

## **FINANCE, POLICY AND RESOURCES COMMITTEE**

ABERDEEN, 29 June 2017. Minute of Meeting of the FINANCE, POLICY AND RESOURCES COMMITTEE. Present:- Councillor Lumsden, Convener; Councillor Graham, Vice-Convener; and Councillors Allard, Bell (as substitute for Councillor Reynolds), Copland (as substitute for Councillor Cameron from the start to article 15), Delaney (as substitute for Councillor Yuill from start until article 20), Donnelly (from start to article 10), Jackie Dunbar, Flynn, Houghton, Hutchison (as substitute for Councillor Cameron from article 16 onwards), John, Laing, Macdonald, Catriona MacKenzie, Nicoll, Sellar, Townson and Wheeler (as substitute for Councillor Donnelly from article 11 onwards).

**The agenda and reports associated with this minute can be found at:-**  
<https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MId=5755&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, on behalf of the Committee congratulated the Council's Finance Team who had recently received the United Kingdom Local Government sector Innovation in Finance award at the MJ Awards.

### **DETERMINATION OF EXEMPT BUSINESS**

2. The Committee was requested to determine that the following items of business be considered as matters of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973:-

- Item 9.4 – Erasmus+ Key Action 1 School Education – Staff Mobility Project;
- Item 9.5 – Non-Domestic Rates Relief Options; and
- Item 10.11 – Site 16 Lang Stracht – Demolition of Buildings.

In relation to Item 9.5, Non-Domestic Rates Relief Options, Councillor Nicoll expressed his concern regarding the explanation provided within the late docquet, which in his opinion, did not correspond with the content of the report which was submitted to the Committee.

#### **The Committee resolved:-**

to accept the above items as matters of urgency.

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### DETERMINATION OF EXEMPT BUSINESS

3. The Convener proposed that the Committee consider items 10.1 (Condition and Suitability Programme – Approved Changes Appendix), 10.2 (Scotland Excel Framework Agreement for Outdoor Play Equipment and Safer Surfaces), 10.3 (Joint Venture Proposal with Hunchbuzz Ltd), 10.4 (Union Terrace Gardens – Contract Extension to Undertake Detailed Site Investigation), 10.5 (Berryden Corridor – Procurement and Expenditure Authority), 10.6 (Station House Community Centre – Update, Contract Additions and Lease Terms), 10.7 (Property Sales), 10.8 (Gospel Hall, New Pier Road, Footdee – Proposed Community Asset Transfer) and 10.11 (Site 16 Lang Stracht – Demolition of Buildings) with the press and public excluded.

Councillor Nicoll, seconded by Councillor Jackie Dunbar moved as a procedural motion:-

that the exempt information contained in the following items be redacted so that the reports can be considered in the public domain:- Items 10.2 (Scotland Excel Framework Agreement for Outdoor Play Equipment and Safer Surfaces), 10.4 (Union Terrace Gardens – Contract Extension to Undertake Detailed Site Investigation), and 10.8 (Gospel Hall, New Pier Road, Footdee – Proposed Community Asset Transfer).

In relation to Item 10.2 (Scotland Excel Framework Agreement for Outdoor Play Equipment and Safer Surfaces) -

On a division, there voted:- for the procedural motion (8) – Councillors Allard, Copland, Delaney, Jackie Dunbar, Flynn, Catriona MacKenzie, Nicoll and Townson; against the procedural motion (9) – the Convener, the Vice Convener and Councillors Bell, Donnelly, Houghton, John, Laing, Macdonald and Sellar.

In relation to Item 10.4 (Union Terrace Gardens – Contract Extension to Undertake Detailed Site Investigation) -

On a division, there voted:- for the procedural motion (8) – Councillors Allard, Copland, Delaney, Jackie Dunbar, Flynn, Catriona MacKenzie, Nicoll and Townson; against the procedural motion (9) – the Convener, the Vice Convener and Councillors Bell, Donnelly, Houghton, John, Laing, Macdonald and Sellar.

In relation to Item 10.8 (Gospel Hall, New Pier Road, Footdee – Proposed Community Asset Transfer) -

On a division, there voted:- for the procedural motion (8) – Councillors Allard, Copland, Delaney, Jackie Dunbar, Flynn, Catriona MacKenzie, Nicoll and Townson; against the procedural motion (9) – the Convener, the Vice Convener and Councillors Bell, Donnelly, Houghton, John, Laing, Macdonald and Sellar.

