	17792	7658	69	3063	34351	710	0	0	
Total Liabilities - Amount at Credit of Fund as at 31 March 2010	1562	393	32545	3429	4206	17885	7698	70	3079	34530	710	0	0	

**Trustees Annual Report 2009/10–Lands of Torry
Registered Charitable Number SC021299**

This report relates to the Lands of Torry, a trust administered by Aberdeen City Council. It is a charitable trust with the registration number SC021299.

Reference and administration details

The principal address for all this trust is Aberdeen City Council, Town House, Broad Street, Aberdeen AB10 1AH.

The Secretary of this Trust is Jane MacEachran, Head of Legal & Democratic Services, Aberdeen City Council and the Treasurer is Barry Jenkins, Head of Finance, Aberdeen City Council.

The Trustees are the Councillors of Aberdeen City Council, as follows:-

Councillor George Adam	Councillor Jenny Laing
Councillor Yvonne Allan	Councillor Gordon Leslie
Councillor Marie Boulton	Councillor Aileen Malone
Councillor Scott Cassie	Councillor Andrew May
Councillor Ronald Clark	Councillor Callum McCaig
Councillor Norman Collie	Councillor Mark McDonald
Councillor Neil Cooney	Councillor Alan Milne
Councillor John Corall	Councillor Jim Noble
Councillor Irene Cormack	Councillor George Penny
Councillor Bill Cormie	Councillor John Reynolds
Councillor Barney Crockett	Councillor Richard Robertson
Councillor Katharine Dean	Lord Provost Peter Stephen – (Chairperson)
Councillor Alan Donnelly	Councillor Jennifer Stewart
Councillor Jackie Dunbar	Councillor John Stewart
Councillor Jim Farquharson	Councillor Kevin Stewart
Councillor Neil Fletcher	Councillor Wendy Stuart
Councillor Gordon Graham	Councillor John West
Councillor Martin Greig	Councillor Kirsty West
Councillor James Hunter	Councillor Jillian Wisely
Councillor Leonard Ironside	Councillor Willie Young
Councillor Muriel Jaffrey	Councillor Ian Yuill
Councillor James Kiddie	

All Trustees have served for the whole of the financial year to 31 March 2010.

Structure, governance and management

The governing document is unavailable due to the venerable nature of the trust

The trustees are elected in the course of the Local Authority elections and new members are supplied with training as part of their induction process.

The positions of Secretary and Treasurer are filled by professionally qualified officers of Aberdeen City Council.

Objectives and Activities

The Lands of Torry goes back to at least 1704 when one half of the Lands of Torry were purchased on behalf of certain Mortifications Accounts.

The free revenue from the Lands of Torry is split between the following:

Duncan Liddel's Motification – Professor of Mathematics

Duncan Liddel's Motification – Library of College

James Cargill's Mortification – Bursary Fund

Patrick Coplands Mortification – Professor of Divinity

Common Good Fund

In general the charity's activities are limited to the accrual of income from investments, which are remitted to appropriate organisations for further disbursement or use as appropriate.

The Governance Costs are allocated in proportion to the value of the sums invested with the Council and are based on time spent by officers of Aberdeen City Council providing financial and other support to this and similar organisations.

Financial Review

The accounts for the year show gross expenditure of £116,317 and income of (£27,683). The deficit for the year amounted to (£244,000) which is due to the revaluation of registerable leases, compared to a surplus of £110,000 in the previous year.

As at 31 March 2010 the Trust's financial position shows an excess of Current Assets over Current Liabilities amounting to £1,897,681

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of Trust's financial activities during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statement of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and which enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006, the Statement of Recommended Practice for Charity Accounts 2005 and the provisions of the Trust Deed. The Trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention or detection of fraud and other irregularities

The Trustees declare that they have approved the trustees' report above.
Signed on behalf of the charity's trustees

..... Secretary

.....Treasurer

Lands of Torry
Statement of Financial Activities
(including Income and Expenditure Account)
For the year to 31 March 2010

	Note	Unrestricted Funds 2010 Total £	Restricted Funds 2010 Total £	2010 Total £	2009 Total £
Incoming resources	1				
Income from generated funds					
Activities for generating funds					
Interest Received		382	-	382	1,260
Rent from land and Buildings		115,935	-	115,935	115,494
Revaluation of Reg Leases		(244,000)	-	244,000	110,000
Total incoming resources		- 127,683	-	- 127,683	226,754
Resources expended	2				
Cost of generating funds					
Governance Costs		266	-	266	251
Grants	3	116,051	-	116,051	116,503
Total resources expended		116,317	-	116,317	116,754
Net (outgoing)/incoming resources for the year		(244,000)	-	(244,000)	110,000
Reconciliation of Funds					
Total funds brought forward		2,141,681	-	2,141,681	2,141,681
Total funds carried forward		1,897,681	-	1,897,681	2,251,681

**Lands of Torry
Balance Sheet
As at 31 March 2010**

	2010 £	2009 £
Current Assets		
Investment - City of Aberdeen Loans Fund	25,081	25,081
	<u>25,081</u>	<u>25,081</u>
Fixed Assets		
Land and Houses at Torry	9,600	9,600
Registable Leases	<u>1,863,000</u>	<u>2,107,000</u>
	1,872,600	2,116,600
	<u><u>1,897,681</u></u>	<u><u>2,141,681</u></u>
Represented by:		
General Fund - Unrestricted	1,897,681	2,141,681
Total Funds	<u><u>1,897,681</u></u>	<u><u>2,141,681</u></u>

Lands of Torry
Notes to the Financial Statements
For the year to 31 March 2010

1. Incoming Resources	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total Funds 2010 £
Investment Interest	382	-	382
Rent from land and Buildings	115,935		115,935
	<u>116,317</u>	<u>-</u>	<u>116,317</u>

2. Resources Expended

	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total 2010 £	Total 2009 £
Total Resources Expended				
Cost of Generating Funds				
Governance Costs	266	-	266	251
Grants	116,051	-	116,051	116,503
	<u>116,317</u>	<u>-</u>	<u>116,318</u>	<u>116,755</u>

The trust did not employ any staff during the year to 31 March 2010

3. Grants

In accordance with the Charities SORP, Grants over £1,000 should be disclosed. The following Grants fall into this category.

	2010 £	2009 £
Dr Duncan Liddel's Mortification - Professor of Mathematics	29,236	29,349
Dr Duncan Liddel's Mortification - Library of College	1,462	1,468
Bursary Fund (James Cargill Mortification)	11,911	11,958
Patrick Copland's to Professor of Divinity	14,293	14,348
Common Good (Guild Wine)	59,149	59,380
	<u>116,051</u>	<u>116,503</u>

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	02 December 2010
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Treasury Management – Mid Year Review
REPORT NUMBER:	CG/10/198

1. PURPOSE OF REPORT

To provide an update on Treasury Management activities undertaken so far this year and advise of current developments.

2. RECOMMENDATION(S)

The Committee is asked to note the report and make recommendations to Council for approval as follows:-

- a) Note the Treasury Management activities undertaken in 2010/11 as detailed, and
- b) Approve the revised Counterparty list as detailed at Appendix 1

3. FINANCIAL IMPLICATIONS

Treasury Management activities influence the loans pool interest rates and aim to minimise the cost of borrowing. This directly impacts upon costs chargeable to the Council's revenue budgets through the interest rates that are applied to capital financing costs. Whilst the level of borrowing a Council can undertake is now devolved from the Scottish Government to individual Councils, they are still constrained by the requirement for capital investment to be affordable, sustainable and prudent. The main test of affordability will be whether the capital financing costs can be contained within the revenue budgets.

4. OTHER IMPLICATIONS

If a policy of active Treasury Management is not undertaken there may be future budgetary implications for the Council through greater than budgeted capital financing costs.

5. BACKGROUND/MAIN ISSUES

5.1 Introduction

The Treasury Management Policy and Strategy was approved on 17 June 2010. This included the requirement to provide a mid-year review.

With effect from 1 April 2004, Councils are now required by regulation to have regard to the Prudential Code (the Code) when carrying out their duties under part 7 of the Local Government in Scotland Act 2003 and from 1 April 2010 to the Local Government Investment (Scotland) Regulations 2010.

Historically, the Council's annual programme of capital investment has been funded by Treasury Management activities, such as additional long-term borrowing.

It is a requirement of this Code that Treasury Management is carried out in accordance with good professional practice. The Code requires the Council to comply with CIPFA "Code of Practice for Treasury Management in the Public Services", which this Council does.

This mid-year review on activities undertaken is in line with reporting requirements from the latest update of the CIPFA Code of Practice which requires that the annual strategy is approved by the Council.

5.2 Treasury Management 2010/11

The following is a summary of Treasury Management activities which have been undertaken thus far in 2010/11: -

Long Term Borrowing

New Borrowing - Three new PWLB (Public Works Loans Board) loans totalling £20 million have been entered into at relatively low rates (average rate 2.93%) with this years capital requirement in mind.

PWLB Interest Rates - As a direct result of the Government Spending Review in October, there was a major change to PWLB public sector lending rates. There was an immediate increase of approximately 0.90% on all rates. The rationale behind this major change is that HM Treasury will now set the rates at an average of 1% over the relevant gilt price.

This presents the Council with 2 challenges going forward.

The first of these is the immediate rise in borrowing costs. In the current financial year, this can be overcome by a combination of factors - due to the previously mentioned borrowing at relatively low rates, and

by reducing the repayment term of future loans. (e.g. borrowing over 10 years rather than 20).

The second challenge is that, as reported last year, the PWLB introduced "penalty rates" to discourage debt rescheduling by Councils. This reduced the Council's ability to make savings. However, the above additional rise in rates was not reflected in the penalty rates, and will further reduce opportunities for the Council and discourage the use of PWLB loans, forcing the Council to look increasingly to other forms of long term borrowing, such as LOBO loans (Lenders Option Borrowers Option) from financial institutions.

Short Term Borrowing

Short-term borrowing rates for periods of up to 1 year continue at relatively low levels. The Council's borrowing strategy this year has been to borrow short-term where possible, to take advantage of these lower rates. Since the rise in PWLB rates, short-term borrowing rates have risen but are still comparatively low. The Council currently has some £50m of Temporary Loans from other Local Authorities, at an average rate of 0.60%.

Investments

Due to the downturn in the global economy, many previously undoubted financial institutions have been removed from the Council's Counterparty list during the last few years.

The Counterparty list is the approved banks and building societies that the Council may lend to either directly or through the Money Markets, on a temporary basis.

Reviews of the Council's Counterparty list were undertaken and approved by Committee as the situation deteriorated. The proposed amendments were needed to further tighten the Council's lending criteria and further protect the Council's investments in the fragile financial climate. As well as removing certain institutions from the list, lending periods were also reduced from 'up to 12 months', to 'up to 3 months'.

It is proposed that the Council increases the Counterpart Limit of the Nationalised UK Banks from £10m to £20m. This will enable the Council with additional flexibility required to maximise returns on short-term surplus funds

The Council's Counterparty list is compiled using credit rating information supplied by the major credit rating agencies to Sector Treasury Services, the Council's appointed Treasury management advisors.

6. IMPACT

Corporate – Failure to approve the changes to the Counterparty list could lead to reduced earnings to the Council.

Public – None.

7. BACKGROUND PAPERS

None.

8. REPORT AUTHOR DETAILS

Neil Stewart, Treasury Officer, nstewart@aberdeencity.gov.uk,
01224 522696

**ABERDEEN CITY COUNCIL
COUNTERPARTY LIST**

As revised 02 December 2010

Deposits up to 6 months (Fitch Ratings : Short Term F1+, Support 1)

Council's Bankers - £20m limit

Clydesdale Bank plc

UK Banks - £10m limit

Santander UK plc (includes Abbey, Alliance & Leicester plc, Cater Allen)

Barclays Bank plc

HSBC Bank plc

UK Nationalised and Part Nationalised Banks - £20m limit

Lloyds Banking Group (includes Lloyds TSB Bank plc, Halifax Bank of Scotland)

The Royal Bank of Scotland plc
(includes National Westminster Bank plc, Ulster Bank Ltd)

UK Local Authorities, including Police Authorities - £10m Limit

Deposits up to 3 months (Fitch Ratings: Short Term F1+, Support 1)

UK Building Societies - £10m limit

Nationwide Building Society

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	02 December 2010
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Accord Update Report
REPORT NUMBER:	CG/10/182

1. PURPOSE OF REPORT

To update Committee on the progress being made regarding all aspects of the scheme.

2. RECOMMENDATION(S)

It is recommended that elected members:

- i) Note and approve the progress and developments being made in the advancement of the Accord Scheme;
- ii) *Approve the change of one site for sQuid payment, from a Sport Aberdeen site to the Town House restaurant;
- iii) *Approve the trial of an on-line pre-ordering facility for the Town House restaurant utilising a sQuid purse on the Accord card and/ or smart staff ID badge.

*subject to the option included in the 5 Year Business Plan regarding the Town House restaurant.

3. FINANCIAL IMPLICATIONS

To introduce the trial of an on-line pre-ordering facility for the Town House restaurant;

- i. £2833.13 to purchase the required hardware and customize the software for Aberdeen City Councils requirements;
- ii. £75.00 per month to host; initial trial period of 12 months, therefore, total cost of £900.00

- iii. These costs will be met from the Modernising Government Funds already allocated to the Accord card scheme. Therefore, there is no impact on the Accord Operational budget.

4. OTHER IMPLICATIONS

The introduction of a trial of an on-line pre-ordering facility for the Town House restaurant is subject to a due diligence review by the Policy & Advice Team of the office of the City Solicitor.

5. MAIN UPDATE

The following provides an update on items arising in the last reporting period.

5.1 Smartcard Migration

- 5.1.1 As stated in previous reports, the current type of smartcards used in Scotland is to be replaced due to security and transaction time concerns. The initial decision from *ITSO was that the MiFare smartcard (the card used by all other Scottish Local Authorities) should no longer be used from 31st December 2011 and JCOP card (the card used by Aberdeen City Council) could no longer be used from 31st December 2010.

** ITSO are the organisation that provide the secure electronic smartcard environment within which the Scotland-wide free bus scheme operates.*

- 5.1.2 An application was made to the ITSO board to have the deadline moved for JCOP cards to 31/12/2011 in line with all other local authorities. This application was approved and discussions are ongoing with the Improvement Service regarding card migration plans to ensure that the new card type is compatible with existing applications.

5.2 sQuid E-purse

5.2.1 sQuid Launch

The aim of the Accord Scheme is to offer access to a wide variety of local and national services to the citizens of Aberdeen via the Accord / National Entitlement Card (hereafter referred to as the Accord card). Providing an electronic purse has been recognised as a key step in this process offering citizens a convenient way to pay for low value goods, Council services and opening up opportunities for further development.

- 5.2.2 The electronic purse (e-purse), sQuid, meets the criteria for an e-purse on the Accord card in terms of social inclusion, independency from banks and being free to get and free to use. The integration of the sQuid purse to the Accord card is now complete and was officially launched on 1st September 2010.

- 5.2.3 From this date onwards all Accord cards have had a sQuid purse encoded to card for cardholder to use. The launch took place at the Central Library under the auspices of Councilor John Stewart and Councilor Neil Cooney. This was backed by representatives from sQuid and underpinned by 'sQuid on your Accord Card' campaign designed by the Accord team in conjunction with the Corporate Communications team.

- 5.2.4 The initial rollout of sQuid is at seven Sport Aberdeen facilities, Provost Skene's House Cellar Café, the Art Gallery Café, Central Library, with all of these sites now accepting sQuid as a method of payment.
- 5.2.5 The National Customer Service Week, 4th – 8th October 2010, was also seen as a good opportunity to raise awareness of sQuid by means of an exhibition at 'The Point' which was staffed jointly by sQuidcard and the Accord team and has attracted a good outcome.
- 5.2.6 To date, there have been just under 100 sQuid transactions in Aberdeen City which represents a card holder either using sQuid for payment or have the sQuid purse loaded to their card (which can be done at any Customer Access Point to any Accord card issued prior to 1st September 2010). The next stage of having retailers accepting sQuid for payments will commence early 2011 and will be led by sQuidcard's field team.
- 5.2.7 Following the introduction of sQuid to the Accord card further roll-out opportunities have arisen and these are covered in the development section of the report.

5.3 Payment via the Internet

- 5.3.1 The Accord team are working with the Icon System Administrator and his team to introduce the function of loading via the internet the cashless catering e-purse used at all secondary schools.
- 5.3.2 The development of both the Icon payments system and the cashless catering system is nearing completion. This is on schedule to be live in December 2010. Upon completion, promotion and awareness will commence and be launched at all schools in January 2011.

5.4 Free school meal revalidation

- 5.4.1 Social inclusion such as removing the stigma associated with Free School Meals is at the core of the Accord Scheme and since 2004 the Accord Card is used in all 12 secondary schools to pay for school meals. If a pupil is eligible for Free School Meals this information is stored on the Accord Card and the cashless catering system automatically credits the pupil with their daily allowance. As no cash/ tickets/ tokens are exchanged in the process, the receipt of Free School Meals is completely anonymous.
- 5.4.2 Parents or guardians can claim Free School Meals for their child if they are in receipt of either Income Support, Income-based Jobseeker Allowance, Employment Support Allowance or Child Tax Credit/Working Tax Credit.

- 5.4.3 Until recently, Free School Meal revalidation was undertaken twice a year and parents or guardians were asked to provide evidence of their receipt of one of the qualifying benefits in February and September of each year. The revalidation process was entirely manual with letters, reminders, possibly invoices being sent to parents asking for documentary evidence that their child was still entitled. This process was time consuming and administratively burdensome.
- 5.4.4 The Accord team developed a proposal for streamlining the revalidation process to the benefit of the school, parents and pupils which was approved by Education, Culture and Sport in June 2010.
- 5.4.5 Following this, the Accord team in cooperation with the CRM development team has specified and developed an automated solution that validates Free School Meal entitlements against Council Tax Benefit and Housing Benefit records for those parents/ guardians in receipt of Income Support, Income-based Jobseeker Allowance and Employment Support Allowance (this process can not be applied to those receiving Child Tax Credit/ Working Tax Credit). This process will be undertaken twice a year and provides all 12 secondary schools with information on whether a pupil still qualifies for Free School Meals.
- 5.4.6 The benefits of the automated solution is that parents/ guardians in receipt of Income Support, Income-based Jobseeker Allowance, Employment Support Allowance no longer have to provide evidence twice a year, pupils no longer require to have their Free School Meal entitlement updated on their Accord Card, recovery procedures are reduced leading to time and efficiency savings. The first matching exercise carried out in August 2010 resulted in 457 pupils free school meal entitlements being revalidated via the new process. This represents 52% of all pupils currently in receipt of a Free School Meal.
- 5.4.7 This development helps support the aim of more effectively managing information within the Council on the basis of *“collect it once, use it many times”*.

5.5 Operational Performance Update

- 5.5.1 Reviewing performance for the year 2010/ 2011 we note the following:

Table 1 below shows the number of new Accord cards produced during the period 1st May 2010 to 31st October 2010.

New Applications					
Performance (PI)	Indicator	Number Received	Within PI	Outwith PI	Overall
	90% of cards to be dispatched within 10 days	2255	2234	21	99%

of receipt in the Accord office				

Table 1

5.5.2 Table 2 below shows the number of replacement Accord cards produced during the period 1st May 2010 to 31st October 2010.

Replacement Applications					
Performance (PI)	Indicator	Number Received	Within PI	Outwith PI	Overall
	90% of cards to be dispatched within 5 days of receipt in the Accord office	7888	7688	200	97%

Table 2

5.5.3 Table 3 below shows the number of phone calls and emails dealt with by the Accord office during the period 1st May 2010 to 31st October 2010.

CUSTOMER QUERIES	
Category of query	
Travel & A2L	2498
School	659
General / Other	108
Email enquiries	104
Totals	3369

Table 3

All correspondence to the Accord office is dealt with in accordance with our service standard of responding within 10 working days.

5.5.4 Table 4 below shows the number of technical support and maintenance calls dealt with during the period 1st May 2010 to 31st October 2010. This covers all council sites utilising Accord equipment, i.e. schools, leisure sites, registrars, libraries, and Customer Access Points.

Technical Maintenance & Support					
Performance (PI)	Indicator	Number Received	Within PI	Outwith PI	Overall
	100% of urgent calls to be dealt with within 1 hour	9	9	0	100%
	100% of non-urgent calls to be dealt with within 24 hours	119	107	2	98%
	100% of standard maintenance calls to be dealt with within 5 working days	4	4	0	100%

Table 4

5.6 Accord Card Developments

5.6.1 ACE Club membership and Golf Pass

Sport Aberdeen, a trust set up to manage many of Aberdeen City Council's sports facilities, plays an integral part in delivering a new physical activity strategy for the city, as well as increasing participation and promoting Aberdeen as a tourist destination.

5.6.2 The trust offers 'ACE' a sport membership scheme and Golf Passes at discounted prices. To date, the application process and management of both ACE and Golf memberships and administration of the payments for these services is largely manual and paper based. The ACE membership is carried on a paper photo ID card which is not the most secure method of managing the membership.

5.6.3 The Sport Aberdeen membership team requested that the Accord team look into a replacement for both the ACE membership card and Golf Pass. This would see these memberships transfer to the Accord card and be managed electronically across all sports facilities. The key reasons for doing this are to improve service delivery and streamline business processes pertaining to application and management of memberships. One of the key benefits of the new process will be the ability to 'hot-list' and disable a member's cards where the monthly membership payment has not been made.

