

FINANCE, POLICY AND RESOURCES COMMITTEE  
7 December 2016

ABERDEEN, 7 December 2016. Minute of Reconvened Meeting of the FINANCE, POLICY AND RESOURCES COMMITTEE. Present:- Councillor Young, Convener; Councillor Donnelly, Vice-Convener; and Councillors Allan, Cameron, Cooney (as substitute for Councillor Ironside CBE for article 16 and Councillor Lain for article 20), Dickson, Jackie Dunbar, Finlayson (as substitute for Councillor Graham from article 16 onwards), Flynn, Graham (as substitute for Councillor Milne), Greig (as substitute for Councillor Jennifer Stewart), Len Ironside CBE, Laing, Malik (as substitute for Councillor Crockett), Jean Morrison MBE (as substitute for the Vice-Convener from article 15 onwards), Nicoll, Reynolds, Taylor, Townson and Yuill.

**The agenda and reports associated with this minute can be found at:-**  
<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MIId=5548&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.**

## **ANNOUNCEMENT**

1. The Convener advised (a) that Councillor Donnelly, Vice Convener had attended the APSE Performance Network awards, at which Aberdeen City Council were finalists in the category for the most improved performer for roads and highway winter maintenance; and (b) that Councillor Jean Morrison MBE had attended the Scottish Public Service Awards, at which Aberdeen City Council were award winners for the Hydrogen Bus Project

## **ORDER OF AGENDA**

2. The Convener requested that item 9.1 (Events Strategy Plan) be taken later on the agenda.

**The Committee resolved:-**  
to concur with the request.

## **DECLARATIONS OF INTEREST**

**The Convener and Councillor Flynn declared an interest in relation to the following item of business by virtue of their position as Council appointed members of the Limited Liability Partnership Management Board. Councillor Flynn considered that the nature of his interest required him to leave the meeting and he took no part in the Committee's deliberations thereon. The Convener considered that the nature of his interest did not require him to leave the meeting. Councillor Laing declared an interest in**

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**the following item of business by virtue of her position as a Council appointed member of Aberdeen Inspired Board and considered that the nature of her interest required her to leave the meeting and she took no part in the Committee's deliberations thereon. Councillor Cooney substituted for Councillor Laing for this item.**

**STRATEGIC INFRASTRUCTURE PLAN - CG/16/149**

3. With reference to article 15 of the minute of the previous meeting of 20 September 2016, the Committee had before it a report by the Director of Communities, Housing and Infrastructure which provided details on the delivery of the Strategic Infrastructure Plan and to seek approval for specific actions for funding release from the City Centre Regeneration budget to progress projects within the City Centre Masterplan.

**The report recommended:-**

that the Committee –

- (a) note the content of the report and the progress made;
- (b) approve expenditure of up to £75k as match funding for the Aberdeen Inspired initiative for a Nuart street art festival in Aberdeen city centre in April 2017;
- (c) approve expenditure of up to £45k per year for 3 years as a contribution to holding the Pearl Izumi Tour Series Cycling Event in Aberdeen City Centre in summer 2017, 2018 and 2019;
- (d) approve expenditure of up to £30k to award a contract to Consultants to prepare a City Centre Living study and report progress back to Finance, Policy and Resources Committee in February 2017;
- (e) approve expenditure of up to £70k to fund two officers as part of the City Warden Team with responsibility for continuation of the City Centre Waste Compliance Project, from March 2017-18;
- (f) delegate authority to the City Centre Director in consultation with the Deputy Leader of the Council, the Convener of Finance, Policy and Resources and the Head of Commercial and Procurement Services to implement the above proposals and award of contracts, following fully compliant procurement exercises; and
- (g) agree that the combined expenditure of up to £310k above be taken from the City Centre Masterplan budget, as agreed at the Council meeting in February 2016.

**The Committee resolved:-**

to approve the recommendations.

**EUROPEAN PROJECT HEATNET - CHI/16/290**

4. The Committee had before it a report by the Director of Communities, Housing and Infrastructure which provided an update in relation to the European Project HEATNET.