#### **The Committee resolved:-**

- (i) not to adopt the procedural motion, therefore in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting for items 10.2, 10.4 and 10.8 so as to avoid disclosure of information of

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- the classes described in the following paragraphs of Schedule 7(A) to the Act:- articles 22 and 24 (paragraph 8) and article 28 (paragraphs 6 and 9); and
- (ii) in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting from item 10.1 of the agenda (article 21 of this minute onwards) so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act:- articles 21 and 25 (paragraph 8), article 23 (paragraphs 8 and 9) and articles 26, 27 and 30 (paragraphs 6 and 9).

### DECLARATIONS OF INTEREST

4. Members were requested to intimate any declarations of interest in respect of the items on today's agenda, thereafter, the following declarations of interest were intimated:-

- (1) the Convener declared an interest in relation to item 9.2 (NHS Grampian Continuous Service) by virtue of his position as a Council appointed Director to the Board of NHS Grampian but chose to remain in the meeting as NHS Grampian was a devolved public body as defined in Schedule 3 to the Act, as set out in paragraph 5.18(2)(a) of the Councillors' Code of Conduct; and
- (2) Councillor Donnelly declared an interest in relation to 9.2 (NHS Grampian Continuous Service) by virtue of his position as a Council appointed member of the Aberdeen City Health and Social Care Partnership, Councillor Donnelly considered that the nature of his interest did not require him to leave the meeting.

### MINUTE OF PREVIOUS MEETING OF 9 MARCH 2017

5. The Committee had before it the minute of its previous meeting of 9 March 2017, for approval.

**The Committee resolved:-**

to approve the minute as a correct record.

### COMMITTEE BUSINESS STATEMENT

6. The Committee had before it a statement of pending and outstanding committee business as prepared by the Head of Legal and Democratic Services.

The Convener, seconded by the Vice Convener moved:-

that in relation to item 17 (Purchase of Ground at Wellington Road), that the Committee consider a report at the next meeting on 20 September 2017.

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Councillor Nicoll, seconded by Councillor Catriona MacKenzie moved as an amendment:-

that the Committee:-

- (1) notes the Committee's decision of 7 December 2016;
- (2) notes the £8 Million investment by the Scottish Government in the £21 Million development by Sanctuary Scotland to provide 124 homes for key workers at the Craiginches site, the £430,000 developer obligations committed to local community assets and that the purchase price was previously established by an independent valuation process;
- (3) notes the response from the Scottish Government to the purchase negotiations to date; and
- (4) instructs officers to take the appropriate steps to purchase the land at the independent valuation of £230,000 as previously budgeted in the strategic land acquisitions budget.

On a division, there voted:- for the motion (9) – the Convener, the Vice Convener and Councillors Bell, Donnelly, Houghton, John, Laing, Macdonald and Sellar; for the amendment (8) - Councillors Allard, Copland, Delaney, Jackie Dunbar, Flynn, Catriona MacKenzie, Nicoll and Townson.

**The Committee resolved:-**

- (i) to adopt the motion, and therefore receive a report at the next meeting in relation to item 17 (Purchase of Ground at Wellington Road);
- (ii) in relation to item 10 (Art Gallery Redevelopment Fundraising), officers were requested to circulate additional details to the Committee in terms of the timescales for fundraising;
- (iii) in relation to item 14 (Review of Bookings and Lettings Procedures in Schools and Learning Centres), officers were requested to circulate details of when a report would be submitted to the Committee;
- (iv) in relation to item 15 (City Centre Living Study), officers were requested to circulate details on the progress of the study to all members of the Committee by 7<sup>th</sup> July 2017;
- (v) in relation to item 20(3) (Towards a Fairer Aberdeen that Prospers for all 2017-2020), officers were requested to circulate details of when the report was to be submitted to Committee regarding ongoing engagement with individuals and groups who were experiencing poverty;
- (vi) in relation to item 21 (Enforcement within the Private Rented Housing Sector), officers were requested to circulate to members of the Committee a progress update in this regard; and
- (vii) to otherwise note the updates provided within the statement.

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## MOTIONS LIST

7. The Committee had before it the Motions List as prepared by the Head of Legal and democratic Services.

**The Committee resolved:-**

- (i) to remove motion 2 (Reducing the Level of Agency Usage) by previous Councillor Young from the Motions List; and
- (ii) to otherwise note the Motions List.

## REPORT TRACKER

8. The Committee had before it a tracker of future committee business.

**The Committee resolved:-**

to note the information contained in the committee report tracker.

## APPOINTMENT OF MEMBERS TO SUB-COMMITTEES AND WORKING GROUPS - CG/17/070

9. The Committee had before it a report by the Head of Legal and Democratic Services which sought the re-establishment of and appointment to sub committees, working groups and a project board under the Committee's remit.

