

Public Document Pack



To: Councillor Lumsden, Convener; Councillor Graham, Vice Convener; and Councillors Allard, Cameron, Donnelly, Jackie Dunbar, Flynn, Houghton, John, Laing, Macdonald, Catriona Mackenzie, Nicoll, Reynolds, Sellar, Townson and Yuill.

Town House,
ABERDEEN 21 June 2017

FINANCE, POLICY AND RESOURCES COMMITTEE

The Members of the **FINANCE, POLICY AND RESOURCES COMMITTEE** are requested to meet in **Council Chamber - Town House** on **THURSDAY, 29 JUNE 2017 at 2.00 pm.**

FRASER BELL
HEAD OF LEGAL AND DEMOCRATIC SERVICES

BUSINESS

DETERMINATION OF URGENT BUSINESS

- 1.1 Members are requested to determine whether any urgent business be considered

DETERMINATION OF EXEMPT BUSINESS

- 2.1 Members are requested to determine that any exempt business be considered with the press and public excluded

DECLARATIONS OF INTEREST

- 3.1 Declarations of Interest

REQUESTS FOR DEPUTATION

- 4.1 Requests for Deputation

MINUTES OF PREVIOUS MEETINGS

- 5.1 Minute of Previous Meeting of 9 March 2017 - For Approval (Pages 5 - 44)
Please note that only those Councillors who were in attendance at the meeting can approve the minute.

COMMITTEE BUSINESS STATEMENT, MOTIONS LIST AND TRACKER

- 6.1 Committee Business Statement (Pages 45 - 60)
- 6.2 Motions List (Pages 61 - 64)
- 6.3 Report Tracker (Pages 65 - 68)
The tracker shows the reports which are expected to be submitted to future Committee meetings.

REFERRALS FROM COUNCIL, COMMITTEES AND SUB COMMITTEES

- 7.1 Appointment of Members to Sub-Committees and Working Groups - CG/17/070 (Pages 69 - 74)

FINANCE, PERFORMANCE, RISK AND SERVICE WIDE ISSUES

- 8.1 2016-17 Financial Monitoring - Corporate Governance - CG/17/056
(Pages 75 - 80)
- 8.2 Council Year End Monitoring 2016/17 - CG/17/065 (Pages 81 - 94)
- 8.3 2016-17 Common Good Fund - Monitoring Report Update - CG/17/058
(Pages 95 - 100)
- 8.4 Small Financial Assistance Grants and Gala Funding 2017/18 - CG/17/057
(Pages 101 - 106)
- 8.5 Treasury Management Policy and Strategy - CG/17/047 (Pages 107 - 112)

- 8.6 Corporate Governance and Office of Chief Executive Service Improvement Plans 2017/2018 - CG/17/064 (Pages 113 - 300)

GENERAL BUSINESS

- 9.1 Condition and Suitability Programme - Approved Changes - CHI/17/145 (Pages 301 - 306)

Please note that an appendix is included within the Exempt/Confidential section of the agenda.

- 9.2 NHS Grampian Continuous Service - CG/17/055 (Pages 307 - 312)

- 9.3 Tillydrone Community Hub Update - CHI/17/150 (Pages 313 - 318)

- 9.4 Erasmus+ Key Action 1 School Education - Staff Mobility Project - ECS/17/038 (To Follow)

EXEMPT / CONFIDENTIAL BUSINESS

- 10.1 Condition & Suitability Programme - Approved Changes - CHI/17/145 - EXEMPT APPENDIX (Pages 319 - 320)

This exempt appendix relates to the report at item 9.1 of this agenda.

- 10.2 Scotland Excel Framework Agreement for Outdoor Play Equipment and Safer Surfaces - CG/17/042 (Pages 321 - 324)

- 10.3 Joint Venture Proposal with Hunchbuzz Ltd - CG/17/049 (Pages 325 - 342)

- 10.4 Union Terrace Gardens- Contract Extension to Undertake Detailed Site Investigations - CHI/17/151 (Pages 343 - 348)

- 10.5 Berryden Corridor - Procurement and Expenditure Authority - CHI/17/147 (Pages 349 - 354)

- 10.6 Station House Community Centre - Update, Contract Additions and Lease Terms - CHI/17/103 (Pages 355 - 360)

- 10.7 Property Sales - CHI/17/146 (Pages 361 - 380)

- 10.8 Gospel Hall, New Pier Road, Footdee - Proposed Community Asset Transfer - CHI/17/106 (Pages 381 - 386)

- 10.9 Non-Domestic Rates Relief Options - CHI/17/157 (To Follow)
- 10.10 Pinewood - Progress Report - CHI/17/170 (To Follow)
- 10.11 Site 10 Lang Stracht - Demolition of Buildings - CHI/17/171 (To Follow)

EHRIA's related to reports on this agenda can be viewed at
[Equality and Human Rights Impact Assessments](#)

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FINANCE, POLICY AND RESOURCES COMMITTEE

ABERDEEN, 9 March 2017. Minute of Meeting of the FINANCE, POLICY AND RESOURCES COMMITTEE. Present:- Councillor Young, Convener; Councillor Donnelly, Vice-Convener; and Councillors Allan (from articles 1 to 26), Boulton (as substitute for Councillor Reynolds for articles 4 and 12), Cameron, Corall (as substitute for Councillor Jackie Dunbar from article 14 to the end of the meeting), Crockett, Delaney (as substitute for Councillor Jennifer Stewart for articles 1 to 8 and from article 20 to the end of the meeting), Dickson, Jackie Dunbar (for articles 1 to 13), Finlayson (as substitute for Councillor Len Ironside CBE from article 27 onwards), Flynn, Greig (as substitute for Councillor Jennifer Stewart from articles 9 to 19), Len Ironside CBE (for articles 1 to 26), Laing, Malik (as substitute for Councillor Milne for articles 1 to 19), Milne (from article 21 onwards), Jean Morrison MBE (as substitute for Councillor Allan from article 27 onwards), Nicoll, Reynolds (for articles 1 to 3, 5 to 11 and article 13 onwards), 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&MId=4333&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.

ORDER OF AGENDA

1. The Convener requested that items 8.8 (Towards a Fairer Aberdeen that Prospers for all 2017-20), 8.11 (Christmas Village Feedback Report 2016) and 8.21 (Kingswells Bus Service – Redacted Report) be considered earlier on the agenda today.

The Committee resolved:-

to concur with the request.

ANNOUNCEMENTS

2. The Committee heard from the Convener who advised that (a) Aberdeen City Council had achieved the Carer Positive Engaged Employer status which was a Scottish Government funded initiative and its award was presented to employers in Scotland who have a working environment where carers are valued and supported; and (b) Aberdeen City Council had achieved the Investors in Young People Accreditation, the only people management standard that focused on an employer's recruitment and retention of young people and demonstrated that Aberdeen City Council was an employer of choice for young people.

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The Convener also presented the Institute of Revenues Rating and Valuation certificates to James Riley, Benefit Assessor, Julie Haddick, Benefit Assessor and Billy Moore, Team Leader.

The Committee resolved:-

to note the information provided and to thank officers for their work.

DETERMINATION OF EXEMPT BUSINESS

3. The Convener proposed that the Committee consider items 9.1 (Procurement – Approval to Tender for Accord Card ICT Application), 9.2 (AECC Anaerobic Digester Plant and Gas Upgrader Procurement Exercise), 9.3 (Procurement of Furniture Storage and Removals and Domestic Furniture and Furnishings), 9.4 (Procurement of Interpretation, Translation and Transcription Service), 9.5 (Procurement of Finance Specialist Advice and Suspension of Procurement Regulations 2016 in Relation to the Appointment of an Interim Finance Senior), 10.1 (Pension Fund Guarantee Request), 10.2 (Transition Extreme), 11.1 (Union Street Conservation Area Registration Scheme – Grant Application Appendices A and B), 11.2 (Aberdeen Science Centre – Bank Guarantee 2017-18), 11.3 (Lease Amendments, Bon-Accord and St Nicholas Centres), 11.4 (87-93 Union Street and 1-6 Market Street), 11.5 (Property Sales) and 11.6 (Kingswells Bus Services) with the press and public excluded.

The Committee resolved:-

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 9.1 of the agenda (article 41 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:- article 41 and 43 (paragraph 8), articles 42, 50, 51 and 52 (paragraphs 6 and 9), article 44 (paragraphs 6, 8 and 9), article 45 (paragraph 12), article 46 (paragraph 4), articles 47 and 49 (paragraphs 4, 6, 8 and 9), article 48 (paragraph 4 and 8) and article 53 (paragraph 8 and 10).

CHRISTMAS VILLAGE FEEDBACK REPORT 2016 - CHI/17/044

4. With reference to article 7 of the minute of meeting of 7 June 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided feedback on the Christmas Village 2016 as set out in the Council's Service Level Agreement 2016-2019 with Aberdeen Inspired.

Mr Adrian Watson, Chief Executive of Aberdeen Inspired was in attendance and answered questions from members of the Committee.

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The report recommended:-

that the Committee –

- (a) note the feedback report on the Christmas Village; and
- (b) seek annual feedback reports in line with the Service Provision Agreement 2016 – 2019.

The Committee resolved:-

- (i) to approve the recommendations; and
- (ii) to note that the Christmas Village would relocate to Broad Street and the Castlegate from 2017 onwards.

REQUESTS FOR DEPUTATIONS

5. In terms of Standing Order 10(2), the Committee received deputation requests from Mr Jim Henderson, Mr Ian Cox (Kingswells Community Council) and Ms Jaclyn Philip (Great Western Pre-School) in respect of item 8.21 (Kingswells Bus Services - Public Report) (Article 6 of this minute refers).

The Committee resolved:-

to receive all three deputations.

DEPUTATIONS - KINGSWELLS BUS SERVICES (PUBLIC REPORT) - CHI/17/057

6. The Committee had before it a redacted report by the Interim Director of Communities, Housing and Infrastructure which provided information on the current position regarding bus services for the Kingswells area and which identified options for ensuring continued public transport provision in the area. An exempt report was considered with the press and public excluded from the meeting (Article 53 of this minute refers).

As agreed at article 5 above, the Committee heard three deputations from Mr Jim Henderson, Mr Ian Cox (Kingswells Community Council) and Ms Jaclyn Philip (Great Western Pre-School) in the following terms:-

Mr Jim Henderson advised (a) that he was a local Kingswells resident for ten years and was one of five residents who raised a petition back in September 2016 when they heard about the threat to the bus service in Kingswells; (b) that it was not so many years ago that First Aberdeen was running up to four X40 and three number 11 service buses per hour around the village of Kingswells and there was no talk of commercial viability; (c) that based on timetables available at this time, it was anticipated that the number of bus visits likely to service Kingswells in future would only be 72, an apparent reduction of 50%; (d) that at present there was 58 services which run via Dobbies, Woodend Hospital and Foresterhill, this will now be reduced to 12, a reduction of 80%; (e) that

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under proposed timetables, staff at local businesses such as the Co-op, the Great Western Nursery as well as student teachers on placement at the primary school would have great difficulty in getting to work on time; (f) that visitors who travel by bus to Kingsmead Home, which is located in the centre of Kingswells, would need to walk from the Park and Ride or be very fortunate in catching a timely link at Foresterhill; and (g) that social travel by bus out with work hours would be all but impossible.

Mr Henderson outlined an assessment of proposed Stagecoach services including that the number 218 and the proposed 220 service would offer a lack of peak hour services which were essential to get residents to work and to educational establishments in town and in Kingswells. Also the costs in service affect not only the quantity of buses but also the quality of buses, as Stagecoach were well known for providing a range of bus types, some of which were unsuitable for town commuting.

Mr Henderson also outlined a number of potential solutions including the persuasion of Stagecoach to provide a greater frequency of service round the Kingswells village; an amended and extended route to the number 23 operated by First Aberdeen and an extension to the current number 94 which is operated by Central Coaches but funded entirely by the Council.

It conclusion, Mr Henderson intimated that failure to provide a quality and reliable bus service would alienate residents in Kingswells, drive more cars onto the road at all times of day, put pressure on city centre parking, add to pollution and increase the risk of accidents.

In a response to a question from the Convener, Mr Henderson advised that although he had not been in touch with First Aberdeen directly regarding one of the potential solutions above, he had attended a drop-in session, but did not receive a response from them in this regard.

The Committee then heard from **Mr Ian Cox**, who advised (1) that the proposed number 220 service provided by Stagecoach was inadequate and falls far short of what could best be described as a minimal service, which would create an unacceptable break in service; (2) that of the eight services per day by the only bus service to go around Kingswells, the number 220 bus service would only link with the city centre twice; and (3) that the 220 service would not cater for people trying to get to their work at peak times, pupils attending school in the city, workers or pupils returning to Kingswells, evening or weekend travel and those travelling to the local shops.

Mr Cox referred to proposals from Council officers, but sought clarification on the specific details. He indicated that the extension to the 94 bus service would be a good short term solution, however a longer term solution should be investigated to provide evening and weekend services, and to extend peak time services in terms of duration and capacity which could be financially viable.

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In conclusion, Mr Cox intimated that without this basic service, it would be very difficult, or impossible, to live in Kingswells. The nearest bus stop is at the Park and Ride which was approximately 1.5 miles walk from any homes and greatly exceeds the 400 metres distance in guidance, which could add 30 minutes each way for a reasonably fit person, but out of the question for many.

The Committee then heard from **Ms Jaclyn Philip**, who did not want to duplicate what others had said, but advised that she had been working at Great Western Pre-School nursery in Kingswells for 20 years and indicated that there were approximately 40 members of staff employed within the 100 place nursery, many of who rely on a bus service to get to and from their work. She explained that she had real financial concerns if employees were unable to travel to work on public transport. She intimated that she had difficulties in recruiting staff at present and there were concerns for potential growth in the business due to the uncertainty with the provision of an adequate bus service in Kingswells.

The Committee resolved:-

to thank Mr Jim Henderson, Mr Ian Cox and Ms Jaclyn Philip for their deputations and contribution.

TOWARDS A FAIRER ABERDEEN THAT PROSPERS FOR ALL 2017-20 - CHI/17/004

7. With reference to article 17 of the minute of meeting of 20 September 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which outlined the tackling poverty priorities and proposed actions as detailed in the 'Towards a Fairer Aberdeen that Prospers for all 2017-20'.

The report recommended:-

that the Committee –

- (a) consider and agree the corporate tackling poverty priorities and actions contained within "Towards A Fairer Aberdeen That Prospers For All 2017-2020" (Appendix A of the report);
- (b) request officers to report back to a future Finance Policy and Resources Committee with a corporate framework linked to the Community Planning Partnerships Local Outcome Improvement Plan structure for overseeing the governance, performance and management for tackling poverty and inequalities;
- (c) request officers to have further discussion with Community Planning partners to identify further actions intended to address health inequalities and report back to Committee for the next cycle;
- (d) request officers to develop proposals and report back to Committee regarding how ongoing engagement with individuals and groups who are experiencing poverty would be progressed; and

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- (e) note the proposal to pilot school holiday meal provision in 3 primary schools was subject to confirmation that funding was available in the 2017/18 budgets and to evaluate and report back to Committee within 9 months.

The Committee resolved:-

to approve the recommendations.

MINUTE OF PREVIOUS MEETING OF 1 DECEMBER AND RECONVENED MEETING OF 7 DECEMBER 2016

8. The Committee had before it the minute of its previous meeting of 1 December 2016 and the reconvened meeting of 7 December 2016.

The Committee resolved:-

to approve both minutes, subject to amending the wording at article 4 in the minute of 1 December 2016 to read “that in relation to item 22 (Site at King Street/Beach Esplanade), to instruct officers to take forward the full Council resolution on 16 December 2015 with the Founding Trustees of the Aberdeen Islamic Charitable Trust and to report back to Council on progress at the meeting on 21 June 2017”.

COMMITTEE BUSINESS STATEMENT

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

The Committee resolved:-

- (i) to remove item 4 (Sport Aberdeen – Contract Revision and Governance Arrangements), item 9 (Bon Accord and St Nicholas Shopping Centres), item 10 (Site at Beach Esplanade/King Street), item 12 (Small Financial Assistance Grants and Gala Funding 2016/17), item 17 (Opportunities for Tackling Poverty and Inequality/Tackling Food Poverty), item 18 (Aberdeen Japan Strategy), Item 19 (Review of Access to Leisure Scheme; item 22 (Environmental and Flood Prevention Works at Heathryfold Park, item 23 (Key Achievements of the Committee), item 24 (Memorandum of Understanding for Additional £254m Investment, item 26 (14-18 NOW Poppies Wave and Weeping Window 2018, item 27 (Thomas Blake Glover House), item 30 (87-93 Union Street and 1-6 Market Street), item 31 (Events Strategy Plan – Aberdeen 365 Operational Plan) and item 32 (General Fund Revenue Budget 2017/18 to 2021/22 and Non-Housing Capital Programme 2017/18 to 2021/22) from the Business Statement; and
- (ii) to otherwise note the updates contained therein.

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MOTIONS LIST

10. The Committee had before it the Motions list as prepared by the Head of Legal and Democratic Services.

The Committee resolved:
to note the motions list.

CORPORATE GOVERNANCE PERFORMANCE SCORECARD - CG/17/012

11. With reference to article 10 of the minute of the meeting of the Finance, Policy and Resources Committee of 1 December 2016, the Committee had before it a report by the Interim Director of Corporate Governance which presented key performance information for the Corporate Governance Directorate and an updated Directorate Risk Register.

The report recommended:-
that the Committee note both the performance report for the Corporate Governance Directorate and its Risk Register and the information contained therein.

The Committee resolved:-
to approve the recommendation.

DECLARATIONS OF INTEREST

Councillors Boulton, Donnelly and Nicoll declared an interest in relation to the following item of business by virtue of them being Council appointed members of Aberdeen Performing Arts. All three Councillors considered that the nature of their interest did not require them to leave the meeting.

COMMON GOOD BUDGET 2017/18 - 2021/22 - CG/17/016

12. With reference to article 1 of the minute of meeting of Council of 22 February 2017, wherein it was agreed to refer this report simpliciter to the Finance, Policy and Resources Committee on 9 March 2017, the Committee had before it a report by the Interim Director of Corporate Governance which provided the draft Common Good budget for 2017/18 to 2021/22 for consideration.

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The report recommended:-

- (a) to approve the Common Good budget for 2017/18 as detailed in Appendix 1 to this report;
- (b) to approve the recommendation that the Head of Finance be asked to undertake a comprehensive review of Common Good assets; and
- (c) to consider and make a decision on each of the new requests for funding which are detailed at Appendix 3 to this report.

The Convener, seconded by the Vice Convener moved:-

- (1) to approve the Common Good budget for 2017/18 as detailed below:-

Administration Common Good Budget Proposals

	£000	
Surplus per Appendix 1 of Committee Report	(472)	
Appendix 3 of Committee Report		
Contribution towards Rob Roy Statue	30	up to
Befriend A Child Support Worker	5	
Aberdeen & North East Scotland Family History Society - Broad Street Exhibition	7	
RNLI - Contribution towards new Inshore lifeboat	5	up to
Aberdeen Illness & Disability Advice Service - payment of rent & overheads	18	
Aberdeen Performing Arts - replacement lift at HMT	80	up to
Homestart - contribution to rent of the charity shop	5	
	150	
Additions:		
Contribution to Castlegate Arts	40	
Grant to Aberdeen International Youth Festival	20	
AFC Community Trust	50	
Host Christmas party for the elderly of up to £50k	50	
Additional Citizen's Advice Bureau	41	
Torry and Kincorth Academies - Year of events celebrating the history of the schools	40	
Cricket Pitch at Stewart Park	15	
Refurbishment of Scout Hut at Culter	10	
	266	
Revised Surplus	(56)	
and		
(2) to approve recommendation (b) of the report.		

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

(1) to approve the Common Good budget for 2017/18 as detailed below:-

Liberal Democrats Common Good Budget Proposals

	£000	
Surplus per Appendix 1 of Committee Report	(472)	
Appendix 3 of Committee Report		
Contribution towards Rob Roy Statue	30	up to
Befriend A Child Support Worker	5	
Aberdeen & North East Scotland Family History Society - Broad Street Exhibition	7	
RNLI - Contribution towards new inshore lifeboat	30	up to
Aberdeen Illness & Disability Advice Service - payment of rent & overheads	18	
Aberdeen Performing Arts - replacement lift at HMT	80	up to
Homestart - contribution to rent of the charity shop	5	
	175	
Additions:		
Create a Community Capacity Building Fund for Outdoor Sports Centres	100	
Create a fund for elderly and disabled entertainment	50	
	150	
Contribution to Common Good Reserves	(147)	

and

(2) to approve recommendation (b) of the report.

On a division, there vote:- for the motion (15) – the Convener, the Vice Convener and Councillors Allan, Boulton, Cameron, Crockett, Dickson, Jackie Dunbar, Flynn, Ironside, Laing, Malik, Nicoll, Taylor and Townson; for the amendment (2) – Councillors Greig and Yuill.

The Committee resolved:-

to adopt the motion.

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2016/17 FINANCIAL MONITORING - CORPORATE GOVERNANCE CG/17/013

13. The Committee had before it a report by the Interim Director of Corporate Governance which advised (1) on the 2016/2017 revenue and capital budget's financial performance for the period to 31 January 2017 for the services within Corporate Governance; and (2) on any areas of risk and management action.

The report recommended:-

that the Committee –

- (a) note the report and the information on management action and risks that were contained therein; and
- (b) instruct officers to continue to review budget performance.

The Committee resolved:-

to approve the recommendations.

EMERGENCY NOTICE OF MOTION BY THE CONVENER - REDUCING THE LEVEL OF AGENCY USAGE

14. At this juncture, the Convener advised that he was submitting an emergency notice of motion in relation to the level of agency usage and that in accordance with Standing Order 21(9) he was accepting it on the agenda today.

The emergency notice of motion by the Convener was in the following terms:-

“that the Committee agrees to instruct the Head of Human Resources to continue dialogue between senior management and the Trade Unions about reducing the level of agency usage in the Council noting that the Council has approved a saving of £500,000 for agency usage in the budget for 2017/2018.

The Committee also agrees, as part of these joint discussions, that senior management works towards the elimination of agency usage which involves umbrella companies noting that there are procurement considerations in relation to this which are being explored.”

The Convener spoke in support of his motion and explained the rationale behind his request.

The Committee resolved:-

to adopt the motion.

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COUNCIL GENERAL FUND MONITORING 2016/17 - CG/17/004

15. The Committee had before it a report by the Interim Director of Corporate Governance which (1) outlined the current financial position and the forecast outturn for the financial year 2016/17; and (2) highlighted assumptions made, areas of risk identified and management action to mitigate these risks.

The report recommended:-

that the Committee note the financial position contained within the report.

The Committee resolved:-

- (i) to approve the recommendation; and
- (ii) to instruct the Director of Communities, Housing and Infrastructure to bring a report to a future meeting of the Finance, Policy and Resources Committee outlining the options for enhancing the resources available for enforcement within the private rented housing sector and to draft a business case on how this could be done on a revenue-neutral basis.

NON HOUSING CAPITAL PROGRAMME 2017/18 - CG/17/035

16. The Committee had before it a report by the Interim Director of Corporate Governance which provided an update on the application of additional capital grant from the Scottish Government.

The report recommended:-

that the Committee note that the additional £1.081 million General Capital grant from the Scottish Government for 2017/18 was actually included in the funding of the Non-Housing Capital Programme approved by Council on 22 February 2017.

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

that the Committee –

- (1) approve the recommendation contained within the report;
- (2) allocate £150,000 towards the SHMU extension to include provision for upgrading the car park on terms and conditions to be determined by the Head of Commercial and Procurement Services;
- (3) allocate £250,000 towards building another Cruyff Court in the city and instructs the Head of Land and Property Assets to work with the Cruyff Foundation to determine the optimum location of the Cruyff Court;
- (4) allocate £145,000 to the three regeneration areas in anticipation of publication of statutory guidance on the Community Empowerment Scotland Act 2015 in respect of the requirement to develop a food growing strategy, with the money being used to identify and provide new community growing spaces and innovative ways of developing community gardens, noting the alignment to Aberdeen Sustainable Food City

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aspirations to tackle food insecurity and Aberdeen's membership of the Sustainable Food Cities Network, and further noting that tackling food poverty through community growing spaces is a key priority within the document 'Towards a Fairer Aberdeen that Prospers for all; a Review of Aberdeen City Council activity tackling Poverty' and the Aberdeen City Local Outcome Improvement Plan 2016-26;

- (5) allocate £500,000 to expand early learning and child care provision in the Northfield/Cummings Park regeneration area to ensure this links with integrated working with supporting families and the creation of the early learning and childcare academy; and
- (6) instruct the Chief Executive to identify funding support to allow the Aberdeen Science Centre to deliver their full project subject to a successful outcome from their bid to the Wellcome Trust.

Councillor Yuill seconded by Councillor Greig moved as an amendment:-

that the Committee approve (1) that the additional £1.081 million General Capital grant from the Scottish Government for 2017/18 be used for the resurfacing and repairing of roads and pavements within Aberdeen City; and (2) to instruct the Chief Executive to identify funding support to allow the Aberdeen Science Centre to deliver their full project subject to a successful outcome from their bid to the Wellcome Trust.

On a division, there voted:- for the motion (15) – the Convener, the Vice Convener and Councillors Allan, Cameron, Corall, Crockett, Dickson, Flynn, Ironside, Laing, Malik, Nicoll, Reynolds, Taylor and Townson; for the amendment (2) – Councillors Greig and Yuill.

The Committee resolved:-

to adopt the motion.

2016/17 COMMON GOOD FUND - MONITORING REPORT UPDATE - CG/17/014

17. The Committee had before it a report by the Interim Director of Corporate Governance which outlined the current year's revenue budget performance for the Common Good Fund as at 31 January 2017 and provided a forecast position of the cash balances as at 31 March 2017.

The report recommended:-

that the Committee -

- (a) note the report and the information on management action and risks that was contained therein;
- (b) note the forecast surplus of £234k, a favourable variance of £163k;

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- (c) note the estimated cash balances as at 31 March 2017 of £17.1m based on current estimates, which is within the recommended levels indicated by the Head of Finance; and
- (d) note the position regarding earmarked reserves.

The Committee resolved:-

to approve the recommendations.

DECLARATIONS OF INTEREST

Councillor Reynolds declared an interest in relation to the following item of business by virtue of him being a Trustee of North East Riders Volunteers. 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.

SMALL FINANCIAL ASSISTANCE GRANTS AND GALA FUNDING 2016/17 - CG/17/003

18. The Committee had before it a report by the Interim Director of Corporate Governance which presented recent applications for financial assistance from the financial assistance/gala budget; and reviewed the financial assistance and community gala grant process used during 2016/17.

The report recommended:-

that the Committee –

- (a) consider the applications received and agree to award 2016/17 funding based on the recommendations contained within the highlighted column in part A of the table 1 below;

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Table 1 - 2016/17							
A: Grant Requests For Consideration							
Requests received :							
From	For	Requested Amount £	Recommended Amount £	Financial Assistance £	Community Gala Grants £	Total £	More Detail
Financial Assistance							
Tillydrone Community Council	M26 Road to Recovery Event	2,076	-	-	-	-	Appendix A
North East Riders Volunteers	HiVis jackets/safety gear for North East members of Blood Bikes	2,500	2,500	2,500	-	2,500	Appendix B
Community Gala Grants							
No applications received				-	-	-	
B: For Information							
2016/17 Budget				45,000	10,000	55,000	
Grants Approved to Date				27,689	21,489	49,178	
Budget Remaining						5,822	
Potential Approvals from Above				2,500	-	2,500	
Balance remaining if recommendations approved						3,322	
Approved to date + Recommended Approvals from Table				30,189	21,489	51,678	

- (b) consider the applications received and agree to award 2017/18 funding based on the recommendations contained within the highlighted column in part A of table 2 below;

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Table 2 - 2017/18							
A: Grant Requests For Consideration							
Requests received :							
From	For	Requested Amount £	Recommended Amount £	Financial Assistance £	Community Gala Grants £	Total £	More Detail
Financial Assistance							
VSA	Sing, Sing, Sing event at Beach Ballroom	2,000	2,000	2,000	-	2,000	Appendix C
Community Gala Grants							
c/o Danestone Congregational Church	Danestone Gala	2,782	up to £2,500	-	2,500	2,500	Appendix D
Mastrick Community Centre	Family Fun Day	1,300	up to £2,500	-	1,300	1,300	Appendix E

- (c) note the review of the grant award processes; and
 (d) agree that delegated authority be given to the Head of Finance to approve applications for up to £2500 meeting the criteria as set out in paragraph 5.12 of the report with applications greater than £2500 being presented to the Committee.

The Committee resolved:-

- (i) to agree to award small financial assistance grant funding to:-
- North East Riders Volunteers - £2500 (2016/17 funding);
 - VSA - £2000 (2017/18 funding);
 - Danestone Congregational Church – up to £2500 (2017/18 funding);
 - Mastrick Community Centre – up to £2500 (2017/18 funding);
- (ii) to approve recommendations (c) and (d) above; and
 (iii) to circulate background/organisational details of the North East Riders Volunteers to all members of the Committee.

TREASURY MANAGEMENT POLICY AND STRATEGY - CG/17/010

19. With reference to article 13 of the minute of meeting of 7 June 2016, the Committee had before it a report by the Interim Director of Corporate Governance which outlined the Treasury Management Policy and Strategy for 2017/18 to 2019/20 for approval, and also to update on Treasury Management activities undertaken to date during financial year 2016/17.

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The report recommended:-

that the Committee -

- (a) consider and approve the Council's Treasury Management Policy Statement for 2017/18 to 2019/20 as detailed at Appendix 1 in the report;
- (b) consider and approve the Council's Borrowing and Investment Strategy for 2017/18 to 2019/20 as detailed at Appendix 2 in the report;
- (c) approve the Counterparty list as detailed at Appendix 3 in the report; and
- (d) note the Treasury Management activities undertaken in 2015/16 as detailed.

The Committee resolved:-

to approve the recommendations.

NON-DOMESTIC RATES RELIEF SCHEME - CG/17/038

20. With reference to article 3 of the minute of Council of 22 February 2017, the Committee had before it a report by the Chief Executive which provided an update on the position of the proposed rates relief scheme in Aberdeen as announced by the Scottish Government on 21 February 2017.

The report recommended:-

that the Committee -

- (a) note that the Council had not received any further detail on how the national rates scheme would work in practice and that the report therefore provided the latest information available;
- (b) note the potential scheme that Aberdeenshire Council was proposing and was still subject to their approval process; and
- (c) otherwise note the content of the report.

The Convener, seconded by the Vice Convener moved:-

that the Committee -

- (1) note the contents of the report;
- (2) note that the Scottish Government was still to provide Aberdeen City Council with notification of how the national rate scheme would work in practice;
- (3) agree to invite the Cabinet Secretary for Finance and the Constitution to an urgent meeting in Aberdeen with group leaders and the Convener of Finance, Policy and Resources Committee in order to discuss the merits of a local scheme;
- (4) agree to set aside £3m to a local scheme provided it was backed by match funding of at least the same amount by the Scottish Government;
- (5) subject to (4) above, instruct the Head of Economic Development to design and implement a local scheme, in consultation with Aberdeen and Grampian Chamber of Commerce the Scottish Government and the Convener of Finance, Policy and Resources Committee;

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- (6) to instruct the Chief Executive to write to the Cabinet Secretary for Finance and the Constitution 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 were paying business rates no higher than their current levels; and
- (7) to note that the Scottish Government would be in receipt of consequential in excess of £300m following announcements by the Chancellor of the Exchequer in his budget speech of 8 March 2017.

Councillor Flynn, seconded by Councillor Dickson moved as an amendment:-
that the Committee –

- (1) note the content of the report and thank officers for their work;
- (2) note that the Council, through the Community Empowerment Act, had the powers to implement targeted rate relief to businesses within the city;
- (3) instruct officers to design a scheme utilising the over £3m administration budget surplus, plus additional funds from contingencies and any rates saving made by the council from the Scottish Government rate relief scheme, to create a £4m fund which would aim to allow for:-
 - (i) a 3% cap on hospitality rate increases;
 - (ii) a 12.5% cap on retail rate increases; and
 - (iii) a 12.5% cap on manufacturing rate increases;
- (4) welcome the announcement that the Scottish Government has provided £7.5m worth of rates relief to Aberdeen, equating to around 18% of the total pot for Scotland, which allows for:-
 - (i) a 12.5% cap on hospitality rate increases; and
 - (ii) a 12.5% cap for offices.

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

The Committee resolved:-

- (i) to adopt the motion; and
- (ii) that officers circulate information relating to the funding mechanism to all Committee members.

CREATION OF HEAD OF STRATEGY AND TRANSFORMATION POST, ABERDEEN CITY HEALTH AND SOCIAL CARE PARTNERSHIP - HSCP/17/013

21. The Committee had before it a business case by the Chief Officer, Health and Social Care Partnership which outlined the proposal for and to seek approval to create a Chief Officer post of Head of Strategy and Transformation to become part of the

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Executive Leadership Team on the structure of the Aberdeen City Health and Social Care Partnership.

The report recommended:-

that the Committee approve the establishment of the post of Head of Strategy and Transformation at Chief Official point 27, noting that this job profile had been agreed by the Integrated Joint Board (IJB) and funding approved by the IJB.

The Committee resolved:-

- (i) to approve the recommendation; and
- (ii) to note that the pay scales indicated within the report relate to the NHS pay scale and that if the established post was a Council employee rather than a NHS employee the pay scale would revert to the Council's agreed pay scale for the post.

PROCUREMENT OF FRUIT AND VEGETABLES - CHI/17/049

22. The Committee had before it a report by the Interim Director of Corporate Governance which sought approval to undertake a joint procurement exercise with Aberdeenshire Council for the supply of fruit and vegetables at an estimated contract value of £1,100,000 over a four year contract term.

The report recommended:-

that the Committee -

- (a) instruct officers to undertake a fully compliant EU tender exercise in collaboration with Aberdeenshire Council; and
- (b) approve contract duration of 3 years with the option to extend for up to a further 12 months and a total estimated spend under the contract of £1,100,000.

The Committee resolved:-

- (i) to approve the recommendations; and
- (ii) that officers include reference to Food Miles as part of the assessment process.

FINANCE, POLICY AND RESOURCES COMMITTEE LEGACY REPORT 2012-2016 - CG/17/020

23. With reference to article 10 of the minute of 1 December 2016, the Committee had before it a report by the Interim Director of Corporate Governance which outlined the Committee's key achievements since May 2012.

The report recommended:-

that the Committee note the detail appended to the report.

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The Convener, seconded by the Vice Convener moved:-

that the Committee -

- (1) agree Smarter Aberdeen, approved in August 2012 by Council had been the political catalyst for Aberdeen City Council being the first local authority in Scotland to be assigned an issuer credit rating;
- (2) note Moody's Investors Service confirmed an Aa2 rating for Aberdeen City Council following a rigorous process of assessment and risk analysis;
- (3) note that the confirmed Aa2 rating noted the solid financial record for the last five years maintaining a net surplus against budget each year;
- (4) agree the Council had reduced its debt to asset ratio by 4% between 2012 and 2016;
- (5) note Audit Scotland's most recent evaluation completed for 2015/16 which states "the Council has improved its financial position since 2008 and now has a record of sound financial management."; and
- (6) thank officers from all directorates for all of their hard work over the last five years.

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

that the Committee take no action.

On a division, there voted:- for the motion (9) – the Convener, the Vice Convener and Councillors Allan, Crockett, Ironside, Laing, Milne, Reynolds and Taylor; for the amendment (8) – Councillors Cameron, Corall, Delaney, Dickson, Flynn, Nicoll, Townson and Yuill.

The Committee resolved:-

to adopt the motion.

In terms of Standing Order 15(6), Councillor Dickson requested that his dissent to the decision be recorded.

STRATEGIC INFRASTRUCTURE PLAN PROGRESS UPDATE - CG/17/002

24. With reference to article 3 of the minute of the Reconvened meeting of 7 December 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided a progress update on the delivery of the Strategic Infrastructure Plan, and sought approval for specific actions for funding release from the City Centre Regeneration budget to progress projects within the City Centre Masterplan.

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The report recommended:-

that the Committee -

- (a) note the content of the report and the progress made;
- (b) approve expenditure of up to £75,000 to award a contract to consultants to prepare a City Centre Lighting Strategy and Implementation Plan (Aberdeen In Colour) and report progress to Finance, Policy and Resources Committee following completion;
- (c) approve expenditure of up to a further £130,000 to allow the implementation of suicide prevention measures and associated works at Union Bridge;
- (d) approve a contribution of £10,000 to Aberdeen Inspired to support the establishment or continuation of city centre street markets;
- (e) approve a contribution of £40,000 to Aberdeen Art Centre for technical and production support;
- (f) delegate authority to the City Centre Director in consultation with the Deputy Leader of the Council, the Convenor 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;
- (g) agree that the combined expenditure of up to £255,000 above be taken from the City Centre Masterplan budget, as agreed at the Council meeting in February 2017.

The Committee resolved:-

to approve the recommendations.

At this juncture the Clerk intimated that in terms of Standing order 17(6), the meeting shall only continue after five hours from commencement, if a decision to that effect is taken by the Committee. The Committee agreed unanimously to continue the meeting.

DIGITISATION OF HISTORICAL ELECTORAL ROLLS - CG/17/011

25. The Committee had before it a report by the Interim Director of Corporate Governance which sought approval to enter into a five year contract with Ancestry Information Operations to digitise electoral roll records for the period 1832-1974.

The report recommended:-

that the Committee delegate authority to the Head of Legal and Democratic Services to enter into a contract with Ancestry Information Operations to digitise electoral roll records for a period of up to five years.

The Committee resolved:-

to approve the recommendation.

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UNION STREET CONSERVATION AREA REGENERATION SCHEME - GRANT APPLICATION - CHI/17/009

26. With reference to article 19 of the minute of meeting of 7 June 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on the progress of the Union Street Conservation Area Regeneration Scheme application to Historic Environment Scotland.

The report recommended:-
that the Committee -

- (a) note the grant award of £1,177,104 from Historic Environment Scotland for the Union Street Conservation Area Regeneration Scheme (see appendix C of the report);
- (b) note the current list of priority projects as identified in section 5.6 of the report;
- (c) to approve match funding in accordance with the program set out in Appendix A of the report;
- (d) approve up to £1.2 million from the City Centre Masterplan budget for the Council contribution towards the Union Street Conservation Area Regeneration Scheme for the duration of the scheme;
- (e) instruct the Head of Planning and Sustainable Development to implement the 5 year regeneration scheme;
- (f) delegate authority to the Head of Planning and Sustainable Development, in consultation with the Project Board, Convener and Vice-Convener of this Committee, to amend the High and Medium Priority Projects should priorities change due to unforeseen circumstances during the 5 years of the scheme, with such changes to be reported to this Committee as a bulletin report;
- (g) delegate authority to the Head of Planning and Sustainable Development in consultation with the Convener and Vice-Convener of this Committee, to allocate new projects or additional budgets, with such allocations to be reported to the Committee as a bulletin report;
- (h) delegate authority to Head of Planning and Sustainable Development, in connection with the Programme, to undertake or instruct tendering procedures or competitive quotes procedures as appropriate and in accordance with the Aberdeen City Council Procurement Regulations and the awarding of contracts following thereon, subject to the necessary funding being available and;
- (i) exempt all such procedures and contracts from the requirements of Regulation 4.1.1 of the Aberdeen City Council Procurement Regulations;
- (j) approve board composition and remit as described in section 5.5.2 of this report;
- (k) approve the appointment of a dedicated Project Officer as described in Appendix B of the report;
- (l) approve delegated authority to the project officer for grant awards under £10,000; and
- (m) approve delegated authority to the project board for grant awards over £10,000.

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The Committee resolved:-

to approve the recommendations.

ABERDEEN 365 OPERATIONAL PLAN - CHI/17/042

27. With reference to article 20 of the minute of the Reconvened meeting of 7 December 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided information on an operational plan that supported the delivery of the Aberdeen 365 Events Strategy.

The report recommended:-
that the Committee -

- (a) agree the development of the events programme detailed on pages 7-9 of the Operational Plan (Appendix 1 of the report) and budget of £1.4m for delivery of the Aberdeen 365 Events Strategy;
- (b) approve the establishment of an advisory Events Group to oversee the delivery of the Aberdeen 365 Events Strategy;
- (c) agree that the organisations detailed in the body of the report can be approached to participate in a new Group; and
- (d) note the information update on the delivery of the Tall Ships in Aberdeen.

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

- (1) approve recommendations (a), (b) and (c) above;
- (2) instruct officers to build £500,000 per annum into the base budget over the next four years to ensure Aberdeen City Council is in the best possible position to apply and hold the Tall Ships Race event in 2022;
- (3) instruct officers to work with the private sector and others to lever in private sector finance to meet at least 25% of any costs associated with the Tall Ship Race coming to Aberdeen in 2022;
- (4) take back a report to the Committee to include financial implications in six months' time.

Councillor Yuill, seconded by Councillor Delaney moved as an amendment:-
that the Committee –

- (1) approve the recommendations contained within the report;
- (2) instruct officers to work with the private sector and others to lever in private sector finance to meet at least 25% of any costs associated with the Tall Ship Race coming to Aberdeen in 2022; and
- (3) take back a report to the Committee to include financial implications in six months' time.

On a division, there voted:- for the motion (9) – the Convener, the Vice Convener and Councillors Crockett, Finlayson, Laing, Milne, Jean Morrison MBE, Reynolds and Taylor;

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for the amendment (8) – Councillors Cameron, Corall, Delaney, Dickson, Flynn, Nicoll, Townson and Yuill.

The Committee resolved:-

to adopt the motion.

NOW 14-18 WW1 CENTENARY ART COMMISSIONS - CHI/17/041

28. With reference to article 20 of the minute of the Reconvened meeting of 7 December 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which (1) provided information on the progress of the Council's bid to deliver the 14-18 NOW WW1 Centenary Art Commissions Weeping Windows installation for six weeks in late 2018 within Marischal College Quadrangle; and (2) informed members as to why it was recommended that the Council withdraw its bid.

The report recommended:-

that the Committee instruct the withdrawal of the Council's bid to host the 14-18 NOW WW1 Centenary Art Commissions Weeping Windows installation.

The Committee resolved:-

to approve the recommendation.

FAIRTRADE UPDATE AND RESOLUTION 2017 - CHI/17/003

29. With reference to article 20 of the minute of meeting of 18 February 2015, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which sought to reassert Aberdeen City Council's support of Fairtrade and to update the Resolution on Fairtrade 2015 (see appendix 1 of the report) by agreeing the Resolution on Fairtrade 2017 (see appendix 2 of the report).

The report recommended:-

that the Committee -

- (a) approve the updated and renewed 'Fairtrade Resolution 2017';
- (b) note Aberdeen City Council's on-contract spend of Fairtrade produce and the notable actions completed in support of the Resolution on Fairtrade 2015; and
- (c) instruct the Head of Planning and Sustainable Development to nominate a suitable officer of the Council to attend the Aberdeen Fairtrade Steering Group meetings and to oversee the implementation of the resolution.

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The Committee resolved:-

- (i) to approve the recommendations; and
- (ii) that officers circulate information on Fairtrade spend from off contract purchases including schools to all members of the Committee.

COMMUNITY ASSET TRANSFER PROCEDURE 2017 - CHI/17/036

30. With reference to article 27 of the minute of meeting of 30 September 2014, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided information the Community Asset Transfer section of the Community Empowerment (Scotland) Act 2015.

The report recommended:-

that the Committee -

- (a) approve the draft procedure; and
- (b) agree to the establishment of a sub-committee to review appeals against decisions.

The Committee resolved:-

to approve the recommendations.

TWINNING AND INTERNATIONAL PARTNERSHIPS - CHI/17/043

31. The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which presented applications received for financial assistance from the International Twinning Budget 2017-18.

The report recommended:-

that the Committee -

- (a) approve a contribution of £1,640 towards four teachers from Education and Children's Services travelling to Clermont – Ferrand, 21 – 24 May 2017;
- (b) approve a contribution of £2,000 towards representatives from the Look Again Festival and The Poundshop travelling to Stavanger, May/June 2017;
- (c) approve a contribution of £5,027 towards players and parents from Culter Youth Football Club travelling to Regensburg, 2-5 June 2017;
- (d) approve a contribution of £4,000 towards the 21st Aberdeen (Cults) Scout Group travelling to Stavanger, 30 June – 13 July 2017;
- (e) approve a contribution of £8,109 to Aberdeen International Youth Festival (AIYF) to support a group participating from Bulawayo, 27 July – 5 August 2017; and
- (f) approve a contribution of £10,000 towards the Adventure Aberdeen Summer Camp, 31 July – 11 August 2017.

