

ABERDEEN CITY COUNCIL

Town House,  
ABERDEEN, 22 February 2017

MINUTES OF MEETING OF ABERDEEN CITY COUNCIL

Sederunt:

Lord Provost George Adam, Chairperson;  
Depute Provost John Reynolds; and

COUNCILLORS

YVONNE ALLAN  
MARIE BOULTON  
DAVID CAMERON  
SCOTT CARLE  
NEIL COONEY  
NEIL COPLAND  
JOHN CORALL  
WILLIAM CORMIE  
BARNEY CROCKETT  
STEVEN DELANEY  
GRAHAM DICKSON  
ALAN DONNELLY  
JACQUELINE DUNBAR  
LESLEY DUNBAR  
ANDREW FINLAYSON  
STEPHEN FLYNN  
GORDON GRAHAM  
ROSS GRANT  
MARTIN GREIG  
MICHAEL HUTCHISON

LEONARD IRONSIDE, CBE  
MURIEL JAFFREY  
JENNIFER LAING  
GRAEME LAWRENCE  
NEIL MacGREGOR  
M. TAUQEER MALIK  
AILEEN MALONE  
RAMSAY MILNE  
JEAN MORRISON, MBE  
NATHAN MORRISON  
ALEXANDER NICOLL  
JAMES NOBLE  
GILLIAN SAMARAI  
JENNIFER STEWART  
SANDY STUART  
ANGELA TAYLOR  
GORDON TOWNSON  
WILLIAM YOUNG  
and  
IAN YUILL

Lord Provost George Adam, in the Chair;

**The agenda and reports associated with this minute can be found at:-**  
<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=122&MId=5544&Ver=4>

**Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.**

Council Meeting, 22 February 2017

**The Lord Provost intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency in order to comply with the Council decision of 6 October 2016.**

**ABERDEEN: THE SMARTER CITY - PROGRESS REPORT 2012-2017**

1. With reference to Article 12 of the minute of its meeting of 6 October 2016, the Council had before it a report by the Chief Executive which responded to the decision to present a legacy report on the work of the Council for the period May 2012 to present to be included in the Council Tax bills for 2017/18.

**The report recommended:-**

that the Council -

- (a) note the content of the progress report; and
- (b) agree to the inclusion of the report in Council Tax bills for 2017/18.

Councillor Flynn moved as a procedural motion, seconded by Councillor Yuill:-

That Standing Order 22(1) be suspended in order that there be no decision to present a legacy report to be included in the Council Tax bills, and therefore that the report not be considered this day.

On a division, there voted:-

For the procedural motion (20) - Councillors Cameron, Copland, Corall, Cormie, Delaney, Dickson, Jackie Dunbar, Flynn, Greig, Hutchison, Jaffrey, MacGregor, Malone, Nicoll, Noble, Samarai, Jennifer Stewart, Sandy Stuart, Townson and Yuill.

Against the procedural motion (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

**The Council resolved:-**

to reject the procedural motion and therefore consider the report this day.

At this juncture, Councillor Laing proposed that the report on the Common Good Budget 2017/18 to 2021/22 be referred simpliciter to the Finance, Policy and Resources Committee on 9 March 2017.

**The Council further resolved:-**

that the report on the Common Good Budget 2017/18 to 2021/22 be referred simpliciter to the Finance, Policy and Resources Committee on 9 March 2017.

**The Council further resolved:-**

to approve the recommendations in the report as outlined above.

Council Meeting, 22 February 2017

## **STRATEGIC BUSINESS PLAN REFRESH 2017-2018 - OCE/17/002**

2. The Council had before it a report by the Chief Executive which presented the refreshed Strategic Business Plan for 2017-2018.

### **The report recommended:-**

that the Council note the content of the refreshed Strategic Business Plan 2017-2018.

### **The Council resolved:-**

to approve the recommendation.

## **GENERAL FUND REVENUE BUDGET 2017/18 TO 2021/22 AND NON-HOUSING CAPITAL PROGRAMME 2017/18 TO 2021/22 - CG/17/015**

3. The Council had before it a report by the Interim Director of Corporate Governance which provided details of the Non-Housing Capital Programme 2017/18 to 2021/22 and how it impacted on the Council's balance sheet, along with a high level summary of the Council's revenue budget for the next five years and a detailed revenue budget for 2017/18.

### **The report recommended:-**

that the Council -

- (a) note that the presentation of this year's budget report was fundamentally different from previous years and that this reflected the change in financial reporting to Council as a result of London Stock Exchange listing. A specific requirement of this was that all expenditure figures must be shown as gross.

### **Balance Sheet Recommendations**

- (b) note the projected balance sheet position including the reserves as at 31 March 2017;
- (c) approve the Non-Housing Capital programme as attached at Appendix 1, and by doing so note that the Council would be maintaining the level of debt over the next 5 years as advised to Moody's the credit rating agency;
- (d) consider the items in Paragraph 5.20 which were not currently included in the capital budget;
- (e) approve the Prudential Indicators as attached at Appendix 2 to the report, and by so doing note that the indicators should convey confidence to the investors in the Council's Bond of our ability to repay the debt due; and
- (f) approve the recommended use of reserves for 2017/18 as attached at Appendix 3 which specifically included a Risk Fund and non-earmarked reserves.

### **Revenue Budget Recommendations**

## Council Meeting, 22 February 2017

Long Term and Medium Term

- (g) note the draft financial position for 2018/19 to 2021/22 as shown in paragraph 5.35;
- (h) note the Medium Term and Long-Term Financial Plans as shown in Appendix 4; and
- (i) approve the creation of a 'Change Fund' reserve of £8million, as described in paragraph 5.41.

Short Term

- (j) set a balanced revenue budget for 2017/18, by selecting service options contained in Appendix 6;
- (k) agree to the conditions of the Local Government Finance Settlement for 2017/18 in so far as it was within its legal powers to do so (further details given in Section 3 of the report);
- (l) approve the level of funding for 2017/18 in relation to the Integration Joint Board (IJB), and note that it would be for the IJB itself to determine which savings options to take from Appendix 7;
- (m) approve the IJB Budget protocol proposed by the Chief Executive as shown at Appendix 8 and note that it would also have to be approved by NHS Grampian and the IJB;
- (n) approve the setting aside of the underspend in 2016/17 for procurement of services to support the change plans set out in the strategic plan, and severance payments;
- (o) consider the items in Paragraph 5.67 which were not currently included in the revenue budget; and
- (p) instruct the Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the ring fenced monies allocated to Council under the Attainment Fund would be utilised, and provide assurance that recurring commitments were not being made. The report also to include plans for the use of the Council's allocation of additional capital and revenue funding for the expansion of early learning and childcare, once the allocation had been received from the Scottish Government.

Taxation

- (q) note the changes made to the multipliers of bands E through to H within the Council Tax;
- (r) instruct officers whether Council was exercising the flexibility to increase Council Tax under the local government finance circular; and
- (s) consider the introduction of a local Non-Domestic Rates relief scheme as discussed in Paragraph 5.54, and if a decision was taken to introduce a scheme, delegate the finalisation of the scheme to the Chief Executive, in conjunction with group leaders.

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Councillor Laing moved, seconded by Councillor Boulton:-

That the Council -

- (a) note that the presentation of this year's budget report was fundamentally different from previous years and that this reflected the change in financial reporting to Council as a result of London Stock Exchange listing. A specific requirement of this was that all expenditure figures must be shown as gross.