**The report recommended:-**

that the Committee –

- (a) note the compositions for the sub committees and working groups detailed at section 3.2 of the report as approved by Council on 17 May 2017;
- (b) agree to re-establish and appoint members to the sub-committee and working groups listed at section 3.1 of the report in accordance with the agreed compositions; and
- (c) agree to appoint two members from the Committee (one from the administration and one from the opposition) to the Union Street Conservation Area Regeneration Scheme Project Board as detailed at section 3.8 of the report.

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**The Committee resolved:-**

- (i) to approve recommendation (a);
- (ii) to agree to re-establish and appoint members to the sub-committee and working groups with the exception of the Aberdeen Winter Festival Group as follows:-

Sub Committee / Working Group	Members
Business Rates Appeals Sub Committee	Councillor Cooke Councillor Graham Councillor Yuill Con TBC Councillor Reynolds Subs:- Councillor Nicoll Con TBC LibDem TBC Councillor Laing Councillor Boulton
Electoral Boundaries Working Group	Councillor Flynn Councillor Hutchison Councillor Donnelly Councillor Sellar Councillor MacDonald Councillor Yuill Councillor Reynolds
Governance Reference Group	Councillor Flynn Councillor Jackie Dunbar Councillor Lumsden Councillor Wheeler Councillor Laing Councillor Yuill Councillor Reynolds
Local Government Employees Joint Consultative Committee	Councillor Flynn Councillor Jackie Dunbar Councillor Nicoll Councillor Donnelly Councillor John Councillor Sellar Councillor MacDonald Councillor Yuill Councillor Reynolds

; and

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- (iii) to agree to appoint Councillors Boulton and Hutchison to the Union Street Conservation Area Regeneration Scheme Project Board as detailed at section 3.8 of the report.

**2016-17 FINANCIAL MONITORING - CORPORATE GOVERNANCE - CG/17/056**

**10.** The Committee had before it a report by the Head of Finance which outlined the revenue and capital budget's financial performance for the year to 31 March 2017 for the services within Corporate Governance.

**The report recommended:-**

that the Committee note the financial performance of Corporate Governance in the year to 31 March 2017.

**The Committee resolved:-**

- (i) to approve the recommendation; and
- (ii) that officers provide information to Councillor Allard in relation to the reasons why Health and Safety Training Programme for Managers was not required.

**DECLARATION OF INTEREST**

**Councillor Donnelly declared an interest in relation to the following item of business by virtue of him being a member of the AECC Board. He considered that the nature of his interest required him to leave the meeting and he took no part in the Committee's deliberations thereon. Councillor Wheeler substituted for Councillor Donnelly.**

**COUNCIL YEAR END MONITORING 2016/17 - CG/17/065**

**11.** The Committee had before it a report by the Head of Finance which (1) outlined the financial position of the Council for the financial year 2016/17 and its impact on the Council's balance sheet for the Council's General Fund and Housing Revenue Account; (2) outlined the financial position of the Common Good Fund for the financial year 2016/17 and its impact on its balance sheet; and (3) provided information on future financial reporting, faster closedown and production of the annual accounts and a change to the Council's group structure.

**The report recommended:-**

that the Committee –

- (a) note the current final outturn position for the various Council accounts for the financial year 2016/17;
- (b) note the various transfers, as included in the unaudited Annual Accounts for 2016/17, between Council accounts and earmarked sums for the General Fund,

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Common Good and Housing Revenue Account as at 31 March 2017 as shown in Appendix B of the report;

- (c) note the working balances of the General Fund, Housing Revenue Account and Common Good, as included in the unaudited Annual Accounts for 2016/17;
- (d) approve that in accordance with the relevant strategies to maintain revenue balances, the Council's objective of retaining recommended levels of uncommitted balances has been achieved;
- (e) note that the unaudited Annual Accounts for 2016/17 were presented to the Audit, Risk & Scrutiny Committee, along with the Annual Governance Statement and Remuneration Report, at its meeting on 27 June 2017;
- (f) approve the dates for future Finance, Policy and Resources Committees as specified in Paragraph 3.8 of the report;
- (g) approve the procurement of, and expenditure for the purchase of a system to enhance the efficiency of the production of the Council's annual accounts as specified in Paragraph 3.9 of the report; and
- (h) note that, following the appointment of SMG Europe as operator of Aberdeen Exhibition and Conference Centre from 1 April 2017, AECC Ltd, a wholly owned subsidiary of the Council becomes dormant as detailed in paragraph 3.34 of the report and delegate authority to the Head of Finance following consultation with the Head of Legal and Democratic Services to make all necessary arrangements in conjunction with the Board of AECC Ltd to wind up the company.

The Convener, seconded by the Vice Convener moved:-  
that the Committee –

- (1) agree recommendations (a) to (e) and (g);
- (2) agree recommendation (f) except for the 27 July 2017 date, with that date to be amended to a suitable date in August 2017 if required, having taken account of the summer recess; and
- (3) agree that the Council will take all actions necessary to ensure the continuing solvency of AECC Ltd until such time as it has been wound up, including guaranteeing to meet all creditors falling legally due and by confirming that it will not seek the repayment of any share capital.