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The Committee resolved:-

to approve the recommendations.

TOURISM LEVY - CHI/17/018

32. The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which outlined options on how a Tourism Levy could operate and the costs and benefits of such a scheme.

The report recommended:-

that the Committee -

- (a) note the analysis provided in Appendix 1 of the report;
- (b) note that primary or secondary legislation would be required by the Scottish Parliament to implement a scheme and instruct the Chief Executive to write to the Cabinet Secretary for Culture, Tourism and External Affairs to seek legislation to introduce a scheme as part of Empowering City Government framework;
- (c) note the estimated revenues of implementing a tourism levy; and
- (d) note simplest way of administering a tourism levy and the estimated cost of doing so.

The Committee resolved:-

to approve the recommendations.

THOMAS GLOVER HOUSE - CHI/17/025

33. With reference to article 6 of the minute of the Reconvened meeting of 7 December 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on the implementation of works and options for Thomas Glover House.

The report recommended:-

that the Committee -

- (a) note the progress report on implementation of Option 1;
- (b) note the feasibility of additional grant funding from external sources to implement further options; and
- (c) note the current position of Aberdeen Asset Management and the Universities.

The Committee resolved:-

to approve the recommendations.

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ABERDEEN JAPAN STRATEGY UPDATE - CHI/17/023

34. With reference to article 18 of the minute of meeting of 20 September 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on economic development activity that had taken place as part of the Aberdeen Japan Strategy and sets out future proposals for this work.

The report recommended:-

that the Committee -

- (a) note the update on economic development activity delivered as part of the Aberdeen-Japan Strategy during 2016 and early 2017; and
- (b) agree that going forward, economic development activities in support of encouraging and increasing trade between Aberdeen companies and Japan will be considered as part of the annual report on the Council's international trade and inward investment priorities.

The Committee resolved:-

to approve the recommendations.

JIVE PROJECT - GRANT AGREEMENT - CHI/17/050

35. With reference to article 13 of the minute of the previous meeting of 1 December 2016, the Committee had before it a replacement report by the Interim Director of Communities, Housing and Infrastructure which sought approval for the signing of the Grant Agreement for the JIVE project (Joint Initiative Hydrogen Vehicles Across Europe).

The report recommended:-

that the Committee -

- (a) note the terms of the Background Papers and in particular the recommendations which were made by this Committee on 1 December 2016 (the "Decision") and as detailed at paragraph 4.2 of this report that two of the conditions for entering into this project remain unsatisfied at this time;
- (b) note that the Decision was made by this Committee less than six months ago;
- (c) approve, in accordance with Standing Order 22, that the Decision is amended in accordance with recommendations 3, 4 and 5 of this Report;
- (d) approve the signing of the JIVE Grant Agreement by a Proper Officer;
- (e) instruct officers to investigate additional funding sources to reduce the Council's financial commitment to the project; and
- (f) report back to this Committee on 30 November 2017 to:-
 - (1) provide an update as to:-
 - (i) progress on recommendation (d) above;
 - (ii) details of the Scottish Government financial contribution;

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- (iii) details of Bus Operators agreement and financial contributions;
- (2) allow Committee to decide whether or not to exit from the project.

The Committee resolved:-

- (i) to suspend Standing Order 22 and approve the following recommendations contained within the original report circulated in the agenda pack dated 1 March 2017:-
 - (1) to approve the signing of the JIVE Grant Agreement by a Proper Officer of Aberdeen City Council on condition that the Council must notify their intention to leave the project by October 31st if they are unable to demonstrate:-
 - (a) a Scottish Government financial contribution of £3,000,000;
 - (b) a bus operator's agreement including a significant financial contribution; and
 - (2) to instruct officers to investigate additional funding sources to reduce the Council's financial commitment to the project; and
- (ii) that officers circulate details of the bus operators contributions to all members of the Committee.

REVIEW OF ACCESS TO LEISURE SCHEME - ECS/17/017

36. With reference to article 20 of the minute of meeting of 20 September 2016, the Committee had before it a report by the Director of Education and Children's Services which provided an update on the responses received from Disability Equity Partnership (DEP) and the Grampian Region Equality Council (GREC) whose views were sought on proposed changes to the Council's Access to Leisure scheme, recommended by the cross-service / ALEO Access to Leisure Working Group.

The report recommended:-

that the Committee –

- (a) note the responses to the consultation with DEP and GREC as required by this Committee;
- (b) approve changes to the current scheme based on the following:-
 - (1) eligibility based on receipt of disability and/or income related welfare benefits;
 - (2) in the case of disability and / or long-term conditions, evidence based referral from a health professional;
 - (3) age entitlement linked to national state retirement age and/or free bus travel entitlement;
- (c) approve the provision of subsidised teas and coffees only be provided by partners 'Loyalty Card' arrangements;
- (d) approve the reduction in discount for crèche and childcare related activities to 25% across the services and the discount for crèche provision in sports centres

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- should only be applicable when the parent / carer is taking part in sport and physical activity; and
- (e) approve the proposal that the revised Access to Leisure scheme be applicable during all public opening hours of the facilities and services.

The Committee resolved:-

- (i) to take no action and therefore adopt the status quo in terms of the current scheme; and
- (ii) that officers circulate details to all members of the Committee in relation to the monetary implications as a result of adopting the status quo.

DECLARATIONS OF INTEREST

The Vice Convener and Councillor Dickson declared an interest in the following item of business by virtue of their position as Council appointed Directors to the Board of Sport Aberdeen but chose to remain in the meeting as Sport Aberdeen was a body being a company established wholly or mainly for the purpose of providing services to the local authority, and which had entered into a contractual arrangement with the local authority for the supply of goods and / or services to the local authority, as set out in paragraph 5.18(2)(d)(i) and (ii) of the Councillors' Code of Conduct.

SPORT ABERDEEN - CONTRACT REVISION AND GOVERNANCE ARRANGEMENTS - ECS/17/018

37. With reference to article 30 of the minute of meeting of 19 April 2016, the Committee had before it a report by the Director of Education and Children Services which provided an update on the work completed with regards to revising the Council's contract with Sport Aberdeen and the Company's Governance Arrangements.

The report recommended:-

that the Committee -

- (a) approve the revised contract documentation, including Articles of Association, which sets the relationship between Aberdeen City Council and Sport Aberdeen;
- (b) approve the revised 'Outcome Specification' Framework between Aberdeen City Council and Sport Aberdeen as outlined in section 5.9 of the report; and
- (c) otherwise note the contents of the report.

The Committee resolved:-

to approve the recommendations.

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SUSPENSION OF THE COUNCIL'S PROCUREMENT REGULATIONS FOR A CONTRACT FOR THE REMOVAL AND STORAGE OF ARTEFACTS FROM PROVOST SKENE'S HOUSE- ECS/17/011

38. With reference to article 30 of the minute of meeting of 20 September 2016, the Committee had before it a report by the Director of Education and Children Services which provided information on the contract for the removal and storage of artefacts from Provost Skene's House.

The report recommended:-

that the Committee note the contents of the report and the reasons behind requesting suspension of the relevant Aberdeen City Council Procurement Regulations and the award of the contract.

The Committee resolved:-

- (i) to approve the recommendation;
- (ii) that officers confirm whether the artefacts at Provost Skene's House could have been stored at the Treasure Hub if it had been completed on time and circulate details to all members of the Committee; and
- (iii) that officers circulate to all members of the Committee the report which was considered by the Education and Children's Services Committee on 17 November 2016 in relation to the redevelopment of Provost Skene's House.

ACVO AND HMP GRAMPIAN FAMILY CENTRE GRANTS - CHI/17/055

39. The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which sought approval to enter into a grant funding agreement with Aberdeen Council of Voluntary Organisation (ACVO) and to make a £32,000 funding contribution towards the Family Centre and Help Hub at HMP Grampian entering into a formal agreement with Action for Children for the funding period.

The report recommended:-

that the Committee -

- (a) approve that officers agree a grant funding agreement with ACVO to apply from 1 April 2017 to 31 March 2020 for the provision of third sector interface, third sector engagement with the Council and support to the Civic Forum; and
- (b) approve provision of £32,000 grant payment to Action for Children as funding contribution towards the Family Centre and Help Hub at HMP Grampian for 2016/17 and to agree a grant funding agreement with Action for Children to 31 March 2018.

The Committee resolved:-

to approve the recommendations.

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MIDDLEFIELD / NORTHFIELD PLACE-MAKING AND ACTIVE TRAVEL PROJECT AND ENVIRONMENTAL AND FLOOD PREVENTION WORKS AT HEATHRYFOLD PARK, SECOND REPORT - CHI/17/008

40. With reference to article 40 of the minute of meeting of 20 September 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on progress to seek grant funds to allow the environment within Heathryfold Park to be enhanced.

The report recommended:-

that the Committee -

- (a) approve the use of existing budgets (flood alleviation budget and allocated staffing budget, see items 3.1 and 3.2 of the report) as match funding towards these two provisional grants awards (from Scottish National Heritage (SNH) and Nestrans);
- (b) approve the signing of, or entry into, a legal agreement, or other documentation with these organisations, subject to approval of the terms by Head of Legal and Democratic Services;
- (c) approve the addition of a Park Ranger post to the staff establishment for the duration of the SNH grant period (subject to the grant award being made to fund this additional post); and
- (d) agree that, if the application to Sustrans results in a provisional offer, then officers are instructed to report back to a future Committee on the next steps required to deliver the improved active travel routes across Heathryfold Park and the connections to Auchmill Road and Provost Rust Drive.

The Committee resolved:-

to approve the recommendations.

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

PROCUREMENT - APPROVAL TO TENDER FOR ACCORD CARD ICT APPLICATION - CG/17/001

41. The Committee had before it a report by the Interim Director of Corporate Governance which sought approval to tender for an ICT application capable of delivering those customers services currently enabled by the Accord Card and to approve the expenditure of a further year's contract with the current ICT application supplier whilst a tender is conducted.

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The report recommended:-

that the Committee -

- (a) approve a tender process be conducted by the Head of Information Technology and Transformation and the Head of Commercial and Procurement Services;
- (b) approve the estimated expenditure in terms of the procurement exercise for the proposed new contract; and
- (c) approve an exemption from the requirements of the Aberdeen City Council Procurement Regulations 2016 in accordance with clause 3.10 thereof for the estimated expenditure of an additional year's contract with the existing supplier.

The Committee resolved:-

to approve the recommendations.

AECC ANAEROBIC DIGESTOR PLANT AND GAS UPGRADER PROCUREMENT EXERCISE - CHI/17/001

42. The Committee had before it a report by the Interim Director of Corporate Governance which provided an update on the Anaerobic Digestion Gas to Grid project and outlined the findings of the tendering exercise and evaluation process undertaken.

The report recommended:-

that the Committee –

- (a) note the results of the competitive dialogue tendering exercises for the two engineer, procure, construction (EPC) contracts for an anaerobic digestion gas to grid plant;
- (b) note the change in overall financial return as a result of changes to the Government Renewable Heat Incentive (RHI) subsidy as well as more accurate industry costings as a result of the procurement process; and
- (c) in response to the financial changes within this report instruct officers to investigate potential alternative uses for the site with a view to maximising income generation for the overall AECC development.

The Committee resolved:-

to approve the recommendations.

PROCUREMENT OF FURNITURE STORAGE AND REMOVALS AND DOMESTIC FURNITURE AND FURNISHINGS - CHI/17/038

43. The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on the procurement of furniture storage and removal services to homeless households and sought approval for the extension of the current contract, together with approval of the estimated expenditure for the extension of the existing contract and the new contract.

FINANCE, POLICY AND RESOURCES COMMITTEE

9 March 2017

The report recommended:-

that the Committee -

- (a) approve the extension of the current contract with Instant Neighbour to provide furniture removals and storage for a period of up to 9 months;
- (b) delegate authority to the Head of Communities and Housing, following consultation with the Head of Commercial & Procurement Services, to proceed with either:-
 - (1) Option 1 – progress an award under the existing contract with The Furnishing Service (“TFS”) to provide the removals and storage services in partnership with Instant Neighbour. Alternatively, in the event agreement cannot be reached by the above parties to work together to deliver these services, then
 - (2) Option 2 – undertake an EU compliant tender exercise to obtain removal and storage services for three years with the option to extend for a period of up to a further 12 months;
- (c) approve the new removal and storage services contract, over a contract length of 3 years, with the option to extend for a period of up to a maximum of a further 12 months;
- (d) approve a direct award under Lot 1 – “Domestic Furniture and Furnishing” of the Scotland Excel Domestic Furniture Framework to TFS upon the expiry of the current contract on 12 May 2017 for a period of 3 + 1 years;
- (e) approve a direct award under Lot 2 – “Domestic Furniture and Furnishing – Reuse Furniture” of the Scotland Excel Domestic Furniture Framework to CRNS for an initial pilot period of 1 year and, if the pilot proves successful, extend for 2 years with the option to extend by a further 12 months + 1 years;
- (f) instruct officers to report to Committee by December 2017 with an options appraisal for charging customers for the storage and removal of furniture.

The Committee resolved:-

to approve the recommendations.

PROCUREMENT OF INTERPRETATION, TRANSLATION AND TRANSCRIPTION SERVICE - CHI/17/021

44. The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which sought approval to undertake a joint procurement process with Aberdeenshire Council for an external operator to provide Aberdeen City Council with an Interpretation, Translation and Transcription Service for a three year period with an option to extend for up to a period of twelve months.

FINANCE, POLICY AND RESOURCES COMMITTEE

9 March 2017

The report recommended:-

that the Committee -

- (a) instruct officers to proceed with a procurement exercise in order to select an operator for the provision of an Interpretation, Translation and Transcription service;
- (b) instruct officers to work in collaboration with Aberdeenshire Council to seek and secure external providers via a National Procurement Framework;
- (c) approve the contract duration of three years with the option to extend the duration of the contract by up to a further twelve months; and
- (d) approve the undertaking of a full Invitation To Tender exercise if the national frameworks are found not to be suitable.

The Committee resolved:-

to approve the recommendations.

PROCUREMENT OF FINANCE SPECIALIST ADVICE AND SUSPENSION OF PROCUREMENT REGULATIONS 2016 IN RELATION TO THE APPOINTMENT OF AN INTERIM FINANCE SENIOR - CG/17/002

45. With reference to article 8 of the minute of meeting of 20 September 2016, the Committee had before it a report by the Interim Director of Corporate Governance which (1) provided an update in relation to the procurement of specialist financial advice as previously approved by the Committee; and (2) advised on a contract with Penna plc for the provision of an Interim Finance Senior following a request under Procurement Regulation 3.10, for suspension of Procurement Regulations 2016.

The report recommended:-

that the Committee -

- (a) note the content of this report in relation to the procurement of finance specialist advice; and
- (b) note the reasons for requesting an exemption from the relevant Procurement Regulations and the subsequent award of the contract.

The Committee resolved:-

to approve the recommendations.

PENSION FUND GUARANTEE REQUEST - CG/17/007

46. The Committee had before it a report by the Interim Director of Corporate Governance which received a request from admitted bodies of the North East Scotland Pension Fund, for Aberdeen City Council to become a guarantor for their pension fund liabilities.

FINANCE, POLICY AND RESOURCES COMMITTEE

9 March 2017

The report recommended:-

that the Committee approve that Aberdeen City Council act as guarantor for Aberdeen Cyrenians and The Manor Project in respect of their North East Scotland Pension Fund liabilities.

The Committee resolved:-

- (i) to approve the recommendation; and
- (ii) that details of the funding paid to the Cyrenians and The Manor Project be circulated to all members of the Committee.

DECLARATIONS OF INTEREST

Councillor Jean Morrison CBE declared an interest in relation to the following item of business by virtue of her being a Council appointed Board member of Transition Extreme. She considered that the nature of her interest required her to leave the meeting and she took no part in the Committee's deliberations thereon.

TRANSITION EXTREME - CG/17/036

47. With reference to article 36 of the minute of meeting of 15 September 2015, the Committee had before it a report by the Interim Director of Corporate Governance which outlined the current financial position of Transition Extreme Sports Limited, the Council's relationship with the organisation and requested that the Committee consider and decide on a suitable course of action to support the organisation whilst protecting the Council's position.

The report recommended:-

that the Committee -

- (a) note the current financial position of Transition Extreme;
- (b) note the council's interest in and relationship with Transition Extreme;
- (c) approve a package of financial assistance subject to a maximum financial contribution of £500k and agreement of appropriate terms and conditions including item (e) below;
- (d) delegate authority to the Head of Commercial and Procurement Services in conjunction with the Head of Finance and Head of Legal and Democratic Services to agree the financial assistance package and associated terms and conditions; and
- (e) instruct the Head of Policy, Performance and Resources to undertake a review of sports provision across the city, taking cognisance of existing organisations providing sports facilities and present an integrated sports strategy to this committee later in the year.

FINANCE, POLICY AND RESOURCES COMMITTEE

9 March 2017

The Committee resolved:-

to approve the recommendations.

UNION STREET CONSERVATION AREA REGENERATION SCHEME - GRANT APPLICATION (APPENDICES A & B)

48. The Committee had before it exempt appendices relating to a report by the Interim Director of Communities, Housing and Infrastructure on the progress of the Union Street Conservation Area Regeneration Scheme application to Historic Environment Scotland. (Article 26 of this minute refers).

The Committee resolved:-

to note the information contained within the exempt appendices.

DECLARATIONS OF INTEREST

Councillor Jean Morrison CBE declared an interest in relation to the following item of business by virtue of her being a Council appointed representative of Aberdeen Science Centre. She considered that the nature of her interest required her to leave the meeting and she took no part in the Committee's deliberations thereon.

ABERDEEN SCIENCE CENTRE - BANK GUARANTEE 2017-18

49. With reference to article 32 of the minute of meeting of 19 April 2016, the Committee had before it a report by the Director of Education and Children's Services which sought approval for entering into a new one year Bank Guarantee arrangement with the Bank of Scotland in support of Aberdeen Science Centre's financial position, linked to the establishment of the renewed Strategic Partnership Agreement between the Council and Aberdeen Science Centre.

The report recommended:-

that the Committee -

- (a) approve entry by the Council into a new Bank Guarantee arrangement with Bank of Scotland, in support of Aberdeen Science Centre's overdraft and card guarantee facility, at a reduced level of £128,923, from 1st April 2017 to 31st March 2018; and
- (b) note the detail around Aberdeen Science Centre's capital grant bid to the Inspiring Science Fund stream in connection with potential redevelopment of the leased premises at 179 Constitution Street.

FINANCE, POLICY AND RESOURCES COMMITTEE

9 March 2017

The Committee resolved:-

to approve the recommendations.

LEASE AMENDMENTS, BON ACCORD AND ST NICHOLAS CENTRES - CHI/16/267

50. The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which sought approval of the outcome of the negotiations over the amendments to the ground lease of the Bon Accord and St Nicholas Centres including the termination of the lease of the Bon Accord Indoor Bowling Centre.

The report recommended:-

that the Committee –

- (a) approve the renunciation of the lease of the Bon Accord Indoor Bowling centre and the associated lease amendments.
- (b) instruct the Head of Legal and Democratic Services to conclude the lease renunciation and the amendments to the ground leases as outlined in option 3 (of the report) incorporating appropriate clauses to protect the Council's interests.

The Committee resolved:-

to approve the recommendations.

87-93 UNION STREET AND 1-6 MARKET STREET (FEASIBILITY STUDY) - CHI/17/027

51. With reference to article 15 of the minute of the Reconvened meeting of 7 December 2016, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update in relation to a feasibility study to examine the opportunities to develop a Private Rented Sector Housing Scheme in the city centre.

The report recommended:-

that the Committee –

- (a) note the range of options identified in the report;
- (b) note the risk and financial profiles against the model proposed; and
- (c) agree that the Head of Land and Property Assets is instructed to do the following:-
 - (1) advise the site owners that the investment ground lease model is one the Council are not prepared to take forward at this stage; and
 - (2) continue dialogue with the owners to identify alternative mechanisms to allow a redevelopment of the site to be progressed, including a purchase by the Council, to meet the wider objectives of the city centre masterplan. The outcome of these discussions should be brought to a future meeting of this committee.

FINANCE, POLICY AND RESOURCES COMMITTEE

9 March 2017

The Committee resolved:-

to approve the recommendations.

PROPERTY SALES - CHI/17/028

52. The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided details on the outcome of the marketing in relation to two surplus properties:-

- the former Adoption and Fostering Centre at 77 to 79 King Street; and
- 254 Queens Road.

The report recommended:-

that the Committee -

- (a) that the offer submitted for 77 to 79 King Street by Lojj (Scotland) Limited for £265,002 be accepted;
- (b) that the offer submitted for 254 Queens Road by Mr Angus Campbell for £325,325 to be accepted; and
- (c) 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:-

to approve the recommendations.

KINGSWELLS BUS SERVICES - CHI/17/057

53. The Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided details on the current position regarding bus services for the Kingswells area and identified options for ensuring continued public transport provision in the area.

The report recommended:-

that the Committee –

- (a) approve the amendment of the Crematorium Bus Service 94 to provide a shuttle service connecting Kingswells Village with Kingswells Park and Ride; and
- (b) approve the allocation of remaining supported bus service budget of £44,390, with the remaining required budget being absorbed within the existing 2017/18 Communities, Housing and Infrastructure budget to provide the amended service 94 shuttle bus service for one financial year; and
- (c) request officers to further investigate options for providing bus services in Kingswells and report to the appropriate committee to provide an update and/or to seek approval for service provision.

FINANCE, POLICY AND RESOURCES COMMITTEE

9 March 2017

The Convener, seconded by the Vice Convener moved:-

that the Committee approve the recommendations contained within the report subject to adding 'and on to Aberdeen Royal Infirmary hub' at recommendation (a).

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

that the Committee –

- (1) approve the amendment of the Crematorium Bus Service 94 to provide a shuttle service connecting Kingswells Village with Kingswells Park and Ride on a rolling monthly contract on contractual terms to be approved by the Head of Commercial and Procurement Services following consultation with the Head of Legal and Democratic Services;
- (2) approve the funding of this interim service from within the remaining supported bus service of £44,390 during 2017/18 to provide the amended service 94 shuttle bus service until such time as a permanent solution can be put in place with any shortfall to be met as proposed in the report by officers;
- (3) instruct the Director of Communities, Housing and Infrastructure, following consultation with the Head of Commercial and Procurement Services, to immediately embark upon a tendering exercise in order to provide a bus service to Kingswells which includes evening and weekend services, and approve an estimated expenditure of £170,000 in this regard from contingencies, all subject to compliance with any legal requirements and approval of the Head of Legal and Democratic Services;
- (4) instruct the Director of Communities, Housing and Infrastructure, following consultation with the Head of Commercial and Procurement Services, to accept the tender which offers best value and to implement such a service at the earliest possible date, subject to compliance with any legal requirements and approval of the Head of Legal and Democratic Services; and
- (5) instruct the Director Communities, Housing and Infrastructure to report back to the Communities, Housing and Infrastructure Committee on 29 August 2017, on creating a system to deal with similar situations which may arise in future.

On a division, there voted:- for the motion (15) the Convener, the Vice Convener and Councillors Cameron, Corall, Crockett, Dickson, Finlayson, Flynn, Laing Milne, Jean Morrison CBE, Nicoll, Reynolds, Taylor and Townson; for the amendment (2) – Councillors Delaney and Yuill.

The Committee resolved:-

to adopt the motion.

FINANCE, POLICY AND RESOURCES COMMITTEE

9 March 2017

In terms of Standing Order 36(3), Councillor Delaney intimated he would like this matter to be referred to full Council in order for a final decision to be taken. Councillor Delaney was supported by Councillor Yuill, however as there was insufficient support to refer the matter to Council, the request fell.

In terms of Standing Order 15(6), Councillor Delaney requested that his dissent to the decision be recorded.

- COUNCILLOR WILLIE YOUNG, Convener.

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FINANCE, POLICY AND RESOURCES COMMITTEE

COMMITTEE BUSINESS STATEMENT

29 JUNE 2017

Please note that this statement contains a note of every report which has been instructed for submission to this Committee. All other actions which have been instructed by the Committee are not included, as they are deemed to be operational matters after the point of committee decision. Where a report instructed requires no decision to be made this will be reported in the Committee's information bulletin. Reports which are overdue are shaded.

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
1.	Finance, Policy and Resources 3/12/15 Article 11	<p><u>Suzunoya Project</u></p> <p>The Committee agreed to award grant funding of £1,500 to support the development of the Aberdeen Pilot of the Suzunoya project, to create an open house that offers residents with dementia the opportunity to socially interact and enjoy healthy eating, by covering the cost of bringing experts on Suzunoya from Japan to Aberdeen; and to report back to the Committee on the progress of the Suzunoya Project on Dementia.</p>	<p>We have found it challenging to bring an appropriate Japanese colleague over to Aberdeen. However we are in the process of developing a media project on Dementia between Aberdeen and Japan. We are hoping to bring a dementia expert from Nagoya University to Aberdeen in late spring/early summer to help develop this project and with the intention of submitting a larger project to the Diawa foundation for extra funding. As I mentioned in the previous update Mr Katsuyuki Goto from the Japanese media company CBC Television.co. Ltd and Dr Kazuichiro Hori the Deputy Director for Global Expansion Of Japanese Healthcare, Health Policy Bureau are particularly keen to be involved with our project.</p> <p>We appreciate the council's patience</p>	Tom Cowan - H&SCP		

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			but before spending the monies allocated by ACC we wish to ensure that we collaborate with an appropriate Japanese expert/s in the area.			
2.	Finance, Policy and Resources 19/04/16 article 23	<p><u>Participatory Budgeting</u></p> <p>The Committee resolved to request officers to develop a Corporate Policy for participatory budgeting and report this to the Committee.</p>	Officers have concluded a number of PB projects during 2016/2017 (including HRA funded initiatives and Fairer Aberdeen Fund) with the three Locality PB events concluding at the end of March 2017 which has included the use of online tools to support the process. Through the conclusion of these projects and ongoing work with PB Partners, Officers will deliver a policy based on Scottish wide and global best practice coupled with lessons learnt from PB activities up to March 17. It is worth noting the PB activity to date was nominated for a Public Service award.	Jo Mackie –CH&I		20/9/17
3.	Finance, Policy and Resources 19/04/16 article 29	<p><u>FCHJU Fuel Cell Bus Commercialisation Project</u></p> <p>The Committee resolved, amongst other things,</p> <p>(i) to instruct the Director of Communities, Housing and Infrastructure to report back to Finance, Policy and Resource Committee with confirmation that external match funding was secured</p>	The Committee considered a report at its meeting on 9 March 2017 and agreed an extension to timescale to allow for confirmation of status of external match funding. Expected close is now 31st October 2017.	Andrew Win/Laura Paterson/Emma Watt – CH&I		30/11/17

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
	Communities Housing and Infrastructure 20/01/16 Article 22	<p>(ii) for the project; and to instruct the Director of Communities, Housing and Infrastructure to explore the possibility of increasing the number of buses if match funding could be secured and to report back to the next meeting of the Committee on 7 June 2016 in this regard.</p> <p>At its meeting of 20 January 2016, the Committee agreed amongst other things to instruct officers to present a detailed business case for Aberdeen City Council's participation in the commercialisation project under the proviso that European and external funding sources are secured.</p>				
4.	Finance, Policy and Resources 19/04/16 article 39	<p><u>Report on Lease Issues with ALEOs - His Majesty's Theatre Roof Repair</u></p> <p>The Committee resolved, amongst other things, to request the Director of Communities, Housing and Infrastructure to submit a report regarding the policy in respect of repairs of all leased properties.</p>	<p>The HMT roof repairs are well underway and good progress is being made. A good portion of the roof has been completed now including the roof above the restaurant/corporate suite and roofs running along the sides of the auditorium. The roof above the stage has been stripped and work is starting on replacing the broken glass on the top of the lantern with the below roof being</p>	Stephen Booth – CH&I	20/09/16	

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
			<p>slated as the scaffolding is dismantled.</p> <p>The works HMT are undertaking are:</p> <ol style="list-style-type: none"> 1. Cowling replacement 2. Re-insulation of air handling ductwork 3. Roofing works to replace slates, broken glass on the dome, underfelt, leadwork and clear and replace the mortar from the skews and replace, repair and repaint the doors and windows at the rear of the theatre and along Donald's Way. <p>The cowling replacement is complete, the re-insulation of the air handling ductwork is near completion and the roofing work is now well underway. A good portion of the roofing has been completed now including the roof above the restaurant/corporate suite, roofs running along the sides of the auditorium. The roof above the stage has been stripped and work is starting on replacing the broken glass on the top of the lantern with the below roof being slated as the scaffolding is dismantled. HMT expect the roofworks to be</p>			

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
			<p>completed by the end of May and the paintwork by the end of June but this will be weather dependant.</p> <p>There are numerous properties in this category with different leases and management practices. A comprehensive report on the issues will be presented to a future committee.</p>			
5.	Property Sub Committee 02/09/15 article 5	<p><u>Former Bon Accord Baths Disposal</u></p> <p>It was agreed to instruct the Head of Land and Property Assets to enter into dialogue with Bon Accord Heritage and report back to this Sub Committee at a future meeting, by 24 May 2016 at the latest, with further detail in relation to their proposals, delivery strategy and timing.</p>	<p>Meetings are being held with Bon Accord heritage on a regular basis to assist them in the development plans for the facility. Detailed survey and inspection works are currently being undertaken which assist in establishing the viability of the project. It is hoped that a report will be brought to the September committee.</p>	Neil Strachan – CH&I	By 24/05/16	20/09/17
6.	Property Sub Committee 02/09/15 article 9	<p><u>Ferryhill Engine Shed – Lease</u></p> <p>It was agreed to note that the Head of Land and Property Assets will report to the Property Sub Committee on 29 March 2016, with details of what the Trust has provided and a recommendation on a way forward.</p>	<p>Discussions continue with the group to provisionally agree Heads of Terms for a long term lease. The Group are having difficulty in securing all the funding they require and a meeting is scheduled during May 2017. Once discussions are concluded a report will be brought back to Committee.</p>	Louisa Ratana-Arporn – CH&I	29/03/16	20/09/17

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
7.	Property Sub Committee - 17/11/15 (Article 5)	<p><u>Denburn Car Park Site</u></p> <p>The Sub Committee agreed to instruct the Head of Land and Property Assets to open discussions with NHS Grampian (The Scottish Ministers) over the future of the Denburn car park site and report back to a future meeting of this Committee.</p>	<p>Discussions are ongoing with NHS Grampian. A joint valuation instruction is being negotiated with NHS Grampian. Due to the complexities around ownership and liabilities of the site officers have not yet been able to reach agreement.</p> <p>NHS Grampian remain in the process of relocating their services from the property.</p> <p>A Report will be brought to Committee at the first available opportunity.</p>	Neil Strachan – CH&I	24/05/16	20/09/17
8.	Property Sub Committee - 17/11/15 (Article 10)	<p><u>Wallace Tower, Tillydrone</u></p> <p>The Sub Committee agreed to (a) investigate how the potential provision of Community Facilities at and around a redeveloped Wallace Tower will fit into the overall provision of Community Facilities in the Tillydrone area, as envisaged by the CH&I Committee and approved at their meeting on 27 August 2015 (see paragraph 5.12 of the report); and (b) report back to the meeting of this Sub-Committee on 24 May 2016</p>	<p>At present, there's no new additional information to bring to Members attention. A number of funding applications have been made and decisions are awaited. Further information on funding applications will be brought to a future committee. .</p>	Jim Argo – CH&I	24/05/16	20/09/17

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
9.	Finance, Policy & Resources Committee – 07/06/16 Article 25	<p><u>Service To Deliver Mobility Equipment Hire</u></p> <p>The Committee resolved, amongst other things, to instruct officers to periodically update the Committee on the progress of Shopmobility in implementing the scheme.</p>	Fleet Management Services continue to work with Shopmobility who have selected a vehicle suitable for mobile equipment hire. A report with further detail will follow to committee in November 2017	Derek McGowan – CH&I	09/03/17	30/11/17
10.	Finance, Policy & Resources Committee – 07/06/16 Article 27	<p><u>Art Gallery Redevelopment Fundraising</u></p> <p>The Committee resolved, amongst other things, to note that a further progress report on fundraising would be presented to the Finance, Policy and Resources Committee in November / December 2016.</p>	The Committee considered a report at their meeting on 01/12/16 but agreed to keep this item on the statement.	Euan Couperwhite - ECS		
11.	Finance, Policy & Resources Committee – 07/06/16 Article 32	<p><u>Gospel Hall, New Pier Road, Footdee - Proposed Community Asset Transfer</u></p> <p>The Committee resolved, amongst other things, to remit it to the Head of Land and Property Assets to negotiate appropriate terms and conditions of a Community Asset Transfer and report back to the Committee's next meeting on 7 September, 2016 in order that the Committee might consider the formal approval of same.</p>	A Report is on the Agenda.	James Argo – CH&I	20/09/16	08/06/17

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
12.	Finance, Policy & Resources Committee – 07/06/16 Article 32	<p><u>Site at 16 Lang Stracht</u></p> <p>The Committee resolved, amongst other things, to instruct the Head of Land and Property Assets to report to a future meeting of the Committee on the options for the future use of site 16 Lang Stracht.</p>	<p>The Committee considered a report at their meeting on 01/12/16 but agreed to keep this item on the statement.</p> <p>Negotiations are still ongoing and a report will be brought to the first available meeting. These discussions are current and a late report or verbal update is being considered.</p>	Stephen Booth – CH&I		
13.	Finance, Policy & Resources Committee – 20/09/16 Article 26	<p><u>Property Asset Management Policy and Framework</u></p> <p>The Committee agreed that a report on the Property Asset Management Strategy be brought to this committee on 8 June 2017.</p>	In light of some pending related workstreams proposing transformation a fuller and more appropriate report will be brought to a future committee	Alastair Reid – CH&I	08/06/17	
14.	Finance, Policy & Resources Committee – 20/09/16 Article 28	<p><u>Review of Bookings and Lettings Procedures in Schools and Learning Centres</u></p> <p>The Committee agreed:- (1) to instruct officers, in partnership with Sport Aberdeen, to investigate the feasibility and implications of transferring responsibility for administering the bookings and lettings system from Sport Aberdeen to an appropriate team within Aberdeen City Council, and to report their findings and recommendations to</p>	<p>The review of bookings and lettings has been incorporated into the Operational Excellence programme, managed by the Transformation Delivery Board, to ensure there is consistency with the Council's overall approach to customer management and customer interface.</p> <p>The timing of the bookings and lettings review is therefore subject to the allocation of staffing resources within the Operational Excellence</p>	Andrew Jones – ECS and Kay Diack - CHI		

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
		<p>Committee in September 2017; (2) to instruct officers, in partnership with Sport Aberdeen, to carry out a detailed analysis of the current charges for bookings and lettings of schools and learning centres, and to report to Committee in February 2017 (now March 2017) with recommendations on any required changes to the scale of charges, to ensure the financial viability of the bookings and lettings system.</p>	<p>Programme, and we are awaiting confirmation of the timescales for commencing work on the new bookings and lettings system. Consequently we are not yet in a position to make recommendations to the Committee on the scale of charges for bookings and lettings, which will form an integral part of the overall review.</p> <p>We would seek to take a report to the Committee as soon as the work on the new system is under way.</p>			
15.	<p>Finance, Policy & Resources Committee (Reconvened) – 07/12/16 Article 3</p>	<p><u>Strategic Infrastructure Plan – City Centre Living Study</u></p> <p>The Committee agreed to 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 (Now March 2017)</p>	<p>Consultants have been commissioned to undertake the City Centre Living Study and will complete their work in June 2017. A report on the study and its outcomes will be submitted to the September FP&R Committee.</p>	<p>David Leslie/ Marc Cole – CH&I</p>	09/03/17	20/09/17
16.	<p>Finance, Policy & Resources Committee (Reconvened) – 07/12/16</p>	<p><u>Current Gas Central Heating Maintenance Framework Contract</u></p> <p>The Committee agreed amongst other things that an update report</p>		<p>Colin MacIver – CH&I</p>	30/11/17	

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
	Article 9	in relation to the contract be brought back to the Committee on 30 November 2017				
17.	Finance, Policy & Resources Committee (Reconvened) – 07/12/16 Article 12	<u>Purchase of Ground at Wellington Road</u> The Committee agreed to:- (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.	The Scottish Government have replied however the letter was not received in sufficient time for a report to be brought to this meeting of Committee. The Scottish Government's position is that the land will need to be purchased by the Council at its valuation. The Council is to confirm if it wishes to progress with the purchase or not. If the Council does not wish to progress with the purchase the Scottish Government will look at alternative disposal options. A full report on the matter will be brought to the next FP&R Committee.	Neil Strachan – CH&I		20/09/17
18.	Council – 15/3/17	<u>Economic Policy Panel</u> The Council agreed - (1) to instruct the Chief Executive to undertake a national advertisement with a view to recruiting appropriately qualified members for the Panel, and thereafter to recommend proposed members to the first available Finance, Policy and Resources Committee for its approval; and	The Council is currently recruiting panel members through a UK-wide campaign. Interviews are slated for the beginning of July 2017, following which a report recommending the appointments will be presented to the Council's Finance, Policy & Resources Committee.	Richard Sweetnam – CH&I		

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
		(2) to agree that the Finance, Policy and Resources Committee shall have due regard to the reports and other work of the Panel				
19.	Council – 15/3/17	<u>Union Terrace Gardens</u> The Council agreed to instruct the Head of Economic Development to submit a report to the first available Finance, Policy and Resources Committee with recommendations on the preferred contractor from the procurement exercise and the final costs of the scheme.	The report is on the agenda	Richard Sweetnam/ Andrew Win/ Tara Gavan – CH&I		
20.	Finance, Policy and Resources Committee – 09/03/17 (Article 7)	<u>Towards a Fairer Aberdeen that Prospers for all 2017-2020</u> The Committee agreed to:- (1) request officers to report back to a future Finance Policy and Resources Committee with a corporate framework linked to the Community Planning Partnerships Local Outcome Improvement Plan structure for overseeing the governance, performance and management for tackling poverty and inequalities; (2) request officers to have further discussion with Community Planning partners to identify further actions intended to address		Dave Kilgour – CH&I	Item 2 – 20/09/17 Item 4 – 30/11/17	

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
		health inequalities and report back to Committee for the next cycle; (3) request officers to develop proposals and report back to Committee regarding how ongoing engagement with individuals and groups who are experiencing poverty would be progressed; and (4) note the proposal to pilot school holiday meal provision in 3 primary schools was subject to confirmation that funding was available in the 2017/18 budgets and to evaluate and report back to Committee within 9 months.				
21.	Finance, Policy and Resources Committee – 09/03/17 (Article 15)	<p><u>Enforcement within the Private Rented Housing Sector</u></p> <p>The Committee agreed to instruct the Director of Communities, Housing and Infrastructure to bring a report to a future meeting of the Finance, Policy and Resources Committee outlining the options for enhancing the resources available for enforcement within the private rented housing sector and to draft a business case on how this could be done on a revenue-neutral basis.</p>		Derek McGowan - CH&I		
22.	Finance, Policy and Resources Committee – 09/03/17	<p><u>City Centre Lighting Strategy and Implementation Plan</u></p> <p>The Committee approved</p>		Scott Davidson - OCE		30/11/17

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
	(Article 24)	expenditure of up to £75,000 to award a contract to consultants to prepare a City Centre Lighting Strategy and Implementation Plan (Aberdeen In Colour) and report progress to Finance, Policy and Resources Committee following completion.				
23.	Finance, Policy and Resources Committee – 09/03/17 (Article 27)	<p><u>Tall Ships Race</u></p> <p>The Committee agreed to</p> <p>(1) instruct officers to build £500,000 per annum into the base budget over the next four years to ensure Aberdeen City Council is in the best possible position to apply and hold the Tall Ships Race event in 2022;</p> <p>(2) instruct officers to work with the private sector and others to lever in private sector finance to meet at least 25% of any costs associated with the Tall Ship Race coming to Aberdeen in 2022;</p> <p>(3) take back a report to the Committee to include financial implications in six months' time.</p>		Dawn Schultz - CHI	20/09/17	
24.	Finance, Policy and Resources Committee – 09/03/17 (Article 40)	<p><u>Heathryfold Park – Travel Routes</u></p> <p>The Committee agreed that, if the application to Sustrans results in a provisional offer, then officers are instructed to report back to a</p>		Bill Watson – CH&I		

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
		future Committee on the next steps required to deliver the improved active travel routes across Heathryfold Park and the connections to Auchmill Road and Provost Rust Drive.				
25.	Finance, Policy and Resources Committee – 09/03/17 (Article 43)	<p><u>Furniture Storage and Removals and Domestic Furniture and Furnishings</u></p> <p>The Committee agreed to instruct officers to report to Committee by December 2017 with an options appraisal for charging customers for the storage and removal of furniture.</p>		Graeme Gardner – CH&I	30/11/17	
26.	Finance, Policy and Resources Committee – 09/03/17 (Article 47)	<p><u>Sports Provision Across the City</u></p> <p>The Committee agreed to instruct the Head of Policy, Performance and Resources to undertake a review of sports provision across the city, taking cognisance of existing organisations providing sports facilities and present an integrated sports strategy to this committee later in the year.</p>		Euan Couperwhite – E&CS	30/11/17	
27.	Finance, Policy and Resources Committee – 09/03/17 (Article 51)	<p><u>87-93 Union Street and 1-6 Market Street</u></p> <p>The Committee agreed that the Head of Land and Property Assets is instructed to do the following -</p>	The building owners have been advised that the Council do not wish to proceed with the development proposal reported to the committee on 09/03/17.	Stephen Booth – CH&I		20/09/17

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
		<p>(1) advise the site owners that the investment ground lease model is one the Council are not prepared to take forward at this stage; and</p> <p>(2) continue dialogue with the owners to identify alternative mechanisms to allow a redevelopment of the site to be progressed, including a purchase by the Council, to meet the wider objectives of the city centre masterplan. The outcome of these discussions should be brought to a future meeting of this committee.</p>	<p>They have suggested that in the immediate term they will continue with their redevelopment plans.</p> <p>Discussions continue on other options for the site.</p>			
28.	Communities, Housing and Infrastructure Committee – 24/05/17	<p><u>Development of Service Level Agreements (Equalities)</u></p> <p>The CH&I Committee agreed to instruct officers to report to Finance Policy and Resources Committee by March 2019 with an Equalities grant funding plan to assist the council in the delivery of its Equality Outcomes and in mainstreaming equality with new service specifications</p>		Sandra Howard – CH&I	By March 2019	

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FINANCE AND RESOURCES COMMITTEE

MOTIONS LIST

March 2017

Please note that this statement tracks all Notices of Motion submitted by members, until the point of disposal. The motion will remain on the statement until the Committee has agreed to remove it.