Balance Sheet Recommendations

- (b) note the projected balance sheet position including the reserves as at 31 March 2017;
- (c) approve the Non Housing Capital Programme as attached and by doing so note that the Council would be maintaining the level of debt over the next five years as advised to Moody's the credit rating agency;
- (d) instruct the Chief Executive to report back to the Finance, Policy and Resources Committee on 9 March 2017 on the uncommitted funding detailed within the Non Housing Capital Programme attached;
- (e) await the outcome of the four STAG appraisals as agreed within the City Region Deal with both the UK and the Scottish Governments, and to instruct the Chief Executive to begin dialogue with partners in relation to developing strategic transport proposals under a second City Region Deal;
- (f) approve the Prudential Indicators as attached and by doing so note that the indicators should convey confidence to the investors in the Council's Bond of our ability to repay the debt due; and
- (g) approve the recommended use of reserves for 2017/18 and any underspend for 2016/17 as set out in the report and the attached budget for the creation of a 'Change Fund' of £8million for procurement of services and severance payments to support the change plans set out in the strategic plan.

Revenue Budget Recommendations

Long Term and Medium Term

- (h) note the draft financial position for 2018/19 to 2021/22 as shown in paragraph 5.35 of the report; and
- (i) note the Medium Term and Long Term Financial Plans as shown in Appendix 4 of the report.

Short Term

- (j) approve the attached balanced revenue position for 2017/18, which included a contribution to the Change Fund reserve of £3.1million;
- (k) approve the level of funding for 2017/18 in relation to the IJB and note that it would be for the IJB itself to determine which savings options to take from Appendix 7 of the report;

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- (l) approve the IJB Budget protocol proposed by the Chief Executive as shown at Appendix 8 of the report and note that it would also have to be approved by NHS Grampian and the IJB; and
- (m) instruct the Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the ring fenced monies allocated to Council under the Attainment Fund would be utilised, and provide reassurance that recurring commitments were not being made. The report also to include plans for the use of the Council's allocation of additional capital and revenue funding for the expansion of early learning and childcare, once the allocation had been received from the Scottish Government.

Taxation

- (n) agree to freeze Council Tax at 2016/17 levels for 2017/18;
- (o) note that the Scottish Government had legislated to change the Council Tax multipliers for properties in Bands E-H which led to an increase of 7.5% to 22.5% in Council Tax for these bands; and
- (p) note the announcement of the Scottish Government proposing additional business rates relief and instruct the Chief Executive to consider this announcement in relation to Appendix 9 of the report and report to the Finance, Policy and Resources Committee on 9 March 2017.

Other

- (q) instruct the Chief Executive to prepare a business case around the feasibility of Aberdeen City Council introducing Low Emission Zones throughout the city. To agree that the Scottish Government, partner organisations and stakeholders had significant roles in the development of any business case and that the business case must reflect the legislative position of the Scottish Government and instruct the Chief Executive to provide members with an initial report at the June 2017 Council meeting on progress;
- (r) instruct the Chief Executive to sign the Construction Standards Charter between the Council and UCATT;
- (s) agree to allocate £50,000 from the Cycling Walking Safer Streets capital grant towards upgrading for cycle routes throughout Aberdeen;
- (t) agree to allocate £50,000 from Cycling Walking Safer Streets capital grant to enable street lighting to be installed on the remaining unlit section of Cove Road;
- (u) instruct the Chief Executive to report to the March 2017 Council meeting on the feasibility of building 2,000 Council houses;
- (v) agree to allocate £826,000 to accelerate the upgrade of play parks;
- (w) agree to allocate £976,000 to allow for the further expansion of Pupil Support Assistants back into schools to help raise attainment, and instruct the Director of Education and Children's Services to report to the Education and Children's Services Committee on how this would be implemented; and

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- (x) agree to maintain the grant funding to Sport Aberdeen at current levels subject to Sport Aberdeen implementing the 1% pay rise received by local government for 2016/17 and the nationally agreed increase for 2017/18.

Administration Budget Proposals	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<b>Deficit per Council Report</b>	<b>17,244</b>	<b>37,383</b>	<b>55,701</b>	<b>71,037</b>	<b>86,074</b>

## Appendix 6 (Savings Proposals)

SO7	Reduce Expenditure on Consultancy Services & Agency Staff	(500)	(500)	(500)	(500)	(500)
SO9	Energy Efficiency	(720)	(720)	(720)	(720)	(720)
SO14	Absorb Communities and Housing Commissioned Services into Alternative Existing Resources	(260)	(260)	(260)	(260)	(260)
SO30	Tyre Management System	(18)	(18)	(18)	(18)	(18)
SO31	Pilot scheme - Vehicle Utilisation with Telematics	(8)	(23)	(23)	(23)	(23)
SO33	Community Planning - ACC maintain website and budget adjustment re Civic Forum support	(20)	(20)	(20)	(20)	(20)
SO34	Reconfigure International Travel Budgets	(20)	(20)	(20)	(20)	(20)
SO35	School Transport Redesign	(100)	(100)	(100)	(100)	(100)
SO36	Remove Vacant Cultural Commissioning Team Post	(52)	(52)	(52)	(52)	(52)
SO37	Reduce Corporate Training Budget & Service Training Budgets	(214)	(214)	(214)	(214)	(214)
SO38	Review and reduce Overtime Budgets.	(150)	(150)	(150)	(150)	(150)
SO45	Bulk Buy Fuel	0	(100)	(100)	(100)	(100)
SO48	Funding for Former Director's Post - Enterprise Strategic Planning & Infrastructure	(152)	(152)	(152)	(152)	(152)
SO66	Restructure Curricular Support	(285)	(285)	(285)	(285)	(285)
SO69	Head Teacher Woodlands	(47)	(70)	(70)	(70)	(70)
SO70	Create Single Admin Team for Woodlands/Hazlewood	(20)	(30)	(30)	(30)	(30)
SO71	GIRFEC - Review of Establishment	(28)	(42)	(42)	(42)	(42)
SO90	City Centre Master Plan - Review of Structure	(5)	(5)	(5)	(5)	(5)
SO91	Remove 100% of all staffing underspends from vacant posts	(5,750)	(5,750)	(5,750)	(5,750)	(5,750)
SO114	Smarter Procurement	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
SO116	Review of staffing with a view to allowing VS/ER where appropriate	(4,000)	(6,000)	(6,000)	(6,000)	(6,000)
SO118	Remove allowances for eye examinations and contribution for spectacles.	(13)	(13)	(13)	(13)	(13)
SO127	Contribution to 17/18 savings from 16/17 carry forward	(750)	0	0	0	0
SO136	Saving arising from management structure changes within the Office of the Chief Executive	(106)	(106)	(106)	(106)	(106)
SO138	Running Costs of new A96 Park & Choose Site	(83)	(83)	(83)	(83)	(83)