Councillor Nicoll, seconded by Councillor Jackie Dunbar moved as an amendment:-  
that the Committee –

- (1) agree recommendations (a) to (e) and (g);
- (2) agree recommendation (f) except for the 27 July 2017 date, with that date to be amended to a suitable date in August 2017 if required, having taken account of the summer recess;
- (3) agree that the Council will take all actions necessary to ensure the continuing solvency of AECC Ltd until such time as it has been wound up, including guaranteeing to meet all creditors falling legally due and by confirming that it will not seek the repayment of any share capital;
- (4) note the recent funding agreement between the Conservative led Westminster Government and the Democratic Unionist Party of Northern Ireland that will secure an additional £1Billion of funding towards the Northern Ireland economy over the next two years and the potential



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- impact on the Westminster Government's austerity policy for the remainder of Scotland, England and Wales;
- (5) note the already high levels of funding received by the Northern Ireland executive;
  - (6) note that if the Westminster Government implemented the Barnett Formula Consequentials the total benefit to the Scottish economy could amount to £2.9 Billion and for the City of Aberdeen could amount to £112 Million over the period;
  - (7) note the comments of the Scottish Secretary David Mundell MP that he would not support funding which "deliberately sought to subvert the Barnett rules" and that he would block any "back door funding" for Northern Ireland if it meant other devolved nations missing out; and
  - (8) instruct the Chief Executive to write to the Scottish Secretary and local Members of Parliament expressing its disappointment at the agreement and seeking they condemn the actions of the Westminster Tory Government and seek their support to ensure similar funding would be secured that would relieve the Tory austerity being imposed on the remainder of Scotland, England and Wales.

On a division, there voted:- for the motion (9) – the Convener, the Vice Convener and Councillors Bell, Houghton, John, Laing, Macdonald, Sellar and Wheeler; for the amendment (8) – Councillors Allard, Copland, Delaney, Jackie Dunbar, Flynn, Catriona MacKenzie, Nicoll and Townson.

**The Committee resolved:-**  
to adopt the motion.

**2016-17 COMMON GOOD FUND - MONITORING REPORT UPDATE - CG/17/058**

**12.** The Committee had before it a report by the Head of Finance which provided details of the income and expenditure position of the Common Good Fund for the year ended 31 March 2017 and the cash balances as at 31 March 2017.

**The report recommended:-**  
that the Committee –

- (a) note the income and expenditure position for the year ended 31 March 2017;
- (b) note the cash balances as at 31 March 2017 of £17.36m, which is within the recommended levels indicated by the Head of Finance; and
- (c) agree to carry forward £280k of the 2016/17 budget underspends in earmarked reserves to allow the completion of park and property maintenance and development projects in future years.

**The Committee resolved:-**  
to approve the recommendations.

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**SMALL FINANCIAL ASSISTANCE GRANTS AND GALA FUNDING 2017/18 - CG/17/057**

**13.** The Committee had before it a report by the Head of Finance which presented recent application(s) for financial assistance and/or community gala grants.

**The report recommended:-**

that the Committee consider the application received and agree that no grant be awarded to Heathryburn PTA for their PTA Summer Fayre.

**The Committee resolved:-**

to approve the recommendation.

**TREASURY MANAGEMENT POLICY AND STRATEGY - CG/17/047**

**14.** The Committee had before it a report by the Head of Finance which provided an update on Treasury Management activities undertaken during financial year 2016/17.

**The report recommended:-**

that the Committee –

- (a) consider and note the Treasury Management activities undertaken in the 2016/17 financial year as detailed in this report; and
- (b) refer this report to Council with a recommendation to note the Treasury Management activities undertaken in the 2016/17 financial year.

**The Committee resolved:-**

to approve the recommendation.

**At this juncture, the Committee were advised that in terms of Standing order 37.2 (Length of Meetings), a meeting will last no longer than four hours. The Committee agreed unanimously to suspend standing order 37.2 and continue with the meeting.**

**CORPORATE GOVERNANCE AND OFFICE OF CHIEF EXECUTIVE SERVICE IMPROVEMENT PLANS 2017/2018 - CG/17/064**

**15.** The Committee had before it a report by the Head of Finance which outlined the Service Improvement Plans for Corporate Governance and the Office of Chief Executive for 2017-2018.

**The report recommended:-**

that the Committee note the content of the Service Improvement Plans for 2017-2018.

