

Public Document Pack



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 January, 2011

FINANCE AND RESOURCES COMMITTEE

Members of the **FINANCE AND RESOURCES COMMITTEE** are requested to meet in Committee Room 2 - Town House on **TUESDAY, 1 FEBRUARY 2011 at 2pm.**

JANE G. MACEACHRAN
HEAD OF LEGAL AND DEMOCRATIC SERVICES

BUSINESS

1 DETERMINATION OF EXEMPT ITEMS OF BUSINESS

2 REQUEST FOR DEPUTATION

- 2.1 A request has been received from Sue Lemon, Chairperson of Dyce Sports and Leisure Development Trust in relation to item 14.1 of the agenda.

3 MINUTES, COMMITTEE BUSINESS STATEMENT AND MOTIONS LIST

- 3.1 Minute of Previous Meeting of 2 December, 2010 - for approval (Pages 1 - 50)
- 3.2 Minute of Meeting of the Lord Provost Sub Committee of 14 October, 2010 - for noting (Pages 51 - 54)

- 3.3 Minute of Meeting of the Corporate Health and Safety Committee of 12 May, 2010 - for noting (Pages 55 - 62)
- 3.4 Minute of Meeting of the Corporate Health and Safety Committee of 27 August, 2010 - for noting (Pages 63 - 70)
- 3.5 Committee Business Statement (Pages 71 - 88)
- 3.6 Motions List (Pages 89 - 92)

4 MOTIONS

- 4.1 Motion by Councillor Young, referred from the meeting of Council of 15 December, 2010

“This Council congratulates Prince William and Kate Middleton on their Royal engagement and asks the Council to celebrate this joyous event in an appropriate fashion.”

5 REFERRALS

- 5.1 Cairnfield Community Centre - referred from the meeting of the Housing and Environment Committee of 12 January, 2011 (Pages 93 - 100)
- 5.2 The Estate of the Late Mrs Lorna Doreen Russell - referred from the meeting of the Housing and Environment Committee of 12 January, 2011 (Pages 101 - 102)
- 5.3 Investment in Vehicle Fleet - referred from the meeting of the Enterprise, Planning and Infrastructure Committee of 18 January, 2011 (Pages 103 - 108)

Members: Please note that the recommendations as contained within the report were approved by the Enterprise, Planning and Infrastructure Committee.

- 5.4 Car Parking Charges 2011 - 2013 - referred from the meeting of the Enterprise, Planning and Infrastructure Committee of 18 January, 2011 (Pages 109 - 122)

Members: Please note that the recommendations as contained within the report were approved by the Enterprise, Planning and Infrastructure Committee.

- 5.5 Revenue Budget Monitoring Report - Cost of providing school meals - referred from the meeting of the Enterprise, Planning and Infrastructure Committee of 18 January, 2011 (Pages 123 - 128)

6 PERFORMANCE MANAGEMENT AND CORPORATE GOVERNANCE SERVICE ISSUES

- 6.1 Corporate Governance Service Performance Report (Pages 129 - 148)

- 6.2 Capital Budget Progress Report 2010/11 - Corporate Governance Service (Pages 149 - 154)

- 6.3 Revenue Budget 2010/11 Monitoring Report - Corporate Governance Service (Pages 155 - 158)

7 FINANCE

- 7.1 General Fund Revenue Budget 2010/11 - Monitoring Report (Pages 159 - 164)

- 7.2 Non Housing Capital Programme 2010/11 - Monitoring Report (Pages 165 - 170)

- 7.3 Common Good Budget 2010/11 - Monitoring Report (Pages 171 - 176)

- 7.4 Youth Activities Small Grants Fund (Pages 177 - 180)

8 HUMAN RESOURCES

- 8.1 A Framework for Linking Reward to Performance (Pages 181 - 190)

- 8.2 Employees Code of Conduct (Pages 191 - 204)

- 8.3 Redeployment Policy and Procedure - Revisions (Pages 205 - 218)

9 PROPERTY

- 9.1 Compulsory Purchase Order - A96 Park and Choose Car Park - Dyce Drive Link Road (Pages 219 - 222)

Members: Please note that the appendices will be circulated at the meeting.

9.2 105 to 107 Urquhart Road - Marketing (Pages 223 - 228)

9.3 Causewayend School and Lodge - Future Use (Pages 229 - 234)

10 GENERAL

10.1 Extension of Tenants' Contents Insurance Contract (Pages 235 - 238)

10.2 Universal Home Insulation Scheme (Pages 239 - 242)

10.3 Accord Card - Citizen Roll Out (Pages 243 - 264)

ITEMS WHICH THE COMMITTEE MAY WISH TO CONSIDER IN PRIVATE

11 REFERRAL

11.1 Extension of Contracts - referred from the Housing and Environment Committee of 12 January, 2011 and the Social Care and Wellbeing Committee of 13 January, 2011 (Pages 265 - 276)

12 FINANCE

12.1 Trading Services Monitoring (Pages 277 - 288)

13 GENERAL

13.1 Managed Data Centre and Virtual Desktop Environment (Pages 289 - 292)

13.2 National Housing Trust Initiative (Pages 293 - 298)

Members: Please note that an updated version of this report will be circulated at the meeting.

13.3 Joint Customer Contact Centre Business Case (Pages 299 - 340)

14 PROPERTY

14.1 Land at Pitmedden Road, Dyce (Pages 341 - 352)

14.2 Provision of Leasing Services for Properties Purchased in Connection with AWPR (Pages 353 - 356)

- 14.3 Four Group Homes – Request to Renounce Leases (Pages 357 - 364)
- 14.4 Auchmill Golf Course (Pages 365 - 372)
- 14.5 Frederick Street Development Site (Pages 373 - 382)
- 14.6 Former Public Toilet and Advertising Site Great Southern Road – Proposed Sale (Pages 383 - 390)
- 14.7 Pinewood/Hazledene (Pages 391 - 400)

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FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 2 December, 2010. Minute of meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor Kevin Stewart, Convener; Councillor Yuill, Vice Convener; and Councillors Clark (as substitute for Councillor Fletcher), Cooney (as substitute for Councillor Laing), Cormack, Crockett, Dean, Dunbar, Farquharson, Graham, Hunter (as substitute for Councillor Crockett for article 32, and as substitute for Councillor Cassie from article 33), Leslie, May (as substitute for Councillor Kiddie), McCaig, John West and Young (as substitute for Councillor Cassie until article 32).

DETERMINATION OF EXEMPT ITEMS OF BUSINESS

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; and (2) further proposed that item 12.1 of the agenda (Business Plan – Workforce Reduction and Options) be referred simpliciter to Council.

On hearing the Convener's proposals, Councillor Graham intimated that he would like the Committee to consider items 10.1 (Future Funding and Development of AECC), 11.2 (Aberdeen International Football Festival) and 11.3 (London 2012) of the agenda in public on this day. Councillor Young at this point asked a question relating to item 11.3 of the agenda (London 2012), and the Convener proposed that in order for it to be answered fully, the press and public would have to be excluded from the meeting.

With the press and public not in attendance, the Chief Executive advised the Committee as to why it was imperative that this particular report be considered with the press and public not in attendance. On hearing this advice, Councillor Graham withdrew his request for the Committee to consider this particular report in public.

The Convener, seconded by the Vice Convener, moved as a procedural motion:
that the Committee considers those reports identified on the agenda as being for determination in private, with the press and public excluded.

On a division, there voted, for the procedural motion (11) the Convener; the Vice Convener; and Councillors Clark, Cormack, Dean, Dunbar, Farquharson, May, Leslie, McCaig and John West; against the procedural motion (4) Councillors Cooney, Crockett, Graham and Young.

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 31 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 31 (paragraphs 6 and 9), article 32 (paragraphs 4 and 6), article 33 (paragraph 8), article 34 (paragraph 6), article 35 (paragraph 6), article 36 (paragraph 9), article 37 (9), article 38 (paragraphs 6 and 9), article 39 (paragraph 6 and 9), article 40 (paragraph 9), article 41 (paragraph 6), article 42 (paragraph 9); and article 43 (paragraphs 6 and 9); and

- (ii) to refer item 12.1 of the agenda (Business Plan – Workforce Reduction and Options) simpliciter to the meeting of Council of 15 December, 2010.

REQUESTS FOR DEPUTATION

2. The Committee had before it a number of requests for deputation as follows:
- Item 6.1 of the agenda (Business Plan 2011/12 to 2015/16 - Lavina Massie, Chair of the Community Planning Partnership and the Fairer Scotland Fund Board – specifically in relation to options CG_CS_FS03 and CG_CS_FS01 (Fairer Scotland Fund – page 169 of the agenda).
 - Item 6.1 of the agenda (Business Plan 2011/12 to 2015/16 - Hillari Hastings, Gilcomstoun ASN (additional support needs) base parent and member of ASN Parent Forum, specifically in relation to option ECS_E41 (ASN Services – page 151 of the agenda).
 - Item 13.2 – Land at Pitmedden Road, Dyce - Sue Lemon, Chairperson of Dyce Sports and Leisure Development Trust.
 - Item 13.6 – Bon Accord Indoor Bowling Club - Cameron Millar, Treasurer, Bon Accord Bowling Club.

In relation to the two requests to speak to item 6.1 of the agenda (Business Plan 2011/12 to 2015/16), prior to the meeting, the Director of Corporate Governance had advised that it was his view that this report was part of the budget process of Council, and therefore, the Committee were advised by the clerk that in terms of Standing Order 10(1), the requests were incompetent. The requests in relation to items 13.2 (Land at Pitmedden Road, Dyce) and 13.6 (Bon Accord Indoor Bowling Centre) of the agenda had been received in terms of Standing Orders.

The Convener (1) advised that he was minded not to consider the two requests in relation to item 6.1 (Business Plan 2011/12 to 2015/16) of the agenda; (2) further advised that the request in relation to item 13.2 (Land at Pitmedden Road, Dyce) of the agenda had been withdrawn immediately prior to the meeting; and (3) proposed that the Committee agree to hear the deputation in relation to item 13.6 (Bon Accord Indoor Bowling Centre).

At this point, Councillor Young disputed the advice provided by officers, and suggested that as today's meeting was not a budget meeting of Council, called in accordance with Standing Order 4 (ie for consideration of the annual budget), that the deputations in relation to item 6.1 of the agenda, were competent. The clerk to the Committee advised that Standing Order 10(1) stated 'that no application in respect of a request for deputation shall be accepted which relates to the annual budget', and reiterated that this Standing Order did not make a reference to the annual budget meeting of Council, but merely to the 'annual budget'; and therefore in his view, the requests were incompetent in view of the Director's earlier comment that the Business Plan was part of the budget process. The final decision however, was for members to take.

Councillor Young did not accept this advice, and further, did not accept that Standing Orders required to be suspended in order for the requests for deputation to be considered. On hearing this, the Convener concluded the discussion.

The Committee resolved:-

- (i) to not consider the requests for deputation from (1) Lavina Massie, Chair of the Community Planning Partnership and the Fairer Scotland Fund Board; and (2) Hillari Hastings, Gilcomstoun ASN (additional support needs) base parent and member of ASN Parent Forum, in relation to item 6.1 of the agenda (Business Plan 2011/12 to 2015/16);
- (ii) to note that the deputation request from Sue Lemon, chairperson of Dyce Sports and Leisure Development Trust, in relation to item 13.2 of the agenda (Land at Pitmedden Road, Dyce), had been withdrawn; and
- (iii) to hear a deputation from Cameron Millar, Treasurer, Bon Accord Bowling Club in relation to 13.6 of the agenda (Bon Accord Indoor Bowling Centre); and for this deputation, and the corresponding report, to be considered as the first item of exempt business on this day.

MINUTE OF PREVIOUS MEETING

3. The Committee had before it the minute of its previous meeting of 28 September, 2010.

In relation to article 20 of the minute (Tax Increment Financing for the City Garden Project), Councillor Crockett intimated that he felt the final paragraph prior to the recommendations was inaccurate, and should have read 'A number of members commented on the nature of these remarks, and Councillor Laing subsequently apologised if the remarks had been misconstrued', rather than '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'.

Councillor Young, seconded by Councillor Graham, moved as a procedural motion: that article 20 of the minute be amended to read 'A number of members commented on the nature of these remarks, and Councillor Laing subsequently apologised if the remarks had been misconstrued'.

On a division, there voted, for the procedural motion (4) Councillors Cooney, Crockett, Graham and Young; against the procedural motion (8) the Convener; the Vice Convener; and Councillors Clark, Cormack, Dean, Leslie, McCaig and John West; declined to vote(3) Councillors Dunbar, Farquharson and May.

The Committee resolved:-

to approve the minute as a correct record.

MINUTE OF MEETING OF THE LORD PROVOST SUB COMMITTEE

4. The Committee had before it the minute of meeting of the Lord Provost Sub Committee of 8 July, 2010.

The Committee resolved:-

to note the minute.

DECLARATIONS OF INTEREST

During discussion of item 32 of this Business Statement (Transfer of Sports Services to Sport Aberdeen), Councillors John West and Young declared an interest by virtue of their positions as Directors of Sport Aberdeen. They did not feel it necessary to withdraw from the meeting.

COMMITTEE BUSINESS STATEMENT

5. 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.

The Director of Education, Culture and Sport provided an update in relation to item 32 of the list (Transfer of Sports Services to Sport Aberdeen – Northfield Swimming Pool), and advised that officers had circulated a questionnaire during October, in conjunction with Sport Aberdeen, which had been completed by 113 swimming pool users. The responses were compared with Sport Aberdeen's proposed pool programme, and the programme modified where appropriate to take account of the preferences of the swimming pool users. With regards to the timing of sessions, the top three responses indicated a preference for sessions to be held on Wednesday evenings, Monday evenings and Sunday mornings. The first two of these concurred with Sport Aberdeen's proposed programme. The request for a session on Sunday mornings was more difficult, as Sport Aberdeen were not proposing to have any staff cover on Sundays. It was hoped that the new programme could be introduced early in the New Year.

Members enquired as to why there was a presumption that only three swimming sessions could take place each week, and were advised that three sessions were accounted for within the Sport Aberdeen Business Plan.

The Committee resolved:-

- (i) to remove items 5 (Evaluation of Contractors' Performance), 12 (Essential Car Users Scheme), 14 (Former Carden School), 18 (Townscape Heritage Initiative), 19 (Landfill Tax Credit Funding), 20 (HR Service Centre), 27 (Cash Handling Arrangements), 29 (Staff/Tied Houses), 33 (Review of General Service Capital Programme 2010/11), 37 (Property Asset Management Plan – resolution C only), 38 (Staff Houses), 39 (Retail Rocks), 40 (Summerhill), and 42 (Housing and Environment Business Plan) from the Business Statement;
- (ii) to note the update provided by the Director of Education, Culture and Sport in relation to item 32 (Transfer of Sports Services to Sport Aberdeen – Northfield Pool), and to therefore remove this item from the Business Statement;
- (iii) to not remove item 34 (TIF for the City Garden Project) from the Business Statement; and
- (iv) to otherwise note the updates as contained within the Business Statement.

MOTIONS LIST

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

The Committee resolved:-

- (i) to instruct officers to contact Councillor Jennifer Stewart in order to ascertain as to whether she would agree to motion 1 ('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'), being removed from the list; and
- (ii) to otherwise note the updates as contained within the list.

NORTH LOIRSTON FARM/COVE ALLOTMENTS – LEASE REQUEST FOR COMMUNITY ALLOTMENTS (EPI/10/282)

7. Reference was made to article 12 of the minute of meeting of the Housing and Environment Committee of 26 October, 2010 when that Committee had considered a request from Nether Loirston Growers Association, to lease a small parcel of Council owned land in Cove for the establishment of a community managed allotment facility. The Housing and Environment Committee had resolved (1) to declare the parcel of land referred to within the report surplus to the requirements of the Housing and Environment Service; and (2) to refer the matter to this Committee for its consideration. The Committee had before it on this day, the relevant minute extract from the aforementioned meeting of the Housing and Environment Committee, and a report by the Director of Enterprise, Planning and Infrastructure which advised that the Cove community had been requesting a local allotment facility for some time, and that in May, 2010, they had been successful in gaining funding of £37,500 from the Climate Challenge Fund in order to establish a sustainable allotment site in Cove. The report outlined the work that had been carried out to date 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 and located between Altens Community Centre and Altens Industrial Estate.

The report concluded that officers in Legal Services and the Asset Management team believed that further investigations required to be undertaken prior to a lease being offered to the Nether Loirston Growers Association.

The Committee resolved:-

- (i) to 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;
- (ii) to delegated powers (if required) to the Head of Asset Management and Operations and the Head of Legal and Democratic Services to negotiate lease terms with North Loirston Growers Association, in consultation with the local members and the Convener and Vice Convener of this Committee; and

- (iii) to instruct the Head of Asset Management and Operations (1) 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'; and (2) to include his findings in the 2011 Property Asset Management Plan Update.

HOMELESSNESS – FINANCE PRESSURES (H&E/10/170)

8. Reference was made to article 19 of the minute of meeting of the Housing and Environment Committee of 26 October, 2010, whereby members considered the financial implications associated with the continued use of bed and breakfast accommodation. The report had proposed, amongst other things, (1) that the charge the Council pays to bed and breakfast proprietors be reduced; and (2) that the service charge for temporary accommodation be increased. Both of these proposals required the approval of this Committee. The Committee had before it on this day, the relevant minute extract from the aforementioned meeting of the Housing and Environment Committee, and a report by the Director of Housing and Environment which provided further information on the proposals. The report (1) outlined the reasons for the cost pressures occurring; (2) detailed the current financial position in this regard; and (3) detailed the proposals that had been agreed at the Housing and Environment Committee (subject to the approval of this Committee), as follows:

- That the number of bed and breakfast establishments being used on a daily basis, be reduced to 100 (from 160) by (a) requiring 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 require 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 an annual agreed uprating would ensure that charges remained consistent with costs.

The Committee noted that the Housing and Environment Committee had approved 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, but that officers had undertaken further work on this, and were now only proposing an increase to £250.33 per week.

Members raised concern at how this proposal may be a huge disadvantage to a person who is employed (due to the fact that the service charge would not be covered by benefits). The Homelessness Manager explained this would be dealt with on a case by case basis, and that there were ways of mitigating the strain on tenants.

The Committee resolved:-

- (i) to note the current position;
- (ii) to approve the proposed actions to reduce the usage of bed and breakfast accommodation, and to therefore approve the reduction in the charge the Council pays to bed and breakfast establishments; and
- (iii) to approve the increase in the service charge from 13 December, 2010 to £250.33 per week for temporary accommodation flats.

FUTURE USE OF VARIOUS EDUCATION, CULTURE AND SPORT PROPERTIES (ECS/10/093)

9. Reference was made to article 12 of the minute of meeting of the Education, Culture and Sport Committee of 18 November, 2010, whereby a number of properties were declared surplus to the requirements of that Service. In addition to this, the Education, Culture and Sport Committee had recommended to this Committee that any capital receipts resulting from the report, and the disposal of any other educational establishments, be ring fenced in order to contribute to the implementation Learning Estate Strategy.

The Committee had before it on this day, (1) the report, as had been presented to the meeting of the Education, Culture and Sport Committee; (2) the corresponding minute extract; and (3) further information that had been provided by the Head of Asset Management and Operations. The information as provided by the Head of Asset Management and Operations suggested (a) that the ring fencing of capital receipts was not a universally agreed practice, and that officers would not advocate its adoption, as this would be contrary to the current practices and procedures of the Council; (b) that as a corporate body, the assets of the Council should be seen as being for the good of the whole organisation, and not favouring individual Services; (c) that by agreeing to the recommendations of the Education, Culture and Sport Committee, there was the potential for discrimination to arise against those Services that were not in a position to make any capital investment.

The Committee resolved:-

- (i) to ratify the recommendations of the Education, Culture and Sport Committee (ie to agree to ring fence any capital receipts resulting from the report, and the disposal of any other educational establishments in order to contribute to the implementation of the Learning Estate Strategy);
- (ii) to instruct officers to market the former Mile End School as a residential conversion/development opportunity;
- (iii) to instruct officers to market the former Craighill School as a residential development opportunity;
- (iv) to agree that officers continue discussions with the Housing and Environment Service in relation to the former Balgownie School, prior to proceeding to marketing the property as a residential development;

- (v) to agree that officers continue discussions with the Housing and Environment Service in relation to the former Smithfield School, prior to proceeding to marketing the property as a residential development;
- (vi) to instruct officers to market the former Hilton Nursery and Community Centre as a residential development opportunity further to progressing negotiations with the NHS and District Valuer to surrender the NHS lease interest in part of this building; and
- (vii) in relation to Airyhall House, to instruct officers to enter into discussions with the adjoining land owner to promote the potential residential scheme as a whole.

21st CENTURY SECONDARY SCHOOL PROVISION

10. Reference was made to article 5 of the minute of meeting of the Special meeting of the Education, Culture and Sport Committee of 28 October, 2010, at which time members recommended that any receipts generated from any Education, Culture and Sport property resulting from any resolutions at that meeting, be invested back to the Education, Culture and Sport estate.

The Committee resolved:-

to ratify the recommendations of the Education, Culture and Sport Committee, and to therefore agree that any receipts generated from any Education, Culture and Sport property resulting from any resolutions at the Special meeting of the Education, Culture and Sport Committee of 28 October, 2010, be invested back to the Education, Culture and Sport estate.

FUTURE USE OF VARIOUS OPERATIONAL PROPERTIES (SCW/10/095)

11. Reference was made to article 8 of the minute of meeting of the Social Care and Wellbeing Committee of 4 November, 2010, at which time a number of properties were declared surplus to the requirements of the Service. The Committee had before it on this day, the report as presented to the Social Care and Wellbeing Committee, and further advice from the Asset Management and Operations team with regard to the future use of the properties in question.

The Committee resolved:-

to instruct officers to market the following properties as residential redevelopment opportunities:

- former Glamis Cottage
- former Burnside Centre
- former Dominies Road Hostel; and
- former Seaview Children's Home.

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

12. Reference was made to article 7 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 9 November, 2010, whereby members had, amongst other things, agreed to modify the annual road permit administration fee from £150 to £100 for up to 24 chairs, subject to the approval of this Committee. The Committee had before it on this day, the report, as presented to the Enterprise, Planning and Infrastructure Committee, and the corresponding minute extract.

The Committee resolved:-

- (i) to ratify the decision of the Enterprise, Planning and Infrastructure Committee to modify the annual road permit administration fee, from £150 to £100 for up to 24 chairs; and
- (ii) for clarity, to confirm the removal of the £25 charge per chair that was currently in place.

2010/11 FINANCIAL MONITORING – CORPORATE GOVERNANCE SERVICE (CG/10/191)

13. With reference to article 13 of the minute of its previous meeting, 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 September, 2010; and (b) provided an overview of the current capital budget for the Service.

With regard to the position of the revenue budget for the Service, the report advised that there was a net reduction in costs of £800,000 (3.1%) across the overall current net budget of £26 million. Appended to the report was the Service report and associated notes.

In respect of the capital position of the Service, the report advised that the spend as at September, 2010 was £2.1 million, against a budget of £13.4 million (including a £1.4 million budget for Grampian Police, and taking account of a carry forward figure of £850,000 from 2009/10).

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.

BUSINESS PLAN 2011/12 TO 2015/16 (CG/10/202)

14. Prior to any discussion taking place on this item, Councillor Crockett, seconded by Councillor Young, moved as a procedural motion:
that the report be referred simpliciter to the meeting of Council of 15 December, 2010.

On a division, there voted:- for the procedural motion (5) Councillors Cooney, Crockett, Farquharson, Graham and Young; against the procedural motion (10) the Convener, the Vice Convener; and Councillors Clark, Cormack, Dean, Dunbar, Leslie, May, McCaig and John West.

The Committee resolved:-

to consider the report on this day.

The Committee had before it a report by the Director of Corporate Governance which outlined proposals for a Five Year Business Plan for the Council, for the period 2011/12 to 2015/16.

The report advised that this was a break from the traditional annual approach usually adopted in budget setting, but it was felt that this approach had allowed officers the opportunity to think radically about how to deliver key services from a reduced cost base. The report highlighted a total of £150 million of potential savings, with £48 million of these having a high risk to the Council should they be implemented. The options were presented by Service, and in terms of the following categories (1) transformation options; (2) efficiency options; and (3) stop/reduce options (where an option was given a number, which referred to its Council wide priority as determined by the Corporate Management Team). It was noted that where a proposed saving figure was a negative, what was indicated was either an investment or a reduction in income.

The report recommended:-

that the Committee –

- (a) consider the content of the report;
- (b) make recommendation to the meeting of Council of 15 December, 2010 in relation to the Business Plan, and specifically the transformation, efficiency and stop/reduce options outlined therein to achieve a balanced budget, taking account of any feedback from consultation; and
- (c) provide guidance to the Directors on further changes or service options to be explored over the coming weeks.

The Convener circulated an amended version of the report which had highlighted the options in green, amber, red or grey. Where an option was green, it was recommended that it be taken; where it was amber, it was recommended that a further report be submitted through the priority based budget process with additional information on the impact of making the saving or alternative means of achieving it; where it was red, it was recommended that it should not be accepted at this time but that it may be revisited prior to budget setting day; where it was grey, it was recommended that it be noted that the option had yet to be considered.

Appended to this circulation was a further note that listed a number of exceptions, which proposed that the Council (i) permit the Chief Executive to decide on management structure savings (ACC_S018); (ii) review the alignment of Committees to the statutory minimum in 2012 (CG_LDS_07b); (iii) reduce by 5% the remuneration for Senior Councillors, the Council Leader and the Lord Provost above the basic rate (CG_LDS_07e); and (iv) reduce the Fairer Scotland Fund by £750,000 not £1million and hold a community summit (CG_CS_FS03).

The Convener, seconded by Councillor Leslie, moved:
to recommend to Council that the following options contained within the Five Year Business Plan, be progressed as per the circulated papers (and as set out below):

SOCIAL CARE AND WELLBEING: TRANSFORMATION OPTIONS

It is recommended that the following options be taken:

Ref	Option description	Value in Yr 5 (£k)
SCW_TC2+8	Re-provision inhouse 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 recommission Disability Services with the use of a Resource Allocation System and personalised budgets	2,763
SCW_TC10+11+12	Stop inhouse 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 telecare 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 paraprofessional 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_LT9, 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

It is recommended that all of the Social Care and Wellbeing Transformation Options be taken.

SOCIAL CARE AND WELLBEING: EFFICIENCY OPTIONS

It is recommended that the following options be taken:

Reference	Option description	Value in Yr 5 (£k)	Comment
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_LT15	Review of all Supporting People packages	500	
SCW_TC15+16+17	Rationalise the welfare rights / debt advice and financial inclusion services	70	
SCW_TC18	Recommission 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 and youth justice	129	
SCW_SD9	Change relationship with provision of services for children with disabilities	25	
SCW_FMB8	Reduce budget for Learning and Development Team by 2%	16	
Total		1,523	

It is recommended that the following options be the subjects of further reports:

Reference	Option description	Value in Yr 5 (£k)	Comment
SCW_LT18	Outsource care at home services	1,465	
SCW_LT8+LT27+28	Retender for care at home services to reduce costs	624	
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_SD15	Outsource 4 children's homes	24	
	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
SCW_LT_14	Close two ACC care homes for older people	173	
Total		3,270	

It is recommended that no action be taken this day on the following options:

Reference	Option description	Value in Yr 5 (£k)	Comment
SCW_SD6	Introduction of charging for Children's Services	7	
SCW_FMB2	Review/Cap Kinship Payments	50	
	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	
Total		1,943	

Efficiency Options Summary		
Recommended to be taken		1,523
Recommended for further reports		3,270
Recommended not taken at this point in time		1,943
Total		6,736

SOCIAL CARE AND WELLBEING: IDENTIFIED STOP / REDUCE OPTIONS

It is recommended that the following options be taken:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
1	SCW_TC25	Stop funding community carers and room to care	68	
14	SCW_TC22	Stop Employability Services	60	
62	SCW_LT6+Lt7	Re-provision inhouse day care centres (Craigton Road and Kingswood)	310	
Total			438	

It is recommended that the following option be the subject of a further report:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
74	SCW_FMB5	Stop Directorate policy and strategic development	1,053	

It is recommended that no action be taken this day on the following options:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
	SCW_FMB23	Remove entitlement to free personal care	5,000	
	SCW_FMB6	Stop kinship care payments	787	With risk

Total	5,787	
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It is recommended that it be noted that the following options have not yet been commented upon:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
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	
Total			981	

Stop / Reduce Options Summary	
Recommended to be taken	438
Recommended for further reports	1,053
Recommended not taken at this point in time	5,787
	981
Total	8,259

EDUCATION, CULTURE AND SPORT: TRANSFORMATION OPTIONS

It is recommended that the following options be taken:

Ref	Option description	Value in Yr 5 (£k)
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
ECS1_C25	Potential shared services with other local authorities	450
Total		1,913

It is recommended that the following option be the subject of a further report:

Ref	Option description	Value in Yr 5 (£k)
ECS1-C1	Integrated Communities Service	1,106

It is recommended that no action be taken this day on the following options:

Ref	Option description	Value in Yr 5 (£k)
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-C6	Create Community Collections Centre and redeveloped Art Gallery	-50
ECS1-C7	Create Libraries & Information Heritage Centre	-50
Total		13,518

Transformation Options Summary		
Recommended to be taken		1,913
Recommended for further reports		1,106
Recommended not taken at this point in time		13,518
Total		16,537

EDUCATION, CULTURE AND SPORT: EFFICIENCY OPTIONS

It is recommended that the following options be taken:

Reference	Option description	Value in Yr 5 (£k)	Comment
ECS1-C10	Root and branch review of commissioned arts and sports services	1,800	
ECS_E19	Rationalise school administration	578	
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_E40	Maximising class sizes in upper stages of secondary school	1,457	
ECS_E41	Absorb the anticipated increase in demand for ASN services within current costs	9,000	
Total		13,877	

It is recommended that the following options be the subjects of further reports:

Reference	Option description	Value in Yr 5 (£k)	Comment
ECS_E37	Change the delivery model of music tuition	796	
ECS_E26	Increase teaching time to match pupil time in secondary schools	4,840	With Risk
ECS_E6	Increase teaching time to match pupil time in primary schools	2,480	With Risk

ECS_E39	Remove budgeted pay award to reflect any future national agreement	2,500	With Risk
Total		10,616	

It is recommended that no action be taken this day on the following options:

Reference	Option description	Value in Yr 5 (£k)	Comment
ECS_E8d	Increase class sizes in primary schools – P1 from 18 to 25	440	
ECS_E36	Remove devolved educational management savings targets for schools	-2,500	
ECS_E31a	Extend non-subject specific/generic teaching until end of S2	4,418	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 and S2 classes at 30	700	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	
Total		4,876	

Efficiency Options Summary		
Recommended to be taken		13,877
Recommended for further reports		10,616
Recommended not taken at this point in time		4,876
Total		29,369

EDUCATION, CULTURE AND SPORT: IDENTIFIED STOP / REDUCE OPTIONS

It is recommended that the following options be taken:

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
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
Total			4,950

It is recommended that the following options be the subjects of further reports:-

Priority ranking	Reference	Option description	Value in Yr 5 (£k)
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
35	ECS_E12	Withdraw music tuition	450
68	ECS1-C13	Cease communities teams services	5,676
Total			9,939

It is recommended that no action be taken this day on the following options:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)
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
Total			411

It is recommended that it be noted that the following options have not yet been commented upon:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)
64	ECS_E34	Stop Curriculum for Excellence training in Modern Foreign Languages	100
65	ECS1-C8	Close all 16 Community Libraries	994
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 and museum visitor venues (over 4 years)	735**
87	ECS1-C2a	Close all art galleries and museum visitor venues (1 year)	0**
Total			11,239

* Stop options also exist for these items totalling approximately £4million (ECS_E13 and ECS_E15).

** These options form part of ECS_C3 but are included in this list for visibility.

Stop / Reduce Options Summary	
Recommended to be taken	4,950
Recommended for further reports	9,939
Recommended not taken at this point in time	411

No recommendation at this time	11,239
Total	26,539

HOUSING AND ENVIRONMENT: TRANSFORMATION OPTIONS

It is recommended that the following options be taken:

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
Total		5,911

It is recommended that the following options be the subjects of further reports:

Ref	Option description	Value in Yr 5 (£k)
	Property Services LLP	8,940
	Lobby for removal of landfill tax	580
Total		9,520

Transformation Options Summary		
Recommended to be taken		5,911
Recommended for further reports		9,520
Recommended not taken at this point in time		0
Total		15,431

HOUSING AND ENVIRONMENT: EFFICIENCY OPTIONS

It is recommended that the following options be taken:

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_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	33

	work from the private sector.	
HE_ES_HT03	Cease non-statutory food surveillance sampling which will reduce income in Scientific Services Laboratory	25
Total		1,306

It is recommended that the following option be the subject of a further report:

Reference	Option description	Value in Yr 5 (£k)
HE_ES_WS10	Invest in 1 FTE to work with communities to divert waste from landfill by improving recycling	75

It is recommended that no action be taken this day on the following option:

Reference	Option description	Value in Yr 5 (£k)
HE-ES-PT5	Close all toilets except two and run a community toilet scheme	151

Efficiency Options Summary		
Recommended to be taken		1,306
Recommended for further reports		75
Recommended not taken at this point in time		151
Total		1,532

HOUSING AND ENVIRONMENT: STOP / REDUCE OPTIONS

It is recommended that the following options be taken:

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	
25	HE_HCS_CS05(vii)	Private sector / commercial mediation	25	
26	HE_HCS_CS05(viii)	Remove budget for community based reparation service	22	
34	HE_HCS_CS05(v)	Remove funding of Inspector working to address antisocial behaviour (in line with national agreements)	68	
44	HE_ES_GM01	Reduce grounds maintenance (specific service reduction options)	416	
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	
61	HE_HCS_S02(ii)	Stop Scheme of Assistance	117	
	HE_ES_BSAD1	Increase Bereavement Services charges (cremation and burial fees)	176	

		by 10%		
	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_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	
Total			1037	

It is recommended that the following options be the subjects of further reports:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
25	HE_HCS_CS05(xii)	Remove budgets for transport marshals	70	
43	HE_ES_ST1	Reduce street cleaning (specific service reduction options)	155	
73	HE_HCS_S02(i)	Reduce provision on housing support	100	
Total			325	

It is recommended that no action be taken this day on the following options:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
23	HE_HCS_CS05(xi)	Remove funding for deploying street urinals	8	
29	HE_HCS_HM02	Stop Instant Neighbour Contract	0	Saving would be made in HRA not General Fund
41	HE_ES_PT01	Close all toilets with no community toilet scheme	70	

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
56	HE_ES_PC01	Close all parks and gardens and cease maintenance	1,141	
	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_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_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			1,568	

Stop / Reduce Options Summary		
Recommended to be taken		1,037
Recommended for further reports		325
Recommended not taken at this point in time		1,568
Total		2,930

ENTERPRISE, PLANNING AND INFRASTRUCTURE: TRANSFORMATION OPTIONS

It is recommended that the following options be taken:

Ref	Option description	Value in Yr 5 (£k)
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 and 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
Total		5,175

It is recommended that the following option be the subject of a further report:

Ref	Option description	Value in Yr 5 (£k)
EPI_AMO17	New investment - additional capital funding for roads	7,735

It is recommended that no action be taken this day on the following option:

Ref	Option description	Value in Yr 5 (£k)
EPI_AMO11a	Dispose of selected property portfolio	0

Transformation Summary		
Recommended to be taken		5,175
Recommended for further reports		7,735
Recommended not taken at this point in time		0
Total		12,910

ENTERPRISE, PLANNING AND INFRASTRUCTURE: EFFICIENCY OPTIONS

It is recommended that the following options be taken:

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_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
Total		5,076	

It is recommended that the following option be the subject of a further report:

Reference	Option description	Value in Yr 5 (£k)	Comment
EPI_AMO11b	Tactically dispose of property assets to generate capital investment	-798	Capital Option

It is recommended that no action be taken this day on the following option:

Reference	Option description	Value in Yr 5 (£k)	Comment
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

Efficiency Options Summary		
Recommended to be taken		5,076
Recommended for further reports		(798)
Recommended not taken at this point in time		2,738
Total		7,016

ENTERPRISE, PLANNING AND INFRASTRUCTURE: STOP / REDUCE OPTIONS

It is recommended that the following options be taken:

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	
48	EPI_PSD02	Rationalise planning application management	44	
60	EPI_AMO13	Reduce traffic management and road safety operations	111	

Total	985	
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It is recommended that the following option be the subject of a further report:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
59	EPI_EBD02g	Reduce economic development team to minimum	1,409	

It is recommended that no action be taken this day on the following option:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
33	EPI_AMO15	Reduce school patrols	325	

Efficiency Options Summary		
Recommended to be taken		985
Recommended for further reports		1,409
Recommended not taken at this point in time		325
Total		2,713

CORPORATE GOVERNANCE: TRANSFORMATION OPTIONS

It is recommended that the following options be taken:

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 and 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	Realignment of procurement staff across the 5 authorities	0
CG_HR_04	Refocus and rationalise existing Health and Safety service	0
Total		2,853

It is recommended that all of the Corporate Governance Transformation be taken.

CORPORATE GOVERNANCE: EFFICIENCY OPTIONS

It is recommended that the following options be taken:

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 and 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 and 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	

It is recommended that all of the Corporate Governance Efficiency Options be taken.

CORPORATE GOVERNANCE: EFFICIENCY OPTIONS: ADDITIONAL OPTIONS YEARS 1 & 2

It is recommended that the following options be taken:

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 inhouse delivery of legal services	30	
CG_F-13	Revenue and Benefits establishment review	125	
CG_F_01	Services Accounting – process improvement	140	
Total		638	

It is recommended that all of the Corporate Governance Efficiency Options, where the benefit delivery is expected in year two, be taken.

CORPORATE GOVERNANCE: IDENTIFIED STOP / REDUCE OPTIONS

It is recommended that the following options be taken:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
3	CG_CPU_6	Rationalise central store function	43	
6	CG_LDS_20	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	
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 and Research resource to work demand	142	
Total			1,540	

It is recommended that no action be taken this day on the following options:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
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	
37	CG_CS_FS01	Cease Fairer Scotland Fund	1,375	
Total			1,933	

It is recommended that it be noted that the following options have not yet been commented upon:

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
79	CG_CS_FOS07	Customer Service - stop face to face provision	783	
80	CG_CS_FOS08	Customer Service - stop developments	427	
Total			1,210	

Stop / Reduce Options Summary		
Recommended to be taken		1,540
Recommended for further reports		0
Recommended not taken at this point in time		1,933
No recommendation		1,210
Total		4,683

CORPORATE GOVERNANCE: COUNCIL WIDE OPTIONS

It is recommended that the following options be taken:

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_SO2	Reduce funding to Grampian Fire and Rescue	2,132
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_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
Total		7,788

It is recommended that the following options be the subjects of further reports:

Ref	Option description	Value in Yr 5 (£k)
ACC_SO18	Reduce management teams	1,075
ACC_SO1	Reduce funding to Grampian Police (in line with national agreements)	3,555
ACC_SO6	Reduce miscellaneous grants	605
ACC_SO08	Corporate Bond issue	-400
ACC_SO_23	Remove discretionary enhancements to pensioners	3,000
Total		7,835

It is recommended that no action be taken this day on the following option:

Ref	Option description	Value in Yr 5 (£k)
ACC_SO_24	Charge levy on car parking for private businesses	0

Council Wide Options Summary		
Recommended to be taken		7,788
Recommended for further reports		7,835
Recommended not taken at this point in time		0
No recommendation		0
Total		15,623

Councillor Crockett, seconded by Councillor Graham, moved as an amendment:
as the Scottish Government has not yet given local authorities their settlement for 2011/12, that Council consider the document on 15 December, 2010, to allow members time to look at the options being recommended.