- 5.6.4 The Accord card was developed as a means of delivering local and national services and already carries Access to Leisure entitlement for approximately 50,000 Aberdeen residents. The hardware and software required to implement and maintain ACE memberships and Golf passes is the same as that used for Access to Leisure, therefore is largely in place already.
- 5.6.5 Following approval of the functional requirement specification in May 2010, a data cross-matching and cleansing exercise has been undertaken in preparation for contacting existing ACE members. In November/ December 2010 ACE members will be invited to one of a number of sign-on events where they will apply for an Accord card which will carry their ACE membership.
- 5.6.6 Applications from these events will be processed during December with the Accord card being used as the ACE membership card from January 2011 onwards. The transfer of Golf memberships onto the Accord Card is planned for Spring 2011 to coincide with the start of golf season 2011.
- 5.7 Access control using a smartcard staff ID badge**
- 5.7.1 The Accord team has been working with the Marischal College project team on specifying an access control solution based on Paxton's Net2 system utilising a smartcard staff ID badge for proof of identification.
- 5.7.2 In addition to Marischal College, there was a requirement to have an access control system at the Frederick Street building prior to Marischal College in order to facilitate access to the corporate training facility for the end of October 2010.
- 5.7.3 The Accord team has worked closely with external and internal partners and provided support and assistance on the steps necessary leading to a fully functional access control system which, over time, will be rolled out to Marischal College and indeed any other Council site should that be required.
- 5.7.4 As a result of this work, the smart staff ID badge can now be used for access control purposes within the Frederick Street building. To this end, the Accord team is providing the ID Office with encoded smartcard staff ID badges for badge production. To date approximately 400 staff ID badges have been produced for those staff requiring access to Frederick Street and staff attending training at the new corporate training facility.
- 5.7.5 The smart staff ID badge is now multifunctional enabling use in areas such as time & attendance recording, access control, as well as serving the core function of being a staff ID badge. The functionality available

on the smart staff ID badge can now be extended to include a sQuid purse, which is covered in section 5.8 below.

5.8 sQuid as payment method at Town House Restaurant

Following the launch of sQuid at both Council and Sport Aberdeen facilities, the Facilities Management Team have requested that sQuid is accepted as a method of payment at the Town House restaurant. As with other Council sites accepting sQuid, this will provide a fast, convenient and secure method of payment for staff which is free to get and free to use.

5.8.1 To facilitate this, a method is required to ensure staff have access to a sQuid enabled smartcard. As only a limited number of staff have an Accord card (which will have the sQuid e-purse) the smart staff ID badge was seen as a solution to this. Therefore, approval was sought and obtained from the Chief Executives office to add the sQuid e-purse to the smart staff ID badge with the unique card number and appropriate livery printed on the reverse of the smart staff ID badge.

5.8.2 To achieve this, the software used to encode the smartcard staff ID badges for secure access control purposes was enhanced to encode a sQuid e-purse also. This means that staff could either use their smart staff ID badge or their Accord card as a means of payment.

To introduce sQuid to the Town House restaurant, the following steps would be necessary;

- i. Site-survey to ensure that the Town House Restaurant meets the pre-requisite requirements;
- ii. Resolve any actions following the site-survey if required;
- iii. Set-up merchant account for Town House Restaurant;
- iv. Ensure firewall settings are up-to-date;
- v. Install & test sQuid terminal and reader ;
- vi. Provide training to staff at Town House Restaurant;

5.8.3 There would be a requirement to purchase sQuidcard equipment (single terminal, reader and installation) for this site at a 'cost' of £460.00. However, it is recommended that this site is launched at the expense of one Sport Aberdeen site which is not yet live. The original Accord/ sQuidcard Development report to Committee was costed and approved for all fourteen leisure sites and sQuid has only been installed at seven. Therefore, the cost of installation will be off-set against one Sport Aberdeen site and remain within the previously approved spend.

5.8.4 It is recommended that sQuid be introduced to the Town House Restaurant as a method of payment via the smart staff ID badge and the Accord card.

5.9 Lunch pre-ordering at Town House Restaurant

In addition to the introduction of Squid as a method of payment within the Town House Restaurant, a further development has been identified to improve service delivery. This is a pre-ordering service that will enable staff to pre-order and pre-pay online for a selection of cold lunches using the sQuid purse on the smart staff ID badge and/ or the sQuid purse on their Accord card.

- 5.9.1 This service would enable staff to access a secure sQuid website on which they can select a range of food and drink from a set menu and pay for this using sQuid. This service would be available to staff between 08:00 and 11:00 each day with their choices ready for collection in the restaurant from 12:00 onwards.
- 5.9.2 In the restaurant, an area separate from the main servery would be set-aside where staff can collect their order. In the restaurant, the orders are managed via a printer that prints orders as they are made on-line and a reports section of the sQuid web-site that confirms and manages all orders. The restaurant staff will prepare all orders and place each one in a bag with a receipt (automatically printed via the receipt printer) attached confirming the order and the name/ account number of the staff member.
- 5.9.3 The benefits of this development are;
- Promote use of the restaurant;
 - Enhance existing service;
 - Enhance the appeal of the restaurant to staff;
 - Increase use (and revenue) of the restaurant;
 - Assist in making the restaurant self funding;
 - Proof of concept for other facilities (e.g. Kittybrewster restaurant).
- 5.9.4 Initially, the 08:00 to 11:00 ordering period for a 12:00 collection will be in place. However, there is scope to develop this to allow other patterns that may better suit staff to meet their requirements, e.g. order before 09:00 collect from 11:00. Furthermore, once Marischal College has opened, there is scope to have these pre-orders delivered to an area (s) in Marischal College for staff collection – further enhancing the appeal of the service.
- 5.9.5 The costs associated with this development are;
- 5.9.5.1 £2833.13 to purchase the required hardware and customise the software for Aberdeen City Councils requirements;
- 5.9.5.2 £75.00 per month to host the application; initial trial period of 12 months, therefore, total cost of £900.00
- 5.9.6 These costs will be met from the Modernising Government Funds already allocated to the Accord card scheme. Therefore, there is no

impact on either the Accord or Facilities Management operational budgets.

5.9.7 Facilities Management has advised that the introduction of this functionality can be managed within existing staffing resources, albeit this will need to be monitored for uptake. Should uptake reach such a level that additional resources are required, a business case/ report will be presented to Committee by Facilities Management.

5.9.8 It is recommended that this new service be introduced for a 12 month trial period. At the end of this period its success will be assessed and further recommendations made.

5.10 Accord Card/ sQuid and Transport

As mentioned in previous reports, one of the benefits in adopting the sQuid e-purse to the Accord card is that further areas for deployment can be investigated. One of these areas is for bus travel, both in terms of 'pay as you go' individual journeys and season tickets (e.g. monthly pass). This functionality has already been achieved on buses in Bolton and the bus operator National Express recently announced they will be offering all their season tickets serving the Dundee area via the National Entitlement Card.

5.10.1 In order to progress this opportunity in the Aberdeen area, an initial presentation regarding the sQuid transport ticketing and settlement scheme was provided to the Public Transport Units of both Aberdeen City Council and Aberdeenshire Council along with representatives from NESTRANS. This was followed up by a similar presentation to LABOF Executive Group (Local Authorities Bus Operators Forum) which included representatives from FIRST and Stagecoach.

5.10.2 Following this meeting a further discussion has taken place with the Commercial Director of FIRST Aberdeen, sQuid and the Accord Operations Manager. This matter is now with FIRST Aberdeen for consideration and further updates will be provided to committee when available.

5.11 Time & attendance recording utilising a smartcard staff ID badge at Crown House & AECC

5.11.1 Time and attendance recording using a smart staff ID badge at Crown House and 2nd and 3rd floor AECC has now been fully functional for approximately 8 months. The underlying business processes have been adopted by all staff and generally the system is working well.

5.11.2 A staff satisfaction survey was issued the latter part of September 2010 to all members of staff at Crown House to gauge general feedback and the impact this has had on the time management of the individual.

5.11.3 High level survey analysis:

- i. The staff satisfaction survey has been issued to all 140 staff at Crown House (incl. 25 staff with line managing responsibility). 89 surveys have been returned (of which 21 were from staff with line managing responsibility). Of the surveys returned 14 were incomplete (4 of which from staff with line managing responsibility) hence have not been analysed. The remaining 75 complete surveys built the base for analysis, in terms of response rates this equals to **54% overall response** and **75% response from staff with line managing responsibility**.
- ii. The main aim of introducing a computerised time & attendance system utilising a smartcard staff ID badge was to achieve time releasing savings. **68% of the responders (72% of the line managers)** felt that the system has **freed up time** otherwise used to record time & attendance.
- iii. **52% of the responders (67% of the line managers)** agreed that the system allows them to **focus more on the job** and less on time & attendance recording
- iv. **91% of the individuals** that responded (**100% of the line managers**) that they have all necessary **information available at their finger tips**.
- v. Asked to rate the overall satisfaction with the computerised time & attendance recording system utilising a smartcard staff ID badge, **90% of the responders (94% of the line managers)** are **satisfied or very satisfied** with the system.

5.11.4 Overall, this is a positive response to the introduction of this functionality and consideration will now be given to other sites to which this could be introduced.

6. IMPACT

The services carried on the Accord card help promote social inclusion through the delivery of Access to Leisure and Free School Meals. Secondary Schools catering is accessed solely through the Accord card which helps promote the health and well being of pupils as stated in *Vibrant, Dynamic & Forward Looking*.

Scotland-wide free bus travel entitlement is carried on the card making it easier for citizens to move around the area – this also applies to the Young Persons Concessionary Travel scheme accessible via the Accord card.

The Access to Leisure scheme carried on the card and the ACE membership soon to be carried on the card help maintain the health of Aberdeen citizens. Furthermore, this helps increase the participation in sporting activities as stated in *Vibrant, Dynamic & Forward Looking*.

The operations and developments of the Accord card scheme are contained in the Accord Team plan which feeds into the Service plan that supports the Corporate Governance Service Business Plan.

7. BACKGROUND PAPERS

None

8. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE Finance and Resources Committee

DATE 2 December 2010

DIRECTOR Gordon McIntosh

TITLE OF REPORT Funding for East Grampian Coast Partnership

REPORT NUMBER: EPI/10/272

1. PURPOSE OF REPORT

The purpose of this report is to request to secure funding for the East Grampian Coast Partnership (EGCP) to deliver an element of the South Aberdeen Coastal Regeneration Project. This report gives background about the EGCP and its current situation.

2. RECOMMENDATION(S)

The Committee endorses the promotion of external funding for supporting the delivery of the South Aberdeen Coastal Regeneration Project from Aberdeen Greenspace.

3. FINANCIAL IMPLICATIONS

There are at present no available funds within existing budgets to undertake this work.

It should be noted that there has been previous funding arrangements with the EGCP and Aberdeen City Council but as a result of budget constraints such an arrangement ceased in the 2009-2010 financial year.

Aberdeen City Council awarded funding to establish EGCP for the first two years (2005/2006 and 2006/2007) through the City Growth Fund (approved by the Energising Aberdeen Board). (See Table 1)

Table 1 EGCP Establishment Funding

FUNDING SOURCE	2005/2006 (£)	2006/2007 (£)
City Growth Fund	68,750	68,650
Aberdeenshire Council	15,000	15,000
SNH	15,000	15,000
Other	11,300	-
TOTAL	110,050	98,650

In 2006 EGCP submitted a detailed 3-year Business Plan which included a predicted budget for 2007-2010. Table 2 provides details of the predicted budget for 2007-2010.

Table 2: Predicted Budget for 2007-2010.

FUNDING SOURCE	2007/2008 (£)	2008/2009 (£)	2009/2010 (£)
Aberdeen City Council	20,000	20,000	20,000
Aberdeenshire Council	20,000	20,000	20,000
SNH	20,000	20,000	20,000
Other	29,900	30,400	30,700
TOTAL	89,900	90,400	90,700

Table 3: Aberdeen City Council's actual funding for 2007-2010.

FUNDING SOURCE	2007/2008 (£)	2008/2009 (£)	2009/2010 (£)
Aberdeen City Council	20,000	15,000	0

A paper was referred to Resources Management Committee on 21st November 2006 where the Committee resolved 'to approve funding of £20,000 from the City Growth Fund in 2007/08 to the East Grampian Coastal Partnership, and to refer funding of £20,000 in each of the two subsequent financial years 2008/09 and 2009/10 to the budget process.'

On 10th June 2008 the Resources Management Committee received a paper highlighting the EGCP's plan to alter the Partnership's legal structure. The Committee resolved '*that officers advise the East Grampian Coastal Partnership that future funding allocations would be subject to the budget process and could not be guaranteed and that in future years, would be unlikely to match Aberdeenshire Council's contribution...*'.

Funding was able to be made in 2008-2009 on a one-off basis from existing budget underspends and Table 3 provides details of the actual funding EGCP received for 2008/2009.

Table 4: Actual Funding Received for 2008/2009.

FUNDING SOURCES 2008/2009	AMOUNT
Aberdeen City Council	15,000
Aberdeenshire Council	15,000
Scottish Natural Heritage	20,000
Peterhead Port Authority	3,000
Macaulay Institute (in Kind)	11,000
TOTAL	64,000

Due to budget constraints for the 2009-2010 there was no funding available to be applied to meet the EGCP's predicted budget. Whilst the Partnership undertake worthy projects, there is no current statutory requirement for it and many of the projects it undertakes that enable many of the City's and the Council's priorities are also undertaken by Council officers. In 2009-2010 no provision was made to the EGCP but a one-off amount of £1500 was given. There is no future provision.

All funding partners depend on each other for a commitment to funding before committing themselves. If one funding partner is unable to commit, there is a high risk of the other two funding partners not committing. Below is a table of the current funders. It could be argued that the Council has, over the years, contributed more than its share to date. However the table below shows the significant reduction in annual funding.

Table 4: Current Funding

FUNDING SOURCE	2010/2011 (£)
Aberdeen City Council	0
Aberdeenshire Council	15,000
SNH	3,600
Aberdeen Harbour	3,000
Marine Scotland	20,000
TOTAL	41,600

The EGCP has funding issues but is prepared to undertake specific work to benefit Aberdeen. They have been asked to propose specific work to assist in the South Aberdeen Coastal Regeneration Project. This project has £3500 available via a third party. It has been suggested the EGCP approach another third party such as Aberdeen Greenspace to gain the required match funding.

4. OTHER IMPLICATIONS

The organization is able to assist in advancing a number of community projects such as Fishing for Litter, Beach Clean Ups, assisting with the Blue Flag Award for Aberdeen Beach and in assisting with the development and implementation of the South Aberdeen Coastal Regeneration Project.

The work undertaken by the EGCP is aimed at ensuring the sustainability of our coastline and marine resources for future generations. The EGCP aim is to assist in delivery of Integrated Coastal Zone Management from Kinnaird Head, Fraserburgh to the Aberdeenshire/Angus Council boundary at the mouth of the River North Esk, by St. Cyrus.

Some of the tasks undertaken by EGCP could be undertaken in-house. The EGCP is awaiting an outcome of guidance from the Scottish Government with regards to the Marine Act (Scotland) 2010, as it may or may not be tasked to undertake a statutory role. The EGCP and University of Aberdeen have offered to lead a multi-sector presentation on Integrated Coastal Zone Management as agreed by the Enterprise Planning Committee on 9 November 2010..

5. MAIN ISSUES

Recently both the Chair and Project Manager of the East Coast Grampian Partnership (EGCP), met with the Council's Chief Executive and officers to discuss the possibility of one-off funding of £7,000 for the organisation for this financial year. Currently the environmental work undertaken by EGCP either duplicates core duties undertaken by Council officers or are not Council priorities. The majority of the EGCP's activities are of greater benefit to other partners. Officers have carefully examined existing budgets and have no available funding to apply to this organisation. The EGCP may have a future part to play in implementing the Marine Act (Scotland) 2010, but the requirement has yet to be finalized by the Scottish Government.

With this in mind, the ECGP has been working with Council officers to offer distinct work products that would be of unique value to a variety of projects being led by the Council. It is possible that funding for specific work may be made available through the delivery of the South Aberdeen Coastal Regeneration Project and through this external funding may be able to be sourced.

6. IMPACT

Corporate - This work supports the aspirations contained in the Council Administration's Policy, Vibrant Dynamic and Forward Looking. In particular ensuring the sustainability of a successful economy for Aberdeen, continue to promote Aberdeen and in minimising the impact of Council's activities on the environment. .

Public - A full equality and human rights impact is not required..

7. BACKGROUND PAPERS

<http://www.egcp.org.uk/>

8. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2nd December 2010
DIRECTOR	Annette Bruton
TITLE OF REPORT	Application for Round 3 Funding -Youth Activities Small Grants Fund 2010/11
REPORT NUMBER	ECS/10/100

1. PURPOSE OF REPORT

The report sets out the recommendations made by the Youth Activities Grant Funding Group for the second round of funding for the financial year 2010/11, the closing date for which was 28 September 2010.

2. RECOMMENDATION(S)

The committee is asked to:

- a. consider the summary of applications and ratify the Funding Groups recommendations and
- b. Instruct the Head of Service, Education, Culture and Sport to arrange for distribution of the funds.

3. FINANCIAL IMPLICATIONS

The council approved the Youth Activities Grant Budget for £50,000 from the Common Good Fund for the year 2010/11 at Finance and Resource Committee on 11 March 2010

4. SERVICE & COMMUNITY IMPACT

The report supports priorities of a Vibrant, Dynamic and Forward Looking Aberdeen, and the Council's Partner's commitment to develop integrated services for children and young people. In the policy statement "Vibrant, Dynamic and Forward Looking" the Council sets out its aims to make Aberdeen an even better place to live and work. The Youth Activities Small Grant Funding by promoting the involvement of young people contributes to this aim. It links to the Strengthening Local Democracy Strategy, Getting Involved and

Neighbourhood Action Challenges of the Community Plan. It also links to the Community Safety Strategy and the Action Plan for Crime Reduction.

The Youth Activities Small Grants Fund contributes positively to equal opportunities. In particular, clear positive impacts have been identified for the following groups: young people in general; young people with disabilities both in terms of the impact of the activities funded and in terms of involving young disabled people; (there is a requirement under the Disability Equality Duty to encourage participation by people with disabilities in public life); young Gypsy/Travellers; and Lesbian, Gay and Bisexual young people.

The Youth Activities Small Grant Funding offers young people opportunities to contribute to the life of the city and to their communities. Young people receiving funding are likely to benefit in terms of experience, confidence and skills, and therefore contribute to Single Outcome Agreement 4.

5. OTHER IMPLICATIONS

None.

6. REPORT

- a. Representatives from: The Aberdeen City Youth Council, the Convenor of Resources Management, the Chair of the Aberdeen Children and Young People's Services Strategic Planning Group or their nominated representatives and one other elected member consider the applications on behalf of the Finance and Resources Committee and are known as the Funding Group.
- b. The closing date for this round of funding was 28 September 2010. The Funding Group considered the applications on 12 October 2010.
- c. **13** new applications were received for this round. It is recommended that **10** of those are funded and **3** denied. Appendix 1 holds the detail of applications received and the recommendations made.
- d. The total sum recommended for approval in this round is **£11,658.68**. If the recommendations outlined are approved there will be an uncommitted budget of **£1,586.72** remaining. As is usual, a folder containing the full original copies of all the applications received will be available in the Members' Library. The Funding Group has also requested that a copy of all reports provided by groups, following the spending of their award, is also made available in the Members Library as and when the reports are available.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

Appendix 1 – shows the detail of received applications and recommendations being made to committee regarding funding.