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**The Committee resolved:-**

- (i) to approve the recommendation;
- (ii) to note the decision of Council on 2 March 2016, which stated;  
“Council notes the Conservative Government is proposing a Trade Union Bill that will restrict the ability of this Council to engage in good industrial relations practices with our workforce and their representatives.

Council believes the collection of union dues through the check-off arrangement, from which the Council receives income, is part of the Council’s collective and contractual arrangements with the trades unions, which the Council will defend and support.

Council commits not to use agency staff to break or weaken industrial action and to continue to support arrangements that afford trade union representatives sufficient resources to enable them to carry out their functions to ensure the continuation of good industrial relations.

Council instructs the Chief Executive to write to the Secretary of State for Business, Innovation and Skills stating the Council’s opposition to this Bill, any attacks on facility time or check off and to demand that the income which will be lost to the Council, should this draconian Bill be passed, is reimbursed.”

- (iii) to note the critical issues highlighted in the HR and Customer Service, Service Plan, Appendix 2, PESTLE analysis that will influence the plan together with the significance and potential impact on employment legislation of the Trade Union Act 2016 and its impact on industrial relations with employee representative bodies; and
- (iv) to reaffirm the opposition of elected members to this legislation.

**CONDITION AND SUITABILITY PROGRAMME - APPROVED CHANGES - CHI/17/145**

**16.** The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided details of the changes made to the three year Condition and Suitability Programme.

**The report recommended:-**

that the Committee note the changes made to the Condition and Suitability Programme.

**The Committee resolved:-**

to approve the recommendation.

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**NHS GRAMPIAN CONTINUOUS SERVICE - CG/17/055**

**17.** The Committee had before it a report by the Head of Finance which sought approval for all new appointments, the Council will recognise continuous service accrued with NHS Grampian for the purposes of calculating entitlement to occupational sick pay, maternity, adoption and paternity pay, shared paternal leave/pay and annual leave.

**The report recommended:-**

that the Committee approve the proposal that for all new appointments, the Council recognises continuous service accrued with NHS Grampian for the purposes of calculating entitlement to occupational sick pay, maternity, adoption and paternity pay, shared paternal leave /pay and annual leave only.

**The Committee resolved:-**

- (i) to approve the recommendation; and
- (ii) that officers be instructed to contact NHS Grampian advising them of the decision of the Committee and to agree a reciprocal arrangement whereby should the Council or NHS Grampian no longer wish to continue with this undertaking that each party lets the other know by way of formal written notification.

**TILLYDRONE COMMUNITY HUB UPDATE - CHI/17/150**

**18.** The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on (1) proposals for the development of the new community hub in Tillydrone and sought approval for a construction tendering exercise to take place; and (2) the bid to the Scottish Government Regeneration Capital Grant Fund.

**The report recommended:-**

that the Committee –

- (a) delegate authority to the Head of Communities & Housing, following consultation with the Head of Commercial and Procurement Services, to undertake a tender process for the procurement or competitive quotes procedures (as appropriate) in accordance with the Council's Procurement Regulations, and the awarding of contracts that follow thereon, all in relation to the construction of the Tillydrone Community Hub;
- (b) delegate authority to the Head of Commercial and Procurement Services, to conclude contracts with the successful bidder(s) in respect of recommendation (a);
- (c) approve the total aggregated estimated expenditure of £6million on the construction project as detailed in this report.
- (d) Note the gross funding for the project identified in the body of the report.

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**The Committee resolved:-**

to approve the recommendations contained within the report, subject to adding 'following consultation with the Convener and Vice-Convener of the Committee' at recommendation (a).

**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 National UK Agency has informed the Council that the signed copies of the agreement must be returned to them within 30 days from the date of communication on 8 June 2017. If not returned by this deadline, their offer of a grant may be withdrawn.

**ERASMUS+ KEY ACTION 1 SCHOOL EDUCATION - STAFF MOBILITY PROJECT - ECS/17/038**

19. The Committee had before it a report by the Director of Education and Children's Services which sought approval for the Council to accept a European grant for an Erasmus+ Key Action 1 School Education Staff Mobility project entitled 'Developing Modern Languages Opportunities for Aberdeen City Council Primary Teachers' and to spend the grant as detailed in the report.

**The report recommended:-**

that the Committee –

- (a) delegate authority to the Head of Legal and Democratic Services to accept a grant from the UK National Agency, British Council and enter into a Grant Agreement for the Erasmus+ Key Action 1 School Education Staff Mobility Project grant funding of €91,980 (c. £80 410); and
- (b) approve expenditure of the grant funding by the Council for participation by primary school teachers in a French immersion course.

**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 an urgent response is required to a number of queries from local business requesting information on the outcome of the correspondence with the Scottish Government and the introduction of a local scheme.