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

The Committee resolved:-
to adopt the successful motion.

NON HOUSING CAPITAL PROGRAMME 2010/11 MONITORING REPORT AND PROGRESS ON FUTURE YEARS

15. With reference to article 19 of the minute of its previous meeting of 28 September, 2010, the Committee had before it a report by the Head of Finance which provided an update on the progress across all Services on projects within the

2010/11 Non Housing Capital Programme, as at 31 October, 2010; and detailed progress to date on reviewing and developing the programme for 2011/12 and beyond.

Appendix 1 to the report outlined the Non Housing Capital Programme projects which related to this Committee, and provided for each (1) the total approved budget; (2) adjustments and carry forward from 2009/10; (3) the total budget for 2009/10; (4) the minimum amount of spend required for 2010/11 (as determined by the Service); (5) actual spend as at October, 2010; and (6) the estimated budget.

Appendix 2 to the report detailed projects funded from the capital fund, and provided for each (1) the budget; (2) the total spend to date; (3) the underspend or overspend associated with the project; (4) the funding required for the project; and (5) comments from officers where appropriate.

The Committee resolved:-

- (i) to note the current position on the Non Housing Capital Programme for 2010/11 and future years; and
- (ii) to instruct the Head of Finance and the Head of Asset Management and Operations to continue to update the Committee, in consultation with the Directors, on the overall position and projected outturn of the Non Housing Capital Programme.

GENERAL FUND REVENUE BUDGET 2010/11 – MONITORING REPORT (CG/10/200)

16. With reference to article 14 of the minute of its previous meeting of 28 September, 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 £3.8 million in relation to the current outturn position varying from budget. Further to the decision taken at the meeting of Council of 2 November, 2010 (article 2 refers), the report explained that the additional costs associated with the payment of the increment from 1 April, 2010, were to be met this financial year. The 0.65% national pay award was also included within the projections, which was estimated to be a cost of £1 million across the Council.

The Social Care and Wellbeing Service were still reporting an underspend (of £2.3 million), due mostly to an under commitment of demand led budgets, which was offset in part by a reduction in grant income. It was noted that the demand and needs led nature of the Service posed a constant risk for cost pressures to arise.

Due to the previously reported problems regarding the homelessness situation and the impact on the Corporate Governance budget (due to the difference in housing benefit against subsidy received), it was felt that this strain should be shown against the Housing and Environment budget. There was also a pressure on the generation of £0.7 million of income from the repairs fund and Housing Revenue

Account, which is based on the experience of last year's budget, whereby there were reduced recoveries.

The Education, Culture and Sport Service reported that there was now a shortfall in the value of budget that was available to pay for the school catering service, and at present it was forecast to be a £1.5 million cost, mainly due to the full implementation of equal pay and modernisation. A corporate approach was being taken to mitigate this position. The Service was also experiencing problems due to teachers' long term absence and the costs arising from the out of authority placement of children.

The report concluded that an estimate for an additional sum had been included to cover further capital financing costs in the current year, based on the fact that the funding available for capital expenditure is less than the full capital programme, and there were continuing risks that the necessary slippage could not be achieved.

In response to questions from members, the Head of Asset Management and Operations advised that the Council was currently spending approximately £30,000 per day on salt and a further £10,000 per day on staff costs, throughout this extended period of adverse weather.

The Committee resolved:-

- (i) to note that should the projected outturn be reflected by the accounts at the end of the year, there would be a reduction in the General Fund balance of £0.2 million;
- (ii) to recognise that the budget had been set with the intention of increasing the General Fund balance by £3.6 million, and therefore that this would represent a movement against budget of £3.8 million;
- (iii) to note that 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 had previously set, which is defined as between 2.5% and 3% of the net revenue budget; and
- (iv) to thank all members of staff involved in the extensive snow clearing that had taken place over the past two weeks.

2010/11 COMMON GOOD BUDGET – MONITORING REPORT UPDATE (GC/10/193)

17. With reference to article 16 of the minute of its previous meeting of 28 September, 2010, the Committee had before it a report by the Head of Finance which presented information on the income and expenditure of the Common Good budget for six months to 30 September, 2010, and the estimated outturn for the year.

By way of background the report advised that the approved budget for the Common Good for 2010/11 was £450,000; and the estimated outturn for the year to 31 March, 2011 was £430,000, which was a favourable movement of £20,000 when compared to the budget. A financial statement in this regard was appended to the report.

The report concluded that this gave projected cash balances of £5.3 million as at 31 March, 2010, and explained that the Council had previously adopted 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, 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 30 September, 2010 and the estimated outturn for the year; and
- (ii) to note the estimated cash balances as at 31 March, 2011 of £5.3 million, based on current forecasts.

ABERDEEN CITY COUNCIL CHARITABLE TRUSTS (CG/10/192)

18. With reference to article 16 of the minute of its meeting of 10 December, 2010, the Committee had before it a report by the Head of Finance which presented financial information and the trustees' annual report relating to the charitable trusts administered by the Council, both of which had to be submitted to the Office of Scottish Charity Register.

The report reminded members that steps were being taken to amalgamate all the trusts with assets below £20,000, and explained that limited progress had been made on this due to other corporate priorities taking precedence.

Appendix A to the report comprised the trustees' report and basic receipt and payments accounts in respect of those trusts with income under £100,000 per annum; and appendix B to the report contained the trustees' report and fully accrued accounts in respect of the Lands of Torry.

The Committee resolved:-

- (i) to approve the submission of the trustees' report and basic receipt and payments accounts in respect of those trusts with income under £100,000 per annum (as per appendix A), to the Office of Scottish Charity Register;
- (ii) to approve the submission of the trustees' report and fully accrued accounts in respect of the Lands of Torry (as per appendix B), to the Office of Scottish Charity Register; and
- (iii) to note the position in relation to the reorganisation of the trusts.

TREASURY MANAGEMENT – MID YEAR REVIEW (CG/10/198)

19. With reference to article 17 of the minute of its meeting of 17 June, 2010, the Committee had before it a report by the Head of Finance which provided an update on Treasury Management activities undertaken so far this year, and advised of the challenges going forward. In particular the report advised on (1) long term borrowing (including information on changes made to the Public Works Loans Board); (2) short term borrowing; and (3) investments.

Appended to the report was the revised counterparty list.

The Committee resolved:-

- (i) to note the Treasury Management activities undertaken in 2010/11;
- (ii) to refer this report to the meeting of Council of 15 December, 2010, for its consideration; and
- (iii) to recommend to Council that it approves the revised counterparty list (as appended to the report).

DECLARATION OF INTEREST

During discussion of the following item of business, Councillor John West declared an interest by virtue of his position as a Director of Sport Aberdeen, but did not feel it was necessary to withdraw from the meeting.

ACCORD CARD UPDATE (CG/10/182)

20. With reference to article 15 of the minute of its meeting of 17 June, 2010 the Committee had before it a report by the Director of Corporate Governance which provided an update on progress being made in relation to the roll out of the Accord scheme.

The report provided an update on (1) smart card migration; (2) the launch of sQuid; (3) using the internet for making payments via the sQuid; (4) free schools meals revalidation; (5) operational performance; (6) ACE club membership and golf passes; (7) access control for Council staff, using the Accord Card; (8) sQuid as a payment method at the Town House restaurant; (9) the possibility of pre ordering lunch at the Town House restaurant; and (10) time and attendance recording utilising a smart card staff ID badge at Crown House and the AECC.

The Committee resolved:-

- (i) to note the progress and developments being made in the advancement of the Accord scheme;
- (ii) to approve the change of one site for sQuid payment, from a Sport Aberdeen site, to the Town House restaurant, subject to the outcome of the Five Year Business Plan of Council;
- (iii) to approve the trial of an online preordering facility for the Town House restaurant utilising a sQuid purse on the Accord Card and/or smart staff ID badge, subject to the outcome of the Five Year Business Plan of Council; and
- (iv) to instruct officers to report back on a rapid roll out of the Accord Card to all citizens of Aberdeen city, with the fees and charges for the facilities of this Council to be discounted for Accord Card holders; and further, to investigate the possibility of including any partner organisations in this rapid roll out.

EAST GRAMPIAN COAST PARTNERSHIP – FUNDING (EPI/10/272)

21. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which requested that members endorse the promotion of external

funding for supporting the delivery of the South Aberdeen Coastal Regeneration Project.

The report presented detailed information on the East Grampian Coast Partnership, specifically around its budget and priorities. The report explained that although the Council had assisted with funding in the past, but it was no longer in a position to provide funding.

The Committee resolved:-

to endorse the promotion of external funding from Aberdeen Greenspace, in order to support the delivery of the South Aberdeen Coastal Regeneration Project.

YOUTH ACTIVITIES SMALL GRANTS FUND 2010/11 – APPLICATIONS FOR ROUND THREE FUNDING

22. With reference to article 22 of the minute of meeting of its previous meeting of 28 September, 2010 the Committee had before it a report by the Director of Education, Culture and Sport which advised of the recommendations of the Youth Activities Grant Funding Group for the third round of funding for the financial year 2010/11, which had a closing date of 28 September, 2010.

The report advised that thirteen new applications had been received this round; ten recommendations for funding had been made by the Youth Activities Grant Funding Group; that the total sum recommended for approval was £11,658.68, and that if the recommendations outlined were approved there would be an uncommitted budget of £1,586.72 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
Friends for Life 11-14 Years Club	To provide swimming for the Friends for Life club for young people who have additional support needs.	to award £1,200.51
Tillydrone Vision	To contribute towards the cost of a trip for the group to Kamuli in Uganda with 6 young people.	to award up to £1,500
Cordyce Racing Group	To fund the cost of building a racing car to race in the Greenpower Challenge race against other Scottish Schools.	to award £1,500
Bucksburn Academy African	To set up an African	to award

Group Name	Summary of Application	Decision
Drummers	drumming ensemble for use in Bucksburn and ASG schools.	£1,332.17
Bucksburn Academy Young Engineers Club	To contribute towards the cost of constructing a Greenpower car and modifying existing Greenpower equipment, and to attend racing events in Scotland and England.	to award £1,500
Rock Challenge – St Machar Academy	To fund the cost of taking part in next year's Rock Challenge.	to award £1,000
Tilly Youth Project	To recover old pool tables and to purchase cues, balls, rests etc.	to award £500
Rock Climbing Club – St Machar Academy	To purchase equipment and book further sessions at Transition Extreme.	to award £1,435
S4 SVS Class – Torry Academy	To contribute towards the cost of accommodation, food etc for a mid week trip of snowing and skiing.	to award £1,500
Barnardo's	To purchase fabric pens, tshirts and tutor fees to take part in an 8 mile sponsored walk.	to award £191

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

REVIEW OF CASH HANDLING ARRANGEMENTS (CG/10/184)

23. Reference was made to article 33 of the minute of meeting of this Committee of 17 June, 2010, whereby it was agreed to cease cash handling facilities at the Bucksburn and Peterculter Area Offices from 1 April, 2011. The Committee now had before it, a progress report by the Director of Corporate Governance.

The report (1) outlined the concerns of staff surrounding the proposal to cease cash handling at the Podium; (2) advised that other Councils (namely Fife Council and Moray Council) had closed their cash offices in 2008; (3) suggested that there were no alternative premises in the city centre that could be used for cash handling purposes, in terms of timescale and costs; and (4) highlighted that a survey had been issued to both private and Council households which questioned if customers would consider paying by other methods if cash offices were to close, with 85% of respondents confirming that they would continue to pay by cash if this were possible.

The report also alluded to the fact that a petition had been received in relation to Peterculter Area Office. At this point, the Convener reminded members that a decision to cease the cash handling facilities at this office had already been taken.

The report recommended:-

that the Committee –

- (a) agrees that the cash facilities at Tillydrone office will cease; and
- (b) agrees that there will be no replacement city centre cash office for the Podium.

The Convener, seconded by the Vice Convener, moved:
that the report's recommendations be approved.

Councillor Graham, seconded by Councillor Crockett, moved as an amendment:
that the Committee approves recommendation (a); and that officers be instructed to prepare a further report detailing the money taken at the Podium and including an Equality and Human Rights Impact Assessment on the proposal to close the Podium, in order to ensure that those most in need of a city centre cash point are not deprived of this.

On a division, there voted, for the motion (10) – the Convener; the Vice Convener; and Councillors Clark, Cormack, Dean, Dunbar, Leslie, May, McCaig and John West; for the amendment (5) – Councillors Cooney, Crockett, Farquharson, Graham and Young.

The Committee resolved:-

- (i) to adopt the successful motion; and
- (ii) to instruct officers to provide Councillor Graham with details of the money taken at the Podium.

ABERDEEN GREENSPACE TRUST BUSINESS PLAN (EPI/10/265)

24. Reference was made to article 39 of the minute of meeting of this Committee of 11 March, 2010 whereby Aberdeen Greenspace Trust's application for third party contributions under the Landfill Communities Funding was rejected as it did not provide an expenditure plan for all unused funds. The Committee had before it on this day a report by the Director of Enterprise, Planning and Infrastructure which presented Aberdeen Greenspace Trust's five year business plan (2010/11 – 2014/15), which showed a reserve of £640,535 in March, 2012.

The report advised that the five year business plan highlighted that the Trust aimed 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 intended 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 report continued to explain that the Trust had set a target of raising a minimum of £100,000 per year external funding, for specific projects. These projects were identified in the business plan. The recruitment of a Project Development Officer

would be investigated as a volunteer, secondment or through a short term contract. This would 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, and 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 at this meeting to spend £145,000 on projects annually over and above the routine costs of the organisation, which would reduce the reserve over the next 10 years.

The Committee resolved:-

- (i) to note the content of the five year business plan of Aberdeen Greenspace Trust; and
- (ii) to approve the allocation of third party contribution of Landfill Communities Funding to Aberdeen Greenspace Trust.

CORPORATE ASSET MANAGEMENT SYSTEM – PROGRESS REPORT (EPI/10/275)

25. With reference to article 43 of the minute of its previous meeting of 28 September, 2010, the Committee had before it the latest in a series of reports by the Director of Enterprise, Planning and Infrastructure which provided an update on progress with the implementation of the Corporate Asset Management System (CAMS). The report advised on progress to date on (1) the non housing property module; (2) the Confirm / efinancials link; (3) the grounds module implementation; (4) invoices; and (5) the Confirm upgrade.

The Committee resolved:-

- (i) to note the progress made to date in replacing the existing stand alone systems with the Corporate Asset Management System;
- (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 at the next meeting of 1 February, 2011.

ABERDEEN LOCAL DEVELOPMENT PLAN – PROPOSED PLAN (LANDOWNERS OUTCOMES) (EPI/10/280)

26. With reference to article 28 of the minute of meeting of the former Resources Management Committee of 10 March, 2009, and article 10 of the minute of meeting of Council of 18 August, 2010, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which provided an asset management perspective on the recently published 'Aberdeen Local Development Plan: Proposed Plan: September 2010'.

At its meeting of 10 March, 2010, the Committee had instructed the then Head of Resources Development and Delivery to make representations to have sites included in the Aberdeen Local Development Plan. The report advised as to the outcome of each property in this regard.

Appended to the report was further information in relation to all other Council owned sites and commentary on the current status and plans for each site.

The report recommended:-

that the Committee –

- (a) note the status of the proposed Local Development Plan in relation to Council owned land;
- (b) to authorise the Head of Asset Management and Operations, in consultation with the Convener and Vice Convener of this Committee, to make appropriate further representations in relation to land in which the Council has an interest; and
- (c) to note that a further report will be presented at the next meeting to identify future actions required to further promote and advance Council sites, including initial budget requirements.

Clarity was sought in relation to recommendation (b), and the Head of Asset Management and Operations advised that this would only happen if officers did not have an opportunity to report back to Committee due to the timescales involved.

Further to a question from members, the clerk to the Committee confirmed that by approving recommendation (a), this was in no way supporting, or suggesting support for, the Local Plan.

The Committee resolved:-

to approve the recommendations as contained within the report.

TENDER FOR THE PROVISION OF FORESTRY CONSULTANCY SERVICES (H&E/10/171)

27. The Committee had before it a report by the Director of Housing and Environment which requested that authority be granted to officers to invite tenders for the provision of forestry consultancy services.

By way of background, the report advised that the Council owned approximately 400 hectares of woodland across the city; provided details of the projects currently being progressed; and detailed the skills and expertise that would be required of any consultant.

The report author estimated that the consultant would be required for eight calendar days per month, at around £350 per day, and would generate around £750,000 (for example, through grant income and timber sales). It was made clear in the report that the tender documentation would state that any consultancy fees and expenses would have to be absorbed by external and grant funding, ensuring that all woodland related projects and activities would be delivered at no cost to the Council.

The report recommended:-

that the Committee –

- (a) instructs officers to invite tenders for the provision of forestry consultancy services for the period 2010 – 2013; and
- (b) instructs officers to report back to Committee in April, 2011 on progress made.

The Head of Legal and Democratic Services at this point suggested that it would be more appropriate for the tender documentation to state the period 2011 – 2014.

The Committee resolved:-

- (i) to instruct officers to invite tenders for the provision of forestry consultancy services for the period 2011 – 2014; and
- (ii) to instruct officers to report back at the meeting of this Committee of 21 April, 2011 on progress made.

SECURITY MEASURES AT THE FORMER SITE OF THE INTERNATIONAL SCHOOL, ABERDEEN

28. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised of the security measures that had been put in place at the site of the old International School of Aberdeen at Fairgirth, Milltimber, Aberdeen.

The report provided detail as to how the situation had come to pass, with the International School being situated on the preferred Aberdeen Western Peripheral Route; and explained that the school had now transferred its facilities to a new site, with the Fairgirth site now in the ownership and control of Transport Scotland. The report continued to explain that since there had been three legal challenges served on Scottish Ministers, the building could not be demolished until the challenges had been resolved, which resulted in the building having to be made secure for a much longer period of time than first envisaged.

The report advised that the security of the site had been carried out under a temporary arrangement, whereby the International School's contractors were carrying out their contracted security and fire alarm monitoring duties, but that it had been agreed that this agreement would end on 30 November, 2010. The contractors would at this date be replaced by contractors working directly for the Council.

As arrangements had to be put in place to continue the existing security and fire alarm monitoring arrangements, the Chief Executive, the Head of Legal and Democratic Services and the Head of Finance had agreed to the implementation of Standing Order 1(6)(b) (Contract and Procurement) to allow for an exemption from the provisions of these Standing Orders in relation to the issuing and acceptance of quotes for work. A contractor had subsequently been appointed to maintain the existing intruder and fire alarm systems at an estimated cost of £10,000. A further contract had been let to provide security services at the site including carrying out twice daily inspections on campus, and some key holder duties, the cost of which was estimated at £16,000.

The Committee resolved:-

to note the fire alarm monitoring and site security measures that had been put in place at the Fairgirth site.

EXTENSION OF THE COMBINED HEAT AND POWER DISTRICT HEATING NETWORK (EPI/10/294)

29. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised members that officers had received a verbal offer of a grant of £1 million from the Scottish Government, for the extension of the Combined Heat and Power (CHP) district heating network in the city.

The report provided a background of the scheme, and further outlined the Scottish Government's commitment to CHP district schemes.

The report detailed the verbal offer made by the Scottish Government, as follows:

- The funding would be transferred in full in the current financial year.
- It could not be used to displace any of the funding already committed for the extension to the eight multi storey blocks at Seaton, ie, the Council would have to demonstrate additionality.
- The Council would have to achieve expenditure, on the already committed extension to the eight multi storey blocks in Seaton, of at least £1million by 31 March 2011.
- 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 recognises the time required to determine the most cost effective route(s), carry out design, secure planning permissions, wayleaves, formal agreement with Aberdeen Heat and Power etc, and this expenditure would be in addition to what the Council has already committed in 2011/12.

Appended to the report were (1) extracts from the Energy Efficiency Action Plan for Scotland relating to district heating; (2) location plans as submitted to the Scottish Government; and (3) costings and carbon savings as submitted to the Scottish Government.

The Committee resolved:-

- (i) to authorise the 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;
- (ii) to instruct officers 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;
- (iii) to agree in principle to enter into an Installation Agreement with Aberdeen Heat and Power covering the capital costs of them installing the district heating extension;
- (iv) to agree in principle to provide a licence and wayleaves to Aberdeen Heat and Power for the use of Council owned land through which the mains distribution pipes will run; and

- (v) to thanks Janice Lyon (Energy Manager) for all of her efforts in securing this agreement.

DECLARATIONS OF INTEREST

The Convener, Councillor Dunbar and Councillor Farquharson declared an interest in the subject matter of the following article by virtue of their positions as Grampian Police Board Members. Councillors McCaig and John West also declared interests due to their positions on the same Board as substitute members. None of the Councillors felt it was necessary to withdraw from the meeting during discussion of this item.

JOINT CUSTOMER CONTACT CENTRE BUSINESS CASES – UPDATE (CG/10/186)

30. With reference to article 24 of the minute of its meeting of 10 December, 2009, the Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which provided an update on the development of a combined business case for a joint contact centre at Frederick Street, between the Council and Grampian Police.

The report detailed the background of the project, and advised that the business case scope would consider the integration of a joint contact centre, including (1) interlinked telephony; (2) maintaining and expanding customer service provision for Council Services; (3) Grampian Police non emergency contacts; (4) combined alarms monitoring services; (5) increased resilience for combined Grampian Emergency Planning to prepare for, respond to, and recover from emergencies; and (6) services currently provided on behalf of other organisations.

The report advised that consideration was being to the service delivery options available for a joint contact centre, and outlined the options as follows:

- Maintain the status quo with the 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;
- The Council and Grampian Police co-locate their customer contact centres within the same premises at Frederick Street, but continue to operate separately; or
- The Council and Grampian Police combine operations at Frederick Street to provide a joint contact centre that optimises resources and delivers an enhanced customer service.

The Committee resolved:-

to note the progress on the development of a business case in conjunction with Grampian Police for a joint contact centre at Frederick Street between the Council and Grampian Police.

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

DECLARATION OF INTEREST

Councillor Leslie declared an interest in the subject matter of the following article due to the fact that he was a member of a bowling club in Aberdeen. He did not feel it was necessary to withdraw from the meeting.

BON ACCORD INDOOR BOWLING CENTRE (EPI/10/288)

31. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which described the present sub lease of the Bon Accord Indoor Bowling Centre by the Bon Accord 2000 Indoor Bowling Club and advised that the Bowling Club had requested that the Council grant them a new lease, on revised terms and conditions, as outlined within the report.

Having already agreed to hear a deputation on this matter at an earlier point in the meeting (article 2 of this minute refers), the Committee heard from Mr Cameron Millar, Treasurer of the Bowling Club, who outlined a number of concerns he had in relation to the content of the report, and disputed a number of points in this regard. Mr Millar further queried a number of figures mentioned throughout the report, and claimed that he had no knowledge of how the report author had determined these figures; he challenged the way in which officers had presented information relating to outstanding debt and intimated that the Bowling Club had experienced problems in obtaining invoices from the Council over a long period of time.

Members asked a number of questions of Mr Millar and of relevant officers.

The report recommended:-

that the Committee -

- (a) refuse the request of the Bon Accord 2000 Indoor Bowling Club to be granted a new five year sub lease from 1 May, 2011;
- (b) recover possession of the property on 30 April, 2011 and take appropriate action to recover any monies due to the Council, in terms of the present sub lease provisions;
- (c) authorise the Head of Asset Management and Operations to investigate appropriate alternative uses for the property and report to an appropriate meeting of this Committee before the summer recess in 2011; and
- (d) authorise the Head of Communities, Culture and Sport to offer the assistance of her staff to facilitate dialogue between the Bon Accord Indoor Bowling Club and the Aberdeen Indoor Bowling Centre at Summerhill on a more sustainable future for indoor bowling in Aberdeen.

The Committee resolved:-

- (i) to refer the report to the meeting of Council of 15 December, 2010; and
- (ii) to instruct officers to provide further information and clarity on the points raised during the discussion, particularly on the cost of each option for the Council.

DECLARATIONS OF INTEREST

Councillor Crockett declared an interest in the following item of business as a member of the Board of Aberdeen Exhibition and Conference Centre and Councillor Dean declared an interest by virtue of being a former member of the same Board who had recently demitted office; both members left the meeting prior to the Committee considering the report.

FUTURE FUNDING AND DEVELOPMENT OF ABERDEEN EXHIBITION AND CONFERENCE CENTRE – EPI/10/264

32. With reference to article 25 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 9 November, 2010, the Committee had before it recommendations from that Committee to support proposals in a report by the Director of Enterprise, Planning and Infrastructure which summarised progress on the future funding and development of the Aberdeen Exhibition and Conference Centre Ltd (AECC). The Enterprise, Planning and Infrastructure Committee had been invited to make recommendations to today's meeting on proposals for future activities which were designed to place AECC on a more sustainable financial footing.

The report reminded members of the previous decisions taken by the Council on 18 August, 2010 (article 17 of the minute of meeting refers). Officers now sought to address outstanding issues by separating the operations of AECC from the management of the land and property assets within and around the AECC site, in order to focus the company's attention on the need to manage, run and maintain an efficient and sustainable exhibition and conference venue; transferring all property and land assets currently owned or leased by AECC Ltd to the Council, so that the Council assumed full responsibility for the future development of these assets; and suggesting a possible way forward for developing the land and property assets, through the creation of a joint venture development company charged with developing the assets according to an agreed plan, possibly using funding raised through the creation of a Local Asset Backed Vehicle (LABV).

The report advised that, were this Committee to approve the recommendations contained within the report, it was anticipated that a clearer focus on the operation, management and maintenance of an exhibition and conference centre, without the distractions caused by the need to develop property and land assets, would enable AECC Ltd to have an even greater focus on generating profits from events, conferences and ancillary services.

The report also suggested how these assets might be better developed, and the Council's debt reduced in the process, by creating a joint venture development company with private sector developers/investors and by potentially attracting private funds into a Local Asset Backed Vehicle. The exact nature of any proposed joint venture development company or LABV would need to be further investigated and appropriate reports submitted to Committee before any decisions were taken as to whether this provided the best means for developing the property and assets within and around the AECC.

The current operating situation of the AECC was described in appendix 1 to the report.

The report recommended:-

that the Enterprise, Planning and Infrastructure Committee –

- (a) note the recent decision of the Finance and Resources Committee (article 40 of the minute of meeting of 28 September, 2010, refers) to invest £1.068 million, as part of the Council's capital programme (£368k from this year's budget and £700K from next year's budget), in new hard standing to accommodate the erection of temporary expansion facilities for future Offshore Europe exhibitions (subject to planning approval being received) and to instruct officers to report back on progress until completed;
- (b) note the current AECC trading situation which was summarised in appendix 1 to the report;
- (c) comment on the proposals outlined below and to refer to this Committee for consideration the proposals that the Council negotiate, with AECC Ltd:
 - (a) the reversion of all existing leases relating to land currently leased to AECC, and the transfer of ownership of all AECC owned buildings and assets, from AECC to the Council;
 - (b) an agreed "buyout" fee (based on the market value of the leases), which would immediately be used to repay an equal amount of AECC's current outstanding debt to the Council;
 - (c) a contract, of sufficient value to enable AECC Ltd to manage, operate and develop the business of the AECC, subject to suitable performance targets being met; and
 - (d) a full repair and maintenance lease over the buildings and assets currently owned by AECC to run concurrently with the management and operating contract above;
- (d) instruct officers to prepare and submit a report to both the Enterprise, Planning and Infrastructure Committee and this Committee outlining the options and terms for reverting all existing leases relating to land currently leased to AECC, and transferring ownership of all currently owned buildings and assets, from AECC Ltd to the Council;
- (e) instruct officers to undertake a procurement exercise, using the appropriate process, to identify suitable development and investment partners interested in establishing a joint venture development company to assume responsibility for the future development of all Council owned land and buildings in and around AECC, to be undertaken on the basis of a pre-agreed 20-30 year development plan, which included the construction of a four star hotel, and which took full account of the future business development needs of AECC, with consideration to be given to the creation of a Local Asset Backed Vehicle (LABV) to help fund this development;
- (f) instruct officers to negotiate the possible inclusion of AECC buildings, the proposed new hotel and all other Council owned land in and around AECC, in any potential LABV;
- (g) instruct officers to prepare and submit a report to both the Enterprise, Planning and Infrastructure Committee and this Committee outlining the proposed:
 - (a) terms for creating the proposed joint venture development company;
 - (b) terms for creating a LABV;
 - (c) assets to be included in the LABV and the terms relating to their inclusion;

- (d) long term development plan for Council owned land and buildings in and around AECC; and
- (e) relationship, if any, between the joint venture development company and the City Development Company; and
- (h) instruct officers to ensure that the proposed management services contract for AECC Ltd was of sufficient value to replace the current AECC annual revenue grant.

The Convener moved, seconded by the Vice Convener:

that the recommendations of the Enterprise, Planning and Infrastructure Committee to support the proposals be approved and that the report be otherwise noted.

Councillor Young, seconded by Councillor Graham, moved as an amendment: that recommendations (a), (b), (c)(a) and (c)(b) be approved.

On a division, there voted:- for the motion (9) – the Convener; Vice Convener; and Councillors Clark, Cormack, Dunbar, May, Leslie, McCaig, and John West; for the amendment (5) – Councillors Cooney, Farquharson, Graham, Hunter and Young; absent from the division (2) – Councillors Crockett and Dean.

The Committee resolved:-

to adopt the successful motion.

In terms of Standing Order 36(3), Councillor Young intimated that he wished the matter referred to in the preceding article to be referred to Council, and was supported by Councillors Cooney, Farquharson, Graham and Hunter.

TRADING SERVICES MONITORING 2010/11 (CG/10/201)

33. With reference to article 37 of the minute of its previous meeting, the Committee had before it a report by the Head of Finance which advised on the current positions and updated forecast outturns for the financial year 2010/11, for the Council's trading activities.

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 £7.5 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.

DECLARATIONS OF INTEREST

Councillors Clark and Dean declared an interest in the subject matter of the following article by virtue of their positions as Trustees of Aberdeen International Football Festival Trust, and withdrew from the meeting prior to consideration of the report.

ABERDEEN INTERNATIONAL FOOTBALL FESTIVAL (CG/10/194)

34. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised as to the current position of the finances of Aberdeen International Football Festival.

The Committee resolved:-

- (i) to agree to pay the Council's share of the deficit identified in the report from the Corporate Governance underspend;
- (ii) to further agree that the Council does not provide funding to Aberdeen International Football Festival for one year, in order to give the Trustees time to take a view as on the future direction of the Festival; and
- (iii) to instruct officers to report back after the Trustees have met to discuss the way forward.

LONDON 2012

35. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure.

At this juncture the Convener reminded members as to why it was imperative that no details of this report be made public at this point.

It had been intimated to officers that a particular document required to be signed before the year's end. The Head of Legal and Democratic Services advised that by signing this agreement, the Council would be legally committing to financial expenditure.

Members were of the view that the final costs of the matters discussed in the report would require to be approved at Committee, and the Convener reminded officers that an Urgent Business Committee could be called if necessary.

The Committee resolved:-

- (i) to approve recommendations 1 and 3 as contained within the report;
- (ii) to not approve recommendation 2 as contained within the report; and
- (iii) to confirm that any costs require to be agreed by a committee of Council.

TOWNSCAPE HERITAGE INITIATIVE

36. Reference was made to article 42 of the minute of the previous meeting of the Committee of 28 September, 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 instruct the Head of Planning and Sustainable Development to seek to recover any additional costs that were incurred by the Council as a result of the works being undertaken at Carmelite Lane.

The Committee now heard the Head of Planning and Sustainable Development who advised as regards progress since the aforementioned meeting. Dr Bochel indicated that the work in Carmelite Lane should be completed at an early date, and continued that there was a burst sewer that the Council had offered to repair, but Scottish Water had advised that they wished to undertake this work themselves. On the subject of compensation, Dr Bochel highlighted that there was no mechanism in place for the Council to claim this.

The Committee resolved:-

- (i) to request that the outcome of the 'lessons learned' meeting be shared with the local members, the Convener and Vice Convener of this Committee, and the Leader of the Council; and
- (ii) to note that this would be the last verbal update provided on this matter.

LAND AT PITMEDDEN ROAD, DYCE (EPI/10/252)

37. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised that an approach had been made to the Council from Trustees of Dyce Sports and Leisure Development Trust in relation to 16 acres of Council owned land at Pitmedden Road, Dyce, which they currently lease.

The Committee resolved:-

- (i) to defer consideration of this report until the next meeting of this Committee of 1 February, 2011; and
- (ii) to instruct officers to organise a meeting between Dyce Sports and Leisure Development Trust, officers and local members prior to the next meeting of this Committee.

17 AFFLECK STREET, FERRYHILL – PROPOSED SALE (EPI/10/277)

38. Reference was made to article 34 of the minute of meeting of this Committee of 12 November, 2009, at which time officers were instructed to conclude the missives for the sale of the property 17 Affleck Street, Ferryhill. The Committee had before it on this day, a report by the Director of Enterprise, Planning and Infrastructure which advised that this had not been possible, and that the property had subsequently been remarketed, with a closing date of 9 November, 2010.

Appended to the report were details of the offers received.

The Committee resolved:-

- (i) to instruct officers to accept the highest offer, submitted by Andersonbain, on behalf of Mr Steven Harry; and
- (ii) to instruct the Head of Legal and Democratic Services to conclude missives for the sale of the property 17 Affleck Street, incorporating various qualifications as are necessary to protect the Council's interests.

REVIEW OF SHOPS (EPI/10/284)

39. Reference was made to article 25 of the minute of the previous meeting of this Committee of 28 September, 2010, whereby, amongst other things, members instructed the Head of Asset Management and Operations to report to the next meeting on the potential disposal of Shops and Ground Lease (Shops). The Committee had before it on this day, a report by the Director of Enterprise, Planning and Infrastructure in accordance with the previous instruction.

By way of background, the report advised that the Council owned 131 shops that were, or had been, leased to third parties. The report suggested that the shops be split into three groupings as follows: (1) properties not suitable for sale; (2) properties considered suitable for retention, in order for further investigations to be undertaken; and (3) properties considered suitable for sale. The report further detailed a list of properties with repair issues, which required to be rectified in order to mitigate the possibility of exposing the Council to a potential repairs dispute with a new owner.

The Committee resolved:-

- (i) that the shops and shop ground leases contained within appendix A be retained in the ownership of the Council;
- (ii) that the shops and shop ground leases contained within appendix B be held for further investigation, with a report on the proposed future of these property leases to be submitted for the consideration of this Committee in due course; and
- (iii) that the shops and shop ground leases contained within appendix C be advertised for sale, in a phased programme over the next few years, the timing of which has to be determined by the Head of Asset Management and Operations, to reflect property market conditions and to avoid over supply.

STAFF HOUSES (EPI/10/285)

40. Reference was made to article 51 of the minute of meeting of this Committee of 17 June, 2010 and article 33 of the minute of the previous meeting of this Committee of 28 September, 2010, whereby a number of decisions on the subject of staff houses were taken. The Committee had before it on this day a report by the Director of Enterprise, Planning and Infrastructure which addressed a number of the resolutions from the aforementioned meetings.

The report (1) advised of the vacant houses not required for future use as staff houses, and provided further information in this regard; (2) detailed the outcome of the consultation that had been undertaken with tenants of staff houses affected by the 3Rs project, or the closure of adjoining Council properties; (3) provided information on the situation in relation to the houses that were currently occupied by retired non janitorial staff and/or staff who had transferred to the 3Rs operating company; and (4) advised of the legal advice officers had received from the Head of Legal and Democratic Services in relation to tenancy rights in circumstances where staff were occupying former tied houses.

Members asked a number of questions in this regard, and the Head of Legal and Democratic Services confirmed that if a property was under a Scottish Secure Tenancy, that a tenant would have the right to buy their property from the date they commenced paying full rent.

The Committee resolved:-

- (i) to have regard to the views expressed by each tenant consulted on whether they would wish to purchase on the appropriate basis and at the appropriate valuation the lodge currently let to them, or whether (subject to the matter being referred to the Housing and Environment Committee at the appropriate time for its consideration) they would wish the lodge and the tenancy to be transferred to the Housing Revenue Account;
- (ii) to declare the five lodges as follows as surplus to requirements:
 - Skene Square
 - Harlaw Academy
 - Grammar, Skene Street
 - Ashley Road
 - Cornhill, Beechwood Road; and
- (iii) to instruct the Head of Asset Management and Operations to take, or arrange for the taking of, any such action as may be necessary in order to implement the above recommendations.

BREACH OF LEASE CONDITIONS (EPI/10/289)

41. The Committee had before it a report by the Director of Enterprise, Planning and Infrastructure which advised of the situation surrounding the lease of a particular Council property in the beach area. The report advised that the lease conditions had been breached, and requested that the lease be formally irritated.

The Committee resolved:-

- (i) to instruct the Head of Legal and Democratic Services to take appropriate legal action to formally irritate the lease; and
- (ii) to instruct that in future when lease conditions are breached for a period of one year, that the cases be reported to Committee for consideration.

MASTRICK YOUNG PEOPLE'S PROJECT RELOCATION (EPI/10/283)

42. Reference was made to article 50 of the minute of the previous meeting of this Committee of 28 September, 2010, at which time members requested that officers re-examine the costs required to relocate the Mastrick Young People's Project to the former Hillylands Centre. The Committee had before it on this day a report by the Director of Enterprise, Planning and Infrastructure which presented two options for the refurbishment of the former Hillylands Centre, and further suggested that the £379,993.04 outstanding capital repayments on the building be written off in order to reduce to a reasonable level, the ongoing revenue costs associated with running the centre.

The Committee resolved:-

- (i) that £160,000 from the Non Housing Capital Programme be utilised for the building works at the former Hillylands Centre in order to accommodate the Mastrick Young People's Project;
- (ii) given the circumstances on this specific occasion, to approve the writing off of the outstanding debt on the former Hillylands Centre, with this being funded from the capital receipt from Summerhill; and
- (iii) to instruct officers to attempt to reduce the overall whole life costs of the project where possible.

REVIEW OF BUSINESS CENTRES (EPI/10/286)

43. Reference was made to article 25 of the minute of the previous meeting of this Committee of 28 September, 2010 whereby officers were instructed to report back on whether the business centres in the city were fulfilling functions for which they were originally developed. The Committee now had before it a report by the Director of Enterprise, Planning and Infrastructure which explored the instruction of the aforementioned meeting.

By way of background, the report advised that the Council owned and managed two business centres (Granitehill Enterprise Centre and Aberdeen Business Centre), which were acquired and developed in the 1980s by the then City of Aberdeen District Council with the aim of providing accommodation that was not available in the local property market, and to foster economic development. The report specified the capacity, lease conditions and occupation of each of the business centres, and concluded by presenting options for the Committee to consider in relation to their futures.