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Youth Activities Small Grants				Appendix 1
Round 3 - Closing Date 28 September 2010				
Group Name & No.	Summary of Application	Amount Requested	Decision & Comment	Amount Awarded
YAG010/37 Friends for Life 11-14 Yrs Club	To provide swimming for the Friends for Life Club for young people who have additional support needs.	£1,200.51	full award	£1,200.51
YAG010/38 Torry Youth Café	To purchase table tennis table, equipment etc. and art and crafts material.	£1,000.00	no funding allocated as the group	£0.00
YAG010/39 Tillydrone Vision	This group are planning a return trip to Kamuli in Uganda with 6 young people to enable them to experience life and culture in rural Uganda.	£1,500.00	the group agreed to fund the project, but if they received full funding from the fairer scotland fund - they would have to refund the difference.	£1,500.00
YAG010/40 Cordyce Racing Group	Funding requested to build a racing car and to race in the Greenpower Challenge race against other Scottish Schools.	£1,500.00	full award	£1,500.00
YAG010/41 Bucksburn Academy African Drummers	Funding requested to set up an African Drumming Ensemble for use in Bucksburn Acadmy and ASG schools.	£1,332.17	full award - the group liked this award as the group plan to become self funding and therefore sustainable.	£1,332.17
YAG010/42 House Captains of St Machar Academy	Funding requested to give 50 registration classes £20 - £30 each to take part in a business challenge, with any profits made given to charity.	£1,500.00	no funding allocated - the group felt that this project didn't sit well with the aims o f yags.	£0.00

YAG010/43 Bucksburn Academy Young Engineers club	Funding requested towards the costs of constructing a new Greenpower car and modifying existing Greenpower equipment, and to attend racing events in Scotland and England.	£1,500.00	full award	£1,500.00
YAG010/44 Rock Challenge - St Machar Academy	Funding requested for St Machar Academy to take part in next year's Rock Challenge.	£1,000.00	full award - although the group would like st machar to consider alternative and more sustainable funding for the coming years.	£1,000.00
YAG010/45 Tilly Youth Project	Funding requested to recover old pool table and to purchase cues, balls, rests etc.	£500.00	full award	£500.00
YAG010/46 Friends of C.S.I	Funding requested towards the costs of taking part in a dance competition in Bridlington Spa.	£1,500.00	no funding allocated - as the group felt that CSI have been funded previously for a similar competition; the lack of available YAGs funds and the fact that CSI are in the process of funding.	£0.00
YAG010/47 Rock Climbing Club - St Machar Academy	Funding requested to purchase their own equipment and to book further sessions at Transition Extreme.	£1,500.00	part funding awarded.the group have allocated enough money to purchase the cheaper equipment and for the assessment.	£1,435.00
YAG010/48 S4 SVS Class - Torry Academy	Funding requested towards the costs of accommodation, food etc for mid-week trip of snowing and snowboarding.	£1,500.00	full allocation - on condition that the group provide an immediate break down of the costs involved. (this will be delayed due to school holidays) however, funds will not be released until breakdowns are given.	£1,500.00
YAG010/49 Barnardo's	Funding requested for fabric pens, T-shirts and tutor fees to take part in an 8 mile sponsored walk.	£191.00	full award	£191.00
		Total Amount Requested		Total Amount Recommended
	Total Amount Requested	£15,723.68		£11,658.68

	Balance c/f after round 2	£13,245.40	
	Balance:	£1,586.72	

Total Amount Recommended £11,658.68

Balance c/f after Round 3 £1,586.72

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 December 2010
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Review of Cash Handling Arrangements
REPORT NUMBER:	CG/10/184

1. PURPOSE OF REPORT

The Finance and Resources Committee of 17 June 2010 agreed that cash facilities would be withdrawn from Bucksburn and Peterculter offices from 1 April 2011, that no large volume payments would be taken at Marischal College and that the cash facilities at the Tillydrone office would be reviewed.

This report summarises the position following consultation with staff, the Unions and the public.

2. RECOMMENDATION(S)

That the Committee agrees there will be no replacement city centre cash office for the Podium and that cash facilities at the Tillydrone will cease.

3. FINANCIAL IMPLICATIONS

Proposed estimated savings are £250k for the period from 1 June 2011 to 31 March 2012 and thereafter £300k per annum. The breakdown is as follows:

<u>2011/2012</u>	<u>£</u>
Staff costs (Podium and Tillydrone)	295,886
Cash pick ups (including Peterculter & Bucksburn)	13,823
Bank Charges	<u>11,666</u>
	321,375
Less estimated Post Office/Paypoint charges based on survey results	<u>-70,833</u>
Net Savings	<u>250,542</u>

<u>2012/2013</u>	<u>£</u>
Staff costs (Podium and Tillydrone)	355,063
Cash pick ups (including Peterculter & Bucksburn)	16,588
Bank Charges	<u>14,000</u>
	385,651
Less estimated Post Office/Paypoint charges based on survey results	<u>-85,000</u>
Net Savings	<u>300,651</u>

The impact of the savings is split between the General Fund and the Housing Revenue Account.

4. OTHER IMPLICATIONS

There are 14.9 FTE posts within the Podium and Tillydrone offices with 3.43 being currently vacant and the Revenues and Benefits establishment is undergoing a restructure as part of the 5 Year Business Plan. The displaced staff members will be considered alongside the wider restructure over the coming months, subject to Union and HR consultation.

5. BACKGROUND/MAIN ISSUES

Cash handling arrangements had to be reviewed because of the closure of the Podium as part of the move to Marischal College together with the decision taken that Marischal College would not be accepting 'physical cash' in relation to large volume transactions for Rent or Council Tax. This would also extend to smaller volumes such as Business Rates and Service Income (Sundry Debts).

The review also considered the ceasing of cash facilities at the Tillydrone office subject to agreement by Housing and Environment.

During the consultation period staff in the Podium office raised concerns about not having a City centre cash office and the main issues are detailed below:

- Customers will not be able to obtain balance or payment information at Post Office/Paypoint outlets.
- Customers may not have their payment documentation with them.
- Long queues at Post Office/Paypoint outlets.

- No system alert when payment made and legal proceedings in force.
- Potential impact on collection rates.
- The distribution of petty cash imprests to other Services.

Fife Council closed their cash offices in 2007 and Moray Council closed their cash offices in 2008 and their staff raised similar concerns at the time. All operational issues were resolved by changing working practices and improving documentation to the public.

There has been no negative effect on collection rates by closing their cash offices. The public enjoy the greater flexible opening hours that Paypoint outlets have.

Highland Council is considering closing their cash offices in 2011.

Alternative accommodation within the City centre has been considered but there is no suitable ACC property that can be adapted in terms of timescale and cost. The report author and a colleague visited the empty former post office in the upper floor of the St Nicholas Centre as it was known that the teller positions and safe are still in place. Whilst the lay out is virtually unchanged and could operate as a cash office, the annual operating costs would be in the region of £120k with an additional estimate cost of £30k for repairs in order for it to be fit for purpose. At 190 square meters, the area is also far too big for it to be a cash office on its own.

A Survey was issued to 5,000 private sector households and 11,000 council households asking if they would consider paying by another method if cash offices were to close. There were 214 and 3,670 replies respectively with about 15% choosing to pay by Direct Debit or Standing Order. The other 85% would continue paying by cash if possible. There were very few comments specific to the closures but a petition from Peterculter residents with over 1,300 signatures to keep the office open has been delivered to the Head of Legal and Democratic Services.

There is a network of 118 Post Office and Paypoint outlets that currently process payments on behalf of the Council and there would need to be a Tender process because of the additional volume of payments. The Council would bear the charges of approximately 47p per transaction. The topping up of laundry cards at some Post Offices are being investigated.

Due to the annual issue of Council Tax bills and Rent cards, it is not operationally feasible to close cash offices on 1 April 2011. An

alternative date of 31 May 2011 is manageable (last day of business) and ties in more closely with the move to Marischal College.

The public will still be able to make cash payments at the Mastrick, Woodside and Kincorth Customer Access Points. Postal cheques will be processed at Marischal College.

6. IMPACT

Corporate – the public has been consulted in line with the Community Plan and a larger take up of electronic payments would help the Council’s modernising agenda. The cash review is included in the 5 year Business Plan together with an option to be a “cashless” Council in the long term.

Public – by using a local network of payment outlets, the Council is not forcing the public to change their payment method. Payments can be made at a time more suitable to them.

It is recognised that the Cash Review is a major piece of work with tight deadlines. A Project team has been established and the Project Plan agreed by our auditors PriceWaterhouseCoopers. This includes a Risk Assessment/Analysis.

7. BACKGROUND PAPERS

Previous report to Finance and Resources Committee on 17 June 2010.

8. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resource Committee
DATE	2 December 2010
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Aberdeen Greenspace Trust Business Plan
REPORT NUMBER:	EPI/10/265

1. PURPOSE OF REPORT

The purpose of this report is to present Aberdeen Greenspace Trust's Five Year Business Plan (2010/11- 2014/15). The report requests that the Committee consider the allocation of third party contribution of Landfill Communities Funding based on Aberdeen Greenspace's new business plan.

2. RECOMMENDATION(S)

That Committee:

1. Note Aberdeen Greenspace Trust's Five Year Business Plan,
2. Agree to fund the allocation of third party contribution of Landfill Communities Funding to Aberdeen Greenspace Trust

3. FINANCIAL IMPLICATIONS

Aberdeen City Council provides 10% funding to environmental bodies which releases Landfill Communities Fund. The 10% funding from Aberdeen City Council will come from the Contributions to Environmental Bodies Budget, which is established for this purpose. It is estimated that this contribution will be in the region of £9,000 - £11,000. This amount is dependent on the amount of waste sent landfill by Aberdeen City Council.

The Landfill Communities Fund is regulated on behalf of the UK Government by ENTRUST, who undertake compliance auditing on an annual basis. Aberdeen Greenspace are Environmental Bodies registered and approved by ENTRUST with the long track record of satisfactory compliance.

4. OTHER IMPLICATIONS

Aberdeen Greenspace is an independent organisation and if no funding is forthcoming from the Landfill Communities Fund, it may choose not to proceed with funding and delivering projects in the City. This may restrict the ability of the Council to deliver the City's environmental strategies and policies.

If the remaining third party contributions for LCF is not distributed for this financial year, the funding from ENTRUST will not be released for use in Aberdeen.

An important strength and opportunity for Aberdeen City Council offered by Aberdeen Greenspace is the ability to use their funds as leverage to attract much larger funds, such as matching European funding sources. The Trust is interested in working as a partner in European Funded projects.

5. BACKGROUND/MAIN ISSUES

Aberdeen Countryside Project (now Aberdeen Greenspace Trust) was established in October 1997 through an initiative of Aberdeen City Council, in partnership with Scottish Natural Heritage and the Forestry Commission. These three public bodies were the initial subscribers to the Company which is Limited by Guarantee.

The purpose of establishing Aberdeen Countryside Project was to access to Landfill Community Funds not available to the Council so that projects which enhance the natural environment in and around Aberdeen and improve access to it could be delivered. By contributing the 10% third party contributions necessary to release Landfill Communities Funds, the Council has released additional funds for these purposes.

Aberdeen Greenspace Trust's (the Trust) established a business model which involved managing its reserves or endowment to generate dividends and capital growth. The income generated, just as similar organisations may have used initial capital reserves to purchase capital assets with which to generate income, is then used to cover operating costs while generating further income through match funding and leverage.

A report to the Finance and Resources Committee of 11 March 2010 summarised the applications by Aberdeen Forward Limited (which was approved) and Aberdeen Greenspace Trust for Landfill Communities Funding (LCF) for 2010/2011. Aberdeen Greenspace Trust's application was rejected by the committee as it did not provide an Expenditure Plan for all unused funds. Aberdeen Greenspace' expenditure plan submitted showed that a reserve of £640,535 in March 2012.

The Council has previously indicated that it wished to see the invested reserve deployed into community projects in Aberdeen; this was an intended condition of a five-year funding commitment made by the Council to the Trust in 2003.

In response to the committee's decision, the Trust's chair, chief officer and board representative met with the Council's Chief Executive, Council Leader and Deputy Leader on 22nd September 2010. At the meeting, it was emphasised that Aberdeen Greenspace needs to become financially less dependent on LCF. The Council requested the Trust prepare a five year business plan outlining how this will be achieved and also address the Trust's reserve.

Analysis of the five year business plan finds that the Trust aims to increase external funding resources, employ a project funding officer and improve partnership working with businesses, community and the Council. Through these aims, the Trust intends to broaden its scope of projects and increase its range of work, working in partnership with Council and other bodies to source, or lever in additional funding and reduce the dependency on Landfill Community Funding.

The Trust has set a target of raising a minimum of £100,000 per year external funding, for specific projects. These projects are identified in the business plan. The recruitment of a Project Development Officer will be investigated as a volunteer, secondment or through a short term contract. This will entail working closely with the Council and partner organisations to identify potential projects and to ensure that the projects are delivered on time and that external grant conditions are met.

The Trust recognises that Landfill Communities Funding is still an important funding stream. At its meeting on 13 February 2007 the Trust's board decided that it would seek new environmental projects that would make a significant contribution to the charitable objectives of the Trust, on which to spend the reserve, while at the same time seeking other income streams to support its work. It was agreed to spend £145,000 on projects annually over and above the routine costs of the organisation. This will reduce the reserve over the next 10 years.

Aberdeen Greenspace has been a key partner throughout the development and delivery of the City's Core Paths Plan, Open Space Audit and Nature Conservation Strategy.

Although preparation of the Core Paths Plan is a statutory responsibility of the Council, its delivery on the ground is not. Since 2008, the Trust has worked with the Council's officers to deliver funding, leverage and community engagement. It has facilitated and delivered good quality works on the ground, including new and upgraded paths, signage, interpretation and other greenspace improvements.

The skills and experience of the Trust has been valuable in terms of their contribution towards the completion of the Open Space Audit and development of the Open Space Strategy. This input, gained at no cost through good partnership working, may otherwise have resulted in engaging consultants to offer a similar service.

The Trust has been proactive in working with Neighbourhood Community Planning Officers, employing a 'can-do' attitude to identify and take forward early project opportunities and 'quick-wins' with communities, in response to the Open Space Audit's findings. The service they provide will be important in delivering the forthcoming Open Space Strategy and maximising the opportunities to meet shared objectives.

The Trust along with East Grampian Coast Partnership is now working with the Council to deliver parts of the South Aberdeen Coastal Regeneration Project.

The Trust's business plan emphasises the importance of partner projects with stakeholders, communities and the Council. As demonstrated by previous projects, the Council by working in partnership with the Trust has the ability to implement its policies including the requirements of the Single Outcome Agreement in the current financial climate.

6. IMPACT

Aberdeen Greenspace Trust is an important partner in delivering key Council environmental strategies and policies. They are a key funding body for communities but also have the ability to deliver city wide strategic and partner projects.

The Trust can assist the Council to deliver the Single Outcome Agreement requirement "We value and enjoy our built and natural environment and protect it and enhance it for future generations".

A full equality and human rights impact was not required, as this proposal will have a positive impact for all the equality target groups.

7. BACKGROUND PAPERS

EPI/10/073 - Landfill Tax Credit Funding 2010-2013, Finance and Resource Committee 11 March 2010
Aberdeen Greenspace Trust Limited Five Business Plan 2010/11-2014/2015

9. REPORT AUTHOR DETAILS

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Aberdeen Greenspace Trust Limited

Five Year Business Plan

2010/11- 2014/15

November 2010

Overview

Aberdeen Greenspace was set up to gain access to funds which were not available to the City Council to deliver projects, which the City Council wished to see for local community benefit but for which it did not have the finance. This remains a key rationale for the continued existence of the Company.

The Board has recognised the need to diversify its funding package which must include Landfill Community Fund credits, investment income, contract income and private sector sponsorship. This will mean that the Company will have to develop and re-focus over the next five years. The Board has agreed to adopt a strategy of diversifying the funding streams and to broadening the range of projects undertaken.

Aberdeen Greenspace is not the only Enrolled Environmental Body in Aberdeen and is therefore not alone in having the potential to access to Landfill Community Funds.

What does make Aberdeen Greenspace unique is the high quality service it offers to communities, including those in Regeneration Areas, to help them get the best from local greenspaces.

It is the only local body to deliver environmental projects through community engagement, support, advice, technical expertise, funding and delivery through our dedicated volunteer group. It works in partnership with statutory bodies, charities and local groups through offering grants and assistance to deliver biodiversity benefits and improvements to greenspace.

The strengths of the organisation are

- Track record of delivering high quality environmental projects;
- Track record of collaborative and partnership working;
- Staff expertise in community engagement, ecology, planning and delivering greenspace projects;
- Involving communities in greenspace project delivery;
- An ability to work in Regeneration Areas;
- Highly motivated, skilled and dedicated Volunteer Group;
- Financial resources to match fund projects.

In delivering project work on the ground the Company has spent, since it was founded, £2.3 million. This exceeds the amount received in Landfill Tax Credits from Aberdeen City Council and its landfill site contractor by £200,000.

1. Business Description

The charitable aims of the Company can be summarised as follows:

For the benefit of the public:

- to promote the protection and enhancement of the natural environment;
- to provide public access to the natural environment;
- to promote education with respect to and public understanding of the environment;

in and around Aberdeen.

In practice this means the Company delivers environmental projects through:

- awarding grants to the public sector, community groups and individuals;
- carrying out works through contractors;
- carrying out work ourselves, often using our Volunteer Group.

Aberdeen Greenspace has been able to access funds not available to the public sector. This has enabled new projects to be delivered that would not have otherwise been undertaken. Our aim is to continue in this as we believe it provides value for money and is appreciated by our partner organisations and by the community at large.

Aberdeen Countryside Project was established in October 1997 through an initiative of Aberdeen City Council, in partnership with Scottish Natural Heritage and the Forestry Commission. These three public bodies were the initial subscribers to the Company which is Limited by Guarantee.

The Landfill Tax Credit Scheme (now called the Landfill Communities Fund) allowed landfill site operators to make donations to Enrolled Environmental Bodies and to offset 90% of their donations against up to 20% (now 6%) of their Landfill Tax liabilities.

Although not originally envisaged in the Landfill Tax Credit Scheme, it is recognised as acceptable for third parties to pay, on behalf of landfill site operators, the 10% which cannot be offset in order to release the remaining 90%. Such payments, made via landfill site operators, have become known as 'third party payments'.

In 1997 the City Council was itself a landfill site operator. The purpose of establishing Aberdeen Countryside Project was to enable access to be gained to Landfill Tax Credit Scheme funds not available to the City Council so that projects which would enhance the natural environment in and around Aberdeen and improve access to it could be delivered. By contributing the 10% necessary to release Landfill Communities Funds, either directly or more recently as a third party, the City Council had and continues to have the opportunity to release funds for these purposes. This

enables landfill tax generated locally to be distributed to benefit local communities; otherwise the funds are distributed on a national basis without a geographic focus.

Aberdeen Countryside Project achieved early registration with ENTRUST, the regulatory body for the Landfill Tax credit scheme (now the Landfill Communities Fund), and was recognised as a registered charity in June 2000. The Company's Board decided that funds derived from tax credits arising from the disposal of waste by the City Council should be used for projects undertaken the boundary of the City of Aberdeen.

Aberdeen Countryside Project is a founder member of Greenspace Scotland, the national body promoting greenspace in Scotland. In 2008 Aberdeen Countryside Project changed its name to Aberdeen Greenspace to reflect current terminology and to clarify that it undertook work within as well as around the built-up area of the city.

A Volunteer Group was established in 2002 and since then it has delivered around 6,300 volunteer days with a notional value of over £315,000. There is a pool of around 20 volunteers that regularly come out on Tuesdays and Thursdays with the Volunteer Group throughout the year. The quality of the work produced is very high due to the supervision of the Assistant Project Officer and the level of experience of the volunteers.

The Memorandum and Association of the Company is outlined in Appendix 1.

Progress against Aberdeen Countryside Project Strategy 2007-2011 is given in Appendix 2. As can be seen good progress has been made against most of the actions in the strategy. In particular Aberdeen Greenspace, as an organisation that delivers high quality environmental projects, a strong working partnership with has developed the City Council. However, some of the actions where more progress is required are critical to diversifying income of the charity and further urgent action is required. Arising from this an Action Plan has been generated in addition to those in the Strategy 2007-2011. (See Section 7 Action Plan)

A SWOT analysis is given in Appendix 3.

Key strengths are the delivery of high quality award winning environmental projects, many in regeneration areas; community engagement and involvement in project delivery; partnership and collaborative working; a dedicated and highly motivated volunteer group; a capacity to work with those who have mental health problems; a well managed income generating endowment fund; and a Board skilled in company and charity management.

The main weaknesses are reliance on one major income source and the apparent strength of the balance sheet. Access to Landfill Community Funding is dependent on Aberdeen City Council and as a source of funding is vulnerable to possibility that it may be discontinued by the government

There are opportunities to seek sponsorship and grants and to work strategically in partnership with Aberdeen City Council to deliver the new suite of environmental

plans and strategies especially the Nature Conservation Strategy, Core Paths Plan, and the proposed Open Space Strategy.

The main and most significant threat is the continued loss of Landfill Communities Funding. It would be difficult to raise large sums of money through grants and sponsorship to replace this loss with consequent threat to the ability of the Company to deliver city wide strategies.

2. Business Environment Analysis

The Board recognises that the plan is being written in a time of economic austerity. The government is seeking major public expenditure cuts through undertaking a Comprehensive Spending Review. This is affecting Aberdeen City Council as well as many other public bodies with consequent impact on its ability to deliver its strategies.

Aberdeen Greenspace offers exceptional value for money for Aberdeen City Council. In 2009/2010 Aberdeen City Council contributed £9,300 to enable a proportion of its tax liability to be diverted. This enabled £236,000 of work to be undertaken that year, much of it helping to deliver city council strategies.

There is potential for some of these strategies to be implemented using European Union or Heritage Lottery Funding. Matched funding is likely to be required. There is an opportunity for Aberdeen Greenspace to be a partner contributing to matched funding or using its skills to co-ordinate such projects. Potential projects will be actively pursued as they could help to generate external funding for the Company through carrying out contract works or submitting bids for external funding:

Possible projects in which the Company could be involved in the near future include:

- SURF – A European Union project to improve the River Don corridor
- GIN – Green Infrastructure Networks
- SACRP – South Aberdeen Coastal Regeneration Partnership
- Northfield Greenspace Project – potential joint bid with Aberdeen City Council to Heritage Lottery Fund.

A list of potential funding sources is given in Appendix 4.

There is the possibility, of course, that the Landfill Communities Fund may be reduced through increasing recycling rates to meet the challenging targets set by the Government or the Fund may be discontinued by the government through legislative changes. The Board recognises that the Landfill Communities Fund would then be reduced or no longer be available.

Other initiatives may arise at a national or European level. The *Low Carbon Economy* is one example. Such initiatives may carry funding opportunities which the company will explore when relevant to its key objectives. Similarly the Government's vision of *a Big Society* in which the community takes responsibility for delivering local services may give Aberdeen Greenspace opportunities for capacity building in communities, skill sharing with community groups, increasing volunteering and partnership working on greenspace projects.