<u>No.</u>	<u>Motion</u>	<u>Date of Council/ Committee Meeting</u>	<u>Committee Motion referred to / date/ decision of Committee</u>	<u>Action taken / Proposed Future Action</u>	<u>Responsible Head(s) of Service</u>	<u>Due Date</u>	<u>Is authority sought to remove motion from list?</u>
1.	<p><u>Motion by Councillor Stewart</u> To instruct the Director of, Communities, Housing and Infrastructure to bring a report to the next meeting of Communities, Housing and Infrastructure on the proposition that where there are unreasonable delays in Capital Programmes of Works attributed to the Contractor, that (i) Council tenants and other affected householders should receive an appropriate payment payable by the contractor (to be provided for in the contract between the council and the</p>	CH&I Committee 24.01.17		<p>At the CH&I meeting of 24 January 2017 the Committee agreed to the terms of the motion reporting to Finance Policy Resources Committee in June.</p> <p>Officers are seeking further information from legal sources and other local authorities to explore the options available and a report will be presented to a future committee.</p>	Head of Communities and Housing	08.06.17	No

<u>No.</u>	<u>Motion</u>	<u>Date of Council/ Committee Meeting</u>	<u>Committee Motion referred to / date/ decision of Committee</u>	<u>Action taken / Proposed Future Action</u>	<u>Responsible Head(s) of Service</u>	<u>Due Date</u>	<u>Is authority sought to remove motion from list?</u>
	contractor) to cover their reasonable losses and/or (ii) other methods of recompense should be made available. The report will also look at best practice adopted in this area by other Scottish local authorities						
2.	<p><u>Motion by Councillor Young</u></p> <p>“that the Committee agrees to instruct the Head of Human Resources to continue dialogue between senior management and the Trade Unions about reducing the level of agency usage in the Council noting that the Council has approved a saving of £500,000 for agency usage in the budget for 2017/2018.</p> <p>The Committee also agrees, as part of these joint discussions, that senior management works towards the elimination of agency</p>	FP&R Committee 09.03.17 (Article 14)		<p>HR&CS Service worked with Trades unions and reached agreement to convert all agency craft workers (who expressed an interest to do so) to fixed term employment with the Council, in the first instance. There were 56 Agency Workers taken on, on 1 May 2017 with a corresponding reduction in the number of Agency Workers.</p> <p>Commercial & Procurement Service contacted the Agencies on the craft worker framework contract to cease using umbrella arrangements when supplying staff to the Council. All suppliers on</p>	Head of HR		YES

<u>No.</u>	<u>Motion</u>	<u>Date of Council/ Committee Meeting</u>	<u>Committee Motion referred to / date/ decision of Committee</u>	<u>Action taken / Proposed Future Action</u>	<u>Responsible Head(s) of Service</u>	<u>Due Date</u>	<u>Is authority sought to remove motion from list?</u>
	usage which involves umbrella companies noting that there are procurement considerations in relation to this which are being explored.”			<p>the contract have agreed to move away from the use of umbrella arrangement. We have been informed those agency craft workers who chose not to take the option of fixed term employment with the Council have moved on to and employment relationship with their agency, as such have moved away from umbrella arrangements.</p> <p>Craft Workers is the biggest area where agency workers are used and demonstrates we have worked towards the elimination of use of umbrella arrangements.</p>			

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Agenda Item 6.3

CYCLE 3 - COMMITTEE STATISTICS			
The Tracker Shows the Reports Which are Expected to be Submitted to Future Committee Meetings			
Report Title	Report author	Head of Service	Purpose of Report
Aberdeen 365 Operational Plan	Dawn Schultz	Richard Sweetnam	Decision sheet 09/03 - Update on the next step - to instruct officers to build £500,000 per annum into the base budget over the next four years to ensure Aberdeen City Council is in the best possible position to apply and hold the Tall Ships Race event in 2022; (v) to instruct officers to work with the private sector and others to lever in private sector finance to meet at least 25% of any costs associated with the Tall Ship Race coming to Aberdeen in 2022; (vi) to take back a report to the Committee to include financial implications in six months' time
Tall Ships Race	Dawn Schultz	Richard Sweetnam	09/03 Business statement - The Committee agreed to (1) instruct officers to build £500,000 per annum into the base budget over the next four years to ensure Aberdeen City Council is in the best possible position to apply and hold the Tall Ships Race event in 2022; (2) instruct officers to work with the private sector and others to lever in private sector finance to meet at least 25% of any costs associated with the Tall Ship Race coming to Aberdeen in 2022; (3) take back a report to the Committee to include financial implications in six months' time
Strategic Infrastructure Plan – City Centre Living Study	David Lesley/Marc Cole	Angela Scott	09/03 Business statement - The Committee agreed to 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 (Now March 2017)
Ferryhill Engine Shed – Lease	Louisa Ratana Arporn	John Quinn	09/03 Business statement - It was agreed to note that the Head of Land and Property Assets will report to the Property Sub Committee on 29 March 2016, with details of what the Trust has provided and a recommendation on a way forward.
Environmental and flood prevention works to Heathryfold Park	Bill Watson	John Quinn	Follow up report

Towards A Fairer Aberdeen That Prospers For All 2017-20	Dave Kilgour	Derek McGowan	Update - Decision sheet 09/0 - to request officers to report back to a future Finance Policy and Resources Committee with a corporate framework linked to the Community Planning Partnerships Local Outcome Improvement Plan structure for overseeing the governance, performance and management for tackling poverty and inequalities; (iii) to request officers to have further discussion with Community Planning partners to identify further actions intended to address health inequalities and report back to Committee for the next cycle; (iv) to request officers to develop proposals and report back to Committee regarding how ongoing engagement with individuals and groups who are experiencing poverty will be progressed
Public Bodies Duties Climate Change Report 16/17	Amy Gray	Eric Owens	The purpose of the report is to comply with the Climate Change (Scotland) Act 2009 requirement to publically report on our emissions performance
Property Asset Management Policy/Strategy	Alistair Reid	John Quinn	Annual report
Review of Bookings and Lettings Procedures in Schools and Learning Centres	Andrew Jones / (Kay Diack)	Euan Couperwhite	Ctte requested update.
Payment Controls Update	Dave Bliss/Graeme Simpson	Bernadette Oxley	Ctte requested update.
2017/18 Financial Monitoring – Corporate Governance	James Hashmi	Steven Whyte	For noting the financial performance of Corporate Governance, Revenue and Capital budgets and Earmarked Reserves and the provision of information on key variances contributing to the forecast outturn.
Council General Fund Monitoring 2017/18	Lesley Fullerton	Steven Whyte	
2017/18 Common Good Budget – Monitoring Report	Catriona Gilmour	Steven Whyte	For noting the latest financial performance of the Common Good budget.
Small Financial Assistance Grants 2016/17	Karen Black	Steven Whyte	Subject to applications being received. Each application requires consideration and a decision on the award of funding.
Pension Fund Guarantee Requests (Subject to requests being received)	Sandra Buthlay	Steven Whyte	Subject to requests being received. To consider requests received from North East Scotland Pension Fund admitted bodies for Aberdeen City Council to become a guarantor for their pension fund liabilities.
Corporate Governance Performance Scorecard	Martin Allan		
Living Wage Accreditation	Karen Templeton	Ewan Sutherland	

Review of the Managing Substance Misuse Policy (tbc)	Keith Tennant	Ewan Sutherland	This policy is concerned with further refining the processes involved when dealing with substance misuse cases. It also has the aim of updating the policy to reflect recent changes in legislation and support.
Strategic Infrastructure Plan	David Leslie	Craig Innes	
Photovoltaic Panels	Stephen Booth	John Quinn	Originated from AR&SC Internal Audit report regarding Photovoltaic Panels (Comments from CHI)
Middlefield/Northfield Place-Making	Bill Watson	John Quinn	This is a follow up to Middlefield/Northfield Place-Making and Active Travel Project & Environmental and Flood Prevention Works at Heathryfold Park, 2nd report
Information Governance Policy	Helen Cannings	Simon Haston	The Information governance team has new and revised Information Governance Policies for committee approval
Report on lease Issues with ALEO - His Majesty's Theatre Roof replair	Stephen Booth	John Quinn	There are numerous properties in this category with different leases and management practices. A comprehensive report on the issues will be presented to a future committee
Former Bon Accord Baths Disposal	Neil Strachan	John Quinn	Meetings are being held with Bon Accord heritage on a regular basis to assist them in the development plans for the facility and a report will be presented
Denburn Car Park Site	Neil Strachan	John Quinn	Discussions are ongoing with NHS Grampian. A joint valuation instruction is being negotiated with NHS Grampian. Due to the complexities around ownership and liabilities of the site officers have not yet been able to reach agreement. NHS Grampian remain in the process of relocating their services from the property
Wallace Tower, Tillydrone	Jim Argo	John Quinn	Update
Service To Deliver Mobility Equipment Hire	Sandra Howard	Derek McGowan	Update
87-93 Union Street and 1-6 Market Street	Stephen Booth	John Quinn	Update

CYCLE 4 - COMMITTEE STATISTICS				
The Tracker Shows the Reports Which are Expected to be Submitted to Future Committee Meetings				
Report Title	Committee date	Report author	Head of Service	Purpose of Report
Current Gas Central Heating Maintenance Framework Contract	30/11/2017	Colin MacIver	John Quinn	The Committee agreed amongst other things that an update report in relation to the contract be brought back to the Committee on 30 November 2017
Towards A Fairer Aberdeen That Prospers For All 2017-20	30/11/2017	Dave Kilgour	Derek McGowan	Update - Business decision - 09/17 - to note the proposal to pilot school holiday meal provision in 3 primary schools is subject to confirmation that funding is available in the 2017/18 budgets and to evaluate and report back to Committee within 9 months.
Furniture Storage and Removals and Domestic Furniture and Furnishings	30/11/2017	Graeme Gardener	Derek McGowan	09/03 - The Committee agreed to instruct officers to report to Committee by December 2017 with an options appraisal for charging customers for the storage and removal of furniture.
Approval to extend self-service payment kiosk contract	30/11/2017	Craig Farquhar	Ewan Sutherland	To renew the contract for maintenance and support for the existing self-service payment kiosks (It may be that when IT goes to committee the team may look to procure additional kiosks, which would slightly alter the purpose, but purpose will be updated if that's the case)
2017/18 Financial Monitoring – Corporate Governance	30/11/2017	James Hashmi	Steven Whyte	For noting the financial performance of Corporate Governance, Revenue and Capital budgets and Earmarked Reserves and the provision of information on key variances contributing to the forecast outturn.
Council General Fund Monitoring 2017/18	30/11/2017	Lesley Fullerton	Steven Whyte	
2017/18 Common Good Budget – Monitoring Report	30/11/2017	Catriona Gilmour	Steven Whyte	For noting the latest financial performance of the Common Good budget.
Small Financial Assistance Grants 2016/17	30/11/2017	Karen Black	Steven Whyte	Subject to applications being received. Each application requires consideration and a decision on the award of funding.
Pension Fund Guarantee Requests (Subject to requests being received)	30/11/2017	Sandra Buthlay	Steven Whyte	Subject to requests being received. To consider requests received from North East Scotland Pension Fund admitted bodies for Aberdeen City Council to become a guarantor for their pension fund liabilities.
Treasury Management Policy and Strategy – Mid Year Review	30/11/2017	Neil Stewart	Steven Whyte	
Corporate Governance Performance Scorecard	30/11/2017	Martin Allan		
Strategic Infrastructure Plan	30/11/2017	David Leslie	Craig Innes	
Fairtrade	30/11/2017	Oluwatoyin Fatokun	Eric Owens	Update on Fair trade resolution
FCHJU Fuel Cell Bus Commercialisation Project	30/11/2017	Andrew Win	Richard Sweetnam	At meeting on 9 March 2017 it was agreed an extension to timescale to allow for confirmation of status of external match funding. Expected close is now 31st October 2017.

ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	29 June 2017
REPORT TITLE	Appointment of Members to Sub-Committees and Working Groups
REPORT NUMBER	CG/17/070
DIRECTOR/HOS	Fraser Bell
REPORT AUTHOR	Mark Masson

1. PURPOSE OF REPORT:-

- 1.1 The purpose of this report is to seek the re-establishment of, and appointment to, sub-committees, working groups and a project board under the Committee's remit.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Committee:

- (a) notes 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) agrees to re-establish and appoint members to the sub-committees listed at section 3.1 of the report in accordance with the agreed compositions; and
- (c) agrees 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.

3. BACKGROUND/MAIN ISSUES

- 3.1 The Committee is requested to consider the re-establishment and appointment of members to the following sub-committees and working groups:-

Group	Number of Council Representatives Previously Appointed
Aberdeen Winter Festival Working Group	5
Business Rates Appeals Sub Committee	5 (and 5 substitute members)
Electoral Boundaries Working Group	7
Governance Reference Group	7
Local Government Employees Joint Consultative Committee	9

3.2 Compositions

3.2.1 Council at its meeting on 17 May 2017, agreed the following compositions for sub-committee and working groups:-

Number of Members	Composition
5	1 SNP, 1 Conservative, 1 Labour, 1 Liberal Democrat and 1 Independent
7	2 SNP, 2 Conservative, 1 Labour, 1 Liberal Democrat and 1 Independent
9	3 SNP, 3 Conservative, 1 Labour, 1 Liberal Democrat and 1 Independent

3.3 Aberdeen Winter Festival Working Group Remit

3.3.1 The remit of the Aberdeen Winter Festival Working Group is to consider proposed activities in the city for the festive season.

3.3.2 The City Events Team works with members to explore a number of opportunities linked to the ambitions of the City Centre Master Plan.

3.4 Business Rates Appeals Sub Committee Remit

3.4.1 The remit of the Business Rates Appeals Sub Committee is to consider appeals against the rates claimed from appellants on the ground that the appellant is being improperly charged, (section 238 of the Local Government (Scotland) Act 1947 refers).

3.5 Electoral Boundaries Working Group Remit

- 3.5.1 The remit of the Electoral Boundaries Working Group is to consider statutory proposals from the Local Government Boundary Commission for Scotland to amend the constituency and ward boundaries.

3.6 Governance Reference Group Remit

- 3.6.1 The remit of the Governance Reference Group is to discuss recommendations arising from, and options during progress of, the Governance Review and advise officers accordingly prior to submission to Council or the appropriate Committee.

3.7 Local Employees Joint Consultative Committee Remit:-

- 3.7.1 to provide a forum for discussion between members of Council and trade union representatives on matters of common interest and/or concern;
- 3.7.2 to try to resolve differences of opinion between the Council and its staff provided always that no question of individual employee issues shall come within the jurisdiction of the Committee;
- 3.7.3 to consider, and if appropriate, make recommendations to the relevant Committees of the Council as to (a) conditions of service of staff, and (b) arrangements for the training and welfare of staff;
- 3.7.4 to consider, and if appropriate, make suggestions for improving the services provided by the Council;
- 3.7.5 to consider and offer comment on any proposals made by the Council in connection with any scheme of reorganisation or restructuring which affects, or may affect, the conditions of employment of Council employees excluding teachers; and
- 3.7.6 to consider and report on any matter which may be referred to the Committee by the Council or by any of the Trade Unions represented on the Committee

3.8 Union Street Conservation Area Regeneration Scheme Project Board

- 3.8.1 The governance structure reported to and agreed at the Finance, Policy and Resources Committee on 9 March 2017 is set out below and illustrated by *Figure 1*:

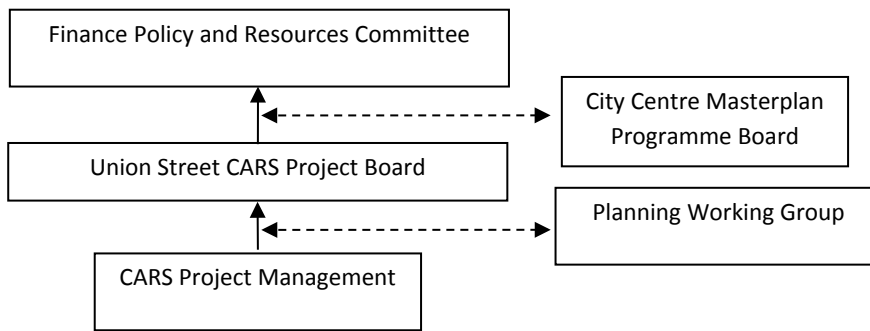


Figure 1: Governance Structure

3.8.2 Detailed terms of reference (to be agreed) will be integral to the establishment of the Project Board which will include that it shall meet quarterly and comprise of representatives from:-

- Head of Planning and Sustainable Development Service (Chair).
- Director of Aberdeen City Heritage Trust (Vice Chair)
- Aberdeen Inspired
- City Centre Community Council
- 2 Elected Members

3.8.3 The Project Board has delegated authority to approve grant applications within agreed constraints of the grant award from Historic Environment Scotland:

- The Project Officer to award grants up to £10,000
- The Project Board to award grants over £10,000

3.8.4 The Conservation Area Regeneration Scheme Project Management Team will report directly to the Project Board, which will in turn provide quarterly update reports to the City Centre Programme Board and annual update reports to this Committee. Both the Project Management Team and the Planning Working Group consist of relevant officers to ensure the efficient operation of the regeneration programme.

4. FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications arising from the recommendations of this report.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations contained in this report.

5.2 Under Section 56 of the Local Government (Scotland) Act 1973, the Council may arrange for the discharge of any of its functions by a Committee or a Sub Committee. Any such committee may appoint one or more sub-committees.

6. MANAGEMENT OF RISK

6.1 The following categories were considered:

- Financial;
- Employee;
- Customer / Citizen;
- Environmental;
- Technological;
- Legal; and
- Reputational.

6.2 Acceptance of the above recommendations is not considered to pose any risk to the Council.

7. IMPACT SECTION

7.1 The report may be of interest to the public as it establishes Sub Committees and a Working Group under the remit of the Committee.

Economy

7.2 There will be no impact on economy arising from the recommendations.

People

7.3 An Equality and Human Rights Impact Assessment is not required as the proposal does not disproportionately impact on persons with protected characteristics compared to persons without such characteristics.

Place

7.4 There will be no impact on the place arising from the recommendations.

Technology

7.5 There will be no impact on technology arising from the recommendations.

8. BACKGROUND PAPERS

None.

9. APPENDICES (if applicable)

There are no appendices to the report.

10. REPORT AUTHOR DETAILS

Mark Masson
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HEAD OF SERVICE DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	29 June 2017
REPORT TITLE	2016-17 Financial Monitoring – Corporate Governance
REPORT NUMBER	CG/17/056
LEAD OFFICER	Steven Whyte, Head of Finance
REPORT AUTHOR	James Hashmi

1. PURPOSE OF REPORT:-

- 1.1 To inform the Committee of the revenue and capital budget's financial performance for the year to 31 March 2017 for the services within Corporate Governance.

2. RECOMMENDATION(S)

- 2.1 Note the financial performance of Corporate Governance in the year to 31 March 2017.

3. BACKGROUND/MAIN ISSUES

- 3.1 This report provides a high level summary of expenditure as at the end of March 2017 as shown in Appendix A.
- 3.2 Against a net budget of £30m, the services net outturn is £1.6m under budget.

3.3 The main variances are:

	£000	£000
Staff Costs Overspend		282
Exit Costs	196	
Other pressures including agency offset by vacancy savings	86	
Property Costs Underspend		(9)
Administration Costs Underspend		(40)
Courses	(164)	
Printing, Stationery & Copying	(117)	
Legal Charges	108	
Telephone costs	87	
Other small admin variances	46	
Transport Costs Overspend		219
Vehicle Insurance	200	
Other small transport variances	19	
Supplies & Services Underspend		(210)
Hardware Purchase /Maintenance	(240)	
Other small variances	30	
Housing Benefits Underspend		(245)
Income (excl Housing Benefits) Favourable Variance		(1,578)
Recharges to Aberdeenshire for Procurement and Shared Services	(260)	
Recharges to Highland for Procurement	(80)	
Payroll services for Police Scotland	(67)	
Legal Services for Right to Buy	(169)	
Recharges to Trading Accounts	(432)	
Recharges to Finance Revenues	(109)	
Recharges to Capital	(132)	
IT Recharges to Sport Aberdeen	(50)	
Employee Benefits Scheme	(224)	
Recharges to Housing Revenue Account	192	
Other Income	(247)	
TOTAL UNDERSPEND		<u>(1,581)</u>

3.2 Included at Appendix B is a table of projects funded by Earmarked Reserves.

3.3 Included at Appendix C is a summary of the Corporate Governance capital programme projects.

4. FINANCIAL IMPLICATIONS

4.1 The Financial Implications have been reported within Section 3 above.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

Financial

- 6.1 Every organisation has to manage the financial risks inherent in the operation of large and complex budgets. These risks are minimised by the regular review of financial information by services and corporately by Elected Members. This report is part of that framework and has been produced to provide an overview of the current operating position and so financial risk related to this report is considered to be low.

Other

- 6.2 Consideration has also been given to Employee, Customer / Citizen, Environmental, Technological, Legal and Reputational risks, and no risks were identified.

7. IMPACT SECTION

Economy

- 7.1 There are no direct implications on the economy arising from the recommendations of this report.

People

- 7.2 The financial performance of Corporate Governance reflects a partnership between budget holders and the Finance Service to ensure that financial resources are managed effectively.

Place

- 7.3 This report is part of the process that the Council has in place meets its statutory obligations in terms of financial management.

Technology

- 7.4 Financial performance information is included on both the revenue and capital costs of the IT Service which is part of Corporate Governance which is responsible for maintaining and developing IT systems across the Council.

8. BACKGROUND PAPERS

- 8.1 Financial ledger data extracted for the period (not attached).

9. APPENDICES (if applicable)

- 9.1 Appendix A - Summary of Revenue Expenditure.
Appendix B - Earmarked Reserves.
Appendix C - Capital Projects

10. REPORT AUTHOR DETAILS

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HEAD OF SERVICE DETAILS

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SUMMARY OF REVENUE EXPENDITURE

As at Period 12 2016/17	Actual at Year End			
	Full Year Revised Budget	Actual	Variance Amount	Change from previous forecast
	£'000	£'000	£'000	£'000
Finance	6,388	6,211	(177)	(2)
Legal & Democratic Services	1,549	1,190	(359)	(106)
HR, Organisational Development & Customer Services	7,189	6,650	(539)	48
Commercial & Procurement Services	3,950	3,897	(53)	(88)
IT & Transformation	9,509	9,302	(207)	239
Housing Benefits	1,188	943	(245)	(245)
Total	29,773	28,193	(1,581)	(153)

As at Period 12 2016/17	Actual at Year End			
	Full Year Revised Budget	Actual	Variance Amount	Change from previous forecast
	£'000	£'000	£'000	£'000
Staff	28,067	28,349	282	26
Property	627	618	(9)	(1)
Administration	2,734	2,694	(40)	275
Transport	553	772	219	(2)
Supplies and Services	6,585	6,376	(210)	(84)
Transfer Payments	50,705	58,087	7,383	7,386
Gross Expenditure	89,272	96,897	7,625	7,600
Government Grants	(50,273)	(57,707)	(7,433)	(7,428)
Grant/Reimbursement/Contribution	(2,388)	(2,861)	(473)	(129)
Customer & Client Receipts	(1,287)	(1,524)	(237)	2
Interest	(24)	(17)	7	1
Recharges to Other Heads	(4,756)	(5,312)	(556)	(1)
Other Income	(770)	(1,284)	(514)	(197)
Total Income	(59,499)	(68,704)	(9,206)	(7,753)
Net Expenditure	29,773	28,193	(1,581)	(153)

Appendix B

EARMARKED RESERVES

As at Period 12 2016/17	Balance b/f 1 April 2016	Actual for Year	(Unrequired) Amounts	New Amounts	Projected c/f 31 March 2017	Details (reason for holding, plans for using, assumptions on new amounts and reasons for unrequired amounts)
	£'000	£'000	£'000	£'000	£'000	
<i>Projects:</i>						
New Microphones	37	22	0	0	15	Microphones/ web cam for Council Chambers. The remaining £15k is required to pay the bulk of contract costs (17/18) as per report to council on 29th June 2016
Business Plan Service Options	340	153	0	0	187	3 Information Management staff, Information Records Store Officer, 4 fixed term Analysts and Customer Service experience £25k.
Employee Benefit Scheme	77	0	0	0	77	Potential VAT liability for bus to work scheme .
Health & Safety Training programme for Managers	25	0	-25	0	0	Funding for Institute of Occupational Health & Safety training programme for managers. This is not required as tender has not been prepared due to higher priorities. Will be funded from next year's training budget.
ICT projects	47	24	0	0	23	To fund ICT investment projects
ICT Rolling Programme	76	75	0	0	1	Revenue contribution to projects
Total	602	274	-25	0	303	

Appendix C

CAPITAL PROJECTS

As at Period 12 2016/17 Corporate Governance	Figures for Total Project			Pr	Cu
	Approved Budget	Expenditure to Date	Forecast Expenditure		
	£'000	£'000	£'000		
Data Centre Transition & Infrastructure Transformation	3,000	2,782	2,992	G	G
Technology Investment Requirements & Digital Strategy	4,557	773	4,557	G	G
	7,557	3,556	7,549		

ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	29 June 2017
REPORT TITLE	Council Year End Monitoring Report 2016/17
REPORT NUMBER	CG/17/065
LEAD OFFICER	Steven Whyte, Head of Finance
REPORT AUTHOR	Sandra Buthlay

1. PURPOSE OF REPORT:-

- 1.1 To provide Committee with an opportunity to consider 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.
- 1.2 To provide Committee with an opportunity to consider the financial position of the Common Good Fund for the financial year 2016/17 and its impact on its balance sheet.
- 1.3 To provide Committee with an opportunity to consider a number of related items in relation to future financial reporting, faster closedown and production of the annual accounts and a change to the Council's group structure.

2. RECOMMENDATION(S)

- 2.1 It is 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, Common Good and Housing Revenue Account as at 31 March 2017 as shown in Appendix B;
 - 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;
- 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; 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 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.

3. BACKGROUND/MAIN ISSUES

Credit Rating, Bond Issuance and Associated Future Developments

- 3.1 In 2016/17, Aberdeen City Council became the first local authority in Scotland to be awarded a credit rating.
- 3.2 The credit rating allowed the Council to secure funding towards the capital programme, by issuing bonds of £370 million on the London Stock Exchange (LSE).
- 3.3 The credit rating is required to be maintained during the term of the bond. In order to maintain the rating, the appointed credit rating agency will be required to conduct reviews at least once every twelve months.
- 3.4 This review will assess the Council's ability to meet its debt repayment commitments and is assessed by understanding the factors that generate and restrict the future cash flow of the Council. Officers are required to monitor this analysis regularly and will form part of the new financial statements to committee going forward.
- 3.5 The Council, in obtaining its credit rating supplied the following information in relation to its underlying borrowing requirement and Council must adhere to the level advised to ensure no impact on its credit rating. Should the Council wish to deviate from this position it is essential that the credit rating agency is notified to have a reassessment of the rating. Any increase in this position would put the credit assessment at risk of being downgraded.

Represented by and Funded through:	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000
Underlying Financing Requirement B/F	125,316	(24,544)	111,204	59,692	32,645
Bond	(370,000)	0	0	0	0
Alternative Funding (PWLB etc)	0	0	(111,204)	(59,692)	(32,645)
Net Position Funded Annually	(244,684)	(24,544)	0	0	0

- 3.6 One of the key aspects of the credit rating is the Council's level of debt and ability to meet future interest payments as they fall due. The level of debt is directly linked to the Council's capital investment programme which is reflected through the Balance Sheet and future interest payments are directly linked to the revenue account. Our legal framework requires that the repayment of interest payments has the first call on the revenue income of the Council before all other expenditure.
- 3.7 The credit rating and LSE listing has brought a number of reporting and governance requirements on the Council. To meet the reporting requirements, a project, led by Finance is being undertaken to move the council from monthly to quarterly financial reporting and to bring about faster closedown and production of the council's annual accounts. This project has implications described in paragraphs below and committee are asked to approve the associated recommendations.
- 3.8 The quarterly financial reporting, which will include the council's Income & Expenditure Account and Balance, will be formally released to the LSE. It is important that the appropriate committee has the opportunity to consider the information in conjunction with this release. It is therefore recommended that the Finance, Policy and Resources committee receive this information in the first instance. It is proposed that the committee and data release take place at the end of the month following the quarter end. This will require committee dates to be set such that it can receive the quarterly financial reports. As the committee cycle has already been set for 2017 it is proposed that additional committees be set to consider the quarterly financial reports as follows:
- Quarter 1 (April – June 2017) – committee date 27 July 2017; and
 - Quarter 2 (July – September 2017) – committee date 26 October 2017
- 3.8.1 It is further proposed that in setting the committee cycle for 2018, cognisance is taken of the quarterly financial reporting requirements such that the committee can consider this report at its normal meetings as follows:
- Quarter 3 (September – December 2017) – committee date week commencing 22 January 2018 or week commencing 29 January 2018; and
 - Quarter 4 (January – March 2017) – committee date tbc (dependent on final decision on timing of closedown and production of annual accounts).
- 3.9 To facilitate the faster closedown and production of the annual accounts it is proposed that the Council procure a closedown software system, developed by CIPFA, which will enable data to be transferred from the Council's financial systems to the closedown system, which in turn uses this data to generate the annual accounts. The CIPFA closedown system has been developed specifically to meet the accounting requirements of local authorities and is the only such system available. The direct award of a contract to CIPFA requires that appropriate procurement regulations be followed including approval of the estimated expenditure by Committee. The cost is approximately £10,000 for installation plus £10,000 annual licence fee approval of this is sought. The timing of the procurement of this system is now time critical if we are to meet the deadlines we have set for the production of the 2017/18 annual accounts. Therefore, it is requested that the

committee approve the procurement of this system and the total estimated expenditure as detailed above.

- 3.10 During the financial year 2016/17, the Committee has received regular reports on the financial performance of the General Fund – revenue, Capital and Trading Services – ensuring that Elected Members are aware of the financial performance of the Council. There have also been reports presenting the Common Good position to this Committee, whilst the Housing Revenue Account has been monitored by the Communities, Housing & Infrastructure Committee.
- 3.11 This report has been prepared on the basis of a final actual position, as reported to management, with this being built into the unaudited Annual Accounts.
- 3.12 There is a statutory requirement that the unaudited annual accounts for each financial year be submitted for audit no later than 30 June in the next financial year.
- 3.13 This means that the unaudited Annual Accounts for 2016/17, prepared in accordance with Accounting Codes of Practice, requires to be submitted by 30 June 2017 to Audit Scotland. Scrutiny of the accounts was carried out by the Audit, Risk & Scrutiny Committee at its meeting on 27 June 2017.

Balance Sheet Position

- 3.14 The Balance Sheet below in Appendix A shows the Council's position as at 31st March 2017, taking into account the financial position of the General Fund (paragraph 3.26), Housing Revenue Account (para 3.35) and the Capital Programme.

Note 1: Non-Current Assets (Capital Programmes)

- 3.15 The total value of assets at 31 March 2017 is £2.9 billion. As such the Council must invest in these assets to ensure that they meet the Council's Strategic Infrastructure Plan and that assets are suitable for the delivery of services. Asset optimisation is a key element of the Council's transformation programme as described in the Strategic Business Plan. As well as investing in the current infrastructure estate there is also a need to acquire new assets. This is set through the Council's Capital Programmes.

Significant developments within the capital programmes

- 3.16 The most significant projects undertaken during the year within the General Fund programme were Aberdeen Western Peripheral Route; 3rd Don Crossing; A96 Park and Choose/Dyce Drive Link Road; Renewal and Replacement of Roads Infrastructure; Property Condition and Sustainability Programme; Fleet Replacement; Waste Projects; New ASN School; Art Gallery Redevelopment; and the New AECC development.
- 3.17 The HRA programme included Structural Works on Multi-Storey Blocks; Heating System Replacement; and new Affordable Housing.

Note 2: Current Assets

3.18 Liquidity Policy

The Balance Sheet, through its current assets (as well as certain liabilities and reserves) provides an indication of the overall liquidity position of the Council. What this shows is that the Council has a strong level of cash reserves. The governance of the Council's liquidity position is through the Council's Treasury Management Strategy which states that the Council's investment priorities are as follows:

- (a) the security of capital and
- (b) the liquidity of its investments.

3.19 Liquidity of its investments is a key priority of the Council. To ensure good availability of liquidity for cash flow purposes, no more than 50% of the Council's available investments should be placed in longer-term, fixed rate investments. The remainder will be kept in highly liquid investments and invested on a short-term basis, using either Bank deposits or "Aaa"/"AAA" rated Money Market Funds.

3.20 Any change in the level of liquidity held will require approval from the Head of Finance and will be reported at the next Committee meeting.

3.21 The level of liquidity required at any given time will be based on several factors, including:

- (a) the Council's cash flow requirements over the months ahead. This would include any known payments to third parties, loan repayments etc.
- (b) the level of surplus funds administered on behalf of other bodies such as the Pension Fund, ALEO's and Trusts, as these funds may be called back at any time by the bodies.
- (c) any payment with regards to capital projects which may require financing at short notice.

Note 3: Liabilities

3.22 The increase in the PPP liabilities reflects the construction of the AWPR project as some elements are now operational. Construction will continue during 2017/18 and liabilities will further increase on completion. The liability for this project is wholly met through specific government grant.

3.23 The other major movement in this category of the Balance Sheet is in relation to Borrowings (General) which represents, among other things, short term borrowings. As the Council has issued a Bond this is reflected in the Borrowings line.

Note 4: Reserves and Retained Profit

3.24 Reserves can effectively be broken down into 4 categories and these are listed below:

1. Unusable reserves – These are reserves that effectively are not “real” reserves in the sense that they can be utilised by the Council. Such reserves are accounting adjustments to reflect statutory provisions to avoid costs being charged to the Council in meeting the reporting requirements as defined within International Financial reporting standards, and the balance at 31 March 2017 totals £1.4 billion;
 2. Non-earmarked reserves – This sum is just over £11 million and is to be utilised in the event of major unforeseen incidents or emergencies. It would be the advice of the Head of Finance that this sum should not be used and should continue to remain to ensure that the Council has a prudent financial position for 2017/18;
 3. Statutory Reserves – These are reserves that the Council is allowed to hold for specific purposes. The two main funds are the Capital Fund (which can be used for repayment of principal and capital expenditure) and an Insurance Fund (which is used to mitigate the risks of insurance related payments which may arise from claims). Currently the Capital Fund is fully earmarked to finance the capital programme over the next 5 years. Any use of this fund would require additional revenue savings to be found or existing projects to be removed from the programme; and
 4. Earmarked Reserves – These are funds that are set aside at the end of the financial year as the Council has identified that it has ongoing financial commitments between financial years, a known liability has been entered into and will require to be settled in a future financial year or a sum has been set aside to de-risk the future financial exposure of the Council without having to make in-year savings to meet the liability.
- 3.25 Overall, the Council has maintained the position of the Balance Sheet for uncommitted reserves to ensure that there is medium term financial stability within the Council. Appendix B shows the movement during 2016/17 in the earmarked reserves and the balance to be carried into 2017/18.

General Fund Projected Outturn

- 3.26 The outturn for 2016/17 shows a positive position for the General Fund, being a favourable variance of £2.6m from budget. Appendix C shows details of the final position by service as well as a comparison with the last reported position.
- 3.27 The variance represents 0.4% of gross spend for the year which is in line with recent years and demonstrates the good financial management that exists within the Council.
- 3.28 The 2017/18 budget, approved in February 2017, recommended that any underspend from 2016/17 be earmarked for a ‘Change Fund’ which will provide funding for the service option of VS/ER as well as supporting the change programme, details of which are in the strategic plan.

Trading Operations & Arm's Length Organisations

- 3.29 The Local Government in Scotland Act 2003 sets out a statutory duty for Councils to achieve Best Value. It also provides a strong link between the duty of Best Value, the delivery of services and the reporting of financial performance.
- 3.30 Councils are required, under paragraph 10 of the Act, to maintain statutory trading accounts for 'significant trading operations'.
- 3.31 The trading operations in place for 2016/17 were:
- Building and Maintenance;
 - Letting of Industrial, Commercial and other Properties; and
 - Provision and Management of Car Parking Facilities.
- 3.32 In 2016/17 the total contribution made to the General Fund by the trading operations was £10.4 million against a budgeted £10.3 million.
- 3.33 As part of the Council's Annual Accounts, the Council is required to disclose the financial performance of the following ALEOs in its group accounts, and the table below shows the funding provided by the Council in 2016/17:

Organisation	£'000
Aberdeen Exhibition & Conference Centre	970
Aberdeen Sports Village	1,005
Sport Aberdeen	5,551
Bon Accord Care	25,251

- 3.34 During 2016/17, the Council undertook a procurement process to appoint an operator for the existing Aberdeen Exhibition and Conference Centre for the next two years and the new facility for a ten year period. The outcome of this process saw the appointment of SMG Europe as the new operator from 1 April 2017. Steps have been taken to hand over the operation from AECC Ltd to SMG Europe with the intention that AECC Ltd as a company will be wound up during 2017/18. The annual accounts of AECC Ltd are reflective of the agreed position in relation to its assets, liabilities and reserves.

Housing Revenue Account (HRA)

- 3.34 At its meeting on 24 May, the Communities, Housing & Infrastructure Committee reviewed the financial performance of the HRA for the financial year 2016/17.
- 3.35 Prior to any CFCR contribution or increase in working balances, a net surplus of £23.4 million was achieved. From this position a CFCR contribution to fund the capital programme was made working balances increased by £0.5 million.
- 3.37 This demonstrates good financial management of the HRA with working balances being consistently increased over recent years.

- 3.38 Housing Capital – Capital spend is undertaken by the Council having regard to the Prudential Code for Finance in Local Authorities and considerations, in all years, of affordability and sustainability.

Common Good

- 3.39 Full details of the year end position against budget of the Common Good are provided in a separate report to this Committee. It should be noted that this report does not take account of year end accounting transactions to reflect the actual change in value from year to year for the sale of assets and the revaluation of the investment properties that comprise the Common Good.
- 3.40 In summary, against a budgeted net expenditure of a surplus of £72k, a surplus of £480k has been achieved.

4. FINANCIAL IMPLICATIONS

- 4.1 The financial position of the Council's main accounts in terms of actual performance against budget as at 31 March 2017 is summarised below:

	2016/17 Budget £'000	2016/17 Actual (Surplus) / Deficit £'000	(Favourable) / Adverse Movement £'000
General Fund	0	(2,566)	(2,566)
Housing Revenue Account	0	(500)	(500)
Common Good	(72)	(480)	(408)

- 4.2 From this position a number of year end adjustments are made to the General Fund for legislative, accounting or other reasons and these are detailed below:

As at 31 March 2017	Budget 2016/17 £'000	Actual 2016/17 £'000	Variance from Budget £'000	Year End Adjustments £'000	Final Actual 2016/17 £'000
Total Net Expenditure	437,296	432,688	(4,608)	(4,142)	428,546
Total Funding	(437,296)	(435,254)	2,042	0	(435,254)
Net Impact on General Fund (Surplus)/Deficit	0	(2,566)	(2,566)	(4,142)	(6,708)
Business Rates Incentivisation Scheme (BRIS)	0	(3,371)	(3,371)	652	(2,719)
Net Impact on General Fund (Surplus)/Deficit	0	(5,937)	(5,937)	(3,490)	(9,427)
Use of Earmarked Reserves	0	(18,337)	(18,337)	0	(18,337)
Addition to Earmarked Reserves	0	2,363	2,363	7,064	9,427
General Fund Deficit/(Surplus)	0	(3,574)	(3,574)	3,574	0

- 4.3 The Council continues to operate on a strong financial platform and is well prepared for the medium term financial challenges that have been identified. Strong fiscal management coupled with financial restraint and a strong balance sheet should see the Council demonstrate its capability to deliver a balanced budget for future years.
- 4.4 The installation and ongoing annual costs of the CIPFA closedown system, as detailed in paragraph 3.9, can be met from existing budgets within Finance.

5. LEGAL IMPLICATIONS

- 5.1 While there are no direct legal implications arising from the recommendations of this report, there are additional reporting requirements due to the LSE listing and issue of bonds.

6. MANAGEMENT OF RISK

Financial

- 6.1 The financial risks are minimised by the regular review of financial information by services and corporately by CMT and Elected Members. This report forms part of the end of year reporting cycle and seeks to clarify the overall operating conditions and outcomes that have resulted in the past year.
- 6.2 The robust process of closing the accounts at the financial year-end means that all reasonable steps have been taken to ensure that they are reflective of the financial circumstances of the Council during 2016/17 and as at 31 March 2017. A risk remains that the external audit process reveals potential errors or adjustments and these will be discussed throughout by officers before the auditor's report and opinion is presented to the Audit, Risk & Scrutiny Committee in September. This risk is considered to be low.

Employee

- 6.3 The creation of a Change Fund to fund the costs of the Council's change programme mitigates employees against the exposure to any Council financial risk. The risk is therefore low.

Customer

- 6.4 The Council's reserves include a risk fund in excess of £8 million, which protects the Council's customers from any exposure to financial risk. The risk is therefore low.

Environmental

- 6.5 This report has no environmental risks associated with this report.

Technological

- 6.6 The Council has a digital investment strategy as part of its Non-Housing Capital Programme. Any risks to technology are therefore low.

Reputational

- 6.7 The reputational risks to the Council are minimised by the regular review of financial information by services, CMT and Elected members throughout the Financial Year.

7. IMPACT SECTION

Economy

- 7.1 The accounts for 2016/17 have recognised the role of the Council in delivering specific projects that will deliver economic impacts in their own right; and the Council's corporate role in delivering wider 'business facing' activity in supporting the competitiveness of the business environment.
- 7.2 The economy is exposed to external issues such as Brexit, globalisation and higher prices, as well as macro-economic issues relating to energy prices that will have a proportionately higher direct impact on the local economy than elsewhere in Scotland and the United Kingdom.
- 7.3 Strategic economic priorities for the Council which are reflected in the accounts include:
- Supporting the implementation of the Aberdeen City Region Deal projects;
 - Delivery of the Strategic Infrastructure Plan;
 - Supporting the implementation of the City Centre Masterplan;
 - Implementation of the transition of the new operator of the AECC;
 - Implementation of new venue construction;
 - Delivery of support to business, including Business Gateway and Scottish Local Authorities Loan Funding;
 - Employability support; and
 - Tourism support in delivery of VisitAberdeenshire, and supporting events' delivery.

People

- 7.4 The focus has been on achieving greater efficiency of spending and on closing the poverty, education and health gap for children and young people by providing integrated support. This is along with the requirement to deliver statutory services to some of our most vulnerable citizens and those in need of care and support.

Place

- 7.5 The overall focus for service delivery has been to deliver services to house those in need, protect residents and visitors, maintain and enhance the transport network and public realm, whilst providing essential collection services to households and businesses alike. This is set against a need and desire to manage the council's assets responsibly and support, facilitate and expedite investment in homes and the economy.

Technology

- 7.6 The aim of the Council's digital strategy is to make it easier for employees to do their jobs, give customers better choice in how they get information and use services, ensure that information is shared and to use data to make better decisions. Investment is included within the Non-Housing Capital programme to enable this strategy to be delivered.