The Committee resolved:-

- (i) to agree that Granitehill Enterprise Centre be retained as an operational business centre for as long as the adjacent industrial site is held vacant,

pending potential redevelopment; at the point when the adjacent site is advertised for sale or lease on the open market, to agree that Granitehill business centre should close, with the building being offered for sale or lease;

- (ii) that in the meantime, to authorise the Head of Asset Management and Operations to consult the tenants of Granitehill Enterprise Centre, and consider and implement any strategy that at least covers the Council's costs, and maximises net revenue income from the property;
- (iii) to instruct officers to investigate local demand for a business centre, and identify an alternative site in the event of Granitehill closing; and
- (iv) to agree that Aberdeen Business Centre be retained as either a business centre or managed offices, and to authorise the Head of Asset Management and Operations to consult the tenants, and consider and implement any strategy that maximises the Council's net revenue income from the property.

- **COUNCILLOR KEVIN STEWART, Convener.**

LORD PROVOST SUB-COMMITTEE

ABERDEEN, 14th October 2010 – Minute of Meeting of the LORD PROVOST SUB-COMMITTEE. Present:- Lord Provost Peter Stephen, Chairperson; Depute Provost Dunbar; and Councillors Cormack (substituting for Councillor Malone) and Wisely.

Also in attendance:- Beverley Graham, Office of Chief Executive; Catriona Gilmour, Accountant, Corporate Governance; Daniel Parrott, Enterprise, Planning and Infrastructure; Alasdair Ross, Office of Chief Executive; and Stephanie Dunsmuir and Lynsey McBain, Corporate Governance.

APOLOGIES

1. Apologies were intimated on behalf of Councillor Malone and Paula Fullerton.

MINUTE OF PREVIOUS MEETING

2. The Sub-Committee had before it the minute of its previous meeting of 8th July, 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 of the minute of the previous meeting, the Lord Provost advised that the robes had arrived and were currently being used.

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 the European Curling trophy from the Council had been presented to George Esson, at a cost of £992. The Lord Provost also highlighted the trophy would appear on the Lord Provost's Christmas card.

(B) Replacement Boarding and Foam in Furniture

With reference to article 3B, the Lord Provost enquired what the current situation was in relation to the replacement boarding and foam in the furniture in his office. Alasdair Ross advised that he had communicated with the facilities team and they were still in discussions with the contractors.

The Lord Provost suggested that Alasdair Ross find out the reasons for the delay and advise the facilities team to communicate directly with the Lord Provost in future.

(C) HMS Diamond

With reference to article 5, the Lord Provost enquired about the situation in relation to the six chairs bearing the Aberdeen crest being offered to HMS Diamond as a memento from the City. Alasdair Ross endeavoured to investigate this.

CIVIC HOSPITALITY4. (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 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.

In relation to the visit by HMS Diamond, members discussed various elements of the visit, including entertainment on the evening of the civic event, as well as ways to commemorate the historic visit by HMS Diamond.

The Sub-Committee resolved:-

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

Occasion	Date of Event	Venue	Hospitality to be Granted
Scotland v Samoa International Rugby Test Match	26 November 2010	St Nicholas Room	Wine and Finger Buffet for 60
Aberdeen Town and County History Society	1 February 2011	Town and County Hall	Glass of Wine on Arrival for 150
Visit of HMS Diamond	12 February 2011	Beach Ballroom	Drinks Reception and 3 Course Dinner for 250
Aberdeen In Bloom Garden Competition	25 November 2010	Beach Ballroom or Town and County Hall	Drink on Arrival and Finger Buffet for 150

(ii) to request that Alasdair Ross contact the Dance Centre in Aberdeen to gain suggestions and ideas for performing a 20 minute routine on the evening of the HMS Diamond Civic event, which would include an element of "Scottishness";

- (iii) to request that Alasdair Ross contact Commander Clark to provide a flavour of the Sub-Committees discussion; and
- (iv) to request that Alasdair Ross liaise with George Davidson about hosting the civic event for the Aberdeen In Bloom Garden Competition in the Town and County Hall instead of the Beach Ballroom and to refer back to the Lord Provost for a final decision.

(C) Civic Hospitality Requests 2011/12

The Sub-Committee had before it various applications for the provision of civic hospitality for the financial year 2011/12.

The Sub-Committee resolved:-

to approve the applications for civic hospitality as follows:-

Occasion	Date of Event	Venue	Hospitality to be Granted
Aberdeen Baker Hughes 10K Run 25 th Anniversary	TBC	Town and County Hall	Wine/Juice and Finger Buffet for 100
Sports Person of the Year	6 May 2011	Beach Ballroom	Drink on Arrival and 2 Course Dinner for 300
Friends of Cathedral Music National Gathering	16 May 2011	Town and County Hall	Wine and Finger Buffet for 80
Making Music Scotland Conference	21 May 2011	Town and County Hall	Glass of Wine/Juice and Cold Fork Buffet for 150
Battle of Harlaw 600 th Anniversary	9 June 2011	Town and County Hall	Wine and Finger Buffet for 150
Information Interactions and Impact Conference	20 June 2011	St Nicholas Room	Wine and Canapes for 80
International Association of Civil Aviation Chaplains	19 September 2011	St Nicholas Room	Wine and Finger Buffet for 60
Northern Bowling Club 125 th Anniversary	TBC	Town and County Hall	Wine and Finger Buffet for 120

BATTLE OF HARLAW MINUTE OF 28 SEPTEMBER 2010

5. The Sub-Committee had before it a tabled minute of the Battle of Harlaw Working Group of 28th September for information.

The Sub-Committee resolved:-

to note the minute.

DATES FOR 2011

6. The Sub-Committee had before it for information, the dates of the 2011 meetings which were all to be held at 10.30am.

The dates were as follows:-

- 3 February
- 28 April
- 7 July
- 13 October
- 15 December

The Sub-Committee resolved:-

to note the meeting dates.

DATE OF NEXT MEETING

7. The Sub-Committee noted that the next meeting was scheduled for Thursday 16 December 2010, at 10.30am.

-LORD PROVOST STEPHEN - Chairperson

CORPORATE HEALTH AND SAFETY COMMITTEE

ABERDEEN, 12th May, 2010. - Minute of Meeting of the CORPORATE HEALTH AND SAFETY COMMITTEE. Present:- Rob Peaker (EIS), Chairperson; and Councillor Leslie, Vice-Chairperson. City Council Representatives:- Councillors McDonald and Kevin Stewart.

Trade Union Representatives:- David McCulloch, Mike Middleton and Neil Watson (GMB); Sid Sandison (SSTA); Liz Carson (Unison); Joe Craig and Steven Robb (UNITE).

Officers in attendance:- Stewart Carruth, Director of Corporate Governance; Mary Agnew, Health and Safety Manager; Gillian Milne, Jim Stephen and George Cruickshank, Operational Support Managers; Andy Brown (as substitute for Graham Hossack); Mike Hearn, Team Manager, Enterprise, Planning and Infrastructure and Karen Riddoch, Committee Services Officer (Clerk).

APOLOGIES

1. Apologies for absence were intimated on behalf of Councillors Wendy Stuart and Young; Ewan Sutherland, Head of Human Resources and Organisational Development; Graham Hossack and Neil Yacamini, Operational Support Managers.

MINUTE OF PREVIOUS MEETING

2. The Committee had before it for consideration, the minute of their previous meeting of 26th February, 2010.

The Committee resolved:-
to approve the minute.

MATTERS ARISING

3. (A) Housing and Environment – Health and Safety Concerns

With reference to Article 10, resolutions (i) and (ii) of the previous minute, the Committee heard Gillian Milne advise that (a) the concerns from employees on their personal safety whilst carrying out duties had been discussed with the Director of Housing and Environment; and (b) the proposal for the revised structure for the Housing and Environment Service had been deferred until August to allow job roles to be looked at to ensure that Health and Safety issues were addressed.

The Committee resolved:-
to note the information.

(B) Corporate Health and Safety Report, October to December 2009 – Training Course on Alarm Sounds for Fire and Bomb Threats

With reference to Article 6 of the previous minute, Councillor Leslie requested an update on whether or not a training course for elected members and staff on the different alarm sounds for fire and bomb threats within Council buildings had been looked into. Mary Agnew advised that (a) the issue was being looked at in conjunction with terrorism; (b) fire evacuation procedures was undertaken as part of the corporate induction course for new employees; (c) operational support managers and facilities staff were to identify staff who would require in depth training in this area; and (d) she would be attending a course on terrorism and bombs which was being run by Grampian Police, which would enable her to compile documentation on the issue.

Councillor Leslie requested that the issue be discussed at the Corporate Management Team so that it could be progressed quickly.

The Committee resolved:-

- (i) to note that the Director of Corporate Governance would raise the issue in conjunction with other training matters with the Corporate Management team; and
- (ii) to otherwise note the information.

(C) Workload Statement

With reference to Article 11 of the previous minute, the Chairperson advised that the workload statement had been amended to include the logos from all trade unions and that it had been passed to the Chief Executive for signature prior to it being issued to employees and uploaded to the Zone. He advised that he had raised the workload statement at monthly meetings with the Chief Executive to determine what progress had been made with it.

Mr Carruth advised that there was no problem with issuing a joint statement, however he wanted to ensure that the Corporate Management Team were aware of it and supported it. He also explained that he felt that the statement would carry a more powerful message if it was cross-referenced to other policies currently being developed relating to health and wellbeing.

Mike Middleton stated that GMB were very supportive of the issuing of the statement and asked if it was possible to include the statement in the relevant policies but also to issue it as a stand alone document as it would help to boost morale of staff.

The Committee resolved:-

- (i) to note that the Director of Corporate Governance would discuss the workload statement with the Corporate Management team at their meeting on 13th May, 2010, and thereafter liaise with the Chairperson on how to progress the matter; and
- (ii) to otherwise note the information.

(D) School Security Review Group

With reference to Article 4 (A) of the previous minute, Sid Sandison, SSTA, requested an update on the progress made by the School Security Review Group. Jim Steven advised that (a) the Group had met twice in 2009 with representatives from trade unions, schools, facilities and officers; (b) a survey of the security at all schools within Aberdeen was currently being undertaken; (c) the various actions identified at the last meeting of the Group were currently being progressed by officers; and (d) the Group would be reconvened in June 2010 to discuss progress and agree further developments where required.

The Committee resolved:-

to note the information.

WORKPLACE OPTIONS - EMPLOYEE ASSISTANCE PROGRAMME UTILISATION REPORT

4. With reference to Article 5 of the minute of its meeting of 26th February, 2010, the Committee had before it a report prepared by Workplace Options on behalf of the Council which provided information relating to the usage of the Employee Assistance Programme by employees for the period 1st January to 31st March, 2010.

The report advised that over the period in question Workplace Options had dealt with 85 cases and 33 web logins had been received. The report provided statistical information broken down into sub-categories relating to personal and work related issues. Information on the nature of support provided and the types of website categories that had been accessed were contained in the report.

The Committee heard Mary Agnew advise that she was currently looking at setting up links between the Workplace Option provider and Serco, the Occupational Health provider and that Workplace Options had sourced a building in Rosemount Viaduct to enable them to carry out face to face counselling with clients.

The Committee resolved:-

to note the information contained in the report.

CORPORATE HEALTH AND SAFETY REPORT, JANUARY TO MARCH, 2010

5. With reference to Article 6 of the minute of its meeting of 26th February, 2010, the Committee had before it a report by the Director for Corporate Governance, which provided details on the number and type of accidents, incidents and occurrences during the period January to March, 2010.

The report provided information broken down into the following categories:-

Accident/Incidents, Reportable Accidents/Incidents and Accident Rates

- 78 employee accidents were reported of which 38 were reportable to the enforcing authority;
- 60 incidents of employee assault were recorded by the Education, Culture and Sport Service, none of which were reportable;

- 17 accidents to third parties were reported of which 14 were reportable to the enforcing authority;
- 3 dangerous occurrences were reported, 2 in relation to Mountway bath lifts in service users homes and 1 relating to a gas incident wherein a tenant modified a gas appliance;
- 20 incidents were reported by employees;
- a high number of slips, trips and fall were attributed to the severe weather conditions during January to March; and
- the accident rate for the period was 4.01 accidents per 1,000 employees.

Workplace Health and Safety Management Performance Reviews

- workplace health and safety management performance overview commenced on 1st March, 2010; and
- a total of 15 visits had been undertaken during March, 2010.

Health and Safety Training

- 289 delegates attended health and safety training over the period in question;
- e-learning modules were being developed for general health and safety awareness and basic fire awareness.

Noise and Vibrations

- 370 employees had received noise awareness training; and
- a vibration toolbox talk for services to deliver was currently being developed.

Health and Safety Executive (HSE Intervention)

- the HSE had contacted the Health and Safety Team regarding an issue relating to roof repair work being undertaken by contractors, which had been investigated and appropriate action was taken to rectify the issues.

The report recommended:-

that the Committee refer the report to the Corporate Management Team:-

- (a) to discuss and encourage review of statistics by Heads of Service;
- (b) to support actions to reduce accidents and work related ill health in line with the Health and Safety Commissions revitalising health and safety targets; and
- (c) to disseminate and take action on the health and safety information in the report.

Mary Agnew advised that a health and safety course entitled “Director Involvement in Health and Safety” had been developed for Managers which would be beneficial for Elected Members and members of this Committee to attend.

In relation to the high number of slips and trips, the Chairperson stated that sometime ago a Slip and Trip day had been organised which helped to identify and manage dangers in this area and asked if it would be possible to arrange another one. Mary Agnew advised that these issues should be addressed during workplace inspections, however, she would try to incorporate something into the European Health and Safety Week.

The Committee resolved:-

- (i) to note that members of the Committee were encouraged to attend the Director Involvement in Health and Safety training course; and
- (ii) to otherwise approve the recommendations contained in the report.

OCCUPATIONAL HEALTH REPORT – JANUARY TO MARCH 2010

6. With reference to Article 7 of the minute of its meeting of 26th February, 2010, the Committee had before it a report by Serco, Occupational Health providers, which provided an update on the occupational health referrals and actions for the period January to March, 2010.

The report provided information on the number of appointments and cancelled appointments, those being:-

- 206 appointments were delivered by Serco on behalf of the Council;
- 1 of these was a medical and 205 were referrals;
- 25 people did not attend, with a further 5 cancelling within 24 hours and 4 giving more than 24 hours notice; and
- 97% of all reports had been sent within 10 working days of the appointment which was a 7% improvement from the previous quarter.

The report contained various graphs which presented the volume of referrals by service, the reason for referrals, an overview of the diagnosis categories, an overview of the outcome of referrals and further action recommended for all referrals.

Mary Agnew requested that Services investigate the reasons why employees did not attend or cancelled within a short time period as Services were still charged for those appointments. Mr. Carruth responded to a statement by Councillor Kevin Stewart, by explaining that he would discuss with Serco the possibility of claiming clawback for monies for non-attended appointments.

Joe Craig, Unite, asked whether the introduction of fit notes would reduce the number of referrals to Serco. Mary Agnew advised that there would still be triggers in place and the referrals would depend on the length of time the employee had been absent from work.

The Committee resolved:-

to note the information.

HEALTH AND SAFETY ACTION PLAN

7. With reference to Article 8 of the minute of its meeting of 26th February, 2010, the Committee had before it for information, the latest position statement of the Corporate Health and Safety Action Plan, prepared by the Health and Safety Manager.

Mary Agnew advised in relation to item 2 (Asbestos Management), that she had been given assurances from the Service that the Corporate Asbestos Policy would be presented to the Enterprise, Planning and Infrastructure Committee after the summer recess.

The Committee resolved:-
to note the information.

REPORTING TIMETABLE

8. The Committee had before it for information, the Service and Project Health and Safety reporting timetable.

The Committee resolved:-
to note the information.

SERVICE REPORTS

9. The Committee had before it reports outlining health and safety activities for the Marischal College Project and the Economic and Business Development Service.

The reports provided information on the number and type of accidents and incidents, and the number of employees who had attended Health and Safety training courses.

The Marischal College Project report advised that following two reportable accidents to third parties, a review had been undertaken and measures had been put in place to prevent reoccurrences.

Councillor McDonald stated that the Marischal College Project contractor should be commended on the lack of incidents over the last six month period.

The Committee resolved:-
to note the reports.

ANY OTHER COMPETENT BUSINESS

10. At this point in the proceedings, the Chairperson declared the meeting open for any other competent business, whereupon he advised that the Council had organised an event on International Workers Memorial Day which had been exceptionally organised with a variety of speakers. The International Workers Memorial Day had been arranged to remember those who had died or who had been harmed through lack of health and safety. Councillor Leslie expressed his disappointment that he was unable to attend the event due to the short notice of the invitation and he requested that for future events that more notice is given to Elected Members to allow them to attend. Mike Middleton advised that the Health and Safety Team were asked at short notice if it would be possible to organise something for the International Workers Memorial Day and expressed his thanks to Mary Agnew and her team for organising the day in an efficient and quick manner.

The Committee resolved:-
to note the information.

VALEDICTORY

11. Mike Middleton, GMB, advised the Committee that it was Rob Peaker's last meeting due to his forthcoming retirement from the Council. Mike acknowledged the sterling work that Rob had contributed to the Committee and most importantly his work on health and safety issues over the years. Councillor Leslie expressed his personal thanks for the work that Rob had carried out on behalf of the Committee and wished him well for his future. Councillor Kevin Stewart stated that on occasion this Committee was seen as a sideline job, however, it had been paramount in changing policy and identifying problems which the Council were able to manage, all of which came from good leadership from the Chair.

The Committee resolved:-

to concur with the remarks mentioned above.

- **ROB PEAKER, Chairperson.**

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Agenda Item 3.4

CORPORATE HEALTH AND SAFETY COMMITTEE

ABERDEEN, 27th August, 2010. - Minute of Meeting of the CORPORATE HEALTH AND SAFETY COMMITTEE. Present:- Councillor Leslie, Vice-Chairperson. City Council Representatives:- Councillors McDonald, Noble (as substitute for Councillor Kevin Stewart) and Wendy Stuart.

Trade Union Representatives:- Carole Thorpe (EIS); Mike Middleton (GMB); Sid Sandison (SSTA); John Noble (UCATT); and Steve Robb (UNITE).

Officers in attendance:- Ciaran Monaghan, Head of Service, Office of Chief Executive; Ewan Sutherland, Head of Human Resources and Organisational Development; Mary Agnew, Health and Safety Manager; Graham Hossack, Operational Support Manager, Social Care and Wellbeing; Lesley Kirk, Directorate Support Manager, Education, Culture and Sport; David Leslie, Acting Directorate Support Manager, Housing and Environment; Kathleen Gordon, Team Manager (as substitute for Mike Hearn), Enterprise, Planning and Infrastructure; Tracey Boylan, Category Manager (as substitute for Craig Innes), Central Procurement Unit; Martin Murchie, Performance, Audit and Risk Manager (as substitute for Paul Fleming), Customer Service and Performance; Jonathan Belford, Corporate Accounting Manager, (as substitute for Barry Jenkins) Finance; Karen Riddoch, Committee Services Officer (Clerk) and Grant Webster, Committee Assistant.

APPOINTMENT OF CHAIRPERSON AND VICE-CHAIRPERSON

1. The Clerk advised that in terms of the Constitution of the Committee, the Committee were required to consider the appointment of Chairperson and Vice-Chairperson and intimated that the positions were to be filled alternatively by elected members and trade union representatives on an annual basis. On this occasion it was the turn of elected members to appoint a Chairperson and trade union representatives to appoint a Vice-Chairperson from within their respective membership. The Clerk then called for nominations for the position of Chairperson and Vice-Chairperson.

Councillor McDonald moved, seconded by Mike Middleton (GMB), that Councillor Leslie be appointed as Chairperson.

There were no further nominations.

John Noble (UCATT) moved, seconded by Councillor McDonald, that Mike Middleton (GMB) be appointed as Vice-Chairperson.

There were no further nominations.

The Committee resolved:-

that Councillor Leslie be appointed as Chairperson and Mike Middleton (GMB) be appointed as Vice-Chairperson for the Committee.

APOLOGIES

2. Apologies for absence were intimated on behalf of Councillors Kevin Stewart and Young; Rob Steven, Voice; Joe Craig, UNITE; Craig Innes, Head of Procurement; Neil Yacamini, Operational Support Manager; and Mike Hearn, Acting Directorate Support Manager.

MINUTE OF PREVIOUS MEETING

3. The Committee had before it for consideration, the minute of their previous meeting of 12th May, 2010.

The Committee resolved:-
to approve the minute.

MATTERS ARISING

4. With reference to Article 3(C) (Workload Statement), of the previous minute, Steve Robb (UNITE), asked if there had been any progress on the issue. Mary Agnew advised that she had revised the existing Mental Health and Wellbeing Policy to include information on workload which would be circulated for consultation in due course. Mike Middleton asked if the Workload Statement would be issued as a stand alone document as discussed previously at this Committee. Mary Agnew advised that the Statement would only be included in the new policy and not as a stand alone document.

The Committee resolved:-

- (i) to note that the revised Mental Health and Wellbeing Policy would be issued for consultation in due course; and
- (ii) to otherwise note the information.

EMPLOYEE ASSISTANCE PROGRAMME REPORT

5. With reference to Article 4 of the minute of its meeting of 12th May, 2010, the Committee had before it a report prepared by Workplace Options on behalf of the Council which provided information relating to the usage of the Employee Assistance Programme by employees for the period 1st April to 30th June, 2010.

The report advised that over the period in question Workplace Options had dealt with 43 cases and 14 web logins had been received. The report provided statistical information broken down into sub-categories and categorised as either personal or work related issues. The support provided to employees was in the form of telephone support (57.1%), face-to-face (35.7%), telephone by counsellor (2.4%), legal or financial (2.4%) and career counsellor (2.4%). Information on the types of website categories that had been accessed were contained in the report.

The Committee heard Mary Agnew advise that she would be organising a publicity campaign on Workplace Options which would include stands for people to get more information and wallet cards would be issued to employees.

Councillor McDonald requested that consideration be given to promoting the service to male employees as there was a significant difference in the gender split using the service.

The Committee resolved:-

- (i) that Mary Agnew would look at ways to promote the service to all employees and in particular to the male workforce; and
- (ii) to otherwise note the information contained in the report.

CORPORATE HEALTH AND SAFETY REPORT, APRIL TO JUNE, 2010

6. With reference to Article 5 of the minute of its meeting of 12th May, 2010, the Committee had before it a report by the Director for Corporate Governance, which provided details on the number and type of accidents, incidents and occurrences during the period April to June, 2010.

The report also highlighted the health and safety activities such as health and safety compliance monitoring, training, initiatives, campaigns and any Health and Safety Executive (HSE) intervention.

The report provided information broken down into the following categories:-

Accident/Incidents, Reportable Accidents/Incidents and Accident Rates

- 54 employee accidents were reported of which 20 were reportable to the enforcing authority;
- 21 accidents to third parties were reported of which 11 were reportable to the enforcing authority. Of all the third party accidents 10 involved school pupils and only 1 of these was a sports injury;
- 1 dangerous occurrence was reported, relating to a medical device failure. No injury was incurred;
- 95 incidents were reported by employees;
- the high number of slips, trips and falls has decreased from 18 in the period January to March, 2010 to 5 accidents in this period; and
- the accident rate for the period was 1.93 accidents per 1,000 employees.

Workplace Health and Safety Management Performance Reviews

- a total of 36 visits were undertaken during April to June, 2010;
- the main areas of weakness identified were -
 - lack of documentation and availability of risk assessments;
 - failure to follow up actions identified in workplace inspections;
 - lack of first aid needs assessments and co-ordination of first aid during the restructure; and
- discussions generally revealed that risks were being considered and addressed and often good systems were in place to ensure the health and safety of employees.

Fire Risk Assessment

- the Health and Safety Adviser (Fire) continued to undertake the fire risk assessment programme. The reports included fire action plans that prioritise the establishments remedial actions; and
- recent changes in personnel at a sheltered housing complex has highlighted that the replacement fire doors fitted by the contractor have been fitted incorrectly which was being addressed.

Health and Safety Training

- 248 delegates attended health and safety training over the period in question; and
- e-learning modules on general health and safety awareness, basic fire awareness and fire warden training will be launched in September/October.

Gas Safety

- the Gas Safety Group members had been reviewed to reflect their relevant directorates and internal arrangements; and
- Heads of Service are jointly working to produce a Corporate Gas Policy and Housing and Non-Housing Management Structure and associated procedures.

Noise and Vibrations

- progress on the Occupational Noise and Vibration Action Plan continued to be monitored through the Noise and Vibration Group;
- a vibration toolbox talk for services to deliver had been developed and issued by the Health and Safety Team; and
- Directorates were currently completing noise filters to identify those employees who require audio metric testing.

Health and Safety Executive (HSE Intervention)

- the HSE had issued 9 Improvement Notices on a company who currently provided residential living for adults and adults with learning difficulties for Aberdeen City Council and Aberdeenshire Council and progress on compliance was being monitored.

Health and Wellbeing

- an advertising campaign for the Employee Assistance Programme was being developed to highlight the resources available to employees;
- Aberdeen City Council had recently achieved the RoSPA Gold Award for 2010. The RoSPA Award Scheme recognised Aberdeen City Council's commitment to protecting the Health and Wellbeing of its employees and others.

Health and Safety Policies and Guidance

- security training courses were being arranged through Grampian Police for employees and Elected Members prior to the move to Marischal College; and
- new guidance on changes to legislation and revised first aid training was being finalised for issue.

The report recommended:-

that the Committee refer the report to the Corporate Management Team:-

- (a) to discuss and encourage review of statistics by Heads of Service;
- (b) to support actions and reduce accidents and work related ill health in line with the Health and Safety Commissions revitalising health and safety targets; and
- (c) to disseminate and take action on the health and safety information in the report.

Mary Agnew highlighted that, although there had been a significant decrease in slips, trips and falls, they still accounted for 25% of the total number of employee notable accidents in April to June, 2010.

She also highlighted that Aberdeen City Council had recently achieved its RoSPA Gold Award for 2010 and that this was the third year running that the Council had received this award. As Chairperson of this Committee, Councillor Leslie extended his congratulations on behalf of the Committee to staff across the Council and advised that he would be accepting the award on their behalf in September 2010.

The Committee resolved:-

to approve the recommendations contained in the report.

OCCUPATIONAL HEALTH REPORT – APRIL TO JUNE, 2010

7. With reference to Article 6 of the minute of its meeting of 12th May, 2010, the Committee had before it a report by Serco, Occupational Health providers, which provided an update on the occupational health referrals and actions for the period April to June, 2010.

The report provided information on the number of appointments and cancelled appointments, those being:-

- 268 appointments were delivered by Serco on behalf of the Council;
- 2 of these were medical, 6 were paper screens and 260 were referrals;
- 28 people did not attend, with a further 3 cancelling within 24 hours and 2 giving more than 24 hours notice; and
- 98% of all reports had been sent within 10 working days of the appointment which was a 1% improvement from the previous quarter.

The report contained various graphs which presented the volume of referrals by Service, the reason for referrals, an overview of the diagnosis categories, an overview of the outcome of referrals and further action recommended for all referrals.

A suggestion was raised that it may be beneficial to compare with other local authorities and that this information could be incorporated into quarterly reports for the future.

The Committee resolved:-

to note the information.

HEALTH AND SAFETY ACTION PLAN

8. With reference to Article 7 of the minute of its meeting of 12th May, 2010, the Committee had before it for information, the latest position statement of the Corporate Health and Safety Action Plan, prepared by the Health and Safety Manager.

Mary Agnew advised in relation to item 2 (Asbestos Management), that the Corporate Asbestos Policy would be presented to the Corporate Policy and Performance Committee in September 2010.

The Committee resolved:-

to note the information.

SERVICE REPORTS

9. The Committee had before it reports on behalf of Corporate Governance namely –

- Customer Service and Performance;
- Finance;
- Human Resources and Organisational Development;
- Legal and Democratic Services; and
- Central Procurement Unit.

The reports provided information on the number and type of accidents and incidents, and the number of employees who had attended Health and Safety training courses.

In general, issues raised were minimal with risk assessments currently being carried out in Finance due to staff in the process of moving to AECC. Verbal abuse of frontline staff was highlighted as an issue and signage regarding zero tolerance was being developed.

With regards to the Service report for Legal and Democratic Services, the Chairperson expressed his dissatisfaction that there was no officer in attendance to discuss the report and any issues arising from within it.

The Committee resolved:-

to note the reports.

ANY OTHER COMPETENT BUSINESS

10. At this point in the proceedings, the Chairperson declared the meeting open for any other competent business, whereupon Mary Agnew advised that there would be two training courses provided on Terrorism on 11th and 18th October, 2010. Both courses were being run by the Counter-Terrorism Unit at Grampian Police. The courses would be offered to employees, elected members and trade

unions colleagues to provide a heightened awareness of security and to better equip the organisation to assist the police in the event of a major incident.

The Committee resolved:-

- (i) to request that appointments and/or invitations be issued to elected members as soon as possible to ensure that elected members were able to attend the sessions; and
 - (ii) to otherwise note the information.
- **GORDON LESLIE, Chairperson.**

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**FINANCE AND RESOURCES COMMITTEE
COMMITTEE BUSINESS**

FEBRUARY, 2011

<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 Urguhart 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.	A report is on the agenda at item 9.2. Recommended for removal.	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.	An update report is on the agenda at item 14.5.	Head of Asset Management and Operations	07/01/09	02/12/10
3.	Finance and Resources Committee 12/11/09 article	<u>Great Southern Road/Holburn Street (Disused Public Toilet and Advertising Site)</u>	A report is on the agenda at item 14.6.	Head of Asset Management and Operations	28/09/10	02/12/10

Agenda Item 3.5

<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>
	33	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.	Recommended for removal.			
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	<u>Leaking of Report - St Nicholas House Site</u> 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.	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. A verbal update will be provided by the Head of Legal and Democratic Services at the meeting.	Head of Legal and Democratic Services Head of Office of Chief Executive	02/12/10	
5.	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 was included in the information bulletin last cycle.	Head of Human Resources and Organisational Development	11/03/10	02/12/10

<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>
6.	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. Without prejudice discussions are now taking place with the Council's landlord on possible alternative courses of action.	Head of Asset Management and Operations	06/05/10	21/04/11
7.	Finance and Resources Committee 28/01/10 article 2 & 11/03/10 article 31 & 11/05/10 article 34	<u>CAB – Debt Advice Service</u> 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.	Update: A report will be considered at the next Social Care and Wellbeing Committee. Where recommendations involve other corporate services, these will be reported to the Service Committees and Corporate Committees as required.	Head of Adult Services	Every cycle	
8.	Finance and Resources Committee 28/01/10 article 13	<u>Altens Community Centre and Dyce (Carnegie Hall) Community Centre – Remedial Works</u> 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.		Director of Education, Culture and Sport	17/06/10	01/02/11

<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>
9.	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> <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 agreeing an appropriate exit strategy for the Council and to report back to this in due course on the outcome.</p> <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>	This information is included in the report 'Capital Budget Progress Report' at item 6.2 of the agenda.	Head of Asset Management and Operations	28/09/10	
10.	Finance and Resources Committee 28/01/10 article 26	<p>Discussions are underway with other interested parties in relation to a lease surrender.</p>	Discussions are underway with other interested parties in relation to a lease surrender.	Head of Asset Management and Operations	17/06/10	16/06/11
11.	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>Update: While data to evaluate best value has been gathered for the Trusts funded by the Common Good the final report has been delayed due to other finance priorities. The work will be completed to support the Common Good Budget 2011/12 report to Council and will be incorporated to inform the decision making process.</p>	Head of Finance	28/09/10	01/02/11

<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>
12.	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.	Update: Unfortunately this has not progressed and will require to be considered at the next meeting.	Head of Finance	28/09/10	21/04/11
13.	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 bulletin report will be submitted to the next Committee meeting.	Director of Corporate Governance	Every cycle	
14.	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.	This property is included in the current surplus property bulletin.	Head of Asset Management and Operations	28/09/10	
15.	Finance and Resources Committee 11/05/10 article 30	<u>Leadside Hall – Future Use</u> The Committee resolved: that the Head of Asset Management and Operations be authorised to arrange for the combined site to be	Update: The property is on the market, with a closing date set. Accordingly a report will be submitted to the next Committee meeting	Head of Asset Management and Operations	02/12/10	21/04/11

<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>
		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.				
16.	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><u>Update:</u> This is currently under review, and a report will be submitted to a future Committee meeting.</p>	Head of Asset Management and Operations	02/12/10	16/06/11
17.	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>In terms of (i) the Heads of Environment Services and Housing 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	16/06/11

<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>
18.	Finance and Resources Committee 17/06/10 article 19	<u>Annual Housing and Council Tax Benefit Report</u> 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.		Head of Finance	16/06/11	
19.	Finance and Resources Committee 17/06/10 article 24	<u>Kinship Care Service – Business Case</u> The Committee resolved: (i) to approve the posts as outlined above on a one year fixed term basis; (ii) to instruct that officers report back, reviewing the situation when required.		Head of Children's Services	16/06/11	
20.	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.	An update is included in the information bulletin. Recommended for removal.	Head of HR and Organisational Development	01/02/11	

<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>
21.	Finance and Resources Committee 17/06/10 article 49	<p><u>Queen's Links Outdoor Centre</u></p> <p>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 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.</p>	<p>Update:</p> <p>Transitions are in active discussion with their Funder and a decision on the award is imminently expected.</p> <p>If necessary a verbal update will be given to today's meeting.</p>	Head of Asset Management and Operations		02/12/10
22.	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</p>	<p>The Head of Legal and Democratic Services will provide a verbal update at the meeting.</p>	Head of Legal and Democratic Services		

<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>
23.	Council 18/08/10 article 17 Finance and Resources 02/12/10 article 32 Council 15/12/10 article tbc	the Committee. <u>Future Funding and Development of AECC</u> The Committee resolved: to instruct that reports be submitted to the Enterprise, Planning and Infrastructure and/or Finance and Resources Committees each cycle. At its meeting of 02/12/10, the Committee resolved: (d) instruct officers to prepare and submit a report to both the Enterprise, Planning and Infrastructure Committee and this Committee outlining the options and terms for reverting all existing leases relating to land currently leased to AECC, and transferring ownership of all currently owned buildings and assets, from AECC Ltd to the Council; and (g) instruct officers to prepare and submit a report to both the Enterprise, Planning and Infrastructure Committee and this Committee outlining the proposed: (a) terms for creating the proposed joint venture development company; (b) terms for creating a LABV;	Update: The report submitted on 02/12/10 was remitted to full Council on 15 December and Council duly approved the paper's recommendations in full. Following this decision officers are currently working to produce the two reports referred to in the recommendations (i.e. one on the transfer of leases and assets and one on proposals for producing, funding and implementing a long-term development plan land in and around the AECC, with a suitable development partner). These reports will be submitted to both the Enterprise, Planning and Infrastructure Committee and the Finance and Resources Committee at the earliest opportunity.	Director of Enterprise, Planning and Infrastructure/ Head of Finance	Every cycle	

<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>
		<p>(c) assets to be included in the LABV and the terms relating to their inclusion;</p> <p>(d) long term development plan for Council owned land and buildings in and around AECC; and</p> <p>(e) relationship, if any, between the joint venture development company and the City Development Company.</p>				
24.	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>Update: The terms of reference for the extended TIF Business Case Report have now been approved by Scottish Enterprise and sufficient funding has been found to cover the cost of PWC's input to the production of this Report, allowing for the fact that ACC is making no contribution, other than officer time, towards the completion of the report</p> <p>As part of the revised ToR, Council Officers will lead on the drafting of the TIF business case and contribute to the Business Case content by providing PWC with information relating to;</p> <p>a. The production of a visioning piece that sets out high level aims/objectives and reasons for using TIF, outlines how the vision fits within local</p>	Economic and Business Development Project Director	02/12/10	

<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>
			<p>development plans and other local, regional and national policy objectives and initiatives and identifies the key stakeholders, landowners, partners and their roles/resources.</p> <p>b. The identification of overall infrastructure requirements and prioritised assets and the provision of a high level description of each asset and associated costings – as well as a timeline for delivery and an indication of how the principles of sustainable development will be accommodated.</p> <p>c. Delivery structures and options considered. Project governance and management structures. How structure mitigates risks. Procurement and value for money. Operational aspects including monitoring, resourcing etc</p> <p>d. Programme and milestones. Critical next steps.</p> <p>Council officers will also produce an Executive Summary of the final Business Case Report. PWC will:</p> <p>e. Provide templates for ACC to input key project information into business case</p>			

<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>
			<p>f. Analyse likely private sector investment/development created by the project. Summarise revenue sources and their key features in relation to by the project.</p> <p>g. Identify the range of options considered in determining suitability and requirement for TIF funding by highlighting the 'but for' case</p> <p>h. Revisit the red line area completed as part of phase A and review this as part of financial assessment.</p> <p>i. Identify potential sources of funding out with TIF</p> <p>j. Undertake a comprehensive economic impact assessment that analyses, test and assesses the benefits and outcomes expected to arise as a result of the project, including an assessment of the level of net additionality of the incremental revenues identified.</p> <p>k. Undertake a comprehensive financial analysis of the proposals undertaken through modelling the project over a 25 year period. This will be an iterative process based on defining the final red line area, revenue profile and level of</p>			

<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>
			<p>borrowing that ACC is sufficiently comfortable can be repaid from incremental revenues within the timescale of the TIF and under a range of upside and downside scenarios. It is assumed that 6 models will be run for different capex/red line combinations and 3 runs of sensitivities</p> <p>l. Consider the risks including key viability risks, delivery risks, legal risks and opportunities for transferring risk to the private sector</p> <p>m. Drafting of conclusion</p> <p>n. Review the final business case document for consistency and make changes following liaison with SFT or Council following their review</p> <p>The total cost of PWC's input towards the production of the business case will be £144,000 +VAT. This fee will be paid for by some of the other main project stakeholders. It is anticipated that PWC will be commissioned sometime towards the end of January 2011 and that the assignment will be completed by end June 2011.</p>			

<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>
25.	Finance and Resources 28/09/10 article 23	<u>Society of Personnel Directors – Annual Conference</u> The Committee resolved: to instruct officers to include a summary report on the conference in a future information bulletin.	An update will be included in the information bulletin. Recommended for removal.	Head of Human Resources and Organisational Development	01/02/11	
26.	Finance and Resources 28/09/10 article 24	<u>Access from the North Proposals (Third River Don Crossing) - Compulsory Purchase Order</u> The Committee resolved: to note that officers would provide regular updates to Committee in relation to progress with land acquisition against budget.		Head of Asset Management and Operations		
27.	Finance and Resources 28/09/10 article 25	<u>Property Asset Management Plan</u> The Committee resolved: (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.	Update: A report on further tranches of this review is scheduled for submission to the next Committee meeting.	Head of Asset Management and Operations	02/12/10	21/04/10
28.	Finance and Resources 28/09/10	<u>Pinewood/ Hazledene</u> The Committee resolved:	A report is on the agenda at item 14.7.	Head of Asset Management and Operations	21/04/11	

<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>
	article 51	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.				
29.	Finance and Resources 02/12/10 article 7	<u>Lease Request</u> The Committee resolved: to instruct the Head of Asset Management and Operations (1) 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'; and (2) to include his findings in the 2011 Property Asset Management Plan Update.		Head of Asset Management and Operations	27/09/11	
30.	Finance and Resources 02/12/10 article 26	<u>Aberdeen Local Development Plan</u> The Committee resolved: to note that a further report will be presented at the next meeting to	Update: The date of submission of observations on the Local Plan was deferred until 17 January, 2011. Accordingly a report will be submitted to the next Committee	Head of Asset Management and Operations	01/02/11	21/04/11

<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>
		identify future actions required to further promote and advance Council sites, including initial budget requirements.	meeting.			
31.	Finance and Resources 02/12/10 article 27	<u>Forestry Consultancy Services</u> The Committee resolved: to instruct officers to report back at the meeting of this Committee of 21 April, 2011 with progress made.		Head of Environment Services	21/04/11	
32.	Finance and Resources 02/12/10 article 35	<u>London 2012</u> The Committee resolved: to make clear that the costs have to be agreed by a committee of Council.		Economic and Business Development Project Director		
33.	Finance and Resources 02/12/10 article 37	<u>Land at Pitmedden Road, Dyce</u> The Committee resolved: (i) to defer consideration of this report until the next meeting of this Committee of 1 February, 2011; and (ii) to instruct officers to organise a meeting between Dyce Sports and Leisure Development Trust, officers and local members prior to the next meeting of this Committee.	A report is on the agenda at item 14.1. Recommended fore removal.	Head of Asset Management and Operations	01/02/11	
34.	Finance and Resources 02/12/10 article 39	<u>Review of Shops</u> The Committee resolved: that the shops and shop ground leases contained within appendix B be held for further investigation, with		Head of Asset Management and Operations	16/06/11	

<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>
		a report on the proposed future of these property leases to be submitted for the consideration of this Committee in due course.				
35.	Finance and Resources 02/12/10 article 43	<u>Review of Business Centres</u> The Committee resolved: to instruct officers to investigate local demand for a business centre, and identify an alternative site in the event of Granitehill closing.		Head of Asset Management and Operations	06/12/11	
36.	Council 15/12/10 article tbc	<u>Bon Accord Indoor Bowling Centre</u> Council resolved: to authorise the Head of Asset Management and Operations to investigate appropriate alternative uses for the property and report back to the Finance and Resources Committee at the earliest opportunity.		Head of Asset Management and Operations		
37.	Enterprise, Planning and Infrastructure 19/01/11 article tbc	<u>2010/2011 Revenue Budget Monitoring</u> The Committee resolved: to instruct officers to submit a report advising of areas where the Council remained the client and the contractor and the recharge method was still utilised, to the Finance and Resources Committee.		Head of Finance	21/04/11	

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FINANCE AND RESOURCES COMMITTEE

MOTIONS LIST

FEBRUARY, 2011

<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.	<p><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."</p>	09/04/08	<p>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.</p>	<p>At its meeting of 2 December, 2010, the Finance and Resources Committee resolved: to instruct officers to contact Councillor Jennifer Stewart in order to ascertain as to whether she would agree to this motion being removed from the list</p> <p>Update: The Head of Asset Management and Operations has advised that his team has collated all relevant information and has passed this on to colleagues in the Housing and Environment Service who are now progressing the issue.</p> <p>Councillor Stewart has intimated that she is not content that the motion be removed at this stage.</p>	Head of Housing and Community Safety	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>
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 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".	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 brought back to this Committee or the relevant Service Committee thereafter.	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 of the Government's proposed arrangements for the Diamond Jubilee celebrations are known.	Head of the Office of the Chief Executive	28/09/10	No
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	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)	01/02/11	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>
	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”.						