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<b>Total Efficiency Options</b>		<b>(16,301)</b>	<b>(17,713)</b>	<b>(17,713)</b>	<b>(17,713)</b>	<b>(17,713)</b>
SO1	Increased Income Generation from Building Services Trading Account	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
SO22	Generate Income from Rental of the Quad at Marischal College for Events	(10)	(10)	(10)	(10)	(10)
SO25	Generate Additional Income for New Roads & Street Work	(86)	(86)	(86)	(86)	(86)
SO26	Recharge Flood Works to Capital from Revenue	(114)	0	0	0	0
SO28	Building Standards to Generate Income for Services	(50)	(50)	(50)	(50)	(50)
SO44	Aberdeen Learning Festival to become self funding in collaboration with Northern Alliance	(46)	(46)	(46)	(46)	(46)
SO56	Investment in More Council Tax Staff to Bring in More Income	(200)	(200)	(200)	(200)	(200)
SO58	Shared Procurement Service with Highland Council	(50)	(50)	(50)	(50)	(50)
SO94	Charging for activities run by the archivist	(15)	(14)	(14)	(14)	(14)
SO112	Reduce Council Tax Second Home Discount	(100)	(100)	(100)	(100)	(100)
SO113	Leased Asset Maximisation - Beach Ballroom	(324)	(324)	(324)	(324)	(324)
SO124	Increase Income at Adventure Aberdeen	(25)	(50)	(75)	(100)	(125)
SO133	Increase in Property/Conveyancing Fees	(7)	(7)	(7)	(7)	(7)
SO137	Obtain sponsorship to cover the costs of retaining free City Wi-Fi	(200)	(200)	(200)	(200)	(200)
SO140	Realignment of low level budgets.	(79)	(79)	(79)	(79)	(79)
SO141	Planning Agreement Fees	(11)	(11)	(11)	(11)	(11)
<b>Total Income/Cost Recovery Options</b>		<b>(2,317)</b>	<b>(2,227)</b>	<b>(2,252)</b>	<b>(2,277)</b>	<b>(2,302)</b>
SO19	Delivery of Business Support Services/Digitisation Programme - Transformation Activity	(3,000)	(6,000)	(6,000)	(6,000)	(6,000)
SO86	Restructure Central Support (PPR)	(229)	(229)	(229)	(229)	(229)
<b>Total Transformation Options</b>		<b>(3,229)</b>	<b>(6,229)</b>	<b>(6,229)</b>	<b>(6,229)</b>	<b>(6,229)</b>
<b>Balance Carried Forward of Saving Proposals</b>		<b>(21,847)</b>	<b>(26,169)</b>	<b>(26,194)</b>	<b>(26,219)</b>	<b>(26,244)</b>
<b>Administration Budget Proposals</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Balance Brought Forward of Saving Proposals</b>		<b>(21,847)</b>	<b>(26,169)</b>	<b>(26,194)</b>	<b>(26,219)</b>	<b>(26,244)</b>
<b>Variations to Options</b>						
SO12	Community Safety Staffing - City Wardens and Transport Marshals - Only City Wardens	(290)	(290)	(290)	(290)	(290)
SO20	Communities & Housing Management Restructure - amend to keep G16 post	(139)	(139)	(139)	(139)	(139)
SO65	Reduce Grant to Aberdeen Sports Village in line with Aberdeen University contribution	(130)	(130)	(130)	(130)	(130)
<b>Total Savings Proposals</b>		<b>(22,406)</b>	<b>(26,728)</b>	<b>(26,753)</b>	<b>(26,778)</b>	<b>(26,803)</b>
<b>Revised (Surplus)/Deficit</b>		<b>(5,162)</b>	<b>10,655</b>	<b>28,948</b>	<b>44,259</b>	<b>59,271</b>

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**New Initiatives**

Additional PSA support	976	976	976	976	976
Upgrade Playparks	826	0	0	0	0
Aberdeen Inspired - Night Time Economy Manager (contribution)	20	0	0	0	0
Upgrade of Albury Sports Centre	25	0	0	0	0
<b>Total New Initiatives</b>	<b>1,847</b>	<b>976</b>	<b>976</b>	<b>976</b>	<b>976</b>

**Items from Paragraph 5.67 of Budget Report**

Parking Charges	105	105	105	105	105
Common Good Cost Pressures					
Bulawayo Trust	45	45	45	45	45
Gomel Trust	22	22	22	22	22
Mary Garden Prize	2	2	2	2	2
Family Centre at HMP Grampian	32	0	0	0	0
<b>Total from Budget Report</b>	<b>206</b>	<b>174</b>	<b>174</b>	<b>174</b>	<b>174</b>

**Transfer to Change Fund reserve** **3,109**

<b>Revised (Surplus)/Deficit</b>	<b>0</b>	<b>11,805</b>	<b>30,098</b>	<b>45,409</b>	<b>60,421</b>
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**Administration Non-Housing Capital Budget Proposals**

Non-Housing Capital Programme	Budget	Budget	Budget	Budget	Budget	Total
	2017/18	2018/19	2019/20	2020/21	2021/22	
	£'000	£'000	£'000	£'000	£'000	£'000
Budget Per Appendix 1 of report	239,518	214,429	139,213	76,458	37,555	707,173
<b>Add:</b>						
Capital Investment to be determined at Finance, Policy & Resources Committee on 9th March 2017	1,080					1,080
<b>New Budget</b>	<b>240,598</b>	<b>214,429</b>	<b>139,213</b>	<b>76,458</b>	<b>37,555</b>	<b>708,253</b>

Funded By: Additional Capital Grant (1,080) (1,080)

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**APPENDIX 2 (Administration)  
ABERDEEN CITY COUNCIL  
2016/17 to 2021/22**

**THE PRUDENTIAL CODE  
For Capital Finance in Local Authorities**

The Code requires that the following Prudential Indicators be set for the Council:-

	<b>Capital Expenditure</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	102,027	191,083	239,518	214,429	139,213	76,458	37,555
HRA	35,037	43,473	55,318	30,078	24,632	24,914	25,556

	<b>Ratio of Financing Costs to Net Revenue Stream</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	6.0%	4.3%	5.0%	5.2%	5.6%	5.9%	6.0%
HRA	15.7%	16.8%	16.5%	17.6%	18.5%	18.3%	17.7%

	<b>Capital Financing Requirement</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	498,305	576,857	743,765	859,206	915,606	912,138	909,998
HRA	235,291	248,917	273,772	272,445	264,301	254,618	243,634
<b>Total</b>	<b>733,596</b>	<b>825,774</b>	<b>1,017,537</b>	<b>1,131,651</b>	<b>1,179,907</b>	<b>1,166,756</b>	<b>1,153,632</b>

	<b>Authorised Limit for External Debt</b>					
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Operational Boundary	851,536	1,043,299	1,157,413	1,205,669	1,192,518	1,179,394
10% Margin	85,154	104,330	115,741	120,567	119,252	117,939
<b>Total</b>	<b>936,690</b>	<b>1,147,629</b>	<b>1,273,154</b>	<b>1,326,236</b>	<b>1,311,770</b>	<b>1,297,333</b>

	<b>Operational Boundary for External Debt</b>					
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>

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Borrowing	747,952	942,326	1,059,662	1,110,915	1,099,558	1,089,808
Other Long Term						
Liabilities	103,584	100,973	97,751	94,754	92,960	89,586
<b>Total</b>	<b>851,536</b>	<b>1,043,299</b>	<b>1,157,413</b>	<b>1,205,669</b>	<b>1,192,518</b>	<b>1,179,394</b>

The estimate of the incremental impact of capital investment decisions proposed in this report, over and above capital investment decisions that have previously been taken by the Council are:

(a) for Band D Council Tax

2017/18	2018/19	2019/20	2020/21	2021/22
£41.85	£0	£0	£0	£0

(b) for average weekly housing rents (assuming that increased capital investment is financed by way of Capital From Current Revenue (CFCR) and borrowing)

2017/18	2018/19	2019/20	2020/21	2021/22
£0.78	£0	£0	£0.02	£0.04

Councillor Yuill moved as an amendment, seconded by Councillor Delaney:-

That the Council -

- (a) note that the presentation of this year's budget report was fundamentally different from previous years and that this reflected the change in financial reporting to Council as a result of London Stock Exchange listing. A specific requirement of this was that all expenditure figures must be shown as gross.

#### Balance Sheet Recommendations

- (b) note the projected balance sheet position including the reserves as at 31 March 2017;
- (c) approve the Non-Housing Capital programme as attached, and by doing so note that the Council would be maintaining the level of debt over the next five years as advised to Moody's the credit rating agency;
- (d) note that this included:
- a commitment to a new Bridge at the River Dee through the development of options;
  - additional capital investment of £2million in road and pavement repairs and resurfacing; and
  - a feasibility study into the dualing of the Lang Stracht;
- (e) approve the Prudential Indicators as attached and by so doing note that the indicators should convey confidence to the investors in the Council's Bond of our ability to repay the debt due;
- (f) approve the recommended use of reserves for 2017/18 and any underspend for 2016/17 as set out in the report for the creation of a 'Change Fund' of £8million for procurement of services and severance payments to support the change plans set out in the strategic plan;
- (g) instruct officers to undertake a feasibility study of into the dualing of the Lang Stracht; and

## Council Meeting, 22 February 2017

- (h) instruct the Interim Director of Communities, Housing and Infrastructure to report to the Communities, Housing and Infrastructure Committee, recommending how the additional capital funding of £2million for road and pavement repairs and resurfacing should be utilised.