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**The report recommended:-**

that the Committee –

- (a) note that on 24 October 2016 Full Council:-
- (1) approved the allocation of £365,000 (at € exchange rates on) from capital project 810K to provide match-funding to allow €608,485 of funding to be secured from Interreg North West Europe HEATNET project - transition strategies for delivering low carbon district heat;
  - (2) approved the utilisation of this funding to support the development of district heating infrastructure in the Torry area subject to the requirements of the funding criteria;
  - (3) instructed the Interim Director of Communities, Housing and Infrastructure to undertake a procurement exercise for the installation of a heat network, in tandem with that for the construction of the Energy from Waste facility, following the completion and submission of the phase 1 report to the Communities, Housing and Infrastructure Committee on 24 January 2017; and to commit funding from the Energy from Waste construction budget included in the Non Housing Capital Programme to phase 1 of the Torry Heat network project;
  - (4) instructed the Interim Director of Communities, Housing and Infrastructure to bring a report providing an update on the above matters to the Communities, Housing and Infrastructure Committee on 24 January 2017;
- (b) approve expenditure for necessary overseas travel for partner meetings and annual conferences connected with the HEATNET project to be funded from identified service budget and the HEATNET funding programme; and
- (c) approve the signing of or entry into any legal agreement or other documentation (whether same are governed by the law of Scotland or the law of another country) subject to approval of the terms by the Head of Legal and Democratic Services.

**The Committee resolved:-**

to approve the recommendations.

**ART GALLERY REDEVELOPMENT FUNDRAISING - ECS/16/078**

5. With reference to article 27 of the minute of meeting of 7 June 2016, the Committee had before it a report by the Director of Education and Children's Services which provided information on the fundraising campaign for the redevelopment of Aberdeen Art Gallery and Cowdray Hall.

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**The report recommended:-**

that the Committee –

- (a) note the level of public donations and grants received to date;
- (b) note that officers continue to work with the appointed Trustees on the public fundraising campaign;
- (c) note that a further progress report on fundraising will be presented to this Committee in June 2017; and
- (d) otherwise note the contents of the report.

**The Committee resolved:-**

- (i) to note the contents of the report;
- (ii) to acknowledge the £1.5m contribution from the UK Government towards the Art Gallery Project;
- (iii) to instruct the Chief Executive to write to the First Minister providing details of the £1.5m contribution received from the UK Government towards the Remembrance Hall inviting the First Minister to confirm if it is the Scottish Government's intention to match fund this significant £1.5m contribution from the UK Government; and
- (iv) to instruct the Director to express Aberdeen City Council's interest in being a host City for the 14-18 NOW poppies wave and Weeping Window 2018 and for a report to come back to the appropriate Finance, Policy and Resources Committee on our success or otherwise.

**MATTER OF URGENCY**

**The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency as further changes were required to be made to the report which required consultation with the Convener.**

**THOMAS GLOVER HOUSE - CHI/16/259**

**6.** With reference to article 23 of the minute of meeting of 7 June 2016, the Committee had before it a report by the Director of Communities, Housing and Infrastructure which detailed the results of the Thomas Blake Glover House Feasibility Study.

**The report recommended:-**

that the Committee –

- (a) agree the preferred option to reconfigure Thomas Blake Glover House to both safeguard the property itself and deliver a legacy from Thomas Blake Glover;
- (b) note the capital and revenue cost implications of delivering that preferred option; and that this may lead to the opportunity to deliver Option 3 at a later stage;
- (c) acknowledge the input of stakeholders, including Aberdeen Asset Management, Robert Gordon University and the University of Aberdeen, to the feasibility study and their continuing interest in the proposals; and

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- (d) instruct officers to continue working with these stakeholders and to identify financial sources of funding to deliver the preferred option.

**The Committee resolved:-**

- (i) to instruct officers to implement option 1 (Refine, Reconfigure and Refurbish Glover House) at an estimated £300,000 with immediate effect using funding already agreed;
- (ii) to note the continued interest of Aberdeen Asset Management in Thomas Glover House;
- (iii) to instruct officers to liaise with Aberdeen Asset Management to ascertain if they are prepared to invest financially in Thomas Glover House, and if so, to what extent and to report back to the next Finance, Policy and Resources Committee;
- (iv) to instruct officers to bring forward a report to the next Finance, Policy and Resources Committee on the feasibility of additional grant funding from external sources including those set out in paragraph 6.3 of the report as well as both Universities; and
- (v) that officers bring back a report to the next Committee meeting on the progress of implementation of option 1.

**THE PURCHASE OF AUDIO VISUAL EQUIPMENT FOR SCHOOLS - ECS/16/079**

7. The Committee had before it a report by the Director of Education and Children's Services which sought approval to initiate a mini competition to appoint a sole supplier for the provision of audio visual equipment to schools for a period of three years, with an option to extend for two years further.