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HOUSING AND ENVIRONMENT COMMITTEE

12 January, 2010

FORMER CAIRNFIELD COMMUNITY CENTRE – FUTURE USE (EPI/11/018)

Reference was made to article 13 of the minute of meeting of the Education, Culture and Sport Committee of 7 January, 2010, whereby the Cairnfield Community Centre was declared surplus to the requirements of that Service. Since that meeting, officers had confirmed that the site was actually held on the Housing Revenue Account, therefore the aforementioned decision was not competent, and the approval of this Committee was required before any progress could be made on the matter. The Committee had before it on this day a joint report by the Director of Enterprise, Planning and Infrastructure and the Director of Housing and Environment which requested that this vacant property be declared surplus to the requirements of the housing and Environment Service, and advertised for sale on the open market.

Appended to the report was a plan of the property and surrounding area, and photographs of the property were circulated at the meeting.

Further to questions from the Committee, the Head of Regeneration and Housing Investment advised that due to the layout of the site, there was no opportunity to build houses on it.

The Committee resolved:-

- (i) **to declare the property surplus to the requirements of the Housing and Environment Service, and to refer this decision to the meeting of the Finance and Resources Committee of 1 February, 2011, for information;**
- (ii) to instruct the Head of Finance to obtain First Minister approval for the future sale of the property;
- (iii) to authorise the Head of Asset Management and Operations to market the property for sale on the open market, following First Minister approval; and
- (iv) to instruct that a report be submitted to the appropriate meeting of the Finance and Resources Committee detailing any offers received, and for this report to be referred back to this Committee, for information.

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ABERDEEN CITY COUNCIL

COMMITTEE	Housing & Environment
DATE	12 January 2011
CORPORATE DIRECTORS	Pete Leonard and Gordon McIntosh
TITLE OF REPORT	Former Cairnfield Community Centre – Future Use
REPORT NUMBER	EPI/11/018

1. PURPOSE OF REPORT

The purpose of this report is to update the Committee on the future of this surplus property, which is currently vacant, and recommends that as there is no interest from other Council Services or the Council's public Partners, the property should be advertised for sale on the open market.

2 RECOMMENDATION(S)

It is recommended that:-

- a) the property be declared surplus to the requirements of Housing and Environment and be referred onto the meeting of the Finance & Resources Committee of 01 February 2011 for its information;
- b) the Head of Finance be instructed to obtain First Minister approval for the future sale of the property;
- c) the Head of Asset Management and Operations be authorised to market the property for sale on the open market following the obtaining of First Minister approval; and
- d) a further Report is submitted to the appropriate meeting of the Finance & Resources Committee in due course detailing any offers received (and is also referred onto the next appropriate meeting of the Housing and Environment Committee for its information).

3. FINANCIAL IMPLICATIONS

The sale of the property could generate a capital receipt in the region of £150,000 for the Housing Revenue Account, subject to obtaining Scottish Minister approval for any subsequent disposal.

As the proposed sale will be at Market Value, there are no state aid implications.

4. OTHER IMPLICATIONS

There are no significant other implications in relation to the proposals, although legal and finance resources will be required in the future to conclude the proposed sale.

The building itself requires upgrading/improvement and there are a number of holding costs in relation to the property, as yet to be determined.

5. BACKGROUND/MAIN ISSUES

The Education, Culture and Sport Committee meeting of 07 January 2010 (Article 13) approved the recommendation that the Cairnfield Community Centre be declared surplus to the requirements of the Education, Culture and Sport Directorate, although it has subsequently been confirmed by the Head of Legal and Democratic Services that the site upon which the Centre is erected is actually held on the Housing Revenue Account (HRA), and, as such, the foregoing is erroneous.

The property, identified on the attached plan, comprises a detached single-storey building of blockwork construction under a pitched tiled roof with accommodation extending to male and female toilets together with a disabled toilet, two offices and a large open plan hall/room with tea preparation facilities. As the property sits on a sloping site, only 0.08 hectares (0.2 acres), or thereby, of ground are considered developable out of the total site area of 0.15 hectares (0.37 acres), or thereby.

The Council's external property contractors, Ryden, have inspected the property, and advise within their Marketing Report that they would currently anticipate achieving a value of around £150,000.

In line with disposal procedures, the availability of the property was circulated to all Council Services and Partners. By the deadline date of 02 April 2010, no interest had been expressed from any Service or Partner, including representatives on behalf of the HRA. Following the discovery that the property is held on the HRA, it was again given consideration by officers on behalf of the HRA, again with no future HRA use being identified. At the present date there is still no interest.

Accordingly, the Committee is invited to approve the recommendations that the property now be declared surplus to the requirements of Housing and Environment and, thereafter, the Head of Finance be instructed to obtain First Minister approval to the future sale of the property, whilst the Head of Asset Management and Operations be authorised to advertise the property for sale on the open market following the obtaining of the First Minister approval, and that a further Report is submitted to the appropriate meeting of the Finance and Resources Committee in due course detailing the offers received with it also being referred onto the next appropriate meeting of the Housing and Environment Committee for its information.

6. IMPACT

Corporate –

A sale of the property meets the single outcome agreement in relation to the efficient running of the Council and its property portfolio.

The sale of the property in assisting the redevelopment of a vacant building will have wider economic development benefits.

Public –

It is not anticipated that the sale of this asset will create any significant public interest.

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

7. BACKGROUND PAPERS

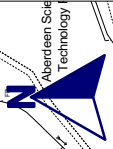
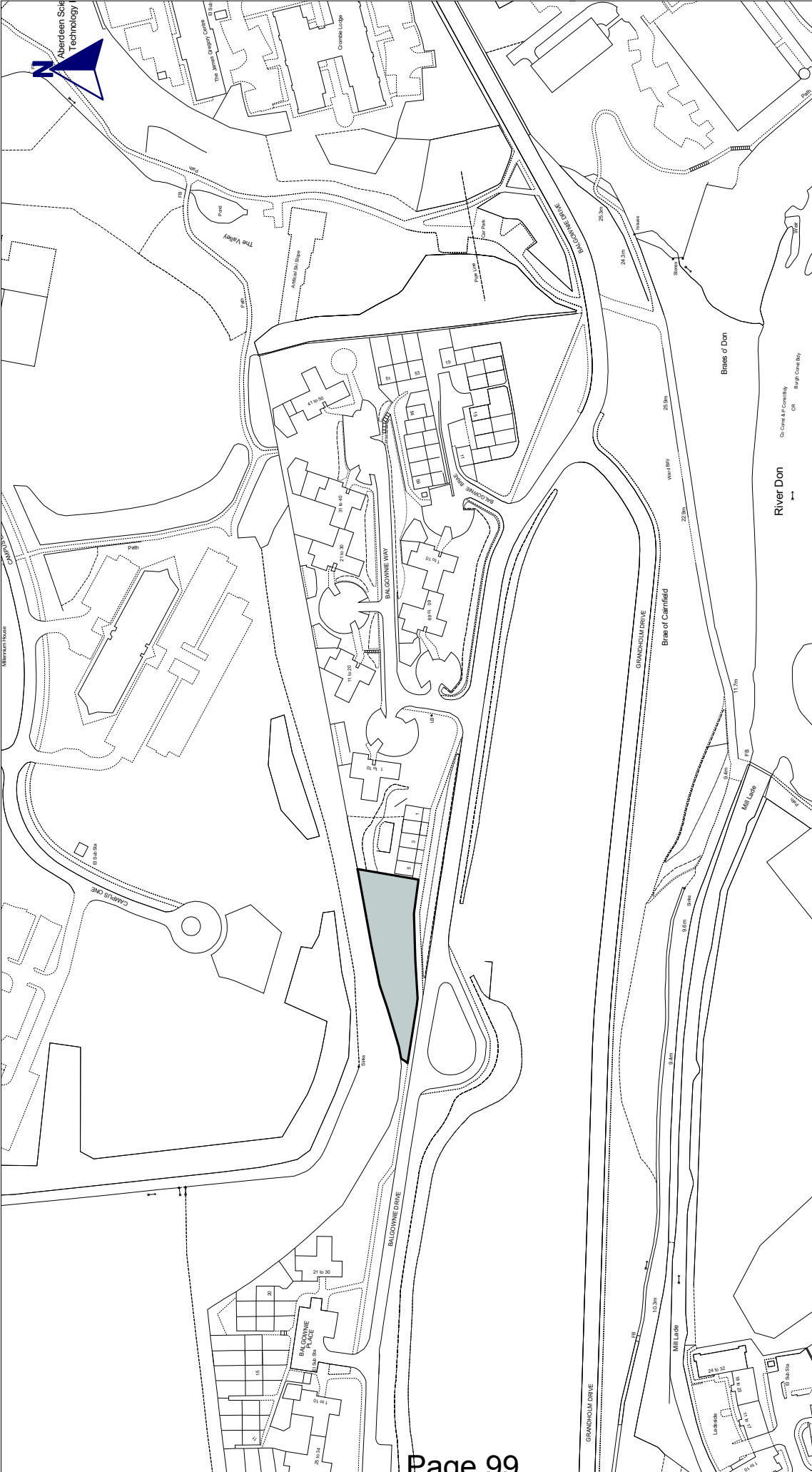
None.

8. REPORT AUTHOR DETAILS

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Title : Former Cairnfield Community Centre
Balgownie Drive, Bridge of Don

Scale: 1:2500
Date: 12 March 2010
Map Ref: NJ9309NW

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HOUSING AND ENVIRONMENT COMMITTEE

12 January, 2010

THE ESTATE OF THE LATE MRS LORNA DOREEN RUSSELL

With reference to article 11 of the minute of its previous meeting of 26 October, 2010, the Committee had before it a report by the Director of Housing and Environment, which provided further details and clarity on the bequest by the Late Mrs Lorna Doreen Russell to the David Welch Winter Gardens and Duthie Park.

By way of background, the report advised that officers had been notified of the bequest in May, 2009; and at this point had been made aware that the residue of Mrs Russell's will was to be made over to "The City of Aberdeen District Council, or its Successor authority, for the purposes of extending, improving or otherwise refurbishing that part of the Duthie Park known as the Winter Gardens or alternatively for providing further facilities at the said park, all as the District Council in its sole discretion may decide."

The report explained that in September, 2009, it was estimated that the sums likely to come to the Council in terms of the bequest were (1) £464,164 in relation to receipts banked to date; and (2) £255,532, with a potential total of £719,696 in relation to the current value of share certificates held. It was noted that the share values could fluctuate, depending on the value of the Stock Market. The report confirmed that all holdings had been transferred into the Council's name and that all proceeds due to the Council, in connection with the transfer of the estate had now been received.

The report indicated that a working group had been set up and the group had identified a number of potential projects, and approximate costs, as follows:

1. Replacement of the two wooden link glasshouses off the Victorian Corridor - £213,000
2. Refurbishment of the two play areas in the park which were withdrawn from the Heritage Lottery Fund Stage 1 - £105,000
3. Create a new play area in the south-east corner of the park, known as the pony park - £200,000
4. Install a footpath to connect the new play area to the park paths - £30,000
5. Reorganisation of the restaurant and shop area within the David Welch Winter Gardens - £235,000
6. Creation of sensory area - £25,000
7. Improvements to the raised bed courtyard area within the David Welch Winter Gardens - £35,000

9. Installation of a plaque in the entrance to the David Welch Winter Gardens to commemorate Mrs Lorna Doreen Russell and the benefits that her bequest had brought.

The report recommended:-

that the Committee –

- (a) instructs officers to prioritise the proposals and spend the sum of the bequest as detailed in the report; and
- (b) report back to committee later in the year on the progress made.

The Committee resolved:-

- (i) to instruct officers to agree on a form of words for the commemorative plaque, in consultation with the Convener and Vice Convener of this Committee;
- (ii) to instruct the working group to only prioritise the proposals of the bequest to the value of the receipts banked to date as detailed within the report;
- (iii) **in relation to the timing of the sales of shares, to refer this matter to the meeting of the Finance and Resources Committee of 1 February, 2011 to ask that they delegate authority to the Head of Finance, in conjunction with the Head of Legal and Democratic Services, to take advice as necessary, make decisions, and action the sale of any or all of the shares pertaining to the bequest at a time they deem appropriate;**
- (iv) to request that a report be brought back detailing the recommended projects (and detailed costings) for committee approval;
- (v) to request that officers arrange to meet with the Friends of Duthie Park and incorporate the comments of the group into the report back; and
- (vi) to request that local members be provided with copies of the minutes of the working group.

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning and Infrastructure
DATE	18 January 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Investment in Vehicle Fleet
REPORT NUMBER:	EPI//11/040

1. PURPOSE OF REPORT

The purpose of this report is to highlight to the Committee the urgent requirement to address the consequences of a lack of investment in the Council's vehicle fleet and plant and to seek approval to proceed with the modernisation of the fleet by means other than the outright purchase of vehicles. The report gives details of the options available for financing this investment.

2. RECOMMENDATION(S)

It is recommended that the Committee:

- i) approves the updated strategic approach to modernise the fleet to bring its age profile down to manageable levels in line with industry standards.
- ii) refers the report to the Finances and Resources Committee with the recommendation that it instructs the Service to progress with the Central Procurement Unit the investigation of alternative means of financing the required investment through revenue expenditure and the selection of the most cost-effective option.

3. FINANCIAL IMPLICATIONS

Approval of the recommendations of this report will enable the Service to commence the process that will lead to the replacement of vehicles currently outwith their effective lives. This will amount to 30 heavy vehicles (over 7.5 tonnes Gross Vehicle Weight) and 223 other vehicles as at 1 April 2011.

Whether the preferred method of financing these replacements is through leasing or contract hire the main financial implications are as follows:

- i) the variable cost of vehicle maintenance and repair will be reduced. This currently amounts to £2.1 million per annum. Analysis of a sample of vehicles of different types indicates that for both heavy and light vehicles, maintenance and repair costs for older vehicles are typically 60% higher than those of equivalent vehicles within their useful lives.

The replacement of all vehicles outwith their useful lives is estimated to be capable of producing a saving in repair and maintenance costs of up to £420k per annum.

- ii) the disposal of old vehicles will generate a capital receipt. The value of this is not possible to quantify at this point, being dependant upon a number of factors, but based on recent sale values it could be up to £300k.
- iii) while vehicles are off the road it is often necessary to hire replacements to maintain service continuity. The cost of such hires is currently £300k per annum. It is estimated that this cost would be reduced substantially with the modernisation of the vehicle fleet.
- iv) the estimated initial revenue impact of replacing the numbers of vehicles mentioned above is £2.25 million. This would also be the ongoing annual revenue cost throughout the life of the lease or hire contract. By comparison, the estimated capital cost of these vehicles is £7.5 million and the associated capital repayment and interest cost would average £1.8 million per annum.
- v) The ongoing capital requirement for vehicle replacements would be eliminated. This currently amounts to £1.5 million per annum which is significantly less than is required annually to maintain the age profile previously approved.

4. OTHER IMPLICATIONS

The adoption of the vehicle replacement strategy to apply a 7 year life to heavy goods vehicles and a 5 year life to light goods vehicles will realise the following benefits:

- i) a reduction in the amount of unscheduled repairs, allowing Fleet Services to focus its efforts on carrying out regular servicing and the safety checks required as a condition of the Council's Vehicle Operator's Licence. The current high level of unscheduled repairs is resulting in other works having to be postponed and this carries the risk of the Council failing to meet its legal obligations under the Operator's Licence.

- ii) Older vehicles carry with them a greater risk of failure with consequential reputational implications for the Council. Modernisation of the fleet would help minimise this risk.
- iii) It would improve the fuel efficiency of the fleet and contribute to lowering its carbon footprint by increasing the proportion of vehicles that incorporate the latest technology in fuel efficiency and reduced emissions.
- iv) It will improve the attractiveness of the Council's fleet and its vehicle maintenance operations to prospective partner organisations in any potential joint working or shared service arrangement. The age of the current fleet has already proved an obstacle in ongoing attempts to enter into such an arrangement with Aberdeenshire Council.
- v) It will reduce the requirement for "spare" vehicles. Due to the high incidence of breakdowns, the refuse collection service maintains 14 additional collection vehicles. It is estimated that this could be reduced to 4 spare vehicles if the fleet was updated.
- vi) Less downtime would be incurred by services. Spare parts for old vehicles can be difficult to obtain and this can delay repairs. The service must maintain a number of spare vehicles, hire replacements or suffer reduced productivity while a vehicle is off the road.

Additional benefits will arise directly as a result of leasing or hiring vehicles:

- vii) The Council will have greater flexibility in adapting to changing fleet requirements. Lease or hire agreements can be modified to suit the needs of services.
- viii) The Council will have greater certainty of its vehicle costs as lease or hire agreements will usually require a fixed monthly charge and the removal of older vehicles from the fleet will reduce the variability of repair and maintenance costs over the lives of vehicles. Many of the risks associated with the ownership of vehicles can be transferred to the hirer or lessor. This will result in a higher charge but will be covered by a fixed charge over the term of the agreement.

5. BACKGROUND/MAIN ISSUES

The Council's road-going vehicle fleet currently numbers 605 vehicles, comprising 95 heavy goods vehicles and 510 light goods vehicles. For the past 5 years, the Council has been operating this fleet on the basis

that light goods vehicles are replaced after 7 years and heavy goods vehicles after 9 years.

In June 2006 a report was approved by the Resources Management committee to invest £3.2 million in vehicle replacements per year over the following three years in order to bring the age profile of the fleet to within the required 7 and 9 years.

However the fleet replacement budget has been maintained at £1.5 million per annum for the past 4 years. This in itself has contributed to the ageing of the fleet – over the past 7 years, this budget has allowed for the replacement of an average of 60 vehicles per annum whereas 75 replacements per annum would have been required just to maintain the fleet at its existing age profile.

The cost of maintaining a vehicle rises significantly after 5 years as expensive components such as engines and gearboxes start to fail and result in lengthy and expensive one-off repairs.

By April 2011 the Council will have 30 heavy vehicles over 7 years old and 223 light vehicles over 5 years old. It is estimated that to replace these vehicles by outright purchase would cost in the region of £7.5 million. Given current and expected future borrowing constraints, the outright purchase of these vehicles is impractical.

Apart from the financing issues, the Council's vehicle maintenance operations are struggling to cope with the workload generated by the large proportion of old vehicles in the Council's fleet. This has created a significant risk that the Council will breach the conditions of its Operators Licence. If this did happen it would result in major disruption to Council services and would require considerable time and expense to resolve.

The Council has limited vehicle maintenance resources and the upkeep of old vehicles places a disproportionate burden on these resources. In many cases, the cost of a major repair is in excess of the value of the vehicle but the lack of financial resources to replace the vehicle means that there is often no alternative.

Options available for financing are:

Operating Lease

The main features of this option are:

- i) it offers a low initial outlay of typically three months rental in advance. This is desirable if there is a shortage of available funds for the outright purchase of vehicles.
- ii) it provides certainty of budgeting and cash flow as monthly rentals are fixed over a fixed period, and there is the flexibility to

extend the lease at the end of the initial agreement at a considerably reduced rental.

- iii) as the risks and reward of ownership are retained by the lessor there is no need to account for the vehicles in the Council's financial statements. This contrasts with a finance lease which requires an asset and liability to be provided for in the Balance Sheet which may impact on the Council's overall debt position.

Contract hire

The main features of this option are:

- i) a low initial capital outlay with fixed monthly payments providing certainty of budgeting and cash flows.
- ii) risks involved in running a vehicle fleet including residual values and interest rates can be transferred to a contract hire company.

Operating lease and contract hire agreements can be tailored to include maintenance if required or this function can be carried out by the in-house service.

6. IMPACT

Corporate – the recommendations contained within this report relate directly to the Single Outcome Agreement, specifically in relation to National Outcome 14, which seeks to reduce the environmental impact of our operations, and National Outcome 15, which seeks to deliver high quality services that are continually improving, are efficient and are responsive to changing needs.

In relation to the Community Plan, the proposals will lead to a reduction in greenhouse gas emissions and this is recognised as a priority within the Community Plan.

The proposals also support the 5 Year Corporate Business Plan in delivering a cost-effective and sustainable vehicle maintenance service that will be able to respond quickly and effectively to changing requirements arising from implementation of the plan.

Public - a full equality and human rights impact is not required as a result of this report.

7. BACKGROUND PAPERS

Report on Vehicle Financing Options. G Harper, December 2009.

8. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning and Infrastructure
DATE	18 January 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Car Parking Charges 2011 - 2013
REPORT NUMBER:	EPI/11/038

1. PURPOSE OF REPORT

The purpose of this report is to obtain approval to implement revised car parking charges for 2011 - 2013. The report also seeks approval for the introduction of a mobile telephone payment system for off-street car parks and agreement to begin a 'pay and display' machine replacement programme. Approval in respect of charges for the removal, storage and disposal of vehicles, and charges for the release of vehicles from immobilisation devices, is also sought.

2. RECOMMENDATIONS

It is recommended that the Committee:

- a) Approves the revised car parking charges as set out in Option C within Appendix A, said revised charges to take effect from 1 April 2011 or as soon as practicable thereafter.
- b) Approves the setting under section 74 of the Road Traffic Act 1991 (as modified) of the levels of charges proposed in this report for the removal, storage and disposal of vehicles and the release of vehicles from immobilisation devices fixed under section 69 of the said Act, in relation to the parking area and with immediate effect.
- c) Approves that the Head of Asset Management and Operations may use any Car Parking Trading Account surplus above budgeted income for investment in replacement 'pay and display' machines during 2011 - 2013.
- d) Approves implementation of a mobile telephone payment system to operate in relation to off-street car parks.
- e) Approves remittance of this report to the Finance and Resources Committee on 1 February 2011 for final approval of the revised car parking charges.

3 FINANCIAL IMPLICATIONS

Implementation of the recommendations to introduce revised car parking charges is projected to result in £658k additional income to the Car Parking trading account in both 2011/12 and 2012/13.

Anticipated user resistance to the increased charges has been considered and income projections take account of potential reductions in customer demand. There is a significant risk that income targets will not be achieved if customer demand falls lower than has been anticipated. This shall be monitored through existing budget monitoring processes.

The implementation of a mobile telephone payment system should cost around £15k during an 18 month trial period. However improving customer convenience should help sustain custom to car parks, potentially offsetting this cost. The net cost of introducing a mobile telephone payment system would be contained within the car parking trading account base budget.

Achieving £658k additional income through the proposed revised car parking charges would enable approximately £90k to be invested in replacement 'pay and display' machines. This would allow for replacement of 25 machines in both 2011/12 and 2012/13. However, the actual amount available to be reinvested in machines would be reduced if the budget target cannot be achieved. Due to the budgetary pressures for the Non-Housing Capital Plan it is being proposed to fund machine replacement costs from additional revenue income achieved on the parking trading account rather than by seeking resources from the capital plan.

These recommendations have no implications for the capital budget.

4. OTHER IMPLICATIONS

Revised car parking charges can be implemented following advertisement of same by a Statutory Notice.

Increasing charges is likely to result in a high volume of complaints and negative publicity. Businesses in controlled areas might suggest that increased charges will reduce visitors to these areas.

Increased charges may encourage people to use more environmentally friendly modes of transport to visit the city centre. Higher pay and display charges may assist resident permit holders to secure parking in areas where demand for parking can be very high at particular times.

In relation to the proposal to introduce a mobile telephone payment system, the Local Authorities' Traffic Orders (Procedures)(Scotland) Regulations 1999 provides that an order to vary the method by which parking charges are to be paid is subject to a simplified procedure which avoids the public objection process. The amendment order is advertised as being made not unlike a notification procedure.

5. BACKGROUND/MAIN ISSUES

Car Parking Charges 2011 - 2013

At its meeting on 15 December 2010 the Council accepted recommendations on its 5 year business plan that had been agreed at the Finance and Resources Committee on 2 December 2010. This business plan includes an action to increase car parking trading account income by £1.9M over the 5 year period. To achieve this, car parking charges should be reviewed every 2 years. Raising income is also essential to fund a 'pay and display' machine replacement programme.

Three main charging options have been assessed in making proposals for increasing car parking income for 2011 - 2013. Current charges and the proposed revised charges are detailed at Appendix A.

Option A (ref Appendix A) - Maintain Current Charges.

Maintaining current charges with current levels of customer demand would result in a projected decrease in income to the Council of £45k in 2011/12. There are two main reasons for this projected decrease in income. Firstly, the closure of St Nicholas House car parks which will happen in the first quarter of the financial year. Secondly, standard rate VAT (Value Added Tax) increased to 20% from 4 January 2011 and charges have not been increased to take account of this. In effect this means by not raising car parking charges the Council is paying the increase in VAT. The option to maintain current charging levels should be dismissed because it would not result in increased income as required to meet our target within the 5 year business plan. Furthermore, it would not provide funds for replacement 'pay and display' machines.

Option B (ref Appendix A) – Mainly Applying a 10% Increase to Current Charges (then rounding charges up to the nearest 10p).

Calculations took account of anticipated drops in customer demand due to increased charges, increased VAT rates and the closing of St Nicholas House car park as explained above. Using this charging model the projected increase in income would be £150k. This additional increase is insufficient to enable achievement of the 5 year business plan target and meet investment requirements. This option included increasing the cost of residents' permits by 10% from 2011. Applying an increase to the cost of residents' permits at this time is considered undesirable given the substantial increases to residents' permits in 2009.

Option C (ref Appendix A) - Economy Pricing Approach (with premium prices applying for on-street parking in the zones in and around the City Centre).

The revised charges have been set to be competitive with privately operated car parks situated around the City Centre. Premium prices, along with shorter maximum stay periods, apply to on-street parking around the City Centre to help maximise parking turnover therefore increasing the opportunity for subsequent drivers to park.

The revised charges would also introduce a more standardised and simplified tariff structure with incremental increases of £1 applying to most charging bands.

This more standardised approach would remove the price differential between one hour and two hour parking bays. This was set up to encourage parking turnover. Similarly, short stay off-street car parks currently have slightly higher charges in comparison with long stay off-street car parks which generally have significantly more parking spaces. However, it is unclear whether driver decisions are influenced by the relatively small differences in current prices.

It is proposed that there should be no increase to the cost of residents' permits from 2011/12.

Any proposed changes to voucher charges which are available to use at Forresterhill and Garthdee zones would be included in the wider car parking review report to be made to the March Committee.

Anticipated user resistance has been considered and income projections take account of potential reductions in customer demand. There is a significant risk that income targets will not be achieved if customer demand falls lower than has been anticipated. This shall be monitored through existing budget monitoring processes. The state of the local economy, weather conditions and increased availability of parking spaces from alternative operators (Union Square and Bon Accord Centre) are external factors creating further risks to achieving budget targets.

Implementation of the proposed revised charges should increase car parking income by £658k in both 2011/12 and 2012/13. These revised charges and the resulting additional income will support the Council to achieve the £1.9M target for increased income in the 5 year business plan and enable us to begin investing in replacement 'pay and display' machines.

Overnight Charges

In relation to off-street car parks, the overnight charge introduced in 2010 has led to significant negative feedback from customers. In addition, current tariff rates do not allow parking throughout the entire 'daytime' charging period and this has also resulted in complaints from our customers. A report will be made to the next Committee meeting setting out options to alter these charges to address the concerns that have been raised. It is likely that any changes would require a traffic order process.

Immobilisation, Removal, Storage and Disposal

At its meeting on 31 May 2010, the Committee approved the commissioning of a service for the immobilisation, removal, storage and disposal of illegally-parked vehicles.

To correct and clarify what was stated in the report to that Committee, in terms of section 74 of the Road Traffic Act 1991 (as modified by the Road Traffic (Permitted Parking Area and Special Parking Area) (Aberdeen City Council) Designation Order 2003) the Council has a duty to set the levels of “*additional parking charges*” (which means penalty charges, charges for the removal, storage and disposal of vehicles and charges for the release of vehicles from immobilisation devices fixed under section 69 of the 1991 Act) to apply in the parking area. Such levels must accord with any guidance given by the Scottish Ministers. No such guidance has been given by the Scottish Ministers.

It is therefore proposed that the following charge levels apply with immediate effect:

Removal of vehicle: £150

Storage: £20 for each period of 24 hours or a part thereof during which the vehicle is in the custody of the Council

Disposal: £150

These charge levels are consistent with those set by other Scottish local authorities which operate a decriminalised parking regime and match the amounts prescribed by the Removal, Storage and Disposal of Vehicles (Prescribed Sums and Charges etc.) Regulations 1989, as amended by the Removal, Storage and Disposal of Vehicles (Prescribed Sums and Charges etc.) Amendment (Scotland) Regulations 2005.

It is also proposed that the charge level for release of a vehicle from an immobilisation device fixed under section 69 of the 1991 Act be set, with immediate effect, at £50. This is slightly higher than the £40 charge used by City of Edinburgh Council. A £50 charge should ensure that charges made by the contractor would be met by drivers of immobilised vehicles.

The contract for providing a service for the immobilisation, removal, storage and disposal of illegally-parked vehicles is currently at the tender stage and will commence by 1 April 2011.

Parking ‘Pay and Display’ Machine Replacements

There are 685 Council operated ‘pay and display’ machines in the city collecting approximately £4.3M per year. The oldest machines were installed in the early to mid 1990s. Their exposure to the elements means that many are corroding which will eventually make them fail and potentially present a safety risk to the public. Approximately 530 ‘pay and display’ machines are now obsolete and it is uncertain how long replacement parts may continue to

be available from the manufacturer. Older types of 'pay and display' machines are not integrated to our 'back office' management system therefore we cannot remotely monitor breakdown, audit income and amend charges. Older 'pay and display' machines are less reliable than current models resulting in more staff time maintaining them and costs for replacement parts. They have a lower limit on the number of coins which can be processed in a single transaction and this is an increasing inconvenience to customers as charges rise. New machines should offer security enhancements, are more vandal resistant, increased energy efficiency and additional functionality. For example, with adaption they should support 'Squid' payments.

Investment in replacement 'pay and display' machines is essential to reduce the risks and operational inefficiencies explained above. The proposal is to use budget surplus to fund replacement machines to address immediate requirement in the next two years but it is recommended that a phased replacement programme funded from revenue income is incorporated into the forward planning of the service for future years in a more structured way and officers should report back on options to secure the level of income from off street car parks and possible funding sources.

Mobile Telephone Payment System

Currently non-permit holders must insert coins into a 'pay and display' machine to pay car parking charges. It is desirable to increase payment options for our customers to offer them greater convenience. Better customer service should also help sustain and increase customer demand to use Council car parks.

Key benefits for our customers will include not having to find the correct change for parking machines. Systems can also be set up to send automatic reminders to let customers know that the period they have paid for is about to expire. Customers would be able to pay for extra time without having to return to their vehicle. This functionality would assist customers avoid penalty charges due to expiry of parking tickets.

Mobile telephone payment systems are increasingly being used by local authorities and other car parking operators as an alternative to cash payments.

Typical systems operate by customers registering with the service provider to use the telephone payment system. Thereafter parking customers telephone or text the service provider to pay for parking. In addition to the usual car parking charges, customers pay an additional charge for paying by telephone. Payment records are sent electronically to the city wardens' handheld computers to enable them to monitor parking compliance. A bank charge averaging £0.18 per transaction would apply for processing card payments. This would be met by the Council however some service providers would meet these charges during a trial period.

It is proposed that the Council appoint a service provider through standard procurement processes to deliver a mobile telephone payment system for an 18 month trial period. A trial period is desirable to gain more understanding of customer demands for this type of service and to inform decisions on long term permanent solutions for cashless payments. It is intended that cashless car parking systems align with corporate approaches to cashless systems.

This payment system would be available in all off-street car parks during the trial period.

The estimated cost to the Council of introducing a mobile telephone payment system should be no more than £15k over an 18 month period. There is a possibility that these costs could be met in part or fully by the service provider during the trial period.

Further benefits of utilising a mobile telephone payment system include less requirement to collect cash from machines and reduction in paper tickets. These have yet to be built into the cost model but will form part of the findings and recommendations from the pilot scheme.

Using a mobile telephone system is more desirable than adapting existing machines to accept cash and debit/credit cards due to the costs which would be incurred in purchasing and installing additional machine parts.

6. IMPACT

These proposals accord with National Outcomes 12 and 14 and especially the local outcome to minimise the global impact of transport within the Single Outcome Agreement 2009/10.

The pertinent policies within the Local Transport Strategy are as follows:

MAN CP1 ACC is committed to implementing a more comprehensive parking policy and charging regimes aimed at discouraging parking for non-priority users and providing an adequate supply of short stay parking to satisfy the needs of business, shoppers and visitors.

MAN CP2 ACC will undertake a review of parking policy, charges and systems. This will include reviewing charges with respect to both inflation and comparison with bus fares. On-street parking which reduces network capacity along major corridors will also be reviewed.

The 5 year business plan includes an action to increase net car parking trading account surplus by £1.9M over the 5 year period.

This report is likely to attract substantial interest from the public and media.

7. BACKGROUND PAPERS

Aberdeen City Council Priority Based Budgeting: Final Draft Report (version 1.4a)

8. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning and Infrastructure
DATE	18 January 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Car Parking Charges 2011 – 2013 – Supplementary Information
REPORT NUMBER:	EPI/11/038

This document should be read in conjunction with the Car Parking Charges 2011 – 2013 report which is item 10.8 on the Enterprise, Planning and Infrastructure Committee Agenda for 18 January 2011.

When the draft report was circulated for consultation additional time was allowed for comments to be submitted to the author after the report submission deadline on 6 January 2011. These comments were to be included in this supplementary report to be provided to Committee members in advance of the Committee meeting.

Comments were made by Councillor John Stewart. Councillor Stewart asked that consideration be given to altering the tariff structure where the outer zone tariff applies for on-street parking. His main concern being potential negative impact on traders as a result of reduced vehicles parking due to increased parking charges. Councillor Stewart asked for consideration to charging £1 for 30 minutes, £2 for 1 hour, £3 for 90 minutes and £4 for 2 hours. Councillor Stewart also asked for clarification on whether apparent confusion about overnight charges had been resolved and whether resident permit holders in the Gallowgate area could be allowed to park overnight in West North Street car park.

Changing the tariff structure as suggested by Councillor Stewart would in effect be lower parking charges than those proposed in Option C of Appendix A. In order to implement such a change a new traffic regulation order would require to be promoted. Unfortunately due to the length of this process it would not be possible to implement any change before September 2011. An alternative to implementing the Option C increases to outer zones would be to increase outer zone charges to the levels set out at Option B. It is projected that this would reduce projected additional income by £51k to £607k. This option is set out as Option D in a revised Appendix A. Implementing Option D would likely result in less budget available to invest in replacement pay and display machines.

It should be noted that 45 minute maximum stay parking bays offer time limited free parking and are generally located near local shops where customers only require to park for short periods. George Street, Rosemount and Fountainhall all benefit from these provisions.

Councillor Stewart's comments about overnight charges and resident permit holders parking overnight in off-street car parks will be addressed in the wider parking review report to be submitted to the March Committee.

A revised version of Appendix A circulated with the Committee report is attached. This revised version also corrects tariff descriptions in respect of Business, Residents and Contractors permits.