There is an opportunity for Aberdeen Greenspace to engage with the local businesses community to assist them in meeting their corporate social responsibility through funding and/or volunteering.

At present the Company limits itself to an area in and around Aberdeen but there may be opportunities to expand the work of Aberdeen Greenspace to other areas of North East Scotland.

3. Sector Analysis

Aberdeen Greenspace offers a unique high quality service to communities to help them get the best from local greenspaces. It is the only local body to deliver environmental projects through community engagement, support, advice, technical expertise, funding and delivery through our dedicated volunteer group. It works in partnership with statutory bodies, charities and local groups through offering grants and assistance to deliver environmental benefits and improvements to greenspace and create opportunities for access.

Aberdeen Greenspace is an Environmental Body and a Distributive Environmental Body registered with ENTRUST this enables us to act as a conduit for funds to small community groups without their having to register as an Environmental Body which would require them to be formally constituted and avoiding the administrative burden.

4. Competitive Analysis

There are other groups carrying out environmental tasks similar to Aberdeen Greenspace with which there may be overlap. In particular,

- Aberdeen Forward is paid half the Landfill Communities Fund for the city and offers grants in the same categories D (Community Benefit) and Da (Biodiversity) as Aberdeen Greenspace.
- British Trust for Conservation Volunteers (BTCV) is a national charity which uses volunteers to carry out environmental projects on a contract basis. BTCV also runs the Green Gym which promotes the benefits of outdoor work in keeping physically and mentally fit.
- Green Tracks is a local enterprise carrying out gardening and other soft landscaping projects.
- SAMH (Scottish Association for Mental Health) is a national charity promoting mental health with practical environmental tasks being carried out by volunteers.

What is unique about Aberdeen Greenspace is that it offers a comprehensive service to local communities through community consultation to help them develop ideas to improve local greenspace right through to the delivery of projects on the ground, either using contractors, its own Volunteer Group, often assisted by the local community. It offers grants to statutory bodies, other charities, local groups and individuals to carry out environmental improvements. It has carried out work throughout the city including areas recognised by the Scottish Executive as being Sites in Multiple Deprivation (SIMD).

It is the only body locally that has the skills mix of community engagement, staff and directors with a knowledge of greenspace and access issues as well as land management and environmental expertise to deliver a range of projects.

The contribution made by the environmental projects delivered by Aberdeen Greenspace is significant in terms of the City Council's Core Paths Plan, Nature Conservation Strategy forthcoming Open Space Audit. The environmental projects also make a contribution to elements of the Single Outcome Agreement. Appendix 5 evaluates the last two years' projects against the policies of Aberdeen City Council and the Single Outcome Agreement.

Aberdeen Greenspace is a significant partner in improving the quality of life for the residents of Aberdeen through assisting in the delivery of environmental policies in the city. All the projects undertaken contribute to delivering the policies of Aberdeen City Council and the Single Outcome Agreement.

The quality of the projects Aberdeen Greenspace delivers has been recognised locally and nationally. In 2000, Aberdeen Countryside Project won the award in the "Outstanding Quality in Development on the Ground" category of the Scottish Executive and Royal Town Planning Institute national awards for "Quality in Planning". Since then its projects have won a number of EcoCity Awards run by Aberdeen City Council and one project was shortlisted in 2008 for a SURF Award in the Place category.

5. Market Analysis

The Company's primary role is as a grant aiding, facilitating and practical implementation body. This accords well with its charitable status. It does have some potential for undertaking contract and consultancy work but this is a secondary role. It is not essentially a trading organisation.

Our services are in demand from the general public, mainly through community groups, the local authority, government agencies especially Scottish Natural Heritage and Forestry Commission Scotland, and the private sector.

The demand for assistance with greenspace projects is potentially open ended but is limited, particularly in SIMD areas, by a lack of community capacity. One of the benefits of working with Aberdeen Greenspace is that it can help to build community capacity as part of delivering projects. There is a number of high cost projects that relate to delivering the Core Paths Plan that would be outwith the current financial capacity of Aberdeen Greenspace except in major partnerships.

There is a significant demand for wildlife areas in school that Aberdeen Greenspace is unable to deliver unless unrestricted funds can be identified as Landfill Communities Funds cannot be used on school grounds. Hospital grounds are treated the same way as school grounds and as such are not eligible for Landfill Communities Funding. Most hospitals lack greenspace area that off duty staff can use and where patients could be able to take gentle exercise as part of their recuperation and recovery. This type of project has not yet been explored as a funding source has not been identified.

Potential sources of funding and assistance are Aberdeen City Council via Landfill Communities Fund; the private sector delivering their corporate social responsibility either through funding or volunteering; grants through Scottish Natural Heritage, Heritage Lottery Funding, European funding and income from investments. Other sources include income from contract works either for physical works or consultancy for private companies or the local authority.

Our current market is mainly within the City of Aberdeen but there is the potential to extend our work into Aberdeenshire particularly in the environs of Aberdeen.

6. Marketing Plan

Publicity is sought where appropriate to promote the work of Aberdeen Greenspace. Recently Radio Scotland featured a piece on tree planting that we were carrying out at Ruthrieston. We have a close working relationship with SHMU (Station House Media Unit) and two of our volunteers appear on a programme hosted by Stephen Bly, WIAT Community Ranger.

The website is kept up to date and three newsletters are issued each year highlighting the work of Aberdeen Greenspace.

An Achievements paper outlining what Aberdeen Greenspace has delivered over the past ten years has been circulated to individuals, organisations and others with an interest in the work of Aberdeen Greenspace.

There has been a drive to promote Aberdeen Greenspace to local politicians and we have taken the following MPs and MSPs on tours of greenspace projects. The tours have generated a great deal of interest and support for our work.

In order to ensure that good communication channels are developed and maintained, a Communication Plan has been developed and is included as Appendix 6.

Further work is required to develop the Marketing Plan so that specific outcomes are identified along with the resources to deliver them.

7. Operational Plan

In the current financial climate of public spending cuts there is an opportunity for Aberdeen Greenspace to assist in the delivery of projects within the city which would help deliver strategies adopted by Aberdeen City Council. The City Council has several key environmental plans and strategies including the Core Paths Plan, Nature Conservation Strategy, the Open Space Audit and the forthcoming Open Space Strategy.

The three strategies above are the ones most closely identified with the Company's objectives but, over the years, it has contributed directly or indirectly to the delivery of other City Council strategies, including for example those relating to
social inclusion,
economic development,
regeneration,

transport
education

Large projects involving several partners are likely to have high levels of leverage relative to the input from the Company. The Company may help defray costs incurred by a partner organisation or receive funding from other partners and organise the work itself. The leverage may be less for smaller scale projects. In these cases Aberdeen Greenspace normally expects a grant recipient to meet around 25% of the cost. The question of leverage on City Council contributions is dealt with in Section 2 above.

The Company attempts to maximise the value of the grants offered for project work by requiring funding from other sources either in cash or in kind. The plan sets a target of 33% of leverage for each financial year, looking at the costs of the whole of each project.

At a meeting of its Finance and Resources Committee on 11 March 2010 Aberdeen City Council decided to cease paying third party contributions through its landfill site operator to Aberdeen Greenspace for at least one year. This removed the Company's ability to access Landfill Communities Funds. Even if it were to restore access to these funds in 2011/12 there will still be severe implications for the continued viability of the Company beyond 2013/14. It is understood that the decision was made on the grounds that all the funds received from the Landfill Communities Fund have not been committed to projects.

In fact expenditure by the Company has exceeded the value of funding received from Aberdeen City Council's 10% payments, third party contributions and Landfill Tax/Landfill Communities Fund credits. This is shown in Table 1.

Funding of £4,500 not subject to ENTRUST regulation has been obtained to date during 2010 for specific projects. Contract work has generated a total of just under £14,000 in unrestricted funds between April 2007 and May 2010. These are small sums and do not compensate for the withdrawal of access to LCF funds.

The Board recognises the need to hold adequate reserves.

- a) If the Company were to be more dependent on grant funding and sponsorship for specific projects grants would probably not be received from an individual sponsor until the specific project being supported had been completed. Reserves would have to be retained to maintain cash flow pending the completion of that project. It has also been necessary to retain reserves to maintain cash flows pending the receipt of payments from the Landfill Communities Fund.
- b) Staff employed by the Company are members of the North East Scotland Pension Fund. The Board recognise that Company may have a liability to meet a possible pension fund deficit in respect of both current and previous employees. The Company will seek clarification of its position following the next actuarial valuation of the Pension Fund which is due to be carried out in

March 2011. The Board will then review the funds required to be held in reserve.

- c) The Company will ensure that adequate funds are retained to cover the costs of winding up the Company should that be necessary. This would include the costs of staff redundancies.

Table 1 : Income and Expenditure 1997/98 to 2010/11		
	£	£
Income		
Aberdeen City Council 10% - direct and third party payments	213,000	
LFT/LCF funding received from ACC and SITA	<u>1,913,000</u>	2,126,000
LFT funding received from Shanks Waste Solutions	150,000	
Funding received by transfer from other Environmental Bodies	<u>49,000</u>	199,000
Investment income – dividends and capital growth		451,000
Total funds received which are subject to ENTRUST regulation		<u>2,776,000</u>
Grants and other income		447,000
Total income		<u>£3,223,000</u>
Expenditure		
Total expenditure		<u>£2,318,000</u>
Balance for project delivery and income generation		<u>£905,000</u>

The Board has adopted a strategy of diversifying the funding streams and to broadening the range of projects undertaken.

An expendable endowment fund was created by the Company in its early years to build a source of capital that would create an income stream into the future. This policy was endorsed by the City Council and ENTRUST. The fund is professionally managed in a balanced portfolio of investments and has increased the value of Landfill Tax based funds available for use by the Company by £450,000.

ENTRUST has been concerned about the extent to which Environmental Bodies have held funds without any clear purpose and intends to provide guidance investment practices. ENTRUST does however accept that it is legitimate for Environmental

Bodies to hold funds where they are actively managed and funds are drawn down to deliver projects. The Company has held periodic meetings with officers from ENTRUST since 1997 and is satisfied that its financial policy accords with ENTRUST's requirements.

In 2007 the Board "decided that it would seek new and exciting environmental projects that would make a significant contribution to the charitable objectives of Aberdeen Countryside Project, on which to spend the endowment over a ten year period while at the same time seeking other income streams to support its work." The decision was to spend the endowment on projects over the next ten years while at the same time seeking other income streams. It was agreed to spend £145,000 per annum on projects over and above the routine costs of the organisation.

8. Financial Plan

The focus of the next five years will be to transform the organisation through:

- Broadening our funding streams to enable us to carry out a wider range of projects and to secure our long term future;
- Seeking partners for large projects;
- Seeking contract works;
- Seeking additional staff for project development where funds are available;
- Ensuring that Aberdeen Greenspace staff time is devoted to seeking funding;
- Continuing to develop the skills of our volunteers and broadening their role to include office tasks;
- Ensuring that Aberdeen Greenspace staff time is devoted to delivering large projects;
- Ensuring that our partner organisations have the capacity to deliver the projects to a high standard and to the grant timetable;
- Continuing to make grants available to secure project work for public benefit that would not otherwise take place.

Table 2 is the funding plan adopted by the Board. It assumes that the City Council would restore third party contributions and that the Company was successful in obtaining funding from other sources. These sources would have to include:

- a) grants for specific projects of £100,000 in 2011/12 increasing to £200,000 by 2014/15;
- b) grants to the Company, not conditional on delivering specific projects, of £50,000 in 2011/12 increasing to £125,000 by 2014/15;
- c) net profits on contract work, mostly undertaken by the volunteers, of £1,000 in 2010/11 increasing to £20,000 by 2014/15;
- d) continued income generation from the Endowment Fund.

A project expenditure base level of £200,000 per annum would be set to which would be added 90% of the value of grants received for specific projects. Thus if the target of £200,000 in grants for specific projects in 2014/15 were achieved, project expenditure that year would be £380,000.

No allowance is made in table 2 for the costs of an increase in staffing that would be likely to be necessary in order to deliver the level of project work implied.

These are extremely ambitious targets. They require a balance package of funding including LCF, investment income, grants and sponsorship from the public and private sector, contract income. They would however stabilise the financial position of the Company, allowing it to continue to deliver project work in accordance with its objectives and the original intentions of the City Council and its partners.

Table 2 : Diversification of Funding but Including Landfill Communities Fund					
Year	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Endowment Fund opening balance	865,000	674,200	580,700	533,600	507,400
Cash at bank	40,000	40,000	40,000	40,000	40,000
Total opening balance	905,000	714,200	620,700	573,600	547,400
Income					
Landfill Communities Fund	90,000	88,000	85,000	82,000	80,000
Aberdeen City Council third party contribution	10,000	9,800	9,400	9,100	9,000
SNH grants	8,000	8,200	8,500	8,700	9,000
Other grants for specific projects	4,000	100,000	120,000	150,000	200,000
Other grants not related to specific projects	-	50,000	100,000	120,000	130,000
Investment dividends and capital growth	69,200	55,500	52,000	48,000	43,000
Aberdeenshire Council	9,800	5,000	5,000	8,000	10,000
Profit from contract income and consultancy work	2,000	10,000	15,000	20,000	25,000
Total funds	1,098,000	1,040,700	1,015,600	1,019,400	1,053,400
Expenditure					
Core costs including project development	(125,800)	(130,000)	(134,000)	(137,000)	(142,000)
Project implementation	(258,000)	(290,000)	(308,000)	(335,000)	(380,000)
Total expenditure	(383,800)	(420,000)	(442,000)	(472,000)	(522,000)
Total closing balance	714,200	620,700	573,600	547,400	531,400

The Five Year Business Plan will be reviewed each year by the Aberdeen Greenspace Board as part of the annual budgeting process and reviewed annually.

A Risk Register shown in Appendix 7 has been undertaken to identify the risks involved in the actions proposed and steps that can be taken to mitigate them.

9. Management Summary

Day to day management of the company is delegated to the Chief Officer. The Board meets quarterly to approve funding for projects. A Management Group consisting of staff representatives of Aberdeen City Council, Forestry Commission Scotland and Scottish Natural Heritage meets quarterly to give advice to the Board on the relative merits of each project prior to it being considered by the Board.

Board members have a wide range of skills and experience to offer Aberdeen Greenspace and are listed below.

Representing Scottish Natural Heritage

Dr. David Bale, BSc (Hons), PhD, Chair, Area Manager representing Scottish Natural Heritage

Representing Aberdeen City Council

Cllr. George Adam, DA

Cllr. Muriel Jaffrey, Councillor for 11 years and Baillie of the city.

Cllr. Mark Macdonald MA (Hons), MLitt

Cllr. George Penny

Representing Forestry Commission Scotland

Professor Hugh Miller OBE, BSc(For), PhD, DSc, FICFor, FRSE, former Chair of Forestry at University of Aberdeen

Jim Dewar, Conservator, Forestry Commission Scotland

Independent

Geoffrey Tudor BA, MRTPI, MTS, former Head of Environmental Strategy, Aberdeen City Council.

Current Staff

Chief Officer: Alister Clunas MSc, CBiolMIBiol, IEEM, CEnv

Assistant Project Officer: Iain Mitchell, Higher National Certificate in Countryside Recreation and Conservation Management.

Carol Brown, Administration Officer (part time)

Appendix 1

Aberdeen Greenspace Trust Limited

The Memorandum of Association sets out the objects as:

For the benefit of the public:

to promote the protection and enhancement of the natural environment in and around Aberdeen by means of environmental initiatives and in particular through the reclamation, conservation, protection, enhancement and improvement in and around Aberdeen through the co-operation and involvement of the public and private sectors;

to provide, maintain and enhance public amenities in and around Aberdeen, and especially those which provide opportunities for access to the countryside;

to promote education with respect to and public understanding of the environment with and adjacent to Aberdeen;

to create new wildlife habitats or public amenities with public access subject to protection or enhancement of the natural qualities of the same land.

Charitable Object- To promote the protection and enhancement of the natural environment in and around Aberdeen by means of environmental initiatives and in particular through reclamation, conservation, protection, enhancement and improvement in and around Aberdeen through the co-operation and involvement of the public and private sectors.			
Action Number	Action	Progress against Action	Progress against Strategy
Action 1	Aberdeen Greenspace will engage with Aberdeen City Council in its regeneration programme	Good progress	Aberdeen Greenspace is working well with Aberdeen City Council in promoting greenspace projects as part of the regeneration process. Aberdeen Greenspace has carried out work in many of the "at risk" and "regeneration " areas including Mastrick, Seaton, Torry, Northfield, Woodside and Tillydrone.
	a. to promote greenspace as an integral part of the regeneration process	Good progress	
	b. to assist in the delivery of greenspace within the regeneration and at risk areas	Good progress	
Action 2	Aberdeen Greenspace will seek to assist in shaping, supporting the development of the strategic context for greenspace and in its delivery via the Parks and Greenspace Forum and the Community Planning Partnership.	Good progress	Aberdeen Greenspace is working with Aberdeen City Council in shaping the strategic context for greenspace in the city through being a partner, together with Scottish Natural Heritage, on the working group that developed the Greenspace Audit. Aberdeen Greenspace has been invited to join the new Open Space Working Group being set up by Aberdeen City Council. Aberdeen Greenspace has been invited to be a full member of the Local Outdoor Access Forum, having had observer status since it was established. Aberdeen Greenspace commented on the Nature Conservation Strategy for the city.
Action 3	Aberdeen Greenspace will liaise with communities and Community Planning Officers to identify suitable projects where it can lead or assist in their delivery, prioritising social inclusion areas.	Good progress	Good working relationships have been established with a number of Community Planning Officers leading to the development of projects in areas of social exclusion.

Action Number	Action	Progress	Progress against Strategy
Action 4	Aberdeen Greenspace will become an active partner in the delivery of the Aberdeen WIAT project in partnership with Aberdeen City Council and Forestry Commission Scotland.	Good progress	Aberdeen Greenspace was a partner in WIAT 1 with Aberdeen City Council and Forestry Commission Scotland. It is a partner in the new Granite City Forest project to plant a tree for every citizen in Aberdeen which also involves Aberdeen City Council and Forestry Commission Scotland. There may be opportunities to be a partner in the next phase of Granite Forest and WIAT 2.
Action 5	Aberdeen Greenspace will seek to engage with developers, the City Council, Community Scotland and Housing Associations to promote high quality greenspace as an integral part of any major new developments and where possible assist in their delivery.	More needs to be done	There has been little opportunity to progress against this action. There may be opportunities when the Greenspace Strategy is produced.
Action 6	Aberdeen Greenspace will work with Aberdeen City Countryside Management Service to deliver common goals	Some progress	Aberdeen Greenspace has working with the Ranger Service to deliver Core Paths Plan and more recently to deliver the Granite City Forest project.

Charitable Object: To provide, maintain and enhance public amenities in and around Aberdeen, especially those which provide opportunities for access to the countryside.		
Action Number	Action	Progress against Strategy
Action 7	Aberdeen Greenspace will develop access and education projects with Grampian Health Board and others to deliver health goals	Some progress
Action 8	Aberdeen Greenspace will engage with the Local Outdoor Access Forum to make a positive contribution to access issues in Aberdeen.	Good progress
Action 9	Aberdeen Greenspace will engage with Aberdeen City Council to seek ways of assisting with the practical delivery of the Core Path Network.	Good progress
Charitable Object: To promote education with respect to and public understanding of the environment within and adjacent to Aberdeen.		
Action Number	Action	Progress against Strategy
Action 10	Aberdeen Greenspace will engage with other organisations to deliver integrated high quality environmental education/interpretation both as part of environmental projects or in schools through the provision of support, advice, increasing biodiversity in school grounds.	Some progress
		There has been some progress against this action but it is hampered by the inability to use Landfill Communities Funds on school grounds. Some tree planting was carried out in a number of school grounds as part of the Aberdeen Community Trees Project. Recently small projects using unrestricted funds have been carried out at Bramble Brae Primary School and Tillydrone After School Club.