8. BACKGROUND PAPERS

Financial Monitoring Reports for the Financial Year 2016/17; and
Unaudited Annual Accounts 2016/17

9. APPENDICES

Appendix A – Balance Sheet
Appendix B – Reserves

10. REPORT AUTHOR DETAILS

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Appendix A

31 March 2016 £'000		31 March 2017 £'000	Note
2,139,615	Property, Plant & Equipment	2,238,305	
172,092	Heritage Assets	172,756	
85,937	Investment Property	85,335	
31	Intangible Assets	0	
19,061	Long Term Investments	23,865	
19,577	Long Term Debtors	16,225	
2,436,313	Long Term Assets	2,536,486	1
28,375	Cash and Cash Equivalents	181,145	
31,119	Short Term Investments	141,227	
60,080	Short Term Debtors	69,242	
1,674	Inventories	1,645	
3,979	Assets Held for Sale	5,382	
125,227	Current Assets	398,641	2
2,561,540	Total Assets	2,935,127	
(113,348)	Short Term Borrowing	(81,351)	
(87,672)	Short Term Creditors	(90,396)	
(3,870)	Short Term Provisions	(4,233)	
(2,478)	PPP Short Term Liabilities	(2,611)	
(5,618)	Accumulated Absences Account	(5,515)	
(521)	Grants Receipts in Advance - Revenue	(473)	
(2,221)	Grants Receipts in Advance - Capital	(518)	
(215,728)	Current Liabilities	(185,097)	
(464,892)	Long Term Borrowing	(896,504)	
(223)	Long Term Creditors	(108)	
(1,248)	Long Term Provisions	(679)	
(103,584)	PPP Long Term Liabilities	(100,973)	
(251,118)	Pension Liabilities	(249,767)	
(821,065)	Long Term Liabilities	(1,248,031)	
(1,036,793)	Total Liabilities	(1,433,128)	3
1,524,747	Net Assets	1,501,999	
	Usable Reserves:		4
(58,856)	General Fund Balance	(50,476)	
(10,808)	Housing Revenue Account	(11,308)	
(30,102)	Statutory and Other Reserves	(29,419)	
0	Capital Receipts Reserve	0	
(97)	Capital Grants Unapplied Account	0	
(1,424,884)	Unusable Reserves	(1,410,796)	
(1,524,747)	Total Reserves	(1,501,999)	

APPENDIX B

General Fund	Balance at 31 March 2016 £'000	Transfers In 2016/17 £'000	Transfers Out 2016/17 £'000	Balance at 31 March 2017 £'000
Earmarked Sums				
<i>Financial Risks:</i>				
Financial Risk Fund	(8,378)	0	0	(8,378)
Welfare Reform	(2,000)	0	2,000	0
<i>Contingent Risks:</i>				
De-risk the Council	(2,872)	0	217	(2,655)
<i>Unspent Grant Income:</i>				
Revenue Grants Unspent	(1,380)	(530)	1,447	(463)
<i>Specific Projects:</i>				
Events Review	(23)	0	23	0
H&S Training Programme for Managers	(25)	0	25	0
Fairer Aberdeen	(36)	0	36	0
Road Repairs/Projects	(125)	0	125	0
Park Improvement Schemes	(106)	0	106	0
Hazlehead Pets Corner	(100)	0	100	0
Duthie Park, Winter Gardens Education Room	(39)	0	39	0
Balnagask Community Centre	(5)	0	5	0
Hilton Outdoor Centre	(25)	0	25	0
School Drive/Abbotswell	(29)	0	29	0
Scottish Welfare Fund	(35)	0	35	0
Big Belly Bins	(105)	0	105	0
Mens Shed	(7)	0	2	(5)
Events - Silver City Stories	0	(8)	0	(8)
Community Planning	(24)	0	15	(9)
Star Awards Sponsorship	(25)	(19)	19	(25)
Employee Benefit Scheme	(77)	0	0	(77)
Developing Young Workforce	(300)	0	167	(133)
Building Services - IT Upgrade	0	(148)	0	(148)
Property Transfer	(155)	0	3	(152)
City Deal	(300)	0	81	(219)
Business Plan Service Option	(509)	0	285	(224)
HMT Roof Works	(288)	0	0	(288)
Various Projects	(601)	0	313	(288)
Xerox Print Contract	0	(317)	0	(317)
Bus Lane Enforcement	(1,290)	(1,087)	1,788	(589)
Investment Strategy (Digital Strategy)	(1,350)	0	756	(594)
Energy Efficiency Fund	(1,224)	0	489	(735)
Music Hall Redevelopment	(800)	0	0	(800)
ICT Projects	(1,606)	0	790	(816)
Reclaiming Social Work	(3,267)	0	1,837	(1,430)
Change Fund	0	(5,976)	0	(5,976)
Investment Strategy	(9,931)	0	3,331	(6,600)
Second/Long Term Empty Homes	(6,898)	(1,872)	1,969	(6,801)
<i>Devolved Education Management:</i>				
Community Centres	(870)	0	272	(598)
School Funds	(2,760)	0	1,903	(857)
Total Earmarked Reserves	(47,565)	(9,957)	18,337	(39,185)
Total Uncommitted Balance	(11,291)	0	0	(11,291)
Total General Fund	(58,856)	(9,957)	18,337	(50,476)

APPENDIX B CONT'D

Housing Revenue Account	Balance at 31 March 2016 £'000	Transfers In 2016/17 £'000	Transfers Out 2016/17 £'000	Balance at 31 March 2017 £'000
Balance as at 31 March 2017	(10,808)	(1,826)	1,326	(11,308)
Earmarked Sums				
<i>Specific Projects:</i>				
Housing Repairs	(1,193)	(1,326)	1,193	(1,326)
House Sales - Non Right To Buy	(245)	0	0	(245)
Total Earmarked Reserves	(1,438)	(1,326)	1,193	(1,571)
Total Uncommitted Balance	(9,370)	(500)	133	(9,737)
Recommended Uncommitted Balance	(8,495)	0	(412)	(8,907)
Common Good	Balance at 31 March 2016 £'000	Transfers In 2016/17 £'000	Transfers Out 2016/17 £'000	Balance at 31 March 2017 £'000
Balance as at 31 March 2017	(16,881)	(30)	(5,105)	(22,016)
Earmarked Sums				
<i>Specific Projects:</i>				
Auchmill Golf Course	(133)	0	133	0
Union Terrace Garden Repairs	(50)	0	50	0
Culter Heritage Hall	(5)	0	5	0
Allan Park Cults Cricket Pitches	(2)	0	2	0
Arts Centre Feasibility Study	(5)	0	5	0
Fernhill Replacement Building	(100)	0	0	(100)
Consultancy Costs	(22)	0	11	(11)
Property Repairs & Maintenance	(29)	0	4	(25)
March Stone Upkeep	(3)	0	0	(3)
Torry Battery Park	(3)	0	0	(3)
Cromwell Wall, Marischal Court	(1)	0	0	(1)
Fishing Industry Memorial	(50)	0	0	(50)
Grove Nursery	(70)	0	2	(68)
Culter Playing Fields	(8)	0	0	(8)
Satrosphere Refurbishment	(11)	0	0	(11)
Lord Provost Portrait	0	(5)	0	(5)
Upkeep of March Stones	0	(10)	0	(10)
Ferryhill Railway Heritage	0	(5)	0	(5)
Smithfield Farm - Roof Repairs	0	(10)	0	(10)
Total Earmarked Reserves	(492)	(30)	212	(310)
Total Uncommitted Balance	(16,389)	0	(5,317)	(21,706)
Recommended Uncommitted Balance	(15,201)	0	1,467	(13,734)

ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	23 June 2017
REPORT TITLE	2016/17 Common Good Fund – Monitoring Report Update
REPORT NUMBER	CG/17/058
LEAD OFFICER	Steven Whyte, Head of Finance
REPORT AUTHOR	Catriona Gilmour

1. PURPOSE OF REPORT:-

- 1.1 To inform the Committee members of the income and expenditure position of the Common Good Fund for the year ended 31 March 2017 and provide information on the cash balances as at 31 March 2017.

2. RECOMMENDATION(S)

- 2.1 Note the income and expenditure position for the year ended 31 March 2017.
- 2.2 Note the cash balances as at 31 March 2017 of £17.36m, which is within the recommended levels indicated by the Head of Finance.
- 2.3 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.

3. BACKGROUND/MAIN ISSUES

Income and Expenditure

- 3.1 The figures for the year to 31 March 2017 show a surplus position of £480k, which is a favourable variance of £408k, from a net income budget of £72k. A number of park and property maintenance and development projects were not completed within 2016/17 and £280k of funds will need to be carried forward in earmarked reserves to ensure their delivery.
- 3.2 Appendix 1 provides a summary of income and expenditure.

3.3 The main variances from budget are:-

	£'000s
Repairs & maintenance on properties	(41)
Twinning	(36)
Civic Support	(51)
Xmas Illuminations	(60)
Civic Receptions	(50)
Central Support Costs	(52)
Archives	20
Rental Income	(132)
Small variances	(6)
TOTAL UNDERSPEND	<u>(408)</u>

Cash Balances

3.4 The cash balance at 31 March 2016 is £17.36m which includes earmarked reserves. A number of park and property maintenance & development projects were not completed within 2016/17 and £280k of earmarked reserves is included in this figure. Appendix 2 summarises the earmarked reserves position.

3.5 The Council agreed at the budget setting meeting on 5th February 2015 that the minimum cash balance should be the equivalent of two years of expenditure. This equates to £6.1m. Added to this figure are the proceeds of sales of properties which are invested to provide future income for the fund resulting in a total minimum cash balance of £13.7m. Council at its meeting on 25th February 2016 also agreed to the principal of ensuring that cash balances be increased annually to take account of inflation, adding £91k to give a minimum cash balance of £13.8m.

3.6 As trustee of the Common Good Fund, the Council has a duty to ensure that cash balances are maintained at levels to generate sufficient annual income to fund any future expenditure from the Common Good deemed appropriate.

4. FINANCIAL IMPLICATIONS

4.1 The Financial Implications have been reported within Section 3 above.

5. LEGAL IMPLICATIONS

There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

Financial

- 6.1 Every organisation has to manage the financial risks inherent in the operation of large and complex budgets. These risks are minimised by the regular review of financial information by services and corporately by Elected Members. This report is part of that framework and has been produced to provide an overview of the current operating position and so financial risk related to this report is considered to be low.

Other

- 6.2 Consideration has also been given to Employee, Customer / Citizen, Environmental, Technological, Legal and Reputational risks, and no risks were identified.

7. IMPACT SECTION

Economy

- 7.1 The Common Good Fund plays a part in the economy of Aberdeen with its assets leased for commercial purposes.

People

- 7.2 One of the conditions of common good funding is that it should benefit citizens of Aberdeen as a whole. Careful monitoring of budgets, means that we can ensure that money provides value for our citizens and that it is used to provide services that can contribute to their well being and quality of life in Aberdeen.

Place

- 7.3 The Common Good Fund provides considerable investment into Aberdeen's cultural life including funding events ranging from the Winter Festival to Aberdeen International Youth Festival.

Technology

- 7.4 There is no impact on technology arising from this report.

8. BACKGROUND PAPERS

Financial ledger data extracted for the period.

9. APPENDICES

Appendix 1 – Common Good Fund Income and Expenditure
Appendix 2 – Common Good Fund Earmarked Reserves

10. REPORT AUTHOR DETAILS

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Common Good Fund Income and Expenditure

As at Period 10 2016/17	Year To Date		
	Revised Budget	Actual Expenditure	Variance Amount
	£'000	£'000	£'000
Recurring Expenditure	2,900	2,569	(332)
Recurring Income	(3,100)	(3,224)	(124)
Budget After Recurring Items	(200)	(656)	(456)
Non Recurring Expenditure	129	176	48
Non Recurring Income	0	0	0
Total	(72)	(480)	(408)
Cash Balances as at 1 April 2016	(16,881)	(16,881)	
Estimated Cash Balances as at 31 March 2017	(16,953)	(17,361)	
Minimum cash balance requirement per budget report (Council February 2016)	(13,734)	(13,734)	

Common Good Fund Earmarked Reserves

As at Period 12 2016/17	Balance b/f 1 April 2016	Forecast for Year	New Amounts / (Unrequired) Amounts	Projected c/f 31 March 2017	Details (reason for holding, plans for using, assumptions on new amounts and reasons for unrequired amounts)
	£'000	£'000	£'000	£'000	
<i>Projects:</i>					
Fernhill Farm Replacement Building	100	0	0	100	Funds to allow replacement building to be built. The building is required under the terms of the farm lease. It has been agreed with tenant that we will contribute £100k towards new building. Awaiting tenant to draw up plans and obtain planning permission.
Consultancy Costs	22	11	0	11	To meet costs relating to work carried out by consultants re rent reviews, and property management.
Auchmill Golf Course	133	9	(124)	0	Ongoing works at Auchmill Golf course. Work has now been completed and the remaining amounts are no longer required.
Property Repairs & Maintenance	29	4	0	25	To cover electrical and asbestos work on farm properties to meet required standards. Contract awarded and work is in progress. Electrical works have still to be carried out at Greenferns Farm.
Union Terrace Gardens Repairs	50	50	0	0	Work on lighting is complete.
March Stone Upkeep	3	0	0	3	Work to be completed in 17/18.
Torry Battery Park	3	0	0	3	Work is to be carried out as part of the wider Torry Battery project and will take place in 17/18.
Cromwell Wall, Marischal Court Repairs	1	0	0	1	Work to be completed in 17/18.
Fishing Industry Memorial	50	0	0	50	Artists have been shortlisted with full proposals due in August and memorial to be completed by Summer 18.
Grove Nursery	70	2	0	68	Work is ongoing and will be completed in early 2017/18.
Culter Heritage Hall	5	5	0	0	Funding to allow improvements to the hall. Grant has now been paid as receipts received.
Allan Park Cults Cricket Pitches	2	2	0	0	Grant has been paid as invoice for roller was submitted.
Feasibility Study - Aberdeen Arts Centre	5	5	0	0	Contract awarded for 17k. Feasibility study now complete and all funds used.
Culter Playing Fields	8	0	0	8	Work is ongoing.
Satrosphere Refurbishment	11	0	0	11	Funding to be carried forward to allow a review of payment to Satrosphere to be carried out and then monies released.
Lord Provost Portrait	0	0	5	5	Artist for protrait has been chosen and work is ongoing.
Upkeep of March Stones	0	0	10	10	Work to be completed in 17/18.
Ferryhill Railway Heritage	0	0	5	5	Work is being done and invoices supplied. Payment to be made early 17/18.
Smithfield Farm - Roof repairs	0	0	10	10	A site visit is required to be carried out to determine what work is required.
Total	492	88	(94)	280	

ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	29 June 2017
REPORT TITLE	Small Financial Assistance Grants and Gala Funding 2017/18
REPORT NUMBER	CG/17/57
LEAD OFFICER	Steven Whyte, Head of Finance
REPORT AUTHOR	Karen Black

1. PURPOSE OF REPORT:-

- 1.1 To present application(s) for financial assistance and/or community gala grants to allow a final funding decision to be made.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Committee consider the application(s) received, summarised in the table below, and agree that no grant award be made.

Grant Requests for Consideration (Greater than £2,500 or recommended for refusal)							
Requests received :							
From	For	Requested Amount £	Recommended Amount £	Financial Assistance £	Community Gala Grants £	Total £	More Detail
Community Gala Grants							
Heathryburn PTA	PTA Summer Fayre	1,550	0	-	-	-	Appendix 1

3. BACKGROUND/MAIN ISSUES

- 3.1 At the Finance, Policy and Resources Committee meeting of 9 March 2017 the Committee agreed that grant applications for more than £2,500 or applications which the Head of Finance recommended for refusal be presented to this Committee for consideration and final decision.

3.2 The grant criteria were also updated and are summarised below:

Small Financial Assistance Grants	
Who Can Apply	<ul style="list-style-type: none"> • One-off requests which arise from time-to-time and do not fall within the assessment criteria of another established Council funding budget will be considered • Only one application per individual/group/organisation will be considered in any financial year
How Much is Available	<ul style="list-style-type: none"> • The fund has limited resources. Applications can only be considered whilst budget remains available • The maximum grant that can be awarded for any individual application is £2,500.
What We Will Not Fund	<ul style="list-style-type: none"> • Projects/events already being funded from another Council Budget • Projects/events which secured a small financial assistance grant in the previous 12 months • Applications which do not demonstrate a clear benefit to the City or its residents

Community Gala Grants	
Who Can Apply	<ul style="list-style-type: none"> • One application per community group in each financial year for events within the City will be considered • Events should be for the benefit of the community as a whole or which the inhabitants at large may share
How Much is Available	<ul style="list-style-type: none"> • The fund has limited resources. Applications can only be considered whilst budget remains available • The maximum grant that can be awarded for any individual application is £2,500
What We Will Not Fund	<ul style="list-style-type: none"> • Events outwith Aberdeen City Council Boundaries • Alcohol • Personal gifts

3.3 An application has been received from a Parent Teacher Association (PTA) for a community gala grant. It is estimated that there are approximately 60 PTAs throughout the City and their main purpose is to raise funds for their school. Per the criteria above 'events should be for the benefit of the community as a whole or which inhabitants at large may share'. It is therefore recommended that this grant application be declined as the event would not appear to meet this criterion.

4. FINANCIAL IMPLICATIONS

- 4.1 The cost of any small financial assistance/community gala grant awarded can be met from the existing budget for this purpose. The total of grants approved to date and the budget remaining is shown below:-

Grants Approved						
				Financial Assistance £	Community Gala Grants £	Total £
2017/18 Budget				45,000	10,000	55,000
Grants Approved to Date				8,250	13,947	22,197
Budget Remaining						32,803

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

Financial

- 6.1 There is a low risk that if funding is provided it will not be used for the purpose for which it is awarded.

Other

- 6.2 Consideration has been given to employee; customer/citizen; environmental; technological; legal and reputational risk. No risk or impact was identified.

7. IMPACT SECTION

Economy

- 7.1 There are no direct implications on the economy arising from the recommendations of this report.

People

- 7.2 By awarding grants the Council supports individuals, groups and organisations within the city and broadens the experiences available to the citizens of Aberdeen.
- 7.3 All applicants will be given equal consideration within the criteria for the award of grants from Council budgets.
- 7.4 Only reporting grant applications which are recommended for refusal or are for more than £2,500 should lead to an improvement in both staff and customer experience by reducing the administrative burden and shortening response time.

Place

- 7.5 There are no direct implications on the environment arising from the recommendations of this report.

Technology

- 7.6 There are no direct implications on technology arising from this report.

8. BACKGROUND PAPERS

- 8.1 None

9. APPENDICES (if applicable)

- 9.1 Appendix 1 – extract from grant application form.

10. REPORT AUTHOR DETAILS

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Gala DetailsName of Gala: *PTA SUMMER FAYRE*Gala Location: *HEATHRYBURN SCHOOL*Gala Date: *3RD JUNE 2017*Time: *10-1pm*Brief description of proposed event: *ANNUAL FAYRE - RAFFLE, BBQ, STALLS, FACE PAINTING, INFLATABLES, ETC.*

How many people will be involved in / attending your planned event?

*200-400 APPROX***Budget**Please provide details of **total** planned gala expenditure

Expenditure	Amount £
Staging / PA	
Licensing / Traffic Management	
Staffing	
Stewarding / Marshals	
Catering	<i>500-00</i>
Marquees / Tents	<i>350-00</i>
Medical	
Toilets	
Bins	
Stalls	
Other (Please detail)	
<i>RAFFLE / GAME PRIZES / BBQ</i>	<i>£700-00</i>
Total	<i>£1550-00</i>

Any Other Sources of Funding/Income

Please provide details of any other funding already secured for the project/event

Type of Funding	From	Amount
<i>Eg grant; donation; fundraising event, entrance fee</i>	<i>Eg individual; other organisation (name)</i>	£ <i>NONE</i>
Total Other Funding/Income (B)		

Total Grant Requested

Please provide a summary of the amount of funding being requested

Details	Amount
<i>Usually Total (A) less Total (B).</i>	<i>£ 1550-00</i>
Total Amount Requested (C)	<i>£1550-00</i>

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	29 June 2017
REPORT TITLE	Treasury Management Policy and Strategy
REPORT NUMBER	CG/17/047
LEAD OFFICER	Steven Whyte, Head of Finance
REPORT AUTHOR	Neil Stewart

1. PURPOSE OF REPORT:-

- 1.1 To update the Committee on Treasury Management activities undertaken during financial year 2016/17.

2. RECOMMENDATION(S)

- 2.1 Consider and note the Treasury Management activities undertaken in the 2016/17 financial year as detailed in this report.
- 2.2 Refer this report to Council with a recommendation to note the Treasury Management activities undertaken in the 2016/17 financial year.

3. BACKGROUND/MAIN ISSUES

Introduction

- 3.1 The Council approved a Treasury Management policy for the financial years of 2017/18 to 2019/20 on 16 February 2017. Part of this policy is to report a year-end review to committee on Treasury Management activities undertaken during the financial year 2016/17.
- 3.2 Historically, the Council's annual programme of capital investment has been funded by Treasury Management activities, such as additional long term borrowing. It is a requirement of CIPFA "Code of Practice for Treasury Management in the Public Services" that Treasury Management is carried out in accordance with good professional practice, which this Council does.

Treasury Management 2016/17

- 3.3 The following is a summary of the significant Treasury Management activities which were undertaken during 2016/17: -

Loans Pool Rate

- 3.3.1 The Council's average Loans Pool Rate takes account of all loan interest and expenses paid, as well as investment interest received during the financial year. The Loans Pool Rate for 2016/17 was 3.48%, which can be broken down to 3.46% for interest, and 0.02% for expenses. This is a reduction of 0.36% from the Loans Pool Rate in 2015/16, which equates to a saving of £2.5m in financing costs.

Long Term Borrowing

- 3.3.2 The Council issued Bonds to the value of £370m to the debt capital markets on the 8th of November, at an annual interest rate of 0.1%, to assist financing the Council's future capital programmes. The Bonds are repayable in half-yearly instalments, over 35 years from financial year 2019/20. This repayment structure complemented the Council's existing debt maturity profile by smoothing out future debt repayments.
- 3.3.3 Two new PWLB (Public Works Loan Board) loans totalling £30 million were borrowed at an average interest rate of 2.67%, which will also assist financing the Council's capital programmes. These new PWLB loans have an average life of 48 years and were borrowed in line with the Council's existing debt Maturity Profile.

Bond Tap

- 3.3.4 HSBC, the Council's bond book-runner, were approached by a new investor about a potential tap on the existing bonds. This would involve the Council issuing additional debt, at the terms of the original bonds. In order to investigate this opportunity, Council approval was sought and granted for the Head of Finance to issue up to £500m of Bonds, an increase of £100m on the previously agreed figure. Some initial talks were held with the potential investor, but due to changes in market conditions, the proposed tap did not come to fruition. This may be revisited in the future, subject to changes in market sentiment.

Short Term Borrowing

- 3.3.5 Short term borrowing rates for periods of up to 1 year continued at relatively low levels. The Council's borrowing strategy during the year was to borrow short term where possible, to take advantage of these lower rates. The Council's stance changed in November, once the Bonds proceeds were received. After this point, all Temporary Loans from other Local Authorities were repaid upon their maturity. As at 31st March 2017, only one loan of £3m remained which was repaid in mid-April 2017.

Investments

3.3.6 The Counterparty list is compiled using credit rating information supplied by the major credit rating agencies to Capita Asset Services, the Council's appointed Treasury Management advisors. The Council's investment strategy required to be updated in August 2016, with a revised Counterparty list, taking account of the additional capacity needed to invest the funds resulting from the bonds issuance.

3.3.6 As at 31st March 2017, the Council had temporary investments totalling £309.4m at an average rate of 0.38%. These funds will gradually reduce over the next 12 to 18 months, as capital programme work progresses. Investments were made in line with the current Counterparty List to the following institutions:-

- Standard Life (Money Market Fund) £50.0m
- Federated (Money Market Fund) £50.0m
- Aberdeen (Money Market Fund) £50.0m
- Clydesdale Bank £18.4m
- Santander UK £18.0m
- Bank of Scotland £30.0m
- Highland Council £10.0m
- Goldman Sachs Int'l Bank £20.0m
- W Dunbartonshire Council £13.0m
- Tewkesbury Borough Council £10.0m
- Dundee City Council £5.0m
- Stirling Council £9.0m
- Lancashire County Council £5.0m
- Plymouth City Council £8.0m
- Leeds Building Society £5.0m
- Moray Council £2.0m
- Conwy County Borough Council £1.0m
- Salford City Council £5.0m

4. FINANCIAL IMPLICATIONS

4.1 Treasury Management activities influence the loans pool interest rates and aims to minimise the cost of borrowing. This directly impacts on costs chargeable to the Council's revenue budgets through the interest rates that are applied to capital financing costs. Whilst the level of borrowing a Council can undertake is now devolved from the Scottish Government to individual Councils, it will still be constrained by the requirement for capital investment to be affordable, sustainable and prudent. The main test of affordability will be whether the capital financing costs can be contained within the revenue budgets.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

Financial

- 6.1 The CIPFA Code of Practice states that in the use of financial instruments for the prudent management of risk, priority must be given to security and liquidity, when investing funds.

Other

- 6.2 Consideration has also been given to Employee, Customer / Citizen, Environmental, Technological, Legal and Reputational risks, and no risks were identified.

7. IMPACT SECTION

Economy

- 7.1 The strategy of using cost-effective short-term borrowing to help reduce the Council's financing costs demonstrates a pro-active approach, which will use the Council's resources more effectively.
- 7.2 If an active Treasury Management policy is not undertaken and implemented there may be future budgetary implications for the Council through greater than budgeted capital financing costs.

People

- 7.3 No direct impact arising from this report.

Place

- 7.4 No direct impact arising from this report.

Technology

- 7.5 No direct impact arising from this report.

8. BACKGROUND PAPERS

- 8.1 CIPFA "Code of Practice for Treasury Management in the Public Services"; Capita Asset Services "Treasury Management Annual Investment Strategy"; Scottish Government "The Investment of Money by Scottish Local Authorities".

9. APPENDICES (if applicable)

9.1 There are no appendices to the report.

10. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	29th June 2017
REPORT TITLE	Corporate Governance and Office of Chief Executive Service Improvement Plans 2017/2018
REPORT NUMBER	CG/17/064
LEAD OFFICER	Steven Whyte, Head of Finance
REPORT AUTHOR	Martin Allan

1. PURPOSE OF REPORT:-

- 1.1 The report provides Committee with Service Improvement Plans for Corporate Governance and the Office of Chief Executive for 2017-18.

2. RECOMMENDATION(S)

- 2.1 That Committee notes the content of the Service Improvement Plans for 2017-18.

3. BACKGROUND

3.1 Delivering the Local Outcome Improvement Plan and Strategic Business Plan

- 3.1.1 Aberdeen City Council is a leading and statutory partner of the City's Community Planning Partnership, called "Community Planning Aberdeen". In 2016 the Council endorsed Community Planning Aberdeen's "Local Outcome Improvement Plan" (LOIP). LOIPs are a statutory requirement for all Community Planning Partnership. The LOIP has been developed as a shared, city-wide plan for improvement, setting out collaborative actions to tackle the challenges facing the City and deliver better outcomes for citizens and communities. The specific improvement priorities and targets set out in the LOIP have been collectively agreed by all partners including NHS Grampian, Police Scotland, Scottish Fire & Rescue Service as well as voluntary, community, higher and further education and business sector representatives.

- 3.1.2 The LOIP is structured around improved outcomes under the following themes:-

- Prosperous Economy
- Prosperous People
- Prosperous Place
- Enabling Technology

- 3.1.3 It is fundamental to realising the Partnership's vision for the City and achieving improved outcomes that all partners align their plans and resources to the delivery of

the LOIP. In February 2017 the Council agreed a refreshed Strategic Business Plan (SBP) which explicitly does this.

3.1.4 These Service Improvement Plans have been developed, and continue to be refined, to align our Services' specific actions and resources, in a further degree of detail, to the delivery of the outcomes collectively agreed through the LOIP and SBP.

3.2 The Approach to Improvement

3.2.1 The Local Government (Scotland) Act 2003 introduced a duty of Best Value on Scottish Local Authorities. Within the Act "Best Value" is defined as "*to make arrangements to secure continuous improvement in performance*". This means that the Council has a statutory duty to manage and deliver improvement.

3.2.2 During 2016 and continuing in 2017, priority has been given to strengthening a consistent approach to managing improvement across all Services. In part, this responds to commentary from Audit Scotland in their 2015 "Audit of Best Value". A corporate "Model for Improvement" has been adopted, which is in line with the methodology of Community Planning Aberdeen, and significant focus has been given to awareness raising and training officers in applying the model.

3.2.3 In simple terms, the "Model" is founded on making and testing changes, which are driven by data, evidence and a continuous analysis of the impact of those changes.

3.2.4 The Service Improvement Plans for 2017/18 have been structured to support this approach to managing improvement by setting out explicitly:-

- The improvements we aim to achieve
- What changes we can make that we believe will result in that improvement
- How we will know that the change has delivered improvement

3.2.5 Testing change in this model is a cyclical process and further changes will be proposed and tried on a continuous basis. However, the outcomes and targets set out within the LOIP and the SBP will remain constant until amended by Community Planning Aberdeen and the Council respectively.

3.2.6 Committee are requested to note the content of the Service Improvement Plans, further reports will be brought to Committee as required.

4. **FINANCIAL IMPLICATIONS**

4.1 There are no direct financial implications arising from the recommendations of this report.

5. **LEGAL IMPLICATIONS**

5.1 Legal implications arising from the implementation of the items in the individual Service Improvement Plans will be addressed at the appropriate time and, if necessary, brought back to Committee.

6. MANAGEMENT OF RISK

- 6.1 The following categories were considered:- Financial, Employee, Customer/Citizen, Environmental, Technological, Legal and Reputational, any significant risks will specifically be identified in each individual Service Improvement Plan and will be managed as appropriate. A revised Corporate Governance Risk Register, based on the Service Improvement Plans will be submitted to the Committee in due course. This register will outline what is in place to mitigate the impact of any risk.

7. IMPACT SECTION

7.1 Economy

- 7.1.1 Each Service Improvement Plan (where applicable) has a driver diagram showing what actions are being undertaken in relation to the LOIP and Strategic Plan to support Aberdeen's economy.

7.2 People

- 7.2.1 Each Service Improvement Plan (where applicable) has a driver diagram showing what actions are being undertaken in relation to the LOIP and Strategic Plan to support Aberdeen's people.

7.3 Place

- 7.3.1 Each Service Improvement Plan (where applicable) has a driver diagram showing what actions are being undertaken in relation to the LOIP and Strategic Plan to support Aberdeen as a place.

7.4 Technology

- 7.4.1 Each Service Improvement Plan (where applicable) has a driver diagram showing what actions are being undertaken in relation to the LOIP and Strategic Plan to support improving technology in Aberdeen.

8. BACKGROUND PAPERS

Aberdeen City Council Strategic Business Plan 2017 - 2018
[Aberdeen City Local Outcome Improvement Plan 2016-26](#)

9. APPENDICES

Finance Service Improvement Plan
HR and Customer Services Service Improvement Plan
Legal and Democratic Service Improvement Plan
IT and Transformation Service Improvement Plan
Commercial and Procurement Services Service Improvement Plan
Office of Chief Executive Service Improvement Plan

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FINANCE

Service Improvement Plan

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5. Assessment of Risk

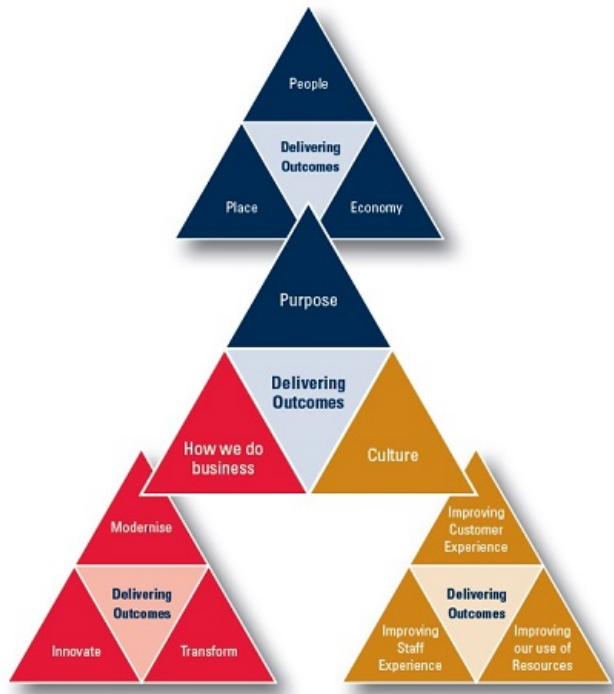
1. Introduction and Service Description

Shaping Aberdeen

Shaping Aberdeen sets out our overriding purpose that is to:

“to ensure the people and place prosper and to protect the people and place from harm”

It outlines our aspirations and how we do business and shape our culture in order to get there. The Strategic Business Plan (approved on 22 Feb) set out our business priorities and deliverables for 2017/18 which contribute to our purpose.



Shaping Aberdeen has 3 parts:

Our purpose - What Our Business is

To ensure the alignment of all Council strategies and plans to the LOIP’s vision, as well as ensuring clear delivery plans for the Council’s own set of strategies and priorities.

How we do business

The modernisation and transformation of how we deliver our services through making best use of technology.

How we behave as an organisation (Culture)

Capable, confident, engaged and positive *staff* who deliver excellent *customer* service and consciously make best use of our *resources*. An organisation that maintains its focus on its customers, its staff and how it uses the resources available to it.

1.1 Role of the Service Improvement Plan

The purpose of the Service Improvement Plans is to demonstrate a golden thread between the organisation’s purpose and priorities and what improvements Finance will make to contribute to this.

1. Shown below is the planning process for the Council (and the North East). The Finance service supports the council and region’s sustainability and economy. In addition to enabling strong financial management within the council, the Finance service increasingly has a part to play to support the development of infrastructure and wealth in the city. The service contributes directly to the ‘Economy’ Local Outcome and indirectly to the ‘People’, ‘Place’ and ‘Technology’ outcomes. Most of the Finance service objectives are directly aligned to the Shaping Aberdeen themes in the Strategic Business Plan of ‘Improving our use of resources’ and ‘How we do business’, further objectives are aligned to ‘Improving Customer Experience’ and ‘Improving Staff Experience’.



2. Within 'Improving our Use of Resources' are a significant number of stewardship functions that the Finance service is key to delivering and improving for the whole organisation. Also, reflected in this plan – to give the whole picture – are those objectives enabled by the Finance service for which the whole organisation is accountable such as the delivery of a 5-year business plan. A further priority for the Finance service is supporting modernisation and transformation of the whole organisation through effective business and commercial advice and training.
3. The Improvement Plan has been developed through a review and understanding of the current and anticipated external and internal environment, including policies, legislation, socio-demographics, demand, available resources, risks and opportunities. The most significant factors impacting the Finance function are:
 - Closer links and shared activity with partners across the region and country
 - Political change impacting development of corporate strategy that impacts on Finance
 - Public sector austerity leading to budget pressures
 - Organisational and legislative change
 - The wider economic factors and economic strategy of the city leading to an increase in regeneration and major projects
 - The increased requirement for improved governance as the result of the credit rating and bond investment funding
 - Transformational change in the council

1.2 Overview of the Service

Accounting

- Ensuring compliance with statutory financial reporting requirements
- Providing strategic financial input to meet our internal and external customer needs
- Enabling our internal customers to successfully manage their businesses
- Providing efficient and effective financial administration services across the council including cash collection, social work invoicing and financial assessments, fraud prevention

Services:

Business Advice to the Council and Services; Financial Strategy and Planning

Financial Reporting, Analysis and Controls; Financial Performance Management

Financial Systems; Investments and Treasury; Bank and Cash Management

VAT Management; Social Care Finance Service; Fraud prevention

Corporate Governance Administration

Pensions

- Administering the pension funds and ensuring compliance with legislation on behalf of members and employers

Services:

Pensions Scheme Administration; Investments Accounting

Revenues and Benefits

- Ensuring Council Tax Reduction, Housing Benefit, council tax and business rates are correctly administered
- Providing the Scottish Welfare Fund service for Aberdeen City Council
- Collecting revenue effectively

Services:

Revenue Collection; Administration of Benefits; Council Tax; Business Rates

The Finance Service has a diverse range of both internal and external customers, from council tax payers to elected members, from pension recipients to the arms-length organisations. The diagram below shows some of the external customer relationships:

External Customers

Trusts and External Boards

Government Bodies

Internal Customers

Budget holding services

Finance Service Customers

Revenues and Benefits

Corporate Customers

Members

Corporate Management Team

External Customers

Staff/pensioners – other organisations

Pensioners

Internal Customers

Staff

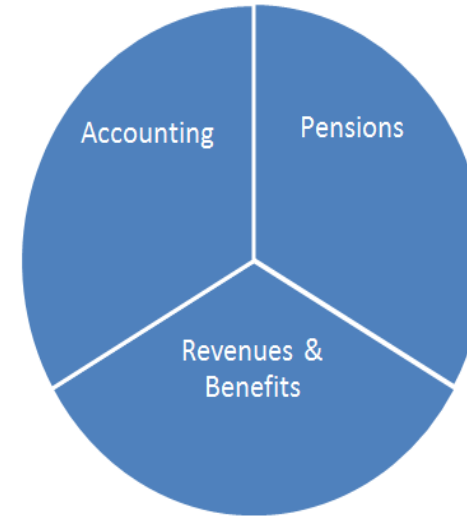
Finance Service Customers

Accounting

Corporate Customers

Members

Corporate Management Team



External Customers

Council Tax Payers

Service Income Debtors

Internal Customers

Services that raise income

Finance Service Customers

Accounting

Corporate Customers

Members

Corporate Management Team

2. Service Assessment

2.1 PESTLE analysis *external factors that impact on the Finance service are shown in the categories below:*

<p>Political</p> <ul style="list-style-type: none"> • National and international geopolitical outlook • International political out • Scottish parliament elections • Lead up to 2017 local government elections • COSLA/SLGP • 7 Cities strategy • Policy changes affecting and council services impact on financial pressures • Local political impact and reputational factors 	<p>Economic</p> <ul style="list-style-type: none"> • Global economic outlook/Oil and gas • City Region Deal/Regional economic strategy • Aberdeen locality – impact on recruitment • Budget pressures – Local Government Finance • Council service transformation and improvement requiring financial advice • Scottish fiscal framework/Smith Commission/Devolution • Impact of austerity on our customers and economy • Major projects to support wealth of city • Brexit/EU relations/funding
<p>Social</p> <ul style="list-style-type: none"> • Responding to demographic change • Community empowerment; participatory and outcome budgets • Locality planning • Diversity • Asylum seekers • Ageing population 	<p>Technological</p> <ul style="list-style-type: none"> • New technological developments • Social media • Digital strategy • Mobile/flexible working • Upgrades to our existing software products and standards
<p>Legal</p> <ul style="list-style-type: none"> • Governance framework instigated by bond funding • Legislative change – finance and service • Council restructuring – national/local • New standards of governance and public expectation • Welfare reform/Pensions/Self-directed support • Integration of health and social care • Scottish fiscal framework 	<p>Environmental</p> <ul style="list-style-type: none"> • Major projects – hydrogen/waste • Environmental sustainability agenda • Best practice and development of standards on a wider scale • Benchmarking and sharing of services • Local/regional plans • Shaping Aberdeen • Strategic plans

Summary of critical issues from the PESTLE analysis that will influence this plan:

Budget pressures are at a new level of challenge unprecedented in the organisation and this leads to a more critical focus on governance and financial monitoring and forecasting. This leads to some of the fundamental critical activities needing more focus, particularly in respect of the culture and relationship with budget holders in times of change. Further it leads to the need for the whole organisation to respond to transformational step change in the way we deliver services.

Organisational change is at a new high – largely because of political, economic, legislative, social and environmental factors. When change affects services this leads to a high level of support required from Finance.

The economic factors play a significant factor in the sustainability of our pension fund and the council's long term sustainability/treasury position. Having a very strong understanding of these factors is critical to our core work.

This strongly influences the need to revisit the Medium Term Financial Plan and Long Term Financial Plan that will be a key task for 2017/18.

The council has ambitious plans for the city and this is reflected in inward investment plans through the City Region Deal, the City Centre Master Plan and individual regeneration projects. These plans have a key impact for Finance.

Technological change is moving at an unprecedented rate and it is critical that Finance is underpinned by effective and reliable systems and with the skills and capabilities to use technology effectively.

Responding to the PESTLE analysis directly affects the key service goals in Section 3 of this plan. There is a challenge to continuously review capability and resource allocation to meet these competing goals. In addition to the need to manage concurrent projects, the Finance staff experience outcome in section 3.2 is critical to ensuring that capacity is available as transformation evolves.

2.2 SWOT analysis (Strengths, Weaknesses, Opportunities and Threats for the service) - the purpose of this section is to outline the internal factors that impact your service, this could include feedback from audits, reviews, your customers, as well as data from reports such as the Employee Opinion Survey (EOS).

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<p><u>Strengths</u></p> <p>Audit record of strong financial management/best value audit Successful history of delivering critical finance tasks Training and development of Finance staff Treasury management Successful improvements implemented and responsiveness to change/approachability high customer satisfaction Successful bond investment in the council Strong succession plan and staff development programme Networks to national and international bodies Successful collaboration Status in Scottish Finance Community Award winning status</p>	<p><u>Weaknesses</u></p> <p>Finance competency across the organisation Finance processes, training and systems could be improved Managing changing priorities and resources is effective but needs more focus Connectivity of systems and teams within finance and in the wider council Evidence based decision making Stakeholder engagement with finance Linking financial plans to strategic plans Embedding the finance framework across the council – strengthening finance competency</p>
<p><u>Opportunities</u></p> <p>Inward investment and regeneration opportunities Bond LSE status Longer term planning for city and region Transformational change agenda of council Further collaboration Community empowerment Outcomes approach City Region Deal and other changes through PESTLE analysis provide opportunities e.g. devolved funding possibilities Growing business building on strengths</p>	<p><u>Threats</u></p> <p>Economy and austerity Recruitment and staff turnover Reputational risk due to high focus in the city from press Political change leading to short termism Transformation failing and impacting on critical services</p>

Summary of critical success factors emerging from the SWOT -

Critical success Factors:

Supporting the development of the stronger economy in Aberdeen through financial advice for infrastructure and capital investment and use of assets – alignment with Economic Development Strategy and Outcomes.

Use of resources – the significant Use of Resources programme that impacts council wide will work in tandem with the Finance Service to improve stewardship and enable transformation of the way we use our money, assets, staff and technology. Improving partnership working between Finance and the services is critical with the challenges that future budget settlements bring. This will require significant transformational change. Improving longer term financial planning and its alignment with strategic planning is a key success factor

Customer experience – development of capability and capacity across the organisation, we need to be proactive in building on strengths, improving core customer service, marketing our services and building our reputation to minimise threats.

Staff experience – to meet the organisations goals, we need to focus strongly on developing our most critical and significant resource – our staff. Stronger staff engagement can enable us to maximise our opportunities and build on our strengths. We need to continue to strengthen PRD, staff development and change management. The implementation of the new Finance Structure is essential to supporting flexibility and direction of resource to major projects. We need to continue to develop our approaches to succession planning and performance management.

Planned Improvements

There are two distinct parts to this section:

1. Improvements which arise directly from Strategic Priorities - these will be outlined in section (3.1)

This section shows the “Golden Thread” from the ACC Objectives set out in “**Our Purpose – What our Business Is**” within the Strategic Business Plan 2017/18. It will demonstrate how the service is contributing to the delivery of these agreed strategic priorities.

Much of this section is already defined in the Local Outcome Improvement Plan (LOIP) and the Strategic Business Plan (pages 8-28), including the Improvement Outcomes, ACC Objectives and measures. The Service Improvement Plan considers and adds change activity, additional measures and improvement targets, as well as a clear lead officer and timescale for delivery.

These improvements are set out under the 4 areas under the LOIP; Prosperous Economy, Prosperous People, Prosperous Place or Enabling Technology.

2. Service improvements which feed into the other elements of Shaping Aberdeen - ‘How we do business’ and “How we behave as an organisation” ‘our Culture’ - these will be outlined in section (3.2)

“Shaping Aberdeen” not only reflects the strategic priorities as set out in “**Our Purpose – What our Business Is**” it also provides clear guidance about our ambitions and where we are going under:-

- **How we do Business** - this is set out in Section 4 of the Strategic Business Plan, pages 29 - 43. It articulates the change road map for the organisation and different tiers, these are described under:
 - Tier 1 - “Improving Stewardship” (do what we do better - business as usual)
 - Tier 2 - “Performance Improvement “ (improving and modernising what we do)
 - Tier 3 - “Radical Transformation”, (*re-imagining what we do and a focus on the “Art of the Possible”*).

- **How we behave as an organisation (our Culture)** - set out in section 5 of the Strategic Business Plan pages 46 -52 which outlines our ambition for improving “Customer Experience”, “Staff Experience” and “Best Use of Resources”.