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CAR PARKING CHARGES

INCOME SOURCE	OPTIONS			
	A	B	C	D
Off Street - Short Stay				
Up to 1 hour	0.35	0.40	1.00	1.00
Up to 2 hours	1.60	1.80	2.00	2.00
2 to 3 hours	2.40	2.70	3.00	3.00
3 to 4 hours	3.20	3.60	4.00	4.00
Overnight charge	1.50	1.50	1.50	1.50
Projected income increase/decrease	-11,151	-85,004	-4,645	-4,644
Off Street - Long Stay				
Up to one hour	0.75	0.90	1.00	1.00
Up to two hours	1.35	1.50	2.00	2.00
2 to 3 hours	2.10	2.40	3.00	3.00
3 to 4 hours	2.80	3.10	4.00	4.00
4 to 5 hours	3.60	4.00	5.00	5.00
5 to 6 hours	4.50	5.00	6.00	6.00
6 to 10 hours	8.00	8.80	10.00	10.00
Overnight charge	1.50	1.50	1.50	1.50
Projected income increase/decrease	-20,412	91,208	354,693	354,693
Monthly Permits (Long Stay Car Parks)				
Per month	160.00	176.00	200.00	200.00
Projected income increase/decrease	-13,335	29,829	120,488	120,488
Business Permits				
Per year	160.00	176.00	200.00	200.00
Projected income increase/decrease	-	5,118	24,089	24,089

One hour parking is only available at Fonihill Road and Broomhill Road car parks. There is a 2 hours maximum stay in these car parks. The 2 hour charge is currently 75p

One hour payment is only available at Denbun Car Park

	A	B	C	D
Contractors Permits				
Per month	50.00	No change	No change	No change
Projected income increase/decrease	-	-	-	-
Residents Permits				
Fixed permit per year	80.00	88.00	No Change	No Change
Flexible permit per year	120.00	132.00	No change	No change
Projected income increase/decrease	-	100,760	-	-
Forresterhill and Garthdee Zone Vouchers				
Up to 2 hours	1.00		No Change	No Change
2 to 6 hours	2.00		No change	No change
Projected income increase/decrease	-	-	-	-
On Street				
<u>Inner Zones/Up to one hour charging bands</u>				
Up to 20 minutes	0.75	1.00	1.00	1.00
20 to 40 minutes	1.50	2.00	2.00	2.00
40 to 60 minutes	2.30	3.00	3.00	3.00
<u>Outer Zones/Up to two hour charging bands</u>				
Up to 20 minutes	0.60	0.80	1.00	0.80
20 to 40 minutes	1.25	1.50	2.00	1.50
40 to 60 minutes	1.90	2.50	3.00	2.50
1 to 2 hours	3.90	4.00	4.00	4.00
<u>Peripheral Zones/Up to three hour charging bands</u>				
Up to 30 minutes	0.35	0.50	0.50	0.50
30 to 60 minutes	0.75	1.00	1.00	1.00
1 to 2 hours	1.50	2.00	2.00	2.00
2 to 3 hours	2.30	3.00	3.00	3.00
Projected income increase/decrease	-	7,418	163,387	112,302
TOTAL PROJECTED INCREASE/DECREASE	-44,898	149,328	658,012	606,927

List of Car Parks

Short Stay Car Parks	Number of spaces
Broomhill Road	17
Fonthill Road	8
East North Street	72
Golden Square	32
Greyfriars	138
Summer Street	42
St Nicholas House	99
Jack's Brae	22
Long Stay Car Parks	
Chapel Street	500
Denburn	326
Frederick Street (to be built)	159 (estimated)
Mearns Street	46
West North Street	160

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DRAFT

ENTERPRISE, PLANNING AND INFRASTRUCTURE COMMITTEE

18 January, 2011

2010/2011 REVENUE BUDGET - EPI/10/269

With reference to article 10 of the minute of the meeting of the Enterprise, Planning and Infrastructure Committee of 9 November 2010, the Committee had before it a joint report by the Director of Enterprise, Planning and Infrastructure and the Head of Finance, which highlighted the current year revenue budget performance to date for the services which related to the Committee and advised on any areas of risk and management action.

Appended to the report was a summary monitoring statement for the revenue budget 2010/2011 which outlined the budget for the year, detailed the actual spend to end September, 2010, and explained variances. It also outlined whether or not there were any cost pressures that were immediately identifiable from the expenditure incurred to date and the actions being undertaken to manage these.

At this time, it was anticipated that the Service would see a shortfall in income of £3.1 million and it was working to reduce costs to mitigate the impact of this shortfall. To mitigate the effect of these risks, the management of vacant posts was being actively pursued and savings of £700,000 were anticipated for the full year.

The following areas of risk were highlighted together with the management action being taken. A budgeted income of £187,000 from the Neighbour Notifications would not be realised due to the necessary increase in planning application fees not being implemented by the Scottish Government. Two of the budgeted savings proposals, one being in relation to the closure of Summerhill and the other relating to the maintenance cost of the Real Time Passenger Information system for public transport, had not yet been achieved. However, service managers had identified alternative means of achieving the savings. It was also advised that the Architectural Design service had seen a significant decline in its workload as a result of the reduced value of capital works being undertaken by the Council, and therefore a shortfall in income of £1.2million was anticipated. In addition, the risk and additional cost of persistent and extended periods of adverse weather was outlined. Finally, it was advised that agreement had been reached with Education, Culture and Sport on the accounting of the cost of providing school meals; this led to the full cost of £1.5 million reverting to the Enterprise, Planning and Infrastructure service, with £700,000 of this being offset against corporate reserves.

Arising from discussions on the forecast overspend, and the proposal to use reserves to mitigate this position, the Committee resolved to request the Finance and Resources Committee to consider the accountancy oversight regarding the cost of providing school meals, this having emerged during those discussions. Specifically, in relation to the £700,000 being offset against corporate reserves detailed in the report, the Director clarified that at this stage this was a proposal and had not been approved.

The Committee resolved:-

- (i) to instruct officers to submit a report to a future meeting of the Committee on the management of empty properties and the damage incurred to properties where services had not been switched off;
- (ii) to instruct the Corporate Management Team (CMT) to identify areas of savings across all budgets which could be made to offset the existing £3.1million overspend in the Enterprise, Planning and Infrastructure service budget by the year end and to report to the relevant Committee in this regard;
- (iii) **to refer consideration of the accountancy oversight regarding the cost of providing school meals to the Finance and Resources Committee;**
- (iv) to instruct officers to submit a report to the Finance and Resources Committee advising of areas where the Council remained both the client and the contractor and the recharge accounting method was still utilised;
- (v) to instruct officers to submit a report detailing the functions of the architectural design service and presenting viable options for service redesign to a future meeting of the Committee;
- (vi) to note the report on the performance to date and the forecast out-turn and the information on risks and management action that was contained therein;
- (vii) to instruct officers continue to review budget performance and report on service strategies as required to ensure a balanced budget; and
- (viii) to instruct officers to report, in due course, on the actual out-turn compared to budget following completion of the 2010/11 financial statements.

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning and Infrastructure
DATE	18 January 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	2010/11 Revenue Budget Monitoring
REPORT NUMBER:	EPI/11/005

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to:
- i) bring to Committee members notice the current year revenue budget performance to date along with forecast out-turns for the services which relate to this Committee;
and
 - ii) advise on any areas of risk and management action.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Committee:
- i) note this report on the performance to date and the forecast out-turn and the information on risks and management action that is contained herein; and
 - ii) instruct that officers continue to review budget performance and report on service strategies as required to ensure a balanced budget.
 - iii) instructs officers to report, in due course, on the actual out-turn compared to budget following completion of the 2010/11 financial statements.

3. FINANCIAL IMPLICATIONS

- 3.1. The total Enterprise, Planning and Infrastructure budget currently amounts to £27.5 million net expenditure.
- 3.2. Based upon present forecasts it is anticipated that the Service will overspend its budget by £3.1 million. This position will be reflected in the overall financial monitoring for the Council when it is reported to Finance and Resources Committee at the end of this Committee cycle.
- 3.3. Further details of the financial implications are set out in section 5 and in the appendix attached to this report.

4. OTHER IMPLICATIONS

4.1 None.

5. BACKGROUND/MAIN ISSUES

5.1 This report informs Members of the current year revenue budget performance for the Service to Period 8 (end of November 2010) and provides a high level summary for the consideration of Members. It also outlines whether or not there are any cost pressures that are immediately identifiable from the expenditure incurred to date and actions being undertaken to manage these.

5.2 The Service report and associated notes are attached at Appendix A

Financial Position and Risks Assessment

The forecast out-turn as at Period 8 is a net overspend of £3.1 million.

At this time the following areas of risk are highlighted together with the management action being taken.

- Planning and building application income is £280k above budget to Period 8. This is a significant improvement on the position reported previously and is due to a number of recent large applications. The out-turn has been updated to reflect the improved position but there is a risk that the improving trend will not continue.
- A budgeted income of £187k from Neighbour Notifications will not be realized due to the Scottish Government not implementing the increase in planning applications fees that was necessary to achieve this.
- The service has two budget savings proposals that are unlikely to be met in full. The first relates to the closure of Summerhill and the second relates to defraying the maintenance cost of the Real Time Passenger Information system for public transport. Service managers have identified alternative means of achieving the required savings.
- The Architectural Design service has seen a significant decline in its workload as a result of the reduced value of capital works being undertaken by the Council. It is anticipated that the Service will see a shortfall in income of £1.2 million and it is working to reduce costs to mitigate the impact of this shortfall.
- Adverse winter weather is being experienced relatively early this year and is having an impact on roads maintenance budgets. There is a risk that these conditions will persist for an extended period and the out-turn for winter maintenance has been increased to cover the expected additional cost.

- **Agreement has been reached with Education, Culture and Sport on the treatment of the cost of providing school meals. The full cost of £1.5 million will revert to Enterprise, Planning and Infrastructure with £700k of this being offset against corporate reserves.**

To mitigate the effect of these risks, the management of vacant posts is being actively pursued and savings of £800k are anticipated for the full year.

6. IMPACT

- 4.1. Corporate - As a recognised top priority the Council must take the necessary measures to balance its budget. Therefore Committees and Services are required to work within a financial constraint. Every effort is being focused on delivering services more efficiently and effectively.

Public – this report is likely to be of public interest due to the size of the budgets involved and the nature of the services provided by Enterprise, Planning and Infrastructure, a number of which are front line services delivered directly to citizens and the business community within the city.

7. BACKGROUND PAPERS

Financial ledger data extracted for the period.

8. REPORT AUTHOR DETAILS

Brian Downie
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01224 814541

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COMMITTEE	Finance and Resources Committee
DATE	1 st February 2011
CORPORATE DIRECTOR	Stewart Carruth
TITLE OF REPORT	Corporate Governance Service – Performance Reporting
REPORT NUMBER	CG/11/007

1. PURPOSE OF REPORT

This is a report on the progress and performance of the Corporate Governance Service in implementing the approved Service Business Plan 2010/13.

2. RECOMMENDATION(S)

It is recommended that the Committee:-

- i. Note the reported progress and performance; and
- ii. Instruct such action as is considered appropriate.

3. FINANCIAL IMPLICATIONS

There are no direct implications arising from this report.

4. SERVICE & COMMUNITY IMPACT

The Corporate Governance Service's success in delivering its approved Service Business Plan will have considerable impact on the Council's services and the wider community.

5. OTHER IMPLICATIONS

None.

6. REPORT

6.1 Background

6.1.1 The Committee, at its meeting on 17th June 2010, approved the Service Business Plan 2010/13 for the Corporate Governance Service. The Service Business Plan includes a number of actions with corresponding performance indicators which will measure the impact of the actions.

6.1.2 The Corporate Policy & Performance Committee, at its meeting on 29th April 2010, agreed that Service Committees should receive and consider quarterly performance reports from the corresponding Service. The reports to include:

- progress with actions set out in the relevant Service Business Plan;
- all Statutory Performance Indicators which fall within the committee's remit;
- other Key Performance Indicators which the Service and / or the Committee deem necessary to manage performance;
- specifically, data showing actual and projected expenditure on revenue and capital budgets, as well as delivery of agreed savings; and
- the relevant Service Risk Register.

6.1.3 This report presents the first quarterly performance pack for the Corporate Governance Service.

6.2 Ongoing Development of Performance Data and Reporting

6.2.1 Members will appreciate that the 3 year Corporate Governance Service Business Plan represents significant change. The Service is committed to implementing and monitoring this change through improved use of actionable data. Work is ongoing to put in place processes which capture the "necessary" data as opposed to the "readily available". As a result a number of our agreed performance indicators remain in development. These will quickly become populated as systems are put in place to capture the data.

6.2.2 As set out within the Service Business Plan, the Corporate Governance Service intends to move its performance reporting towards a fully "Balanced Scorecard" over the coming months. A significant element of this "Balanced Scorecard" requires both self-evaluation and external qualitative feedback to be given by the service users of Corporate Governance. The following metrics are currently being developed and will become part of the Service's performance reporting when data is available:-

i. Self-evaluation

- "How Good is Our Council?" Rating
- "How Good is Our Management?" Rating
- "How Good are Our Processes?" Rating
- "How Good is our Leadership?" Rating
- "How Well do we Meet the Needs of Stakeholders?" Rating
- "How Good are Our Key Outcomes?" Rating

ii. Customer Feedback

- Customer Satisfaction with Corporate Governance Services
- Customer Satisfaction with ICT
- Customer Satisfaction with Finance
- % staff satisfaction with the Council as an employer

6.3 Exceptional Performance At January 2011

6.3.1 Significant steps have already been taken across the Corporate Governance Service towards implementing the 2010/13 Service Business Plan. Members will appreciate that the Service Business Plan commits the Service to many new actions and performance indicators, therefore progress and trend analysis is at an early stage. There are a small number of exceptional issues which the Service would specifically highlight:

Action Exceptions

1. We will implement a Human Resources shared service centre

Exception Reason	Timescale	Progress	Status Note
Good progress	31 Mar 2011	75%	<p>Phase 1 of the implementation plan has been completed with the relocation of the five service staffing teams to the AECC. The service staffing teams are co-located with the payroll team and are continuing to support their current customer group whilst the review of HR processes continues to be carried out, technology support is developed and training is provided to enable the staff to support all services. The finer detail of the structure of the HR Service Centre is being developed with a view to reporting the finished structure to committee in April 2011.</p> <p>Phase 2 is about the HR Service Centre becoming fully operational with the query and transactional teams in place to deal with all HR queries and handle the various HR processes. This was originally expected to happen by the end of May 2011. However, a significant element of phase 2 is being brought forward to 17 January 2011 when the HR Service Centre will handle almost all HR queries and be the single point of contact for accessing HR services.</p>

2. We will ensure value for money by challenging spend through a Priority Based approach to budgeting and planning

Exception Reason	Timescale	Progress	Status Note
Of exceptional current significance	31 Mar 2011	70%	The Council has now approved a number of Service Options to deliver the 5 Year Business Plan. Work continues to identify the final elements that require approval at the budget meeting in February to deliver a final 5 year plan that provides the Council with a solid financial base on which to plan and deliver Services for this business planning period. The positive steps already undertaken have led to further development work to ensure that relevant business cases are fully worked up and that a Project Management Office is set up to ensure delivery of the Service Options. The Council has also now received its grant funding for the financial year 2011/12 and this has been incorporated into the business plan.

3. We will further develop and improve our risk management policy to better manage risk

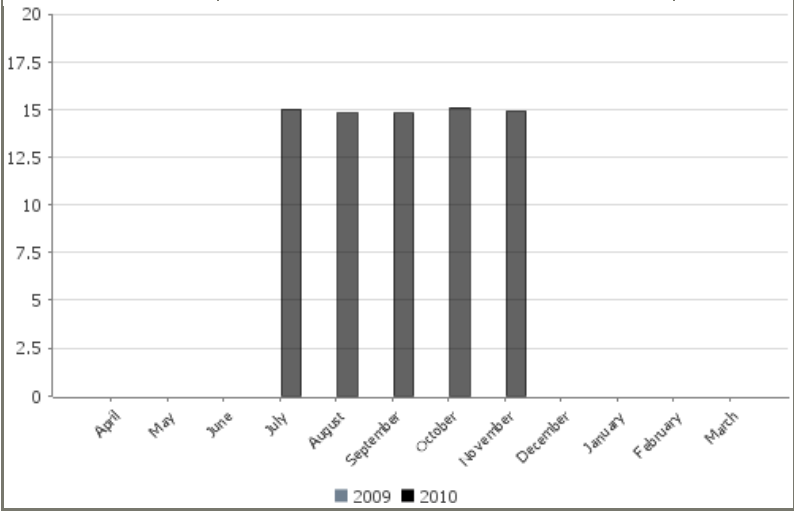

Exception Reason	Timescale	Progress	Status Note
Good progress	31 Mar 2011	50%	Significant progress has been made over the last few months. A revised draft corporate risk register was submitted to the Audit & Risk Committee in January, Services are working to review their Service Risk Registers, a Corporate Risk Management Group has been established and is meeting regularly, training has been provided to 16 elected members, the Corporate Risk Strategy and Manual have been revised. Risk will shortly be aligned and reported with Service Business Plan performance.

4. We will modernise the Internal Audit function in partnership with an external provider to provide added value through each audit.

Exception Reason	Timescale	Progress	Status Note
Good progress	31 Mar 2011	100%	The Internal Audit function is now provided by PWC. The contract commenced in October 2010 and during these initial months the service received has been excellent. The service is also now being provided at reduced overall cost to the Council.

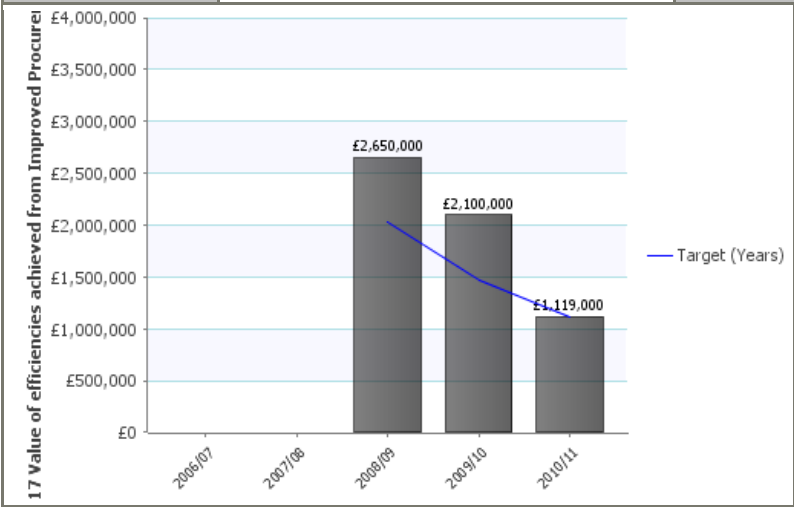

Performance Indicator Exceptions

1. Average number of days lost through sickness absence (SPI Corporate)

Exception Reason	Performance below target	Value	14.9	Target	10
					
Benchmarking	Comparison with other Scottish Councils showed the Council had higher absence rates in 2009/10.				
Analysis	Figures are shown as a rolling 12 month average. Absence for the Corporate Governance Service is below the Council wide figure and is currently 11.3. The new Maximising Attendance Policy and Procedure is being implemented. This is designed to proactively manage attendance. In addition, a business intelligence approach to the better management of information on sickness absence is in development with a software supplier. The analysis resulting from this process as well as process redesign will assist services in identifying and tackling root causes and patterns of absence.				

Performance Indicator Exceptions

2. Value of efficiencies achieved from Improved Procurement (£000)

Exception Reason	Performance exceeding target	Value	£1.119k	Target	£1.117k
					
Analysis	Figure shown is that achieved this year to date as at 13.09.10 with the target already exceeded, the 3 rd consecutive year the target has been exceeded.				

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

None

Combined Actions and PIs

Report Type: Actions Report
Report Author: Neil Buck
Generated on: 17 January 2011



1. We make best use of the financial resources available to us, delivering improvement in our service priorities in the most cost effective manner

Action	Timescale		Status	Progress	
We will ensure value for money by challenging spend through a Priority Based approach to budgeting and planning.	31 Mar 2011			<div style="border: 1px solid black; width: 80px; height: 20px; background-color: #add8e6; display: flex; align-items: center; justify-content: center;">70%</div>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Council-wide efficiencies as a percentage of revenue budget	2%	2.32%			
Corporate Governance Service efficiencies as a percentage of revenue budget					
	PI in development				

Action	Timescale		Status	Progress	
We will market test and benchmark our services against best in class across a range of sectors.	31 Mar 2012			<div style="border: 1px solid black; width: 80px; height: 20px; background-color: #add8e6; display: flex; align-items: center; justify-content: center;">15%</div>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Cost of overall accountancy function per £1,000 of net expenditure		£6.37			
Cost of overall human resources function per £1,000 of net expenditure	£6.47	£6.24			
	PI in development				






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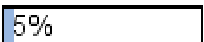
Total Cost of Ownership per ICT workstation	£1,039.00	£1,222.14			
Internal Audit cost per £1m expenditure	£861.00	£664.00			
BA1: Gross administration cost per benefit case	£41.00	£41.47			
Cost of collecting council tax per dwelling	£12.75	£12.98			
The percentage of Council Tax collected during the year, net of reliefs and rebates (SPI)	70.73%	85.7%			


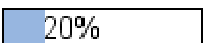
Action	Timescale		Status	Progress	
We will ensure Best Value in projects through a programme management framework.	31 Mar 2011			<input type="text" value="20%"/>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
No of projects delivered where anticipated business benefits have been achieved as a % of those delivered within the time period	100%	100%			
No of projects delivered within agreed budget as a % of those delivered within the time period	100%	100%			
No of projects delivered within agreed timescale as a % of those delivered within the time period	100%	33.33%			

Action	Timescale		Status	Progress	
We will review business processes to support delivery to the Council's customers.	31 Mar 2011			<input type="text" value="0%"/>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
% of council spend that is "support services" PI in development					
The percentage of all invoices paid within 30 calendar days (SPI)	88.5%	84.7%			

The percentage of residents very or quite satisfied with the council	48%	46%			
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Action	Timescale	Status	Progress		
We will work with our partners to identify and deliver efficiencies from effective procurement.	31 Mar 2011				
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Value of efficiencies achieved from Improved Procurement (£000)	£1,117,000	£1,119,000			

Action	Timescale	Status	Progress
We will develop and implement an approach to measuring productivity.	31 Mar 2011		

Action	Timescale	Status	Progress
We will implement and embed a model of self-evaluation across the Council to improve understanding of our business and to co-ordinate our effort for external inspection.	31 Mar 2011		

Action	Timescale		Status	Progress	
We will modernise the Internal Audit function in partnership with an external provider to provide added value through each audit.	31 Mar 2011			<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4f81bd; color: white; text-align: right; padding: 2px;">100%</div>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Satisfaction with Internal Audit	90%	88%			
Tangible improvements in performance resulting from Audit Recommendations	PI in development				
Internal Audit cost per £1m expenditure	£861.00	£664.00			

Action	Timescale		Status	Progress	
We will further develop and improve our risk management policy to better manage risk	31 Mar 2011			<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4f81bd; color: white; text-align: right; padding: 2px;">50%</div>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend

Action	Timescale		Status	Progress	
We will improve our corporate ICT infrastructure to support the business in cost effective ways.	31 Mar 2012			<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4f81bd; color: white; text-align: right; padding: 2px;">10%</div>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Implementation of ICT enabled flexible working - % of Employees who have flexible working facilities as a % of total employees.	20%	6.25%			
Total Cost of Ownership per ICT workstation	£1,039.00	£1,222.14			

Major computer application uptime	99.5%	99.64%			
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Action	Timescale		Status	Progress	
We will implement a Human Resources shared service centre.	31 Mar 2011			<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4a86e8; position: relative;"> 75% </div>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Customer Satisfaction with HR	100%	52.7%			
Cost of overall human resources function per £1,000 of net expenditure	£6.47	£6.24			

Action	Timescale		Status	Progress	
We will implement a Finance shared service centre.	31 Mar 2011			<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4a86e8; position: relative;"> 65% </div>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Cost of overall accountancy function per £1,000 of net expenditure		£6.37			
	PI in development				

Action	Timescale		Status	Progress	
We will maintain strong governance and ensure the probity of all actions taken by the Council.	31 Mar 2013			<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4a86e8; position: relative;"> 0% </div>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Unsuccessful Legal Challenges					
	PI in development				

2. We have a flexible, skilled and motivated workforce

Action	Timescale		Status	Progress	
We will develop a flexible Corporate Workforce Plan which aligns our workforce with available budget and our priorities.	31 Mar 2012			<input type="text" value="50%"/>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Level of Staff Turnover (Corporate)		0.48%			
Level of Vacancies (Corporate)		17.61%			

Action	Timescale		Status	Progress	
We will ensure that effective succession planning is in place.	31 Mar 2013			<input type="text" value="0%"/>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Level of Vacancies (Corporate)		17.61%			
Number of internal candidates appointed to promoted posts (accumulative from July 10)		11			






Action	Timescale		Status	Progress	
We will review the range of skills on a service by service basis and ensure there are high skilled and motivated employees.	31 Mar 2012			<input type="text" value="0%"/>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend

Average number of days lost through sickness absence - Corporate Governance (SPI)	10	11.3			
Average number of days lost through sickness absence (SPI Corporate)	10	14.9			
Level of Vacancies (Corporate)		17.61%			
% appraisal development needs met	PI in development				
% appraisal objectives met	PI in development				
Level of ICT User Competence - Scored 1 to 7 (SOCITM 10)	5				

Action	Timescale		Status	Progress	
We will undertake an organisational wide review of the business needs of the new departments and allocate support staff with the right skills to each of the departments.	31 Mar 2013				
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Headcount of Agency Staff Council wide		535			
Headcount of Agency Staff - Corporate Governance		27			

Action	Timescale		Status	Progress	
We will develop and implement a flexible Customer Services Model to enable efficient and high quality service delivery, ensuring skilled and motivated employees.	31 Mar 2012				







Action	Timescale	Status	Progress
We will improve knowledge management and sharing within the Directorate and with our partners.	31 Mar 2011		<input type="text" value="0%"/>












Action	Timescale	Status	Progress		
We will conduct a systematic review of structures across the component teams of the Directorate, to ensure the design and number of posts properly reflects the needs and priorities of the directorate and our customers and stakeholders.	31 Mar 2011		<input type="text" value="20%"/>		
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
% of council spend that is "support services"	PI in development				




3. We listen to, and are responsive to, our customers, shaping our services around their needs and focusing our resources where they are most needed

Action	Timescale		Status	Progress		
We will systematically engage internal customers, external customers and our partners, embedding their feedback to shape the services we deliver.	31 Mar 2011			<input type="text" value="40%"/>		
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend	
Customer Satisfaction with Corporate Governance Services						
	PI in development					
% who feel they can influence what happens in their neighbourhood	27%	26%				

Action	Timescale		Status	Progress		
We will develop a channel management strategy, routing customer facing services through the most appropriate customer contact channels to demonstrate enhanced customer service and improved efficiency.	31 Mar 2014			<input type="text" value="0%"/>		
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend	
The percentage of residents who are satisfied with the Customer Service provided by the Council	67%	67%				
Total number of enquiries across all centralised customer service channels		2,649,332				
Total number of online transactions		11,832				
% of telephony queries resolved at the first point of contact (calculated using the Customer Contact Centre data)	75%	93.6%				
% of face-to-face queries resolved at the first point of contact (calculated using the stats gathered by the Customer Service Centre and Customer Access Points)	75%	97.7%				

Action	Timescale	Status	Progress		
We will manage contracts and supplier performance to ensure we maximize value and efficiency in the goods and services we procure and to ensure they meet the needs of our customers and services.	31 Mar 2011		25%		
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Procurement - Quality, Price, Time and Service PI in development					

Action	Timescale	Status	Progress		
We will engage with our supplier base to effectively manage relationships so that the Council is perceived as an attractive business partner.	31 Mar 2011		40%		
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Procurement - Supplier Rating of Council as an Attractive Partner PI in development					
Procurement - Supplier Response to Tenders PI in development					

Action	Timescale	Status	Progress		
We will deliver a positive customer experience through a customer service centre at the new corporate headquarters and an improved combined telephone contact centre.	31 Mar 2012		32%		
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
The percentage of residents who are satisfied with the Customer Service provided by the Council	67%	67%			

Action	Timescale	Status	Progress
We will continue to engage with other Services across the Council regarding Government Priorities and embed feedback to shape the Service and focus resources where needed.	31 Mar 2011		


4. We work closely with our partners, including local communities, to deliver a single set of outcomes for all the citizens of Aberdeen

Action	Timescale		Status	Progress	
We will actively engage with existing community planning partners and build new relationships, to develop an innovative service planning and delivery model based on the Total Place movement.	31 Mar 2011			<input type="text" value="30%"/>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Council-wide efficiencies as a percentage of revenue budget	2%	2.32%			
The percentage of residents very or quite satisfied with the council	48%	46%			
% who feel they can influence what happens in their neighbourhood	27%	26%			
% of adult residents stating their neighbourhood as a 'very good' or 'fairly good' place to live	90%	89%			

Action	Timescale		Status	Progress	
We will implement our Single Equalities Scheme, embedding equalities in all the services we deliver.	31 Mar 2013			<input type="text" value="30%"/>	
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
% of residents agreeing that they are fairly treated in their contact with the Council (+ no replies)	91%	91%			

Action	Timescale		Status	Progress	
We will develop an approach to measuring social return on investment and implement on key investment projects.	31 Mar 2011			<input type="text" value="15%"/>	

Action	Timescale	Status	Progress
We will engage with neighbouring authorities to investigate the possibility of shared legal and democratic services.	31 Mar 2012		<input type="text" value="0%"/>

Action	Timescale	Status	Progress
We will network with professionals located in other public and private bodies to share professional research and benchmarking for our organisation.	31 Mar 2011		<input type="text" value="10%"/>

ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	1 February 2011
DIRECTOR	Stewart Carruth Director of Corporate Governance
TITLE OF REPORT	2010/11 Capital Budget Progress Report
REPORT NUMBER:	CG/11/002

1. PURPOSE OF REPORT

- 1.1 This report provides an update to Committee of the progress being made on the various projects within the Non-Housing Capital Programme, previously approved by Council, which are currently aligned to Corporate Governance.

2. RECOMMENDATION(S)

It is recommended that the Committee:

- a) Notes the content of this report in relation to the projects outlined at Appendix A, and
- b) Instructs the relevant officers to work closely with the Corporate Asset Group and in particular the Head of Asset Management and Operations and the Head of Finance to review all projects with a view to bringing the programme down to the funded level for 2010/11 and to a more sustainable level for future years.

3. FINANCIAL IMPLICATIONS

- 3.1 The monies required to fund the capital programme are achieved through external borrowing, capital receipts and grant income. In recent years the overall programme has been set at a level which assumed a certain level of underspend would be achieved and thus the funding available was set on this basis. In previous years such an underspend has been achievable but with significant spend this year on Corporate Accommodation, this is at risk.
- 3.2 This risk was previously reported to this Committee which confirmed that funding for the programme should remain at the previously agreed level and instructed officers to proactively manage spend to be within that limit.

- 3.3 Since then, the Corporate Asset Group has worked with Services to determine their minimum spend requirement for the year. However, there is currently still a gap of £10.4 million between this requirement and the funding available.
- 3.4 Work has also been ongoing in relation to the programme from 2011/12 and beyond with the indications being that it will be difficult to sustain the previously agreed capital position moving into 2011/12 due to a number of factors including reducing capital funding support from the Scottish Government, increasing costs of borrowing and falling revenue funding. The revenue cost of financing borrowing to support the capital programme is a significant cost pressure going forward.

4. OTHER IMPLICATIONS

- 4.1 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.
- 4.2 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

- 5.1 Appendix A outlines the projects aligned to Corporate Governance and for each project shows the 2010/11 budget including any carry forward from 2009/10, the current service determined minimum spend requirement and actual spend to November 2010.
- 5.2 Actual spend only reflects payments made and thus excludes commitments made which will be due to be paid by the end of the year. Such commitments will be reflected in the minimum spend requirement.
- 5.3 Comments from project managers are included in the narrative where appropriate.

6. IMPACT

Corporate – the projects considered in this report contribute to a number of the key priorities within the Community Plan and the Single Outcome Agreement in relation to improving the transport infrastructure, redeveloping the city centre and supporting the economic development of the city.

Public – this report is likely to be of interest to the public as a number of the projects covered by this report involve significant amounts of capital expenditure and have a high public profile.

7. BACKGROUND PAPERS

Financial ledger data extracted for the period.

8. REPORT AUTHOR DETAILS

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Finance Manager
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01224814521

Non-Housing Capital Projects - Corporate Governance

Project		Revised Budget £'000	Service Determined Minimum Requirement £'000	Actual Expenditure to Nov 2010 £'000	Variance (actual to Minimum, Requirement) £'000	Percentage Spend to Requirement %
334	Mobile Working	970	55	31	-24	56.36%
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 storage audit; and a third for building business cases to help services make the changes that mobile working can offer.						
630	Data Centre Move	4,381	2,786	64	-2,722	2.30%
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 Marischal College and allow increased flexible working in the future. A review of our Data Centre options has been completed and a decision was taken by CMT to progress with the Managed Data Centre model. A report on this subject was presented to Finance and Resources Committee on 28th January 2010 and permission granted to proceed with a related procurement exercise which is now in progress.						
657A	Customer First Programme - CRM System	450	140	0	-140	0.00%
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 streamlined service delivery.						
657B	Customer First Programme - Frederick Street	2,462	1,783	1,339	-444	75.11%
Project Description/Project Costs - Initial review of tender responses have indicated that soft marketing testing was inaccurate. Project has therefore been reprofiled and in the £62K carried forward from 09/10						
		8,263	4,764	1,434	-3,330	30.11%
Corporate ICT						
277	IT Infrastructure Improvements Repairs/Renewals	1,895	411	47	-364	11.44%
Project Description/Project Costs - 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 majority of the 2010/11 budget allocation is reserved for the replacement of ICT hardware and upgrades of ICT software licences relating to the implementation of Managed Data Centre and Virtual Desktop Environment. There is also preliminary work being undertaken to introduce network redundancy to some outlying sites and improve overall network availability.						
346	IT Hardware & Software Development	60	60	0	-60	0.00%

Project		Revised Budget £'000	Service Determined Minimum Requirement £'000	Actual Expenditure to Nov 2010 £'000	Variance (actual to Minimum, Requirement) £'000	Percentage Spend to Requirement %
565	ICT Disaster Recovery Funding	125	57	45	-12	78.95%
Project Description/Project Cost - 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 current outstanding identified priorities.						
708	Development of Online Service Delivery	150	38	19	-19	50.00%
Project Description/Project Cost - 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 approach to the development of service delivery across all channels: F2F and Telephone (CRM) and online (e-Government). The funding for this will come partly from this capital allocation and partly from CRM.						
709	Integrated Document Management	824	335	45	-290	13.42%
Project Description/Project Cost - 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 processes being delivered more efficiently.						
711	Electronic Corporate Performance Management System	55	60	3	-57	5.00%
Project Description/Project Cost - The purpose of this project is to improve the Council's measurement, monitoring, reporting and management of performance and project data						
714	Identity Management	0	0	0	0	0.00%
Project Description/Project Cost -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 initial costs. This will result in the same outcome, less cost and therefore better value.						
		3,109	961	159	-802	16.52%
	Other ICT					
690	Consol Upgrade/Replacement	5	5	0	-5	0.00%
Project Description/Project Cost - 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 Adventure Aberdeen. Additional functionality includes mobile working, appointments and dynamic labour scheduling plus repairs diagnostics tool for Contact Centre.						
746	Application Processing System	0	0	0	0	0.00%
Project Description/Project Cost - 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. Expenditure on this will be recurring and will be met from the Revenue Budget.						
Project		Revised	Service	Actual	Variance	Percentage

		Budget £'000	Determined Minimum Requirement £'000	Expenditure to Nov 2010 £'000	(actual to Minimum, Requirement) £'000	Spend to Requirement %
771	HR/Payroll	120	0	0	0	0.00%
Project Description/Project Cost -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.						
		125	5	0	-5	0.00%
	Miscellaneous					
769	Police - Capital Grant	1,941	1,874	1,405	-469	74.96%
		1,941	1,874	1,405	-469	74.96%
	Total - Corporate Governance	13,438	7,604	2,998	-4,606	39.43%

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	1 February 2011
DIRECTOR	Stewart Carruth, Director of Corporate Governance
TITLE OF REPORT	2010/11 FINANCIAL MONITORING
REPORT NUMBER:	CG/11/003

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to
- i) Bring to Committee members notice the current year revenue 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) 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 provides a high level summary with accrued actual expenditure to period 8, November 2010. The forecast is based on Collaborative Planning input by budget holders to period 7, end of October 2010.

Financial Position and Risks Assessment

- 5.2 The Service report is attached at Appendix A. There is a projected net reduction in costs of £900K (3.3%), across the overall current net budget of £28 M.

- The projected savings identified within Human Resources and Organisational Development primarily result from a £300k reduction in the costs of Conferences and Courses.
- The £400k under spend projected for Customer Service and Performance relates to £350k saving in ICT Supplies and Services, both Hardware and Software. In addition £200k staff savings have been identified as well as £100k relating to Grants. The foregoing is offset by a reduction in expected recharges of £300k.
- The remaining favorable movement is accounted for by staff savings within various headings across the Services.

- 5.3 The forecast figures for Head of Finance excludes the unrecoverable costs relating to homelessness as this is now within Housing and Environment. This is not yet reflected in the year to date results and has resulted in a £950k overspend on the budget.

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 8 (not attached).

8. REPORT AUTHOR DETAILS

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01224814521

Appendix A

AS AT	30 November 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 8	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
Head of Finance - S.95 Officer	6,730	5,113	6,068	954	6,533	(197)	(2.9%)	
Head of Legal and Democratic Services	2,231	1,468	1,744	276	2,402	171	7.7%	
Head of Human Resources and Org Dev	5,323	3,569	2,858	(711)	4,851	(473)	(8.9%)	
Head of Procurement	393	265	33	(232)	414	21	5.4%	
Head of Customer Service and Performance	12,567	8,171	7,606	(566)	12,101	(466)	(3.7%)	
Operational Support Manager	515	362	313	(48)	551	36	6.9%	
TOTAL BUDGET	27,760	18,949	18,622	(327)	26,852	(908)	(3.3%)	

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ABERDEEN CITY COUNCIL

COMMITTEE:	Finance and Resources
DATE:	1 February 2011
DIRECTOR:	Stewart Carruth
TITLE OF REPORT:	General Fund Revenue Budget 2010/11 - Monitoring
REPORT NUMBER:	CG/11/005

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)

- 2.1 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 an increase in the General Fund balance of £0.2 million.
- 3.2 The Council agreed in February 2010 that any nationally agreed pay award for financial year 2010/11 would be met from the budgeted contribution to the General Fund balance. The agreement to a 0.65% pay increase required a budget adjustment of £0.9 million and therefore the budgeted contribution to the General Fund was reduced to £2.7 million.
- 3.3 As a result of this budget adjustment and the latest forecasts there is an overall adverse movement against budget of £2.5 million, although all forecast expenditure for the year is now at a level that can be contained within the forecast funding for 2010/11.
- 3.4 Uncommitted General Fund balances at year end would be £11.1 million and therefore a fraction 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. OTHER IMPLICATIONS

- 4.1. 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.

5. REPORT

- 5.1. At its meeting of 2 December 2010 the Committee reviewed the financial performance of the Council in relation to its General Fund, Revenue Budget for financial year 2010/11.
- 5.2. During the intervening period the Corporate Management Team has received reports on the financial performance and is aware of the risks that exist.
- 5.3. 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.
- 5.4. Service Committee reports on their financial position have been considered during the current cycle of meetings.
- 5.5. Information within this report provides a high level expenditure projection for the consideration of Members and presents actual financial figures to the end of November 2010 and the projections based thereon.
- 5.6. Appendix A includes a summary of the Council position.

Financial Position

- 5.7. In overall terms the statement at Appendix A shows the Council is managing risk of £2.5 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.
- 5.8. The budget for 2010/11 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.