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**NON-DOMESTIC RATES RELIEF OPTIONS - CHI/17/157**

**20.** With reference to article 20 of the minute of the previous meeting of 9 March 2017, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on the response of the Scottish Government to the Chief Executive's written request calling upon the Scottish Government to further use its legislative powers to introduce a rate relief scheme which would ensure that all businesses located within Aberdeen are paying business rates no higher than their current levels.

**The report recommended:-**

that the Committee note the letter from the Chief Executive and the response contained within the appendices to this report.

The Convener advised the Committee to note the impact of financing a Non Domestic Rates Local Transitional Scheme with respect to the Council's expenditure and income and the interests of persons liable to pay council tax set by the Council, as evidenced in terms of the funding required to implement the Scheme which funding he confirmed, was outlined in terms of his amendments (see below) to the recommendation.

**The Committee resolved:-**

- (i) to approve the recommendation;
- (ii) to note the scheme introduced by the Scottish Government regulations under section 153(3) of the Local Government etc. (Scotland) Act 1994 provides Aberdeen Businesses with business rate relief of £7.5m. Instructs the Chief Executive to write to the Cabinet Secretary asking him (1) to confirm his acceptance to allow Aberdeen City Council to receive any remaining balance of the £7.5m allocated by the Scottish Government for business Rates Relief taking into account current uptake in the scheme, and (2) to make reasonable effort to encourage take up of said business rate relief scheme;
- (iii) to note the Scottish Government set up the Barclay review group to make recommendations that seek to enhance and reform the business rates system in Scotland to better support business growth and long term investment and reflect changing marketplaces which is due to report to Ministers in July 2017 and to instruct the Chief Executive to bring forward that report once published thereafter to the first available Finance Policy and Resources Committee;
- (iv) to note that as part of the 2017/18 budget a sum of £3.1 million was set aside for a local non domestic rates relief scheme - That the committee notes that this sum was set aside within contingencies pending a response from the Scottish Government. The level of contingencies currently contained within the revenue budget is £5.1 million; and
- (v) to instruct the Head of Finance to set aside up to £4.2 million within the Council's 2017/18 budget (being met from contingency), to be utilised for a non-domestic rates local transitional scheme("scheme") and to implement such a scheme that meets the criteria and terms and conditions specified below -  
The scheme would give relief for the period 01/04/2017 to 31/03/2018 on increases above 14.75% (in line with the Scottish Government increase) up to a

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maximum award per business property, as detailed below, and provided any such award complies with state aid rules, but the scheme would not apply respect of the following properties:

- (1) Properties whose RV is less than £15,000 who qualify for 100% relief;
- (2) Properties that are already eligible for relief in the existing Scottish Government Transitional Relief package introduced on 1 April 2017;
- (3) Empty unoccupied properties;
- (4) Aberdeen and Aberdeenshire Council Properties;
- (5) Other public sector properties;
- (6) Identified properties which are exempt due to other reliefs e.g. churches or those with charitable status; and
- (7) Properties that would qualify for any other relief or relief scheme.

The total level of award will be calculated as follows:-

- Any relief will only be applicable on the amount payable after applying an increase above 14.75% to the property's rateable value in 2016/17 as notified by Grampian Joint Assessors;
- Full relief on any real increase will be applied on rateable values below £60,001;
- Relief on rateable values above £60,000 will receive up to a maximum of £3,500 relief;
- All relief must be applied for by 30 September 2017 as it cannot be awarded automatically.

The Scheme will be subject to such standard terms and conditions as the Head of Finance may prescribe, following consultation with the Convener and Vice-Convener of Finance, Policy and Resources Committee.

**In accordance with the decision recorded under article 3 of this minute, the following items were considered with the press and public excluded.**

**CONDITION & SUITABILITY PROGRAMME - APPROVED CHANGES - EXEMPT APPENDIX - CHI/17/145**

**21.** The Committee had before it an appendix relating to the Condition and Suitability Programme report referred to at article 16 above.

**The Committee resolved:-**

- (i) to note the information contained within the appendix; and
- (ii) that officers circulate details to all members of the Committee in relation to visitor figures for Aberdeen Treasure Hub.

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**SCOTLAND EXCEL FRAMEWORK AGREEMENT FOR OUTDOOR PLAY EQUIPMENT AND SAFER SURFACES - CG/17/042**

**22.** The Committee had before it a report by the Head of Commercial and Procurement Services which sought approval to utilise the Scotland Excel Framework Agreement for Outdoor Play Equipment and Safer Surfaces, to conduct Call-Offs including those Call-Offs above £50,000 as long as the spend is within the estimated expenditure as detailed within the report.