**The report recommended:-**

that the Committee –

- (a) recognise that there is an ongoing requirement for the provision of Interactive Audio Visual equipment in schools. This arises from a number of factors including:-
  - (1) Replacement and upgrading of existing equipment
  - (2) Additional equipment required due to expansion of some schools and new builds;
- (b) approve that a mini-competition process is undertaken between the four suppliers in the Scotland Excel "Presentation and Audio Visual Equipment" Framework in line with the Council's Procurement Regulations, Financial Regulations and EU Legislation to appoint a Sole Supplier for the provision of Audio Visual and associated equipment to schools for a period of 3 years (with an option to extend for a further 2 years);
- (c) approve the total estimated expenditure for the 5-year period as outlined in the report (over a 3 year contract with an option to extend for up to 2 years); and
- (d) approve the award of the contract in accordance with the criteria stated in the Mini-Competition and subject to the satisfactory conclusion of the contractual documentation.

**The Committee resolved:-**

to approve the recommendations.

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**MICROSOFT ENTERPRISE AGREEMENT - CG/16/148**

8. The Committee had before it a report by the Interim Director of Corporate Governance which sought approval to renew the Microsoft Enterprise Agreements for a three year period.

**The report recommended:-**

that the Committee –

- (a) delegate authority to the Head of Commercial & Procurement Services, Head of IT and Transformation and Head of Legal Services to procure, through an appropriate standard procurement framework and to award a contract for a 3 year Microsoft Enterprise Agreement; and
- (b) delegate authority the Head of Commercial & Procurement Services, Head of IT and Transformation and Head of Legal Services to procure, through an appropriate standard procurement framework, and to award a contract for a 3 year Microsoft Education Enrolment Subscription.

**The Committee resolved:-**

to approve the recommendations.

**In accordance with the decision recorded under article 3 of the minute of the adjourned meeting of 1 December 2016, the following items (with the exception of article 20), were considered with the press and public excluded.**

**CURRENT GAS CENTRAL HEATING MAINTENANCE FRAMEWORK CONTRACT - CHI/16/248**

9. The Committee had before it a report by the Director of Communities, Housing and Infrastructure which provided details on the current and forecast level of spend on the domestic gas central heating (annual servicing, maintenance and repairs) framework and provided an overview of a proposed procurement strategy for the award of a new contract.

**The report recommended:-**

that the Committee –

- (a) in accordance with Regulation 4.1.2 of the Council's new Procurement Regulations, notes the current overspend and approves the forecast overspend on the contract and the reasons for this;
- (b) approve an extension of up to 31 October 2017 for the current Gas Central Heating Maintenance Framework contractor, as a risk control measure. During this time, a fresh tender for the contract which outlines a detailed strategy for procuring a new contractor, assessing tenders based more on quality than price, and allowing for a transition period, will be developed and implemented;
- (c) instruct the Head of Procurement, under Regulation 4.2.2 of the Council's Procurement Regulations to designate the required Delegated Procurer(s) within Communities Housing and Infrastructure, in order to conduct procurements for a

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- new Works contract, and to agree to award, amend or vary the proposed contract detailed in this report;
- (d) to approve the total estimated expenditure for the new contract as detailed in this report, in accordance with Regulation 4.1.1.3 of the Council's Procurement Regulations;
  - (e) to note that the Gas and Cyclical Maintenance Team has achieved 100% rating in gaining access to carry out the annual gas checks to each property within 12 months of the previous visit (a statutory requirement) and is anxious not to risk losing this critical performance;
  - (f) to note the specific risks associated with this contract, in particular, the risks and potential consequences of not continuing to test 100% of properties annually; and
  - (g) to note that in order to move away from accepting unrealistically low tenders, and consequently encountering financial claims and disputes, the Council will likely see a rise in the cost of accepted tender sums.

**The Committee resolved:-**

- (i) to approve the recommendations;
- (ii) that officers provide information to Councillor Reynolds in relation to whether the VAT element could be claimed back on subsistence for accommodation/meals; and
- (iii) that an update report in relation to the contract be brought back to the Committee on 30 November 2017.

**MATTER OF URGENCY**

**The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency as there is a requirement to pay compensation which, if not considered at this Committee could result in the Council having to defend a Lands Tribunal Case, this increasing potential costs to the Council.**

**PROPERTY UPDATE REPORT - CHI/16/266**

**10.** The Committee had before it a report by the Director of Communities, Housing and Infrastructure which provided an update on issues affecting the Council's property portfolio, in particular activities in relation to properties which have been declared surplus to the Council's requirements or are currently vacant or unoccupied.