- 5.9. These costs have been incorporated in the projections for the year and after taking account of other one-off and in-year savings being achieved the Council is not expecting to make use of any reserves and balances to fund these costs. As reported to the last meeting, where the financial forecasts improve in the current year then these costs should where possible be met from within the revenue budget.
- 5.10. 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 has been fully incorporated into Service forecasts and resulted in a budget adjustment of £0.9 million, to account for funding for this coming from the budgeted 'contribution to General Fund balances'.
- 5.11. The most significant risks and matters arising from the figures that are presented include the following:
- 5.12. Social Care and Wellbeing – An under spend of £2.9 million in relation to under commitment of needs 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 due to the demand and needs led nature of this Service it poses a degree of risk for cost pressures to arise in the remainder of the financial year. Continued scrutiny and control is essential to maintain this favourable forecast position.
- 5.13. Housing and Environment – Additional costs attributable to providing accommodation for those who are homeless was identified earlier in the year and is still having an impact on the overall position of the Service. Actions have been taken with the aim of mitigating the cost pressures, and these include changes to charging arrangements as approved by the last meeting of Finance and Resources Committee. There remains a £1.3 million cost pressure in the forecasts but as changes are implemented it is anticipated this forecast can be revisited.
- 5.14. Enterprise, Planning and Infrastructure – An overspend is forecast of £3.1 million arising from three specific issues.
- (i) the additional cost (£1.5 million) of winter maintenance operations in the City during the latter part of November and into December. This includes estimated costs associated with carrying out essential road repairs in the last quarter of the year, but has not included any income that has recently been announced by the Scottish Government.

- (ii) a shift of budget responsibility for the costs of catering and the shortfall of £1.5 million that had been forecast in the last report, but shown under Education, Culture and Sport. This forecast shortfall is primarily the result of the implementation of the equal pay and modernisation (EP&M) salary grades and in recognition of this a corporate EP&M contingency (£0.7 million) is to be used to offset the cost. It is worthy of note that this budget shortfall has been revealed due to the removal of the 'trading account' that was in operation for catering up and until the end of last financial year. The catering function now being budgeted for and integrated into Enterprise, Planning and Infrastructure.
 - (iii) a reduction in work associated with architectural and design services, which mainly provides services to the housing and non-housing capital programmes, has meant that the projected income flowing from fees is substantially reduced when compared to budget. The shortfall in income is forecast to be £2 million, offset by £0.8 million of forecast expenditure savings. It is likely this value will move over the next few months and accordingly the Corporate Management Team will receive regular monthly updates.
- 5.15. Education, Culture and Sport – A favourable movement in the outturn projection resulting from the catering costs being shifted to Enterprise, Planning and Infrastructure mean that there is a small remaining overspend projection for the Service. This relates to the additional costs of placing children in residential education and care outside the city and for cover in relation to long-term teacher absence.
- 5.16. Corporate Budgets – A detailed review of capital financing costs has been carried out since the last report which revealed an opportunity to reduce the forecasts by £3.5 million to be incorporated into the overall position. This enables the Council to substantially fund, in the current year the staff increment costs, which had been approved in November 2010. Overall the corporate budgets are expected to be overspent by £1.1 million.
- 5.17. Being prudent and with the full year cost of winter and road maintenance still uncertain Council contingencies of £1.7 million still remain available and are forecast to be spent by the end of the year. This will provide opportunities to close the gap between the forecast and the budget, if they are not required at the year end.
- 5.18. The figures outlined reflect progress on achieving approved budget savings of approx. £25 million which were incorporated into the budget.

Management Actions

5.19. Close control of staffing and vacancies should be maintained and purchasing decisions scrutinised prior to committing funds; and opportunities should be taken to secure early cost reductions, based upon the service options to address the 2011/12 funding shortfall as soon as decisions are taken by the Council.

6. IMPACT

- 6.1. 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.
- 6.2. Opportunities to balance the budget will be identified by each Director and reported as necessary through the relevant service committee.

7. BACKGROUND PAPERS

Financial ledger data extracted for the period and service committee reports on financial monitoring.

8. REPORT AUTHOR DETAILS

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**ABERDEEN CITY COUNCIL
2010/11**

FINANCIAL MONITORING

As at end of November 2010	Year to Date				Forecast to Year End		
Accounting Period 8	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	832	542	503	(39)	774	(58)	(7.0)%
Corporate Governance	27,760	18,949	17,622	(1,327)	26,852	(908)	(3.3)%
Enterprise Planning and Infrastructure	27,456	10,595	11,540	945	30,543	3,087	11.2%
Housing and Environment	43,122	26,506	27,637	1,131	44,581	1,459	3.4%
Education Culture and Sport	186,128	114,625	110,680	(3,945)	186,599	471	0.3%
Social Care and Wellbeing	125,448	82,295	76,977	(5,318)	122,553	(2,895)	(2.3)%
Total Service Budgets	410,746	253,512	244,959	(8,553)	411,902	1,156	0.3%
Total Corporate Budgets	37,046	18,125	20,007	1,882	38,155	1,109	3.0%
Total Net Expenditure	447,792	271,637	264,966	(6,671)	450,057	2,265	0.5%
Funding:							
<u>Government Support-</u> General Revenue Grant & Non-Domestic Rates	(344,042)	(228,713)	(223,895)	4,818	(344,042)	0	0.0%
<u>Local Taxation-</u> Council Tax & Community Charge Arrears	(106,467)	(70,978)	(98,723)	(27,745)	(106,207)	260	0.2%
Total Funding	(450,509)	(299,691)	(322,618)	(22,927)	(450,249)	260	0.1%
Net Impact on General Fund	(2,717)	(28,054)	(57,652)	(29,598)	(192)	2,525	

COMMITTEE:	Finance and Resources
DATE:	1 February 2011
DIRECTOR:	Stewart Carruth
TITLE OF REPORT:	Non Housing Capital Programme 2010/2011 Monitoring Report
REPORT NUMBER:	CG/11/006

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 December 2010.

2. RECOMMENDATION(S)

It is recommended that the Committee:

- a) Note the current position on the Non Housing Capital Programme for 2010/2011; 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 budget.

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

- 5.1 The financial statement at Appendix 1 outlines the current position as at 31 December 2010.
- 5.2 The revised programme is now £108.454 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). 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.
- 5.3 To facilitate the process of bringing expenditure to a sustainable position, regular meetings have been held since September with service representatives to scrutinise spend profiles and agree likely levels of expenditure for each project.
- 5.4 An initial review of the programme identified a minimum required spend level of £80.275 million, some £11.161 million above the funded level. The review process has continued with the current minimum required spend level being £76.219 million. This represents a decrease of £4.056 million which means that anticipated spend must now be reduced by a further £7.105 million.
- 5.5 The extended spell of winter weather from late November through December and into January will have an impact on a significant number of projects which should bring the end of year figure much closer to the limit approved by Committee in September.
- 5.6 The total payments made as at 31 December 2010 are approximately £39.201 million or 57% against the funded programme of £69.114 million. This figure does not reflect commitments made through accepted tenders etc.
- 5.7 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 £0.532 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.

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

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Appendix 1	(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 Dec 2010 *	Variance Actual v Service Determined Minimum Required
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure						
Corporate Governance	12,720	718	13,438	7,074	4,869	2,205
Education, Culture and Sport	7,524	3,312	10,836	6,124	3,109	3,015
Enterprise, Planning and Infrastructure	62,234	2,847	65,081	53,268	25,478	27,790
Housing and Environment	12,174	4,817	16,991	9,220	5,626	3,594
Social Care and Wellbeing	2,108	0	2,108	533	119	414
Expenditure	96,760	11,694	108,454	76,219	39,201	37,018
Add: Prior Year Slippage (100%)	1,915	0	0	0	0	0
Expenditure	98,675	11,694	108,454	76,219	39,201	37,018
Less: Slippage	(29,603)	0	(39,340)	(7,105)	0	0
Expenditure	69,072	11,694	69,114	69,114	39,201	37,018
Capital Fund Projects	812	(277)	535	535	3	532
Total Expenditure	69,884	11,417	69,649	69,649	39,204	37,550
Funding						
Supported Borrowing	10,321	0	10,321	10,321	10,321	0
Un-supported Borrowing	35,325	0	35,325	41,825	17,195	24,630
General Capital Grant	13,286	42	13,328	13,328	9,996	3,332
Specific Capital Grant	365	0	365	365	0	365
Capital Receipts – Sales	2,775	0	2,775	2,775	1,379	1,396
Capital Receipts - Contributions	4,000	0	4,000	500	310	190
Capital Receipts - Sponsorship	3,000	0	3,000	0	0	0
Use of Capital Fund	812	(277)	535	535	3	532
Total Income	69,884	(235)	69,649	69,649	39,204	30,445
Projected Over/(Under) Spend	0	0	0	0	0	0

– Actual spend to end Dec 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	471	104	104	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	12,420	2,580	532	

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	1 st February 2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	2010/11 Common Good Budget – Monitoring Report Update
REPORT NUMBER:	CG/11/001

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 eight months to 30 November 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 November 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 5.

4. OTHER IMPLICATIONS

None.

5. BACKGROUND/MAIN ISSUES

Spend to Date (as at 30 November 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 net 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 results 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 has 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

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RECURRING EXPENDITURE

	BUDGET 2010/11 £s	ACTUAL TO 30th NOVEMBER 2010/11 £s	ESTIMATED OUT-TURN 2010/11 £s
1 General Properties/Estates	25,800	2,899	25,800
2 Other Expenses	29,528	(460)	29,528
3 Central Support Services	141,834	2,490	141,834 Note 1
4 Donations, Grants, Contributions	678,025	332,904	677,025 Note 2
Civic Hospitality			
5 Civic Administration Unit	285,161	123,530	279,097
6 Receptions, etc	165,000	102,069	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	4,803	21,000
11 Sub-Total Civic Hospitality	689,571	230,403	671,507
12 Upkeep of Civic Car	59,746	29,605	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	10,166	40,250
19 Sub-Total Recurring Expenditure	2,607,458	657,021	2,584,336

RECURRING INCOME

	BUDGET 2010/11 £s	ACTUAL TO 30th NOVEMBER 2010/11 £s	ESTIMATED OUT-TURN 2010/11 £s
20 Income from Properties and Estates	(2,246,691)	(2,411,395)	(2,246,691)
21 Interest on Invested Funds	(54,000)	(19,699)	(51,500)
22 Miscellaneous Income	(60,150)	(100)	(60,150) Note 1
23 Total Recurring Income	(2,360,841)	(2,431,194)	(2,358,341)
24 Budgeted (surplus)/deficit on recurring items	246,617	(1,774,173)	225,995

NON-RECURRING ITEMS

	BUDGET 2010/11 £s	ACTUAL TO 30th NOVEMBER 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 Budgeted (surplus)/deficit on recurring items	451,617	(1,719,173)	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 little or 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.

Note 3

Indicative cash balance using CPI

Reconciliation of Revised Budget to Budget Approved 11 March 2010

<u>Decision</u>	<u>Committee</u>	<u>£000s</u>
Approval of Budget	RMC 11.03.10	396,617
CLAN	RMC 11.05.10	55,000
Revised Budget		<u>451,617</u>

RMC - Resources Management Committee

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	1 st February 2011
DIRECTOR	Annette Bruton
TITLE OF REPORT	Application for Round 4 Funding -Youth Activities Small Grants Fund 2010/11
REPORT NUMBER	ECS/11/003

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 29 November 2010.

2. RECOMMENDATION(S)

- 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. OTHER IMPLICATIONS

None.

5. BACKGROUND/MAIN ISSUES

Representatives from: The Aberdeen City Youth Council, the Vice Convenor of Finance and Resources, 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. ***These consultations took place via email due to the ongoing adverse weather conditions.***

- b. The closing date for this round of funding was 29 November 2010. The Funding Group considered the applications on 7 & 8 December 2010.

- c. **5** new applications were received for this round. It is recommended that **5** of those are funded. Appendix 1 holds the detail of applications received and the recommendations made.
- d. The total sum recommended for approval in this round is **£730.00**. If the recommendations outlined are approved there will be an uncommitted budget of **£856.72** 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.

6. 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.

7. BACKGROUND PAPERS

Appendix 1 – shows the detail of received applications and recommendations being made to committee regarding funding.

8. REPORT AUTHOR DETAILS

Madelene MacSween
Dialogue Youth Information Service Manager
01224 538003
mmacsween@aberdeencity.gov.uk

Group Name & No.	Contact Details	Summary of Application	Amount Requested	Decision & Comment
YAG010/50 Grampian Society for the Blind	08452 712 345 Doreen Fowlie, 21 John Street, Aberdeen AB25 1BT	Funding requested to ensure volunteers are appropriately kept up to date with first aid training and covered by insurance.	£150.00	After consultation via email due to weather and lack of attendees, the group are happy to recommend funding this application.
YAG010/51 Monday Night Angels	01224 493302 Amie Henderson, Cornhill Community Centre, Cornhill Drive, Aberdeen AB16 5BL	Funding requested for Tutor and ingredients to hold healthy eating 'Come Dine With Us' evenings.	£130.00	After consultation via email due to weather and lack of attendees, the group are happy to recommend funding this application.
YAG010/52 Dearest Bangladesh Youth (Youth Group)	01224 276370 Sadia Jahan, 28E Sunnybank Road, Aberdeen AB24 3NH	Funding requested for cross-cultural and educational events for Dearest Bangladesh Youth Group.	£150.00	After consultation via email due to weather and lack of attendees, the group are happy to recommend funding this application.
YAG010/53 MYBE (Minority Young Boy's Community)	01224 634882 Mubinul Islam, Flat E, 1 Froghall Gardens, Aberdeen AB24 3JQ	Funding requested for cross-cultural and educational events for Muslim boys.	£150.00	After consultation via email due to weather and lack of attendees, the group are happy to recommend funding this application.
YAG010/54 MYGC (Minority Young Girl's Community)	01224 634882 Rahima Khaton, 1E Froghall Gardens, Aberdeen AB24 3JQ	Funding requested for cultural and educational events for Muslim girls.	£150.00	After consultation via email due to weather and lack of attendees, the group are happy to recommend funding this application.
		Total Amount Requested	£730.00	
		Balance c/f after round 3	£1,586.72	
		Balance:	£856.72	

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COMMITTEE	Finance and Resources Committee
DATE	1 February 2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	A Framework for Linking Reward to Performance
REPORT NUMBER	CG/10/015

1. PURPOSE OF REPORT

This report seeks authority to take forward a change to the way the annual pay increments are awarded. The change will be implemented in two phases, phase 1 in 2011, with phase 2 following in 2012. The proposals for year 1 apply to only SJC employees (i.e. the Local Authority Employees Group formerly Red Book).

2. RECOMMENDATION(S)

It is recommended that the Committee approves:

1. The Local Salary Progression Scheme, which changes the way increments are awarded in future (attached as Appendix A).
2. That work is undertaken during 2011 to build on the basic principles of the Local Salary Progression Scheme so that a more developed and comprehensive performance/ reward scheme, aligned to Council objectives and a revised appraisal system, is in place prior to the 2012 increment date of 01 April.

3. FINANCIAL IMPLICATIONS

The financial implications of changing the way increments are paid will be dependent on the model which is selected.

4. OTHER IMPLICATIONS

The proposals have significant implications for employees in the organisation both in terms of the way their performance is measured and rewarded and in their terms and conditions. While the end result will promote a more performance oriented culture, there is maybe some impact on morale in the short term until the revised proposals bed down. This will be mitigated by an effective engagement and communication strategy. Any legal risks in terms of equal pay implications will be dealt with in the development stage in conjunction with the Head of Legal and Democratic Services.

5. BACKGROUND/MAIN ISSUES

The agreement with the Trade Unions on the awarding of the 2010 Salary Increment, brokered by ACAS in October 2010, resulted in an agreement that the future awarding of increments would be reviewed.

It is proposed that changes happen in two distinct phases:

Phase 1

The first phase is for the agreement of the Local Salary Progression Scheme. This scheme links the increment to certain criteria namely: performance, behaviour and attendance. The full scheme is attached in Appendix A

Phase 2

Over the Spring and Summer significant consultation and dialogue will be held with Managers, Employees and the Trade Unions to develop a performance related pay scheme which will link to the long term objectives of the Council. The scheme will be in place for 01 April 2012 and will supersede the existing increment arrangements

The details of the scheme will be submitted to Finance and Resources for consideration when complete. A proposed timeline is attached in Appendix B

6. IMPACT

The 5 year Corporate Business Plan identifies the package of service options to be delivered for the future. In doing so it acknowledges that the organisation must maximise the expenditure on actual services and reduce indirect overhead costs. The proposal seeks to do this while at the same time ensuring there is a greater focus on high performance to deliver on these options and on rewarding that performance.

7. BACKGROUND PAPERS

None

8. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

Local Salary Progression Scheme

POLICY & PROCEDURE

DRAFT (January 2011)

Contents

Section 1: Policy

1.1 Policy statement

1.2 Scope

1.3 Core Principles

Section 2: The Policy Provisions

2.1 Attendance

2.2 Performance

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Section 3: The Procedure

3.1. The application

Section 4: Review

SECTION 1 - POLICY

1.1 Policy statement

The Council is committed to achieving consistently high performance and this policy aims to underpin this commitment linking performance to pay.

Since the implementation of salary grade scales the progression of employees to the top of the scale has been achieved solely on length of service. This has been irrespective of the level of performance, attendance record or on whether or not the conduct of the employee has been acceptable. This policy is the first step in linking pay to performance.

1.2 - Scope

This procedure applies to SJC (Local Authority Workers) employees only. The Local Salary Progression Scheme means that the way increments are awarded in future will change. In 2011, progression will be on the basis of the criteria defined in Section 2 of this policy. However, this will be further developed during 2011 so that more comprehensive measures are in place prior to 01 April 2012. The measures for 2012 need not be contained to only one group of employees within the Council.

Appropriate measures will be put in place to ensure that those with disabilities or those with pregnancy related absences are not disadvantaged.

1.3 - Core Principles

The Council faces a period where budgets will be reducing but customer expectation in relation to the flexibility and quality of service delivery will continue to rise. As a result of this there is a need ensure that every area of expenditure is fully maximised.

The existing arrangements for the awarding of increments has been in place for over twenty years, against a background of massive changes in the way public services are delivered.

This policy is the first step in modernising the pay arrangements for all employees starting with SJC (Red Book) employees. Previously an employee would receive an increment regardless of their conduct at work, whether or not they take frequent sick leave and whether they are competent or not to carry out their duties. This policy aims at removing this inequity in the workplace by allowing increments not to be applied where one or more of the above is unsatisfactory.

This policy is an interim position during which time a more sophisticated model of performance and reward will be developed which will link pay to council objectives. This model will be developed through consultation with employees, managers and the

trade unions. The policy is aimed at breaking the automatic link between length of service and the awarding of increments.

For the majority of employees this policy will have little impact. It is considered that within the organisation the vast majority of employees perform within the criteria defined as acceptable.

SECTION 2 - POLICY PROVISIONS

This will affect the increment for April 2011 but will apply until a comprehensive review of the appraisal process has been conducted with employees and Services alongside the competence review referred to above.

Under the provisions of this policy payment of increments will be dependent on employees achieving or demonstrating:

- Acceptable **attendance**
- Adequate **performance**
- Appropriate **conduct**

Where any one of the above falls below the standard required, i.e. has been the subject of formal Council procedure in the 12 months prior to the due increment date, the increment will not be applied. More specifically, this will be the case where an employee has:

2.1 Attendance

Reached stage 2 of the Maximising Attendance Policy

Employees with disability or pregnancy related absences will be afforded the same protection as defined in the Maximising Attendance Policy.

2.2 Performance

Reached stage 1 of the Managing Performance Policy

Where the employee has reached stage 1 of the Managing Performance Policy during the period from their last increment and the 1st April, then the increment will not be applied.

2.3 Behaviour

Been issued a first level warning or higher disciplinary sanction under the Managing Discipline Policy.

If the employee has received any form of live warning (either oral, written or final warning), or there is still a live warning on record for the employee on the 1st March, the increment will not be applied. Also, the increment will not be applied if, on the 1st March the employee is under investigation for a matter relating to conduct. If however the result of the investigation exonerates the employee at a subsequent date, then the increment will be applied with effect from the 1st April.

Whilst employees in these categories will still be eligible for any national pay award, there will be no facility to make a merit increment during the following 12 months.

Any employee who considers the decision not to apply the increment to be unfair will have the right to raise this matter through the Council's Grievance Procedure, stating the grounds for the grievance. The grievance hearing shall only consider matters relating to the facts of the case.

SECTION 3 - THE PROCEDURE

It will be the responsibility of the employing service to ensure that they notify the Payroll Section of any employee who is not eligible to receive the increment. Each Service will be required to write to the Payroll Manager no later than the 1st March with a list of such employees. At the same time the Line Manager will meet with the employee to explain the reasons for this happening and confirm this in writing.

If the employee wishes to challenge this decision through the grievance procedure this needs to be raised prior to 1st July. In the event of a challenge the increment will not be awarded unless the grievance is upheld.

SECTION 4 - : REVIEW OF THE POLICY & PROCEDURE

This policy will supersede the existing provisions on incremental progression. The policy will be reviewed in 2011 in order to build on the provisions to further enhance the link between reward and performance from 2012 onwards. Thereafter the Human Resources and Organisational Development Service will periodically review this procedure.

Implementation Plan

What is proposed is a significant and challenging piece of work. However, it is potentially key to enhancing the existing professionalism of the organisation, establishing a positive performance culture and providing the type of role clarity which is required to underpin the successful deployment, management and development of our workforce.

Owing to the nature of the proposals it will be necessary to implement this as a two stage approach.

Stage 1, as stated above, this stage breaks the link between length of service and eligibility for increment. This represents a key change for the organisation. In terms of the contract for employment, this change can be implemented by Committee agreeing a "Local Salary Progression Scheme". Reference is made to this scheme in the existing contract of employment.

Stage 2 is a more fundamental change which alters the pay arrangements for employees. It is therefore considered that a variation to the contract would be required to implement this. This implementation could be brought about either through a collective agreement with the trade unions or by the employee voluntarily accepting this change.

DRAFT IMPLEMENTATION PLAN

	Dec 10	Jan 11	Feb 11	March	April to August	Sept	Oct	Nov	Dec 11	Jan 12	Feb 12	March/ April
CMT Discuss and endorse approach	■											
Write report for Finance and Resources Committee	■											
Consult with employees and TU on April 2011 proposals		■										
Report submitted to Finance & Resources Committee			1Feb									
Carry out review of appraisal scheme via management and employee engagement sessions			■	■	■	■						
Appraisals (using existing scheme) or 1 to 1 meetings with employees to set objectives				■	■	■						
Draft report to CMT						■						
Devise New Scheme							■					
Consult with employees/stakeholders and trade unions								■				
Approval at Committee									■			
Implementation of new systems. (Review objectives achieved conduct performance rating etc)										■		
Update systems (Payroll)											■	
Increment applied /												■

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	1 February 2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Employee Code of Conduct
REPORT NUMBER:	CG/10/013

1. PURPOSE OF REPORT

This report has been produced in response to an Internal Audit recommendation that the Council implements an employee Code of Conduct in keeping with many other local authorities and to define the standards of behaviour expected of all Council employees.

The report outlines how the Code of Conduct has been derived, the reasons for implementing a Code of Conduct and highlights the key points that the Code includes. The Code of Conduct proposed for adoption by the Council is attached as Appendix 1.

2. RECOMMENDATION(S)

It is recommended that:

- 1) The Committee adopts the Employee Code of Conduct attached at Appendix 1

3. FINANCIAL IMPLICATIONS

No financial implications arise.

4. OTHER IMPLICATIONS

No other implications arise.

5. BACKGROUND/MAIN ISSUES

The proposed Code builds on the Seven Principles of Public Life as defined by the Nolan Committee in 1995 and published for local government in 1997. Benchmarking has demonstrated that these seven principles have been widely adopted by public sector employers as the basis on which many Codes of Conduct are based.

As a result of the Nolan committee's work, Employee Codes of Conduct are widely used across the public sector to define the standards of behaviour employers and citizens expect from the employees working for the public purse. Codes of Conduct also serve to highlight to employees certain areas that they should be wary of during their employment in the public sector such as the receiving of gifts.

Codes of Conduct offer important clarity for both employers and employees as to what constitutes acceptable behaviour so that it is clear to all parties what kind of activities or behaviours could result in the employer taking disciplinary action against an employee.

The Code of Conduct does not exist to act as a pseudo disciplinary policy and does not attempt to identify situations where the disciplinary policy would apply. However, in setting standards of behaviour it is expected that Council employees uphold these standards at all times.

Some professions such as Teachers and Social Workers have their own Codes of Conduct that are defined by their respective governing bodies. It is proposed that the Council's own Code of Conduct will apply in addition to these professional Codes.

A separate Code of Conduct exists for elected members.

Some of the key areas addressed by the Code are:

- Conflicts of interest
- Hospitality & Gifts
- Information & Communication Technology Security
- The rights of employees

6. IMPACT

Corporate – Codes of Conduct act to ensure that the appropriate behaviours are maintained during an employee's employment with the Council and therefore it indirectly contributes towards maintaining the achievement of objectives set out in the various governing documents the council has; the Community Plan, the Single Outcome Agreement, the 5 year Corporate Business Plan, individual Service Plans, and *Vibrant, Dynamic & Forward Looking*.

7. BACKGROUND PAPERS

Benchmarking undertaken with West Lothian, Aberdeenshire, Fife and Moray Councils' Codes of Conduct.

Nolan Committee report on the 7 Principles of Public Life.

8. REPORT AUTHOR DETAILS

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DRAFT



ABERDEEN

CITY COUNCIL

**Employee
Code of Conduct**

EMPLOYEE CODE OF CONDUCT

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1.0 INTRODUCTION

- 1.1 The public expects a high standard of conduct from all local government employees across Scotland and the purpose of this Code of Conduct is to set out the standards of conduct the Council and the public expect from employees and to do this unambiguously. The Council understands that the vast majority of its staff meet and exceed the expected standards every working day. However, it is important for your protection and for that of the Council to ensure the required standards are clearly and simply set out.
- 1.2 This Code is based on the recommendations of the Nolan Committee on Standards of Conduct in Public Life and reflects the Council's Mission Statement and Values, details of which can be found in the Council's policy document, which can be found on the Zone or by asking your line manager. There is also a national Code of Conduct for Councillors approved by the Scottish Government and enforced through the Standards Commission for Scotland.
- 1.3 The six Council values that the Code supports are:
- 1) Ensuring total commitment to customer care
 - 2) Fostering a workforce where every employee is valued and given the opportunity to play a full part
 - 3) Raising performance to a higher standard
 - 4) Delivering modern, effective, efficient and accessible services to the people of Aberdeen
 - 5) Providing strategic leadership for the community
 - 6) Actively using community engagement
- 1.4 This Code of Conduct applies to all staff employed by the Council and represents the Code of Conduct referred to in your contract of employment. Where employees have a professional Code of Conduct such as those published by the Scottish Social Services Council or the General Teaching Council this Code applies in addition to those professional codes.
- 1.5 This Code is not designed to provide a large amount of detail and cannot cover every situation. Much of the detail is provided in other council policies, guidance notes or in some other form. Where employees are unsure or cannot locate the relevant guidance, they are encouraged to ask their line manager for assistance or advice.
- 1.6 This Code is also not designed to pinpoint areas where disciplinary action will apply or areas employees will be expected to report on in their appraisal. A list

of Council information locations employees may wish to consider is provided at the foot of this code.

- 1.7 Notwithstanding 1.6, as this code sets out the standards of behaviour expected of Council staff it must also be made clear that breaches of these standards, in effect breaches of the Code of Conduct, could themselves result in disciplinary proceedings.
- 1.8 This Code is also not designed to govern interactions between elected members and staff. The Council has a Code of Conduct for working with Councillors which can be found on the Zone. This should be read in conjunction with the 'Protocol for Relations between Councillors and Employees in Scottish Councils' which forms part of the National Code of Conduct for Councillors, approved by the Scottish Parliament in 2003. The Code of Conduct for elected members can also be found on the Zone.
- 1.9 'The Seven Principles of Public Life' identified by the Nolan Committee on standards in public life are listed below, but are altered slightly to place them in a local government context.

2.0 THE SEVEN PRINCIPLES OF PUBLIC LIFE

- A. **Selflessness**
You should not make decisions that will result in any financial or other benefit to yourself, your family, or your friends. Decisions should be based solely on the council's best interests.
- B. **Integrity**
You should not place yourself under any financial or other obligation to an individual or an organisation that might influence you in your work with the council.
- C. **Objectivity**
Decisions you make in the course of your work with the council, including making appointments, awarding contracts, or recommending individuals for rewards or benefits, must be based solely on merit.
- D. **Accountability**
You are accountable to the council as your employer, and the council is accountable to the public.
- E. **Openness**
You should be as open as possible in all decisions and actions you take. You should give reasons for your decisions and should not restrict information unless it is clearly required by council policy or by the law.

F. Honesty

You have a duty to declare any private interests that might affect your work with the council.

G. Leadership

We can all display leadership in our working lives. All staff can act as leaders within their unit, section, team or service. It is up to each of us to lead ourselves and others in the daily task of providing the best possible service to the citizens of Aberdeen. If you are a manager, you shoulder extra responsibility for demonstrating inspiring leadership that motivates your staff by example.

2.1 General employee's duty

The general standards highlighted above underpin the way each employee of the Council conducts his or herself during the undertaking of their work. All staff are ambassadors for the Council, their service and their profession and are expected to act in accordance with that responsibility. Employees are required to always do their best in their jobs and to always act to protect the interests of the Council. Employees are expected to carry out all proper instructions and observe the rules, policies and procedures laid down to ensure efficient working and to secure the safety of themselves and others.

3.0 EQUALITIES

3.1 The Council has a Managing Equality & Diversity policy which employees should familiarise themselves with. It sets out the following vision for equalities in the council:

3.2 “We are committed to promoting equality of opportunity, and to going beyond our 3 public equality duties on disability, gender and race by promoting equality on wider grounds including age, religion or belief, and sexual orientation - as an employer, as a service provider, in partnership, and in our public duties.

We will create a culture that values all the differences that employees and communities bring, and which values openness, fairness, transparency and reward and recognition based on ability and achievement only.

We will continually strive to maintain an environment in which people from all backgrounds can live and work together harmoniously by challenging unlawful or unfair discrimination, prejudice, stereotyping, harassment and undignified and disrespectful behaviour.

We want everyone in Aberdeen to have an equal opportunity to work, learn and live free from discrimination and victimisation, including those who experience social deprivation.”

3.3 Employees at all levels are expected to work towards that vision at all times.

4.0 CONFLICTS OF INTEREST

- 4.1 As an employee of Aberdeen City Council, you must not allow any private interest to influence your decisions.
- 4.2 You must not use your position to further your own interests or the interests of others who do not have a right to benefit under the Council's policies.
- 4.3 You must not involve yourself in any decision on allocation of council services or resources from which you or your family might benefit (e.g. allocation of council housing or assessment of housing benefit, or processing a planning application). You must refer such matters to your line manager immediately.
- 4.4 Any private interest you have relating to the work of the Council must be declared to your line manager. The interest may be a financial one for you; one that a member of the public might reasonably think could influence your judgement; or a financial interest that close family members or people living in your household have in the work of the Council.
- 4.5 If you are a member of an organisation or club, and membership might result in conflict of interests in relation to any aspect of your work with the council, you must declare this membership to your line manager.
- 4.6 You must not use your position as an employee of the Council to lobby or attempt to unduly influence any elected member on any issue that is personal to you as a resident of Aberdeen or any issue relevant to your employment by the Council.
- 4.7 You must not engage in outside employment/activities that would conflict with your Council duties or affect your ability to perform your duties. Standing Order 50(1) governs other paid employment and decisions on employees wishing to take employment outside the Council are subject to it.

5.0 DECLARING OFFERS OF HOSPITALITY OR GIFTS

5.1 Guidance on appropriate action

You are personally responsible for all decisions relating to any offers of gifts or hospitality that you receive in the course of your employment. If in doubt as to the proper course of action to take, you should seek the advice of your line manager. However, it must be stressed that responsibility for any decision to accept an offer remains with yourself, even where you receive advice or authorisation to accept.

5.2 General Rules

The Code of Conduct adopted by the Council for its employees provides the following general approach:

- you should treat all offers of gifts or hospitality with caution;

- where you receive any offers of hospitality or gifts, you should be sensitive to the timing of decisions, which affect the provider of the offer, e.g. during the tendering process for letting contracts or processing an application for a council service such as planning, licensing or housing;
- you should reject any offer where it might be seen as an intention to influence you in the discharge of your duties;
- you should accept an offer only if you feel that by doing so you can comply with these guidelines. If you feel that an offer should not be accepted, or that you have any doubt that it should be accepted, you should err on the side of caution and refuse the offer;
- Where you decline an offer of hospitality or a gift, you should do so courteously and inform the offerer of the procedures and standards operating within the Council.

5.3 **Guidance - Offers of Hospitality**

Offers of hospitality may be extended to Council employees for a variety of reasons and whether such offers should be accepted will depend on a number of different factors. You should not accept offers of hospitality unless you can answer “Yes” to the following questions:

- “Can I justify this?”
- “Can I be sure I will not be subject to legitimate criticism?”

If you are in any doubt, you should seek the advice of your line manager.

You must follow the Council’s policy and guidance on declaring offers of hospitality, and the current procedures for having any offers authorised.

You should only accept an offer of hospitality if there is a genuine need for you to impart information or represent the Council in the community.

5.4 **Guidance - Offers of Gifts**

Similar considerations apply to dealing with the receipt of gifts. These may vary from items of token value where it would be churlish to refuse them, to items of significant value where the impression could be given that the offer is made either to influence your judgement or to reward you for services supplied or to be supplied to the offerer.

In general, only small gifts of token or low value, such as pens, diaries or calendars, may be accepted.

5.5 **Declaring/Accepting Offers of Gifts and Hospitality**

You must declare to your line manager all offers of hospitality or gifts (other than token gifts) where you propose to accept such an offer.

5.6 **Corruption**

It is important that you are aware that it is a serious criminal offence for you corruptly to receive any gift, loan, fee, reward or advantage for doing or not

doing anything, or for showing favour or disfavour to any person, in the course of your work with the Council.

6.0 POLITICAL NEUTRALITY

- 6.1 The public expects you to carry out your duties in a politically neutral way, and this must be respected by councillors. This principle is underlined in the Protocol for Relations Between Councillors and Employees in Scottish Councils and applies to all employees. The political activities of a small number of employees are restricted by law. Those of you holding such politically restricted posts will have been notified individually in writing confirming the restrictions, which apply to your post. Advice on which posts are politically restricted and the restrictions applying to them is available from Human Resources.
- 6.2 You must serve the Council and all councillors, regardless of their political outlook. The Chief Executive and senior officers have ultimate responsibility to help to ensure that the policies of the Council are implemented. This principle of equality of service to all councillors is also emphasised in the Protocol for Relations Between Councillors and Employees in Scottish Councils and applies to all employees.
- 6.3 You are required to implement the policies of the Council irrespective of your personal views.
- 6.4 If you are asked by a councillor to provide assistance with a matter which is clearly party political or which does not have a clear link with the work of the Council, you should politely refuse and inform the councillor that you are referring the matter to your line manager.

7.0 OTHER CONSIDERATIONS

- 7.1 **Appointment of Staff**
If it's part of your job to advise on the appointment of staff, suppliers or consultants you should not allow any personal or other preference to influence your judgement. Instead, you should work within the set down rules/processes/procedures for the selection that will best serve the Council in accordance with policy requirements. You must not canvass the support of colleagues for any particular candidate and should resist and report any attempt by others to canvass your support.
- 7.2 **Council property**
All property provided to you to do your job by the Council remains the property of the Council and must only be used for Council work. It is your responsibility to look after Council property as carefully as possible.

7.3 **Allowances**

You must observe carefully the Council's rules for claiming allowances for performing approved duties and for the repayment of expenses incurred for travel/subsist while doing business on the Council's behalf.

7.4 **ICT Security**

The Council recognises the benefits of Information and Communications Technology ('ICT') and encourages the use of ICT equipment, systems and services in all aspects of its business. While email, the Zone intranet and the Internet are essential workplace tools, allowing employees unlimited access to these and other systems carries risks for employers.

The Council has therefore developed an ICT Acceptable Use Policy (ICT AUP) to set standards and provide users with clear instruction and guidance on what constitutes acceptable and unacceptable use. It is every ICT user's responsibility to ensure they remain compliant with the ICT AUP. The ICT AUP can be found on the Zone but if employees have any concerns they are encouraged to speak to their line manager.

7.5 **After Leaving Employment**

Should you leave the Council for any reason either voluntarily or involuntarily you must return any property provided to you to undertake your job and ensure that any documents, data or any other information relating to your job at the Council is returned. You must not take any documents or data with you when you leave the Council.

7.6 **Confidential information**

During the course of your work, you are likely to have access to information that is private and confidential. You must ensure that such information is only made available to those who need to know it in carrying out Council work and that it is never disclosed to anyone else. Never give out confidential information over the phone unless the caller is known to you and is authorised to have access to the information. It is a breach of trust to use confidential information for personal advantage or the advantage of anyone known to you. Or to make unauthorised comment on the Council's business which may bring the Council into disrepute.

Detailed information about Data Protection and Freedom of Information can be found on the Zone or if you have any doubts, employees are encouraged to check with their line manager.

7.7 **Further Information**

Employees are encouraged to familiarise themselves with those policies, procedures and standing orders relevant to their work to ensure they fulfil their duty to work within the boundaries of those frameworks. Most information can be found on the Zone but if employees cannot find the information, they require they should always ask their line manager.

8.0 YOUR RIGHTS AS AN EMPLOYEE

8.1 Public Statements

As a citizen, you are entitled to express your views about the Council, provided you do not make use of any private information gained through your work with the Council. Nevertheless, you must not, in your work capacity, criticise the Council either through the media or at a public meeting or in any written communication with members of the public. You should also not make any comments in any media about your employment for the Council. Any views you wish to express on a Council policy issue or decision must be made as a resident of Aberdeen and not as an employee of the Council.

8.2 Access to your councillor

As a citizen, you are entitled to raise with your councillor any complaint, which you have about the services of the Council. If your complaint concerns any aspect of your work with the Council, however, you must make use of the Council's grievance procedures.

8.3 Fair and Reasonable Treatment at Work

You are entitled to expect fair and reasonable treatment from your colleagues, managers and from councillors. If you feel that you have been unfairly treated or have been discriminated against, you are entitled to make use of the appropriate council procedures.

9.0 OTHER INFORMATION SOURCES (active links to the relevant page on the Zone)

- Aberdeen City Council HR Policies
- Aberdeen City Council Customer Service Standards
- Guidance on paid employment outside the Council
- Guidance on contacts with the media
- Guidance on the personal use of Council equipment and resources
- ICT Acceptable Use Policy
- The Joint Procurement Unit
- The Freedom of Information (Scotland) Act 2002
- Data Protection
- Local Government (Access to Information) Act 1985 Summary of Rights of the Public
- List of Standing Orders

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 February 2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Revision to Redeployment Policy and Procedure
REPORT NUMBER:	CG/10/014

1. PURPOSE OF REPORT

This report proposes a revision to the Redeployment Policy and Procedure. The main change concerns restricting the length of the redeployment search period from the current 13 weeks to an employee's contractual notice period, subject to a 4 week minimum.

2. RECOMMENDATION(S)

The Committee is requested to:

- a) Approve this revision to the Redeployment Policy and Procedure.

3. FINANCIAL IMPLICATIONS

The above revision should assist the Council with the control of employment costs. By shortening the redeployment search period for displaced employees, this will mean that employees will only remain in the Council's employment for the length of their notice period, rather than 13 weeks, unless a redeployment opportunity can be identified. Hence, certain salary savings should accrue depending on the length of service of the redeployees.