Charitable Object: To create new wildlife habitats and public amenities with public access subject to protection or enhancement of the natural qualities of the same land.		
Action Number	Action	Progress against Strategy
Action 11	Aberdeen Greenspace will work closely with Scottish Natural Heritage, North East LBAP and others to increase the biodiversity potential of greenspace within the city and to develop and deliver joint projects that assist in the delivery of the Urban and other LBAP species and habitat action plans.	<p>Two major biodiversity projects are Aberdeen Red Kites in partnership with SNH and RSPB and Saving Scotland's Red Squirrels with SWT. The first project was a very successful project which saw the release of 101 Red Kites over three years. In 2009 five pairs bred rearing seven young. The project was completed in March 2010.</p> <p>Saving Scotland's Squirrels is a project to enhance habitat for red squirrels and carrying out culling of grey squirrels in North East Scotland. It is a three year project which has just completed its first year. The other main contribution to biodiversity is the planting of native species of trees. Since 2007 Aberdeen Greenspace has funded the planting of 7,527 native trees. It has also cleared out Couper's Pond at the Macaulay Institute. It is hoped the adoption by Aberdeen City Council of the Nature Conservation Strategy will lead to an increase in the number and value of the nature conservation projects delivered.</p>
Action 12	Aberdeen Greenspace will continue to commission the production of management plans for the District Wildlife Sites in private ownership and encourage their positive management through advice and practical assistance.	<p>Good progress</p>
		<p>Some progress</p> <p>No management plans have been commissioned since 2007 as it is difficult to satisfy the Da criteria set by ENTRUST on District Wildlife Sites. This is being taken forward through the Nature Conservation Strategy.</p>

Internal Review: Aberdeen Greenspace will review its organisational structure and operations.		
Action Number	Action	Progress against Strategy
Action 13	Consideration should be given to widening the representation of the board to include business, health, housing and regeneration interests.	Some progress The issue has been discussed but no decision has been made.
Action 14	Membership should be reviewed to broaden the range of interests represented. Consideration should be given as to whether Community Planning interests should be represented.	Some progress Some discussion about inviting a Community Planner to attend the Management Group but it has not been finalised.
Action 15	Aberdeen Greenspace will evaluate and report on its volunteer programme.	Completed A report was submitted to the Board in 14 November 2006 recommending that the Volunteer Group be disbanded. This was not accepted by the Board. More time and effort has been put into forward planning of tasks for the Volunteer Group.
Action 16	Aberdeen Greenspace to develop a Communication Strategy.	Not achieved No progress has been made on this action.
Action 17	Aberdeen Greenspace to review the relevance of its current name and consider re-launching under a new name that more accurately conveys the work it undertakes.	Completed A review of the name was carried out and on July 2008 Aberdeen Countryside Project became Aberdeen Greenspace while retaining the logo. The transition has been smooth and the name has been accepted.
Action 18	Set up a pilot Community Grant Scheme and investigate potential partners e.g. Aberdeen Forward and Aberdeen City Council.	Completed A pilot project was established but it did not prove as popular as we had hoped. Set dates for applications were established but it proved difficult to encourage projects in any number or of high value.
Action 19	Aberdeen Greenspace to seek Certification from ENTRUST.	Some progress Certification allows "lighter touch" regulation by ENTRUST but is not essential to an EB. The process was started but AG did not satisfy all the criteria including the holding of the endowment and meeting the 10% administration.
Action Number	Action	Progress against Strategy

Action 20	Investigate the opportunities for joint working with Aberdeen Forward in terms of organisational savings, sharing of expertise and resources and joint projects.	No progress	No progress has been made against this objective.
Action 21	Enter discussions with Aberdeenshire Council about opportunities to carry out projects in Aberdeenshire and how these would be funded.	Some progress	Discussions were held but nothing has arisen out of the discussions. One project on barn owls is being channelled through Aberdeen Greenspace.
Action 22	Aberdeen Greenspace will develop business links with the local community to encourage the support of the charity.	Some progress	Some progress has been made against this objective e.g. Contract work for Maersk.
Action 23	Aberdeen Greenspace will diversify its funding sources through developing commercial contracts, applying for grants for specific projects from the lottery and charitable trusts.	Some progress	Some contract work has been undertaken for private companies and the local authority. Income from contract work was as follows: 2007/8 £984: 2008/9 £5,165: 2009/10 £2,320
Action 24	Develop a Reserves Policy.	Completed	At its meeting on 13 February 2007 Aberdeen Greenspace Board agreed to reduce its expendable endowment from £1,086,000 in 31 March 2006 to £823,991 by 31 March 2010 and £640,535 by 31 March 2012.
Action 25	Aberdeen Greenspace will adopt the Greenspace LEAP Framework for all its projects and evaluate them against the criteria.	Completed	The LEAF framework has been adopted by Aberdeen Greenspace. Greenspace Scotland has a pilot project on Social Return on Investment (SROI) focussing on a number of projects including Sunnybank Park which may be worth investigating the

Aberdeen Greenspace Trust Limited

Strengths

Track record of delivering high quality award winning environmental projects
Community Engagement in the planning process
Community Involvement in project delivery
Collaborative Working
Partnership Working
Ecological expertise and greenspace experience of staff
Large financial reserves
Highly skilled Volunteer Group
Highly motivated, experienced and well led Volunteer Group
Consistent turn out by dedicated Volunteer Group
Well managed income generating endowment fund
A Board that is skilled in company and charity management
Track record of working in delivering successful projects in regeneration areas

Opportunities

Delivery of Greenspace Strategy
Delivery of Nature Conservation Strategy

Delivery of Core Paths Plan
Commercial contracts/consultancy

Business sponsorship
Big Lottery and other grants

Weaknesses

Dependency on Landfill Community Fund as main income source
Dependency on Aberdeen City Council to act as a Third Party Contributor

Loss of SNH grants for projects on Aberdeen City Council land
Difficulty in meeting 10% Administration target set by ENTRUST
Limited Budget
Limited market for environmental contracting
Limited staff resources
Lack of links to the business community
Limited business experience and contacts within the Board
Lack of new recruits to Volunteer Group
Limited expertise in fundraising
Large financial reserves leading to a perception of a "rich" organisation

Lack of Landscape Design and presentation capability

Threats

Loss of Landfill Community Funds 2010/11
Loss of Aberdeen City Council as third party contributor 2010/11
Loss of Aberdeen City Council as third party contributor for a longer period leading to long term loss of Landfill Community Funds
Loss of expertise through staff absence or loss of staff
ENTRUST enforcing spend of endowment following review of EBs holding funds
ENTRUST enforcing 10% limit on administration following consultation on the issue.
Large fundraising target of around £100,000 to meet funding deficit

Name of Funding Scheme	Funding Body	Description of Fund	Amount Available	Funding Priorities	Funding Criteria	Who Can Apply	When to Apply	Contact/ More Information	Sector - Environment, Access etc	Source of Information
Biodiversity Conservation Fund	SNH	Fund for local biodiversity projects to help communities deliver biodiversity conservation at a local level.	Up to £250,000 available over the next two years from Aug 2010	SNH Funding Priorities: 1) Supporting opportunities for people to appreciate and enjoy the outdoors 2) Encouraging volunteering 3) Supporting opportunities to learn about Scotland's nature and landscapes 4) Supporting community development		Community groups	Applications pre-April 2011, please contact SNH. Applications After April 2011 - Deadline = November 2011 (date tbc)	Applications SNH http://www.nra.gov.uk/gateway.do?K/en/node/2702	Biodiversity	
Parks for People	Heritage Lottery Fund	grants for projects that regenerate public parks and improve their local heritage value	£250,000 - £5,000,000	Must demonstrate that: - the community values the park as part of their heritage; - the park is underused and the project will improve its management and the park people. Must deliver 5 outcomes: 1) increasing the range of audiences; 2) conserving and improving the heritage value 3) increasing the range of volunteers involved 4) improving skills and knowledge through learning and training 5) Improving management and maintenance	Single organisations and partnerships. Applications given to not-for-profit organisations and partnerships. If private owner, public benefit must be greater than private gain.	28 February 2011, please contact SNH. Applications After April 2011 - Deadline = November 2011 (date tbc)	http://www.hlf.org.uk/howtoapply/press/press/Pages/partnersforpeople.aspx	Heritage Lottery Fund		http://www.hlf.org.uk/howtoapply/press/press/Pages/partnersforpeople.aspx
Landscape Partnerships	Heritage Lottery Fund	Grant programme delivered by a partnership made up of regional, national and local organisations with an interest in the area, community groups and members of the community. The programme is based round a portfolio of smaller projects, which together provide long-term social, economic and environmental benefits for rural area.	£250,000 to £2million	Successful schemes must be focused in an area of distinctive landscape character, be primarily for public benefit, not private gain, and deliver evenly across all of the following four programme outcomes: 1) Conserving or restoring the built and natural features that create the historic landscape character 2) Increasing community participation in local heritage 3) Increasing access to and learning about the landscape area and its heritage 4) Increasing training opportunities in local heritage skills	Must identify an area of countryside that has a distinctive landscape character and is recognised and valued by local people. The area of countryside should be no smaller than 20 km2 and no larger than 200 km2	Partnerships	The deadline for first-round applications is 28 February each year and decisions are made in July. If you receive a first-round pass, you will need to develop your scheme within 12 to 18 months and then send us your second-round submission document - the Landscape Conservation Action Plan.	Heritage Lottery Fund http://www.hlf.org.uk/howtoapply/press/press/Pages/landscapepartnerships.aspx	Landscape	http://www.hlf.org.uk/howtoapply/press/press/Pages/landscapepartnerships.aspx
Your Heritage	Heritage Lottery Fund	For projects that relate to the local, regional or national heritage of the UK, welcome applications that help people to learn about, look after and celebrate heritage in a fun and enjoyable way.	£3000 - £50,000	Three aims which relate to learning, conservation and participation. Project must: help people to learn about their own and other people's heritage. Plus either or both: conserve the UK's diverse heritage for present and future generations to experience and enjoy/help more people, and a wider range of people, to take an active part in and make decisions about heritage			Rolling programme, no deadline	Heritage Lottery Fund http://www.hlf.org.uk/howtoapply/press/press/Pages/yourheritage.aspx		http://www.hlf.org.uk/howtoapply/press/press/Pages/yourheritage.aspx

<p>Heritage Grants</p>	<p>Heritage Lottery Fund</p>	<p>Offers grants of more than £50,000 for projects that relate to the national, regional or local heritage of the UK.</p>	<p>Project must: help people to learn about their own and other people's heritage. Plus either or both: conserve the UK's diverse heritage for present and future generations to experience and enjoy/help more people, and a wider range of people, to take an active part in and make decisions about heritage.</p>	<p>http://www.hf.org.uk/HowToApply/programmes/Pages/heritagegrants.aspx</p>
<p>Young Roots</p>	<p>Heritage Lottery Fund</p>	<p>Designed to engage young people aged 13-25 with their heritage. Young Roots projects stem directly from the interest and ideas of young people, who are supported by youth and heritage organisations to develop skills, build confidence, and connect with their local communities.</p>	<p>Project must: relate to the varied heritage of the UK. It must offer opportunities for a wider range of young people aged 13 to 25 to learn about their own and others' heritage 2) allow young people to lead and take part in creative and engaging activities 3) develop partnerships between youth organisations and heritage organisations 4) create opportunities to celebrate young people's achievements in the project and share their learning with the wider community. Project must also create new opportunities for young people to either:</p>	<p>http://www.hf.org.uk/HowToApply/programmes/Pages/youngroots.aspx</p>
<p>RIAS Scottish Community Projects Fund</p>	<p>The Royal Incorporation of Architects in Scotland, in association with the Robertson Trust.</p>	<p>Pays for a local Community Group to employ an architect or professional, to prepare a feasibility study for building or environmental improvement projects or employment or other initiatives which have social benefit.</p>	<p>Up to £2000 or half the cost (whichever is the lower)</p>	<p>http://www.scipf.org.uk/ORG www.rias.org.uk</p>
<p>Community Wildlife Programme</p>	<p>SNH/Big Lottery Fund</p>	<p>Programme will fund projects which bring local people together to benefit, enjoy or protect the wildlife in their local area</p>	<p>£300 - £10,000</p>	<p>http://www.biglotteryfund.org.uk/programmes/wildlife?e?regioncode=sco</p>
<p>Water Environment Restoration Fund</p>	<p>SEPA</p>	<p>Welcomes applications from projects that contribute to the WFD objectives, as set out in Scotland's river basin management plans, and tackle physical pressures affecting the water environment. Ideally, the project should also deliver wider environmental, social and economic benefits</p>	<p>> £10,000 or <£10,000</p>	<p>http://www.sepa.org.uk/water/restoration_fund.aspx</p>

<p>Bifaward Biodiversity Grant</p>	<p>Looks to support site-based projects that protect and enhance biodiversity across the UK, particularly those concentrating on species and habitats that have been identified as a priority in Biodiversity Action Plans.</p>	<p>Up to £50,000. You will need to find a third party contributor(s) to provide 10% of the grant you are applying for.</p>	<p>The project's site is within 25 miles of a Bifra operation (Tullos qualifes). The project's site is also within 10 miles of a landfill site (owned by any company). The project has specific targets in relation to a Biodiversity Action Plan and will deliver a direct improvement to biodiversity. Your organisation has the support of key agencies, and has partners involved in the project's delivery ; There is a management plan in place for the key species / habitat(s) involved. The organisation and project are eligible for enrolment and registration with the scheme's regulator ENTRUST</p>	<p>No deadlines. http://www.bifaward.org/</p>	<p>http://www.bifaward.org/</p>
<p>Bifaward Community Grant</p>	<p>Grants to projects that provide or improve community spaces, cultural facilities and places for outdoor recreation.</p>	<p>£5000 - £50,000. You need to find a third party contributor(s) to provide 10% of the grant you are applying for.</p>	<p>The project's site is within 10 miles of a Bifra operation (Tullos qualifes). The project's site is also within 10 miles of a landfill site (owned by any company). There will be a minimum of 104 days of full public access to the project per year. Any Bifaward grant will be used for site-based improvement work, not for equipment or running costs; Bifaward is unable to fund requests to help an existing facility meet the requirements of the Disability Discrimination Act. Bifaward grants should only apply for new work that will improve the site.</p>	<p>No deadlines. http://www.bifaward.org/</p>	<p>http://www.bifaward.org/</p>
<p>Bifaward Small Grant</p>	<p>Often groups only need a small amount of money to make a difference to a local facility, be it a community building, nature reserve, cultural facility or outdoor space. The Small Grants Scheme offers smaller amounts of funding to make these projects happen</p>	<p>£250 - £5,000. Project must not cost more than £10,000 in total.</p>	<p>The project's site is within 10 miles of a Bifra operation (Tullos qualifes). The project's site is also within 10 miles of a landfill site (owned by any company). The project is eligible to be registered with 'ENTRUST' under Category D; There will be a minimum of 104 days of full public access to the project per year. Any Bifaward grant will be used for site-based improvement work, not for equipment or running costs; Bifaward is unable to fund requests for money for work that will improve the site.</p>	<p>Rolling application process</p>	<p>http://www.bifaward.org/</p>
<p>Investing In Communities - Fund Supporting 21st Century Life</p>	<p>Funds projects that bring people together, create understanding, help people think about their future and reduce isolation. They expect to fund a wide range of activities and services such as parenting and family support as well as employment and training support to help people access services. Projects can encourage mentoring, befriending and peer support. They can also support <small>voluntary and social enterprises</small></p>	<p>£10,000 - £1 million</p>	<p>In order to bring about lasting change, equalities, environment and empowerment must be at the heart of projects</p>	<p>30 June 2010 - enquiries.scot 30 June 2015 - enquiries.scot</p>	<p>http://www.biglotteryfund.org.uk/prog_supporting_21st_century_life?tab=2&regioncode=sco</p>

Investing in Communities - Fund Growing Community Assets	£10,000 - £1 million	Projects applying to GCA must aim to achieve all of these four outcomes: 1) Communities work together to own and develop local assets. 2) Communities are sustainable and improve their economic, environmental and social future through the ownership and development of local assets 3) Communities develop skills and knowledge through the ownership and development of local assets. 4) Communities overcome disadvantage and inequality through the ownership and development of local assets	In order to bring about lasting change, equalities, environment and empowerment must be at the heart of projects	A range of organisations can apply including voluntary and community organisations, local authorities and social enterprises and private companies (provided our grants do not contribute to the running of the business). We cannot fund individuals or sole traders.	30 June 2015 - http://www.biglotteryfund.org.uk/prog_investing-in-communities.htm?regioncode=SCO
Investing in Communities - Fund Growing Community Assets	£10,000 - £1 million	Projects applying to GCA must aim to achieve all of these four outcomes: 1) Communities work together to own and develop local assets. 2) Communities are sustainable and improve their economic, environmental and social future through the ownership and development of local assets 3) Communities develop skills and knowledge through the ownership and development of local assets. 4) Communities overcome disadvantage and inequality through the ownership and development of local assets	In order to bring about lasting change, equalities, environment and empowerment must be at the heart of projects	A range of organisations can apply including voluntary and community organisations, local authorities and social enterprises and private companies (provided our grants do not contribute to the running of the business). We cannot fund individuals or sole traders.	30 June 2015 - http://www.biglotteryfund.org.uk/prog_investing-in-communities.htm?regioncode=SCO
2014 Communities Fund	£300 to £2,000	2014 Communities is a micro grant programme aimed at grass roots sports and community organisations. Through the programme BIG hopes to encourage more people to take part in sport or physical activity, and to improve the health and wellbeing of people who do not take part in sport or physical activity. We will focus strongly on tackling need. We want to fund projects that tackle needs in your area. We will expect you to show how you have identified those needs by consulting with people in the community and how your project is the best approach for the community to address these needs	1) Getting more women and girls to take part in sport or physical activity 2) Getting more disabled people to take part in sport or physical activity 3) Getting more older people (over 50 years old) to take part in sport or physical activity. 4) Getting more younger people (under 25 years old) and older people to take part in sport or physical activity together 5) Getting more people from minority ethnic communities to take part in sport or physical activity (Project does not need to meet any of these to be offered a grant but if we do not have enough funds to support all the projects we would like to, we are more likely to fund those that meet one of our priorities).	sports clubs, voluntary and community organisations, community councils and schools	http://www.biglotteryfund.org.uk/prog_2014_communities.htm?regioncode=SCO
Investing in Ideas	£500 to £10,000	Scotland wants to provide groups with an opportunity to spend time and money developing ideas that have a clear public benefit. We have £1 million to invest in the development of new ideas in 2010-11. Pays for the research, feasibility studies, business planning, training for your committee, exchange visits in the UK to see how other projects work - community consultation, professional advice, technical reports and scheme design studies		A range of organisations can apply, including voluntary and community sector groups, social enterprises, charities, local authorities and health bodies. Companies limited by guarantee and community councils	Send application at least three months before the development work on project http://www.biglotteryfund.org.uk/prog_investing_ideas?tab=3®ioncode=SCO

<p>UnLd Millennium Awards</p>	<p>UnLd's Millennium Awards provide practical and financial support to social entrepreneurs in the UK, people with vision, passion, drive and commitment, who want to change the world for the better.</p>	<p>UnLd currently offers two levels of award: Level 1: Awards of between £500 and £5000 (expected average of £2000) (designed to help make new ideas become real projects) Level 2: Awards of between £5000 and £50000 (designed to help make new ideas become real projects)</p>	<p>http://www.unltd.org.uk/itemplate.php?ID=1&PageName=whatareunltdawards</p>
<p>Climate Challenge Fund</p>	<p>The Climate Challenge Fund (CCF) gives communities, through individual community groups and community planning partners, the ability to implement actions to reduce their carbon emissions. These include energy, food, transport, waste, capacity to participate in change, feasibility studies, behaviour change, eco-builds, eco-refurbishment, awareness raising and community consultation</p>	<p>The Climate Challenge Fund has a total available resource of £27.4 million over the three years 2008-11. The allocation, which was £9.8 million in 2008-09, is £9.3 million in 2009-10 and subject to parliamentary approval in 2010-11.</p>	<p>http://www.scotland.gov.uk/Topics/Environment/ClimateChange/ClimateChallengeFund</p>
<p>Community Grants</p>	<p>Community Grants is our general grants programme, making grants to a broad range of constituted groups and community development activities.</p>	<p>There are two categories of Community Grants: Express Grants awards of £250 to £2,000 • Main Grants (awards from £2,000 to £5,000)</p>	<p>http://www.scotland.gov.uk/Topics/Environment/Engineering-Communities/Communities/apply-for-a-grant-scotland</p>
<p>B&Q One Planet Living Grants</p>	<p>Schools, registered charitable organisations, and recognised community groups are eligible to apply to their local B&Q One Planet Living (OPL) projects to save energy, conserve nature, support local culture and heritage, and grow your own.</p>	<p>Schools, registered charitable organisations, and recognised community groups</p>	<p>www.bq.com/oneplanetliving</p>
<p>only offer support to individuals</p>	<p>Applicants must be Scottish based and by the time a grant is approved they must also be legally constituted, not-for-profit community groups. This may also include communities of interest, with a defined geography, or a group of people who form a legally constituted group. The grant requires that the community be the lead player in any partnership, with the community at the heart of all decision making relating to the project</p>	<p>A community group must be the lead player in a project, and projects must include a measurable and significant reduction in carbon emissions, with a positive lasting legacy beyond the three years of the funding programme. Priority will also be given to ideas that help strengthen local economies, improve community cohesion and other social objectives alongside making significant carbon emissions reductions.</p>	<p>There are no deadlines for Express or Main Grant applications and you can apply at any time. Applications for up to £2,000 (Express Grants) are made on a two-page application form and you will receive a decision within six-weeks. Main Grants (over £2,000) are submitted on a different form and take up to three-months for a decision</p>