Revenue Budget RecommendationsLong Term and Medium Term

- (i) note the draft financial position for 2018/19 to 2021/22 as shown in paragraph 5.35 of the report; and
- (j) note the Medium Term and Long-Term Financial Plans as shown in Appendix 4 of the report;

Short Term

- (k) approve the attached balanced revenue position for 2017/18 and notes that this included:
  - (a) the creation of a £2.5million Education Fund;
  - (b) a feasibility study into the transfer of Hazlehead Swimming Pool to community management;
  - (c) the allocation of £1.277million to fund CFCR investment in road and pavement repairs and resurfacing and note that this was in addition to the £2million of capital investment allocated for this purpose;
  - (d) an additional £500,000 for supported bus services in Aberdeen;
  - (e) £255,000 of additional investment in street and urban tree planting, maintenance, management and staffing;
  - (f) an additional £250,000 investment in grass cutting of Council maintained spaces;
  - (g) the creation of a local Non-Domestic Rates relief scheme to supplement the national scheme announced on 21 February 2017;
  - (h) the generation of an additional £200,000 of income through the more efficient deployment of City Wardens;
- (l) agree to the conditions of the Local Government Finance Settlement for 2017/18 in so far as it was within the Council's legal powers to do so;
- (m) approve the level of funding for 2017/18 in relation to the IJB, and note that it would be for the IJB itself to determine which savings options to take from Appendix 7 of the report;
- (n) approve the IJB Budget protocol proposed by the Chief Executive as shown at Appendix 8 of the report and notes that it would also have to be approved by NHS Grampian and the IJB;
- (o) instruct the Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the ring fenced monies allocated to Council under the Attainment Fund would be utilised, and provide assurance that recurring commitments were not being made. The report also to include plans for the use of the Council's allocation of additional capital and revenue funding for the expansion of early learning and childcare, once the allocation had been received from the Scottish Government;

## Council Meeting, 22 February 2017

- (p) instruct the Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the Education Fund would be utilised;
- (q) instruct officers to undertake a feasibility study into the transfer of Hazlehead Swimming Pool to community management;
- (r) instruct the Interim Director of Communities, Housing and Infrastructure to report to the Communities, Housing and Infrastructure Committee on how the additional investment of £500,000 in supported bus services could best be utilised to provide bus links to isolated communities;
- (s) instruct the Interim Director of Communities, Housing and Infrastructure to report to the Communities, Housing and Infrastructure Committee, recommending how the additional CFCR funding for road and pavement repairs and resurfacing should be utilised; and
- (t) note the inclusion of £250,000 funding for Transition Extreme and instruct officers to report to the Finance, Policy and Resources Committee on 9 March 2017 on their business plan and model for consideration on potential support from the Council.

Taxation

- (u) instruct officers that Council would not be exercising the flexibility to increase Council Tax under the local government finance circular;
- (v) note the changes made to the multipliers of bands E through to H within the Council Tax;
- (w) recommend the introduction of a local Non-Domestic Rates relief scheme (option 6b from Appendix 9 of the report) in compliance with the relevant statutory provisions, including having regard to the authority's expenditure and income and the interests of persons liable to pay Council Tax, and delegate the finalisation of the scheme to the Chief Executive following consultation with group leaders; and
- (x) note the announcement of the Scottish Government with regard to a national Non Domestic Rates relief scheme and instruct the Chief Executive to consider this announcement and report to the Finance, Policy and Resources Committee on 9 March 2017.

Liberal Democrats Budget Proposals	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<b>Deficit per Council Report</b>	<b>17,244</b>	<b>37,383</b>	<b>55,701</b>	<b>71,037</b>	<b>86,074</b>

**Appendix 6 (Savings Proposals)**

SO1	Increased Income Generation from Building Services Trading Account	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
SO2	Leased Income Maximisation - Marischal College	0	(150)	(300)	(300)	(300)
SO5	Advertising Concession Contract with Single City Wide Provider	0	(250)	(250)	(250)	(250)
SO6	Renegotiate Contracts with Visit Aberdeenshire	0	(100)	(100)	(100)	(100)

## Council Meeting, 22 February 2017

SO7	Reduce Expenditure on Consultancy Services & Agency Staff	(500)	(500)	(500)	(500)	(500)
SO9	Energy Efficiency	(720)	(720)	(720)	(720)	(720)
SO10	Property Asset Rationalisation	(143)	(95)	(327)	(327)	(327)
SO13	Communities & Housing Service Budget Adjustments	(564)	(245)	(245)	(245)	(245)
SO18	Redesign Building App'ship scheme to match current projected opps	(425)	(425)	(425)	(425)	(425)
SO19	Business Support Services/Digitisation Programme - Transf. Activity	(3,000)	(6,000)	(6,000)	(6,000)	(6,000)
SO20	Communities & Housing Management Restructure	(201)	(201)	(201)	(201)	(201)
SO22	Income from Rental of the Quad at M. College for events	(10)	(10)	(10)	(10)	(10)
SO25	Generate Additional Income for New Roads & Street Work	(86)	(86)	(86)	(86)	(86)
SO26	Recharge Flood Works to Capital from Revenue	(114)	0	0	0	0
SO28	Building Standards to Generate Income for Services	(50)	(50)	(50)	(50)	(50)
SO30	Tyre Management System	(18)	(18)	(18)	(18)	(18)
SO31	Pilot scheme - Vehicle Utilisation with Telematics	(8)	(23)	(23)	(23)	(23)
SO33	Comm. Plan. - ACC website and budget adjust. re Civic Forum support	(20)	(20)	(20)	(20)	(20)
SO34	Reconfigure International Travel Budgets	(20)	(20)	(20)	(20)	(20)
SO35	School Transport Redesign	(100)	(100)	(100)	(100)	(100)
SO36	Remove Vacant Cultural Commissioning Team Post	(52)	(52)	(52)	(52)	(52)
SO38	Review and reduce Overtime Budgets.	(150)	(150)	(150)	(150)	(150)
SO39	Review and target support for the Cultural Programme	(300)	(300)	(300)	(300)	(300)
SO41	Outsource Catering in Museums & Art Gallery	(25)	(100)	(100)	(100)	(100)
SO45	Bulk Buy Fuel	0	(100)	(100)	(100)	(100)
SO48	Funding for former Director's Post - ESP&I	(152)	(152)	(152)	(152)	(152)
SO56	Investment in More Council Tax Staff to Bring in More Income	(200)	(200)	(200)	(200)	(200)
SO58	Shared Procurement Service with Highland Council	(50)	(50)	(50)	(50)	(50)
SO69	Head Teacher Woodlands	(47)	(70)	(70)	(70)	(70)
SO70	Create Single Admin Team for Woodlands/Hazlewood	(20)	(30)	(30)	(30)	(30)
SO71	GIRFEC - Review of Establishment	(28)	(42)	(42)	(42)	(42)
SO86	Restructure Central Support (PPR)	(229)	(229)	(229)	(229)	(229)
SO90	City Centre Master Plan - Review of Structure	(5)	(5)	(5)	(5)	(5)
SO91	Remove 100% of all staffing underspends from vacant posts	(5,750)	(5,750)	(5,750)	(5,750)	(5,750)
SO94	Charging for activities run by the archivist	(15)	(14)	(14)	(14)	(14)
SO104	Fleet Cost Recovery and Transformation	0	100	(100)	(150)	(250)
SO112	Reduce Council Tax Second Home Discount	(100)	(100)	(100)	(100)	(100)
SO113	Leased Asset Maximisation - Beach Ballroom	(324)	(324)	(324)	(324)	(324)
SO114	Smarter Procurement	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
SO116	Review of staffing with a view to allowing VS/ER where appropriate	(4,000)	(6,000)	(6,000)	(6,000)	(6,000)
SO117	Introduce a new working week of 35 hours for new employees	(900)	(900)	(900)	(900)	(900)
SO124	Increase Income at Adventure Aberdeen	(25)	(50)	(75)	(100)	(125)
SO125	Childcare Service to become self funding	(100)	(100)	(200)	(300)	(400)
SO127	Contribution to 17/18 savings from 16/17 carry forward	(750)	0	0	0	0