4. OTHER IMPLICATIONS

It would be necessary to communicate this change to managers using the policy and procedure to ensure compliance with the revised arrangement.

5. BACKGROUND/MAIN ISSUES

Current Situation

The Redeployment Policy currently provides employees who are displaced on either medical or redundancy grounds with a 13 week search period in total for a suitable alternative post. This comprises a one week search within the employee's own service, followed by a 12 week Council wide search. At the commencement of the 12 week Council wide search, the employee is issued with notice of termination of employment. All redeployees therefore receive 12 weeks' notice of termination regardless of their length of service.

Proposed Change

This report proposes that the length of the redeployment search period be restricted to the employee's contractual notice period only, subject to a minimum of 4 weeks. Most Council employees are entitled to 1 week's notice for each year of continuous service up to a maximum of 12 weeks. This would mean that the employee would be entitled to a redeployment search period of between 4 and 12 weeks depending on their length of continuous service (instead of the current 13 week period). The other main change is that there would no longer be a 1 week Service search, with a Council wide search applying over the employee's period of notice. Therefore, the redeployment procedure will now comprise 6 key stages (rather than 7), with the existing Stage 2 service search having been removed. It will still be the case that the trial period in a post will not count towards the employee's time on the redeployment register, hence where an employee is undertaking a trial, their redeployment search time and notice period will be extended to provide the balance of notice due where necessary. The above changes would apply to all redeployment cases, both on medical and redundancy grounds. It should be noted that Chief Officers are entitled to 3 months' notice hence they would all receive a redeployment search period of that duration.

Reason for the Proposed Change

It is considered that the present 13 week redeployment search period is too long, in particular in relation to cases of redundancy. For instance in a redundancy exercise, once formal redundancy consultation has been undertaken over either 30 or 90 days depending on the number of employees involved, an employer would then issue contractual notice of up to 12 weeks maximum. By having a term in the redeployment policy providing a 13 week redeployment search in all cases, this means that the Council is obliged to apply this to all redeployees regardless of length of service, thus potentially increasing employment costs. The proposed change to applying the notice period only, subject to a 4 week minimum, should therefore assist the Council in the control of employment costs at the same time providing a reasonable length of

time for a redeployment search, in particular for longer serving employees. This should still provide employees with an opportunity to identify a suitable alternative post assuming availability of a vacancy at the time of the search.

6. IMPACT

The implementation of this revision to the Redeployment Policy and Procedure, although a slightly less favourable provision, should have a relatively minimal impact on employees, in particular the longer serving employees, with a reasonable length of a redeployment search period still provided. It is anticipated, however, that the number of potential redeployment opportunities at this time will be limited bearing in mind the difficult financial position the Council is currently in and employees may have false hopes of securing an alternative position. The proposal may therefore encourage employees to focus their efforts on searching for alternative employment outwith the Council as well as within, to increase the chances of finding another post.

7. TRADE UNION COMMENT

Comments were received from Unison and GMB during the consultation. Both unions indicated their dissatisfaction to the proposal.

8. BACKGROUND PAPERS

None

9. REPORT AUTHOR DETAILS

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ABERDEEN
CITY COUNCIL

**REDEPLOYMENT POLICY &
PROCEDURE**

***"RETAINING SKILLS AND
ABILITIES"***

Issue 3 (Feb 2011)

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SECTION 1: POLICY STATEMENT

Introduction

Aberdeen City Council is committed to good employment practice and recognises the need to maintain a skilled and experienced workforce.

Having the right people in the right place at the right time is critical to the success of the Council and to help us achieve our objectives. This Redeployment Policy can help by retaining the skills and competencies of our employees, many of which are likely to be transferable.

The Council also has a legal duty to protect its employees' security of employment wherever possible and under the Equality Act 2010, to consider making reasonable adjustments (one of which is redeployment) for any employee who becomes disabled.

The aim of this procedure is therefore to provide a best practice, fair and consistent approach to finding suitable alternative employment for those in need of redeployment.

SECTION 2: WHEN DOES THIS POLICY APPLY?

This Redeployment Policy and Procedure will apply in the following circumstances:

- **Redundancy** – as a result of a committee approved budget reduction exercise or a committee approved restructure.
- **Medical/Disability** – on receipt of clear and indicative medical reports from the Council's occupational health provider.

SECTION 3: SCOPE AND ELIGIBILITY

Scope and Eligibility

This procedure applies to all permanent employees* of Aberdeen City Council whose employment is at risk due to one of the reasons outlined above.

This procedure also covers teaching staff to whom the Compulsory Transfer of Teaching Staff policy does not apply i.e. teaching staff recommended for redeployment to an alternative role. Further information on the Compulsory Transfer of Teaching Staff policy is available within the Local Conditions of Service for Teachers.

This procedure does **not** apply to employees on fixed-term contracts. All employees with contracts for 51 weeks or less should be managed using the Temporary Workforce Policy.

***Permanent employees are defined as those contracted to work for 52 weeks or more and who therefore have permanent employment status.**

SECTION 4: CORE PRINCIPLES

Core Principles

- Aberdeen City Council values its employees and will take all reasonable steps to protect their security of employment.
- The Council will comply with its duties under the Equality Act 2010 where an employee becomes disabled, and is deemed through professional medical assessment to be no longer able to carry out their job.
- The term 'redeployee' is used throughout this document when referring to an employee on the Redeployment Skillsbank. The use of this term does not change the employee's employment status.
- Redeployees will have the opportunity to be accompanied by a trade union representative or work colleague at redeployment meetings (except interviews resulting from Stage 3 of the procedure). There is no right to be accompanied by a legal practitioner.
- The Council will suspend its recruitment and selection processes when assessing an employee for redeployment. Where appropriate, the Council will also consider reasonable training and management support to help an employee meet the requirements of a particular role.
- Every reasonable effort will be made to find suitable alternative employment; however this cannot be guaranteed and in cases where the redeployment process is unsuccessful, this procedure will result in the employee's contract of employment with the Council being terminated (see Stage 4).
- Redeployment matters will be dealt with promptly, sensitively and confidentially.

- Throughout the procedure, special allowances will be made for employees with a disability and to those whose first language is not English or who have difficulty expressing themselves.
- Managers and employees are expected to fully engage and co-operate with the redeployment process. Employees should be as flexible as possible during the search for suitable alternative employment in order to maximise their chances of success.
- The aim of this procedure is to redeploy employees into roles as compatible with their existing terms and conditions as possible and employees will not normally be redeployed into a higher graded job, except in exceptional circumstances.
- The procedure will be applied in line with national and local conditions of service and statutory requirements, except where protection arrangements apply when the agreed provisions will be applied. However, in all other respects, the terms and conditions of the job into which the employee is being redeployed will apply (e.g. holidays and hours of work).

SECTION 5: THE REDEPLOYMENT PROCEDURE

The redeployment procedure consists of **6 key stages**.

- Stage 1 – Informing and meeting with the employee**
- Stage 2 - Starting the corporate search for redeployment**
- Stage 3 - Searching for suitable alternative employment**
- Stage 4 - The trial period**
- Stage 5 - The final review meeting**
- Stage 6 – Right of appeal**

Stage 1 – Informing and meeting with the employee

The line manager will discuss the grounds for redeployment with an HR representative and write to the employee to invite them (and their representative if requested) to attend a meeting. The purpose of this meeting will be to discuss the circumstances that have led to the recommendation or identified need for redeployment.

At the meeting, the employee will be given the opportunity to respond and the line manager will consider any points raised. The outcome of the meeting will be confirmed to the employee in writing.

Stage 2 - Starting the corporate search for redeployment

Once it is clear that the redeployment procedure is to be applied, and the employee is committed to engage with this process the HR representative and the employee's line manager will meet with the employee (and their representative if requested) at the earliest opportunity. Please note that in order to quicken the process, this meeting can be undertaken immediately after the Stage 1 meeting, with the same parties present. The meeting will cover:

- **Completion of Redeployment Profile**

In conjunction with their HR representative, the employee will complete a Redeployment Profile which will detail their qualifications, skills and competencies. The Redeployment Profile will also identify training needs and outline restrictions on duties or working arrangements (e.g. due to medical reasons or caring responsibilities).

Employees will be required to sign the Redeployment Profile to confirm that the content is correct as this will define the parameters of the subsequent redeployment search.

Employees will be required to provide supporting information in respect of **each job** they wish to be considered for in order to demonstrate how they meet the criteria for a particular post.

- **Redeployment Skillsbank**

Employee details will be added to the Redeployment Skillsbank and they will be notified of new and current vacancies.

The Redeployment Skillsbank will be available on the Zone and will hold a summary of redeployees' qualifications, skills and competencies.

This information will be considered by recruiting managers before vacancies are advertised. It will not include any personal details or reasons why redeployment is sought.

- **Duration of redeployment search**

The search for suitable alternative employment will take place over an employee's period of statutory notice but will be for a minimum of 4 weeks. Please note that an employee is entitled to 1 week's notice for each year of continuous service up to a maximum of 12 weeks. This applies to all employees in need of redeployment, except Chief Officials who are entitled to 3 months' notice hence would receive a redeployment search period of that duration and Teaching staff who have separate notice provisions. The search period begins on the day following the date of the letter confirming the redeployment arrangements and issuing the employee with notice.

- **Defining suitable alternative employment**

Suitable alternative employment will be determined according to pay, location, status, working environment and hours of work along with any restrictions which require to be taken into account and which are outlined in the employee's Redeployment Profile.

The Council's normal recruitment and selection processes will be suspended when assessing an employee for redeployment and recruiting managers must consider the employee's **potential** to meet the essential criteria for a particular job i.e. whether they could meet the essential criteria with a reasonable amount of training and management support.

- **Refusal of an offer of suitable alternative employment**

Suitable alternative employment will be sought and offered according to the information in the employee's Redeployment Profile and every reasonable effort will be made to accommodate any restrictions.

Where an employee unreasonably refuses an offer of suitable alternative employment, the provisions of this procedure will no longer apply and they will lose their right to any redundancy payment (where applicable). In such cases, the employee will continue to serve the remainder of their notice period and may apply for any vacancy as an internal applicant up to the end of their notice period; however no preferential treatment will be given and support from HR will cease. The employee's details will also be removed from the redeployment skillsbank.

- **Temporary duties for redeployees**

Where required, and subject to any medical restrictions, reasonable efforts will be made to identify appropriate temporary duties whilst the corporate search for suitable alternative employment is undertaken.

- **Confirming the redeployment arrangements**

The redeployment arrangements will be confirmed in writing to the redeployee within **5 working days** of them meeting with their HR representative. The letter will include:

- An overview of the redeployment procedure.
- Start and end dates of the redeployment search period which comprises the employee's statutory period of notice, subject to a minimum period of 4 weeks (separate notice provisions apply to Chief Officials and to Teaching staff).
- The effective date of termination in the event that suitable alternative employment is not secured.
- Confirmation that notice of termination will be withdrawn if suitable

- alternative employment is secured.
- Confirmation that if termination is on grounds of redundancy, the employee will receive a statutory redundancy payment provided they meet the qualifying conditions and have not unreasonably refused an offer of suitable alternative employment.

Stage 3 – Searching for suitable alternative employment

Managers' responsibilities

Before arranging for a vacancy to be advertised, managers will check the Redeployment Skillsbank and consider the suitability of all redeployees. A vacancy will **only** proceed to advertisement once it has been established that it does not provide any redeployee with a suitable alternative employment opportunity.

Managers must also fully engage with the procedure where redeployees attend redeployment interviews and provide appropriate training and management support during trial periods.

Redeployees' responsibilities

Redeployees will be expected to fully engage with the redeployment process and be as flexible as possible in their search for suitable alternative employment in order to maximise their chances of success.

They should regularly check the Council's job pages and/or vacancy bulletin for suitable alternative employment and any potential opportunities identified should be brought to the attention of their HR representative as a matter of urgency.

Redeployees are also expected to fully co-operate in any training programmes and/or temporary duties which are identified.

HR responsibilities

HR will co-ordinate the redeployment process, maintain regular contact with the redeployee and ensure that the redeployee's line manager is updated with their progress.

HR will bring suitable vacancies to the redeployee's attention, including those sourced from partner organisations with whom the Council has reciprocal arrangements.

HR will also be responsible for identifying relevant training opportunities and sourcing temporary duties where these are required.

Suspending the recruitment and selection process

Where a redeployee meets or has the potential to meet the essential criteria for a job with a reasonable amount of training and management support, they will normally be considered **before** the vacancy is advertised.

So that all reasonable steps are taken to protect the employment of our existing workforce, redeployees will also be given preferential treatment over external applicants. In cases where a vacancy has already been advertised, the recruitment and selection process will be suspended whilst redeployees are given first consideration.

A competitive recruitment situation will only take place where more than one redeployee may be suitable for a particular vacancy.

The redeployment interview

Where a redeployee meets the essential criteria for a job or may do so with a reasonable amount of training and management support, they must supplement their Redeployment Profile with additional supporting information (this is required for **each job** they wish to be considered for).

This information will be sent to recruiting managers and where they agree that the redeployee meets or has the potential to meet the essential criteria for their vacancy, with a reasonable amount of training and management support, a redeployment interview will be held.

If redeployment is required on medical or disability grounds, advice should be obtained from the Council's occupational health provider on the suitability of the duties **prior** to interview.

If the redeployment interview is successful, the employee will normally begin a trial period, subject to a satisfactory medical and Disclosure Scotland check (where required), noting that timescale for receiving these will **not** count towards a redeployee's time on the Redeployment Skillsbank. A Fitness for Work Declaration should also be provided for appropriate jobs.

Where the redeployment interview is unsuccessful, the recruiting manager will provide written feedback and the redeployee will be advised accordingly.

Stage 4 - The trial period

Duration

The trial period will normally last for **4 weeks** and any variations to this timescale must be agreed in conjunction with HR. The redeployee's time on the Redeployment Skillsbank will be suspended for the duration of the trial

period and this will **not** count towards their redeployment search time, hence their notice will be extended to provide the balance of notice due, where necessary.

Pay

The redeployee's original employing service will continue to pay their salary during the trial period and this will be paid at the rate of their substantive job.

Conditions of employment

The terms and conditions of employment of the job into which the redeployee is undertaking a trial period, will normally apply.

Development and review

At the start of the trial period, the recruiting manager will agree a development plan with the redeployee and meet with them on a weekly basis to review progress and consider any additional training or support which may be required. The recruiting manager will also meet with the redeployee at the end of the trial period to confirm whether this has been successful.

Where the trial period is successful

Where the trial period is successful, the redeployee will be confirmed in the job and appointed on the terms and conditions that apply to the job (except where protection arrangements apply when the agreed provisions will be applied). However, in all other respects, the terms and conditions of the job into which the employee is being redeployed will apply (e.g. holidays and hours of work).

Where the trial period is unsuccessful

Where the trial period is unsuccessful, the redeployee will return to the Redeployment Skillsbank for the **balance** of their notice period and suitable alternative employment will continue to be sought under Stage 3 of the procedure.

Notice of termination will be withdrawn if suitable alternative employment is found prior to the end of their notice period.

Stage 5 – The final review meeting

Every reasonable effort will be made to identify suitable alternative employment; however this cannot be guaranteed and where it cannot be found during the employee's notice period this will result in the redeployee's contract of employment with the Council being terminated.

Statement of grounds for action and invitation to meeting

The redeployee will receive a letter inviting them to attend a meeting which will explain that dismissal is being contemplated due to suitable alternative employment not yet being found. The letter will also explain that the purpose of the meeting is to review progress and identify whether any alternative action can be taken to avoid the dismissal occurring.

Meeting

The final review meeting will take place in the last week of the redeployee's notice period and will be chaired by a relevant Service Manager (or above). The chair will be supported by an HR Adviser.

The redeployee will be given an opportunity to respond and may be accompanied by a trade union representative or work colleague if they wish. The redeployee's line manager will also attend to present an overview of the case.

Following the meeting, the chair will confirm the outcome of the meeting to the redeployee in writing.

Appeal

If the Chair has decided to proceed with the dismissal, the letter will notify the redeployee of their right of appeal.

Stage 6 - Right of appeal

A redeployee has the right of appeal against the decision to terminate their employment and can choose whether to have their appeal heard by a Director or through the Council's Appeals by Employees Committee.

Redeployees must register their appeal in writing, within 10 working days of receiving the written confirmation of the decision to terminate employment, clearly stating the grounds for the appeal within their letter.

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	1 st February 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	A96 Park and Choose Car Park / Dyce Drive Link Road
REPORT NUMBER:	EPI/11/030

1. PURPOSE OF REPORT

- 1.1 To advise the Committee of the extent of land to be acquired through Compulsory Purchase Order (CPO) to facilitate the construction of the A96 Park and Choose Car Park / Dyce Drive Link Road and to request approval to progress the CPO.

2. RECOMMENDATION(S)

2.1 It is recommended that the Committee:

- a) resolves to make an Order in terms of the draft Compulsory Purchase Order attached to this Report and authorise the Head of Legal and Democratic Services to implement the statutory procedures following on from the making of the Order;
- b) approves delegated powers to the Head of Legal & Democratic Services and the Head of Asset Management & Operations, in consultation with the Convenor, to purchase land required for the scheme by a negotiated process in advance of a CPO, assuming such purchases represent Market Value and are within the scheme budget;
- c) notes that officers will provide regular updates to Committee in relation to progress with land acquisition against budget.

3. FINANCIAL IMPLICATIONS

- 3.1 Land acquisition will be funded from the project's Non-Housing Capital budget allocation and will be subject to the review of the capital programme.

4. OTHER IMPLICATIONS

- 4.1 Resources from both Enterprise, Planning & Infrastructure and Legal & Democratic Services will be required to complete the land acquisitions required to implement the scheme. Land acquisition will be managed by staff from EP&I's Asset Management Team.

5. BACKGROUND/MAIN ISSUES

- 5.1 The Park and Choose Car Park/Dyce Drive Link Road project is in keeping with the land use and transportation strategies of Aberdeen City and the wider region in the context of supporting economic growth by encouraging sustainable transport.
- 5.2 The measures identified in the Local and Regional Transport Strategies, as well as elements of the Scottish Government's Strategic Transport Projects Review, include the implementation of a series of Park and Ride (P&R) sites on radial routes around the city including at Dyce Drive. Park and Ride sites are also more commonly being referred to as Park and Choose sites to reflect a wider variety of transport options
- 5.3 The Park and Choose proposals at Dyce Drive will also assist in unlocking a strategically important area of employment land lying between the airport and the A96(T) with key linkages to the Aberdeen Western Peripheral Route (AWPR) because the proposals include a new link road between the proposed AWPR / A96(T) junction and the Dyce Drive / Argyll Road junction.
- 5.4 Planning approval for the Park and Choose was sought on 7 May 2010 (reference 100771) and subsequently granted by Elected Members of the Development Management Sub-Committee meeting on 19 August 2010 (Article 5 refers).
- 5.5 A report dated 9 June 2009 was submitted to the Policy and Strategy Committee (Article 13 refers) which sought permission for officers to progress the necessary land purchase. The Policy and Strategy Committee instructed officers to progress land purchase as financial resources permitted. Discussions with the affected landowners have been ongoing and will continue. Whilst it is hoped that the land can be acquired by negotiation it is proposed to prepare to acquire the land through Compulsory Purchase to safeguard and ensure the delivery of this nationally important transport infrastructure link.

- 5.6 As the scheme includes both the Park and Choose car park and the Dyce Drive Link Road the CPO has to be promoted under the Road Traffic Regulation Act 1984 and the Roads (Scotland) Act 1984. This is because the separate pieces of legislation grant powers for the compulsory purchase of the land for the car park and road respectively. As a consequence of using the two separate pieces of legislation it has been decided to promote the scheme as two separate CPO's although they will be promoted at the same time.
- 5.7 A copy of the draft CPO plans are attached within Appendix A and the Compulsory Purchase Orders is attached within Appendix B.
- 5.8 The Scottish Government has indicated that it would be willing to consider inclusion of the construction of the A96 Park and Choose Car Park/Dyce Drive Link Road project as part of the AWPR if at the time of going to tender for the AWPR this project has planning approval (granted in August 2010) and the necessary land is acquired.
- 5.9 It should be noted that this proposal ties in with the proposed A96(T) junction for the AWPR. Completion of the AWPR statutory process is currently facing legal challenges. The delivery of this junction for the AWPR can only proceed after successful resolution of the legal challenge issues.
6. IMPACT
- 6.1 The proposal to promote the CPO is in accordance with the Council's Community Plan where it assists in the delivery of the aim to "maintain and improve the range of transport choices available to, from and within the city".
- 6.2 The promotion of the CPO will facilitate the construction of the scheme, make a significant contribution to the achievement of outcomes 10, 12 and 14 within the Single Outcome Agreement which, in a local context, seek to improve sustainable travel options.
- 6.3 Vibrant, Dynamic and Forward Looking states, under Transport, the desire to "Improve Aberdeen's transport infrastructure" including "[improving] public transport in and to our city".
7. BACKGROUND PAPERS
- 7.1 Dyce Drive Infrastructure Options, Report by Head of Planning & Infrastructure, Planning Committee 11th December 2008.
- 7.2 Dyce Drive Infrastructure Options, Report by Head of Planning & Infrastructure, Resources Management Committee, 5th February 2009.

7.3 A96(T) Park and Ride Car Park, Dyce and Proposed A96(T) / Dyce Drive Link Road, Report by Corporate Director Neighbourhood Services (South), Policy & Strategy Committee, 9th June 2009.

7.4 Application Reference 100771, Land Adjacent to Walton Farm, Bucksburn. Development Management Sub-Committee, 19th August 2010.

9. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	01 February 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	105 to 107 Urquhart Road - Marketing
REPORT NUMBER:	EPI/11/036

1. PURPOSE OF REPORT

The purpose of this report is to update the Committee on this surplus property, and recommends that it should be advertised for sale on the open market.

2. RECOMMENDATIONS

It is recommended that: -

- a) the Head of Asset Management and Operations be authorised to market the property for sale on the open market; and
- b) a further report is submitted to the appropriate meeting of the Finance and Resources Committee, in due course, detailing the outcome of the marketing.

3. FINANCIAL IMPLICATIONS

The sale of the property will generate a capital receipt for the General Services Account during the next financial year, although this may vary subject to the terms of any offer (in particular Planning Requirements).

As the proposed sale will be at Market Value, there are no state aid implications.

4. OTHER IMPLICATIONS

There are no significant other implications in relation to the proposal, although legal and planning resources will be required in the future to conclude the proposed sale.

5. BACKGROUND/MAIN ISSUES

The property, identified on the attached plan, comprises a 0.98 Hectare/2.42 acre site with a number of vacant buildings occupying it along with yard space.

The Bulletin report submitted to the meeting of the Committee on 28 September 2010 advised of the withdrawal of the approach previously received on behalf of Grampian Police. A copy of the approved Planning Brief (as approved at the Development Management Sub-Committee meeting on 17 June 2010) was also submitted along with that report and which recommends that the site's most appropriate future use is for the development of flatted residential accommodation, although commercial/retail uses could also be considered.

Confirmation has also recently been obtained from the Head of Regeneration and Housing Investment that the site is no longer of interest to the Housing Revenue Account.

There is an awareness of a number of sites within this part of the city likely to be made available to the market for residential development in the short to medium term e.g. the Pittodrie Stadium site, the Michies Transport depot site, the Park Street/Duff Street site.

Accordingly, it is now considered appropriate that the site at 105 to 107 Urquhart be made available to the market at this time. This reflects a number of factors including marketing the site in advance of competing sites, a perceived lack of development opportunities prior to the new local development plan being approved and the apparent success of nearby similar developments (e.g. Barratt at Kings Quest).

6. IMPACT

Corporate –

A sale of the property meets the single outcome agreement in relation to the efficient running of the Council and its property portfolio.

The sale of the property in assisting the redevelopment of a vacant site and buildings will have wider economic development benefits.

Public –



It is not anticipated that the sale of this asset will create any significant public interest.

The subjects have been identified as being surplus and, as such, there are no Equalities & Human Rights Impact Assessment factors.

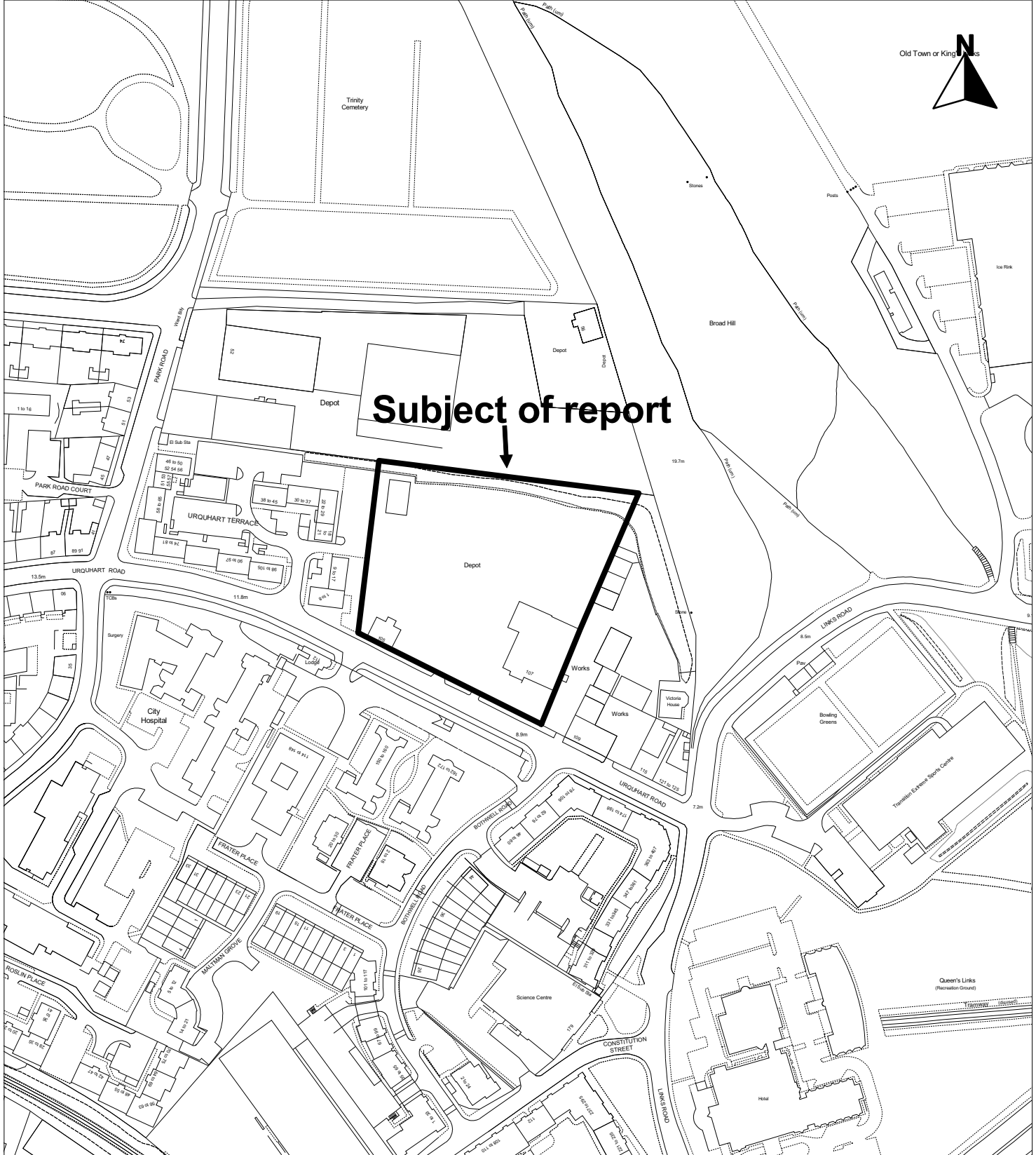
7. BACKGROUND PAPERS

None

8. REPORT AUTHOR DETAILS

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Title: 105-107 Urquhart Road

Scale: 1:2500

Date: 21 December 2010

Map Ref: NJ9407SE



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ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	01 February 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Causewayend School and Lodge – Future Use
REPORT NUMBER:	EPI/11/035

1. PURPOSE OF REPORT

The purpose of this report is to update the Committee on the surplus school property and Lodge, and recommends that the whole site should be advertised for sale on the open market after the future approval of the Planning Brief by the Development Management Sub-Committee has been obtained.

2. RECOMMENDATIONS

It is recommended that: -

- a) the Head of Asset Management and Operations be authorised to market the whole site for sale on the open market after the future approval of the Planning Brief by the Development Sub-Committee has been obtained; and
- b) a further report is submitted to the appropriate meeting of the Finance and Resources Committee in due course detailing the outcome of the marketing.

3. FINANCIAL IMPLICATIONS

The sale of the property will generate a future capital receipt for the General Services Account.

As the proposed sale will be at Market Value, there are no state aid implications.

4. OTHER IMPLICATIONS

There are no significant other implications in relation to the proposal, although legal and planning resources will be required in the future to conclude the proposed sale.

5. BACKGROUND/MAIN ISSUES

The property, identified on the attached plan, extends to 0.65 Hectares/1.61 Acres in total and comprises the main school building together with two other school buildings, all of traditional granite and slate construction, along with the school lodge of modern concrete block construction, and associated playground, landscaping and car parking.

The Resources Management Committee meeting of 25 November 2008 (Article 40) resolved that the following recommendations be approved:-

(a) that the Head of Resources Development and Delivery be instructed to liaise with the Head of Planning and Infrastructure to commission a Planning Brief for the property to assist in the determination of the value of the whole site and the separate values of the school site and the school lodge sites;

(b) that the Head of Culture and Learning, Neighbourhood Services (Central), and the Head of Resources Development and Delivery be authorised to enter into discussions with the tenant of Causewayend School Lodge to explore options for suitable alternative accommodation; and

(c) that a report be brought back to Area Committee Central and also Resources Management advising of the outcome of the actions taken under recommendations (a) and (b) hereof, together with detailed recommendations for the future use of the Causewayend School and Lodge site.

The Education, Culture and Sport Committee meeting of 24 November 2009 (Article 25) declared the whole site surplus to their Service requirements with effect from 01 March 2010 and at that it also be transferred to the Property Account as of that date. In addition, the Committee also noted that suitable alternative tied accommodation for the tenant of Causewayend School Lodge had been identified and that the tenant had expressed an interest in moving to this property.

The Finance and Resources Committee meeting of 10 December 2009 (Article 33) resolved that the recommendations from the aforementioned meeting on 24 November 2009 of the Education, Culture and Sport Committee be adopted. The recommendations specifically referred onto the Finance and Resources Committee were, as follows:-

(i) that with effect from 1 March 2010, the whole Causewayend School site is transferred to the Property Account;

(ii) that appropriate officials are instructed to immediately take steps in order to recover vacant possession of the Causewayend School Lodge before 1 March 2010; and

(iii) that the Head of Resources Development and Delivery be instructed to bring recommendations on future use of the site to a future meeting of the Finance and Resources Committee.

Following subsequent discussions with the Head of Planning and Infrastructure, it was agreed that Ryden be instructed to prepare the Planning Brief on behalf of the Council and the final draft Brief was recently forwarded by Ryden to the Head of Planning and Sustainable Development. This draft Brief was then subsequently submitted to the meeting of the Development Management Sub-Committee on 25 November 2010 and approval was obtained for the 6 week public consultation period to be undertaken. Accordingly, it is hoped that the Brief shall be approved as supplementary planning guidance by the Development Management Sub-Committee at its meeting on 17 February 2010. Consideration has been given to a number of potential uses for the site, including residential, retail, commercial, hotel, business centre, etc.

The tenant of Causewayend School Lodge confirmed that he would be prepared to be re-accommodated within another lodge (Kittybrewster School Lodge), and was issued with a Notice of Removal for Causewayend Lodge in the meantime to cover the Council's position as landlord. The works required to upgrade Kittybrewster Lodge into a habitable condition were subsequently undertaken over the summer months of 2010 with a view to that Lodge being available to him during October. He has now signed a lease for this Lodge, and, as such, is in the process of re-locating.

In line with disposal procedures, the availability of the whole site was circulated to all Council Services and Partners. No interest had been expressed from any Service or Partner, including representatives on behalf of the HRA. At the present date there is still no interest.

Accordingly, in view of the foregoing, the Committee is now invited to approve the recommendation that the Head of Asset Management and Operations be authorised to market the whole site for sale on the open market after the future approval of the Planning Brief by the Development Management Sub-Committee has been obtained, and that a further report is submitted to the appropriate meeting of the Finance and Resources Committee in due course detailing the outcome of the marketing.

6. IMPACT

Corporate –

A sale of the property meets the single outcome agreement in relation to the efficient running of the Council and its property portfolio.

The sale of the property in assisting the redevelopment of vacant buildings will have wider economic development benefits.

Public –



It is not anticipated that the sale of this asset will create any significant public interest.

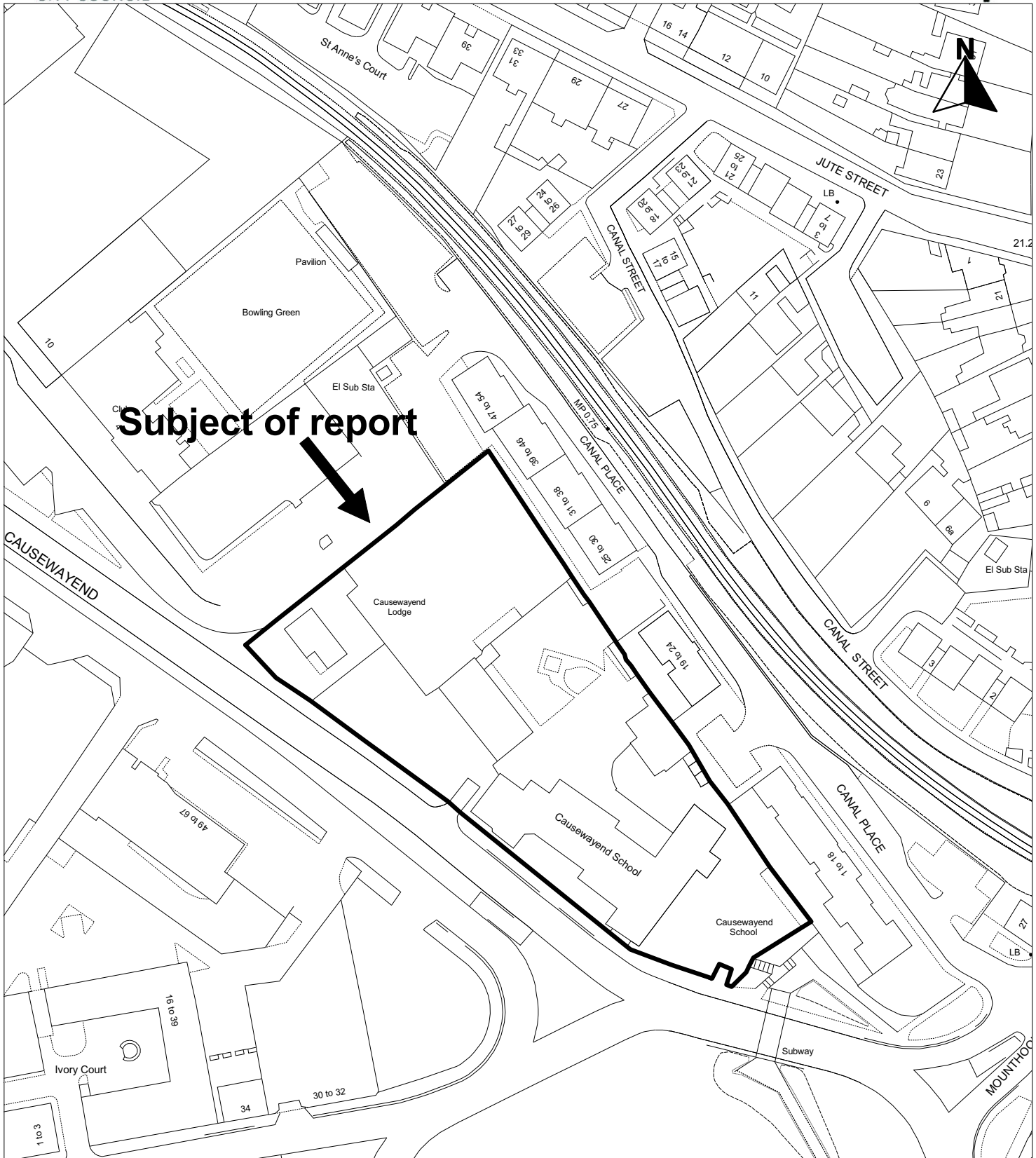
The subjects have been declared surplus and, as such, there are no Equalities & Human Rights Impact Assessment factors.

7. BACKGROUND PAPERS

None

8. REPORT AUTHOR DETAILS

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Title: Causewayend School

Scale: 1:1250

Date: 21 December 2010

Map Ref: NJ9307SE



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ABERDEEN CITY COUNCIL

COMMITTEE Finance & Resources

DATE 01 February 2011

DIRECTOR Stewart Carruth

TITLE OF REPORT Extension of Tenants Contents Insurance Contract

REPORT NUMBER: CG/10/206

1. PURPOSE OF REPORT

This report advises that approval has been granted under Standing Order 1(6)(b) (Contracts and Procurement), to extend the contract for The Tenants Household Contents Insurance Scheme which provides home contents insurance cover for Aberdeen City Council Tenants. It also seeks approval to re-tender in 2011 to allow continuation of the Scheme in 2012, after the current contract expires.

2. RECOMMENDATION(S)

The Committee is asked to:

1. note the position in respect of the implementation of Standing Order 1(6)(b) (Contracts and Procurement), as agreed by the Chief Executive, the Head of Legal and Democratic Services, the Head of Finance and the Head of Procurement and that a contract extension has been entered into until 31 December 2011.

and

2. approve that the Council undertakes a formal EU compliant tender process to appoint a provider for the provision of Tenants Household Contents Insurance from 1st January 2012.

3. FINANCIAL IMPLICATIONS

There are no financial cost implications to the Council as the Scheme is offered as an extra service to tenants, which is paid for by them. All administration and publicity costs are met by the provider.

A contract extension was agreed and began on 1 January 2011 for 12 months. It is proposed that a new contract would begin on 1 January 2012 and end on 4 April 2015 with an option to extend for 2 further 12 month periods at the discretion of the Council. The estimated value of this contract to the successful bidder over a five-year period would be between £800,000 to £900,000 but again

there would be no cost implications to the Council due to the cost neutral nature of this contract.

4. SERVICE & COMMUNITY IMPACT

Section 5.17 of the Council's Scottish Secure Tenancy Agreement states:
"You are strongly recommended to insure your personal possessions against loss or damage caused by fire, flood, theft, accident etc. We operate such a scheme. Ask us for details."

The Council's Scottish Secure Tenancy Agreement would therefore have to be amended if the insurance scheme was withdrawn.

By withdrawing this service it would impact on 3,494 tenants.

5. OTHER IMPLICATIONS

None identified.

6. REPORT

Since August 1995 the Council has been committed to provide a low premium pay as you go contents insurance scheme for all tenants. As part of the scheme special premiums are available for pensioners. Tenants also have the option to choose standard or accidental damage cover. Premiums can be paid at any cash office and by direct debit or standing order.

A request under Standing Order 1(6)(b) for an exemption from the Council's Standing Orders on contracts and procurement in relation to Tenants household Contents Insurance was approved on 13 December 2010 by the Chief Executive, Head of Finance, Head of Legal and Democratic and Head of Procurement.