Comic Relief Local Communities Grant	<p>Comic Relief grants of up to £10,000 support community groups who are using a range of activities, including sport, to: 1) Increase access to sport and exercise for people who face social exclusion and isolation 2) Help people who are experiencing difficulties in their lives to regain their confidence and self-esteem 3) Build skills of</p>	<p>Groups need to: Be working in a disadvantaged or deprived area. Be small, locally based groups or organisations who have a clear understanding of the needs of their community. Have limited access to other sources of income</p>	<p>http://www.communityfoundations.org.uk/looking_for_a_grant_/comic_relief</p>
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ACC Policies		Single Outcome Agreement								
Year	Project Title	Core Paths Plan	Nature Conservation Strategy	Open Space Strategy	Outdoor Access Strategy soon to be replaced with the	6. We live longer, healthier lives.	7. We have tackled the significant inequalities in Scottish Society.	10. We live in well-designed, sustainable places where we are able to access the amenities and services we need.	11. We have strong resilient communities where people take responsibility for their actions and how they affect others.	12. We value and enjoy our built and natural environment and protect it and enhance it for future generations.
Landfill Communities Fund										
2009/10	Countesswells to Hazlehead off road Link Path	Yes		Yes	Yes	Yes		Yes		Yes
2009/10	Countesswells Woods	Yes		Yes	Yes	Yes		Yes		Yes
2009/10	Explore Aberdeen: River Dee path	Yes	Yes	Yes	Yes	Yes		Yes		Yes
2009/10	Pitfodels Station Road	Yes		Yes	Yes	Yes		Yes		Yes
2009/10	Deer Road Park, Woodside						Yes	Yes		Yes
Granite City Forest										
2009/10	Seaton Community Woodland	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Inverdee Community Woodland	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Abbotswell Community Woodland	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	St Fittick's Park	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Westfield Park	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Printfield Greenspace	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Aberdeen Red Kites	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Saving Scotland's Red Squirrels	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Couper's Pond, Macaulay Institute	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
Unrestricted Funds										
2009/10	Bramble Brae Primary School						Yes	Yes	Yes	Yes
2009/10	Tillydrone Lads Club						Yes	Yes	Yes	Yes
Contract Work										
2009/10	Area	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Ruthrieston Tree Planting	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Maersk Oil North Sea Limited: Wildlife	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2009/10	Cordyce School, Outdoor Classroom	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2010/11	Sluie Park, Dyce	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2010/11	Deeside Way, West of Culter	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2010/11	Access, Kingswells	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2010/11	River Don: signage	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2010/11	Persley and Woodside signage	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
Planned Projects										
2010/11	Sunnybank Park	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2010/11	Westerton Greenspace, Northfield	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2010/11	Persley Crescent, Northfield	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
2010/11	Mastrick Centre, Tree Planting	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes

Target Audience	Purpose of Communication	Method of Communication	Frequency of Communication	Responsibility	Deadline	Action Taken
External Partner Organisations: Aberdeen City Council, Forestry Commission Scotland and Scottish Natural Heritage	To ensure that the organisation is effectively managed, operates efficiently to meet its objectives.	Telephone calls/e mails/Board Meetings	Quarterly	Chief Officer	Quarterly	
Aberdeen Greenspace Management Group	To feedback comments on projects to the Board	Management Group Meetings	Quarterly	Chief Officer	Quarterly	
Aberdeen City Council: Councillors	Raise awareness of AG and its work and encourage support of AG	Word of mouth/newsletter/Annual Report	Quarterly	Board/Staff/Volunteers	Quarterly	
Staff of Aberdeen City Council, Forestry Commission Scotland, Scottish Natural Heritage and other bodies	Raise awareness of AG and its work. Encourage applications from groups/individuals	Telephone/e mail/newsletter/Annual Report	Quarterly	Board/all staff/Volunteers	Quarterly	
ENTRUST	To gain approval for projects and to ensure AG is meeting LCF Regulations.	Telephone/E mail/letter	As required	Chief Officer	As required	
Community Councils and other groups	Raise awareness of AG and its work. Encourage applications from groups/individuals	Attend Community Council meetings/Newsletter/Annual Report	Quarterly/as required	All staff/Volunteers	Quarterly	
Business in the Community/Local Business/Chamber of Commerce	Raise awareness of AG and its work. Seek sponsorship for projects	Meetings/Newsletter/Annual Report	Quarterly/As the opportunity arises	Chief Officer	As required	
Potential Volunteers	To gain new volunteers Target Public Libraries/Universities /Colleges	Word of mouth/Website/Newsletter/Annual Report/Volunteer Programme/media coverage	As required	Assistant Project Officer/Volunteers	As required	
Board	Board are aware of current and potential projects.	Tour of projects/Meet staff and volunteers	Bi-annually	Chief Officer	Bi-annually	
AG Staff	To update staff and ensure that projects are managed effectively	Staff meetings	Weekly	Chief Officer	Chief Officer	
Volunteer Group	To inform volunteers	Volunteer Programme/Newsletter/Regular meetings with representative of Volunteer Group	Quarterly	Assistant Project Officer	Quarterly	

Appendix 7

Aberdeen Greenspace

Note 1: Possible risk categories are: P - Political; Ec - Economic/Financial; S - Strategic/Commercial; T - Technical/Operational; L - Legal/Regulatory; En - Environmental; R - Resources; Se - Security
 Note 2: Inset corresponding number = Low; 2 = Medium; 3 = High
 Note 3: Treatable, Treat, Transfer, Terminate

RISK IDENTIFICATION (See Note 1)				RISK QUANTIFICATION (See Note 2)			RISK RESPONSE (See Note 3)				RISK CONTROL (See Note 4)			
Risk No.	Date Raised	Risk Area	Description	Risk Owner	Probability	Impact	Overall Risk (Impact X Prob)	Risk Response	Response Action	By Whom	By When	Action to Date	Review Date	Date Resolved
1	E		Continued Loss of Landfill Communities Fund	AG	3	3	9	Treat	Diversify funding	CO				
2	E/R		Inability to source large funding streams leading to a drop in income	AG	1	3	3	Treat	Ensure suitable project and staff resources are available. Seek advice/help. Employ additional skilled staff.	CO				
3	E		Inability to source funding from business	AG	1	2	2	Treat	Develop business links					
4	E		Inability to source contract work for practical projects	AG	1	2	2	Treat	Develop skills to quote for work. Develop track record of delivering high quality projects price jobs	APO				
5	R		Need for additional staffing to deliver large projects	AG	2	2	4	Treat	Employ additional staff on short term contracts as the need arises. Unable to fund through LCF. Fund as part of project.	Board/CO				
6	R		Inability to deliver large projects	AG	1	1	1	Treat	Ensure staff focus in on large projects	CO				

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ABERDEEN CITY COUNCIL

COMMITTEE Finance & Resource **DATE** 02/12/2010

DIRECTOR Gordon McIntosh

TITLE OF REPORT Corporate Asset Management System – progress report

REPORT NUMBER EPI/10/275.

1. **PURPOSE OF REPORT**

To provide the Committee with a regular update of progress with the implementation of the Corporate Asset Management System (CAMS), to seek Committee's agreement to the approach proposed to complete the original project and to establish a suitable means of future contractual management.

2. **RECOMMENDATION(S)**

It is recommended that Elected Members:

- (i) note the progress made to date in replacing the existing stand alone systems with the Corporate Asset Management System ("CAMS");
- (ii) approve the proposal to complete the original project and establish future contract management and;
- (iii) request the Director of Enterprise Planning and Infrastructure to report back on progress at the Finance and Resources Committee meeting on 1st February 2011.

3. **FINANCIAL IMPLICATIONS**

The implementation of the Corporate Asset Management System is funded through the Non Housing Capital Programme. During this current financial year (2010/11), up to period six, £81,000 has been allocated from the total budget of £200,000.

4. SERVICE & COMMUNITY IMPACT

As detailed in previous report.

5. REPORT

5.1 Background.

This project is being undertaken to replace stand alone systems such as 'Bridgeman' for bridges and structures and 'HiLight' for street lighting. The current phase of the project is focused on replacing Estateman for Non Housing property with 'Caps uniform', part of the Corporate Asset Management System.

5.2 As Members will be aware from the previous progress report, the work for the implementation of the Non Housing property module started on schedule and Directors and Service Managers have been briefed on resource requirements.

5.3 The following progress has been made at the time of writing, (22nd October 2010) namely:

(i) Non-Housing Property Module

The IDOX link to e-Financials is now complete. ICT are now undertaking the task of writing software scripts that will automate the transfer process

(ii) Confirm / e-Financials link

The link is now complete. The ICT service is now undertaking the task of writing software scripts that will automate the transfer process.

(iii) Grounds Module Implementation

Initial discussions with Pitney Bowes took place on 19th and 20th of October. Timescales for implementation will be confirmed and project plan issued to all staff.

(iv) Invoices

The two invoices that were in dispute with Pitney Bowes have now been authorised and cleared for payment after the relevant information from Pitney Bowes was supplied.

(V) Confirm Upgrade to Version 9.5

The upgrade took place to the test environment on the 28th September with minimum disruption to users. Testing began on the 4th October for one week. No major issues were identified during this period. The upgrade to the live system is scheduled for the 9th and 10th of November

The breakdown of tasks is set out in the table overleaf:

Progress

Key Milestone	Planned Start Date	Actual Start Date	Status	Staff involvement
Initial Project Management Meetings	November 2009	November 2009	Complete	Supplier and ACC staff
Data Preparation	January 2010	January 2010	Complete	ACC Staff
Software Installation	February 2010	February 2010	Complete	Supplier
System Setup & Configuration	March 2010	March 2010	Complete	Supplier with ACC staff
Data Transfer	Feb/March 2010	Feb/March 2010	Complete	Supplier
Testing	March 2010	March 2010	Complete	ACC Staff
Go Live	April 2010	March 2010	Complete	ACC staff
E Financials link Confirm Pitney Bowes	April 1010	October 2010	Complete	Supplier and ACC staff
E-Financials Link Non Housing Property Caps Uniform	April 1010	October 2010	Complete	Supplier and ACC staff
Upgrade to Caps Uniform	May 2010	May 2010	Complete	Supplier and ACC Staff
In House Server Move	June 2010	June 2010	Complete	ACC Staff
Confirm upgrade to version 9.5 Test system	September 2010	Scheduled for 28 th of September	Complete	Supplier and ACC staff
Corporate Address Gazateer import	September 2010	30 th of September	Pitney Bowes have requested that this date be moved into October I am awaiting confirmation of new date.	On hold until Live upgrade is completed

Key Milestone	Planned Start Date	Actual Start Date	Status	Staff involvement
Grounds Module	October 2010		Initial discussions with Pitney Bowes took place on 19 th and 20 th of October. At that stage timescales for implementation will be confirmed	Pitney Bowes, Grounds staff Confirm key users
New Mobile issue	November 2010		New mobiles issued to roads inspectors	Roads Inspectors
Confirm upgrade to version 9.5 Live System	November 9 th and 10 th	9 th November	Complete	Supplier and ACC staff
Confirm link to Consilium	December 2010		Initial discussions have taken place Costings and Development schedule to be supplied by Pitney Bowes	Pitney Bowes &, Consilium Consultants Housing repairs staff, Confirm key users

5.4 Next steps

- Upgrade the live system to 9.5. This is scheduled for 9th and 10th of November.
- Issue new mobile devices to roads inspectors.
- Progress initial discussions and data gathering for the Grounds Module Development.
- Link the housing repairs system Consilium to Confirm to automate the process from job enquiry to completion.
- Once the upgrade is complete begin data gathering for the Trees module.
- Update Corporate Address Gazetteer information

Note

A demonstration for elected members is scheduled for the 19th of November between 12:00 and 2:00pm, in committee room 2.

7. REPORT AUTHOR DETAILS

Garry Livingstone, Confirm System Manager.
Corporate Asset Management, Enterprise Planning and Infrastructure.
glivingstone@aberdeencity.gov.uk
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8. BACKGROUND PAPERS

None.

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 December 2010
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Aberdeen Local Development Plan – Proposed Plan (Landowners Outcomes)
REPORT NUMBER:	EPI/10/280

1. PURPOSE OF REPORT

This Report advises the Committee on the recently published “Aberdeen Local Development Plan: Proposed Plan; September 2010” from a Council Asset Management perspective (ie as landowner/landlord). It seeks Committee approval to make further appropriate representations, on a case by case basis, to protect the Council’s position as a landowner.

2. RECOMMENDATION(S)

It is recommended that:-

- a) Members note the status of the proposed local development plan in relation to Council owned Land.
- b) The Head of Asset Management and Operations, in consultation with the Convener/ Vice Convener, is authorised to make appropriate further representations in relation to land which the Council has an interest in.
- c) Members note that a further report will be presented at the next meeting to identify future actions required to further promote/ advance Council sites, including initial budget requirements.

3. FINANCIAL IMPLICATIONS

The proposed local plan highlights a number of sites in the Council’s ownership for alternative use (the full list is attached as Appendix A). The re-designation of sites may have a beneficial impact on the value of the Council’s land portfolio. Zoned sites lie within, the general services account, the Common Good fund and the Housing Revenue Account.

There is however a number of steps required to realise these enhanced values in both the short, medium and long term. Officers are currently reviewing the impact on individual sites with a view to presenting a report on initial capital requirements to the next committee.

No financial assessment has been undertaken at this time to try and quantify the benefit to the Council from the proposed Local Plan. This is considered premature until such time as a new Local Plan is in place and further site/ development investigations have been undertaken.

There are no State Aid Implications.

4. OTHER IMPLICATIONS

At this stage there are no significant other implications other than staff time within the Asset Management Team.

There will be wider policy implications in relation to taking forward individual sites for redevelopment, which will be addressed on a case by case basis.

5. BACKGROUND/MAIN ISSUES

A Report was presented to the Finance and Resources Committee on 10 March 2009, which approved the following recommendations:-

'It is recommended that the Head of Resources Development and Delivery is authorised to make representations to have sites included in the Aberdeen City Local Development Plan, and undertake appropriate Community Consultation in this regard.'

The previous Report clearly differentiated the Council role as a landowner from its statutory duty as a planning authority. Members are again advised that this report only considers the Local Plan developments from the Council's perspective as a landowner.

Following approval of the March 2009 report representations were subsequently made for a number of Council assets, with a particular emphasis on greenfield sites. The outcome in relation to these sites was first put forward in the Main Issues Report and most recently the Aberdeen Local Development Plan: Proposed Plan. This was approved by the Council on 18th August 2010 and was formally published on 24th September 2010. The proposed plan is now going through a 12 week consultation period. The closing date for comments is 5pm on 17th December 2010.

The individual sites put forward in the March 2009 Report and the outcome is noted in the table below.

Site	Requested Zoning	Local Plan Outcome
East Woodcroft	Residential	Site OP30 2.2ha Identified for 60 homes.
Scotstown Rd	Residential	Site Rejected Urban Green space
Middleton Park	Residential	Site Rejected
Manor Walk	Residential	Site OP21 2.65 ha Urban Green Space/ Residential
Bankhead Playing Fields	Residential	Site Rejected Urban Green space
St. Fittick's Farm	Residential	Site Rejected Urban Green space
Greenferns Landward	Residential	OP31 69.6 ha in Land Release Policy. Opportunity for 1500 homes. Joint Masterplan required with OP29 and 30.
Blackhills of Cairnrobin	Business	OP79 3.5 ha Land Release Policy. Opportunity for employment land.
Loch Inch Farm (Loirston Loch)	Residential/ Stadium	OP77 Land Release Policy/ Green Space Network. Total 119.2ha in mixed ownership. 1500 homes and 11ha employment land.
Summerhill Education Centre	Supermarket / Business/ Residential.	OP120 3.3ha - Residential
Devil's Den (Grt Northen Road)	Residential	OP135 19.1 ha Land Release Policy/ Green Space Network/ Green belt. Mixed ownership – 300 homes 50% Affordable.
Westburn Park (Choices and Park House)	Residential	OP113 Planning permission granted for a purpose-designed cancer support centre.

Further information in relation to all other Council owned sites is included in Appendix A, which also includes a commentary on the current status and plans for the site.

This report also seeks committee approval for officers to make further representation to the council as Planning Authority to further promote Council assets through the planning process.

6. IMPACT

Corporate –

Within the Single Outcome Agreement there is an emphasis on efficient, effective Local Authorities. The management of Property Assets to maximise potential Capital returns meets this objective.

Public –

This report highlights the outcomes from the Local Development Plan. The local development plan process has to date attracted significant public and media interest. Similarly the impact of the plan on Council's land assets is likely to be of interest to the wider community.

7. BACKGROUND PAPERS

Finance and Resources Committee – 10 March 2009
Local Development Plan 2009 – Council's Landholding.

Aberdeen Local Development Plan : Proposed Plan (24 Sept. 2010)

9. REPORT AUTHOR DETAILS

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Aberdeen Local Development Plan Proposed Plan - Schedule of Land owned by the Local Authority

Description of land owned by the planning authority and proposed use.	Local Plan Reference	Current Status of Site.
<u>Proposed Greenfield Development under Aberdeen City Council ownership</u>		
<u>Auchmill Golf Course, Greenferns.</u> Layout and replacement of southern holes adjacent to Howes Road at Auchmill Golf Course. Approx. 4ha. Grid Reference is NJ893086.	OP35	Discussions regarding various golf course issues are ongoing.
<u>Blackhills of Cairnrobbin.</u> Land at Blackhills of Cairnrobbin. The site is South of Cove Road and West of the Leiths Quarry at Blackhills. The planning authority's ownership of the preferred site extends to 3.5ha. Grid Reference NO940999.	OP79	Site partly in Aberdeenshire, discussions ongoing with Shire to advance site.
<u>Craigton Road, Pitfodels.</u> Aberdeen City Councils ownership extends to 2.39ha. This includes the majority of land to the south of the site and a field to the east of the site. Grid Reference NJ907039.	OP64	Site due to be declared surplus in Dec 2010. Discussions proposed with neighbouring landowner/ developer.
<u>East Woodcroft.</u> Land North-East of Middleton Park. Western perimeter of the site meets Jesmond Drive, with the B997 meeting the East of the site. Aberdeen City Council's ownership of the site extends to 2.85ha. Grid Reference NJ928121.	OP10	Site lies on the HRA account. Access issues have recently been resolved. Suggested development of 60 units.
<u>Forrit Brae, Playing Fields.</u> Land is part of the OP30 Rowett development proposal. It is unlikely that development would be permitted on this site as it is currently a recreational ground. Grid	OP30	See designation- no plans to progress at this stage.

Reference is NJ881105.		
<u>Greenferns Landward.</u> Land at Newhills, to the West of Bucksburn and approximately 800m North West of Bucksburn House. Aberdeen City Council's ownership of the site extends to 70ha. Grid Reference NJ880091.	OP31	Further work required to establish a development framework for the site. Discussions recommended with adjoining landowners. Development Framework/ Masterplanning works
<u>Greenferns Strategic Housing Land Reserve.</u> Land at Greenferns. Site is West of Northfield (Davidson Drive), North of Sheddocksley playing fields and South of Bucksburn House. Aberdeen City Council's ownership site extends to 77.4ha; this does not include land at Bucksburn House. Grid Reference NJ894083.	OP45	Development Framework and Masterplan in place. Site can be progressed when local plan approved.
<u>Grove Nursery, Hazlehead.</u> Land is identified as an opportunity site for sports/tennis centre and/or recreation and countryside uses and other uses appropriate to the rural character of the area. Part of the site will be identified for a recycling centre. Aberdeen City Councils ownership extends the whole site, 7.4ha. Grid Reference NJ899054.	OP66 & OP67	Limited market demand for recreational use. Site still operational. Future use requires to be considered. Proposed put forward by holding service for waste recycling centre.
<u>Hazledene.</u> Site identified for residential development of 150 homes in the previous local plan. Aberdeen City Councils ownership extends to 16.84ha. Grid Reference is NJ898048.	OP52	Subject to recent committee reports.
<u>Loirston.</u> Land at Loirston Loch. Site is West of Loirston Loch and East of the A90. Aberdeen City Council's ownership of the site extends to 26.85ha. Grid Reference NJ935012.	OP77	Subject to a recent committee report. Development Agreement being discussed with Hermiston Securities. Part of area leased to Cove Rangers FC. Ltd

<p>Council ownership also extends to land within the Loirston site. Site is West of Wellington Circle and East of Redmoss Road. The land under Aberdeen City Council's ownership covers Calder Park and extends to 15.27ha. Grid Reference NJ941022.</p>		
<p><u>Maidencraig North.</u> Land at Sheddocksley/Maidencraig. Site is West of Sheddocksley (Lewis Road) and North of the Lang Stracht. The site extends 500m West of Lewis Road and Aberdeen City Council's ownership is 5.98ha in total. Grid Reference NJ886071.</p>	OP44	Land subject to Agricultural Tenancy. Development potential is currently being assessed.
<p><u>Park House.</u> 116-120 Westburn Rd. Former day care centre for people with learning difficulties. Aberdeen City Council's ownership extends to 0.79ha. Grid Reference NJ928069.</p>	OP113	Site leased to CLAN for development of offices and respite/ support centre.
<p><u>Pinewood.</u> Site identified for residential development of 150 homes in the previous local plan. Aberdeen City Council owns the western part of the site which is 5.4ha. Grid Reference is NJ899044.</p>	OP57	Subject to recent committee Reports.
<p><u>Rowett South.</u> Aberdeen City Council has ownership of 1.61 ha south of Christie Grange. Reference is NJ875096</p>	OP30	Discussions recommended with neighbouring landowners.
<p><u>Woodside.</u> Site identified for 300 residential homes and sports facilities. Aberdeen City Council's ownership is bounded by the railway to the south, an unnamed access road to the north, electricity sub station to the east and as far as the sports pavilion to the west. The total ownership extends to 3.92ha. Reference is NJ915092.</p>	OP135	Discussions are being progressed with adjoining landowners and HRA.