**The report recommended:-**

that the Committee –

- (a) note the position in relation to all the vacant and surplus assets, as identified in Appendices A, B and C of this Report;
- (b) note the concluded Leases of properties held on the Tenanted Non Residential Portfolio (TNRP) since the Finance, Policy and Resources Committee on 7 June 2016:-

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| <b>Address</b>                      | <b>Rent</b>     |
|-------------------------------------|-----------------|
| Unit 44 Howemoss Ave, Dyce          | £14,100         |
| Unit 46 Howemoss Ave, Dyce          | £14,200         |
| 11/13 Belmont Street                | £14,000         |
| Office 10, Aberdeen Business Centre | £4,800          |
| 424 George Street, Advert site      | £2,000          |
| Unit 18 Woodlands Drive, Dyce       | £28,000         |
| Unit 40 Howemoss Ave, Dyce          | £14,000         |
| 101 Kepplehills Road                | £10,500         |
| <b>Total</b>                        | <b>£101,600</b> |

- (c) note the concluded sales for the following properties since the Finance, Policy and Resources Committee of 20 September 2016:-
- Former Toilets Victoria Street, Dyce - £101,234
  - Ground lease, Poynerook Road - £75,000
- Total - £176,234;
- (d) declare surplus to requirements the McClymont Hall, with the future use of the asset assessed in line with the Council's Surplus Asset procedure;
- (e) approve the payment of £906,000 to Sanctuary Housing Association in full and final settlement of all claims arising from "The Aberdeen City Council Access from the North Proposals (Third Don Crossing) Compulsory Purchase Order 2010;
- (f) note the current position regarding the Gospel Hall, New Pier Road, Footdee;
- (g) note the current position regarding the Wallace Tower, Tillydrone Road;
- (h) note the current position regarding the ongoing negotiations regarding the future of the former Bon Accord Baths;
- (i) note the current position regarding the ongoing negotiations regarding the potential lease of the Ferryhill Engine shed;
- (j) note the current position regarding the HMT roof repairs; and
- (k) note the current progress regarding the negotiations regarding the amendments to the Bon Accord and St Nicholas Centre leases.

**The Committee resolved:-**

- (i) to approve the recommendations; and
- (ii) that officers provide further information to Councillor Allan in relation to Torry Academy Lodge.

**THOMAS GLOVER HOUSE - APPENDICES**

11. The Committee had before it an appendix relating to the Thomas Glover House report referred to at article 6 of this minute.

**The Committee resolved:-**

to note the appendix.

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**PURCHASE OF GROUND, WELLINGTON ROAD - CHI/16/281**

**12.** The Committee had before it a report by the Director of Communities, Housing and Infrastructure which provided information on the outcome of the negotiations in relation to the purchase of ground to Wellington Road to allow future road widening proposals.

**The report recommended:-**

that the Committee –

- (a) approve the recommendation that the ground detailed within the report is purchased for £230,000; and
- (b) agree that the Head of Legal and Democratic Services is instructed to conclude the purchase of the ground incorporating appropriate clauses to protect the Council's interest.

The Convener, seconded by the Vice Convener moved:-

that the Committee –

- (1) note the content of the report and agree to instruct officers to confirm to the Scottish Government that the Council no longer wishes to proceed with the purchase of this land at a £230,000 valuation but would consider purchasing the land for £1 as an act of goodwill given our £75m contribution towards the AWPR; and
- (2) instruct officers to report back to the Committee on the Scottish Government's response to the request.

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

that the Committee approve the recommendations contained within the report.

On a division, there voted:- for the motion (11) – the Convener, the Vice Convener and Councillors Allan, Graham, Greig, Ironside, Laing, Malik, Reynolds, Taylor and Yuill; for the amendment (6) – Councillors Cameron, Dickson, Jackie Dunbar, Flynn, Nicoll and Townson.

**The Committee resolved:-**

to adopt the motion.

**MATTER OF URGENCY**

The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency as the report deals with a number of risks to the Council which it is hoped will be transferred. All of these issues have a lengthy lead-in and as such it is imperative that detailed discussions can commence in late 2016 to best manage the risks.

**PROPOSED SALE - SITE 16 LANG STRACHT - CHI/16/260**

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**13.** The Committee had before it a report by the Director of Communities, Housing and Infrastructure which provided information on the future of a site at Lang Stracht and advised on a conditional offer received for the site, examining the risks around accepting such an offer.