The Chief Executive, Head of Finance, Head of Legal and Democratic and Head of Procurement were satisfied that a contract extension was urgently required because timescales involved were not sufficient to re-tender to ensure that contents insurance cover was still provided to our tenants after 31 December 2010.

The Council had gone out to tender in 2010 in order to appoint a supplier for the period from January 2011 but the tender process was abandoned. The Invitation to Tender ("ITT") provided details of the Council's requirements. The successful bidder offered 25% coverage to the sum insured for any claim made for accidental damage. If the contract was awarded to this bidder it would have provided our tenants with an inferior product to the current supplier which

provides 100% coverage. As there was no definition of cover stated within the invitation to tender for 100% accidental damage cover, the successful bidder was the top scoring bidder in terms of the Council's evaluation criteria, met all of the Council's requirements as specified in the ITT and could not therefore be disqualified from the tender process. The only options open to the Council were to either award a contract to this successful bidder or to abandon the tender process. The decision was therefore taken to abandon the process and re-tender. Due to the timescales involved, a contract extension was required in order to provide sufficient time to successfully re-tender.

In any future tender document it will be stated in full what coverage Aberdeen City Council expects a bidder to provide and the Specification will comprehensively cover all of the Council's requirements.

7. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 December 2010
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Universal Home Insulation Scheme (UHIS)
REPORT NUMBER:	EPI/11/039

1. PURPOSE OF REPORT

The purpose of this report is to ask Committee to homologate the decision to suspend standing orders for the procurement of an installation partner in the councils bid to the Scottish Government for funding to deliver a Universal Home Insulation Scheme in the city.

2. RECOMMENDATION(S)

That the Committee notes the position in respect of the implementation of Standing Order 1 6(b) (Contracts and Procurement), as agreed by the Chief Executive, the Head of Legal and Democratic Services, the Head of Finance and the Head of Procurement.

3. FINANCIAL IMPLICATIONS

The Council was awarded £500,000 to operate a Universal Home Insulation Scheme (UHIS) within the city. As part of this scheme match funding was also levered in from fuel suppliers as part of their CERT (Carbon Emission Reduction Target) which amounts to around £400,000.

This funding would be at risk if the decision is not homologated.

4. SERVICE & COMMUNITY IMPACT

The Single Outcome Agreement refers to a need to enhance the quality of housing and the environment, for individuals, and for the community. Furthermore within the Council's Vibrant Dynamic and Forward Looking policy document there is a commitment to adhere to the Scottish Housing Quality Standard. Completion of the works outlined in this report will:

- assist the Council in meeting the Scottish Housing Quality Standard by 2015.
- assist with meeting our targets within the Local Housing Strategy regarding fuel poverty
- help meet our objectives within the Anti-Poverty Strategy
- help meet the Scottish government commitment to eradicating fuel poverty by 2016.

- improve living standards and promote the provision of healthier homes for the residents in the areas in question which include one of the most deprived areas of the city.
- protect householders against, or remove from, fuel poverty.

5. OTHER IMPLICATIONS

None

6. REPORT

The Scottish Government had allocated £10 million in 2010/11 for the implementation of UHIS in a number of local authority areas across Scotland. The UHIS is an 'area based scheme' with the objectives of reducing carbon emissions, and, reducing fuel poverty in a large number of households. These objectives are being met by providing energy efficiency measures, free of charge, to all households, across all tenures, in selected geographic areas.

As part of our bid we were required to procure an installation partner.

The spend on works was expected to be over £75,000 but under £3.9m therefore standard procedure would normally have required these works to be tendered under Part A, Section 5 - Competitive Tendering (non-EU) of the Standing Orders.

However because of the short timescale between receipt of the invitation to bid for funding and the closing date, we did not have had time to follow usual procedures.

Therefore a memo was circulated on 10th August 2010 requesting the suspension of Standing Orders under Exemption S.O. 1(6) (b) because the contract was "*urgently required to meet the exigencies of the service*" on the grounds that:

- Funding bids had to be submitted to the Scottish Government by Friday August 27th. The Energy Management Unit needed to identify a CERT partner and one of their appointed works contractor, with an agreed process for the delivery of works, prior to submission of the bid
- The proposed works could only be undertaken if the bid to the Scottish Government for UHIS funding was successful. One of the funding conditions is that all insulation works installed using a contribution from the Scottish government's UHIS funding had to be completed by March 2011
- A successful funding bid would allow the Council to use external funding to accelerate our own Home Insulation Programme, and help toward meeting our targets of carbon reduction, energy efficiency improvements, and reduction of fuel poverty.

This project is now well under way and is proving to be successful so far. This project would not have been possible without the external funding secured and we would not have been able to access this external funding without the agreement to set aside standing orders.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

Memo dated 5th August 2010, requesting exemption from Standing Orders sent from Hugh Murdoch to

- Sue Bruce, Chief Executive, Office of the Chief Executive
- Craig Innes, Head of Procurement, Corporate Governance
- Jane MacEachran , Head of Legal and Democratic Services
- Barry Jenkins, Head of Finance, Corporate Governance

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	01 February 2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Accord Card: Citizen Roll Out
REPORT NUMBER:	CG/10/205

1. PURPOSE OF REPORT

To update committee on how the Accord card could be rolled out to all Aberdeen City residents.

To update committee on progress to date regarding how the Accord card could be used to obtain services offered by Aberdeen City Council and its partner organisations at a preferential rate.

2. RECOMMENDATION(S)

It is recommended that elected members:

- i) Consider the content of the report;
- ii) If a tiered charging policy is to be investigated further, to instruct officers to provide options on an appropriate revised charging policy for Aberdeen City Council facilities to the Budget meeting of Council of 10 February, 2011 in order for a decision to be taken.

3. FINANCIAL IMPLICATIONS

To roll out the Accord card to all Aberdeen City residents

- i) One-off development allowing the National Card Production Bureau to encode and produce Accord cards on a Mifare 4K smartcard: £6305 (may be reduced if data can be passed to bureau electronically)
- ii) One-off development cost to allow current local services to be held and updated on a Mifare 4K smartcard: £6250
- iii) Purchase of smartcard readers for new Council facilities that will accept and validate Accord card application forms: £800

- iv) Purchase of photograph capture application and webcam for new Council facilities that will accept and validate Accord card application forms: £1640
- v) Purchase of 150,000 Mifare 4K smartcards: £84,000 (subject to price at time of order)
- vi) National Card Production Bureau to process paper Accord card application forms at £0.97 each: £145,500 (subject to reduction to zero if data can be passed to bureau electronically)

Should all costs identified above be required, this totals £244,495 equating to £1.63 per card.

It is thought likely that the Accord card application form data can be captured and passed to the National Card Production Bureau electronically removing processing cost of £0.97 per paper application form. Taking this into account this reduces the total to £98,995 equating to £0.66 per card.

Funding is available to further the roll-out of the Accord/ National Entitlement Card which will be used to meet these costs; therefore, there would be no impact on the Accord Card Revenue budget.

Revenue generation from a revised pricing policy

This is largely unknown at this point as the majority of Council facilities and partner organisations do not record where a user of a service resides, therefore, the number of non-residents using Aberdeen Council facilities is difficult to quantify (with limited exceptions, e.g. libraries).

An exercise is underway to capture this information at Sport Aberdeen facilities to provide an indication of the residents/ non-residents split. This will assist in the estimation of an indicative increased revenue figure which will be reported to full Council on 10th February 2011.

It should be noted that some Council services and a number of partner organisations have expressed significant concerns that any such revision in the charging policy may have a negative impact on revenue for the following reasons:

- non-residents may choose not to use the service/ facility;
- ability to obtain or retain grants or external funding may be affected;
- additional staffing resource may be required to verify Accord cards at facilities;
- additional staffing resource will be required to process renewals of the Residents Pass held on the Accord card.

This is evidenced in the following situations:

- Introduction of entry charges at Cultural sites in 1998 resulted in a dramatic drop in visitor figures (e.g. 40% at Maritime Museum); drop in income in the cafés and shops; additional administration and operational costs were incurred. This policy was rescinded and charges no longer applied from 2000;
- *A pilot exercise increased charges at Leaping Leopard Crèches for non-City residents was ceased after a year due to the time spent dealing with complaints and operational difficulties;
- Charges at Aberdeen City Council golf courses had been structured whereby non-City residents paid a higher charge; this ceased in 2001/2002 and led to an increase in participation and in income.

**The management of a tiered pricing policy based on a Residents Pass held electronically and securely on the Accord card should assist in its management.*

The specific issues raised by partner organisations are in section 1.13 of Appendix 1.

4. OTHER IMPLICATIONS

Legal

The Policy & Advice Team within Legal & Democratic Services have been consulted regarding this report and will continue to be informed of progress. No significant issues have been identified at this stage, however, should the tiered charging policy be approved a further review of the conditions of any grants or funding received by each affected Council services will need to be undertaken.

Resource

Those Council services affected will be required to lead on the introduction and implementation of a tiered pricing policy at the facilities for which it is responsible. This will include an assessment at each facility to determine if additional staffing resource is required to validate Residents passes and where appropriate take and record payment.

The Accord team will be required to undertake technical site surveys to ensure the required equipment can be installed and then undertake the installation.

Consideration will need to be given to how customer enquiries (both written and verbal) arising from the bulk application process, yearly renewals and the introduction of the new pricing policy will be managed. The current level of staffing at Customer Access Points and

revalidation points would have to be increased to deal with the potential of 200,000 residents renewing their Residents pass each year.

Discussions are ongoing with all affected services regarding the implications of the introduction of a tiered pricing policy.

Equipment

Purchases of smartcard readers, photograph capture software and hardware, sufficient card stock will be required as outlined in section 3 above. Depending on site surveys for any site implementing the tiered charging policy, there may be a requirement to procure a till and/ or a PC along with any power and networking required.

Policy implications

Subject to approval at full Council meeting on 10th February 2010, the Councils charging policy for the services it provides will broadly be as follows:

- Standard charge
- Accord card holders (with Residents Pass) charge
- Concession Charge

Regarding partner organisations, all of those contacted to date have advised that any such change would have to be agreed by their respective management boards and reviewed in terms of current legal agreements with the Council. Therefore, discussions around the adoption of this policy and a proposal to each management board will be required.

It would be the intention that partner organisations will be encouraged, through establishment of the potential benefits for citizens and partners, to embrace, where practicable, both the Council's pricing policy recommendations and implementation of the Resident's pass.

However, should particular organisations elect, without due cause, not to materially consider this, subject to existing legal frameworks, be reflected in the outcomes of the Priority Based Budget driven review, and potentially, future funding agreements.

Should particular organisations elect, without due cause and/or subject to existing legal frameworks, not materially consider this policy it could be reflected in the outcomes of the Priority Based Budget driven review and potentially lead to a reduction in future funding.

5.0 Rolling out the Accord Card to all Aberdeen residents

5.1 There are currently 62,500 residents of Aberdeen who have an Accord/ National Entitlement Card (hereafter referred to as an Accord card). The Community Plan Update 2008 estimates the current population of Aberdeen City at 212,000, therefore, a roll-out to all citizens would require the production of 149,500 Accord cards.

5.2 To achieve this, many aspects of the application process and Accord card production will need to be revised (detailed in Appendix 1) and can be achieved by taking the following key steps:

- i) A Mifare 4k smartcard should be used to minimise card procurement costs;
- ii) Existing systems should be adapted to accommodate this new smartcard type;
- iii) An electronic 'Residents Pass' will be added to the Accord card which the cardholder will use to validate their entitlement to the appropriate charge;
- iv) The Residents Pass will be valid for 1 year and must be renewed in person by the cardholder annually;
- v) The locations at which residents can apply for an Accord card and renew their Residents Pass will be reviewed to increase the number of available sites;
- vi) The National Card Production Bureau will process bulk applications and produce Accord cards;

5.3 The costs associated with the above are as follows:

- i) Purchase of 150,000 Mifare 4K smartcards: £84,000 (subject to price at time of order);
- ii) One-off development of card production bureau systems to encode and produce Accord cards on Mifare 4K: £6305 (subject to reduction if data can be passed to bureau electronically);
- iii) One-off development cost to allow current local services to be held and updated on a Mifare 4K smartcard: £6,250;
- iv) Purchase of smartcard readers for new application sites: £800;
- v) Purchase of photograph capture application and webcam for new Council facilities that will accept and validate Accord card application forms: £1640;
- vi) Card production bureau to process paper application forms at £0.97 each: £145,500 (subject to reduction to zero if data can be passed to bureau electronically);

5.4 Should all costs identified in 5.3 be necessary, this totals £244,495 which equates to £1.63 per card.

However, it is thought likely that the data can be captured and passed to the bureau electronically removing processing cost of £0.97 per card

and if achieved reduces the total to £98,995 which equates to £0.66 per card.

5.5 Timeframe for Accord Card roll-out

5.5.1 Should a decision be taken to implement a tiered pricing policy managed via the Accord Card/ Residents Pass, an order can be placed to manufacture the appropriate number of Mifare 4K Smartcards. These will be delivered in 12 to 16 weeks and once received Accord card production can commence.

5.5.2 The National Card Production Bureau has confirmed that they can produce a maximum of 10,000 Accord cards per week. Therefore, should all remaining 150,000 citizens require an Accord card it will take 15 weeks to print this volume of cards.

5.5.3 The National Entitlement Card Programme Office (NECPO) has been contacted regarding the availability of 'spare' stock of Mifare 4K cards. If a tiered pricing policy is introduced and there is sufficient 'spare' stock it may be possible to introduce a revised pricing policy for Educational Establishments Bookings and Lettings from the new charging year (commencing in August 2011).

5.5.4 It is estimated there are approximately 9,000 individuals in those groups with a booking/ letting and should there be available stock of around 10,000 cards, groups currently with a booking/ letting can be contacted advising them of a revised pricing policy and the requirement for group members to apply for an Accord card if they are Aberdeen City residents.

5.6 Implementation of Tiered Pricing Policy at Council Facilities

5.6.1 There are a number of services provided by Aberdeen City Council for which there is a charge and those identified and consulted so far are

- City Moves
- Arts Development Whitespace
- Beach Ballroom
- Crèche Services via Leaping Leopards
- Libraries
- Community Learning Hubs
- Educational Establishments (Bookings and Lettings)
- Registrars

The majority of these services fall within Education, Culture and Sport, however, the process of identifying and consulting with the other services for which the Council charges is ongoing.

5.6.2 Sections 5.1 – 5.5 confirm that the Accord card has the functional capability to carry a Residents pass and the Accord team has identified the technical requirements to achieve this. However, the implications and considerations of implementing a tiered pricing policy will alter on a case by case basis and will need to be assessed by each service.

5.6.3 The issues to be considered by services centre around the concerns listed in section 3 of the report; i.e. reduction in customer numbers; funding; staffing resource.

For example, City Moves and Arts Development Whitespace receive Creative Scotland funding to provide services to the North East of Scotland and a legal review of the conditions of this funding would be required to determine if it would be lost; and if so, the impact on the business plan and financial viability of that service.

5.6.4 Given this, a blanket approach of implementing a tiered pricing policy across all services from a specific date may not be the most appropriate as it may not give services sufficient time to identify and analyse the impact of such a policy in terms of income and operations.

An alternative strategic approach would be to adopt the concept of a tiered pricing policy in principle at this point but link its implementation to the review of arts and sports services funding (ECS1-C10, mentioned in section 4 of this report) and as part of the Priority Based Budgeting process.

In parallel with this, Council services outwith this review can continue to be identified and where appropriate a tiered pricing policy implemented.

5.6.5 To implement the Residents pass functionality at Council locations, a site survey would be required to determine if there is a PC in a suitable position to which the card reading application could be loaded and the appropriate number of card readers (at £100 each) required.

Depending on site surveys there may also be a requirement to procure a till and/ or a PC along with any power and networking required.

5.6.6 For the booking and letting of Educational Establishments, the Accord card rate of charge will only apply if 50% or more of the group participants have a valid Residents pass. Further information on this is provided in Appendix 1.

5.6.7 As well as managing the overall implementation of the new policy, there would be a requirement for each service to determine if there are sufficient or available staffing resources to check each Accord card for a Residents pass at the point of entry with due consideration to queue management and customer service.

Furthermore, a solution will require to be developed for on-line or telephone bookings in order that the Residents pass on the Accord card can be verified and used to raise the invoice/ charge at the correct level.

- 5.6.8 Consideration may also want to be given to the possibility of introducing a tiered pricing policy to cultural sites, i.e. Aberdeen Art Gallery; Maritime Museum, Provost Skene's House, Tolbooth. Currently these are free to all, however, the Residents pass could be used to ensure it remains *free to residents but a charge levied for non residents.

**Note:* Carlisle City Council recently considered (Oct 2010) implementing a similar tiered charging policy for one of its key cultural attractions and was advised that this was not in line with European Law as this requires either free access to all or charging for all. This decision has not been reviewed or considered by the Policy and Advice Team of Aberdeen City Council, however, may well be relevant to any such policy.

A further consideration is that exhibitions at Cultural site are often supported by Scottish Government funding which is allocated on the expectation that the exhibition will be free to all. The introduction of a tiered pricing policy may impact on the Council's ability to attract exhibitions in the future.

- 5.6.9 In addition to the option in 5.6.8, a 'Visitors Pass' could be sold to non-residents/ visitors for either a time limited period or based on the number of sites visited. Further information on this is provided in Appendix 1.

5.7 Implementation of Tiered Pricing Policy at partner organisations

- 5.7.1 A number of partner organisations have been contacted regarding the implementation of a tiered pricing policy and further information is provided in Appendix 1.

- 5.7.2 These organisations have raised concerns over the introduction of a tiered pricing policy as it will have a critical impact of the operations of facilities in terms of the provision of service, staffing levels. Each of these issues is listed in section 1.13 of Appendix 1 which includes the following issues raised by the Aberdeen Sports Village.

- Sportscotland provided £7m grant funding towards the costs of developing ASV as a Regional Centre. It will be very hard to then justify to Sportscotland why an athlete from the Shire attending the same training session as an athlete from the City would have to pay more for using a nationally funded facility;

- Aberdeenshire Council are providing revenue funding for the Aquatics Centre. We may then end up with two different pricing structures across our facilities, with differential pricing on the dry side, but the same prices for the wet side? That would be incredibly difficult for the customer to understand;
- Concerns about potential loss of revenue from residents of Aberdeenshire and further afield;
- For user groups, attempting to establish what percentage of each group are entitled to which price would be difficult and time consuming. To do as the report suggests would require additional staffing;
- Aberdeen Sports Village currently hosts a number of regional and national events and generally this is an area of high price sensitivity. Increased pricing is likely to stop these events coming to Aberdeen with the associated loss of other revenue for the City;
- A significant number of ASV bookings are taken on-line. How do we validate that they are Aberdeen Citizens as current system functionality will not allow this. Who will pay for the system upgrades?
- Significant Administration and potentially consultants time will be required to amend our current IT system setup to accommodate such a policy.

5.7.3 All of those contacted to date have advised that any such change would have to be agreed by their respective management boards and reviewed in terms of current legal agreements with the Council. Therefore, discussions around the adoption of this policy and a proposal to each management board will be required.

It would be the intention that partner organisations will be encouraged, through establishment of the potential benefits for citizens and partners, to embrace, where practicable, both the Council's pricing policy recommendations and implementation of the Resident's pass.

Should particular organisations elect, without due cause and/or subject to existing legal frameworks, not materially consider this policy it could be reflected in the outcomes of the Priority Based Budget driven review and potentially lead to a reduction in future funding.

6. IMPACT

The introduction of a tiered pricing policy promotes the vision in the Community Plan that we value our people by giving them access to Council facilities at a preferential rate via a Residents pass.

The aim of the tiered pricing policy is to increase revenue for the Council and help ensure a sustainable economic future for the City.

This report may be of interest to the public as it deals with the pricing policy for the provision of Council services.

7. BACKGROUND PAPERS
None.

8. REPORT AUTHOR DETAILS

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APPENDIX 1

This appendix provides further detail and background information on the implications of introducing a tiered pricing policy as outlined in the main report.

1.0 Roll out the Accord card to all Aberdeen City residents

1.1 All aspects of the Accord card application and production process have been reviewed in light of the number of cards to be produced and key stages have been identified:

- i. type of smartcard to be used;
- ii. acquiring sufficient stock of smartcards;
- iii. the introduction and management of a Residents pass;
- iv. streamlining the application process;
- v. locations at which applications can be made;
- vi. processing applications and production of Accord cards;

The Accord team currently processes approximately 4,500 new applications per year, therefore, alternative ways for processing this volume of new applications have been investigated.

- * This will depend on the criteria of a revised pricing policy. For example, if the revised charging policy were introduced at crèche's, should the residency of the child or the parent(s)/ guardian(s) dictate the charge to be levied. If the parent(s)/ guardian(s), it may not be necessary to issue cards to citizens 11 years of age and under: of which there are 13,500. Indeed, it is recommended by the Improvement Service that children under 5 years of age are not issued with a card.

Furthermore, as not all citizens will be using or visiting Aberdeen City Council facilities or partner organisations, then the number of cards actually required may be less than this. The number of service users is being collated to more accurately estimate the volume of cards required.

1.2 Type of Smartcard to be used

1.2.1 The JCOP41 is the current type of smartcard used for the Accord card which allows all local applications to be carried on the card, i.e. ACE, Access to Leisure, Schools Cashless Catering. The JCOP41 also has **Mifare 4K emulation in order to operate all national entitlements, i.e. Scotland-wide free bus travel, library membership.

**The Mifare 4K is the smartcard type used by all other Scottish local authorities.

1.2.2 The JCOP41 is of significantly higher specification than the Mifare 4K subsequently there is a difference in price: JCOP41 £3.22 per card;

Mifare 4K £0.56 - £0.72 per card. Given this, and the number of cards required for a citizen roll-out, clearly it is of benefit to use a Mifare 4K if possible.

- 1.2.3 Another important factor is that the type of smartcard to be used across Scotland must change by 31st December 2011. As mentioned in previous Accord Update reports, both the Mifare 4K and the JCOP41 will no longer be used and replaced with a new type of smartcard by 31st December 2011. All existing cards in circulation will continue to be accepted for a period of approximately 5 years during which time they will be replaced with the new card type.
- 1.2.4 The Improvement Service has confirmed that the new card type will be introduced around October 2011. However, they have confirmed that the new card type will still be interoperable with the Mifare smartcard platform, meaning that all existing Mifare 4K and JCOP41 card holders will be able to use their card for existing national services.
- 1.2.5 It has always been the intention for the Accord card to migrate onto the new card type by 31st December 2011. The potential roll-out to all citizens means it would be extremely beneficial to bring this date forward and carry the citizens pass on a Mifare card.
- 1.2.6 As mentioned in 1.2.1, the current local services (Access to Leisure, ACE, Schools Cashless Catering) require a JCOP card to be used as a Mifare card can not currently be updated with new entitlement data once it has been produced. This can be done on a JCOP card and currently happens for ACE and Access to Leisure renewals.
- 1.2.7 The supplier of the Accord card application (which reads and updates data on the JCOP card) has been contacted to determine if this application can be developed to read and update a Mifare card. They have advised that this should be possible with a one-off development cost of approximately £6,250.
- 1.2.8 In addition to this, the way in which Accord cards are encoded and printed by the National Card Production Bureau will need to be amended to accommodate a Mifare card. The bureau has advised that this is possible with a one-off development cost of approximately £6305. This figure may be reduced depending on the format in which new Accord card application data is sent (which is covered in more detail in section 5.6).
- 1.2.9 Therefore, the functionality required to enable an Aberdeen City citizen pass to operate via a Mifare card could be achieved for a one-off development cost of £11,305.

1.3 Acquiring Sufficient Stock of Smartcards

- 1.3.1 The National Entitlement Card Programme Office (NECPO), the branch of the Improvement Service that manages the National Entitlement Card scheme, have advised that there is not sufficient available stock of Mifare 4K cards to accommodate our requirement of 150,000. Therefore, these would have to be procured at a cost of approximately *£0.56 per card; totaling £84,000.

*This cost can fluctuate depending on the smartcard market and the strength of the Euro.

- 1.3.2 NECPO advises that the lead-in time for procurement of the cards is 12 to 16 weeks which allows time to source the plastic and silicone required to manufacture the cards.

- 1.3.3 NECPO has advised that they may be in a position to supply a certain number of Mifare cards to Aberdeen City Council free of charge. They are currently calculating projected card stock levels up to October 2011 at which point the new smartcard type will be used. The 'spare' stock of Mifare cards could be in the tens of thousands, however, a more accurate prediction will not be known until January 2011.

1.4 The introduction of a Residents pass

- 1.4.1 This functionality required to carry a Residents pass on the Accord card is already in place via the Access to Leisure scheme and ACE Club membership. These services are carried electronically on the card and read electronically at each leisure site.

The hardware and software required to implement is already in place at all leisure sites (including the Sports Village), so there would be no cost in this regard for these sites.

- 1.4.2 There will be a cost for any additional site of approximately £100 for a smartcard reader. This assumes that each additional site has a PC on-site to which the card reading application could be loaded.

- 1.4.3 The introduction of the Residents pass will be achieved in two ways. Firstly, those citizens who already have an Accord card will have the Residents pass added to their card for a period of 1 year at one of the locations stated in table 2 on production of an official document/ letter (stated in table 1) which clearly states their name and address.

Secondly, citizens who do not yet have an Accord card will submit an application for an Accord card at one of the locations stated in table 2 along with an official document/ letter (stated in table 1 below) which clearly states their name and address along with a colour passport-

standard photograph.

All applications must be made in person.

List of documents that are acceptable as proof of address
Council Tax bill (current financial year)
Utility bill (dated in last 3 months)
Bank or Building Society or Credit Union statement (dated in last 3 months)
Current valid television licence
Letter from school/ college/ university
Award letter of child benefit
Letter from care/ residential home
Letter from Aberdeen City Council confirming residency in Aberdeen City
Letter from Home Office or Immigration Office
Current DWP letter
Letter from Inland Revenue/ HMRC
Current UK driving licence
Recent mortgage statement

Table 1

- 1.4.4 Once the citizen receives their Accord card with the Residents pass they swipe their card on the card reader at the facility/ service provider which confirms to the till operator that they should be charged at the appropriate rate.
- 1.4.5 It is thought prudent that all Residents passes are renewed on an annual basis by the card holder and it is their responsibility to do so. To renew the pass the citizen would present themselves in person with their Accord card at one the locations stated in table 2 along with an official document/ letter (stated in table 1) which clearly states their name and address.
- 1.4.6 The risk in not having citizens renewing their Residents pass on an annual basis is that there would be no way to know if a citizen having received their Accord card still resided in Aberdeen City. However, the implications of doing annual renewals is that more resources will be required at Customer Access Points and re-validation points to process these renewals and update Accord cards.
- 1.4.7 Also, as the passes are held and read electronically, information can be collected and analysed on facility usage.

1.5 Streamlining the application process

- 1.5.1 Currently, all Accord card applications are made by the citizen completing a paper application form, supplying a colour passport-standard photograph and this process can continue for the citizen roll-out. However, the volume of application forms would exceed the capacity of existing resources.
- 1.5.2 Discussions have taken place with the National Card Production Bureau who has confirmed they could process paper application forms for us at a cost of £0.97 per application (totaling £145,015 for 149,500 applications).
- 1.5.3 However, an existing development is that of a paperless application process. This process captures all necessary data via Lagan, the citizens' photograph captured via an on-site web-cam and this information being securely transferred to the Accord office for card production.
- 1.5.4 The paperless application process is being developed for those citizens 60 years and over who are applying for Scotland-wide free bus travel. However, this process can be adapted for Residents pass applications. The aim is to have this paperless applications process tested and implemented in Q1 2011. If achieved, this can be utilised for the Residents pass applications and the National Card Production Bureaus' processing fee of £0.97 per card will no longer apply.
- 1.5.5 The paperless application process together with an increase in the locations at which customers can make an application should assist in managing the increased volume of applications.
- 1.5.6 A further development of the application process scheduled for later in 2011 has also now been brought forward to try to accommodate the possible volume of applications. This development would allow a citizen to apply on-line by entering their personal details and up-loading their own photograph. They could then request a location to which their Accord card could be sent (one the locations stated in table 2) and would be instructed to provide one of the documents in table 1 as proof of residency before their card is handed to them.

1.6 Locations at which applications can be made

- 1.6.1 Accord applications can be made at the locations stated in table 2 and these will accept applications for the Residents pass.

Office	Location
The Point Customer Access Point	Broad Street, Aberdeen
Kincorth Customer Access Point	Provost Watt Drive, Aberdeen
Mastrick Customer Access Point	Spey Road, Aberdeen

Woodside Customer Access Point	Marquis Road, Aberdeen
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Table 2

- 1.6.2 Discussions are ongoing with the Library & Information Services Manager to explore opportunities for other sites to accept Accord card application forms.
- 1.6.3 In order for these sites to be able to update existing Accord cards and process annual renewals of the Residents pass, each site requires a smartcard reader at a cost of £100 per reader.
- 1.7 Processing of applications and production of Accord cards
 - 1.7.1 As mentioned in 1.5 above, applications either in paper form (at a cost of £0.97 per application) or in electronic form (no charge) will be passed to the National Card Production Bureau for processing.
 - 1.7.2 The bureau has advised they have a capacity to print 10,000 cards per week. Therefore, should all 149,500 citizens apply it would take 15 weeks to print the cards. It may be possible to marginally increase the capacity and shorten the timeframe if data can be provided in an electronic format.
 - 1.7.3 Once the bureau print the card they can either be sent directly to the citizens' home address or to one of the locations stated in section 1.6 above should the on-line application process be in place.
- 1.8 Introduction of a revised charging policy at Council facilities and partner organisations
 - 1.8.1 There are a number of Council owned facilities within Aberdeen City that charge for services which can be provided solely by the Council or by other organisations who lease the facility. The setting of the charge for services at these facilities and the input the Council has into this depends on the nature of the arrangement. There are also a number of partner organisations for which the Council provides funding which offer a further range of services.

The different types of facilities and services are considered in the remainder of this section as is the issue of revising the existing charging policy.

1.8.2 Revised Charging Policy

As part of the citizen roll-out of the Accord card, a revised pricing policy will need to be developed allowing those with a Residents pass to benefit from the preferential rate. In broad terms it is thought that there will be three levels of charging, these being:

- Standard charge
- Accord card holders (with Residents pass) charge
- Concession charges

It is likely that some existing pricing policies for Council services and for partner organisations may not quite fit into the above structure, however, where possible this approach should be adopted.

1.9 Services provided by Aberdeen City Council

1.9.1 There are a number of services provided by Aberdeen City Council and as such a tiered charging policy can be implemented. Those identified and consulted so far include;

- City Moves
- Arts Development Whitespace
- Beach Ballroom
- Crèche Services via Leaping Leopards
- Libraries
- Community Learning Hubs
- Educational Establishments (Bookings and Lettings)
- Registrars

The process of identifying and consulting with the other services for which the Council charges is ongoing.

1.9.2 It should be noted that the Public Libraries Consolidation (Scotland) Act 1887, the Public Libraries (Scotland) Act 1955 and the Local Government (Scotland) Act 1973 stipulate that all public libraries are to be open to the public free of charge and that no charges are to be made for the use of books of magazines issued for home reading.

1.9.3 This does not apply to other types of lending (e.g. CD's, DVD's) and fines levied. The Library & Information Service have advised that of the 55,782 active borrowers, 1,864 do not reside within Aberdeen City. They have also confirmed that of the 1,864 non-residents a total of £3595 in charges was levied for these members in the past 12 months.

1.10 Community Learning Hubs

There are a range of centres in which Community Learning and Development activities take place, including adult learning classes, youth work and after school clubs.

These services are provided by Aberdeen City Council and other organisations, therefore, a review of these classes would be required to identify the courses for which a tiered pricing policy could be implemented.

1.11 Cultural Sites

1.11.1 Consideration may want to be given to those services that are currently provided free of charge to all, i.e. Cultural sites. The cultural sites noted below are currently free of charge to access, however, the Residents pass could be used to ensure they remain free for citizens with a charge raised for those without a Residents pass.

- Aberdeen Art Gallery
- Maritime Museum
- Provost Skene House
- Tollbooth

1.11.2 Entry to libraries has not been included in this section as statute dictates that they must remain free to the public. There is no such statute for the above, however, officers connected with these facilities have raised concerns regarding both obtaining grants in the future and retaining grants already allocated should a revised charging policy be introduced.

1.11.3 Should a revised charging policy be introduced at these sites, an option could be explored whereby access to these sites for visitors is sold as a packaged bundle offering better value. For example, if a standard entry charge of £2 for those without a citizen pass was introduced, a non-personalised smartcard which allows access to all four sites for £6 could be purchased.

1.11.4 Indeed, such a development could be introduced for all services offered by the Council and partner organisations. For example, anyone could buy a non-personalised smartcard for a set charge depending on the duration of the 'Residents pass' it contained. The pass on this card would operate in the same way as the Residents pass and entitle the card holder to access Council and partner organisations at the Residents pass rate rather than the standard rate.

1.12 Leased Community Centres

1.12.1 There are a total of 22 community centers owned by Aberdeen City Council that are leased mainly to community groups. As these groups have independent committees and management, the implementation of a revised charging policy would require a proposal to be presented to management stating the revised pricing policy.

1.12.2 Should these groups choose not to introduce the revised charging policy and the Council wish it introduced, the adoption of the revised charging policy could be made a condition of their funding.

1.13 Services provided by partner organisations

1.13.1 The following services are provided by partner organisations to which the Council provides funding.

- Aberdeen Performing Arts: Music Hall; Lemon Tree; His Majesty's Theatre
- Sport Aberdeen
- Garthdee Alpine Centre
- Aberdeen Sports Village

The above services have been contacted and the potential introduction of a revised charging policy discussed. Other services have also been identified, however, have yet to be contacted, e.g. Belmont Media Centre, Curl Aberdeen.

1.13.2 All of these partner organisations have advised that any change to their charging policy would have to be agreed by their respective management boards. Therefore, to progress further a proposal would have to be presented to the boards stating the revised charging policy.

Should partner organisations opt not to introduce the revised charging policy and the Council wish it introduced, the adoption of the revised charging policy could be made a condition of their funding.

1.13.3 As stated in section 3 of the main report, the majority of Council organisations do not record where a user of a service resides, therefore, the number of non-citizen using Aberdeen Council Facilities is difficult to quantify. However, this is known for members of the Sport Aberdeen ACE Club membership scheme: of the 769 members, 90 (12%) reside outwith Aberdeen City.

An exercise is underway to capture this information at Sport Aberdeen facilities to provide an indication of the citizen/ non-citizen split. This will assist in the determination of an indicative increased revenue figure.

- 1.13.4 Although brief and made in no formal manner, initial discussions on a revised charging policy between officers and these partners has raised concerns from the partner organisations. These center around the potential impact of in terms of being competitive in their particular market; potential negative impact on funding, grant applications and charitable status; and particularly for Aberdeen Performing Arts, that such a policy could not be implemented as pricing is often set by production companies/ artists who hire the entire facility to stage their show and set the ticketing price themselves.
- 1.13.5 Aberdeen Sports Village has raised concerns regarding aspects of its operation and funding on which a tiered pricing policy may have a critical impact. The specific issues raised are:
- Sportscotland provided £7m grant funding towards the costs of developing ASV as a **Regional Centre**. It will be very hard to then justify to Sportscotland why an athlete from the Shire attending the same training session as an athlete from the City would have to pay more for using a nationally funded facility;
 - Aberdeenshire Council are providing revenue funding for the Aquatics Centre. We may then end up with two different pricing structures across our facilities, with differential pricing on the dry side, but the same prices for the wet side? That would be incredibly difficult for the customer to understand;
 - We are concerned about potential loss of revenue from residents of the Shire and further afield;
 - For most of our user groups, attempting to establish what % of each group are entitled to which price would be difficult and time consuming. To give an example, Aberdeen Amateur Athletics club has over 200 members, which are constantly changing – it would be an administrative nightmare to keep on top of this. Practically every facility booking would need to be examined and without checking on the details, this would fall into hundreds of discrete users over the course of a year. To do as the report suggests would require additional staffing;
 - ASV currently hosts a number of regional and national events and generally this is an area of high price sensitivity. Increased pricing is likely to stop these events coming to Aberdeen with the associated loss of other revenue for the City;
 - A significant number of ASV bookings are taken on-line. How do we validate that they are Aberdeen Citizens as current system functionality will not allow this. Who will pay for the system upgrades (if they can be completed at all)?
- 1.13.6 Sport Aberdeen has provided the following initial feedback on the possibility of a tiered pricing policy;
- Sport Aberdeen are very supportive of a differential pricing policy which benefits city residents, but feel that ACC should not be involved in

Sport Aberdeen's pricing, which would be set based on budgets and the current market.

- Differential pricing is straightforward in respect of those using the facilities as individuals, but becomes more complicated when considering how it would apply to groups, as these may be a mix of both city and non city residents. It should not be introduced without full consideration of the practical impact and operation.
- Sport Aberdeen must maintain the ability to price at our own discretion not only to maintain independence from ACC, but also to allow the management of our pricing structure in order to meet both business and sporting objectives.
- That ACC acknowledges that there are resource implications of this proposal not least in terms of time, for staff to check and process cards against a (without a LMIS) separate database.

1.13.7 Aberdeen Performing Arts has provided the following initial feedback on the possibility of a tiered pricing policy;

- The pricing of tickets for Aberdeen Performing Arts venues is within the control of the Aberdeen Performing Arts Board and management as set out in our service agreement with the City Council. They sell almost 500,000 tickets each year with a value of around £7m. Ticket pricing is extremely sensitive and complex. It is agreed with promoters, producers and those hiring the venues. Any changes along the lines outlined in the report is likely to lead to a reduction in income and shows not coming to Aberdeen;
- Approximately 50% of our customers are from outside the city with many travelling considerable distances to come to concerts and shows. The proposed pricing model is likely to alienate these customers and lead to fewer people from outside the city coming to performances, reducing income and reducing the economic benefit of our venues to the City;
- Many of the performances in our venues are staged by customers who hire the venues, particularly at the Music Hall and Lemon Tree, but also amateur companies staging performances in HMT. In these cases the setting of ticket prices remains with those hirers.

1.14 Educational Establishments Bookings and Lettings

1.14.1 There are a number of educational establishments available for booking and lettings to groups and commercial organisations. The current application process asks for the Accord card number of any participant who is entitled to Access to Leisure as this may affect the price levied.

- 1.14.2 Should the citizen pass be introduced this process could be expanded to ask the group to provide the Accord card number of all participants which can then be checked prior to an invoice being raised to ensure they hold a current Residents pass. In line with the current policy for Access to Leisure holders, where less than 50% of the participants hold a citizens pass, then the standard charge appropriate for the group is levied. Subsequently, where 50% or more of the group hold valid Residents pass, they will be charged at the Accord card holders rate.
- 1.14.3 It should be noted that to manually check the Accord database for details of the entitlement held on each Accord card for all these applicants would be time consuming and would require additional staffing resources. This would also impact on the time taken to process each application potentially resulting in delays in response time to applicants.
- 1.14.4 Based on the figures provided from colleagues in Education, Culture & Sport, it is estimated that approximately 9,000 individuals are involved in groups currently booking/ letting Educational facilities and the charges levied for these facilities is now set until August 2011.

Therefore, should the citizen pass be introduced and a stock of Mifare cards secured, it may be possible to introduce a revised charging policy and issue Accord cards to the 9,000 participants in time for August 2011.

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