3.1 Strategic Priorities – Driver Diagram

Following the approach of the LOIP, we’re using a form of driver diagram to outline our improvements. A driver diagram is just a way of systematically laying out/displaying aspects of an improvement plan. Typically a driver diagram seeks to:

- State the **aim/outcome** (what are you trying to achieve)
- Highlight high level elements of the system (be it community/org/service) which would **need to change** in order to bring about improvement
- Show how you will **measure success**

Prosperous Economy

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Improvement Outcome	ACC Objective	Change Activity	How We Will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
Investment in infrastructure – we will make the economy of Aberdeen City robust and resilient providing a vibrant built environment and attractive place	We will regenerate our city centre to become a vibrant and attractive place to live, work and invest in	Provide business advice to major regeneration projects – feasibility, procurement and implementation. Develop a plan to incentives bringing underused space into residential use	Footfall in Aberdeen’s business improvement district	TBC	+1%	+2%	+3%	Accounting	✓	✓	
	We will improve deployment of low carbon transport in the city and urban areas through active travel networks	Provide business advice to transport projects – feasibility, procurement and implementation. Work with European and National funding programmes to improve renewable energy infrastructure	Reduce per capita local carbon emissions	6.8 tonnes	6.5	6.2	6	Accounting	✓	✓	
	We will modernise our utilities infrastructure to support the economic growth ambitions	Provide business advice for regeneration of a 2Ha in East Tullos exploring delivery of a potential £150m energy from waste facility in 2021 to support low carbon power targets and development of	% household waste that is recycled	38.2	39	42	50	Accounting	✓	✓	

Prosperous Economy

Improvement Outcome	ACC Objective	Change Activity	How We Will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
	We will enable Aberdeen to realise the development opportunities in the city centre masterplan and beyond	We will strengthen the council's commercial awareness and market knowledge through our support to budget holders. Provide business advice for development of transport and other intervention areas in the Aberdeen CCM that delivers the biggest economic impact.	Footfall in Aberdeen's business improvement district	TBC	+1%	+2%	+3%	Accounting	✓	✓	✓
Innovation - Aberdeen City has a reputation for enterprise, innovation and world class solutions	We will provide business and innovation support to entrepreneurs/ business start ups and increase the diversity of funding options through an increase in accessibility of investment	Provide access to finance through the SE innovations support, Business Angel Venture Capital and/or Scottish Local Authorities Loan Fund in Aberdeen City We will implement schemes to mitigate the impact of business rates revaluation We will explore outline business cases for a bank/building society and online share trading	Increase in business gateway startup numbers	1163	+2%	+3%	+4%	Accounting	✓	✓	
Inclusive economic growth - A skilled workforce for the future that provides opportunities for all our people	We will ensure that the North East of Scotland is a great place to be – as a visitor, worker, entrepreneur or resident	Provide business advice to develop iconic tourism attractions to capitalise on non-business tourism and leisure markets and stimulate diverse culture and creative offerings	Improve hotel occupancy rates	56.6%	60%	61%	62%	Accounting	✓	✓	✓
			Increase tourists to Aberdeen	1.5m	+5%	+6%	+7%		✓	✓	✓

Prosperous Economy

Improvement Outcome	ACC Objective	Change Activity	How We Will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
	We will invest in our workforce, particularly young people, develop our future workforce and ensure all benefit from economic activity	Provide opportunities for young people in Finance through career ready, internships, school placements, links to universities and other options	Increase in proportion of young people achieving successful destinations post school	92%	93%	94%	95%	Finance	✓	✓	
Internationalisation - Aberdeen City is a location of choice for investment, high value business activity and skills	We will improve the attractiveness for international trade and investment	Provide business advice to develop the £330m new AECC to anchor existing international events and compete for new events	Number of foreign direct investment projects	9	10	11	12	Accounting	✓	✓	
	We will collaborate with the UK and Scottish Agencies and business in prioritising international business support ensuring that businesses benefit from international trade and investment opportunities	Promote the 'investor readiness' of the region to international institutional investors/sovereign wealth funds Lobby agencies and government regarding investment and financial decisions to support the local economy	Improve attitudes of business from Aberdeen, and of those wishing to do business here, on readiness to do business in Aberdeen	TBC	+2%	+3%	+4%	Accounting	✓	✓	
	We will attract the best possible range of incoming exhibitions and events and showcase the city's internationally recognised sports, arts and culture offer	Provide business advice to deliver a £30m refurbishment of Aberdeen Art Gallery in 2017 Seek opportunities to generate investment income for arts and culture.	Increase footfall at Aberdeen tourist attractions	TBC	+2%	+3%	+4%	Accounting	✓	✓	

Prosperous Place

Improvement Outcome	ACC Objective	Change Activity	How We Will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	Economy	Place	Technology
People friendly city – a city where people to choose to invest, live and visit	We will create an attractive and welcoming environment in partnership with our communities	Provide business advice to create a new place based community on a 3,000 unit housing development which includes a learning hub to deliver education, social health, sport and leisure facilities for all ages.	Improvement measures emergent – place shaping and planning is developing in a very different way from the past.					Accounting	✓	✓	
		Community engagement in budget process Business advice to community groups such as for asset transfers and improving locality outcomes	Increase in number of people involved in participatory budgeting	TBC	+20%	+50%	+100%	Accounting	✓	✓	
		Devolvement of 1% of budget to communities Encourage communities to get involved in improving their local environment through friends of parks groups and community engagement	Increase in number of asset transfer requests	0	1	2	3	Accounting	✓	✓	

3.2 Service Improvement – Driver Diagram

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
We will improve the efficiency of our financial processes	We will improve the speed and efficiency of corporate financial reporting	We will ensure compliance with Bond/FCA/LSE regulations We will implement more commercial quarterly financial reporting We will prepare annual accounts for 2017/18 by 30 th April 2018	Speed of quarterly reporting	2 months after period end	1 month	3 weeks	2 weeks	Accounting			✓
			Year end reporting	Unaudited – 3 months after year end	1 month	1 month	1 month	Accounting			✓
We will improve the efficiency of the management of our pension fund	We will improve the efficiency of the management of our pension fund	We will bring the asset management of pension passive equity in-house	Returns above industry benchmark	TBC	TBC	TBC	TBC	Pensions			✓
We will ensure our pension fund is efficiently managed	We will ensure our pension fund is efficiently managed	We will revalue the pension fund as at 31 March 2017. We will improve our performance on pension fund administration.	% letter turnaround with best practice standards for pensions	92	93	94	95	Pensions Manager			✓
We will improve our debt recovery and income collection	We will improve our debt recovery and income collection	We will introduce a new debt recovery strategy We will optimise corporate income and cost recovery	Reduction in bad debt and provision Increased corporate income returns	£9.4m	-10%	-20%	-30%	Finance Leadership Team			✓
We will improve the council's efficiency in its management of assets in collaboration with other organisations	We will improve the council's efficiency in its management of assets in collaboration with other organisations	We will provide advice to the improvement of asset management	Cost of operational and office accommodation reduces	TBC	-10%	-20%	-30%	Finance Leadership Team			✓

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
We will improve the Sustainability of the Council's financial position	We will improve our financial planning and sustainability	We will prepare a 5 year integrated strategic financial plan by February 2018 We will develop a strategy to become a self sustaining council	Reduction in level of external finance met with minimised impact on outcomes for city to achieve self financing in 5 years	TBC	TBC	TBC	TBC	Accounting	✓	✓	✓
	We will improve the sustainability of pension fund resources	We will review investment fund strategy for the pension fund following valuation	Achieve 100% funding position (this will be dependent on favourable market conditions)	94%	-	-	100%	Pensions	✓	✓	✓
We will improve our compliance to ensure investor approval of our financial position	We will maintain the council's level of financial governance and stewardship	We will ensure the continued credit rating is as strong as possible.	Maintain Aa2 credit rating	Aa2	Aa2	Aa2	Aa2	Finance Leadership Team	✓	✓	✓
	We will improve our financial management reporting	We will roll out a finance procurement and debtors dashboard Refine evidenced based information for budget process	Council meets budget targets each year – incorporating reduced procurement spend and transformational savings.	Within budget	Within budget			Accounting	✓	✓	✓
	We will improve controls and efficiency of our core delivery targets and services	We will improve controls in our annual billing process We will deliver annual accounts and statutory returns in an efficient and timely way	All statutory guidelines met, no penalties for failure to meet financial legislation	100%	100%	100%	100%	Finance Leadership Team	✓	✓	✓
			Budget holder meetings delivered	90%	95%	100%	100%	Accounting	✓	✓	✓
		Council tax total	£106.2m	£111.	TBC	TBC	Revenues and	✓	✓	✓	

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
			income		4m			Benefits			
			NDR total cash income	£209m	£240m	TBC	TBC	Revenues and Benefits	✓	✓	✓
			Benefits turn around – combined new benefit claim and change in circs.	10 days	10 days	10 days	10 days	Revenues and Benefits	✓	✓	✓
			We will ensure our services respond to meet the requirements of legislative change	We will implement legislative changes such as new council tax legislation. Comprehensive system for monitoring legislative change maintained	All measures implemented	100%	100%	100%	100%	Finance Leadership Team	✓
We will modernise, innovate and transform service delivery	We will improve our service efficiency by modernising, innovating, transforming, sharing or centralising services	We will explore shared services/centralisation and connections to other organisations. We will provide business advice to corporate transformation work. We will introduce digitisation and self service for council tas. We will undertake business analysis of finance systems, processes and feeder systems.	Reduction in cost of finance services to council Reduced time on end to end processes, improved controls.	TBC	TBC	TBC	TBC	Finance Leadership Team	✓	✓	✓

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
	We will prepare a business case for a pension's limited company.	Business Case Feasibility Implementation	Recruitment and retention of specialist posts FCA approved capabilities	TBC	TBC	TBC	TBC	Pensions	✓	✓	✓
We will improve the competency and capability of budget holders and elected members	We will improve business competency and capability of budget holders	We will develop a finance competency framework for budget holders We will roll out Finance Masterclasses We will agree and implement CIPFA Financial Management review recommendations We will increase stakeholder engagement in Finance. We will respond to the customer survey	Finance competency scores of budget holders	TBC	+5%	+10%	+15%	Accounting	✓	✓	✓
	We will improve business competency and capability of elected Members	We will develop and implement elected member training meeting CIPFA best practice	Overall member satisfaction with Finance	TBC	+5%	+10%	+15%	Accounting	✓	✓	✓
We will improve external customer satisfaction with our service	We will implement actions in from the previous customer improvement survey	Improve information about finance Improve training/processes	Overall customer satisfaction 4 or 5	TBC	+5%	+10%	+15%	Finance Leadership Team	✓		
We will improve the finance staff experience	We will become an employer of choice that retains staff through training	We will implement the new accounting structure We will develop workforce	Staff turnover	TBC	-10%	-20%	-30%	Finance Leadership Team		✓	

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
	and development opportunities.	and succession plans We will implement the action plan for the Employee Opinion Survey	Staff sickness	6 days	5.5	5	4.5	Finance Leadership Team		✓	
			Staff engagement % engaged	60%	-	80%	-	Finance Leadership Team		✓	

4. Resources Summary

4.1 Revenue Budget 2017/18

Directorate	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000	Draft Budget 2017/18 £'000
Head of Finance	6,306	6,134	-172	6,992
Housing Benefits	1,188	1,188	0	1,188
Head of IT & Transformation	9,509	9,078	-431	9,393
Head of HR, Organisational Development & Customer Services	7,189	6,581	-608	7,076
Head of Legal & Democratic Services	1,549	1,344	-205	1,434
Head of Commercial & Procurement Services	3,918	3,933	15	4,194
Total	29,659	28,258	-1,401	30,277

Commentary on Revenue Budget

Head of ...	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000
Staff Costs	8,867	8,837	-30
Premises Costs	0	3	3
Administration Costs	687	673	-14

Transport Costs	11	19	8
Supplies & Services	476	476	0
Other Grant-Reimburse-Contrib.	-762	-762	0
Recharges To Other Heads	-1,933	-2,059	-126
Other Income	-1,040	-1,053	-13
Total	6,306	6,134	-172

88% of the Finance Service gross budget is in relation to staff costs, therefore effective performance management and using that resource efficiently is a key priority.

4.2 Capital requirements

The Finance Service has no major capital requirements over the term of this plan.

4.3 Asset Management

Asset Demand

Fit for purpose office accommodation
Fit for purpose systems and hardware
Staff resource

Current Asset Summary

Office accommodation 3rd floor and 1st floor Marischal College
IT systems and hardware – Council tax, business rates and benefits systems, pensions system, workflow system, eFinancials, Collaborative Planning, BOXI, ICON, Logotech and other smaller systems
Workforce asset

Gap Analysis

Office accommodation on one floor for more integration
Flexibility of office accommodation
Improved hardware and financial system reliability

4.4 Workforce Planning

Introduction

In order to deliver our business strategies and improvement plans we need a workforce that is “*capable, confident, skilled, motivated and engaged*”. Planning for how we will have a workforce that meets this profile is paramount and requires a commitment to attract, develop, retain and recognise talented and motivated employees with the right behaviours who are aligned with our vision and values. To successfully workforce plan, we need to forecast future gaps between demand and supply of critical talent, and have effective strategies and activities in place to bridge those gaps. It is a continuous process of shaping our workforce to ensure it is capable of delivering service and organisational objectives both now and in the future.

Factors that influence our workforce planning

We recognise that the future shape of our workforce, and the many workforce challenges we face in terms of supply and demand, will be influenced by a range of internal and external factors and change themes (e.g. the external market and competition, political and legal changes, changing demographics, society and technological advances). For example, the impact of Brexit; impact on the local employment market of the falling oil price; the changing employment demands of the workforce; ageing population and reduced fertility rate; cuts in external funding with increased demand for services; and the need to modernise and transform how we do business (e.g. impact of our Being Digital Strategy).

Finance continues to need to respond to constant changing demands from the organisation and our customers. Many of those changes are set out in this improvement plan. Specific changes that have most impacted on the level and capability of finance resource requirements include:

- The need for more value-added business support to enable the business to respond to the challenges of austerity, commercialisation, demographic and political change
- Increasing customer demands for quality of service, improved technology, transparency, information and delegated decision making
- The Strategic Infrastructure Plan and City Centre Masterplan – including a significant increase in the number of capital projects requiring financial advice
- Significant changes in legislation relating to the Local Government Pension Scheme and Welfare Reform
- The corporate transformation agenda and resourcing projects such as Health and Social Care Integration (HSCI), digitisation and corporate restructuring
- A changing landscape of collaboration in the Scottish and UK public sector

Increasingly the demand from all Finance staff is a range of skills encompassing good technical financial skills and also people management, customer service, change management and process and technological skills. There is greater demand for finance skills to be diffused throughout the organisation and the role of the Finance function in training staff across the organisation and enabling them to manage their own business processes more effectively grows.

The accounting service restructure has design criteria around meeting these needs and is due for implementation in May 2017.

Focus on succession planning

The most effective way to meet these workforce challenges is to develop strong succession plans to help us attract people with the knowledge, skills and abilities we need, retain key employees, develop our existing teams and prepare suitable replacements internally through a variety of learning and development activities. Succession planning therefore underpins our workforce planning.

How we will succession plan

Our plans for succession will:

- support **service continuity** when key people leave
- help us to **attract** people with the skills, qualifications, knowledge, abilities we need as well people with the right cultural/motivational fit
- demonstrates an understanding of the need to have the **right number and type** of people to achieve strategic plans
- help us to **retain key employees** and give our staff the future **skills** they'll need
- develops **career paths** for employees which will help us to recruit and retain high potential, top performing people
- prepare **suitable ready replacements** internally through a variety of learning and development activities
- give us a reputation as an employer that invests in its people and provides opportunities and support for advancement (making the Council an **'employer of choice'**)

Our focus is on developing succession plans for key occupational groups within our workforce i.e. business critical, hard to fill posts. In the following sections, we have identified the occupations that fall into this category, the supply and demand issues these occupations face and the strategies, plans and activities that have been put in place to address these issues.

Our business critical/hard to fill occupations

Service	Business critical/hard to fill occupations
HR Business Partners can help complete this	<ul style="list-style-type: none">▪ Senior Finance Leaders – limited pool of resource with relevant skills and experience, particularly due to cost of living in NE Scotland. The Council grading structure can be a barrier to effective recruitment.▪ Specialist staff – limited pool of resource with relevant experience. This has led to post redesign and looking to share specific skills with other organisations.▪ Qualified staff and team leaders – limited pool of resource with relevant experience, this has led to a stronger development of staff from within the team and succession planning including the introduction of the Trainee Accountant scheme.▪ Para qualified staff – a wider pool of resource available with relevant experience. High staff turnover due to promotion within and outwith the council.▪ Financial administration staff – a wider pool of resource available with relevant experience. High staff turnover due to promotion within and outwith the council.▪ Staff in training roles – a wide pool of resource available due to the difficulty of getting entry level posts without experience, however, it is anticipated that some staff trained within the council will be attracted by higher pay in other organisations once experienced and qualified.

Succession planning actions

What are the issues?	What we're experiencing	What are our plans?
Responding to needs of particular council services for more complex set of skills to solve business problems	<ul style="list-style-type: none"> • More demands for training and finance support. 	<ul style="list-style-type: none"> • Strengthen role of Finance Partner and FDO
Major challenge recruiting skilled and experienced qualified finance staff	<ul style="list-style-type: none"> • Limited number of applicants who do not have breadth of skills required. A number of incumbent postholders reaching the end of their careers. 	<ul style="list-style-type: none"> • Succession plan for trainee accountants
More demand for a breadth of skills and cover for tasks and projects – move to assignment working	<ul style="list-style-type: none"> • Projects have been add ons but now need to be a fundamental part of everyone's role • Some roles still are siloed and do not have sufficient cover 	<ul style="list-style-type: none"> • Personal development plans and learn do develop
Backlogs in income are no longer sustainable in terms of council finances	<ul style="list-style-type: none"> • Historic debt building up that impacts council's financial position 	<ul style="list-style-type: none"> • Business case for council tax recovery and debt recovery staff
Finance training is demoted below other priorities	<ul style="list-style-type: none"> • The impact of competency gaps in finance across the council and within finance leads to poorer decision making and abortive work 	<ul style="list-style-type: none"> • Build training team, training and use of resources academy and relationships with HR & OD
Insufficient resource to support major projects; insufficient flexibility; need to improve relationship management	<ul style="list-style-type: none"> • Staff stretched on projects' staff resource planning needs to be improved. 	<ul style="list-style-type: none"> • Accounting restructure and more generic roles
Recruitment of staff who are not as strong a fit as possible	<ul style="list-style-type: none"> • The need to follow up with capability performance monitoring 	<ul style="list-style-type: none"> • Assessment centres for recruitment continuing to roll out
	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Staff engagement activities

Increasing number of legislative changes and innovative ways of working

- New knowledge not always disseminated throughout the organisation.

- Knowledge sharing

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5. Assessment of Risks

Service Delivery Area	Risk Category *	Risk Description	Risk Severity	Risk Owner	Controls & Mitigation
Revenues and Benefits	Customer/Citizen	Council Tax billing fails	Amber	Revenues and Benefits Manager	Council tax delivery plan Lessons learned
Revenues and Benefits	Customer/Citizen/Financial	NNDR and local taxation changes impact local businesses	Amber	Economic Devpt/Revenues and Benefits Manager	Implementation of new legislation Mitigation of impacts
Accounting	Financial	2017/18 savings not achieved or ineffective monitoring	Amber	Accounting Manager	Cost and savings trackers; quarterly monitoring; budget holder meetings; budget holder competency framework.
	Financial/Legal and Regulatory	Accounts qualified or delayed	Green	Accounting Manager	Year end plan and resource in place
	Financial/Legal and Regulatory	Budget not balanced – failure to allocate resources effectively	Amber	Head of Finance	Corporate budget processes and plans CMT commitment Member commitment
	Legal and Regulatory	Bond Governance and Accounting not achieved	Green	Head of Finance	Bond Governance plans
	Reputation/Financial	Major project failure	Amber	Head of Finance	Project plans
	Financial	Pensions investment strategy has long term impact on fund or employer positions	Amber	Pensions Manager	Investment manager role and strategy plans
	Employee/Customer/Citizen	Staff Resource insufficient capacity or capability	Amber	Head of Finance	Workforce and business plans Assignment working plans
	Legal and Regulatory	Failure to respond to legislative change	Amber	Head of Finance	Legislative plan ongoing review process
	Customer/Citizen	Failure to modernise, innovate and transform	Amber	Head of Finance	Improvement plan and implementation activities
	Employee	Failure to support staff	Amber	Head of Finance	PR&D; employee opinion survey action plan
	Financial/Customer/Citizen/Reputation	Failure of critical service	Amber	Head of Finance	Policies, processes and procedures

- Customer / Citizen; Employee; Legal and Regulatory; Property; Financial; Reputation

Directorate / Service Improvement Plan

1 April 2017 to 31 March 2018

**HR & Customer Service
Aberdeen City Council**

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4. Resources Summary

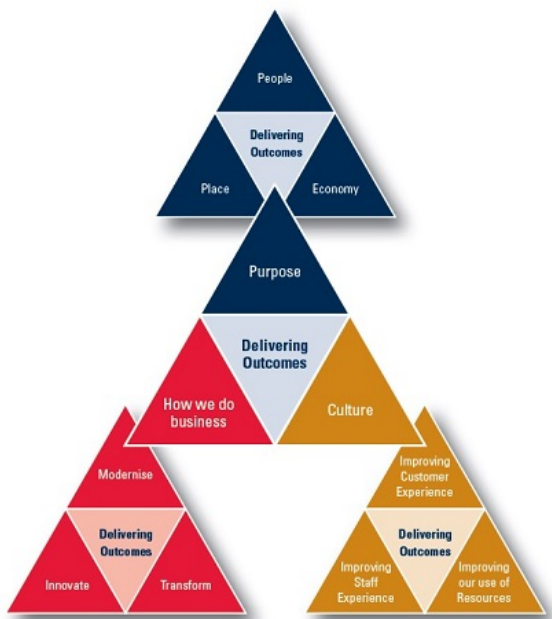
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5. Assessment of Risk

1. Introduction and Service Description

Shaping Aberdeen

The Council's Strategic Business Plan 2017/18 sets out an ambitious programme of change called "Shaping Aberdeen" and it has 3 parts:



Our purpose - What Our Business is

To ensure the alignment of all Council strategies and plans to the LOIP's vision, as well as ensuring clear delivery plans for the Council's own set of strategies and priorities.

How we do business

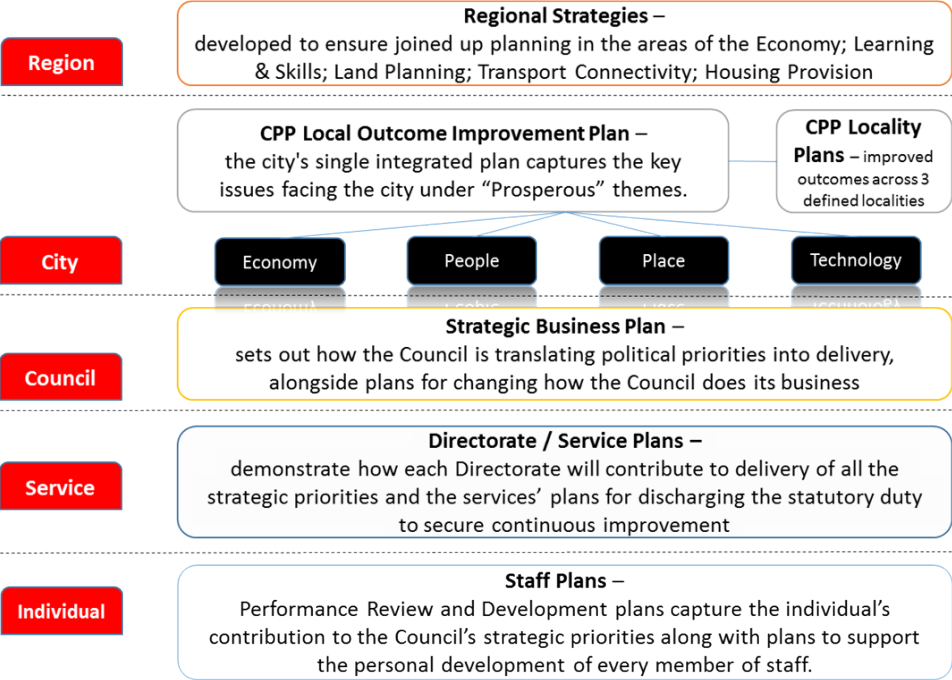
The modernisation and transformation of how we deliver our services through making best use of technology.

How we behave as an organisation (Culture)

Capable, confident, engaged and positive *staff* who deliver excellent *customer* service and consciously make best use of our *resources*. An organisation that maintains its focus on its customers, its staff and how it uses the resources available to it.

1.1 Role of the Service Improvement Plan

1.1.1 The Council needs to operate across different planning levels from the North East region to individual localities whilst internally planning from the corporate level to individual members of staff. At a Service level the Service Improvement Plan contributes to the overall planning process by outlining how HR&CS will contribute to supporting the delivery of strategic priorities. Specifically, the HR&CS has a role in delivering improvement relating to **Customer Management, Workforce Change and Being Digital** as described in the Strategic Business Plan within Shaping Aberdeen – how we do business, **Tier 2 – Performance Improvement**. In addition, we will have a significant contribution to **improving customer experience** and **improving staff experience** programmes.



1.1.2 Our Service Improvement Plan has been developed through a review and understanding of the current and anticipated external and internal environment, including policies, legislation, technology, socio-demographics, society, demand, available resources, risks, opportunities and how we are modernising how we do business. A summary of all these influencing factors, split by the internal and external environment in which we operate, is provided below.

Internal environment	External environment
<ul style="list-style-type: none"> • Demographics (e.g. age profiling, length of service, diversity in our workforce) • Turnover rates • Job characteristics (e.g. full-time/part-time, overtime hours) • Employment status (e.g. permanent, fixed term, casual) • Skills shortages • Recruitment and retention rates • Exit interviews • Workforce gaps, issues and risks • Workforce reduction exercise • Time taken to recruit • Salary costs • ‘Smarter working’ approach • Employee surveys (most notably our biennial employee opinion survey, pulse checks) • Internal customer service surveys • Retirement patterns • Promotion patterns • Workload patterns • Absence rates • Council’s transformational agenda • Being Digital Strategy • Activity Analysis Programme 	<ul style="list-style-type: none"> • The local/national employment market • Who is competing for our workforce • External impacts on our organisation. For example <ul style="list-style-type: none"> - policy and legislative changes - local and regional development - changes in population demographics both now and in the future • Expectations of different generations • External funding • Brexit • Digital connectivity of our customers

- Developing our Customer Service Framework
- Improving access and quality to our services
- Developing our customer engagement and insight
- Digital Delivery
- Performance against key performance indicators
- Our Cultural Stocktake Programme inc. UGR's, EOS and CS Café feedback
- Aspirations for a Customer Management Centre approach
- Demand management

1.1.3 Our drive for improving what we do starts with the 'Study' phase of the improvement cycle. This is where we listen to customer feedback, measure our performance using key performance metrics and data and listen to those people involved in the process to identify waste and opportunities to improve the staff and customer experience as well as how we use resources.

We're doing this by routinely asking for feedback when we engage with customers by completing our customer satisfaction survey or complete a 'lessons learnt review when we deal with customer complaints. We also gain feedback from the biennial employee opinion survey, our Unwritten Ground Rules stock take, the CG internal customer feedback survey and ideas submitted via the IdeasHub. In addition, we regularly measure customer satisfaction rates, how many calls to the HRSC we resolve within 24 hours, the response times and abandoned call rates when contacting the Customer Contact Centre and Customer Service Centre, the number of fire risk assessments and job evaluation requests completed within specific timeframes as well as the time taken from unconditional job offer to issuing employment contract. We also look at the quality of our interactions with our customers too.

1.2 Overview of the Service

<p>HR Business Services</p>	<p>Health, Safety and Wellbeing</p>	<p>HR Shared Service Centre</p>
<ul style="list-style-type: none"> • Aligned to the business objectives • Works in partnership with managers to find solutions to their people issues • Looks after the corporate employer responsibilities, HR Policy and Remuneration issues on behalf of the Council 	<ul style="list-style-type: none"> • Provides support, guidance, processes and practices in order to improve the health, safety and wellbeing of our employees • Provides a healthy, safe and supportive environment in which to work 	<ul style="list-style-type: none"> • Manages the 'transactional' part of the HR & OD service and is the first point of contact for customers wishing to access HR & OD services • Supports the recruitment process, the management of absence and leave and all aspects of the employee life cycle from starters, movers to leavers as well as supporting managers to support their people by providing advice on HR policies.
<p>Organisational Development</p>	<p>Payroll</p>	<p>Accord Team</p>
<ul style="list-style-type: none"> • Contributes to the Council's main objectives of improving service excellence and employee engagement, creating a culture of continuous improvement and alignment around shared goals, embedding transformational leadership • Builds capability and capacity to achieve all of this 	<ul style="list-style-type: none"> • Processes and administers the salaries for all employees including councillors, and other organisations such as Bon Accord Care • Ensures that all statutory and legislative requirements are met • Provides staffing and other management information from the HR/Payroll system 	<ul style="list-style-type: none"> • Responsible for the Accord Card, The smartcard scheme delivers a range of local and national customer services such as primary and secondary school provision, meal provision at Very Sheltered Accommodation and Scotland Wide Free Bus Travel
<p>Customer Service Development</p>	<p>Customer Service Operations</p>	<p>Customer Feedback Team</p>
<ul style="list-style-type: none"> • Responsible for embedding a customer service ethos across the organisation thereby improving customer experience • The main focus is the 'Improving the Customer Experience' programme which seeks to improve the way customers interact with the Council 	<ul style="list-style-type: none"> • Supports customer queries ranging from housing benefits to environment health, roads and street lighting to parking permit. • Operates from multiple sites which provides better access for customers throughout the city & has a 24/7 function too 	<ul style="list-style-type: none"> • Deals with escalated queries from customers and councillors that need to be responded to by officers throughout the organisation • Co-ordinates responses and ensures that the customer is fully informed about the process and satisfied with their response

2 SERVICE ASSESSMENT

2.1 PESTLE analysis

<p>Political</p> <ul style="list-style-type: none">• A Plan for Scotland: The Scottish Governments Programme for Scotland 2016-2017• Brexit Impact• Scottish Local Government Partnership• Council Tax increases inc Business Rates• Develop good industrial relations partnerships• Scotland Bill & resulting political Implications• Local Authority Election 2017• Further Welfare reform• Developing the Young Workforce programme• Finance Act 2018 – impact on Employee Benefits• Parliamentary Reform• Budget Bill	<p>Economic</p> <ul style="list-style-type: none">• Reduced central government funding• Continued local Economy down turn• Skills drain in local economy due to oil downturn• Macro-economic impact of Brexit uncertainty prior to leaving the EU• Economic impact of legislation e.g. Apprenticeship Levy, Non-standard working hours• City Region Deal Fund• Removal of Council Tax Freeze• Community Choice Budgeting• Devolution of Business Rates• Household Budget Squeeze• Universal Credit rollout from July 2018• Impact of budget reductions on operations• Agreement of pay claim for 2017/18
<p>Social</p> <ul style="list-style-type: none">• Ageing population• Universal Credit roll out – HR may be required to upskill jobs	<p>Technological</p> <ul style="list-style-type: none">• Roll out of ‘<i>superfast</i>’ broadband

<p>to help maintain employee standard of living where cuts in benefits</p> <ul style="list-style-type: none"> • Change in local demographics due to Brexit uncertainty & increase in welfare requirements due to down turn in economy • Changes In customer behaviour due to digital capability • Increase in social intolerance due to Brexit polarisation • National Culture Strategy • Increase in Early Learning and Childcare provision 	<ul style="list-style-type: none"> • Advances in digital services • Robotic Process Automation • The Internet of Things (connecting devices over the Internet) • Being Digital Strategy • Changes in customer behaviour
<p>Legal</p> <ul style="list-style-type: none"> • Implementation of Community Empowerment Bill • Gender Balance on Public Boards legislation • The Important Public Services Regulations • Referendum Bill • Local Government Centralisations Bill • Community Empowerment Act Part 2 • Climate Bill Change • Land Reform Act • Wider Employment Legislation and Case La 	<p>Environmental</p> <ul style="list-style-type: none"> • Increased energy costs • Commitment to zero waste • Changes to Energy from Waste initiative • Climate change regulations

Summary of critical issues from the PESTLE analysis that will influence the plan

The PESTLE analysis highlights the significance and potential impact of the Brexit referendum and the uncertainty currently in the environment external to the Council. Specifically, the Brexit vote and the lead up to leaving the EU will be a time of considerable political and economic uncertainty that could have significant impact on the macro economic environment. While the Council does recruit from out with the UK, particularly for teaching, the prevalence of no-Uk employees in the organisation is still relatively low. As such, future considerations on where the Council can recruit from may only have an impact in a limited number of occupations.

With the local economic outlook still significantly influenced by the downturn in the energy sector, the impact of this could be mixed. While skills may leave the area this may be offset by a reduction in the cost of housing making the area more attractive to non-energy related workers who may have been dissuaded from moving to the area due to the cost of living.

The analysis also highlights the significance and potential impact of employment legislation (both UK and Scottish levels). Specific implications arising from e.g. Trade Union Bill, namely the potential of the implementation of the Important Public Services Regulations which will curtail the ability of trade unions to withdraw their labour in certain sectors, may significantly alter industrial relations with employee representative bodies.

The continued programme of UK government austerity with the resulting 'real terms' reduction in local government funding continues to have implications for Council staffing levels. HR&CS will work with colleagues in Finance in order to action plan in this area.

Our increased use of technology will drive a change to the way in we operate, and how our customers interact with us. We need to ensure our operating model is fluid, flexible and skilled to deliver services in a manner that exudes empathy, connects our services and systems and delivers exceptional results.

With local elections schedules for this year there may be a change in political administration with a potential change in priorities for the Council that will require to be reflected in service plans.

2.2 SWOT analysis (Strengths, Weaknesses, Opportunities & Threats for the service)

We have done a SWOT analysis to gain the ability to focus on our strengths, turn our weaknesses into strengths, better minimise our threats, and most importantly, take the greatest possible advantage of opportunities available to us.

Strengths

- Settled Business Partner structure serving organisation well
- High levels of employee engagement within HR
- YourHR continues to deliver 24/7 online HR services for employees
- High Customer Satisfaction levels
- Flexible workforce aligned to Smarter Working ethos
- Low error rate in transactional processes
- Range of different access channels for customers to contact ACC
- Senior officer and member buy in to the customer and staff programmes
- Strong working relationships with other service areas re scope of Being Digital strategy
- Input from service areas has led to the development of the Corporate Customer Service Charter & Standards
- Availability of key metrics and performance data to drive effective business decisions
- Our RCC provides a critical 24/7/365 operation with a potential for growth

Weaknesses

- Current HR/Payroll system (Pse) requires replacement by January 2020
- Reporting from Pse database uses MS Office software and is time consuming
- Potential for inconsistency in advice where managers seek multiple views
- Relatively high turnover of staff & high than normal absence within Customer Service Operations
- Differences in the standards of customer service across ACC
- Current recruitment, selection & induction process is too time consuming
- Culture and behaviour holds us back in certain areas ie lack of crucial accountability

Opportunities

- Local economic downturn may offer recruitment opportunities to select from wider pool than normal
- Radical transformation of service delivery prompted by significant funding reduction
- The potential to deliver savings and improved service performance via the Being Digital strategy and new platform
- Delivery of an organisation-wide customer service ethos via the 'Improving the Customer Experience' programme and the introduction of the Customer Service Charter
- Development of Customer Feedback team gives opportunity to increase understanding of customer insight and their needs
- Development of Customer Experience Platform
- Use of external accreditation processes to leverage cultural transformation
- Income generation in areas like RCC and Accord
- Uptake of 'Smarter Working' ethos
- Internal helpdesks consolidated to create internal customer management function eg HRSC

Threats

- Reduced funding likely to impact on staffing levels and therefore ability to provide service as is.
- Deterioration of Industrial Relations
- Potential increase in employee stress 'doing more for less'
- Issues with continued Adult Health and Social Care integration
- Failure to implement the Customer Experience Platform
- Resistance to aligning with the 'Improving the Customer Experience' programme
- Resistance to aligning with the 'Customer Service Charter' programme
- Staff originating from the EU may leave the Council
- Potentially reduced recruitment pool due to Brexit uncertainty and inability to attract non UK employees
- Grade drift of comparator jobs in Bon Accord Care leading to Equal Pay claims within ACC
- Potential loss of experience and knowledge if VR/ER applies

Summary of critical success factors emerging from the SWOT

- Continued automation of HR processes to improve efficiency and transactional services accuracy
- Maintenance of high levels of employee engagement
- Continue gathering and analysing customer feedback to deliver true insight
- Identifying further opportunities for improved service delivery arising from Customer Service/HR merger
- Implementation of the 'Improving Customer Experience' programme
- Implementation of the first phase of the Digital Customer Experience Platform to enable migration of services and the drive for transformation
- Delivery of the 'Being The Best' vision to support the Operational Excellence Programme and the strand for Customer Management
- High levels of engagement for the alignment of the CS Charter & Standards within services
- Review of recruitment and Selection process to ensure it is fit for purpose in attracting
- Continue the programme of 'Growing your Own' employee's in HR to facilitate succession planning
- Consideration of replacement HR/Payroll system
- Development of further reporting from YourHR to reduce reliance on MS Office
- Open dialogue with Trade Union representatives to maintain positive industrial relations climate

3. Planned Improvements

3.1 Aberdeen City Local Outcome Improvement Plan – Driver Diagram

An assessment of the themes and priorities from The Local Outcome Improvement Plan (LOIP) and the Strategic Business Plan has been undertaken in relation to our particular service. As HR&CS provides support to other Services responsible for delivering priorities within LOIP it is not possible to identify specific improvements under these themes. However, we will continue to provide the ongoing appropriate support necessary to fulfil the vision for Aberdeen City by ensuring the appropriate skills and people are in place. Therefore, whilst not having a direct role in the attainment of these improvements, HR&CS will support the relevant Services so that all people, families, businesses and communities do well, succeed and flourish in every aspect.

Our strategic priorities in relation to the Strategic Action Plan have been listed in the improvement plan diagram – section 1.2.3 and these include high level improvements which will have a positive impact on how the Council operates.

3.2 Service Improvements - Driver Diagram

The information within the table below demonstrates how HR&CS will deliver on improvements in relation to *‘how we do business’* and *‘how we behave as an organisation’* as outlined in the Strategic Business Plan 2017-2018.

Please note that while a number of day to day improvements are currently underway, those included below will result in significant changes to and impact on customer experience, staff experience, the best use of resources and the vision, principles and work programmes contained within *‘how we do business’* and *‘how we behave as an organisation’*. While improvements identified through the internal feedback survey and the employee opinion survey are in progress many of these do not feature in the diagram below for the reasons stated above.

In addition, a separate Health, Safety and Wellbeing improvement plan is appended which details the expected HS&W improvement outcomes for HR&CS including the drivers, the measures and baselines. One overarching improvement *‘A fundamental feeling of safety and wellbeing within HR&CS’* forms part of the driver diagram and encompasses the improvements outlined in the attached plan (see Appendix B).

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
<i>Shaping Aberdeen – How we do business. Tier 2 – Performance Improvement, Customer Management and Being Digital</i>	1.1 Increased digitisation and self-service while reducing demand on HR staff *	<ul style="list-style-type: none"> - Provide a digital platform that is focussed on our customers and staff and staff and is driven by data. Enabled by good information and data management and anchored by a modern infrastructure - Reduced demand for direct customer contact through ability to transact and self-serve online 	<ul style="list-style-type: none"> - Ensure the information sought most often/regularly is available on the AskHR pages of the Zone to meet needs of the customer - Drive customers to information and support available on the Zone and YourHR by raising awareness through workshops, bulletins and introducing buttons within email signatures to specific areas of the Zone - Procure and implement a new HR/Payroll system - Removal of customisations will make upgrades more efficient reducing the requirement for IT support 	<ul style="list-style-type: none"> - Reduction of calls and emails volumes to AskHR query team - Increase in Customer satisfaction rates 	Average calls currently 118 per day as of April 2017 50% satisfaction rate as of May 2017	110	100	90	All teams within HR Being Digital (Steven Smith), Payroll, HR	x	x	x

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
			<ul style="list-style-type: none"> - Transfer all applicable self-service functionality from YourHR to new system resulting in efficiency savings to HR - Incorporate external and internal processes making these more efficient and will reduce the duplication of information 									
<i>Shaping Aberdeen – How we behave as an organisation, Improving Staff Experience</i>	1.2 Better engagement across HR&CS	<ul style="list-style-type: none"> - Staff feel trust to “get on and do a good job” – which is fundamental to having empowered, engaged and innovative workforce - Embed accountability for culture through the inclusion of 	Incorporating the actions that will make the most difference according to the results from the Employee Opinion Survey, this includes: <ul style="list-style-type: none"> - better communication through Blogs, staff briefings/meetings, suggestions boxes etc so that staff are more able to ask 	<ul style="list-style-type: none"> - Increase in LEVI Engagement scores EOS 2018 - Pulse checks scores 	47%	55%	60%	65%	SMT and all teams within HR&CS		x	

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		<p>core objectives and managers' engagement scores as part of their PR&D</p> <ul style="list-style-type: none"> - Our future workforce will require to be smaller, more highly trained, more engaged and more flexible - Demonstrate we are listening to the voice of employees - Improve levels of trust and empowerment by increasing managers' skills and confidence in managing in an engaging way 	<p>questions, provide feedback and improvement ideas and tell us how we can improve engagement</p> <ul style="list-style-type: none"> - SMT and Team Leaders being more visible around the office so that they are more approachable for guidance and assistance and show more interest in what staff are doing - more recognition of the contribution from staff so that staff feel more valued and energised (managers to receive guidance on various ways to do this) - in collaboration 									

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
			with the corporate comms team, improve how we communicate organisational goals and objectives so that staff are better aware of these and know how they contribute to their achievement									
<i>Shaping Aberdeen – How we behave as an organisation, Improving Staff Experience</i>	1.3 Improved health, safety and wellbeing in HR&CS to encourage a positive health, safety and wellbeing culture within HR&CS	<ul style="list-style-type: none"> - Promotion of health and wellbeing as an integrated value; - Creating the right management commitment and style; - Increasing employee involvement; - Identification, provision and increased attendance at the right training and to enhance competence; 	<ul style="list-style-type: none"> - Demonstration of visible, involved and engaged active leadership of health, safety and wellbeing at all levels; - Increased employee involvement in health, safety and wellbeing; - Health, safety and wellbeing messages reaching all employees; - Improved service delivery with reduced losses; 	<ul style="list-style-type: none"> - Improved outcomes in employee opinion survey: <ul style="list-style-type: none"> • Health, safety and wellbeing seen as a priority in the organisation; • Employees aware of their health and safety responsibilities; - Inclusion of PR&D health and safety objectives 	8.37 7.60 -	9.00 8.50 50%	9.50 9.50 75%	10.0 10.0 100%	SMT SMT SMT		X	

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
				<ul style="list-style-type: none"> compliance) - Maintenance of employee incident rate (RIDDOR) per 1000 employees; - Decrease employee non-reportable under RIDDOR; - Increase the reporting of employee near miss incidents; - Reduce days lost to industrial injury or work related ill health: <ul style="list-style-type: none"> • Number of employee absence; - Total number of absence days; 	0	0	0	0	SMT /All			
					4	2	1	0	SMT /All			
					19	+10%	+10%	+10%	SMT /All			
					11	-10%	-10%	-10%	SMT /All			
					268	-10%	-10%	-10%	SMT / All			
<i>Shaping Aberdeen – How we behave as an organisation, Improving Staff Experience.</i>	1.4 Reduced absences and days lost per employee within HR&CS	- Making best use of existing resources	<ul style="list-style-type: none"> - Apply maximising attendance guidelines across the organisations - Use of absence profiles & trends inc cost of absence - Number of 	- Reduction in Monthly absence rates	7.6 yearly average total days by HR&CS employee	7.0	6.4	5.85	All managers	x	x	x

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
<i>How we do business – Tier 2 – Performance Management – Workforce Change</i>			strategies aligned to the particular reasons for absence within HR&CS - Proactive case management through HR BP teams - Monthly review meetings held between managers and HR BP.		(Feb'16-Feb'17)							
<i>Shaping Aberdeen – How we do business. Tier 2 – Performance Improvement, Customer Management. Shaping Aberdeen – How we behave as an organisation, Improving Customer Experience</i>	1.5 An empowered customer service culture which is embedded across Customer Service teams & the wider organisation	- If all employees are empowered to be 'customer focussed' we would see an organisation that is professional, accountable, consistent, resolution focussed and responsive to the needs of the customer	- Fully embed the Customer Service (CS) Charter and Standards across ACC - Continuation & development of the CS cultural journey incorporating UGR's - Introduce a planned approach to delivery of training to the operational teams in CS - We will ensure a robust and consistent recruitment &	- High levels of heard / understanding of the Charter and Standards - Reduction in non-positive UGR's Increased Customer Satisfaction (Staff Behaviours): - Customer Service - Corporate	61% in EOS Dec 16. 60.8% (Oct 16) 87.91% (16/17) 87.59% (16/17)	- 50% 88%	90% 40% 89%	- 30% 90% 90%	Customer Service Development	x		

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources												
			induction process is in place for Customer Service Operations (CSO)	- Attrition rates reduce in CS	Baseline tbd	-	-	-																
<i>Shaping Aberdeen – How we do business. Tier 2 – Performance Improvement, Customer Management. Shaping Aberdeen – How we behave as an organisation, Improving Customer Experience</i>	1.6 Improved customer experience through our customer feedback mechanisms	- Improve customer feedback capability to enable effective decision making at a senior level	<ul style="list-style-type: none"> - Implementation of Voice of the Customer (VOTC) initiative and consolidation of all customer feedback activities to ensure is it handled and analysed consistently - Introduction of the Customer Experience Platform to automate tasks and enhance the quality of customer insight data available - Implementation of a more robust quality assurance framework. 	<p>Improved customer satisfaction (for overall service received):</p> <ul style="list-style-type: none"> - Members Enquires - Corporate <p>Improved customer rating of our overall handling of complaints (average and above)</p> <p>Increase in % responded to within corporate timescale:</p> <ul style="list-style-type: none"> - Members Enquiries - MP/MSP Enquiries 	<p>83% Apr 16</p> <p>82.43% (16/17)</p> <p>51% (Apr 16 – Feb 17)</p> <p>70% (Sept 16)</p> <p>63% (Sept 16)</p>	83%	85%	87%	83%	84%	85%	53%	60%	70%	72%	77%	85%	70%	75%	85%	Customer Service Development	x		

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
				<ul style="list-style-type: none"> - Complaints Stage 1 - Complaints Stage 2 - FOI <p>Reduction in the % of complaints escalating from Stage 1 to Stage 2</p> <p>Reduction in Complaints received by SPSO</p>	66.9% (16/17)	68%	75%	80%				
					56% (16/17)	58%	65%	75%				
					91% (16/17)	93%	96%	100%				
					7% (16/17)	6%	5%	4%				
					80 (15/16)	80	70	60				
<i>Shaping Aberdeen – How we do business. Tier 2 – Performance Improvement, Customer Management. Shaping Aberdeen – How we behave as an</i>	1.7 Easier and quicker access to services for customers with a high performing set of response performances	- We can achieve this goal by improving our current service provision to ensure our customer facing services are accessible, efficient and delivered in the same way through a co-	- Development & implementation of the 'Raising the Bar' programme of works - Review of current Performance Management Framework protocols - A robust Demand Management process to be fully	<ul style="list-style-type: none"> - Increase in % of customers seen in the Customer Service Centre (CSC) within Service Level. - Increase in number of calls answered in the Customer Contact Centre (CCC) within 	69.5% (16/17)	73%	78%	80%	Customer Service development and operational management team	x		
					63.8% (16/17)	68%	72%	74%				

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
<i>organisation, Improving Customer Experience</i>		<p>ordinated and joined up approach leading to improved experience, performance and satisfaction levels.</p> <ul style="list-style-type: none"> - We will empower our staff by ensuring they have the appropriate skills, tools and knowledge to deliver quality services. 	implemented	<p>Service Level</p> <ul style="list-style-type: none"> - Increased Customer satisfaction (Ease of Access) across CCC, CSC & Customer Access Points - Reduction in avoidable contact 	<p>81.4% (16/17)</p> <p>16/17 Baseline tbd (est Q2)</p>	82%	84%	85%				
<i>Shaping Aberdeen – How we do business. Tier 2 – Performance Improvement, Customer Management. Shaping Aberdeen – How we behave as an organisation,</i>	1.8 More digital provision of council services	<ul style="list-style-type: none"> - We can achieve this goal by implementing digital technologies which allow our customers to easily access information, complete transactions and receive updates on progress consistently 	<ul style="list-style-type: none"> - Implementation of Phase 1 services into the Customer Experience Platform (CEP) 	<p>Increase in Customer Satisfaction (Overall online experience)</p> <p>Increase Digital Take Up (% of transactions completed on line v total transactions)</p> <p>Reduction in telephone take up</p>	<p>Baseline tbd (est Q3 17/18)</p> <p>Baseline tbd (est Q3 17/18)</p> <p>Baseline</p>	-	-	-	Customer Service Development	x		

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
<i>Improving Customer Experience</i>		across all contact methods. Staff will use the same digital technologies to access information and complete transactions on behalf of customers. - Digital technologies will enable us to link customer data and provide an accurate and single view of any one customer and the interactions they have with us. This will result in joined up, end to end service delivery across all customer access channels.	- Extended network of payments kiosks	(% of transactions completed via the telephone v total transactions) Reduction in face to face take up (% of transactions completed face to face v total transactions) Efficiency saving to be determined.	tbd (est Q3 17/18) Baseline tbd (est Q3 17/18) Baseline tbd (est Q2 17/18)	-	-	-				
<i>Tier 2 – Performance</i>	1.9 Increased proportion of	- Delivery of ‘Being the Best’	- Delivery of the Operational	Efficiency contributing to	N/A	N/A	N/A	N/A	Customer Service &	x		

Strategic Action Plan	Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
			Assurance Framework findings - Integrate behavioural safety into Organisational Development Programme - Working in collaboration with Legal & Democratic and Head of Service, Office of Chief Executive to introduction a new induction and training programme for new Members after May election - Working in collaboration with Legal & Democratic to deliver a Governance Training Programme	- High delegate satisfaction rates								

*Improvement 1.1 is a direct result of feedback gathered from the CG Internal feedback survey 2016.