**The report recommended:-**

that the Committee –

- (a) approve the undertaking of Call-Offs for Outdoor Play Equipment and Safer Surfaces, including Call-Offs above £50,000 as long as the expenditure is within the estimated expenditure as detailed in this report;
- (b) approve the estimated expenditure for the Call-Offs as detailed in the Financial Implications Section;
- (c) instruct the Head of the procuring Service to report to this committee on an annual basis with expenditure made within that year and cumulative expenditure against initial estimate (for the period of use of this iteration of the framework); and
- (d) instruct the Head of Education and Children's Services and the Director of Communities, Housing and Infrastructure to provide the necessary information on expenditure to comply with said reporting requirement.

**The Committee resolved:-**

to approve the recommendations.

**JOINT VENTURE PROPOSAL WITH HUNCHBUZZ LTD - CG/17/049**

**23.** The Committee had before it a report by the Head of IT and Transformation which sought approval to enter into a Joint Venture to develop, market and sell an education based ideas platform for use in primary, secondary and tertiary education and for associated mediums such as parent and/or teacher's groups on a world-wide basis.

**The report recommended:-**

that the Committee –

- (a) approve the formation of a Joint Venture Company between Aberdeen City Council and Hunchbuzz Limited and notes that the set up costs shall be met from the IT & Transformation Being Digital Budget (Ref: CG/16/020) under delegated authority to the Head of IT & Transformation;
- (b) note the proposed investment of £40,000 which shall be transferred to the JV company from the IT & Transformation Being Digital Budget (Ref: CG/16/020) under delegated authority to the Head of IT & Transformation;
- (c) delegate authority to the Head of IT & Transformation, following consultation with the Head of Commercial & Procurement Services, to agree terms & conditions of



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- the Joint Venture subject to legal review and to have a Proper Officer execute final documentation; and
- (d) delegate authority to the Head of Legal and Democratic Services to nominate suitable officers of the Council as directors of the Joint Venture Company.

**The Committee resolved:-**

- (i) to instruct the head of IT and Transformation to prepare a report on the IT transformation strategy for schools, highlighting how this project aligns with the overall IT strategy and timetable, reporting back to the next Finance Policy & Resources Committee on 20 September 2017; and
- (ii) that officers arrange a workshop for members to showcase the project one hour before the next meeting of the Committee on 20 September 2017.

**UNION TERRACE GARDENS- CONTRACT EXTENSION TO UNDERTAKE DETAILED SITE INVESTIGATIONS - CHI/17/151**

**24.** The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which requested authority to release the funds required from the City Centre Masterplan Programme budget for the site investigations work required for the Union Terrace Gardens project.

**The report recommended:-**

that the Committee –

- (a) approve the proposed contract extension for the appointed consultants to the Union Terrace Garden's project to include the detailed site investigation work as outlined in the report; and
- (b) authorise expenditure as outlined within the report, for the contract extension, to be funded from the City Centre Masterplan budget approved by Council in February 2017.

**The Committee resolved:-**

to approve the recommendations.

**BERRYDEN CORRIDOR - PROCUREMENT AND EXPENDITURE AUTHORITY - CHI/17/147**

**25.** The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which (1) presented the outcomes of a recent procurement governance review of the Berryden Corridor project; (2) sought approval of expenditure for future contracts; and (3) sought delegated authority to continue with and appoint new services and works contracts to allow the project to progress.

**The report recommended:-**

that the Committee –

- (a) note the contents of the report providing an update on the Project;

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- (b) delegate authority to the Head of Planning and Sustainable Development, following consultation with the Head of Commercial and Procurement Services, to procure services contracts as outlined in this report for the Berryden Corridor Project and award the relevant contracts, following a compliant procurement exercise;
- (c) delegate authority to the Head of Planning and Sustainable Development, following consultation with the Head of Commercial and Procurement Services, to procure works contracts as outlined in the report in order to undertake investigations and surveys, to enable the detailed design of the Berryden Corridor Project and award the relevant contracts, following a compliant procurement exercise;
- (d) note that the budgets for (b) and (c) are included in NHCP 806B: Berryden Corridor within the approved Non-Housing Capital Programme and that one report will be presented to a future Committee with details of all of the contracts awarded;
- (e) instruct officers to progress all necessary approvals, permissions, licenses, agreements and consents required to develop and implement the Project;
- (f) note that expenditure of up to the amount outlined in the report has been committed in support of external geometric design services; and
- (g) approve total expenditure of up to the amount outlined in the report on external legal advice necessary to progress the Project and to support the preparation of the associated Compulsory Purchase Order as approved by Council on 14 December 2016 and to note that expenditure of the amount outlined within the report has already been committed from the total sum.

**The Committee resolved:-**

to approve the recommendations, subject to adding 'following consultation with the Convener and Vice-Convener of the Committee' at recommendations (b) and (c).