## Council Meeting, 22 February 2017

SO133	Increase in Property/Conveyancing Fees	(7)	(7)	(7)	(7)	(7)
SO134	Review and reduce overtime budgets under Head of PI&E	(250)	(250)	(250)	(250)	(250)
SO136	Saving arising from management structure changes within the OCE	(106)	(106)	(106)	(106)	(106)
SO137	Obtain sponsorship to cover the costs of retaining free City Wi-Fi	(200)	(200)	(200)	(200)	(200)
SO140	Realignment of low level budgets.	(79)	(79)	(79)	(79)	(79)
SO141	Planning Agreement Fees	(11)	(11)	(11)	(11)	(11)

**Variations to Options**

SO98	School Catering - Amended proposal - Roll Out Stay on Site	(25)	(25)	(25)	(25)	(25)
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**Total Savings Proposals**

<b>(23,879)</b>	<b>(28,309)</b>	<b>(29,016)</b>	<b>(29,191)</b>	<b>(29,416)</b>
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<b>Balance Carried Forward</b>	<b>(6,635)</b>	<b>9,074</b>	<b>26,685</b>	<b>41,846</b>	<b>56,658</b>
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Balance Brought Forward</b>	<b>(6,635)</b>	<b>9,074</b>	<b>26,685</b>	<b>41,846</b>	<b>56,658</b>

**Additional Savings**Communities, Housing & Infrastructure

More efficient deployment of City Wardens	(200)	(200)	(200)	(200)	(200)
Adjustment to street occupation charges	(43)	(43)	(43)	(43)	(43)

**Total Additional Savings**

<b>(243)</b>	<b>(243)</b>	<b>(243)</b>	<b>(243)</b>	<b>(243)</b>
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**Revised Balance**

<b>(6,878)</b>	<b>8,831</b>	<b>26,442</b>	<b>41,603</b>	<b>56,415</b>
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**New Initiatives**Education & Children's Services

Education Fund	2,500	2,500	2,500	2,500	2,500
Feas. Study - transfer of Hazlehead Pool to comm. management	50				

Communities, Housing & Infrastructure

Supported bus services	500	500	500	500	500
Install additional bus shelters	50	50	50	50	50
Small scale environmental improvements fund	100	100	100	100	100
Improved street and urban tree maintenance, management and additional street tree planting	255	195	195	195	195
Increased winter maintenance and road response team capacity	170	170	170	170	170
Enhance grass cutting of council managed spaces	250	250	250	250	250
Undertake public consultation on possible Ashley CPZ	10	0	0	0	0

## Council Meeting, 22 February 2017

Road repairs and maintenance CFCR	1,277	0	0	0	0
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Corporate

Non Domestic Rates Discretionary Relief Initiative - Option 6(b)	1,200	0	0	0	0
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<b>Total New Initiatives</b>	<b>6,362</b>	<b>3,765</b>	<b>3,765</b>	<b>3,765</b>	<b>3,765</b>
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**Items from Paragraph 5.67 of Budget Report**

Parking Charges	105	105	105	105	105
Common Good Cost Pressures	129	129	129	129	129
Family Centre at HMP Grampian	32	0	0	0	0
Transition Extreme - Provisional	250	0	0	0	0
<b>Total from Budget Report</b>	<b>516</b>	<b>234</b>	<b>234</b>	<b>234</b>	<b>234</b>

<b>Revised (Surplus)/Deficit</b>	<b>0</b>	<b>12,830</b>	<b>30,441</b>	<b>45,602</b>	<b>60,414</b>
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**Liberal Democrats Non-Housing Capital Budget Proposals**

Non-Housing Capital Programme	Budget	Budget	Budget	Budget	Budget	Total
	2017/18	2018/19	2019/20	2020/21	2021/22	
	£'000	£'000	£'000	£'000	£'000	£'000
Budget Per Appendix 1 of report	239,518	214,429	139,213	76,458	37,555	707,173
<b>Add:</b>						
Additional Investment in roads/pavement resurfacing and repairs and street lighting renewal	2,000					2,000
Multi Use Winter Maintenance & Response Plant	120					120
New Bridge of Dee - Option Development for a 4-Lane Bridge	100					100
Lang Stracht - Feasibility Study for Dualling	100					100
						0
<b>New Budget</b>	<b>241,838</b>	<b>214,429</b>	<b>139,213</b>	<b>76,458</b>	<b>37,555</b>	<b>709,493</b>
Additional Cost	2,320	0	0	0	0	2,320
Funded by: Increase in grant from Scottish Government	(1,080)					(1,080)
Use of contingency fund	(1,240)					(1,240)

Council Meeting, 22 February 2017

**APPENDIX 2 (Liberal Democrat)  
ABERDEEN CITY COUNCIL  
2016/17 to 2021/22**

**THE PRUDENTIAL CODE  
For Capital Finance in Local Authorities**

The Code requires that the following Prudential Indicators be set for the Council:-

	<b>Capital Expenditure</b>						
	<b>2015/16 £'000 Actual</b>	<b>2016/17 £'000 Estimate</b>	<b>2017/18 £'000 Estimate</b>	<b>2018/19 £'000 Estimate</b>	<b>2019/20 £'000 Estimate</b>	<b>2020/21 £'000 Estimate</b>	<b>2021/22 £'000 Estimate</b>
Non HRA	102,027	191,083	239,518	214,429	139,213	76,458	37,555
HRA	35,037	43,473	55,318	30,078	24,632	24,914	25,556

	<b>Ratio of Financing Costs to Net Revenue Stream</b>						
	<b>2015/16 Actual</b>	<b>2016/17 Estimate</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>
Non HRA	6.0%	4.3%	5.0%	5.2%	5.6%	5.9%	6.0%
HRA	15.7%	16.8%	16.5%	17.6%	18.5%	18.3%	17.7%

	<b>Capital Financing Requirement</b>						
	<b>2015/16 £'000 Actual</b>	<b>2016/17 £'000 Estimate</b>	<b>2017/18 £'000 Estimate</b>	<b>2018/19 £'000 Estimate</b>	<b>2019/20 £'000 Estimate</b>	<b>2020/21 £'000 Estimate</b>	<b>2021/22 £'000 Estimate</b>
Non HRA	498,305	576,857	743,765	859,206	915,606	912,138	909,998
HRA	235,291	248,917	273,772	272,445	264,301	254,618	243,634
<b>Total</b>	<b>733,596</b>	<b>825,774</b>	<b>1,017,537</b>	<b>1,131,651</b>	<b>1,179,907</b>	<b>1,166,756</b>	<b>1,153,632</b>

	<b>Authorised Limit for External Debt</b>						
	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>	
Operational Boundary	851,536	1,043,299	1,157,413	1,205,669	1,192,518	1,179,394	
10% Margin	85,154	104,330	115,741	120,567	119,252	117,939	
<b>Total</b>	<b>936,690</b>	<b>1,147,629</b>	<b>1,273,154</b>	<b>1,326,236</b>	<b>1,311,770</b>	<b>1,297,333</b>	