**The report recommended:-**

that the Committee –

- (a) accept the offer in principle for the site and instruct the Head of Land and Property Assets to confirm the detailed terms of the offer, providing this committee with an progress report in relation to these issues on a regular basis.
- (b) instruct the Head of Legal and Democratic service to conclude a legal agreement to allow the project to proceed incorporating terms as necessary to protect the councils interest.

**The Committee resolved:-**

to approve the recommendations.

**MATTER OF URGENCY**

The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency as Cove Rangers FC are in the process of starting work on their new pitch and stadium early in 2017 and the agreement is needed to ensure that the Council have the secured access in place for Lochside Academy.

**LOCHSIDE ACADEMY - PE FACILITIES - ECS/16/082**

**14.** The Committee had before it a report by the Director of Education and Children's Services which sought approval to enter into agreement with Cove Rangers FC to secure access rights to their new stadium site adjacent to Lochside Academy.

**The report recommended:-**

that the Committee –

- (a) agree that the Head of Finance, the Head of Land and Property Assets and Head of Legal and Democratic Services enter into, and complete negotiations on the terms for access rights to the proposed stadium; and
- (b) otherwise note the content of the report.

**The Committee resolved:-**

to approve the recommendations.

**MATTER OF URGENCY**

The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following

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**item be considered as a matter of urgency as the subject property is currently vacant in part and has significant holding costs. It is a condition of the funding that the Council are able to make a decision in March 2017. This required the work to be instructed in early December 2016.**

**PROPOSED FEASIBILITY FUNDING - 87 - 93 UNION STREET AND 1-6 MARKET STREET - CHI/16/306**

**15.** The Committee had before it a report by the Director of Communities, Housing and Infrastructure which (a) outlined discussion between Council officers and the owners of the property Rockspring Hanover Property Unit Trust (Rockspring); (b) described redevelopment options and introduced an opportunity for the Council to participate in a regeneration of the site; and (c) sought approval to jointly commission a feasibility study for the site to look at options to create the best development opportunity.

**The report recommended:-**

that the Committee –

- (a) carry out a detailed feasibility study for the site in collaboration with Rockspring to look at options to create the best development opportunity; and
- (b) agree a contribution towards the expenditure required for the detailed feasibility study for the site on the terms outlined in paragraph 3 of the report, reporting back to this Committee in February 2017.

**The Committee resolved:-**

- (i) to approve recommendation (a) above;
- (ii) to approve a £50,000 contribution towards the expenditure required for the detailed feasibility study for the site reporting back to this Committee in February 2017; and
- (iii) that officers circulate information to the Committee in relation to the value of Rockspring.

**HUMAN CAPITAL MANAGEMENT - CG/16/128**

**16.** The Committee had before it a report by the Interim Director of Corporate Governance which sought approval to undertake a procurement exercise to implement a new Human Capital Management system, which would supersede several existing systems including the current HR and Payroll system known as PSe which is approaching its end of life and is no longer fit for purpose.

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**The report recommended:-**

that the Committee –

- (a) instruct officers of the Head of IT and Transformation and Head of Commercial and Procurement Services to undertake a compliant procurement exercise for a Human Capital Management system; and
- (ii) thereafter to approve the capital spend of £800k for the purchase of a Human Capital Management system from the successful bidder.

**The Committee resolved:-**

to approve recommendation.

**PROCUREMENT - APPOINTMENT OF CONTRACTOR OR CONTRACTORS FOR THE REPAIR & REFURBISHMENT OF TRNP INDUSTRIAL PROPERTY AT MINTO DRIVE, ALTENS INDUSTRIAL ESTATE, ABERDEEN - CHI/16/238**

17. The Committee had before it a report by the Director of Communities, Housing and Infrastructure which sought approval for the Head of Land and Property Assets to instruct the Council's retained Property Consultants, Messrs J & E Shepherd, to undertake a tender process for the procurement and thereafter award a building works contract(s) all as necessary to undertake repair and refurbishment works for TNRP industrial property situated at Minto Drive, Altens, Aberdeen.

**The report recommended:-**

that the Committee –

- (a) delegate authority to the Head of Land and Property Assets to instruct the Council's retained Property Consultants Messrs J & E Shepherd to undertake a tender process for the procurement and thereafter award of a building works contract/s all as necessary to undertake repair and refurbishment works to the TNRP industrial property situated at Minto Drive, Altens, Aberdeen;
- (b) delegate authority to the Head of Land and Property Assets to conclude a contract, in consultation with the Head of legal and Democratic Services, with the successful tender bidder(s) for the purpose of the works; and
- (c) approve the total estimated expenditure for the works to be undertaken, as detailed in the report.