4 Resources Summary

4.1 Revenue Budget 2017/18

Corporate Governance	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000	Draft Budget 2017/18 £'000
Head of Human Resources, Organisational Development and Customer Services.	7,189,163	6,581,000	(608,163)	7,078,234
Head of Finance	6,306,144	6,215,090	(91,054)	6,993,443
Head of Finance - Housing Benefits	1,187,640	1,187,640	0	1,187,640
Head of IT and Transformation	9,509,331	9,062,932	(446,399)	9,392,936
Head of Legal and Democratic Services	1,548,607	1,322,494	(226,113)	1,433,565
Head of Commercial and Procurement Services	3,918,068	4,194,019	275,951	4,193,775
Total	29,658,953	28,563,175	(1,095,778)	30,279,594

Head of HR&CS	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000
Staff Costs	7,504,523	7,679,000	174,477
Premises Costs	0	2,000	2,000
Administration Costs	733,226	520,000	(213,226)
Transport Costs	14,432	11,000	(4,432)
Supplies & Services	547,495	546,000	(1,495)
Commissioning Services	0	0	0
Other Grant-Reimburse-Contrib.	(331,429)	(453,000)	(121,571)
Recharges To Other Heads	(943,036)	(1,207,000)	(263,964)
Customer & Client Receipts	(28,608)	(28,000)	608
Other Income	(307,439)	(488,000)	(180,561)
Total	7,189,163	6,581,000	(608,163)

4.2 Capital requirements

From a **Customer Service** perspective

- The 'Being Digital' budget includes elements for the purchase and development of the Customer Experience Platform
- Any proposed layout changes to the Customer Service Centre may require capital funding

4.3 Asset Management

Asset Demand

Taking into account previous sections describe the portfolio required to deliver the service now and in the future. At this stage it is not necessary to give the numbers of properties required but the types and overall size. e.g. The Council requires fit for purpose children's homes able to accommodate up to 40 children.

- **Customer Service.**
- Our operational services are carried out across a number of locations across the city. In addition, some customer services functions are carried out at other locations too eg Libraries, schools and leisure facilities for the Accord Card service

Current Asset Summary

A detailed list of assets and key information can be supplied by Land & Property Assets on request. Summarise that list and identify any ongoing property projects (e.g. Capital projects).

- **Customer Service**
- Our current assets are –
- Customer Contact Centre – 2nd floor at Frederick Street
- Customer Service Centre at Ground Floor, Marischal College
- Customer Feedback team at the Town House
- Customer Access Points at Woodside, Mastrick, and Kincorth, with a presence at the Housing Office in Tillydrone.
- Accord and Customer Service Development team are also based at Marischal College

We are aware of projects for the new hubs at Tillydrone and Torry.

Gap Analysis

Compare the current assets to the demand identified. What are the major weaknesses in the portfolio, are there gaps in provision, is there over provision, etc?

There is a requirement to ensure the new hubs have a customer service input into the design and spec eg video conferencing kits etc.

4.4 Workforce Planning

Introduction

In order to deliver our business strategies and improvement plans we need a workforce that is “*capable, confident, skilled, motivated and engaged*”. Planning for how we will have a workforce that meets this profile is paramount and requires a commitment to attract, develop, retain and recognise talented and motivated employees with the right behaviours who are aligned with our vision and values. To successfully workforce plan, we need to forecast future gaps between demand and supply of critical talent, and have effective strategies and activities in place to bridge those gaps. It is a continuous process of shaping our workforce to ensure it is capable of delivering service and organisational objectives both now and in the future.

Factors that influence our workforce planning

We recognise that the future shape of our workforce, and the many workforce challenges we face in terms of supply and demand, will be influenced by a range of internal and external factors and change themes (e.g. the external market and competition, political and legal changes, changing demographics, society and technological advances). For example, the impact of Brexit; impact on the local employment market of the falling oil price; the changing employment demands of the workforce; ageing population and reduced fertility rate; cuts in external funding with increased demand for services; and the need to modernise and transform how we do business (e.g. impact of our Being Digital Strategy). The rise of digital services (such as self-service, mobile applications and social media) is driving customer expectations around interactions, specifically how we provide services to them and how we engage with them. As such the services offered by the corporate customer contact channels (namely the Customer Service Centre, Customer Contact Centre and Customer Access Points) are evolving on an ongoing basis, as we introduce new services and migrate services to digital channels. These changes will result in fluctuations in service demand, requiring the resourcing model to be flexible, agile and responsive to meet customer requirements

Focus on succession planning

The most effective way to meet these workforce challenges is to develop strong succession plans to help us attract people with the knowledge, skills and abilities we need, retain key employees, develop our existing teams and prepare suitable replacements internally through a variety of learning and development activities. Succession planning therefore underpins our workforce planning.

How we will succession plan

Our plans for succession will:

- support **service continuity** when key people leave
- help us to **attract** people with the skills, qualifications, knowledge, abilities we need as well people with the right cultural/motivational fit
- demonstrates an understanding of the need to have the **right number and type** of people to achieve strategic plans
- help us to **retain key employees** and give our staff the future **skills** they'll need
- develops **career paths** for employees which will help us to recruit and retain high potential, top performing people
- prepare **suitable ready replacements** internally through a variety of learning and development activities
- give us a reputation as an employer that invests in its people and provides opportunities and support for advancement (making the Council an '**employer of choice**')

Our focus is on developing succession plans for key occupational groups within our workforce i.e. business critical, hard to fill posts. In the following sections, we have identified the occupations that fall into this category, the supply and demand issues these occupations face and the strategies, plans and activities that have been put in place to address these issues.

Our business critical/hard to fill occupations

Service	Business critical/hard to fill occupations
Customer Service	Customer Service Adviser 1,2 and 3
HR	Health, Safety & Wellbeing Adviser HR Adviser

Succession planning actions

Customer Service Adviser 1, 2 and 3

What are the issues?	What we're experiencing	What are our plans?
Recruitment	<ul style="list-style-type: none"> • Downturn in local oil and gas industry has increased number of applicants – however, high probability of losing staff due to any potential future upturn in industry • Reduction in performance against KPI's • Need to explore alternative ways to recruit the right people 	<ul style="list-style-type: none"> • Using technology, assessment centre approaches and practical exercises more effectively • Potentially introducing a reserve pool of appointable candidates to speed up recruitment when future vacancies arise • Investigate the potential to use modern apprentices
Retention	<ul style="list-style-type: none"> • Employees tend to move on fairly quickly (often within the organisation) • Loss of experience and failure to manage demand and KPI performance 	<ul style="list-style-type: none"> • Consider 'over recruiting' against establishment to maintain service delivery standards when people leave (NB may not be possible due to the Vacancy Management Procedure)
Future skills	<ul style="list-style-type: none"> • Services will continue to be added to Customer Service Centre (CSC) and Customer Contact Centre (CCC) remit/responsibilities as part of the Operational Excellence programme. • The introduction of the Customer Experience Platform will need a different type of CSA mindset in future • Transfer of service from reception to CSC • Losing valuable skills and knowledge as a result of high turnover 	<ul style="list-style-type: none"> • Multi skilling staff in the CSC & CCC to enable more flexibility in service provision • Develop a 'mindset' training programme to deliver key messages

Health, Safety & Wellbeing Adviser

What are the issues?	What we're experiencing	What are our plans?
Future skills	<ul style="list-style-type: none"> Increased focus on having skills and competence in audit, wellbeing and resilience Service expected to be more consultancy and assurance - based in next 5 years Changes in legislation and practice 	<ul style="list-style-type: none"> Give staff opportunity to undertake NEBOSH Diploma Rotate Advisers around Directorates to build up wider skills and knowledge as well as working relationships Increased digitisation of HSW services and processes Equipping staff with management skills
Creating a Talent Pool	<ul style="list-style-type: none"> Future Advisers more likely to be recruited externally – no in-house talent pool 	<ul style="list-style-type: none"> Above plans designed to meet this need

HR Adviser

What are the issues?	What we're experiencing	What are our plans?
Retention	<ul style="list-style-type: none"> 3 staff expected to retire within 3 to 5 years 2 resignations within last year due to career development 	<ul style="list-style-type: none"> Increase likelihood of retaining staff by offering tailored flexible working options Provide development opportunities
Future skills	<ul style="list-style-type: none"> Increased digitisation of HR services and processes Changes in legislation and practice 	
Potential to advance	<ul style="list-style-type: none"> Sufficient high potential to advance to a higher level – however, no imminent opportunities within service 	<ul style="list-style-type: none"> Continue to Grow Our Own – pool of young people based in the Service Centre interested in advancement to HR Adviser level

Investing in Young People

We recognise that recruiting and developing young people is a great way to shape our future workforce and can help tackle issues such as an ageing workforce, skills gaps and shortages, talent development, succession planning and customer insight.

In recognition of the progress we have made to date to recruit, retain and develop young people, Aberdeen City Council was very recently awarded Investors in Young People accreditation which will remain in place until 27 January 2020.

In collaboration with the Economic Development Service and Education and Children's Services, we are now at the stage of developing an action plan for improving how we invest in young people, based on the key areas for development and recommendations identified by Investors in People Scotland.

Within HR & Customer Service we will ensure that when we **attract, recruit/select, induct, retain, develop skills and capability, manage, reward, engage and exit** our workforce we take into account the needs of young people. This includes the following improvement actions

Investing in young people – our improvement actions

Promoting work-life balance with the ability to work 'on the move' and at home

Promoting the values of our organisation (recognising that ethics and morality is particularly important to today's younger generation)

Promoting opportunities to achieve a better 'work life balance' such as different ways of working and how we do business (e.g. flexible/smarter working)

Promoting our employee benefits, in particular salary sacrifice schemes, green schemes, discounts, purchasing additional annual leave

Improving how we engage with younger employees (for example, using methods that we know motivates a lot of young people such as regularly giving feedback to young people on how they're performing, managers mentoring rather than being a 'boss', creating a fun environment to work in, promoting the organisation as somewhere where they can 'make a difference' and where they have a voice)

Actively targeting young people when promoting and communicating career options (for example, ensuring our job profiles encourage rather than discourage younger applicants e.g. by emphasising the development and support that will be provided; by avoiding placing too much emphasis on the need for experience where it is not necessary; by avoiding overstating the status of the role)

Investigating the potential for the national local government recruitment portal to accept CVs in order to encourage younger applicants for our jobs

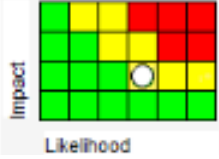
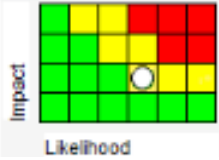
Increasing the number of school experience placements we take across the service

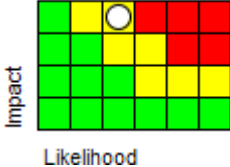
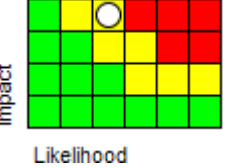
5. Assessment of Risks

This section will summarize the high level risks which could prevent the Service delivering its Service Improvement Plan. Please note this is a snapshot of risks, a full process of identifying and mitigating risks has been undertaken and a resulting risk register for HR&CS is in place. Diagram 1 on page 44 provides a summary of these risks.

The review of the system of risk management was conducted by an external consultant and reported in late 2016. There is now in place a project team and detailed project plan to deliver the agreed actions arising from the review. The output of the action plan is reported into the Performance Management Framework Review which is itself, informing the transformation process. The risk review includes a significant number of actions which will deliver improvement of the system. Of particular importance is the development of an assurance framework and the establishment of 'risk appetite' for the Council. The assurance framework will provide the Corporate Management Team and ultimately, the elected members, with the evidence they need to support the effectiveness of risk management activity across the Council. The risk appetite statement will provide officers with the guidance they need on the levels of risk the Council is prepared to take, in pursuit of the achievement of our priorities, so that projects can be taken forward effectively.

Service Delivery Area	Risk Category *	Risk Description	Risk Severity	Risk Owner	Controls & Mitigation
HR & Customer Service	Customer	Failure to have an alternative HR/Payroll System by Pse end of life in January 2020. Option appraisal, taking too long to progress. Implementation phase over-running. Not able to pay employees, who would suffer hardship and would most probably result in industrial action.		E Sutherland/D Cheyne	All options for system to be considered. Best option for ACC to be chosen. ICT providing resource to do so. A project team to be set up to deal with. Approval given go ahead by Finance, Policy & Resources committee on 7 th December 2016. Need to ensure contract is extended to read/write from April 18. Ensure further contract can be achieved from April19.

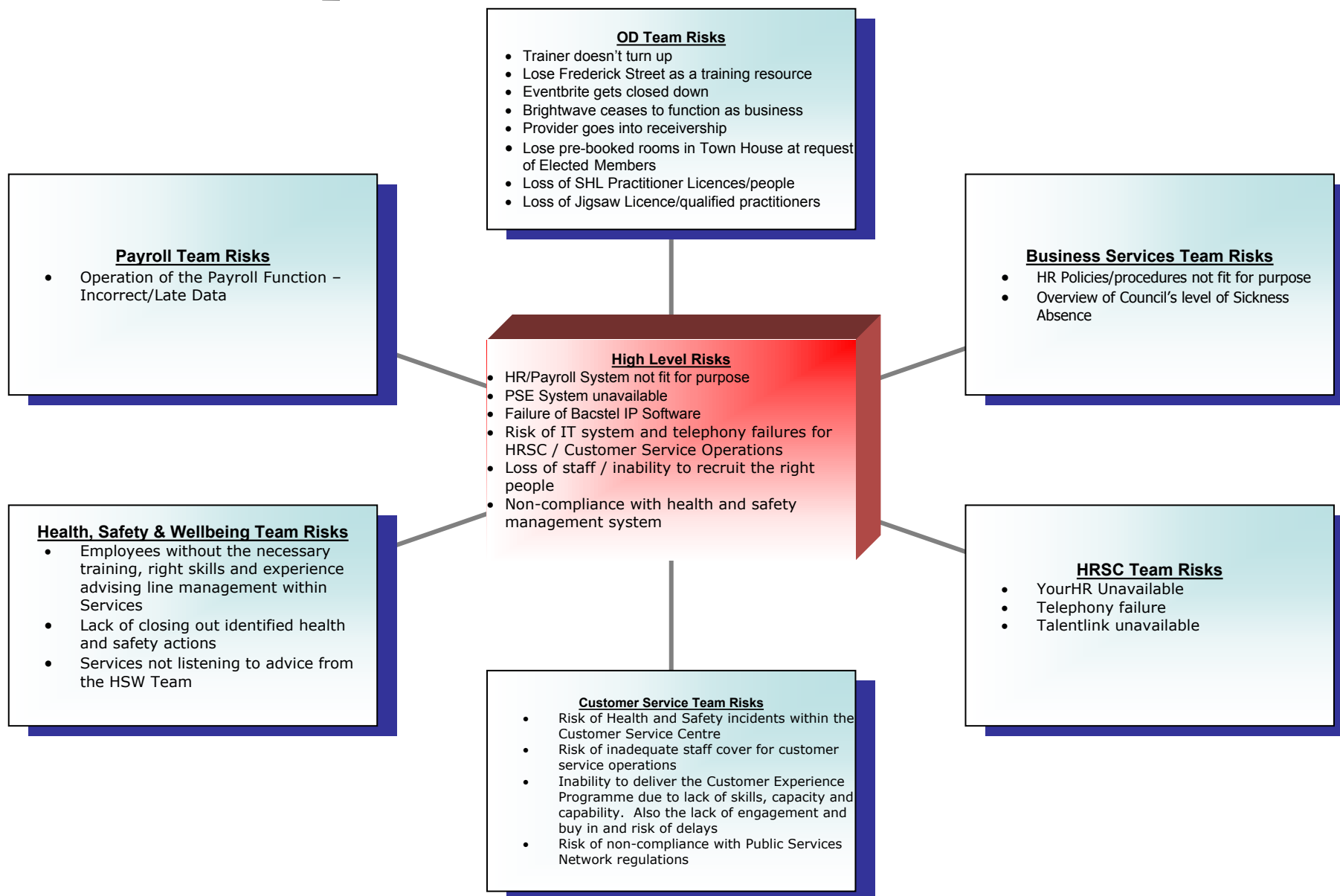
		Reputational damage to A.C.C.			
HR & Customer Service - Payroll	Customer	Lack of Pse System. Employees would not be remunerated on time. Employees would not be paid correct amount. Reputational damage to A.C.C. System failure.		D Cheyne	<p>HR&CS Business continuity plan in place. (If no access to systems use 2nd scenario 1st option on See the HR&CS BCP – doc 3. C-Series_Disaster Recovery_'. (Use previous months bacs file)).</p> <p>Copies of BCP on memory stick her by senior payroll staff.</p> <p>Daily electronic back ups of all network files.</p> <p>IT have their own Disaster Recovery Plan.</p> <p>Business Continuity table top exercise carried out.</p> <p>If little time after system failure prioritise changes. If we are forewarned to expect a time of 'high risk' in terms of potential system failure, preparatory action (for Payroll, this would revolve around Payroll Processing Timetable, where at all possible) must be taken to minimise the affect on the Service and the public.</p> <p>IT to test own disaster recovery plan</p>
HR & Customer Service - Payroll	Customer	Failure of the Bacstel-IP software (C-Series). No software to run the Bacs process, therefore late salary payments to employees. A Payroll has ran for the month in question and Payroll have created a payments file, via the PSe Bacs process, ready to be processed but the C-Series server was unavailable.		D Cheyne	<p>HR&CS Business continuity plan in place. (See the HR&CS BCP – doc 3. C-Series_Disaster Recovery_'. (which includes the following), A internal disaster recovery server has been built to mirror the A.C.C. bacs templates held on the bacs server. The software vendor (Bottomline Technologies Inc) has a set of A.C.C. Bacs templates at their premises. Brightsolid currently undertake nightly backups and a 'cold backup' each weekend). Currently liaising with ICT re; a quarterly schedule for testing the Bacs templates held by the software vendor and on the disaster recovery server. Talks are in progress with Aberdeenshire Council who use the same software package, to instigate a reciprocal disaster recovery arrangement.</p>

<p>HR & CS – CS Operations</p>	<p>Customer</p>	<p>Risk of IT system & telephony failures for Customer Service Operations</p>		<p>J McKenzie</p>	<ul style="list-style-type: none"> • Business Continuity Plans developed for all customer service operations. • Manual processes developed for all critical services to support face to face service or ongoing telephony service routed alternative to Zeacom • Business Continuity Contract for the Regional Communications Centre. • Implementation of a Customer Service Staffing model (i.e generic job descriptions) to provide greater flexibility (i.e ability for some staff to provide support at alternative locations (Customer Service Centre and / or Customer Access Points) due to increased demand). • Virtualisation of Zeacom (software presence on multiple servers) involving a manual switch to enable continuing function of software • Implementation of Business Continuity Plans for all operations, tested periodically. • Detailed review and update of the Business Continuity Plans for the Customer Service Centre, Customer Contact Centre Customer Access Points and Regional Communication Centre • Define detailed action plan for reallocation of phone calls (switchboard and CCC) to alternative locations. • Scheduled checks of essential Business Continuity materials e.g. supply of manual forms and changes to manual processes • Define staffing model which identifies which staff are reallocated to which location. • Define manual process for manual switch of Zeacom (IT) • July 16 – Incident (weather related) caused the BCP at CCC to be invoked as generator kicked in – incident log raised in IT&T • March 17 – As our ICT network is being transformed, there have been a couple of occasions where we have to invoke our BCP and this has worked well.
<p>HR & CS – Improving the Customer Experience Programme</p>	<p>Customer</p>	<p>Risk of lack of skills, capacity and capability to deliver the Customer Experience Programme (and specifically the digital delivery theme)</p>		<p>J McKenzie</p>	<ul style="list-style-type: none"> • Extensive engagement and bedding in of digital strategy through organisation to identify problems early on. • Development of digital training programme to raise staff skill levels and awareness of new techniques for service delivery. • Evaluation of staffing and skills requirements for implementation, with ability to request external

					<ul style="list-style-type: none"> support and consultancy as required. Initially assigning individuals responsibility for co-ordinating the programme and creating a culture change to ensure this part of everyone's role Developing a clear and coherent digital strategy with a defined approach to customer experience Engaging with customers to understand their priorities and then allocate resource based on the highest value activities first. Effective implementation of workforce plan. Undertake skills transfer throughout the programme to support future projects / business as usual. July 16 – KC maternity leave covered and Cathy Lewis to start 1/8/16 July 16- Digital hub concept being developed July 16 – Use of external company to support development of mindsets July 16 – Risk around lack of comms dedicated time Dec 16 – Business Case for back fill requirements for CS CEP project issued for consultation Mar 17 – Currently a high risk due to delays in recruiting the right people to our available posts
HR & CS – Customer Service Operations	Systems	Risk of non-compliance with Public Services Network Regulations for key Customer Service Systems, particularly Lagan CRM System.		J McKenzie / S Massey (IT&T)	<ul style="list-style-type: none"> Procurement & implementation of Customer Experience Platform to replace existing CRM System (May 17 - implementation underway) No further developments being carried out within existing system Business continuity plans in place to support service delivery in event of CRM system being unavailable Implementation of the Customer Experience Platform to focus on Services currently delivered within existing CRM.
HR&CS – Health, Safety and Wellbeing	Customer	<ul style="list-style-type: none"> Fatality or serious injury to employee or member of the public Corporate Health and Safety Policy breached Increase costs due to absence levels and agency costs Prosecution for failings (criminal) Compensation 		E Sutherland/ Mary Agnew	<ul style="list-style-type: none"> Ensure all incidents competently investigated Embed regular review of risk assessments Ensure electronic reporting consistently used Implementation of HSW Improvement Plan Performance indicators used to measure implementation of improvement plan actions Create a culture of H&S competence throughout workforce Establish management assurance of control of risk; Identify exact H & S training needs for every employee from job profiles; Develop and implement electronic management system to ensure identified actions closed off;

		claims (civil) <ul style="list-style-type: none">• Enforcement action<ul style="list-style-type: none">- cost recovery of regulator time• Poor service delivery due to high absence levels• Reputational damage			
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Diagram 1 – High Level and Team Level Risks HR&CS



Appendix A

Health and Safety Improvement Action Plans

What we are trying to accomplish	How we will know that change is an improvement	The changes we will make that will result in improvements
<p><i>A strong, positive health, safety and wellbeing culture within HR&CS</i></p> <p>Improve staff experience</p>	<ul style="list-style-type: none"> • Visible, involved and engaged active leadership of health, safety and wellbeing in all levels • Increased employee involvement (participation and ownership of health and safety problems and solutions) • Trust between employees and management • Competent workforce e.g. necessary skills, training and experience • Health, safety and wellbeing messages reaching all employees • Improved service delivery with reduced losses • Unsafe health and safety challenged by all 	<ul style="list-style-type: none"> • Commitment, engagement and support by senior management; • Encourage active health, safety and wellbeing discussion and promotion; • Identification and reinforcement of a safe and healthy working environment; • Management assurance (proactive and reactive) arrangements to check compliance; • Confirm actions closed out within a set timeline; • Use of skills and training matrices. Identification of mandatory health and safety training (corporate and job specific); • Improved communication links that support everything that we do;
<p><i>Improved health, safety and wellbeing of employees and service delivery</i></p> <p>Improve staff experience</p>	<ul style="list-style-type: none"> • Improved health and safety management and performance • Legal compliance within identified specific health and safety risks • A sensible, proportionate and practical approach to the management of risk • Clear known roles and responsibilities 	<ul style="list-style-type: none"> • Audit and review identified “top” health and safety risks; • Act on identified actions relating to control, communication, co-operation, competence, planning and implementation; • Application of corporate health and safety procedures;

Appendix B – HR&CS Health, Safety and Wellbeing Improvement Plan 2017-2018

	Change / activity	Measure / metric (KPI)	Baseline	17/18	18/19	19/20	Who will do it?	Customer Experience	Staff Experience	Best use of resources
1. Creation of a strong positive health and safety culture	i. Promotion of health, safety and wellbeing as an integrated value;	- Improved outcomes in employee opinion survey:						X	X	X
	ii. Creation of the right management commitment and style. Demonstration of strong, visible, involved and engaged active leadership of health, safety and wellbeing at all levels;	<ul style="list-style-type: none"> Health, safety and wellbeing seen as a priority in the organisation; Employees aware of their health and safety responsibilities; 	8.37	9.00	9.50	10.0	SMT			
		- Inclusion of PR&D health and safety objectives (% of inclusion against required);	7.60	8.50	9.50	10.0	SMT			
	iii. Increased employee and TU involvement in health, safety and wellbeing;		-	50%	75%	100%	SMT			
	iv. Identification, provision and increased attendance at the right training and to enhance competence;	- Increased participation levels of health, safety and wellbeing initiatives (3167 out of 3612 spaces);	88%	+10%	+10%	+10%	SMT			
v. Health, safety and wellbeing messages reaching all employees;	- Production and compliance with Skills and Training matrix (evaluation on all job roles / number). Including mandatory training (corporate and job specific) and health	-	50%	75%	100%	SMT				

		<p>surveillance;</p> <ul style="list-style-type: none"> - Appropriate levels of unannounced site visits and checks across all level of management to improve visibility, engagement and health and safety leadership: <ul style="list-style-type: none"> • site visit and conversation with one action taken to completion; • H&S task checks with final quality check; - Monitor and confirm identified actions closed out within set timeline to improve compliance and prevent reoccurrence: <ul style="list-style-type: none"> • Reporting to SMT; • Reporting to DHSC; • Discuss actions from HSC; - Increased evidence of employees and TU's being involved in work related health and safety issues eg risk assessment: <ul style="list-style-type: none"> • Workplace, HS meetings; 	1 per month	100%	100%	100%	HoS	
			4 per annum	100%	100%	100%	3 rd Tier Mgr	
			Monthly	100%	100%	100%	DHSC	
			Quarterly	100%	100%	100%	DHSCo	
			Quarterly	100%	100%	100%	SMT	
			4	100%	100%	100%	CSC Mgrs	

vi. Ensuring compliance with procedures. Effective and suitable health and safety documentation: current, organised and relevant;		<ul style="list-style-type: none"> - Improved level of compliance with internal and external monitoring: <ul style="list-style-type: none"> • Audit (% of compliance); • Compliance monitoring (% of compliance); 	45%	80%	90%	100%	SMT / All	█	█	█
vii. Improved service delivery with reduced losses. Reduced number of incidents an occupational work related ill health in the workplace;		<ul style="list-style-type: none"> - Maintenance of employee incident rate (RIDDOR) per 1000 employees; - Decrease employee non-reportable under RIDDOR; - Increase the reporting of employee near miss incidents; - Reduce days lost to industrial injury or work related ill health: <ul style="list-style-type: none"> • Number of employee absence; 	100%	100%	100%	100%	SMT / All			
		- Increase the reporting of employee near miss incidents:	0	0	0	0	SMT / All			
		- Reduce days lost to industrial injury or work related ill health:	4	2	1	0	SMT / All			
		- Increase the reporting of employee near miss incidents:	19	+10%	+10%	+10%	SMT / All			
		- Reduce days lost to industrial injury or work related ill health:	11	-10%	-10%	-10%	SMT / All			

		<ul style="list-style-type: none"> Total number of absence days; <p>268</p> <ul style="list-style-type: none"> - Improved identification of risk and work related controls; <p>100%</p> <ul style="list-style-type: none"> - Increased number of investigation records completed by line management for all incidents, near misses cases of work related ill health; <p>-</p> <ul style="list-style-type: none"> - reports input into YourHR within 10 days; <p>100%</p> <ul style="list-style-type: none"> - trends (causes, remedial actions discussed at SMT and health and safety committees) and acting on lessons learned; <p>-</p>	<p>268</p> <p>100%</p> <p>-</p> <p>-</p> <p>-</p>	<p>-10%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p>	<p>-10%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p>	<p>-10%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p>	<p>SMT / All</p> <p>3rdTier Mgr</p> <p>3rdTier Mgrs</p> <p>3rdTier Mgrs</p> <p>SMT</p>			
2. Improved security and safety of employees	<p>i. Develop and adopt standardised approach across all ACC workplaces;</p> <p>ii. Review security guard provision within CSC;</p>	<ul style="list-style-type: none"> - Develop and improved adherence to local and corporate procedures; - Test arrangements; - Compare incidents and employee confidence in review process; 	<p>-</p> <p>6 mthly</p> <p>-</p>	<p>75%</p> <p>100%</p> <p>100%</p>	<p>85%</p> <p>100%</p> <p>100%</p>	<p>100%</p> <p>100%</p> <p>100%</p>	<p>DMI</p> <p>SMT</p> <p>CSC Mgr</p>	x	X	X

3. Less violence and aggression related incidents and cases of ill health	i. Provision and use of valid Early Warning Marker system. Inclusion in customer platform database;	- evidence of Service use prior to visit (spot check 10%); - Compare training attendance against actual completion using Skills and Training matrix;	-	100%	100%	100%	3 rd Tier Mgrs	x	X	X
	ii. Identification of related awareness in skills and training matrix eg De-escalation, Mental Health awareness;		-	100%	100%	100%	3 rd Tier Mgrs			
4. Creation of a positive mental healthy workplace to support and improve employees health and wellbeing	i. Improved management of stress to employees health and wellbeing;	- Increased completion of Quality of Working Lives (QWL's) stress risk assessments;	-	75%	100%	100%	3 rd Tier Mgrs	X	X	X
	ii. Identification of employee stressors and remedial actions to manage and support employees in the workplace. Application of Stress Procedure;	- More HSE Standards questionnaires completed and included as part of PR&D / Line managers;	-	50%	75%	100%	3 rd Tier Mgrs			
	iii. Upskill employees to improve organisations culture to further support mental health in the workplace and community;	- Compare attendance with Skills and Training matrix;	-	50%	75%	100%	3 rd Tier Mgrs			
	iv. Identify and completion of stress and resilience awareness;									
5. Improved lone working arrangements to ensure employees safety	i. Implementation of robust lone working arrangements to reduce the risk to employees and ensure their safety;	- Improved account for employees location eg calendar / white board, notification of arrival / departure; - Increase in suitable	-	100%	100%	100%	SMT	x	X	X
			-	100%	100%	100%	SMT			

Legal & Democratic Services

Service Improvement Plan 2017/2018

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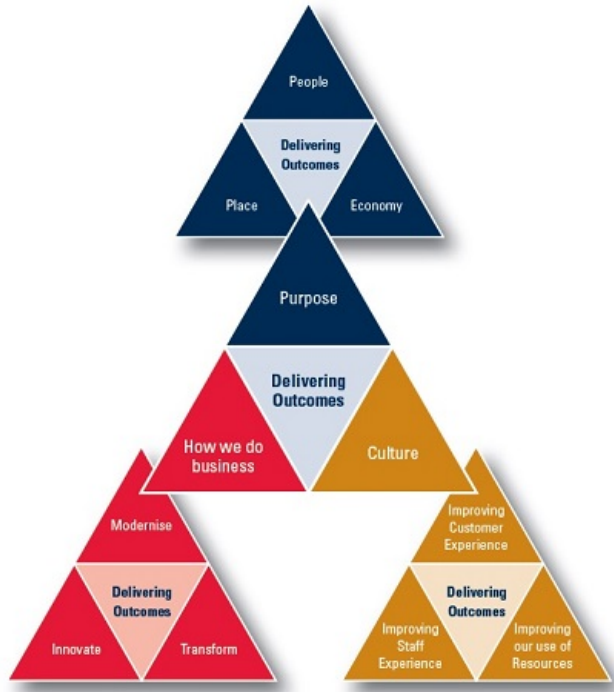
1. Introduction and Service Description

Shaping Aberdeen

Shaping Aberdeen sets out our overriding purpose that is to:

“to ensure the people and place prosper and to protect the people and place from harm”

It outlines the Council’s aspirations and how we do business and shape our culture in order to get there. The Council’s Strategic Business Plan (approved on 22 February 2017) set out our business priorities and deliverables for 2017/18 which contribute to our purpose.



Shaping Aberdeen has 3 parts:

Our purpose - What Our Business is

To ensure the alignment of all Council strategies and plans to the Community Planning Partnership’s vision as set out in its Local Outcome Improvement Plan (LOIP) and to ensure clear delivery plans for the Council’s own set of strategies and priorities.

How we do business

The modernisation and transformation of how we deliver our services through making best use of technology.

How we behave as an organisation (Culture)

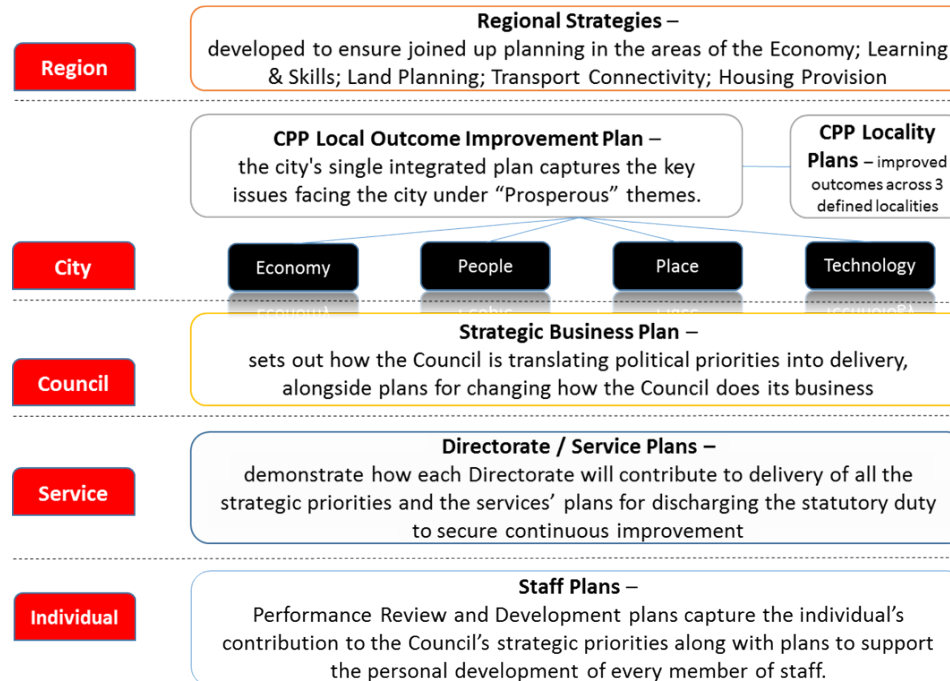
Capable, confident, engaged and positive *staff* who deliver excellent *customer* service and consciously make best use of our *resources*. An organisation that maintains its focus on its customers, its staff and how it uses the resources available to it.

1.1 Role of the Service Improvement Plan

Legal and Democratic Services Improvement plan is an organisation plan forming is a key element of the Strategic Planning Framework. The improvement plan sets out how the Service will deliver improvement objectives that will contribute and connect to the overall vision for the city.

Legal and Democratic Services works with all council services to support the delivery of “Smarter” priorities within “**Aberdeen: The Smarter City**” whilst the Archive Service contributes to the Community Planning Partnership’s (CPP) **Local Outcome Improvement Plan (LOIP)** by supporting and delivering cultural events.

The service improvement plan is based upon the “Golden Thread” principle ensuring that each of the improvement objectives within the plan are aligned with the “**Shaping Aberdeen**” and directorate improvement objectives and priorities. The objectives are linked to staff plans by utilising employee performance, review and development processes and team improvement plans as illustrated in the diagram below.



1. This service plan was developed by examining the current and future internal and external factors affecting each team in Legal and Democratic Services. We did this by conducting a SWOT analysis and a PESTLE analysis as detailed on section 2.

The most significant issues affecting the service were identified as follows:

- **Workforce Planning**
 - The requirement to review the resources within each team to establish succession planning, development opportunities for staff and to ensure that current and future customer requirements can be delivered.
- **Employee Recruitment and Retention**
 - The requirement to establish the council as an employer of choice and to create a working environment for staff that results in low turnover rates.
- **Funding and Income Pressures**
 - The requirement to meet increasing demands on the service with fewer resources and reduced funding from traditional sources.
- **Building and Facility Constraints**
 - The requirement for the Archive service to modernise, create additional space for collections and provide improved customer accessibility to the collection

1.2 Overview of the Service

Legal and Democratic Services forms part of the council's Corporate Governance Directorate. The service is currently supported by 83 employees operating across the **Archive Service, Support Service, Legal Services and Democratic Services**.

Legal and Democratic Services is responsible for delivering a wide range of services directly to the people of Aberdeen and indirectly to the Elected Members and other services within the council.

The **Archive Service** preserves, collects, maintains and provides public access to the historical records of Aberdeen City and Aberdeenshire. The service participates and supports cultural events celebrating the culture and history of Aberdeen City and the surrounding areas.

The **Legal Service** is responsible for delivering specialist legal advice and support to all areas of the council including Officers and Elected Members. The service ensures that operations and services delivered by the council are delivered in a lawful and compliant manner.

The **Democratic Service** is responsible for delivering clerking and advice services to the council, council committees, sub-committees, working groups, the Children's Panel and community councils in Aberdeen City. Through the **Registration team**, it also provides statutory registration duties, nationality checking services and family history.

2 Service Assessment

2.1 PESTLE analysis

<p>Political</p> <ul style="list-style-type: none"> • “Brexit” implications on future funding and legislative changes. • 2017 local government elections – changes in administration/priorities. • Possible Independence referendum and further devolved powers. • Government decision not to increase wedding fees – impact on income for service. • UK General Election 2017. 	<p>Economic</p> <ul style="list-style-type: none"> • Year on year budget reductions affecting all areas of the council. • Competition from other organisations for overseeing wedding ceremonies impacting on service income. • Increased demand on legal and governance advice as service delivery becomes more complex (e.g. through companies, trusts, joint ventures, bond issues etc.) due to reducing resources.
<p>Social</p> <ul style="list-style-type: none"> • Impact of demographic changes to the legal services. • Increasing demand immigration advice. 	<p>Technological</p> <ul style="list-style-type: none"> • Introduction of Case Management system, online licensing applications and “Paperlite” solution into committees will require training and procedural changes. • Challenge to modernise and digitise records for efficiency whilst preserving paper records of future historical importance.
<p>Legal</p> <ul style="list-style-type: none"> • Impact of new legislation and court cases including; planning, community empowerment, applications for community rights to buy, court reforms, education and employment law reforms. • Online death registrations from home. • Abolishment of complaints review committees from 1st April. • Resource impact to of historic child abuse enquiry. 	<p>Environmental</p> <ul style="list-style-type: none"> • Constraints that existing building and storage arrangements has on current and future service delivery for the Archive service

Summary of critical issues from the PESTLE analysis that will influence the plan

The changing political landscape resulting from 2017 local government and national elections, implications from “Brexit” further devolved powers from Westminster and the possibility of a future independence referendum will likely result in changes to the Council’s priorities and introduce new legislation affecting local government.

The year on year funding reductions and pressures to maintain or in some areas, increase services requires the service to explore and identify funding and income opportunities from alternative sources as well as more effective methods of service delivery

New systems shall be delivered to the service during 2017/18 to facilitate “Smarter Working”, modernise the service delivery and introduce streamlined processes. It is anticipated that providing the time required for a successful implementation and training programme will be a challenge in addition to changes required to member and officers working methods.

On-going digitisation strategies associated with record keeping in order to modernise and provide operational efficiencies may compete with requirements to retain physical records of future historical importance.

Resource challenges are anticipated within the Archive service for workload and commitments resulting from historical abuse enquiry and Year of History, Heritage and Archaeology

The Archive Service requires an increased storage area in order to continue to provide its services to the Aberdeen City and Aberdeenshire Councils. A larger facility could also allow the Archive Service to operate under one building, facilitate new income by having the space to provide services to new organisations and put more of its records, some of which are recognised by UNESCO, on display.