## Council Meeting, 22 February 2017

	Operational Boundary for External Debt					
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Borrowing	747,952	942,326	1,059,662	1,110,915	1,099,558	1,089,808
Other Long Term Liabilities	103,584	100,973	97,751	94,754	92,960	89,586
<b>Total</b>	<b>851,536</b>	<b>1,043,299</b>	<b>1,157,413</b>	<b>1,205,669</b>	<b>1,192,518</b>	<b>1,179,394</b>

The estimate of the incremental impact of capital investment decisions proposed in this report, over and above capital investment decisions that have previously been taken by the Council are:

(a) for Band D Council Tax

2017/18	2018/19	2019/20	2020/21	2021/22
£41.85	£0	£0	£0	£0

(b) for average weekly housing rents (assuming that increased capital investment is financed by way of CFCR and borrowing)

2017/18	2018/19	2019/20	2020/21	2021/22
£0.78	£0	£0	£0.02	£0.04

Councillor Flynn moved as a further amendment, seconded by Councillor Dickson:-

That the Council -

- (a) note that the presentation of this year's budget report was fundamentally different from previous years and that this reflected the change in financial reporting to Council as a result of London Stock Exchange listing. A specific requirement of this was that all expenditure figures must be shown as gross.

#### Balance Sheet Recommendations

- (b) note the projected balance sheet position including the reserves as at 31 March 2017;
- (c) approve the Non-Housing Capital programme as attached, and by doing so note that the Council would be maintaining the level of debt over the next five years as advised to Moody's the credit rating agency;
- (d) note that this included a commitment to a new Bridge at the River Dee through the development of options;
- (e) approve the Prudential Indicators as attached and by so doing note that the indicators should convey confidence to the investors in the Council's Bond of our ability to repay the debt due;
- (f) approve the recommended use of reserves for 2017/18 and any underspend for 2016/17 as set out in the report and the attached budget for the creation of a 'Change Fund' of £8million for procurement of services and severance payments to support the change plans set out in the strategic plan; and
- (g) ring fence the Second Homes Discount Reserve for the building of council houses.

## Council Meeting, 22 February 2017

Revenue Budget RecommendationsLong Term and Medium Term

- (h) note the draft financial position for 2018/19 to 2021/22 as shown in paragraph 5.35 of the report; and
- (i) note the Medium Term and Long-Term Financial Plans as shown in Appendix 4 of the report.

Short Term

- (j) approve the attached balanced revenue position for 2017/18 and note that this included:
  - a. a contribution to the Second Homes reserve of £519,000;
  - b. an additional £1million for the Attainment Fund;
  - c. £120,000 to reduce off-street parking charges after 5pm;
  - d. £50,000 for Skene Street Project;
  - e. £25,000 for floor renovation at Albury Sports Centre;
  - f. £35,000 for the Thistle Street Traders Market;
  - g. £50,000 towards street lighting at Cove;
  - h. An additional £210,000 for a rent relief programme for new teachers;
  - i. An increase of 50% in Community Centre grants;
  - j. The removal of parking charges of £105,000; and
  - k. A contribution to a family support centre at HMP Grampian of £32,000;
- (k) agree to the conditions of the Local Government Finance Settlement for 2017/18 in so far as it was within the Council's legal powers to do so;
- (l) approve the level of funding for 2017/18 in relation to the IJB and notes that it would be for the IJB itself to determine which savings options to take from Appendix 7 of the report;
- (m) approve the IJB Budget protocol proposed by the Chief Executive as shown at Appendix 8 of the report and note that it would also have to be approved by NHS Grampian and the IJB; and
- (n) instruct the Interim Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the ring fenced monies allocated to Council under the Attainment Fund would be utilised, and provide assurance that recurring commitments were not being made. The report also to include plans for the use of the Council's allocation of additional capital and revenue funding for the expansion of early learning and childcare, once the allocation had been received from the Scottish Government.

Taxation

- (o) instruct officers that Council would not be exercising the flexibility to increase Council Tax under the local government finance circular;
- (p) note the changes made to the multipliers of bands E through to H within the Council Tax;

## Council Meeting, 22 February 2017

- (q) recommend the introduction of a local Non-Domestic Rates relief scheme as detailed in the attached budget in compliance with the relevant statutory provisions, including having regard to the authority's expenditure and income and the interests of persons liable to pay Council Tax, and delegate the finalisation of the scheme to the Chief Executive following consultation with group leaders; and
- (r) note the announcement of the Scottish Government proposing additional business rates relief and instruct the Chief Executive to consider this announcement in relation to Appendix 9 of the report and report to the Finance, Policy and Resources Committee on 9 March 2017.

Other

- (s) instruct the Chief Executive to formally seek admission to Cosla;
- (t) instruct the Chief Executive to report back to the next Communities, Housing and Infrastructure Committee with proposals for a community scheme for the residents of Tillydrone and Woodside to utilise £1million of capital projects;
- (u) instruct the Chief Executive to report back to the next Communities, Housing and Infrastructure Committee with proposals for a community scheme for the residents of Torry and Northfield to utilise £1million of capital projects;
- (v) instruct the Director of Education and Children's Services to prepare a business plan regarding the future of Transition Extreme;
- (w) instruct the Director of Communities, Housing and Infrastructure to conclude the purchase of land at Craiginches;
- (x) instruct the Chief Executive to prepare a business case around the feasibility of Aberdeen City Council introducing Low Emission Zones throughout the city. To agree that the Scottish Government, partner organisations and stakeholders had significant roles in the development of any business case and that the business case must reflect the legislative position of the Scottish Government and instruct the Chief Executive to provide members with an initial report at the June 2017 Council meeting on progress; and
- (y) instruct the Chief Executive to sign the Construction Standards Charter between the Council and UCATT.

**Scottish National Party Budget Proposals**2017/18  
£000

<b>Deficit per Council Report</b>	<b>17,244</b>
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**Appendix 6 (Savings Proposals)**

SO1	Increased Income Generation from Building Services Trading Account	(1,000)
SO2	Leased Income Maximisation - Marischal College	0
SO5	Advertising Concession Contract with Single City Wide Provider	0
SO6	Renegotiate Contracts with Visit Aberdeenshire	0