<u>Proposed Brownfield Development under Aberdeen City Council ownership</u>		
<u>Aberdeen Beach South.</u> Informal grass area to the south of the Amusement Park on Wellington Road. Grid Reference NJ954063.	OP102	Options being considered by Asset Management.
<u>Aberdon House.</u> Former Elderly persons home on Coningham Road, Tillydrone. Aberdeen City Council's ownership extends to 0.64ha. Grid Reference NJ934088.	OP88	Subject to potential transfer to HRA. Should form part of overall Masterplan.
<u>Balgownie Machine Centre.</u> Derelict land and buildings on Great Northern Road. The site is west of, and beside the Kittybrewster Depot. Aberdeen City Council's ownership extends to 0.20ha. Grid Reference NJ931078.	OP89	Site identified for Road improvement.
<u>Braeside Infant School</u> on Braeside Place. Aberdeen City Council's ownership extends to 1.28ha. Grid Reference NJ911041.	OP47	Operational asset, potentially surplus property.
<u>Byron Park Nursery & Infant School (site of)</u> on Springhill Road. Aberdeen City Council's ownership extends to 0.77ha. Grid Reference NJ890080.	OP36	Site has been developed for new build council housing.
<u>Cove</u> Two small parcels of land in the northern part of the site. Aberdeen City Council's ownership extends to 0.16ha. Grid Reference NJ944018.	OP72	Discussion has opened with adjacent landowner. Best Value likely to be arrived at by joint masterplanning/ development.
<u>Craighill Primary School.</u> Kincorth bordered by Hetherwick Road, Gardner Road and Gardner Drive. Aberdeen City Council's ownership extends to 0.86ha. Grid Reference NJ930029.	OP73	Property to be declared surplus in Dec 10, and taken to the market thereafter.

<p><u>Croft House</u> accessed by Foresterhill Road and situated between Oldcroft Place and Oldcoft Terrace. Aberdeen City Council's ownership extends to 0.52ha. Grid Reference NJ914075.</p>	OP96	Property transferred to HRA, being developed for new build council housing.
<p><u>Cults Pumping Station</u> Aberdeen City Council own the eastern part (allotments and car park) of the site to the North of the Cults Hotel and South of the Tennis Club. Ownership extends to 0.26ha. Grid Reference NJ895031.</p>	OP49	Further investigations required.
<p><u>Denburn and Woolmanhill.</u> Aberdeen City Council owns the western part of this site, the Denburn car park. The eastern part of the site, Woolmanhill Hospital is not owned by the Council. Aberdeen City Council's ownership to the west extends to 0.77ha. Grid Reference NJ936064.</p>	OP99	Site forms part of ongoing discussions with NHS. Site still operational car-park, generating significant revenue.
<p><u>Denmore Road Car Park.</u> Aberdeen City Council's ownership extends to 0.069ha. Grid Reference is NJ944113.</p>	OP5	Discussions have taken place with Council's tenant to make the site available for waste recycling centre.
<p><u>Former Balgownie Primary school</u> on Tarbothill Road. Aberdeen City Council's ownership extends to 0.71ha. Grid Reference NJ936098.</p>	OP8	To be declared surplus Dec 10. Marketing strategy to be advanced thereafter.
<p><u>Former Bankhead Academy</u> on Bankhead Avenue. Aberdeen City Council's ownership extends to 2.7ha. Grid Reference NJ981102.</p>	OP15	To be declared surplus Dec 10. A number of development options under consideration.
<p><u>Former Carden School</u> situated on Gordon Terrace, Dyce. Aberdeen City Council's ownership extends to 0.37ha. Grid Reference NJ890127.</p>	OP17	Site has been declared surplus. Scheme is being developed for planning application in principle, prior to marketing.
<p><u>Former Causewayend Primary School</u> located near Mounthooly Roundabout on the A96,</p>	OP93	Development brief being finalised. Site to be taken to the market thereafter.

Causewayend. Aberdeen City Council's ownership extends to 0.69ha. Grid Reference NJ939071.		
<u>Former Linksfield Academy</u> situated on King Street. The majority of the site has already been redeveloped; however 2.90ha of the site is in ACC ownership and yet to be redeveloped. Grid Reference NJ944081.	OP109	Site of proposed 50m pool.
<u>Former Mile End Primary</u> school on Midsocket Road. Aberdeen City Council's ownership extends to 0.51ha. Grid Reference NJ921064.	OP110	To be declared surplus Dec 10. Site to be marketed immediately thereafter.
<u>Former St Peter's Nursery</u> , Spital. Aberdeen City Council's ownership extends to 0.09ha. Grid Reference NJ939077.	OP119	Site under offer for residential redevelopment.
<u>Former Summerhill Academy</u> building on Stronsay Drive. Aberdeen City Council's ownership extends to 3.28ha. Grid Reference NJ902066.	OP120	Site under offer – subject to recent committee reports.
<u>Frederick Street/East North Street.</u> Currently a car park with potential for use as a site for housing. Aberdeen City Council's ownership extends to 0.39ha. Grid Reference NJ945065.	OP103	Site under offer to nhs. Subject to separate committee report.
<u>Greenfern Infants School</u> , now redundant. Springhill Road meets the perimeter of the site to the east, Maidencraig Place to the south and Sheddocksley Road to the West. Aberdeen City Council's ownership extends to 0.91ha. Grid Reference NJ897069.	OP37	Building demolished on site. Site being held by education culture and sport for possible expansion.
<u>Haudagain Triangle.</u> Land for road improvements and proposed retail use. Aberdeen City Council's ownership extends to the whole site, 4.34ha. Grid Reference is NJ912090.	OP19	Subject to Road improvements. No current activity.

<u>Hilton Nursery School</u> on Hilton Avenue. Aberdeen City Council's ownership extends to 0.61ha. Grid Reference NJ924083.	OP106	Await Community Learning Centre being formally declared surplus to advance site marketing.
<u>King Street/Beach Esplanade</u> Land identified by Council resolution for a Mosque. Site is south of the River Don. Aberdeen City Council's ownership extends to 1.96ha. Grid Reference is NJ946092.	OP107	Site identifies for mosque. Discussions ongoing.
<u>Kingswells Old Primary School.</u> Site is on Fairley Road and is part of a site identified for residential development. Aberdeen City Council's ownership extends to 1ha. Grid Reference is NJ868064.	OP41	Site still operational.
<u>Manor Walk</u> Area of ground to the north of Manor Walk. Aberdeen City Council's ownership extends to 1.92ha. Grid Reference NJ908089.	OP21	Subject to Haudighan scheme progressing.
<u>Marchburn Infant School (site of)</u> on Marchburn Drive. Aberdeen City Council's ownership extends to 1.08ha. Grid Reference NJ901087.	OP34	Site has been developed out as part of new build housing project.
<u>Park House.</u> 116-120 Westburn Rd. Former day care centre for people with learning difficulties. Aberdeen City Council's ownership extends to 0.79ha. Grid Reference NJ928069.	OP113	Site leased to CLAN / part re-occupied by SC and W.
<u>Pittodrie Park.</u> Part of Aberdeen Football Clubs car park, north of Pittodrie. Aberdeen City Council's ownership extends to 0.19ha. Grid Reference NJ946077.	OP114	Small area within larger redevelopment. Preliminary discussion only to date.
<u>Smithfield Primary School</u> located on Smithfield Drive. Aberdeen City Council's ownership extends to 2.27ha. Grid Reference NJ914084.	OP116	Site to be declared surplus Dec 10. Options under consideration.

<u>St Machar Primary School,</u> Former primary school located on Coningham Road, Tillydrone. Aberdeen City Council's ownership extends to 1.01ha. Grid Reference NJ934087.	OP117	Site recommended for inclusion in wider regenerations proposals. Delivery mechanisms to be identified.
<u>St Nicholas House,</u> Broad Street, Aberdeen. Aberdeen City Councils ownership covers the whole site and extends to 0.9ha. Grid Reference is NJ942063.	OP118	Subject to separate committee reports.
<u>Stationfields, Cove.</u> Land is identified as an opportunity site in the current local plan. Aberdeen City Council owns a small parcel of land located to the East of Coast Road. Grid Reference NJ953015.	OP75	Discussion has opened with adjacent landowner. Best Value likely to be arrived at by joint masterplanning/ development.
<u>Tillydrone Primary School (site of).</u> Land is now vacant and is located on Harris Drive, Tillydrone. Aberdeen City Council's ownership extends to 2.11ha. Grid Reference NJ933087.	OP121	Site recommended for inclusion in wider regenerations proposals. Delivery mechanisms to be identified.
<u>The Waterfront, Torry.</u> Aberdeen City Council's site ownership extends to 1.47ha. Grid Reference NJ954052.	OP129	Further investigation works required.
<u>Urquhart Road Works.</u> Former Council depot located on Urquhart Road. Aberdeen City Council's ownership extends to 1.06ha. Grid Reference NJ949071.	OP125	Planning brief will be in place shortly. Subject to future report in early 2011.
<u>Victoria House,</u> West North Street. Aberdeen City Council's ownership extends to 0.21ha. Grid Reference NJ942067.	OP126	Identified for transfer to HRA.
<u>Victoria Road School,</u> Victoria Road. Aberdeen City Council's ownership extends to 0.67ha. Grid Reference NJ954051.	OP127	Subject to separate Committee report early 2011.

ABERDEEN CITY COUNCIL

COMMITTEE Finance and Resources Committee

DATE 2nd December 2010

DIRECTOR Pete Leonard

TITLE OF REPORT Tender for Provision of Forestry Consultancy Services

REPORT NUMBER:H&E/10/171

1. PURPOSE OF REPORT

To seek approval for Aberdeen City Council to acquire the continuation of specialist expertise to assist in the development, design, delivery and promotion of the future sustainable management of the Council's woodland resource at strategic and operational levels. This would make a significant positive contribution to the Council's environmental credentials and would help the Council become a national exemplar of Local Authority-owned and managed urban woodland.

The proposal for procuring this expertise is to issue a tender for the supply of retained consultancy services on a "no win - no fee" basis for an initial period of three years to 2013, after which time the need and basis for such services would be reviewed in light of performance and outcomes.

2. RECOMMENDATION(S)

1. That the Committee Instructs Officers to issue a Tender Procurement for the Provision of Forestry Consultancy Services for the period 2010-2013
2. That Officers report back to Committee in April 2011 on progress made.

3. FINANCIAL IMPLICATIONS

The anticipated tender value is in the order of £100K over the 3-year period. This is based on an assumed average input requirement of 8 days per calendar month at an estimated professional fee rate of £350 per day inclusive of expenses and is derived from recent previous experience. It is thought that the commissioning of the consultant will generate around £750K in grant income, timber sales etc. This figure is based on such recent projects as Tree For Every Resident Phase 1.

The Tender documentation would emphasise that the procurement by Aberdeen City Council of the specified consultancy services would be on a "no win – no fee" basis. In effect those tendering would do so on the understanding that consultancy fees and expenses would have to be met and absorbed by external grant and other funding.

Essentially we will not engage in work unless the Consultant has generated funds to pay for that pre agreed work and his own fees either through grant aid, European money or through improved management of our 400ha of woodland etc.

Thus all woodland related projects and activities (including continuation of the "Tree for Every Citizen" programme) would be delivered at no cost to Aberdeen City Council.

Earlier work of a similar nature has levered in external funding through various types of State Aid .

The main funding Partners for such projects have been Forestry Commission Scotland (through Scottish Rural Development Programme / Woodland In and Around Town(WIAT) and other match funding initiatives) and Aberdeen Greenspace. Whilst these will continue to be important sources of income it is intended that this post would be active in looking to secure funding through other initiatives such as the Carbon Code, SURF(Sustainable Urban Rural Fringe-an EU project for the River Don Corridor),increases in timber revenues from timber , firewood and supplying fuel for Biomass boilers e.g Duthie Park.(Housing & Environment Committee Report 16 February 2010)

4. OTHER IMPLICATIONS

Legal:Tender Documents and contracts will need to be drawn up for Procurement to proceed.ACC Legal Service staff and Officers from Procurement will be asked to assist in this process

Resource: ACC Officers currently directly or indirectly involved in tree and woodland related matters either do not have the range or depth of specialist forestry skills needed to deliver and sustain the City's woodland objectives and are in any event operating at or near capacity within their own departmental remits.

Personnel : Whilst working independently on his/her account, the consultant would be expected to work closely alongside, and as part of a team of Aberdeen City Council officers, in pursuance of the Council's vision and objectives for the Granite City Forest. On a day-to-day basis the consultant would report to the Council's Arboricultural Officer.

Sustainability and Environmental: Procuring the proposed forestry expertise at no cost to the Council will help deliver the City's woodland related projects and associated benefits to its communities, biodiversity, environment and carbon emission credentials (including support of its woodfuel / biomass plant) that far outweigh what could otherwise be achieved over the same timescale using ACC's internal resources.

5. BACKGROUND / MAIN ISSUES

Aberdeen City Council currently owns approximately 400 hectares of woodland situated across the city and in 2009 embarked on Phase I of an ambitious project to implement the Council's commitment to "Plant a Tree for Every Citizen". To date the Council has planted 120,00 trees. It is projected that 90,000 trees will be planted in 2011.

Securing and implementation of the City's WIAT I and WIAT II programmes, followed by the initiation of Phase I of the Tree for Every Citizen programme, has highlighted the benefits of engaging professional forestry expertise whereby an outlay of only £5,000 by ACC has levered in funding and delivery of the order of £350K of project value to date, including the provision of management plans for the City's 400ha of woodland.

The breadth of specialist forestry expertise required to help the City achieve its woodland-related aspirations dictates that prospective consultants must be able to demonstrate established track records in the following areas:

- planning, funding and practical delivery of urban woodland management projects where there are multiple objectives and stakeholder interests, and particularly in a Local Authority context;
- trained and experienced in forest and urban woodland design;
- all aspects of woodland management and silviculture, including timber production forecasting, harvesting and marketing;
- GIS skills;
- first hand experience in the community woodland sector, including public and other community consultation and engagement;
- intimate knowledge and experience of private and public sector funding streams and grant schemes, particularly SRDP (RDC-RP) applications;
- ability to communicate effectively at policy, strategic and operational levels;
- strategic and operational knowledge of certification, the UK Woodland Assurance Standard and the new Woodland Carbon Code.

Risk Assessment

Without external consultancy assistance:

High

- the City's current and future woodland-related projects and aspirations will not be met;
- those projects that have been initiated are at increased risk of failing, resulting in potential grant / funding reclaims with associated loss of credibility for the Council;
- the multiple social, environmental and local economic benefits from management of the City's existing woodland resource will not be achieved.

With external consultancy assistance:

Low

- Cost to the Council (professional consultancy costs covered by external grant other funding and woodland generated income streams);
- Professional consultants engaged at own risk;
- Risks of future failure of woodland-related projects mitigated.

Timing

After-care of Phase I of the "Tree for Every Citizen" programme (Housing and Environment Committee Report 11 January 2010) is on going and planning and delivery of Phase II are at a critical stage, notwithstanding the need for continued proactive management of the Council's existing 400ha woodland resource. To avoid losing momentum and compromising the success of the Tree for Every Citizen programme to date, but also to capitalise on the acquisition of woodland management plans for its other woodlands, specialist forestry consultancy is currently being provided on a *pro bono* basis - an unsustainable arrangement beyond the very short term - pending a more formal and stable procurement process.

The requirement for securing the above consultancy services is therefore now urgent.

6. IMPACT

This report links to the Aberdeen City Council's Single Outcome Agreement and Community Plan in terms of the following National Outcomes:

- (1) We live in a Scotland that is the most attractive place for doing business in Europe:
- (2) We live longer, healthier lives.
- (3) We live in well-designed, sustainable places where we are able to access the amenities and services we need.
- (4) We have strong, resilient and supportive communities, where people take responsibility for their own actions and how they affect others.
- (5) We value and enjoy our built and natural environment and protect and enhance it for future generations
- (6) We reduce the local and global environmental impact of our consumption and production.

This report also links generally to the Council's policy statement, Vibrant, Dynamic and Forward Looking, by promoting the city as a Better place to live and work.

In more specific terms, the report links to Vibrant Dynamic & Forward Thinking as follows:

- (1) Environment
Aberdeen's environment - natural and built - is part of what makes our City unique. Aberdeen City Council has a duty both to protect that environment and to play its part in protecting our planet.

The partnership will:

- (2) Adopt and implement policies which safeguard Aberdeen's green belt and green wedges
- (3) Institute a programme of tree-planting with the objective, with partners, of planting one tree for every citizen by 2011
- (4) Minimise the impact of council activities on the environment, including being carbon neutral overall by 2020 and a commitment that all new council developments will be carbon neutral.

(5) Through the provision of this consultancy work, projects that will support the implementation of the Council's Nature Conservation Strategy 2009, Proposed Openspace Strategy, 10:10 Commitment, and Air Quality Plan 2006 will be delivered in a cost effective manner.

An Equalities and Human Rights Impact assessment is not required as our procurement functions and procedures have been reviewed to ensure that our contractors and suppliers meet our equalities criteria and legal obligations.

7. BACKGROUND PAPERS

The Scottish Forestry Strategy 2006

[http://www.forestry.gov.uk/pdf/SFS2006fcfc101.pdf/\\$FILE/SFS2006fcfc101.pdf](http://www.forestry.gov.uk/pdf/SFS2006fcfc101.pdf/$FILE/SFS2006fcfc101.pdf)

Policy and Resources Committee, 10 June 2008 – Item 7.3 Tree Planting Project

'Combating Climate Change - a role for UK forests' (Forestry Commission)

(See <http://www.forestry.gov.uk/forestry/infd-7y4gn9>)

Housing and Environment Committee 11th January 2010- A Tree for Every Citizen

Housing and Environment Committee 16 February 2010- H&E/10/012- Biomass heating at Duthie Park Winter Gardens

Terms of Reference for Consultant-schedule on request from Arboricultural Officer

Economic Development Sub-Committee 23 February 2009-Item 6c-SURF

8. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE : **FINANCE AND RESOURCES COMMITTEE**

DATE **2 DECEMBER 2010**

DIRECTOR : **GORDON McINTOSH**

TITLE OF REPORT : **SECURITY MEASURES AT THE FORMER SITE OF
THE INTERNATIONAL SCHOOL, ABERDEEN**

REPORT NUMBER: **EP&I**

1. PURPOSE OF REPORT

To inform the Committee of the security measures that have been put in place at the former site of the old International School of Aberdeen site at Fairgirth, Milltimber, Aberdeen.

2. RECOMMENDATION(S)

That the Committee notes the fire alarm monitoring and site security measures that have been put in place at the Fairgirth site.

3. FINANCIAL IMPLICATIONS

Funding for the Aberdeen Western Peripheral Route has been the subject of agreement between Aberdeen City Council, Aberdeenshire Council and the Scottish Government with a signed Memorandum of Understanding. The works and services required for the Aberdeen Western Peripheral Route will be paid for through this ongoing joint funding agreement.

The approved budget for the Aberdeen Western Peripheral Route includes an allowance for these costs for current and future years.

4. OTHER IMPLICATIONS

None

5. BACKGROUND/MAIN ISSUES

AWPR Corridor

In December 2005, the then Minister of Transport announced that the preferred corridor for the Aberdeen Western Peripheral Route (AWPR) was the Milltimber Brae option and Fastlink to Stonehaven. Along with this announcement a corridor map was published depicting an indicative route within the preferred corridor.

Following further appraisal work which considered numerous alternative route alignments within the preferred corridor, the then Minister of Transport announced a preferred alignment on 2 May 2006. Draft Orders were then prepared and published in December 2006 for the preferred route. The International School of Aberdeen (ISA) at Milltimber lies along the line of the preferred route at its site, known locally as Fairgirth.

Rule 5 - Relocation

The publication of specific Scheme and Roads Orders allowed detailed discussions to commence with the District Valuer which led to the decision to relocate the ISA under a Rule 5 agreement. The ISA preferred that any relocation should be planned such that any new premises should be available prior to construction of the AWPR so as to ensure the education of the children is as unaffected as possible. Early relocation of the ISA also enables advance works in this area to be programmed, in keeping with the planned construction start.

Transfer of Fairgirth Site

The new school construction work is now complete and the school has now transferred to their new facility at Pitfodels. The Fairgirth site has been under the ownership and control of Transport Scotland from the 30th September 2010.

Legal Challenges

Subject to completing the necessary statutory procedures, it had been hoped to start construction of the AWPR in 2011.

However, as part of the statutory process to deliver the AWPR, three legal challenges have now been served on the Scottish Ministers. At this stage it is difficult to be precise about the impact the challenges will have on the project timetable, but any potential early demolition of the ISA buildings cannot be carried out until the legal challenges have been heard in the Court of Session and resolved.

The implication of this is the Fairgirth site will now need to be made secure for a much longer period than was at first envisaged.

The Fairgirth Site

The main complex consists of an old Victorian mansion house to which a large block of modern two storey classrooms have been attached. There are also a small number of ancillary buildings and sheds used for plant equipment and maintenance purposes. Vehicular and pedestrian access to the site can be taken from two uncontrolled access points. The main access is from North Deeside Road with an ancillary access from the adjacent Kippie Lodge private access, lying to the west of the site.

In addition to this there also is a relatively new sports centre located at the north of the site.

Security of the Site

The security at the site is currently being carried out under a temporary arrangement whereby the International School's contractors are continuing to carry out their contracted security and fire alarm monitoring duties.

It has been agreed with the International School of Aberdeen that this arrangement will end on the 30th November 2010 and these contractors will be replaced by Contractors working directly for Aberdeen City Council as Managing Agent for the scheme.