2.2 SWOT analysis (Strengths, Weaknesses, Opportunities and Threats for the service)

<p>Strengths</p> <ul style="list-style-type: none"> • An engaged workforce • Skills and expertise • Committed workforce with strong team work ethic • Positive and proactive engagement with client services • Adaptive and solutions focused • Professionalism • Archive UNESCO designation of Aberdeen Burgh records • Archive partnerships with external organisations. <p>Positive customer experience feedback from service users</p>	<p>Weaknesses</p> <ul style="list-style-type: none"> • Inadequate and outdated processes governing External Legal spend • Business continuity plans outdated in some areas and lacking in robustness in others • Split site working arrangements and building restrictions for Archive service • Archive service communication challenges with principle customer. • General lack of awareness of role of Archive service
<p>Opportunities</p> <ul style="list-style-type: none"> • Shared working opportunities through engagement with capital project teams and Aberdeenshire Council • Efficiencies from Case Management System • Process improvements via Lexcel accreditation • Improved processes and procedures resulting from Governance Review • Identification of external funding opportunities for cataloguing and conservation projects • Attract a younger workforce - ACC attractive as career choice “millennials” • 2017 is Scottish governments themed year of history, heritage and archaeology – there will be increased demand on archives to be involved • Long term potential from access to digitised archive material to generate income • Approval of Archive new build project • Harbour records deposited and repatriation of Moray records • External accreditation schemes across Legal and Democratic Services including, Archive Accreditation, Lexcel Accreditation and CIPFA Governance Mark of Excellence • New income through marketing our services to third parties • Accredited specialists within Legal Teams 	<p>Threats</p> <ul style="list-style-type: none"> • Lack of skills available for capital projects • Archive funding shortage resulting from establishment of cultural trust by Aberdeenshire council • Potential loss of records due to lack of coherent digital preservation policy • Inability to fill vacant posts • Lack of staff resources and need to prioritise operational matters reducing available time to focus on strategic issues and proactive awareness raising with and upskilling of services

Summary of critical success factors emerging from the SWOT

General

The SWOT analysis identified the need to review and update our process for purchasing external legal advice and our approach to the digitisation/retention of records to ensure that they are fit for purpose. Business continuity plans should be reviewed and tested to ensure that they are robust and fit for purpose.

The service has must ensure that it maximises the potential for process improvement and efficiencies resulting from the Governance review, new Case Management System in Legal Services and the “Paperlite” committee management solution.

Archive Service

The service has a requirement to review alternative sources of funding to reduce reliance on Council and Common Good funds. The service has a new build project business plan in progress and this must be progressed to the next phase within the organisation.

A proactive engagement strategy with its key customer is required. The service should also capitalise on the Scottish Governments “year of history” and review marketing and promotional materials to maximise exposure for the service to help generate new income and diversify the economy of Aberdeen.

Legal Service

The service has a requirement to engage with the Capital Project teams and all Services at the earliest possible stage in order to ensure Legal Services is able to provide the best possible advice. Workforce planning in all areas will assist the Legal teams with training, development plans and succession planning. This in addition to review of recruitment marketing and induction processes will facilitate the service ambition to be an employer of choice with high retention rates.

3. Planned Improvements

Legal and Democratic Service - Aberdeen City Local Outcome Improvement Plan (LOIP)

Legal and Democratic Services provides key support and legal advice to the other services areas within the Council responsible for delivery of the priorities and improvement outcomes detailed within the (LOIP) as summarised below:

Prosperous People – Children are our future – Protecting Children from Harm

The licensing board policy objectives for protecting children from harm resulting from alcohol consumption and gambling underpins the decision making process of the board when considering applications.

The legal service ensures that key statutory processes are followed to protect children from harm and when a child is taken into Local Authority Care and provides legal advice to the Adoption and Permanence Panel. Committee Services are responsible for providing Children’s Panel Service.

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People, Place and Economy

Democratic Services supports and engages with the people and communities of Aberdeen through Community Councils and Public Information Sessions.

Infrastructure and Regeneration plans and projects are supported delivered by the Property and Planning & Environment Teams within the Legal Service.

The Governance Team ensures that Bye laws are in place so that the Council’s **green spaces** are used responsibly and ensures that the council is compliant with its obligations whilst making its **data openly available** to the public.

3.1 Strategic Priorities – Driver Diagram

Aberdeen City Local Outcome Improvement Plan – Children are our future – Protecting Children from Harm

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Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
1.1 – Permanent placements for looked after children are secured expeditiously	We will deliver court training to social workers including Section 80 report writing in order to reduce the processing time associated with report writing.	- Section 80 report review, revision and editing time will be reduced	<ul style="list-style-type: none"> Reduction in numbers of Section 80 reports requiring heavy editing by Legal Service 	70%	30%	20%	20%	E Falconer	✓		

Aberdeen City Local Outcome Improvement Plan - Prosperous Place

Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
1.2 – Inclusive economic growth	We will develop and transform the Archive Service to capitalise on non-business tourism and leisure markets and stimulate interest in local culture.	<ul style="list-style-type: none"> - We will progress the business case for a new Archives facility to the next stage. - We attain external accreditation for the service, update promotional materials and produce and sell a “treasures book” as part of our marketing strategy to enhance the service’s profile and reputation. - We will produce a fundraising strategy and a 5 year business plan. 	<ul style="list-style-type: none"> • Increase external service income. 	£141K	£156K	£171K	£186K	P Astley		✓	
		<ul style="list-style-type: none"> - We will increase the number of customers accessing our materials through Scotland’s People and Ancestry.co.uk. 	<ul style="list-style-type: none"> • Increase the number of pages/images accessible online. 	11,000	19,250	23,100	25,410	P Astley		✓	

3.2 Service Improvement – Driver Diagram

Shaping Aberdeen

									Customer Experience	Staff Experience	Best Use of Resources
Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it			
1.1 – We will achieve a 35% reduction on Council’s annual external Legal outsource costs by 19/20	We will review our resources and develop staff to reduce dependence on external legal support. We will adopt a business partner approach to establish relationships and facilitate early participation in key projects.	- Establish a workgroup that will produce a documented process capturing; evaluation of requirement against resource availability, approval for external requirement and evaluation of value added on conclusion of each transaction.	• Reduce ACC annual legal spend by 10% per annum.	£700K	£560K	£504K	£455K	J Buchanan			✓
			• All outsource transactions will have value added training and shadowing opportunities where feasible.	N/A	70%	100%	100%	J Buchanan			✓
1.2 – Implement and maintain an improved governance standard, which is fully compliant with CIPFAS’s principles. This will apply both internally and in our dealings with external partners so as to improve the regulatory compliance and reduce the risk of governance failures.	We will review all constitutional documents through best practice benchmarking and implement transparent and efficient decision making structures.	- Produce a Scheme of Governance setting out the decision making powers delegated to Committees and Chief Officers.	• CIPFA scoring against principle A - Rule of Law.	67%	70%	80%	90%	M Orchard		✓	✓
			• CIPFA scoring against principle E - Capacity and Capability.	76%	80%	80%	90%	M Orchard		✓	✓
			• CIPFA scoring against principle D - Interventions to achieve outcomes.	70%	75%	80%	90%	M Orchard		✓	✓

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
			<ul style="list-style-type: none"> CIPFA scoring against principle F - managing risks and performance. 	59%	70%	80%	90%	M Orchard		✓	✓
		- A Proper Officer Register will be introduced to ensure that we are meeting statutory requirements.	<ul style="list-style-type: none"> CIPFA scoring against principle A - Rule of Law. 	67%	70%	80%	90%	S Inglis			✓
			<ul style="list-style-type: none"> CIPFA scoring against principle E - Capacity and Capability. 	76%	80%	80%	90%	S Inglis			✓
		- We will introduce a toolkit for Committees to annually review their effectiveness.	<ul style="list-style-type: none"> CIPFA scoring against principle E - Capacity and Capability. 	76%	80%	80%	90%	V Cuthbert			✓
			<ul style="list-style-type: none"> CIPFA scoring against principle A - Rule of Law. 	67%	70%	80%	90%	V Cuthbert			✓
			<ul style="list-style-type: none"> CIPFA scoring against 	59%	70%	80%	90%	V Cuthbert			✓

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
			principle F - managing risks and performance.								
		- The Member Officer Relations Protocol will be integrated within member and staff induction to ensure that relationships are clearly understood.	<ul style="list-style-type: none"> CIPFA scoring against principle A - Rule of Law. CIPFA scoring against principle E - Capacity and Capability. 	67%	70%	80%	90%	R MacBeath		✓	
		- Standing Orders Review Log to be introduced to track effectiveness.	<ul style="list-style-type: none"> CIPFA scoring against principle A - Rule of Law. CIPFA scoring against principle E - Capacity and Capability. 	67%	70%	80%	90%	S Dunsmuir			✓
		- A Governance Training Programme will be rolled out to staff at all levels of the organisation to increase	<ul style="list-style-type: none"> CIPFA scoring against principle E - Capacity and Capability. 	76%	80%	80%	90%	V Cuthbert		✓	

Shaping Aberdeen

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		awareness of governance and associated risks. - L&D will input to the delivery of governance training to elected members	<ul style="list-style-type: none"> CIPFA scoring against principle A - Rule of Law 	67%	70%	80%	90%	V Cuthbert		✓	
		- Revised Committee Management Procedures will be rolled out and a Review Log introduced to track effectiveness.	<ul style="list-style-type: none"> CIPFA scoring against principle A - Rule of Law. CIPFA principle B - Stakeholder Engagement. CIPFA Principle E - Capacity and Capability. 	67%	70%	80%	90%	E Parr			✓
			<ul style="list-style-type: none"> CIPFA principle B - Stakeholder Engagement. 	78%	80%	80%	90%	E Parr			✓
			<ul style="list-style-type: none"> CIPFA Principle E - Capacity and Capability. 	76%	80%	80%	90%	E Parr			✓
		- We will catalogue all our service policies, byelaws and management rules to ensure that these are kept under regular review and complied with.	<ul style="list-style-type: none"> CIPFA scoring against principle A - Rule of Law. 	67%	70%	80%	90%	R McKean		✓	✓

Shaping Aberdeen

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
	We will implement an effective forward planning (Horizon Scanning) process within the legal service to capture the risks and opportunities resulting from legislative, changes and court cases	<ul style="list-style-type: none"> - Legal teams shall identify, document and report the changes affecting their areas of expertise. - Legal teams will distribute the information to the correct areas of the organisation 	<ul style="list-style-type: none"> • CIPFA scoring against principle F – managing performance 	59%	80%	90%	90%	Leadership Team			✓
		<ul style="list-style-type: none"> - We will facilitate the introduction of a paperlight Committee structure. 	<ul style="list-style-type: none"> • CIPFA scoring against principle B – Openness. 	78%	80%	80%	90%	S Dunsmuir	✓	✓	✓
	We will develop an assurance framework to govern our relationships with external partners	<ul style="list-style-type: none"> - A policy on appointing representatives to outside bodies will produced, setting out criteria for appointments and guidance for those who are appointed. 	<ul style="list-style-type: none"> • CIPFA principle B - Stakeholder Engagement. • CIPFA scoring against principle A - Rule of Law. • CIPFA Principle E - Capacity and Capability. 	78%	80%	80%	90%	A Thomson			✓
				67%	70%	80%	90%	A Thomson			✓
				76%	80%	80%	90%	A Thomson			✓
		<ul style="list-style-type: none"> - We will review governance around 	<ul style="list-style-type: none"> • CIPFA Principle B - Stakeholder 	78%	80%	80%	90%	K Rennie	✓		✓

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		Community Councils by introducing a complaints procedure, reviewing the Scheme of Establishment and reviewing the electoral boundaries.	Engagement.								
		- Clear definitions of ALEOs will be established and a formal decision on elected member representation on ALEO Boards will be taken.	<ul style="list-style-type: none"> CIPFA Principle D - Interventions to achieve outcomes. 	79%	80%	90%	90%	I Robertson			✓
			<ul style="list-style-type: none"> CIPFA scoring against principle F - managing risks and performance. 	59%	70%	80%	90%	I Robertson			✓
		- Support to trusts will be reviewed and rationalised to ensure best value and appropriate levels of support to stakeholders.	<ul style="list-style-type: none"> CIPFA Principle B - Stakeholder Engagement. 	78%	80%	80%	90%	R MacBeath			✓
			<ul style="list-style-type: none"> CIPFA Principle D - Interventions to achieve outcomes. 	79%	80%	80%	90%	R MacBeath			✓
		- A robust ALEO	<ul style="list-style-type: none"> CIPFA Principle 	79%	80%	80%	90%	I Robertson			✓

Shaping Aberdeen

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		assurance model will be produced to ensure that scrutiny is appropriate and proportionate.	<ul style="list-style-type: none"> D - Interventions to achieve outcomes. CIPFA Principle B - Stakeholder Engagement. CIPFA scoring against principle F - managing risks and performance. 	78%	80%	80%	90%	I Robertson			✓
			<ul style="list-style-type: none"> CIPFA scoring against principle F - managing risks and performance. 	59%	70%	80%	90%	I Robertson			✓
1.3 - We will increase the Legal cost recovery rate from 64%.	We will develop a commercialisation business model and strategy to market and promote our specialist services to local authorities and other organisations.	- We will establish a working group to review and develop a Commercialisation strategy for Legal Services	<ul style="list-style-type: none"> Increased cost recovery rate. 	64%	64%	64%	67%	J Buchanan			✓
1.4 - We will increase the cost recovery rate within Committee Services to 7%.	We will conduct an activity analysis to capture efficiencies and identify services that we could stop providing in order to focus on income generating activities.	- We will engage with PWC to establish best practice cost analysis and comparison for Committee Services.	<ul style="list-style-type: none"> Increased cost recovery rate. 	5%	5%	6%	7%	R MacBeath			✓

Shaping Aberdeen

									Customer Experience	Staff Experience	Best Use of Resources
Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it			
1.5 – We will become an employer of choice that retains staff through training and development opportunities	We will engage and develop our staff to enable service redesign.	- We will establish working groups within the service to address innovation, award and improvement opportunities	<ul style="list-style-type: none"> Reduction in our average vacancy rate within Legal Service. 	10%	10%	5%	3%	J Buchanan		✓	
	We will introduce a localised induction process and a coordinated programme of training and development for staff.	- We will produce new business cases for recruiting staff necessary to address resource shortages	<ul style="list-style-type: none"> Achieve staff turnover rate less than 10% 	13.1%	11%	10.5%	10%	J Buchanan		✓	
	We will increase the Smarter working opportunities for staff within the legal service by delivering Case Management System		<ul style="list-style-type: none"> Reduction in staff sickness levels (days) 	8.9	5.85	5.5	5.5	Leadership Team		✓	
	We will identify and explore artificial intelligence (“A.I.”) opportunities within the Service		<ul style="list-style-type: none"> Adopt and achieve CG staff to desk ratio 	1:1	7:10	7:10	7:10	Leadership Team		✓	
1.6 - We will increase our staff engagement levels to 75%	We will Implement an internal communication plan that facilitates the “golden thread” principle that informs and invites staff to develop plans and initiatives across the	- We will conduct 2 Service Briefings annually to engage and inform staff	<ul style="list-style-type: none"> Delivery of Briefings 	2	2	2	2	R McKean		✓	
		- All staff will receive regular 1-2-1 meetings	<ul style="list-style-type: none"> % of staff reporting that they are engaged 	72%	75%	77%	80%	Leadership Team		✓	

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
	service. We will complete staff PR&D within required timescales	structured to record and monitor progress and achievement of staff objectives, training and development requirements - The HoS will update staff on a regular basis through blogging - An L&D Communications Group will meet on a regular basis to help facilitate social events across the service.	<ul style="list-style-type: none"> % of staff understanding where their work fits into the aims of ACC % PR&D's completed within timescale % staff reporting PR&D process to be of value 	80% 92% 61%	85% 100% 70%	90% 100% 75%	90% 100% 80%	Leadership Team Leadership Team Leadership Team		✓ ✓ ✓	
1.7 - We will increase the promotion of health, safety and wellbeing as value, demonstrating strong, visible and active leadership of health, safety and wellbeing	Health and Safety shall be an agenda item in all Leadership and Team Meetings. HOS or Service Manager will attend all Directorate and Service Health & Safety committees and meetings We will cascade information to staff from Directorate and Service Health & Safety meetings	- Identify mandatory training (corporate and job specific) and capture within 1-2-1 and PR&D	<ul style="list-style-type: none"> % of staff aware of Health and Safety Responsibilities 	93%	95%	100%	100%	Leadership Team		✓	

Shaping Aberdeen

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
1.8 – We will reduce the risk associated with Lone Working	Improve Lone Working arrangements to ensure employee safety	- We will review Lone Working tasks associated with the Deed Store and Licensing Enforcement Officers and conduct risk assessments to identify and employ risk mitigation processes and techniques	<ul style="list-style-type: none"> 100% completion of lone working log for each tasks/visit 	0	100%	100%	100%	R McKean		✓	
1.9 We will reduce the risk of service disruption to our customers	We will test the resilience of the Business Continuity plans across the service	- Business Continuity plans and processes will be reviewed and updated	<ul style="list-style-type: none"> Delivery of updated plans Risks from Service Risk register incorporated into plans Plans tested and updated annually 	0	5	5	5	R McKean	✓		
2.0 – We will increase our Internal Customer satisfaction rates	We will review our existing customer delivery processes in conjunction with feedback received from CG Customer Survey	<ul style="list-style-type: none"> Our customer engagement processes will be improved in order to provide increased accessibility and to provide regular updates and timescales We will introduce “plain English” in all written 	<ul style="list-style-type: none"> % rate of satisfied internal customers 	62.3%	70%	75%	80%	Leadership Team			

Shaping Aberdeen

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		communication									

4. Resources Summary

4.1 Revenue Budget 2017/18

Directorate Corporate Governance	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000	Budget 2017/18 £'000
Head of Legal and Democratic Services				
Total	1,511	1,190	-359	1,474

Commentary on Revenue Budget

The main variance in 2016/17 and 2017/18 budget relates to Licence Fees and Re-charges for Right to Buy

Head of Legal Democratic Services	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000
Staff Costs	3,310	3,234	-56
Premises Costs	2	0	-2
Administration Costs	214	267	53
Transport Costs	24	3	-21
Supplies & Services	202	153	-49
Commissioning Services	0	0	0
Transfer Payments Total	38	44	6
Gross Expenditure	3791	3,701	-89
Less Income:			
Government Grants	-32	-44	-11
Other Grant – Reimburse-Contrib	-142	-143	-2
Customer & Client Receipts	-1,259	-1,491	-233
Recharges To Other Heads	-775	-785	-10
Other Income	-35	-49	-14
Total Income	-2,242	-2,512	-270
Total	1,549	1,190	-359

4.2 Capital requirements

There are no Capital requirements within this plan.

4.3 Workforce Planning

Introduction

In order to deliver our service improvement plan we need a workforce that is “*capable, confident, skilled, motivated and engaged*”. Planning for how we will have a workforce that meets this profile is paramount and requires a commitment to attract, develop, retain and recognise talented and motivated employees with the right behaviours who are aligned with our vision and values. To successfully workforce plan, we need to forecast future gaps between demand and supply of critical talent and be able to identify how we will bridge those gaps. It is a continuous process of shaping our workforce to ensure it is capable of delivering service and organisational objectives both now and in the future.

Each Team Leader within the Legal service has an improvement action to conduct and complete a workforce plan covering a 3 year period and reviewed annually. This activity has been captured within improvement action (1.1)

Factors that influence our workforce planning

We recognise that the future shape of our workforce, and the many workforce challenges we face in terms of supply and demand, will be influenced by a range of internal and external factors (see our PESTLE and SWOT analyses in Section 2). For example:

- the impact of Brexit;
- the impact on the local employment market of the falling oil price;
- the changing employment demands of the workforce;
- an ageing population and reduced birth rate;
- cuts in external funding with increased demand for services; and
- the need to modernise and transform how we do business (e.g. impact of our Being Digital Strategy).

Focus on succession planning

The most effective way to meet these workforce challenges is to develop strong succession plans to help us attract people with the knowledge, skills and abilities we need. We will also need to retain key employees, develop our existing teams and prepare suitable replacements internally through a variety of learning and development activities. Succession planning therefore underpins our workforce planning.

How we will succession plan

Our plans for succession will:

- support **service continuity** when key people leave;
- help us to **attract** people with the skills, qualifications, knowledge, abilities we need as well people with the right cultural/motivational fit;
- demonstrate an understanding of the need to have the **right number and type** of people to achieve strategic plans;
- help us to **retain key employees** and give our staff the future **skills** they'll need;
- develop **career paths** for employees which will help us to recruit and retain high potential, top performing people;
- prepare **suitable ready replacements** internally through a variety of learning and development activities; and
- give us a reputation as an employer that invests in its people and provides opportunities and support for advancement (making the service an '**employer of choice**')

5. Assessment of Risks

Service Delivery Area	Risk Category *	Risk Description	Risk Severity	Risk Owner	Controls & Mitigation
External Legal Spend	Financial	Reduction in spend not delivered	Medium	J Buchanan	Implement robust process and approval process Implement financial and monitoring reporting Conduct resource review against requirements
Legal Cost Recovery	Financial	Non-delivery/delay Case Management System	Medium	R McKean	Robust project plan and identification/mitigation of project risks
Legal Cost Recovery	Reputation	Lexcel accreditation – failure to achieve	Medium	R McKean	Monitor project plan activities and internal audit of new processes prior to accreditation audit
Statutory Obligations and Policy requirements	Legal and Regulatory	Requirements no adhered to and/or non-compliance with legislation	Medium	F Bell	Horizon scanning to establish forthcoming changes/new requirements Implement a robust checking system to confirm compliance from Heads of Service/responsible
CIPFA Governance Mark of Excellence	Reputation	Failure to achieve CIPFA accreditation	Medium	V Cuthbert	Regular dialogue with CIPFA on improvement actions Improvement actions overseen by Governance Board at monthly meetings
Archive Accreditation	Reputation	Failure to achieve Archive Accreditation	Medium	P Astley	Clear project plan and monitoring

- Customer / Citizen; Employee; Legal and Regulatory; Property; Financial; Reputation

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Service Improvement Plan

1 April 2017 to 31 March 2020

**IT & Transformation
Aberdeen City Council**

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1 Introduction and Service Description

1.1 Shaping Aberdeen

The Council's Strategic Business Plan 2017/18 sets out an ambitious programme of change called "Shaping Aberdeen" and it has 3 parts:



Our purpose - What Our Business is

To ensure the alignment of all Council strategies and plans to the LOIP's vision, as well as ensuring clear delivery plans for the Council's own set of strategies and priorities.

How we do business

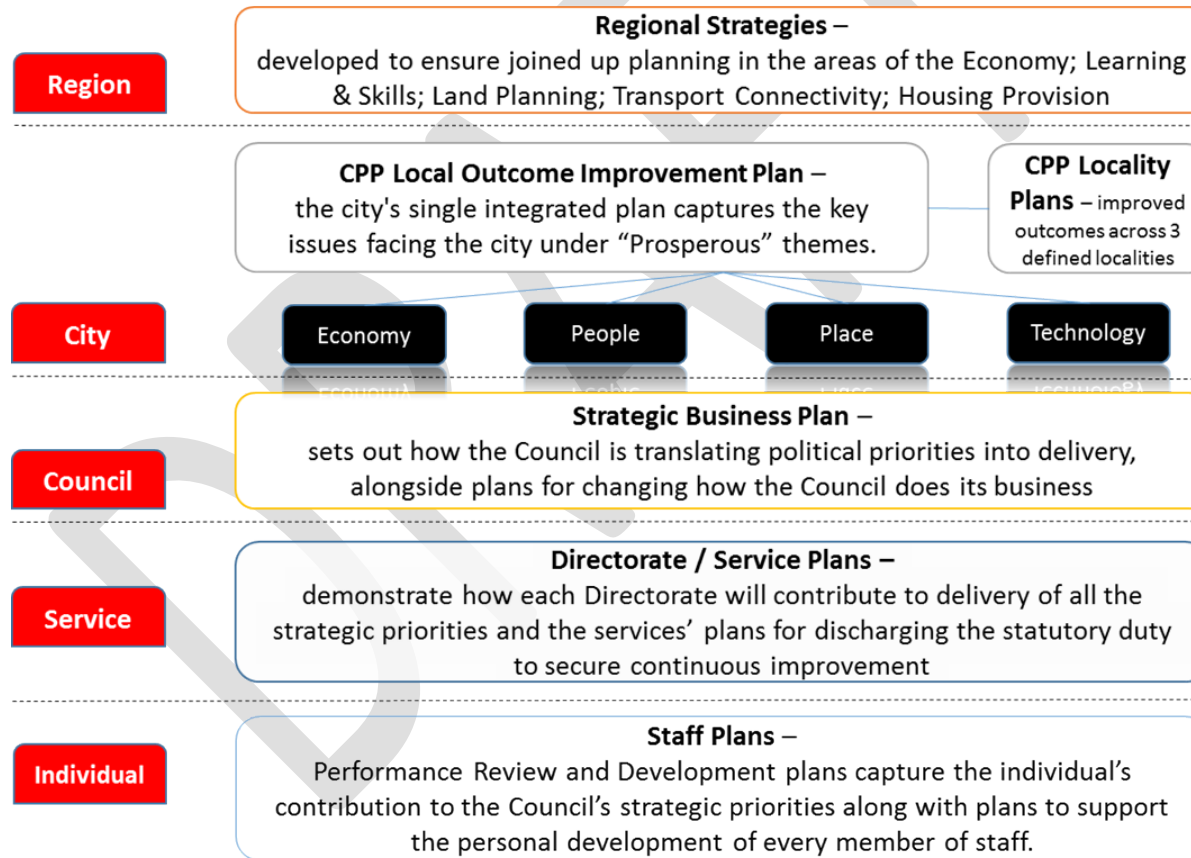
The modernisation and transformation of how we deliver our services, by making the best use of technology.

How we behave as an organisation (Culture)

Capable, confident, engaged and positive *staff* who deliver excellent *customer* service and consciously make best use of our *resources*. An organisation that maintains its focus on its customers, its staff and how it uses the resources available to it.

1.2 Role of the Service Improvement Plan

IT & Transformation provides operational IT services to the whole Council. It also leads the Being Digital Strategy and a Digital place programme. This Service Plan sets out how the service will ensure continuous improvement in service delivery, links into the ‘Golden Thread’ between personal, organisational, City and regional planning. The diagram below illustrates this aspect:



The Service Improvement Plan has been developed through a review of the external and internal environment. This includes policies, legislation, socio-demographics, demand, available resources, risks and opportunities. The most significant issues are detailed in the Service Assessment section below. The key areas for improvement service will be:

- Deliver the outcomes of the LOIP through enabling technology theme.
- Enabling a better customer experience through the implementation of the Being Digital Strategy.
- Ensure that the Council has sound Information Governance practices.
- Deliver a better staff experience through the use of technology.
- Support the Council's strategic plan through a modernisation programme.

1.3 Overview of the Service

IT & Transformation provide services that support:

- Regional strategies partners to exploit digital opportunities across the region.
- The Local Outcomes Improvement plan by delivering technology solutions to meet community outcomes.
- Shaping Aberdeen by delivering digital solutions to our customers and make best use of resources.
- Stewardship by ensuring that we value our information through information governance.

2 Service Assessment

2.1 PESTLE Analysis

Political Factors	Economic Trends	Social Factors
<ul style="list-style-type: none"> Ensuring that the service reflect both national and local political priorities. Support required from UK and Scottish Government for City Regional Deal Digital elements. 	<ul style="list-style-type: none"> Value of pound against the dollar which influences costs of commodity IT hardware and software licences. Continuing reduction in the total cost of IT as new technologies reach critical mass. Shift in all sectors towards 'digital' business. 	<ul style="list-style-type: none"> Demand for consuming services through digital channels. Rising expectations of staff and customer for digital solutions. Rise of the smartphone society. Bridging digital divide.
Technological Factors	Legal Trends	Environmental Factors
<ul style="list-style-type: none"> Greater automation of processes and objects. Rise of sensors and devices connected to the internet. New techniques to gather and analyse data. Transformation of IT infrastructure and operations. Cyber security demands. 	<ul style="list-style-type: none"> The Procurement Reform (Scotland) Act, 2014. Waste Electrical and Electronic Equipment (WEEE). Data Protection Act 1998. General Data Protection Regulation (GDPR) Public Records (Scotland) Act 2011. Community Empowerment (Scotland) Act 2015. <ul style="list-style-type: none"> Public Service Network (PSN) Payment Card Industry (PCI) 	<ul style="list-style-type: none"> Ensuring that IT is compliant with various sustainability requirements. Opportunity to use digital to support sustainable objectives. Numerous Smart Cities-related funding bids being progressed separately through various channels.

2.2 SWOT Analysis (Strengths, Weaknesses, Opportunities & Threats for the service)

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strong leadership support. • Clarity on purpose and direction. • Dedicated and motivated staff. 	<ul style="list-style-type: none"> • Inconsistent investment. • Digital skills gaps. • Aging infrastructure and networks. • Communication and engagement.
• OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Exploitation of new technologies. • Upskilling staff capabilities. • Partnership working. • New models to deliver IT. • Transform city region operations through better data management and innovation. 	<ul style="list-style-type: none"> • Further budget pressures. • Speed of technological change. • Rising number of cyber-attacks. • Rising demand for services. • Digital literacy at all levels.

Summary of critical success factors emerging from the PESTLE and SWOT

Meeting changing expectations: 90.7% of adult in Aberdeen have accessed the internet in the last three months, which is one the highest usage rates in the UK. While face to face remains important, we must also provide online options. It must be easy to use, integrated and linked with the whole customer experience. We must also recognise that some of our most vulnerable in communities are part of the 9.3% who never go online.

The need to integrate services: Public services will continue to integrate more and more. Notable of examples of this are Health & Social Care Integration and Community Planning, recently strengthened by the Community Empowerment Bill.

Supporting transformation: Technology used to be used just to improve efficiency. It is now being used to disrupt whole business models, remove whole layers of administration and crucially disrupt traditional business. For example, Netflix has changed how we consume television, Uber has challenged the whole concept of metered Taxis and Airbnb is challenging the hotel and rental market.

Simplifying our estate and upskilling our workforce: The Council provides over 400 different services with a workforce that spans five different generations, most of whom were born before the digital age. This means we need to be sensitive to the different skills and perspectives of our workforce.

Modernising our estate: Most of our estate is over 4 years old, which in IT terms is a generation.

Ensuring our data is secure: Security is both a major risk and a threat to adoption of digital services. We block 314,000 threats every month.

Consolidation of IT services: We have 350 systems delivered through multiple IT teams.

Improving customer services: Only 42% of staff felt that they had the right tools to do their job in a staff survey 2014. Most of our estate is over 4 years old, which in IT terms is a generation.

3 Planned Improvements

3.1 Strategic Priorities – Driver Diagram

Technology is a theme in the Local Outcomes Improvement plan and the following diagram details the activities and objectives of this theme.

Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
We will ensure businesses, citizens, the public and third sectors have access to the ultrafast fibre broadband, Wifi and wireless.	We will maximise digital connectivity to ensure equal opportunity of access to services for all people.	Provide citizens and visitors with the opportunity to connect easily from their homes or other locations.	% of households that have superfast broadband.	83%	95%	95%	100%	Wendy Robertson Digital Place Programme Manager			✓
			%of businesses that have access to ultrafast broadband	0%	20%	30%	50%				✓
	Ensure that businesses can prosper through better connectivity.	Attract public and private sector investment in digital infrastructure	0%	£10m	£15m	-				✓	
	We will maximise digital connectivity to promote and develop business growth in the city / region.	Citizens and visitors need good connections to enhance their experience of city	% of free Wifi across the city	5%	20%	25%	30%				✓
		Businesses and public sector providers rely on wireless connections to provide services	% coverage of boosted 4G coverage and 5G capability across the city.	33%	60%	70%	80%				✓
		Public sector needs a means to capture data to deliver high quality services and protect its citizens	% of city with sensor network to capture data and run CCTV	0%	20%	30%	50%				✓

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Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology	
We will share data across public sector partners in order to deliver services and protect citizens	We will encourage citizens to participate in the development, design and decision making of services to promote civic pride, active citizenship and resilience.	Ensure that there are common standards across public sectors organisation	Secure internationally recognised standards accreditation		Dec 2017			Caroline Anderson Information Governance Manager		✓	✓	
		Provide a secure shared data platform for use by all partners and businesses	Deliver a regional data platform		Dec 2017						✓	
Grow a digital economy to support both public sector challenges and private enterprise.	We will work with partners to promote the city as a place to invest, live, work and export from.	Grow a substantive digital economy within the city	Number of digital start ups	42	50	55	60	Gordon Wright Digital Economy Manager				
		Establish the right environment to exploit digital opportunities	Number of living labs across the city	1	3	6	7		✓	✓	✓	
Support community capacity building through the use of technology	We will provide opportunities for lifelong learning which will develop knowledge, skills and attributes of our citizens to enable them to meet the changing demands of the 21st century	Enable citizens to be supported in their own homes through telecare	% increase in citizens receiving care in the home	5%	10%	15%	20%	Wendy Robertson Digital Place programme manager.	✓			
		Develop dashboards for communities.	Dashboard fully operational		Dec 2017						✓	
		Develop applications that can be used to help those most in need	Number of community applications released each year	0	5	7	9		✓		✓	

3.2 Service Improvements – Driver Diagrams

The core strategy is to provide a digital platform that is focussed on our customers and staff and is driven by data. It will be based on an open architecture approach, enabled by good information and data management and anchored by a modern infrastructure.

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Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
Provide a seamless service across all channels.	Be able to do business fully online, get updates on requests and find information easily.	Implement a customer experience platform that allows for digital transactions, updates and channel choice.	% of transactions competed digitally.	4%	20%	40%	60%	Sandra Massey Technology Manager	✓		
			Website star rating	3	4	4	4				
Use our data to identify you so that you do not need to provide the same data many times.	Hold one set of customer and staff data across all key systems.	Implement a single account for customers	Number of customers using account	0	2,000	10,000	20,000	Caroline Anderson Information Manager	✓		
	Integration across all key systems.	Implement master data management platform	% of data sets shared	0	40%	50%	70%	Caroline Anderson Information Manager	✓		

The core strategy is to provide a digital platform that is focussed on our customers and staff and is driven by data. It will be based on an open architecture approach, enabled by good information and data management and anchored by a modern infrastructure.

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Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
Ensure that our data and information is secure.	Upgrade our infrastructure	Upgrade servers estate and firewalls	Number of data breaches recorded per annum.						✓		
	Council wide awareness sessions on cyber security	Council wide sessions on cyber security and early warning systems.									
Better training and awareness of digital solutions and how to use basic digital tools.	Ensure staff have the basic digital skills	Council wide training and awareness programme	% with basic skills	-	30%	60%	90%	Paul Alexander Customer Services Manager		✓	
Be able to from anywhere and with anybody within a stable environment.	Upgrade and modernise our core IT estate	New data centre	% of staff that say they have the tools to do their job.	42%	60%	65%	70%	Sandra Massey Technology Manager		✓	
		New server estate									
		New operating system and desktop									
		New collaboration suite									

The core strategy is to provide a digital platform that is focussed on our customers and staff and is driven by data. It will be based on an open architecture approach, enabled by good information and data management and anchored by a modern infrastructure.

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Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		Federation with other organisations									
		Upgraded networks									
Get my issues resolved quickly and receive a prompt service.	Shift to self-service and upgrade of core infrastructure.	Introduce new self- service solution	% of customers satisfied with the service they receive	45%	60%	70%	75%	Paul Alexander Customer Services Manager		✓	
Support the Councils in making savings.	Reduce non value activities	Implement customer experience platform and mobile solutions	% (m)saved	0	0.7	2	5	Paul Alexander Customer Services Manager			✓
	Reduce IT complexity	Implement open architecture and consolidate IT services									✓

4 Resources Summary

4.1 Revenue & Capital Budget 2017/18

HEAD OF SERVICE : HEAD OF IT & TRANSFORMATION

As at end of March 2017	201617			201718
	Forecast to Year End			
Accounting Period 12	Full Year Revised Budget	Outturn	Variance Amount	Full Year Revised Budget
	£'000	£'000	£'000	£'000
STAFF COSTS	5,185	5,274	88	5,321
PROPERTY COSTS	82	69	(12)	80
ADMINISTRATION COSTS	560	622	62	549
TRANSPORT COSTS	24	53	29	24
SUPPLIES & SERVICES	4,910	4,572	(338)	5,018
GROSS EXPENDITURE	10,761	10,590	(171)	10,992
LESS: INCOME				
OTHER GRANT-REIMBURSE-CONTRIB	(174)	(215)	(41)	(334)
RECHARGES TO OTHER HEADS	(1,040)	(1,003)	37	(924)
OTHER INCOME	(38)	(70)	(33)	(67)

Commentary on Revenue Budget

Staff costs:

Over spend on staff costs of £88k which includes unbudgeted recruitment costs of £11k and leaving costs of £18k.

Administration Costs:

Overall Administrations costs are overspent by £62k. The main overspend is on telephone costs of £98k offset by an under spend of £56k on printing costs with the balance a number of small variances across a range of budgets.

Supplies and Services:

Overall Supplies are underspent by £338k with the main variances being an under spend in software licences of £141k costs and hardware maintenance/rental of £219k which includes the savings relating to purchase of Citrix.

Income:

Overall income was £37k above budget with a range of significant variances with recharges to the Housing Revenue Account £386k under budget offset by recharges to Trading being over budget by £211k and recharges to Finance over budget by £63k.

Capital Requirements

As at Period 12 2016/17	Figures for Total Project			Pr	Cu
	Approved Budget	Expenditure to Date	Forecast Expenditure		
Corporate Governance	£'000	£'000	£'000		
Data Centre Transition & Infrastructure Transformation	3,000	2,782	2,992	G	G
Technology Investment Requirements & Digital Strategy	4,557	773	4,557	G	G
	7,557	3,556	7,549		

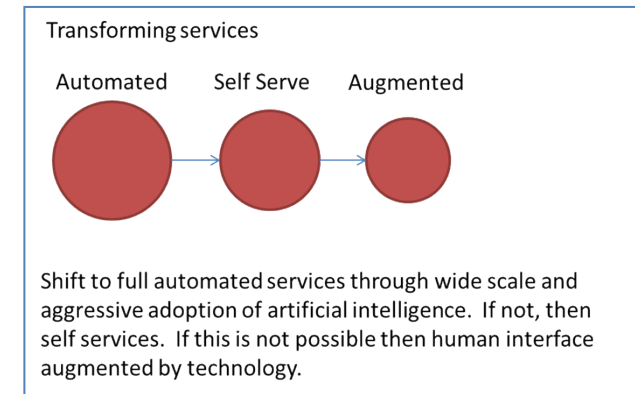
TOTAL INCOME	(1,251)	(1,288)	(37)	(1,324)
NET EXPENDITURE	9,509	9,302	(207)	9,668

4.2 Workforce Planning

Following the completion of an environmental assessment, the refreshed strategic plan, the Local Outcomes Improvement Plan and the Being Digital Strategy the service was reviewed to assess whether the right resources and structures were in place to meet this new environment. This review concluded that a new business model is needed with different skills and behaviours.

- i. The focus of the service will be on the place of Aberdeen rather than just the Council.
- ii. The Council will not own or run any applications or infrastructure.
- iii. Services will commission and run systems through online stores with approved suppliers and embedded policies.
- iv. Staff will use their own devices and any requests will be made through automation or self-serve technology.
- v. The main roles will be information assurance, brokerage, relationships and innovation.
- vi. There will be a flat structure; teams will work virtually and collaboratively.

Some of this change is driven by new technologies such as artificial intelligence that will make many tasks automatic. The cloud also offers the opportunity to buy and run IT using on demand services or through the cloud. This will fundamentally change the shape of the service and skills required.



4.3 Staff Engagement & Development

The Employee opinion survey showed that overall IT& T engagement levels stood at 55%. While this is above the Council average it is below the benchmark of 65%. The focus of the people action plan will be on understanding the Council's vision, reviewing how we measure performance, ensure systematic and informal recognition, identifying skills and training requirements, addressing morale and communicated change better.

Primary Drivers	Secondary Drivers	Measure	Baseline	19/20
Low overall engagement score compared to national benchmark	Lack of understanding of Council vision	Head of Service to present Council vision at every team meeting. Vision to be standing item on every HoS podcast and blog.	55%	65%
	Poor perception of the performance review processes	Work with HR to understand a more effective PRD process	52%	62%
	Low morale within teams	Use staff engagement group to understand reasons and to manage workloads better.	49%	59%
	Feeling recognised for the work you do	Cultural change	55%	65%
	Access to training and development	Develop individual training plans, allocate budget and track % complete.	59%	69%
	Change poorly communicated	Review channels and messages and adopt Prosci model of engagement	48%	58%

5 Assessment of Risk

Drivers	All Smarter Aberdeen priorities				
Code	CG005	Risk of inadequate information and data management			
Definition	The Council is required by law to evidence that appropriate management of its information and Data protection legislation binds the Council to hold data securely and only for the purpose it was collected.				
Potential Impact	Causes	Control Effectiveness			Current Risk Assessment
		Control	Control Assessment	Weight	
<ul style="list-style-type: none"> • Service disruption • Inadequate performance information • Inability to share services • Reduced capability to deliver customer facing services • Unlawful disclosure of sensitive information • Individual placed at risk of harm • Prosecution –penalties imposed • Reputational damage 	<ul style="list-style-type: none"> • Inconsistent approach to information and data management and security • Lack of capability and / or non-compliance by individuals • Lack of connectivity between corporate information management requirements • Inadequate information management systems 	Establishment of comprehensive Information Governance Board	Fully Effective	1	<p>Impact</p> <p>Likelihood</p>
		Monitoring and reporting of mandatory training and compliance exceptions	Partially Effective	1	
		Embedded Senior Information Risk Officer role	Fully Effective	1	
		Quarterly SIRO reporting to CMT	Fully Effective	1	
					Very serious
					Low
Mitigating Actions					Residual Risk Assessment
<ul style="list-style-type: none"> • Embed SIRO role including reporting relationships and structures • Council-wide training and awareness programme • Implement Master Data Management programme • Establish comprehensive Information Governance Board • Implement Information Management Strategy programme 					<p>Impact</p> <p>Likelihood</p>

<ul style="list-style-type: none"> Establish reporting relationship between SIRO and Responsible Officer Modernise the corporate record stores 		Very serious
		Very Low
Risk Owner	Simon Haston	Risk Manager
		Caroline Andrson

Code	CG014	Risk of major IT business systems failure				
Definition	Secure, well-functioning business systems are critical to carrying out statutory functions, providing essential services and ensuring legal compliance.					
Potential Impact	Causes	Control Effectiveness			Current Risk Assessment	
		Control	Control Assessment	Weight		
<ul style="list-style-type: none"> Customers cannot contact the CCC Essential services not delivered Critical functions including payroll not carried out Suppliers not paid Contracts not managed Workforce not managed Reputational damage 	<ul style="list-style-type: none"> Inadequate firewalls to protect internal systems from attack System obsolescence Power fluctuations Communications systems failure Inadequate backups Poor IT skills base Poor processes for data storage Systems housed in poor environments 	Best practice security controls	Partially Effective	1	<p>Impact</p> <p>Likelihood</p>	
		Regular business systems review	Partially Effective	1		
		Full, maintained contracts register	Partially Effective	1		
		Tested Business Continuity Plans in place	Partially Effective	1		
		Robust Disaster Recovery arrangements (including testing)	Partially Effective	1		
		Robust customer-led governance structures	Partially Effective	1		
		IT staff trained in all essential skills areas	Partially Effective	1		Very serious
		Regular business systems reviews	Partially Effective	1		Low
Mitigating Actions					Residual Risk Assessment	

<ul style="list-style-type: none"> • Upgrade of core infrastructure as part of digital strategy • Ensure application reviews and resilience testing in place • Implement new governance model for IT • Ensure total cost of ownership • Implement Best practice life cycle management • Rationalise applications and upgrade aging systems • Ensure secure network engineering 		<p>Impact</p> <p>Likelihood</p> <p>Very serious</p> <p>Low</p>
Risk Owner	Simon Haston	
Risk Manager	Sandra Massey	

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Directorate / Service Improvement Plan

1 April 2017 to 31 March 2018

Commercial and Procurement Shared Service
Aberdeen City Council

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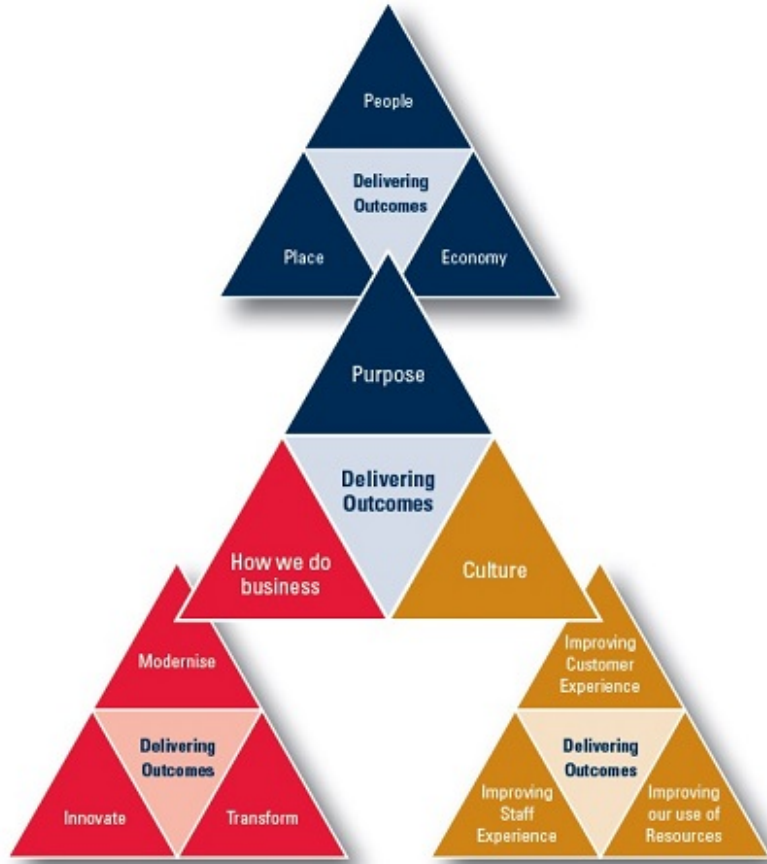
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1. Introduction and Service Description

1.1 Shaping Aberdeen

The Council’s Strategic Business Plan 2017/18 sets out an ambitious programme of change called “Shaping Aberdeen” and it has 3 parts:



Our purpose - What Our Business is

To ensure the alignment of all Council strategies and plans to the LOIP’s vision, as well as ensuring clear delivery plans for the Council’s own set of strategies and priorities.