**STATION HOUSE COMMUNITY CENTRE - UPDATE, CONTRACT ADDITIONS AND LEASE TERMS - CHI/17/103**

**26.** The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which (1) provided an update on the progress of the Station House Community Centre extension project; and (2) sought approval to make additions to the construction contract as additional funding was obtained by Station House Media Unit (SHMU) and approve the draft lease terms of the building.

**The report recommended:-**

that the Committee –

- (a) delegate authority to the Head of Land & Property Assets in consultation with the Head of Procurement and Commercial Shared Services to approve additions to the construction contract up to the combined value as stated within the report;
- (b) approve the outline heads of terms of a 25 year lease to SHMU of Station House Community Centre; and

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- (c) remit it to the Head of Legal & Democratic Services to formalise the lease of Station House Community Centre, incorporating other clauses and conditions as are necessary to protect the Council's interest.

**The Committee resolved:-**

to approve the recommendations.

**PROPERTY SALES - CHI/17/146**

**27.** The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which advised members of the outcomes of the marketing in relation to the following surplus properties and the offers subsequently received:-

- The Hollies, 43 Kings Gate, Aberdeen; and
- Nelson Street Pavilion and Playing Fields.

**The report recommended:-**

that the Committee –

- (a) agree that the offer submitted for The Hollies, 43 Kings Gate as outlined in the report be accepted;
- (b) agree that the offer submitted for The Nelson Street Pavilion & Playing Fields as outlined in the report be accepted; and
- (c) agree that the Head of Legal and Democratic Services be instructed to conclude missives for the sale of these properties incorporating various qualification as are necessary to protect the Council's interests.

**The Committee resolved:-**

- (i) to approve recommendation (a);
- (ii) to instruct the Head of Land and Property Assets to bring a further Report in relation to the property, Nelson Street Pavilion and Playing Fields, to the next meeting of the committee to include further analysis of the offers received, including a formal planning commentary on the site and potential uses; appropriate and deliverable on the site, the wider community benefits that could be delivered by the various offers and the likely scale of developers contributions based on the offers submitted. This should also include further commentary on the risk in delivery of each offer; and
- (iii) that the Head of Legal and Democratic Services be instructed to conclude the missives for the sale of The Hollies, 43 Kings Gate incorporating various qualifications as are necessary to protect the Council's interests.

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**GOSPEL HALL, NEW PIER ROAD, FOOTDEE - PROPOSED COMMUNITY ASSET TRANSFER - CHI/17/106**

**28.** The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which sought approval of the terms and conditions of sale of the property to Fittie Community Development Trust (FCDT) as part of a Community Asset Transfer.

**The report recommended:-**

that the Committee –

- (a) approve the sale of the property to Fittie Community Development Trust at the price outlined in the report;
- (b) remit it to the Head of Legal & Democratic Services to formally conclude the sale of the property, on terms and conditions as are necessary to protect the Council's interests;
- (c) rescind the previous decision of this Committee's meeting of 7th June, 2016 (Item 32, approved recommendation (c) in the Minutes) requiring the C.A.T. of the property to contain appropriate "clawback" provisions.
- (d) note the information in this report on the potential award of a grant from the Big Lottery Fund, to implement a development / improvement scheme, to turn the building into a Community Centre and if a grant is awarded, the potential timeline to complete the works; and
- (e) note that the process followed to date by FCDT and the recommendations of this report, whilst not formally within the legislation, are entirely consistent with the City Council's policy on Community Asset Transfers, as set at this Committee's meeting on 9th March, 2017 (see Item 30 on page 24 of the Minutes).

**The Committee resolved:-**

to approve the recommendations.

**PINEWOOD - PROGRESS REPORT - CHI/17/170**

**29.** 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 the outgoing tenant required to let a contract to fit-out their new premises in early July 2017. Without a decision on this issue, they would be unable to do this.

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**SITE 16 LANG STRACHT - DEMOLITION OF BUILDINGS - CHI/17/171**

**30.** With reference to article 13 of the minute of the minute of 7 December 2017, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure on the progress with the surrender of a lease and negotiated sale of a site held on the Council's Common Good Account.

**The report recommended:-**

that the Committee –

- (a) approve that the responsibility for implementing the demolition of the existing buildings on site be transferred from the party potentially acquiring the site to the current tenant of the site;
- (b) approve that the Council funds the full amount for the demolition works up to a maximum value of as identified in the report; and
- (c) delegate authority to the Head of Land and Property Assets to agree the conditions of the funding solution proposed at recommendation (b), subject to agreement of satisfactory terms and following consultation with the Head of Legal and Democratic Services.

**The Committee resolved:-**

to approve the recommendations.

**- COUNCILLOR DOUGLAS LUMSDEN, Convener.**

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