It was therefore considered important that suitable replacement Contractors are put in place to continue the existing security and fire alarm monitoring arrangements, as failure to do so could leave the site open to vandalism or a threat of fire.

In these circumstances approval was sought and granted in terms of Part A 1(6)(B) of the Standing Orders which allows for the exemption from the provisions of Standing Orders regarding issue and acceptance of quotes for work.

Following a competitive tendering process a Contractor has now been appointed to maintain the existing intruder and fire alarm systems, including monitoring of the existing system at a total estimated cost of £10,000.

A further contract has also been let to provide security services at the site including carrying out twice daily inspections of the campus and some key-holder duties. This appointment also followed a competitive tendering process. The total cost of this work is estimated at £16,000.

It is intended that these contracts will cover the period until all the buildings contained within the Fairgirth site can be demolished.

7. BACKGROUND PAPERS

None.

9. REPORT AUTHOR DETAILS

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COMMITTEE	Finance & Resources
DATE	2 December 2010
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Extension of the Combined Heat and Power district heating network
REPORT NUMBER:	EP&I/10/294

1. PURPOSE OF REPORT

The purpose of this report is:

- to inform the committee of a verbal offer of grant of £1million from the Scottish Government specifically for the extension of the CHP district heating network in the City

2. RECOMMENDATION(S)

It is recommended that Committee:

- Authorise acceptance of the grant from the Scottish Government, as long as the conditions of the formal grant offer create no financial risk for the Council
- Instruct officials to identify the most economically beneficial routes for the district heating extension, including extensions in Seaton and from the Beach Ballroom towards the City Centre,
- Agree in principle to enter into an Installation Agreement with AH&P covering the capital costs of them installing the district heating extension, and
- Agree in principle to provide a licence and wayleaves to AH&P for the use of Council owned land through which the mains distribution pipes will run.

3. FINANCIAL IMPLICATIONS

There are no direct costs to the Council or AH&P from this report as the Scottish Government grant will cover 100% of the cost of extending the district heating network.

Acceptance of this offer of grant will, however, have an impact on the Housing Capital Expenditure Programme in 2010/2011 and 2011/12. On 24 August a report was submitted to the Housing and Environment committee on the installation of CHP to eight multi storey blocks in the Seaton area stated that the sums required from the Housing Capital Expenditure Programme would be £2.14 million in 2010/11 and £2.22 million in 2011/12. Accepting the offer of grant will result in this spend being reduced by £1 million in 2010/11 and increased in 2011/12 by £1 million. The increase in expenditure in 2011/12 has not been factored in to budget preparations to date. The Director of Housing and Environment will therefore be required to consider how the

slippage of expenditure of £1 million will be managed. The outcome of this exercise will be reported to the Housing and Environment committee in the near future.

The proposed expansion of the CHP infrastructure will offer the opportunity for other Council buildings, both housing and public buildings, to be served by the scheme in the future. Each connection of Council owned properties into the extended district heating network would be the subject of a full Feasibility Study and report to the relevant Committee for approval before works are undertaken.

4. SERVICE & COMMUNITY IMPACT

The report supports the “Vibrant, Dynamic & Forward Looking” Policy Statement for Aberdeen, the Corporate Strategy, the Corporate Plan and the Community Plan. The development of CHP schemes, and the support that the Council gives to AH&P, demonstrates the ongoing commitment to sustainable development, improving homes, raising environmental standards, improving access to affordable energy, and tackling fuel poverty.

5. OTHER IMPLICATIONS

Installing CHP district heating schemes reduces the City’s carbon emissions, and tackles fuel poverty in multi-storey flats which is a hard to heat property type.

CHP reduces fuel costs in public buildings which frees up resources that can be redirected into other areas by the Council.

6. REPORT

Combined Heat and Power in Aberdeen – Background

To date 14 multi storey blocks and 8 public buildings are being provided with space and water heating from the three combined heat and power (CHP) district heating schemes at Stockethill, Hazlehead and Seaton. At present work is on-going to link a further 8 multis storey blocks into the Seaton CHP scheme with completion due mid 2012. These projects have achieved the objectives of:

- Fuel poverty proofing “hard to heat” flats, ensuring the occupants can afford to heat them adequately, and that these flats reach the Scottish Housing Quality Standard in terms of energy efficiency
- Reducing energy related costs in 7 Council owned public buildings (Hazlehead Academy, Hazlehead Swimming Pool, Hazlehead Sports Pavilion, Beach Ballroom, Beach Leisure Centre, Linx Ice Rink and Aulton Sports Pavilion) plus Aberdeen Sports Village
- Reducing CO2 emissions by around 45% across all the properties linked to the CHP district heating systems

AH&P was set up by the Council in 2002 to develop and manage CHP schemes, in particular schemes linked to clusters of multi-storey blocks. AH&P is a not-for-profit company limited by guarantee. It has a board of unpaid Directors and an external CHP consultant who carries out design, procurement and project management. A Framework Agreement is in place between the Council and AH&P and, before each development begins, project

specific agreements are drawn up detailing what is to be developed, capital costs, heat charges and maintenance arrangements. The underlying principles of all the CHP schemes developed by AH&P to provide heating to Council owned properties are that:

- AH&P's procurement is in line with the public procurement policy
- Ownership of all parts of the heating system within Council owned flats or common areas of multi storey blocks reverts to the ownership of the Council upon installation
- The CHP plant is located on land owned by the Council and all mains distribution pipes run through Council owned land, and that the Council will grant AH&P a license for the long-term use of such land
- Surplus operating profits made by AH&P will be used to offset the capital costs of linking more Council owned multi-storey blocks into CHP schemes in the future.

Aberdeen is a leader in the field of CHP district heating in Scotland. We have a sound reputation for delivering projects and hence have been able to secured external capital funding for each CHP scheme developed to date. Without such external funding CHP schemes would not have been affordable to the Council in terms of capital costs.

The Scottish Government's commitment to CHP district heating

In the recently published Energy Efficiency Action Plan for Scotland: Conserve and Save, the Scottish Government has included CHP district heating as one of the approaches necessary to reduce energy use and carbon emissions if we are to achieve Scotland's targets in these areas. Appendix One contains extracts from the Energy Efficiency Action Plan for Scotland that relate to district heating.

It is recognized that CHP district heating carries a higher capital cost than installing less efficient systems such as individual gas boilers, but considerably lower running costs. When considered from a full life-cycle costing perspective CHP district heating is the cheaper option.

For some time now we have been making a case to the Scottish Government that if district heating is to become a truly viable option there needs to be financial support available to install district heating networks in areas of high heat demand. It is the cost of installing the distribution pipes in the ground that increases the initial capital costs. If the costs of the distribution pipes could be covered by another means, it would be no more expensive for public bodies and private organisations to install heating systems linked to an existing heat network, than it would be for them to install individual gas boilers and link into the existing gas network.

Two costed examples were recently submitted to the Scottish Government showing extension that could be made to the Seaton CHP scheme if capital costs of the district heating pipes could be covered. These are shown in Appendices Two (location plans) and Three (costings and carbon savings).

Offer of grant from the Scottish Government

The Council has been verbally offered a grant of £1million to extend the CHP district heating network in Aberdeen. We expect to receive a formal offer of grant by the end of November.

The expected conditions of the grant, as discussed with the Scottish Government, are as follows:

- The funding would be transferred in full in the current financial year.
- It cannot be used to displace any of the funding already committed for the extension to the 8 multi storey blocks at Seaton, that is we have to demonstrate additionality.
- We have to achieve expenditure, on the already committed extension to the 8 multi storey blocks in Seaton, of at least £1million by 31 March 2011 (that is not a problem - around £2million of spend is scheduled by that date).
- The £1million slippage on the Council's Housing expenditure in 2010/11 is to be spent on the extension of the district heating network as soon as practically possible in 2011/12. This recognizes the time required to determine the most cost effective route(s), carry out design, secure Planning Permissions, wayleaves, formal agreement with AH&P, etc., and this expenditure will be in addition to what the Council has already committed in 2011/12.

Scottish Government announcements have lead on other aspects of support and would therefore appreciate if neither the Council nor Aberdeen Heat and Power makes this grant the subject of a high level of publicity.

7. REPORT AUTHOR DETAILS

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Appendix One: Extracts relating to district heating included in the Scottish Government's Energy Efficiency Action Plan for Scotland 2010

Action 6.2 We will proactively develop district heating as a discrete policy area within energy efficiency, including by:

- i. appointing a dedicated officer to take forward district heating policy and co-ordinate activity across Scottish Government;
- ii. supporting a number of local heat mapping and feasibility projects over 2010/11;
- iii. investigating options for training or workshops for planning authority officers;
- iv. iv, pursuing options to finance district heating projects; and
- v. SEPA's advice to planning authorities re water, heat and power.

One of our dedicated heat officer's first activities will be to develop a database of existing and proposed district and community heating schemes to assist with awareness raising and heat policy development. This will be incorporated into the renewable heat data currently collected on our behalf by the sustainable development commission. It will include, where possible, costs, benefits, funding sought or obtained, network pipe distances, heat sources, and detail about types of heat users with links to case studies and contacts.

In appropriate areas, district heating allows the use of waste industrial heat, biomass or gas-fuelled combined heat and power (CHP) and results in significant energy efficiencies and CO2 emissions savings. As much of the activity that supports low carbon district heating is the same as for renewable heat (see the renewable Heat action Plan), both are covered in this section.

Responses to the consultation paper called for the Scottish Government to support district heat technologies in a number of different areas. These include: setting up an external group; support for heat mapping and feasibility studies by local authorities; greater use of planning powers by planning authorities; awareness raising among key decision makers; and capital funding.

We will also seek ongoing feedback from relevant stakeholders. We will, in the first instance, operate through the renewable heat implementation group and consider over time whether there is any need to establish a separate low carbon and renewable district heating group to advise on and take forward relevant actions.

The National Planning Framework for Scotland 2 advises that planning authorities 'should take account of the potential for developing heat networks when preparing development plans and considering major development proposals'. The Energy Saving Trust (EST) has recently published a planner support pack (Sustainable Energy in the Built Environment Best practice for Scottish Planners) as part of its local authority support programme. Endorsed by the royal town planning institute, this contains sections on district heating and heat mapping and provides case studies of how planners can encourage sustainable energy use. Building on this and other EST work, we will investigate with relevant stakeholders the best way of ensuring that planning authority officers have the skills and understanding to take forward National Planning Framework 2. This may involve a programme of training or workshops for planning officers that include advice on use of the heat supply options Assessment tool (tool available on disc from buildingstandards@scotland.gsi.gov.uk).

We are also funding local projects to increase understanding of the opportunities and feasibility of district heating. phase 2 of the sustainable glasgow initiative will include detailed feasibility

studies of district heating opportunities that have been identified through heat mapping work. We will extend our heat mapping support for Highland Council to 2-3 other councils, with the specific aim of identifying optimal areas for renewable and low-carbon district heating and specific candidates for detailed feasibility studies.

We recognise that, while local authorities have a key role in identifying local opportunities for low carbon and renewable district heating, there may be strategic opportunities which cover more than one local authority area. As part of our efforts to increase awareness and understanding of district heating among key decision makers, we are commissioning a research study into the economic and technical potential for using waste heat from Scottish power stations to fuel local district heating systems or other industrial sites.

With regard to finance, we will seek opportunities to support the roll out of district heating and CHP (see section c9). In this context:

- the scope of the European Regional Development fund (ERDF) programme has been extended to introduce the possibility of funding energy efficiency and renewable energy measures in existing housing in the 13 urban local authority areas targeted by the programme. In total we can now access up to £15 million of ERDF to fund low carbon, energy efficiency and district heating projects during the life of the programme;
- we will investigate with partners - as part of work by the Scottish low carbon investment project - whether appropriate district heating projects can be included in an overall package of opportunities for international investment;
- we support the use of an uplift for district heating under the renewable heat incentive.

With regard to waste heat, Scottish environment protection Agency (SEPA) will continue to seek energy efficiency through its advisory and regulatory roles and will keep the effectiveness of its processes under review. the core purpose of SEPA's thermal treatment of waste guidance is to ensure that new thermal waste treatment facilities do not impede recycling or waste prevention opportunities and that they maximise the recovery of energy. The guidance requires applicants to prepare heat and power plans and to achieve a high level of plant energy efficiency through their implementation over a number of years. the high efficiency levels will require the use of heat in addition to power. As very high energy efficiency in excess of 60% can only be achieved in a mature heat network infrastructure that does not yet exist in Scotland, SEPA is staging requirements on applicants to improve energy efficiency. The Scottish government's updated Guidance on Thermal Power Stations in March 2010 strengthened and clarified the requirements on the use of heat in such facilities. 10

Action 9.2 We will actively engage with UK and EU funding policy for energy efficiency, with a view to maximising the value of UK, EU and other international funding in Scotland.

As we look how to finance the growing demand for energy efficiency, we will also investigate the potential for unlocking other domestic and international sources of funding for energy efficiency. This will draw on existing research on domestic loans schemes, for example, and consider existing EU, UK and Scottish schemes and loans.

At a UK level, we will link into DECC's UK Energy Security and Green Economy Bill proposals for Green Deal Finance. These build upon the pilot £4m pay As You Save (PAYS) scheme that tests new ways to finance whole house energy makeovers. The UK government is currently progressing proposals for Green Deal finance, with Scottish government input so that these can

be designed to meet Scottish circumstances. Since the green deal's market driven approach may encompass ESCOs (Energy Savings Companies), we will consider relevant funding mechanisms for housing, such as funds available through the European Investment Bank, once the UK Energy Security and Green Economy Bill has been laid before the UK parliament later this year and proposals are known more fully.

In addition, we will consider examples of good practice, such as London's Buildings Energy Efficiency Programme (BEEP) to retrofit buildings, and the London Green Fund. We will consider work to help support community enterprises and social business, and any possibilities to fund specific energy efficiency technology development and deployment, for example investigating whether any technology companies might be eligible for RSA.

Looking to Europe, we will consider schemes such as:

- the JESSICA Fund - financing sustainable development for urban areas;
- ERDF and ESF funding, e.g. for innovative heat networks or skills programmes;
- implementation of the European Commission's Strategy Energy Technology Plan (SET-Plan) to finance low carbon technologies and the possibility of a Scottish city participating in the smart cities initiative, which includes €11 for energy efficiency; and
- the potential EIB proposal to set up a loan scheme for micro-generation to retrofit social housing.

As an example, the Scottish government and the new Scottish Green Energy Centre (SEGEC) are working with partner bodies in the EU-supported Lowland and Uplands Scotland (LUPS) and Highlands and Islands structural funds programmes to seek ways for such programmes to support energy efficiency more strongly than in the past. the programme Monitoring committee has now agreed that the balance of funds within Priority 1 ERDF (LUPS) will focus on the Scottish Innovation Low Carbon Fund (SILC), supporting individual enterprises and collaboration between industry, academia & the public sector to deliver innovative low carbon technology demonstration projects. Working closely with the European commission, we have also secured agreement to widen the eligibility scope of ERDF priority 3 (LUPS) (urban regeneration) to give greater importance to energy efficiency, district heating and low carbon technologies, i.e. to include:

- energy efficiency measures in housing;
- support for energy production from renewable energy and low carbon technologies in response to local energy needs, e.g. co-generation and distribution energy systems such as district heating and CHP projects;
- projects that support clean and sustainable public transport, if part of integrated urban development plan; and
- support for schemes that pilot or demonstrate new or innovative approaches to energy efficiency retrofit measures, in particular targeting the retrofit of existing social housing stock.

We have also responded to the commission's consultation on future financing to 2020 to stress the importance of giving the promotion of the low carbon economy a much higher priority in future funding programmes.

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Appendix Three

On the attached location map of North Seaton the red lines show the existing and committed district heating network linked to the Seaton CHP station. The blue lines show the proposed new links to **Livingstone Court** private sheltered housing and the planned **50meter swimming pool**.

Livingstone Court

- Consists of 39 flats in a private sheltered housing development.
- Currently has electric storage heating
- Capital costs of extension of district heating network = **£80,000**

ELECTRICITY SAVING	MWh/annum	CO2 Emission Kg/MWh	CO2 Tonnes/annum
Electricity displaced for electrically heated dwellings	401	672	269
Electricity produced from CHP generators	233	672	157
NATURAL GAS USED	MWh/annum	CO2 Emission Kg/MWh	CO2 Tonnes/annum
Natural Gas to CHP Generators and Boilers	902	191	172
		Annual CO2 emission reduction Tonnes/annum	254

Planned new build 50 meter swimming pool

- Being planned for development by Aberdeen Sports Village – a not-for-profit company formed through a partnership between the Council and Aberdeen University
- Capital cost of extension of district heating network = **£120,000**

The preferred energy solution for Aberdeen 50m Pool to achieve reduction in carbon emissions over an above those required for Building Regulation comprise the following, if the additional capital costs can be found:

	Before	After	Individual	Cumulative
Provision of Ventilation Heat Recovery	176.90	162.40	9.35%	9.35%
District Heating via Gas Fired CHP	162.40	142.70	12.71%	22.06%

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ABERDEEN CITY COUNCIL

COMMITTEE:	Finance & Resources
DATE:	2 nd December 2010
DIRECTOR:	Stewart Carruth
TITLE OF REPORT:	Joint Customer Contact Centre Business Case - Update
REPORT NUMBER:	CG/10/186

1. PURPOSE OF REPORT

The purpose of this report is to update committee on the development of a combined business case for a Joint Contact Centre at Frederick Street, Aberdeen with Grampian Police.

2. RECOMMENDATION(S)

It is recommended that committee:

- i. Notes progress on the development of a business case in conjunction with Grampian Police for a Joint Contact Centre at Frederick Street between Aberdeen City Council and Grampian Police.

3. FINANCIAL IMPLICATIONS

Work is currently progressing on a financial model that will be included within the business case.

4. OTHER IMPLICATIONS

A business case is being jointly developed by both organisations for submission to the Grampian Joint Police Board and ACC's Finance & Resources committee.

Initial risks have been identified and captured in a risk register and the identification, monitoring and management of risks will continue throughout the project.

5. BACKGROUND/MAIN ISSUES

Aberdeen City Council is progressing a Customer Contact Centre at Frederick Street, Aberdeen. This facility, together with the Customer Service Centre at Marischal College and the Customer Access Points

located within local communities, will enable services and customer enquiries to be consistently and efficiently resolved at first point of contact, by highly trained customer service professionals.

Aberdeen City Council and Grampian Police see significant opportunities by linking together their current customer telephony contact to provide a 'joined up' high quality service to the public. The aspiration is to have an authority and force wide Customer Contact Centre, where staffing and technology will be interlinked.

The strategic approach is to work with a single partner at the outset to quickly deliver results with the ability for other partners to join in the future.

There is also potential to develop joint service delivery channels as part of the longer term strategy. Our initial focus however will be on delivering the joint contact centre whilst recognising the future potential.

This innovative approach incorporates a combination of people, resources and assets. This provides an opportunity to rationalise the current service and improve customer services, bring in new technology, progress inter-agency working and make better use of resources. The plan addresses asset management issues with existing locations being fragmented, poor fit between organisation needs and priorities and pressure on existing space. This initiative not only transforms the service but starts to enable estate benefits to be realised by sharing accommodation and running costs. There is also the opportunity to deliver efficiencies through shared technology.

A joint business case is being developed which sets out to articulate the case of a partnership approach which will deliver a 'first point of contact' service for the public. This transformation will ensure services will be consistently resolved in an effective and efficient way by multi-skilled staff representing both organisations.

The business case scope is to consider the integration of a Joint Customer Contact Centre, including:

- Interlinked telephony
- Maintaining and expanding customer service provision for ACC services.
- Grampian Police non-emergency contacts
- Combined alarms monitoring services
- Increased resilience for combined Grampian Emergency Planning to prepare for, respond to and recover from emergencies
- Services currently provided on behalf of other organisations.

Options Appraisal

Within the business case, consideration is being given to the service delivery options available for a Joint Contact Centre between Aberdeen City Council and Grampian Police. As a result a number of options have been identified as described below.

1) Maintain status quo with Aberdeen City Council continuing to progress its Customer Contact Centre at Frederick Street whilst Grampian Police maintains its Contact Centre at Bucksburn or makes alternative arrangements independently.

2) Aberdeen City Council and Grampian Police co-locate their Customer Contact Centres within the same premises at Frederick Street but continue to operate separately.

3) Aberdeen City Council and Grampian Police combine operations at Frederick Street to provide a joint contact centre that optimises resources and delivers an enhanced customer service.

6. IMPACT

Corporate

A Joint Contact Centre with Grampian Police would transform the way in which customers access our services. It supports the delivery of the National Outcome 15 for public services being high quality, continually improving, efficient, effective and valued by customers.

It also delivers against the commitment to modernise service delivery as detailed in the Administration's Policy Statement, "where people can expect high quality services that meet their needs."

Furthermore, it delivers against the objectives specified within 'Vibrant, Dynamic and Forward Looking' in relation to 'Efficient Council & Fair Funding; specifically Objective 5 – Modernise service delivery and ensure there is appropriate investment in staff training, equipment and accommodation to deliver this and Objective 6 – work in partnership with other public bodies to deliver maximum efficiencies.

The business case will also contribute to ACC's Priority Based Budgeting (PBB) having the potential of delivering against the efficiencies/savings required of the customer service PBB options.

7. BACKGROUND PAPERS

N/A

8. REPORT AUTHOR DETAILS

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