## Council Meeting, 22 February 2017

SO7	Reduce Expenditure on Consultancy Services & Agency Staff	(500)
SO9	Energy Efficiency	(720)
SO13	Communities & Housing Service Budget Adjustments	(564)
SO19	Delivery of Business Support Services/Digitisation Programme - Transformation Activity	(3,000)
SO20	Communities & Housing Management Restructure	(201)
SO22	Generate Income from Rental of the Quad at Marischal College for Events	(10)
SO25	Generate Additional Income for New Roads & Street Work	(86)
SO26	Recharge Flood Works to Capital from Revenue	(114)
SO28	Building Standards to Generate Income for Services	(50)
SO30	Tyre Management System	(18)
SO31	Pilot scheme - Vehicle Utilisation with Telematics	(8)
SO33	Community Planning - ACC maintain website and budget adjustment re Civic Forum support	(20)
SO34	Reconfigure International Travel Budgets	(20)
SO35	School Transport Redesign	(100)
SO36	Remove Vacant Cultural Commissioning Team Post	(52)
SO41	Outsource Catering in Museums & Art Gallery	(25)
SO44	Aberdeen Learning Festival to become self funding in collaboration with Northern Alliance	(46)
SO45	Bulk Buy Fuel	0
SO48	Funding for Former Director's Post - Enterprise Strategic Planning & Infrastructure	(152)
SO56	Investment in More Council Tax Staff to Bring in More Income	(200)
SO58	Shared Procurement Service with Highland Council	(50)
SO66	Restructure Curricular Support	(285)
SO69	Head Teacher Woodlands	(47)
SO70	Create Single Admin Team for Woodlands/Hazlewood	(20)
SO86	Restructure Central Support (PPR)	(229)
SO90	City Centre Master Plan - Review of Structure	(5)
SO91	Remove 100% of all staffing underspends from vacant posts	(5,750)
SO94	Charging for activities run by the archivist	(15)
SO104	Fleet Cost Recovery and Transformation	0
SO112	Reduce Council Tax Second Home Discount	(100)
SO114	Smarter Procurement	(3,000)
SO116	Review of staffing with a view to allowing VS/ER where appropriate	(4,000)
SO117	Introduce a new working week of 35 hours for new employees	(900)
SO118	Remove allowances for eye examinations and contribution for spectacles	(13)
SO124	Increase Income at Adventure Aberdeen	(25)
SO133	Increase in Property/Conveyancing Fees	(7)
SO136	Saving arising from management structure changes within the Office of the Chief Executive	(106)
SO137	Obtain sponsorship to cover the costs of retaining free City Wi-Fi	(200)
SO138	Running Costs of new A96 Park & Choose Site	(83)
SO140	Realignment of low level budgets.	(79)
SO141	Planning Agreement Fees	(11)
SO127	Contribution to 17/18 savings from 16/17 carry forward	(750)

## Council Meeting, 22 February 2017

**Variation to Option**

SO10	Property Asset Rationalisation - Partial:	Relocation of Howemoss Road; Termination of leases for modular units at Hazlewood and Woodlands Schools and at Tarves Road, Potterton	(143)
SO15	Waste Service Review-Partial (Reduce no of local recycling points and increase efficiency of communal centres)		(127)
SO65	10% Reduction to Sport Arms Length Organisations - ASV only		(130)
<b>Total Savings Proposals</b>			<b>(22,961)</b>

<b>Balance Carried Forward</b>	<b>(5,717)</b>
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**Scottish National Party Budget Proposals**

**2017/18**  
**£000**

<b>Balance Brought Forward</b>	<b>(5,717)</b>
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**Additional Savings**

Charge elected members for parking at Town House	(9)
Reversal of administration parking policy	(450)
<b>Total Additional Savings</b>	<b>(459)</b>

**New Initiatives**

Additional Attainment Fund	1,000	
Reduce off-street parking charges after 5pm	120	
Skene Street Project	50	
Albury Sports Centre - floor renovation	25	
Thistle Street Traders Market	35	
Street Lighting Cove	50	
Rating Relief Scheme	Limit Retail increase to 12.5%	1,910
	Limit Manufacturing Increase to 12.5%	1,020
	100% relief to hospitality for all increases above 3%	960
	Year 1 of a 2 Year programme of rent relief	210
Support for New Teachers		140
Community Centre Grants - Increase by 50%		100
New Bridge of Dee - Option Development for a 4-Lane Bridge		250
City Centre Cycling Investment		(350)
Contribution from Bus Lane Enforcement		

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<b>Total New Initiatives</b>	<b>5,520</b>
<b>Items from Paragraph 5.67 of Budget Report</b>	
Parking Charges	105
Family Centre at HMP Grampian	32
<b>Total from Budget Report</b>	<b>137</b>
<b>Transfer to Reserves, earmarked for housing</b>	<b>519</b>
<b>Revised (Surplus)/Deficit</b>	<b>0</b>

**Scottish National Party Non-Housing Capital Budget Proposals**

Non-Housing Capital Programme	Budget	Budget	Budget	Budget	Budget	Total
	2017/18	2018/19	2019/20	2020/21	2021/22	
	£'000	£'000	£'000	£'000	£'000	£'000
Original Budget Per Appendix 6.	239,518	214,429	139,213	76,458	37,555	707,173
<b>Add:</b>						
Reverse Flood Prevention Measures at Millside and Paddock		(1,000)	(2,000)			(3,000)
Flood Prevention Measures at Millside and Paddock	1,000	2,000				3,000
						0
Reverse SG Funding as above				2,400		2,400
SG Funding			(2,400)			(2,400)
Saving through combining Tillydrone Primary School and Tillydrone Community Centre	(1,000)					(1,000)
Ring Fenced Spend at Tillydrone/Woodside	1,000					1,000
Ring Fenced Spend at Torry/Northfield	1,000					1,000
<b>New Budget</b>	<b>241,518</b>	<b>215,429</b>	<b>134,813</b>	<b>78,858</b>	<b>37,555</b>	<b>708,173</b>
Financed By: Additional Capital Grant	(1,000)					(1,000)

Council Meeting, 22 February 2017

**APPENDIX 2 (SNP)**  
**ABERDEEN CITY COUNCIL**  
**2016/17 to 2021/22**

**THE PRUDENTIAL CODE**  
**For Capital Finance in Local Authorities**

The Code requires that the following Prudential Indicators be set for the Council:-

	<b>Capital Expenditure</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	102,027	191,083	239,518	214,429	134,813	78,858	37,555
HRA	35,037	43,473	55,318	30,078	24,632	24,914	25,556

	<b>Ratio of Financing Costs to Net Revenue Stream</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	6.0%	4.3%	5.0%	5.2%	5.6%	5.9%	6.0%
HRA	15.7%	16.8%	16.5%	17.6%	18.5%	18.3%	17.7%

	<b>Capital Financing Requirement</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	498,305	576,857	744,765	861,206	913,206	912,138	909,998
HRA	235,291	248,917	273,772	272,445	264,301	254,618	243,634
<b>Total</b>	<b>733,596</b>	<b>825,774</b>	<b>1,018,537</b>	<b>1,133,651</b>	<b>1,177,507</b>	<b>1,166,756</b>	<b>1,153,632</b>

	<b>Authorised Limit for External Debt</b>					
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Operational Boundary	851,536	1,044,299	1,159,413	1,203,269	1,192,518	1,179,394
10% Margin	85,154	104,430	115,941	120,327	119,252	117,939
<b>Total</b>	<b>936,690</b>	<b>1,148,729</b>	<b>1,275,354</b>	<b>1,323,596</b>	<b>1,311,770</b>	<b>1,297,333</b>

	<b>Operational Boundary for External Debt</b>					
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	747,952	943,326	1,061,662	1,108,515	1,099,558	1,089,808

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Other Long Term Liabilities	103,584	100,973	97,751	94,754	92,960	89,586
<b>Total</b>	<b>851,536</b>	<b>1,044,299</b>	<b>1,159,413</b>	<b>1,203,269</b>	<b>1,192,518</b>	<b>1,179,394</b>

The estimate of the incremental impact of capital investment decisions proposed in this report, over and above capital investment decisions that have previously been taken by the Council are:

(a) for Band D Council Tax

<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
£41.85	£0	£0	£0	£0

(b) for average weekly housing rents (assuming that increased capital investment is financed by way of CFCR and borrowing)

<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
£0.78	£0	£0	£0.02	£0.04

During the course of summing up, Councillor Yuill indicated that he wished to incorporate parts (q) and (r) of Councillor Laing's motion into his amendment, and this was accepted.

There being a motion and two amendments, the Council first divided between the amendment by Councillor Yuill and the amendment by Councillor Flynn.

On a division, there voted:-

For the amendment by Councillor Yuill (5) - Councillors Delaney, Greig, Malone, Jennifer Stewart and Yuill.

For the amendment by Councillor Flynn (15) - Councillors Cameron, Copland, Corall, Cormie, Dickson, Jackie Dunbar, Flynn, Hutchison, Jaffrey, MacGregor, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

Declined to vote (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

The Council then divided between the motion and the amendment by Councillor Flynn.