**The Committee resolved:-**

to approve recommendations.

**LEGAL CASE MANAGEMENT SYSTEM - CG/16/123**

18. The Committee had before it a report by the Interim Director of Corporate Governance which sought approval to issue a tender and award a contract for the supply of a Legal Case Management System together with the approval of the total estimated expenditure.

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**The report recommended:-**

that the Committee –

- (a) delegate authority to the Head of Legal and Democratic Services, following consultation with the Head of Commercial Procurement Services to carry out a procurement exercise for a Legal Case Management System and award a contract which complies with the requirements of the Council's Digital Transformation Programme;
- (b) approve the utilisation of the Gov.UK Digital Market Place (G Cloud) as the most efficient tendering process for the system required in order to achieve the timescales required; and
- (c) approve the estimated expenditure for this procurement detailed within Section 3 (Financial Implications).

**The Committee resolved:-**

to approve recommendations.

**PROCUREMENT OF WORKFORCE MANAGEMENT SOFTWARE - CG/16/096**

19. The Committee were advised that this item had been withdrawn.

**MATTER OF URGENCY**

The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency as urgent committee approval is required so partner planning can commence, and also due to procurement requirements, the programme of events needs to be agreed so the tendering process can commence for event services in 2017.

**DECLARATIONS OF INTEREST**

Councillor Laing declared an interest in relation to the following item of business by virtue of her position as a Council appointed member of Aberdeen Inspired Board. Councillor Laing considered that the nature of her interest required her to leave the meeting and she took no part in the Committee's deliberations thereon. Councillor Cooney substituted for Councillor Laing for this item.

**EVENTS STRATEGY PLAN - OCE/16/040**

20. The Committee had before it a report by the Chief Executive which provided information on the Aberdeen 365 Events Strategy and sought approval for the 2017-18 City Events Programme.

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**The report recommended:-**

that the Committee –

- (a) approve the Events Strategy detailed in Appendix 1, to allow officers to develop an operational plan and budget to implement it;
- (b) Instruct officers to report to the February Finance, Policy & Resources Committee with a recommended operational plan and budget to implement the Strategy;
- (c) agree the appraisal criteria detailed within this report to inform which events Aberdeen should target;
- (d) applying these, delegate authority to officers with the Head of Legal & Democratic Services and the Head of Finance to negotiate the delivery of a three-year programme of events with SweetSpot and EventScotland to host [an annual] Tour Series Event in Aberdeen; and to develop plans for the Nuart Festival;
- (e) approve the events programme for 2017 – 2018 as detailed in Appendix 2;
- (f) Approve expenditure of £530,000 from the existing Communications & Promotion budget subject to the Council's budgetary process, to be funded as follows:-
  - (1) from the events budget - approximately £140,000 for Security Services per annum for three years with the option to extend for a further year on the 3rd and 4th anniversary of the commencement of the contract ,
  - (2) from the Beach Ballroom budget - £20,000 for Security Services per annum for three years with the option to extend for a further year on the 3rd and 4th anniversary of the commencement of the contract ; and
  - (3) from the events budgets already detailed within Appendix 2 of this report - approximately £110,000 for Production Services per annum for three years with the option to extend for a further year on the 3rd and 4th anniversary of the commencement of the contract .
  - (4) from the existing approved events budgets to meet costs associated with additional events previously approved by committee - additional contractual stewarding spend of £30,000 for the remainder of 2016-17;
- (g) approve the undertaking of competitive tendering exercises via Public Contracts Scotland for both Production Services and Security Services related to the safe organisation and delivery of events in Aberdeen; and
- (h) approve aggregate expenditure of £73,039.51, increased from £55,000 on event security services from Showsec for 2016/17.

**The Committee resolved:-**

- (i) to approve the recommendations contained within the report;
- (ii) to agree that if the Council and its partners within the City of Aberdeen are to undertake a compelling and sustainable events strategy which supports the Regional Economic Strategy and the City Centre Masterplan, Aberdeen City Council cannot deliver this alone;
- (iii) to note the decision taken by Council unanimously in August 2016 regarding additional powers for Local Government and notes that one way to help contribute for a compelling events strategy is for a tourism levy to be introduced and instructs officers to report back with an analysis of the costs and benefits of a tourism levy; and

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- (iv) to agree that as part of the events strategy Council officers fully explore the feasibility of bringing the Tall Ships back to Aberdeen.

**- COUNCILLOR YOUNG, Convener**