On a division, there voted:-

For the motion (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

For the amendment by Councillor Flynn (15) - Councillors Cameron, Copland, Corall, Cormie, Dickson, Jackie Dunbar, Flynn, Hutchison, Jaffrey, MacGregor, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

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Declined to vote (5) - Councillors Delaney, Greig, Malone, Jennifer Stewart and Yuill.

**The Council resolved:-**

to adopt the motion.

**DRAFT HOUSING REVENUE ACCOUNT (HRA) BUDGET AND HOUSING CAPITAL BUDGET 2017/18 TO 2021/22 - CG/17/032**

4. The Council had before it a joint report by the Interim Director of Corporate Governance and the Interim Director of Communities, Housing and Infrastructure which provided information to allow the setting of the rent level for the financial year 2017/18 as well as provisional rent levels for the financial years 2018/19 to 2021/22. The report noted that this would allow a capital programme for 2017/18 as well as a provisional programme to be set for 2018/19 to 2021/22.

**The report recommended:-**

that the Council -

- (a) approve the budget as attached in Appendix 1 of the report;
- (b) approve the weekly unrebated rents for municipal houses, as detailed in Appendix 1 of the report, to take effect from 3 April 2017;
- (c) approve the level of revenue contribution to the Housing Capital budget for 2017/18 as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;
- (d) continue to increase the level of working balances to ensure a minimum of 10% was maintained to meet future contingencies;
- (e) approve the level of miscellaneous rents and service charges, including Heat with Rent as detailed in Appendix 1 of the report;
- (f) set a capital programme for the financial year 2017/18 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2018/19 to 2021/22;
- (g) in order for work to commence on the capital programme, approve as estimated expenditure in terms of Standing Order 1(3) (of the Council's Standing Orders relating to Contracts and Procurement) the sums shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 of the report; and
- (h) authorise the Interim Director of Communities, Housing and Infrastructure to undertake or instruct appropriate procedures to procure the works referred to in Appendix 1 for the capital programme and award contacts relating thereto.

Councillor Cooney moved, seconded by Councillor Donnelly:-

That the Council -

- (1) approve the budget as attached in Appendix 1 of the report subject to (2) and (3) below;
- (2) approve that the weekly unrebated rents for municipal houses be frozen for 2017/18 with the exception of those phasing towards the model rent, to take effect from 3 April 2017;
- (3) approve the level of revenue contribution to the Housing Capital budget for 2017/18 at £24.045million as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;

## Council Meeting, 22 February 2017

- (4) maintain the level of working balances to ensure a minimum of 10% was maintained to meet future contingencies;
- (5) approve the level of miscellaneous rents and service charges, including Heat with Rent as detailed in Appendix 1 of the report;
- (6) set a capital programme for the financial year 2017/18 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2018/19 to 2021/22 as contained within the report;
- (7) in order for work to commence on the capital programme, approve the estimated expenditure in relation to each of the proposed procurement exercises regarding the various requirements shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 to the report, without the need for separate Committee approval of each requirement;
- (8) authorise the Interim Director of Communities, Housing and Infrastructure to undertake or instruct appropriate procedures to procure the works referred to in Appendix 1 of the report for the capital programme and award contracts relating thereto; and
- (9) instruct the Interim Director of Communities, Housing and Infrastructure to undertake a full strategic review of service delivery in relation to the Housing Revenue Account and report back to the Communities, Housing and Infrastructure Committee on 8 November 2017.

Councillor Delaney moved as an amendment, seconded by Councillor Jennifer Stewart:-

That the Council -

- (1) approve the budget as attached in Appendix 1 of the report subject to (3) and (4) below;
- (2) approve the weekly unrebated rents for municipal houses, as detailed in Appendix 1 of the report, to take effect from 3 April 2017;
- (3) approve the level of revenue contribution to the Housing Capital budget for 2017/18 at £23.535million as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;
- (4) approve the following additional revenue budgets, £250,000 grass works, £200,000 upgrade of amenity areas in the sheltered blocks and £60,000 for tree works;
- (5) continue to increase the level of working balances to ensure a minimum of 10% was maintained to meet future contingencies;
- (6) approve the level of miscellaneous rents and service charges, including Heat with Rent as detailed in Appendix 1 of the report;
- (7) set a capital programme for the financial year 2017/18 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2018/19 to 2021/22;
- (8) approve, in order for work to commence on the capital programme as estimated expenditure in terms of Standing Order 1(3) (of the Council's Standing Orders relating to Contracts and Procurement) the sums shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 of the report; and
- (9) authorise the Interim Director of Communities, Housing and Infrastructure to undertake or instruct appropriate procedure to procure the works referred

## Council Meeting, 22 February 2017

to in Appendix 1 of the report for the capital programme and award contracts relating thereto.

Councillor Jackie Dunbar moved as a further amendment, seconded by Councillor Dickson:-

That the Council -

- (1) approve the budget as attached in Appendix 1 of the report subject to (4) and (6) below;
- (2) approve the weekly unrebated rents for municipal houses, as detailed in Appendix 1 of the report, to take effect from 3 April 2017;
- (3) approve the level of revenue contribution to the Housing Capital budget for 2017/18 as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;
- (4) set the level of working balances at 10% to meet future contingencies and utilise the additional funds of £1.784million to increase the Solid Wall Insulation budget to £3.084million within the capital programme;
- (5) approve the level of miscellaneous rents and service charges, including Heat with Rent as detailed in Appendix 1 of the report;
- (6) set a capital programme subject to (4) above for the financial year 2017/18 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2018/19 to 2021/22;
- (7) in order for work to commence on the capital programme, approve the estimated expenditure in relation to each of the proposed procurement exercises regarding the various requirements, shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 to the report, without the need for separate Committee approval of each requirement; and
- (8) authorise the Interim Director of Communities, Housing and Infrastructure to undertake or instruct appropriate procedures to procure the works referred to in Appendix 1 of the report for the capital programme and award contracts relating thereto.

There being a motion and two amendments, the Council first divided between the amendment by Councillor Delaney and the amendment by Councillor Jackie Dunbar.

On a division, there voted:-

For the amendment by Councillor Delaney (4) - Councillors Delaney, Greig, Jennifer Stewart and Yuill.

For the amendment by Councillor Jackie Dunbar (14) - Councillors Cameron, Copland, Cormie, Dickson, Jackie Dunbar, Flynn, Hutchison, Jaffrey, MacGregor, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

Declined to vote (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

Absent from the division (2) - Councillors Corall and Malone.

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The Council then divided between the motion and the amendment by Councillor Jackie Dunbar.

On a division, there voted:-

For the motion (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

For the amendment by Councillor Jackie Dunbar (18) - Councillors Cameron, Copland, Cormie, Delaney, Dickson, Jackie Dunbar, Flynn, Greig, Hutchison, Jaffrey, MacGregor, Nicoll, Noble, Samarai, Jennifer Stewart, Sandy Stuart, Townson and Yuill.

Absent from the division (2) - Councillors Corall and Malone.

**The Council resolved:-**

to adopt the motion.

**NORTH EAST SCOTLAND PENSION FUND BUDGET 2017/18 - 2021/22 - CG/17/009**

6. The Council had before it a report by the Interim Director of Corporate Governance which provided details of the budget included in the 2017/18 - 2021/22 General Fund budget that related to the North East Scotland Pension Fund (NESPF).

**The report recommended:-**

that the Council -

- (a) note the provision contained within the Council's General Fund budget for 2017/18 to 2021/22;
- (b) instruct the Head of Finance to recover the actual costs from the NESPF; and
- (c) note the progress on the introduction of a Service Level Agreement.

**The Council resolved:-**

to approve the recommendations.

- **GEORGE ADAM, Lord Provost.**