How we do business

The modernisation and transformation of how we deliver our services through making best use of technology.

How we behave as an organisation (Culture)

Capable, confident, engaged and positive *staff* who deliver excellent *customer* service and consciously make best use of our *resources*. An organisation that maintains its focus on its customers, its staff and how it uses the resources available to it.

1.2 Role of the Service Improvement Plan

1. The Commercial and Procurement Shared Service Service Improvement Plan supports the delivery of the both the Directorate Improvement Plan and the Strategic Business Plan. It connects the Service’s priorities, actions and resources to the “Shaping Aberdeen” programme of change.



In terms of the **Region** we will support businesses to be competitive across all public and private sectors, encourage inward investment, and help grow the economy.

Throughout the **City** we will support the delivery of the Local Outcome Improvement Plan covering the Prosperous Economy, Prosperous People, Prosperous Place and Enabling Technology by delivering sustainable procurement and realising community benefits.

Within the **Council** under tier 1 “Improving the Stewardship of Aberdeen City”, we will drive a category management approach to release savings; extend the reach of the Procurement Centre of Excellence; complete options appraisals and deliver appropriate delivery models; and optimise income through cost recovery and new revenue streams. Under tier 2 “Performance Improvement” we will support service redesign by undertaking functional reviews, extending shared services, exploring alternative delivery models and collaborating with other partners.

At a **Service** level we will enable radical transformation by changing the culture of how we spend our money through enhanced commercial thinking.

At an **Individual** level we will ensure that we embed accountability, setting clear objectives for staff that link to service, directorate and Council objectives, measuring these regularly at one to one meetings and annual staff appraisal (PR&Ds).

2. The Service Improvement Plan has been developed through a review and understanding of the current and anticipated external and internal environment, including policies, legislation, socio-demographics, demand, available resources, risks and opportunities. The most significant issue for C&PSS is to be able to create the culture and environment that accepts and embeds commercial awareness and a dynamic approach to procurement and project management.
3. The key areas where the Commercial and Procurement Shared Service will be key to the enablement of service improvement are:-
 - Development of outline business cases to full business cases
 - Data and business intelligence
 - Market intelligence and engagement
 - Benchmarking
 - Options analysis
 - Programme and project management
 - Benefits Tracking

1.2 Overview of the Service

Commercial & Procurement Shared Service is now a shared service with Aberdeenshire and Highland Councils. The service comprises many functions that support the Council to deliver effective and efficient services by helping achieve maximum value from every commercial relationship and providing the necessary support and governance to deliver on our priorities and make informed decisions.

C&PSS are responsible for a wide range of services, including:

- Business and Procurement Improvement
- Category Management
- Commercial Management
- Commercial and Procurement Legal Advice
- Social Care Commissioning, Procurement and Contract Management
- Programme Management
- Accounts Payable
- Insurance

As well as specific areas of service delivery, the service plays a key role in delivering the 'Shaping Aberdeen' vision by having an active role in innovating and modernising 'how we do businesses'. This is achieved through the efficient procuring and commissioning of goods, services and works and the provision of robust project governance arrangements.

In Commercial and Procurement Shared Services we are responsible for: -

- Developing Procurement Strategy and Policy, Monitoring Performance in Procurement particularly in relation to on/off contract spend, Benefits Tracking, Data and Business analytics, Supplier Development Programme
- Providing collaborative driven category management, ensuring sustainable procurement and associated community benefits are delivered, supply chain management
- Service redesign, income generation, fees and charges, cost reallocation.

- Providing dynamic, commercially aware, legal advice, whilst managing risk in a solution focused way.
- Delivering person-centred, locality based commissioning, including offering flexible and innovative procurement approaches resulting in compliant contracts and using a robust contract management framework.
- Governance of the key council portfolios (Strategic Infrastructure Programme (SIP) and Change and Capital Programmes), visibility and assurance for major programmes and portfolios of work, mapping of all interdependencies and resource requirements and benefits realisation.
- An efficient Purchase to Pay (P2P) process, increased usage of e-procurement and prompt/advance payment, supplier incentivisation.
- Shared insurance service for Aberdeen City and Aberdeenshire responsible for all administration, procurement, and management of insurance policies, claims submitted to the Councils and relationship with our Insurers. Work closely with departments/services to improve their claims experience with an aim to minimise annual premium increases.

SERVICE ASSESSMENT

2.1 PESTLE analysis *(External factors that will/may impact on the service)*

P	E	S	T	E	L
Political	Economical	Social	Technical	Environmental	Legal
Local Government elections 2017	Reduction in Grant Funding	Community Empowerment	Need and opportunity for flexible working	Flooding	Procurement Regulations
Scotland Bill	Scottish Fiscal Framework	Local based planning	Changing information and communication media	Climate Change	Legislative programmes (UK and Scottish)
Membership of SLGP	Commission on Local Taxation	Diverse demographics including Asylum seekers	Demand for digital services	Energy Legislation	Increasing complexity of organisation / group governance
Brexit	Oil and Gas decline	Young and Old age demographic profile	Multiple Operating Platforms and financial systems	Increasing expectation in energy efficiency targets	Regulatory Inspections
Changes to non-domestic rates	City Regional Deal	Recovering reputational damage		Geographical spread of service delivery	Data Protection
Potential Independence Referendum	Regional Economic and Wellbeing Strategy	Sustainable Procurement and Community Benefits			IR35
Introduction of National Living Wage	High cost property market				FOI
	Bond Conditions/London Stock Exchange Listing				
	Diverse and complex Supply Chain				

Summary of critical issues from the PESTLE analysis that will influence the plan

The Supplier Development Programme will lead on market stimulation and development to assist in the enablement of major projects being delivered from the local supply chain supporting the regional Buy North East campaign improving the local economy.

Continued decline in Oil and Gas performance both locally and nationally provides a significant opportunity to capitalise on the new shared service restructure and attracting candidates with the appropriate skill mix to deliver on major programme of works.

Reduction in grant funding provides C&PSS with the opportunity to lead on the identification of options for alternative delivery service models/service re-design during 2017.

Community benefits will become the driver for awarding contracts rather than price in certain cases, supporting the community empowerment agenda.

2.2 SWOT analysis (Strengths, Weaknesses, Opportunities & Threats for the Service)



Summary of critical success factors emerging from the SWOT *(Commentary)*

The integrated service approach has enabled the initial development of becoming a centre of expertise across the public sector in the north of Scotland.

C&PSS will be a key enabler in further shared service and service re-design options that will be required to be appraised as a major workstream in the transformation programmes.

Improve visibility, accessibility and engagement and establish customer service standards and a process for actively seeking feedback using the results to inform future service improvement.

3. Planned Improvements

3.1 Strategic Priorities – Driver Diagram

Prosperous Economy

Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
Investment in Infrastructure											
We will regenerate our city centre to become a vibrant and attractive place to live, work and invest in	All major project related objectives.	For C&PSS to be involved at the earliest possible opportunity.	Percentage of major projects where C&PSS involved at an early stage.	25%	50%	75%	100%	Cat. Mgrs, Comm, Mgrs, PMO, Legal Insurance	✓		✓
We will develop infrastructure for commuter, visitor and freight transportation	We will refresh the City’s Local Housing Strategy and link this to broad City priorities, including improving health and social care, giving children the best start in life.	Deliver on the commissioning strategies of both Children’s Services (Social Care) and the Aberdeen City Health and Social Care Partnership	Proportion of commissioning activities delivered as per commissioning plans.	25%	50%	75%	100%	SCCPC Team			
We will improve deployment of low carbon transport in the city and urban areas, through active travel networks									✓	✓	✓
We will modernise our utilities infrastructure to support the economic growth ambitions.											
Innovation											
We will provide research and design infrastructure to support development of advanced technologies and innovation in other	We will link innovation in “tele-health” and “tele-care” to local economic development	Deliver on the commissioning strategy of the Aberdeen City Health and Social Care Partnership	Proportion of commissioning activities delivered as per commissioning plans.	25%	50%	75%	100%	SCCPC Team	✓	✓	✓

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Prosperous Economy

Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
sectors											
Inclusive Economic Growth											
We will ensure housing that is affordable, across markets, is widely available, and in particular to support vital key workers in the education, care and health sectors	We will refresh the City's Local Housing Strategy and link this to broad City priorities, including improving health and social care, giving children the best start in life.	Deliver on the commissioning strategies of both Children's Services (Social Care) and the Aberdeen City Health and Social Care Partnership	Proportion of commissioning activities delivered as per commissioning plans.	25%	50%	75%	100%	SCCPC Team	✓	✓	✓
We will significantly improve the city through regeneration of our communities and ensuring a vibrant economy	We will develop and implement Locality Plans for those communities experiencing socio economic disadvantage	Deliver flexible locality based commissioning.	% of adults agreeing that they can influence decisions affecting the delivery of health and social care services in their area.	0%	20%	40%	60%	SCCPC Team	✓	✓	✓
We will develop the people and skills necessary to deliver economic development and, as a result, support diversification of businesses and economy	We will develop a specific economic footprint action plan across directorates with a focus on ensuring that community benefit clauses deliver against Locality Plans.	Community benefits to be considered for every tender in line with PGN 10. And to include supported businesses, food poverty, fuel poverty, energy efficiency.	No. of Community Benefits requirements included in tender documentation.	2	5	15	20	Cat. Mgrs, Comm, Mgrs, PMO, Legal Insurance	✓	✓	✓
	We will develop a specific economic footprint action plan across directorates with a focus on ensuring that community benefit clauses deliver against Locality Plans.	Community benefits to be considered for every tender in line with PGN 10. And to include supported businesses, food poverty, fuel poverty, energy efficiency.	No. of Community Benefits delivered.	0	0	0	2	Cat. Mgrs, Comm, Mgrs, PMO, Legal Insurance	✓	✓	✓
Internationalisation											
We will improve the attractiveness for international trade and investment	All major project related objectives.	For C&PSS to be involved at the earliest possible opportunity.	Percentage of major projects where C&PSS involved at an early stage.	25%	50%	75%	100%	Cat. Mgrs, Comm, Mgrs, PMO,	✓	✓	✓

Prosperous Economy

Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
We will improve multi-modal access to Aberdeen								Legal Insurance			

Prosperous People

Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	Economy	Place	Technology
Children are safe and responsible											
We will improve multi agency support for vulnerable children and young people	We will implement Reclaiming Social Work	Re-commissioning third party Services	Proportion of commissioning activities delivered as per commissioning plans.	0%	20%	40%	60%	SCCPC Team	✓	✓	✓
	We will implement the requirements of the Carers (Scotland) Act as it relates to children and families	Vary existing contract to reflect changes brought in by the act.	Varied contract in place	0%	100%	100%	100%	SCCPC Team	✓	✓	✓
Children are respected, included and achieving											
We will ensure that all children are supported to live and be educated in their local community	All major project related objectives.	For C&PSS to be involved at the earliest possible opportunity.	Percentage of major projects where C&PSS involved at an early stage.	25%	50%	75%	100%	Cat. Mgrs, Comm, Mgrs, PMO, Legal Insurance	✓	✓	✓
People are supported to live as independently as possible											
We will empower citizens to feel they have	We will develop self-management options/resources e.g. education,	To develop person centred commissioned care services	Percentage of commissioned services	25%	50%	75%	100%	SCCPC Team	✓	✓	✓

Prosperous People

Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	Economy	Place	Technology
real and meaningful choice and control over their own lives.	information, peer support, person centred staff and services, technology and carer support.		that have a person centred outcomes service specifications								

Prosperous Place

Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	Economy	People	Technology
People Friendly City											
We will be a city whose built environment is fit for keeping an ageing population safe and healthy and puts the child at the centre of design	All major project related objectives.	For C&PSS to be involved at the earliest possible opportunity.	Percentage of major projects where C&PSS involved at an early stage.	25%	50%	75%	100%	Cat. Mgrs, Comm, Mgrs, PMO, Legal Insurance	✓	✓	✓
We will create an attractive, welcoming environment in partnership with our communities											

Enabling Technology

Improvement Outcome	ACC Objective	Change activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	Economy	People	Place
Digital skills and education											
All employees, managers, elected officials, and management boards of our organisations will have the skills	We will provide appropriate training to ensure that Aberdeen city Council employees have the right skills to work in a modern business environment	Use of PCST as the primary system for tendering.	Number of tenders using PCST	25%	100%	100%	100%	Cat. Mgrs, Comm, Mgrs, SCCPC Team	✓	✓	✓
	We will provide appropriate training to ensure that Aberdeen city Council employees have the right skills to work in a modern business environment	Use of e-auctions	Number of e-auctions	0	2	4	6	Cat. Mgrs, Comm, Mgrs,	✓	✓	✓

3.2 Service Improvement – Driver Diagram

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
<p>Commercial Hub Streamlined and easy to understand and digitised end to end processes</p> <p>Clarity on roles and responsibilities</p> <p>Improved management information</p>	<p>Implement a commercial approach and business model that optimises spend with third parties and transactions</p>	<p>Implement category and commercial management approach</p> <p>Embed the C&PSS Business Model and ethics</p> <p>Undertake a full review of purchase to pay (P2P) systems</p>	<p>Reduced off contract spend.</p> <p>Increased usage of PO's and electronic invoicing – efficiency of invoice payment</p>	TBC				<p>Strategic Commercial Manager</p> <p>Financial Services Manager</p>	✓	✓	✓
<p>Service delivered from one place</p> <p>Consistent approach</p> <p>Better use of resources ensuring maximum value from commercial relationships</p> <p>Lean and multi-skilled service</p>	<p>Establish a regional centre of expertise for commercial, procurement and programme management</p> <p>A one stop shop approach</p>	<p>Expand centre of expertise by implementing regional shared services for procurement, commercial legal, social care commissioning and programme management</p> <p>Develop an internal and external communication and engagement plan</p> <p>Improve management information and develop a website that is fit for purpose</p>	<p>Consistent approach and advice given</p> <p>Better use of resources ensuring maximum value from commercial relationships</p> <p>Lean and multi-skilled service</p>	TBC				C&PSS Management Team	✓	✓	✓

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		Develop a professional development programme for the service									
Service delivered from one place Consistent approach Better use of resources ensuring maximum value from commercial relationships Lean and multi-skilled service	Embed a commercial competence to service delivery by exploiting new opportunities, joint procurement initiatives and alternative delivery models	Review and investigate potential joint procurement initiatives for service delivery Explore potential alternative delivery models that would enhance best value and improve service delivery	Signed up shared service delivered from one place Consistent approach – cost savings Better use of resources ensuring maximum value from commercial relationships Lean and multi-skilled service	TBC				C&PSS Management Team	✓	✓	✓
Governance which is clear, easy to understand, streamlined and meets the requirements of the Council Improved services to our customers Improved staff experience through change programme	Develop an effective and rigorous governance and accountability framework, enabling effective and informed decision making to deliver best value outcomes	Develop and embed effective governance arrangements for transformation and SIP and Capital portfolios. Embed strong and consistent project management principles Develop an effective benefits realisation methodology	Effective programme and project delivery Alignment of key programmes to deliver better outcomes and use of resources	TBC				Service Manager PMO	✓	✓	✓

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		Develop robust resource plans, both service and organisation wide, as part of the governance framework									

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4. Resources Summary

4.1 Revenue Budget 2017/18

Head Of Service - Commercial & Procurement Services	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000
Staff Costs	3,177	3,232	55
Premises Costs	543	543	0
Administration Costs	540	530	-10
Transport Costs	481	689	208
Supplies & Services	359	368	9
Commissioning Services	0	0	0
Transfer Payments	0	0	0
Government Grants	0	0	0
Recharges To Other Heads	-65	-48	17
Other Income	-1,117	-1,381	-264
Total	3,918	3,933	15

Commentary on Revenue Budget

The key reason for the overspend relates to increased Insurance premiums – we are working with the service to improve responsibility / behaviours to reduce future premiums in relation to vehicles..

C&PS generate income from Aberdeenshire for 50% of the Procurement team (including Social Care) – this was greater than budgeted.

We continue to endeavour to be within budget.

4.2 Capital requirements

No capital requirements for the C&PS service specifically.

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4.3 Asset Management

Asset Demand

C&PS is a shared service with Aberdeenshire, and recently Highland Council in terms of Procurement. The majority of staff are based at Woodhill House, and within The Highland Council headquarters in Inverness. The nature of much of the activity involves staff visiting service clients and we also embrace the culture of smarter and flexible working.

Current Asset Summary

Not applicable.

Gap Analysis

Not applicable

4.4 Workforce Planning

COMMERCIAL AND PROCUREMENT SERVICES

This is not yet fully complete, with the business cases to be finalised as described below, and also the completion of the structure with the transfer of The Highland Councils procurement team to ACC. We are focussing on retraining authorised procurers across the organisation and developing our service as a centre of expertise with strategic approach /skills.

Demand and supply analysis. This involves:

- **Identifying and analysing the gaps/issues** to enable the support and delivery of new ways of working and the change programme of ACC; we through effective category management skills will enable savings to be achieved by services.
- **Prioritising areas for action, based on the assessment of risks associated with each gap/issue**, for C&PS this is the identification of who requires training throughout the whole organisation not only within C&PS.
- **Setting priorities for action** – involves ensuring that as well as the staff within C&PS that the service managers / budget holders we work with are aware of the role they undertake and that we are through our business model to address skill gaps.

**Demand analysis – current and future
Not yet fully completed review. Examples of activity are:**

The PMO have a pending business case to revise the structure to ensure the change and capital plan can be fully supported. This is under review in relation to change and transformation programmes.

The Social Care Procurement team whilst recently a shared service continually review and consider the appropriate staffing – levels and skills - required to support commissioning of care. .

The structure is currently under review to support the priorities of the organisation in terms of category management, and completion of business cases for service redesign. The impact may be that additional resource is required on fixed term basis to achieve the outcomes. Where this resource comes from is likely to be a combination of staff development through external support. .

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5. Assessment of Risks

This section will summarize the high level risks which could prevent the Service delivering its Service Improvement Plan.

Service Delivery Area	Risk Category *	Risk Description	Risk Severity	Risk Owner	Controls & Mitigation
C&PSS	Legal and Regulatory Financial	Lack of accurate and up to date data in relation to contracts and spend		Category Managers	Financial data defined and cleansed to reflect the needs of the category managers; consistent reporting for all authorities
C&PSS	Financial Reputation	Lack of robust and consistent contract management procedures.		Category Managers	Procurement Guidance Notes / Training programme sign off for all staff at any one of 4 levels of Delegated Procurement Authority. Skilled staff
C&PSS	Employee	Lack of Capacity		HOS	Staff appraisal (PR&D) – Monthly one to ones – recorded actions
C&PSS	Reputation	Potential reputational damage from non-delivery		HOS / Management team	Customer focussed / engagement with team / staff survey
C&PSS	Reputation Legal and Regulatory Financial	Lack of awareness of and involvement in key projects.		HOS / Service Manager PMO	Key role in the transformation / change programmes
C&PSS	Property	Future relocation of Woodhill House to Inverurie		HOS	Represented on working groups /mpact on staff

- Customer / Citizen; Employee; Legal and Regulatory; Property; Financial; Reputation

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Head of Service, Office of Chief Executive

Service Improvement Plan 2017/18

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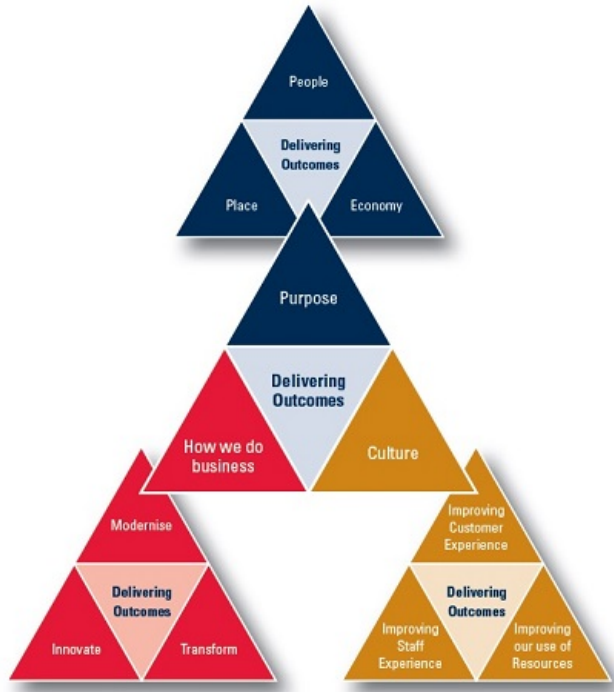
1. Introduction and Service Description

Shaping Aberdeen

Shaping Aberdeen sets out our overriding purpose that is:

“to ensure the people and place prosper and to protect the people and place from harm”

It outlines our aspirations and how we do business and shape our culture in order to get there. The Strategic Business Plan (approved on 22nd February 2017) sets out the business priorities and deliverables for 2017/18 which contribute to our purpose.



Shaping Aberdeen has 3 parts:

Our purpose - What Our Business is

To ensure the alignment of all Council strategies and plans to the Aberdeen City Local Improvement Plan’s vision, as well as ensuring clear delivery plans for the Council’s own set of strategies and priorities.

How we do business

The modernisation and transformation of how we deliver our services through making best use of technology.

How we behave as an organisation (Culture)

Capable, confident, engaged and positive *staff* who deliver excellent *customer* service and consciously make best use of our *resources*. An organisation that maintains its focus on its customers, its staff and how it uses the resources available to it.

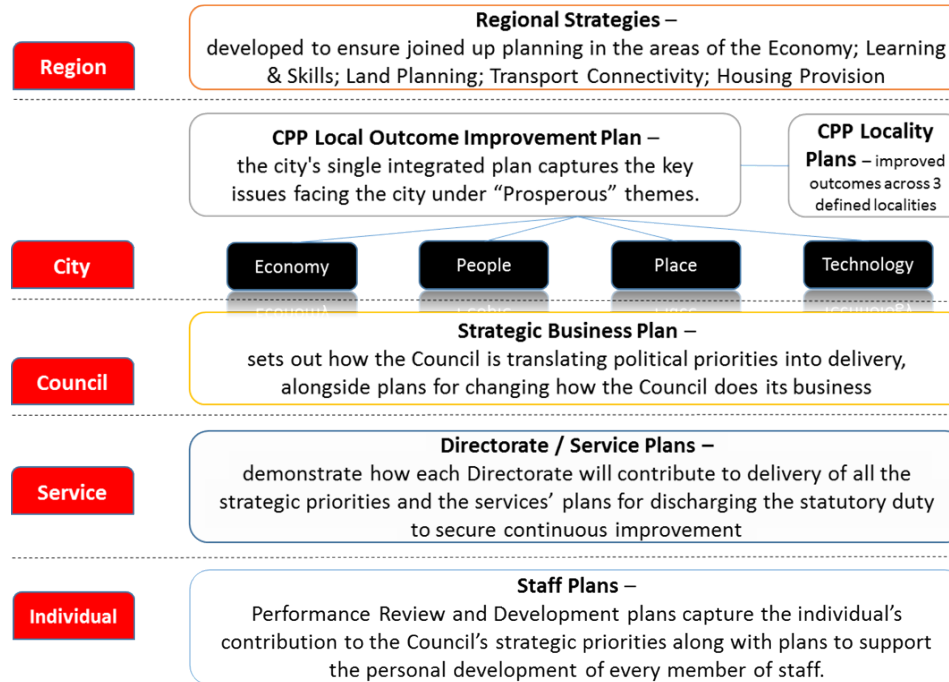
In taking forward the Shaping Aberdeen programme we will have continuous regard to the Council's vision for the future state of the organisation:-

Imagine Aberdeen City Council as a Council

- *that is focused on preventing harm to the place, economy and people rather than treating the harm.*
- *that nurtures, supports and enables its citizens and customers rather than a council that breeds dependency on it.*
- *that uses technology to deliver services instead of simply using it to digitize our customer and staff transactions with the council.*
- *that wants a relationship with its customers based on understanding and anticipating needs and supporting customers to meet those needs not necessarily through the council, rather than a transactional relationship.*
- *that is outward looking and plays a lead role in regional and city place planning.*
- *that encourages communities to take control and devolves decision making rather than a council that keeps control.*

1.1 Role of the Service Improvement Plan

As set out in the diagram below, this Service Improvement Plan has a key function in the overall planning process for the Council, and the North East, by demonstrating how the functions delivered by the Office of Chief Executive contribute to the delivery of the Council’s strategic objectives. The Plan connects the Service’s priorities, actions and resources to Shaping Aberdeen and gives a clear direction to the staff within the Office of Chief Executive.



The Plan has been developed through a review and understanding of the current and anticipated external and internal environment, including policies, legislation, socio-demographics, demand, available resources, risks and opportunities.

1.2 Overview of the Service

The Office of Chief Executive supports the Chief Executive in ensuring effective relationships are established, developed and maintained with local and national politicians, other partners and stakeholders both within and outwith the City. It seeks to ensure that the Council actively engages with government to ensure that the City's case for support is made and heard. The Office:-

- provides a corporate research and information service;
- oversees business management support for the Chief Executive including diary, correspondence and relationship management;
- co-ordinates the business management support provided to the Lord Provost, the Council Leader and elected members;
- is responsible for the Council's programme of civic activities and the running of elections in the City;
- incorporates the Council's External and Internal Communications function; and
- the Council's Marketing and Design function.

The External and Internal Communications team has responsibility for:

- proactive and reactive media relations and news gathering for ACC digital channels;
- resilience and emergency communications;
- speech and blog writing support;
- corporate level internal communications through editorial management of The Zone and production of quarterly Shaping Aberdeen bulletin; and
- supporting directorate and service led internal communications.

The Marketing and Design team has responsibility for:

- bespoke leaflets and posters;
- reports requiring design, printing and distribution support;
- advertising and sponsorship (including of external events and conferences); and
- campaigns regarding services and local issues

The customers of the service are council directorates that seek to promote services and policies to service users, residents, opinion formers and other stakeholders such as potential investors as well as residents and service users who have a right to know about services and provision in their locality.

2. Service Assessment

2.1 PESTLE analysis

<p>Political</p> <ul style="list-style-type: none">• 2017 Local Government Elections• United Kingdom’s exit from the European Union• 2017 UK Parliamentary General Election• UK and Scottish Government legislative programmes and policy priorities• Increasing emphasis on the importance of place leadership for the City and the wider North East• Potential return to COSLA membership	<p>Economic</p> <ul style="list-style-type: none">• Economic downturn in the North East• Delivery of City Region Deal / Regional Economic Strategy• Establishment of the Fiscal Policy Panel• National review of Enterprise and Skills• New taxation powers of the Scottish Parliament• Projections of lower local government settlements
<p>Social</p> <ul style="list-style-type: none">• Community engagement provisions from the Community Empowerment Act• Demographic projections of > +65 and -16 age population• Commitment to public and private housing• Locality plans to be developed / delivered	<p>Technological</p> <ul style="list-style-type: none">• Increasing connectivity with customers• Opportunities and imperatives to manage data more effectively• Smarter working for employees

<p>Legal</p> <ul style="list-style-type: none">• Governance implications of the financial Bond• Governance improvement for Public Protection• Accounts Commission’s new approach to Best Value audit	<p>Environmental</p> <ul style="list-style-type: none">• National planning review and options for land use• National, regional and local transport strategies• Civil Contingencies / emergency planning
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Summary of critical issues from the PESTLE analysis that will influence the plan

This is a period of significant flux in political governance locally, regionally, nationally and internationally. There will be very direct implications for the Service, flowing from the 2017 Local Government and UK Parliamentary General Elections. There will be a continuing need for ongoing informed engagement between the Council and the UK and Scottish Parliaments as legislation is developed, policy priorities are set and financial decisions are made.

There will be further very significant implications which are less clear in terms of the changing relationships between different levels of government (in the broadest sense) from withdrawal from the EU, to the powers of the Scottish and UK Parliaments, to the increasing regionalisation of public service, the growing influence of Community Planning and the need to build local approaches with communities and customers. The Service will support the Chief Executive to ensure that the Council and the City plays an active, engaged role in addressing the challenges and opportunities presented working through the networks and partnerships of which the Council is a member.

Given the above, key to the Service for the coming year will be improvements that wherever possible enhance the business management support provided to the Lord Provost, the Council Leader, elected members and the Chief Executive herself to ensure they are each able to respond effectively to the changing policy landscape.

The ongoing financial pressures facing the public sector apply directly to the Service and will require us to embrace innovation to allow us to continue to improve whilst becoming increasingly efficient. The pressures faced also require an enhanced response through the Council's External and Internal Communications functions to ensure that a clear and consistent narrative is provided to customers and staff in relation to the Council's use of resources.

The Council's Digital First Strategy provides us with a solid foundation on which to modernise our services, in particular how we communicate with stakeholders internally and externally and how we use data to support good decision making through performance management and planning.

2.2 SWOT analysis (Strengths, Weaknesses, Opportunities and Threats for the service)

<p>Strengths</p> <ul style="list-style-type: none"> • Adaptive and skilled staff; • Knowledge and experience of team members • Robust processes to deliver key tasks (e.g. elections) • Track record of successful delivery against statutory duties • Wide reach of Council’s digital channels for direct communication • Extensive networks of contacts within and outwith the City 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Employee engagement as evidenced by the 2016 Employee Opinion Survey results • Requirement for resilience and emergency communication plan • Knowledge and expertise held personally by individuals • Relatively low profile within the Council of a number of team functions
<p>Opportunities</p> <ul style="list-style-type: none"> • Post-election development of effective relationships with elected members • Development of more effective media relations policy and protocol • Established business management processes provide solid foundations for development • Support to be provided to the Lord Provost, Council Leader and Chief Executive in addressing the challenges of place leadership for the City 	<p>Threats</p> <ul style="list-style-type: none"> • Failure to manage effectively the twin pressures of increasing workload and reducing resource • Assurance for Health and Safety • Failure to establish through effective succession planning the passing on of knowledge and expertise

Summary of critical success factors emerging from the SWOT

Critical to the success of the Service in the coming year will be

- i) the effectiveness of the support provided to the Lord Provost, the Council Leader, the elected members and the Chief Executive as they deliver against the Local Outcome Improvement Plan and the Strategic Business Plan while at the same time meeting the challenges of the legislative and policy agendas being pursued by the UK and Scottish Governments;
- ii) the effectiveness of both the external and internal communications developed and delivered to inform customers and staff of the work underway within and outwith the Council on the delivery of Shaping Aberdeen;
- iii) improved levels of engagement across the team as an enhanced focus on the delivery of the Council's priorities is developed.

In addition, an organisation wide weakness has been identified with the sources and level of assurance in place for key risks. The Service has a key role to play in putting in place the necessary assurance measures for the risks it directly manages and for supporting the Chief Executive to receive appropriate assurance in her role as head of paid service.

3. Planned Improvements

3.1 Strategic Priorities – Driver Diagram

Prosperous Economy

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Improvement Outcome	ACC Objective	Change Activity	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	People	Place	Technology
We will significantly improve the city through regeneration of our communities and ensuring a vibrant economy	We will develop and implement Locality Plans for those communities experiencing socio economic disadvantage	With colleagues we will integrate improvement activity identified within locality plans, into the Council’s systems of performance management, risk and improvement.	% of adults agreeing that they can influence decisions affecting their local area	26% (2015)	+2%	tbc	tbc	PPP Manager	✓	✓	
	We will engage with UK and Scottish Governments, and other decision makers, to positively promote and support the economic vibrancy of the City.	Develop appropriate, timely and useful mechanisms for the meaningful exchange of relevant information with MPs, MSPs, Stakeholders and Partners establishing a regularity of contact throughout the year.	Qualitative assessment to be reported.	NA	NA	NA	NA	PPP Manager / All	✓	✓	✓

Prosperous People

Improvement Outcome	ACC Objective	Secondary Actions	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	Economy	Place	Technology
Children in Aberdeen City are healthy, happy and safe, and enjoy the best possible childhood	We will ensure that the Council shows how the impact on children has been considered in all strategic planning and decision making	Through the Performance, Risk and Improvement corporate change work stream:- <ul style="list-style-type: none"> • Design and implement corporate standard for ACC strategies; • Co-ordinate update and review of ACC strategies where required to reflect impact on children 	Strategies and plans identify impact on children	New Measure	100%	100%	100%	PPP Manager	✓	✓	✓
We will improve multi agency support for vulnerable children and young people	We will implement the recommendations of the Good Governance Institute's review of Public Protection as they relate to Aberdeen City	Establish a change plan which has traction and create a board assurance framework for the Public Protection Chief Officer Group	• % of recommendations due which are fully implemented	0%	100%	-	-	PPP Manager		✓	
We will advance equality and reduce harm, harassment and abuse towards those individuals at risk/potential risk.			• % of risks with appropriate assurance	New Measure	90%	100%	100%	PPP Manager		✓	
We will implement a city wide strategy promoting participation of children and young people and children's rights, in partnership with other services within and beyond the council, including Unicef UK	We will Promote Youth Democracy and Political Literacy, in accordance with ICS Participation Strategy	Working on behalf of the Chief Executive in her role as Returning Officer members of the team will support colleagues in developing youth democracy participation activities and events	No. of established forums whereby young people can participate in youth democracy	New Measure				HoS		✓	

Prosperous Place

Improvement Outcome	ACC Objective	Secondary Actions	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	Economy	People	Technology
We will maintain resilient and effective Category 1 and Category 2 Responders (as defined by Civil Contingencies Act 2004)	We will implement the recommendations of the self-assessment framework for civil contingency responders	Support the Chief Executive in leading and delivering on actions relevant to ACC.	<ul style="list-style-type: none"> • % of actions due for OCE which have been fully implemented 	New Measure	100%	-	-	PPP Manager	✓	✓	
			<ul style="list-style-type: none"> • Maintain participation of all partners in Local Resilience Partnership groups and plans 	100%	100%			PPP Manager	✓	✓	
			<ul style="list-style-type: none"> • % of post incident reviews concluding that the emergency response was appropriate 	New Measure	100%			PPP Manager	✓	✓	
		Develop emergency response strategy, protocol and toolkit for effective management of crisis communications and incident response	Qualitative assessment					E/IC Manager			

Enabling Technology

Improvement Outcome	ACC Objective	Secondary Actions	How We will Measure Success	Baseline	17/18	18/19	19/20	Who will do it	Economy	People	Place
We will share data across public sector partners in order to deliver services and protect citizens	We will implement the Council's "Being Digital" strategy to support citizens, businesses and visitors connect easily from their homes or other locations	Team members will work closely with all appropriate colleagues in the development and delivery of communications activities to support the roll out of "Being Digital"	Measures to be established								✓
We will use data to enable evidence based business and policy decisions of Community Planning Aberdeen and the Council	We will support the implementation of a corporate Data Office	Take a lead, within the Performance, Risk & Improvement change work stream, to ensure that appropriate data and analysis is in place to support the delivery of improvement planning	% of agreed LOIP and Strategic Business Plan measures without an appropriate data source	New Measure	0%	0%	0%	PPP Manager	✓	✓	✓
	Refocus the Research and Information Team to ensure the most effective connections are made both within and outwith the Council.	Oversee consultation process applying quality assurance and strategic fit	% of consultations issued following agreed QA and governance process	New Measure	100%	100%	100%	PPP Manager	✓	✓	✓
		Embed use appropriate of "Citizen Space"	% of consultations where analysis and feedback to consultees is appropriately documented	New Measure	100%	100%	100%	PPP Manager	✓	✓	✓

3.2 Service Improvement – Driver Diagram

This must be based upon coherent, evidenced based “theory of change” and driven by data. State the specific changes to be made which you predict will deliver improvement. Include measures which will show the impact of the changes.

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
									✓	✓	✓
Increase the Council’s influence on and response to external drivers through better horizon scanning and engagement	Develop and embed corporate issues log which includes political and legislative issues.	Consolidate issues log with system of risk management and line management 1-2-1 process	Issues log established, populated, updated and monitored	No	Yes	Yes	Yes	PPP Manager	✓	✓	✓
			Major “incidents” where risks and assurance had not been identified	New Measure	0%	0%	0%	PPP Manager	✓	✓	✓
	Support the expression of the Council’s agreed priorities into the strategic planning framework of the organisation	Improvement systematically delivered to deliver strategic priorities	Renewed Strategic Business Plan presented to Council;	Yes	Yes	Yes	Yes	PPP Manager	✓	✓	✓
			delivery evidenced through regular performance updates	No	Yes	Yes	Yes				
	Ensure robust scrutiny of performance at all planning and delivery levels (internal and external)	Lead the improvement, performance and risk work stream in order to strengthen the Council's governance arrangements	% of work stream project plan milestones met	New Measure	100%	100%	100%	PPP Manager	✓	✓	✓
Build relationship with UK and Scottish Governments and Parliaments representatives / Members	Develop appropriate, timely and useful mechanisms for the meaningful exchange of relevant information with MPs, MSPs, Stakeholders and Partners establishing a regularity of contact throughout the year.	Attendances at Scottish Parliament Committees	2	>	>	>	PPP Manager	✓	✓	✓	

This must be based upon coherent, evidenced based “theory of change” and driven by data. State the specific changes to be made which you predict will deliver improvement. Include measures which will show the impact of the changes.

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
		Maximise any renewed relationship with Cosla	Qualitative assessment	NA				PPP Manager	✓	✓	✓
	Build relationship with new external auditor	Regular meetings with agreed record.	Effective and timely LAN programme	May	Feb			PPP Manager			✓
		Early and continued engagement with plans and scope of work. BV audit that supports improvement at ACC	Qualitative assessment of BV Audit outcomes	NA				PPP Manager			
Increase staff reporting they are engaged employees	Implement internal communication plan	Hold regular 1-2-1s which are structured on staffs’ objectives and development	% of staff stating they are fully or partially engaged	87%	100%	100%	100%	E/IC Manager		✓	
	We will complete all PR&Ds within required timescales	Review objectives throughout the year	Score (1 – 10) for staff who indicate that their PR&D was of value	5.49	8	9	10	All		✓	
Increase the % of staff who are satisfied with their working environment and arrangements	Increase the roll out of smarter working across the Service	We will review with team members how more of the Service’s output/outcomes can be delivered through smarter working.	Score (1-10) for staff agreeing they have all the tools, equipment and technology necessary to do my job	7.02	>	>	>	HoS		✓	
			Score (1-10) for staff agreeing they strike the right balance between home and work life	6.3	>	>	>	HoS		✓	
	The Service will wherever possible move to a digital-first option in delivering for	We will work with appropriate corporate colleagues to introduce	Qualitative assessment	NA				All	✓		

This must be based upon coherent, evidenced based “theory of change” and driven by data. State the specific changes to be made which you predict will deliver improvement. Include measures which will show the impact of the changes.

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
	its customers.	digital solutions across the Service.									
Reduce health, safety and wellbeing risks to employees, members and customers	We will jointly as a team address health, safety and wellbeing issues affecting both the team and those we serve	Establish and monitor health, safety and wellbeing protocols for elected members	No. of accident	1	0	0	0	HoS Dir Support Manager			
		We will deliver the outcomes set out within the Corporate Governance and OCE Health, Safety & Wellbeing Improvement Plan	No. of near misses	2	0	0	0	HoS Dir Support Manager			
			Average number of days lost through sickness absence	9.1	9.0	8.0	7.0	HoS All			
We will improve customer experience and query resolution	Review and revise the flow of MP/MSP and Councillor correspondence	Make use of digital solutions for contact and seek ways to increase transparency and reduce the need for contact.	% of MP/ MSP enquiries responded to within 15 working days	43%	60%	80%	90%	PPP			
			MP/ MSP office satisfaction with process	New Measure				PPP			
			% of Councillor enquiries responded to within 15 working days	66.7%	90%	90%	90%	All			
An enhanced understanding of ACC’s vision, objectives and activities through communications activity.	Drive traffic to ACC website news section through social media signposting and engagement	Both Primary and secondary drivers will be defined by depending on the Improvement Outcome	Web analytics, including year on year statistics	New Measure				E/IC Manager			
	Use of analysis to inform and improve	Enhance forward planning around media activity,	Demonstration of improved service to					E/IC Manager			

This must be based upon coherent, evidenced based “theory of change” and driven by data. State the specific changes to be made which you predict will deliver improvement. Include measures which will show the impact of the changes.

Improvement Outcome	Primary Change Activity	Secondary Change Activity	Measures	Baseline	17/18	18/19	19/20	Who will do it	Customer Experience	Staff Experience	Best Use of Resources
	communications activity	including full advance briefings and improved communications grid	internal clients – Qualitative Assessment								
		Measure and monitor media enquiries and responses	Number of media enquiries and response rates	New measure				E/IC Manager			
		Provide monitoring and evaluation to services and elected members, including daily coverage round-up and individual release updates on coverage and sentiment.	Completion rate of daily (business days) media briefing	New measure				E/IC Manager			

4. Resources Summary

4.1 Revenue Budget 2017/18

Directorate	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000	Budget 2017/18 £'000
Head of Service Office of Chief Executive	1,157,960	1,105,586	(56,095)	1,595,992

Commentary on Revenue Budget

The Service will deliver its key priorities and its planned improvements within a reducing overall spend (it should be noted that the increase in the Services budget for 2017/18 is accounted for by the specific costs relating to the delivery of the 2017 Local Government Elections). The Service will play an active role in achieving corporate efficiencies and in adopting new working arrangements.

Head of Service Office of Chief Executive	Budget 2016/ 17 £'000	Outturn 2016/ 17 £'000	Variance to 2016/17 Budget £'000
Staff Costs	1,170,828	1,168,331	(2,497)
Premises Costs	61,109	184,413	123,805
Administration Costs	202,187	207,226	15,004
Transport Costs	57,022	47,292	(3,731)
Supplies & Services	150,278	351,076	191,230
Commissioning Services	16,337	16,337	0
Transfer Payments	152,000	344,290	192,290
Other Grant-Reimburse-Contrib.	(316,440)	(951,384)	(610,005)
Recharges To Other Heads	(335,361)	(294,783)	40,578
Other Income	0	(2,769)	(2,769)
Total			

4.2 Capital requirements

The Service has no capital requirements for 2017/18.

4.3 Asset Management

Asset Demand

Taking into account previous sections describe the portfolio required to deliver the service now and in the future. At this stage it is not necessary to give the numbers of properties required but the types and overall size. e.g. The Council requires fit for purpose children's homes able to accommodate up to 40 children.

The Service occupies desk spaces in the Town House and at Marischal College and wherever feasible adopts smarter working practices. The Service currently has no additional asset requirements.

Current Asset Summary

As above, plus the Elections Team currently occupy a Council light industrial unit in Dyce which provides storage for polling equipment etc. The Service is working with Land & Property Assets colleagues to identify alternative storage in order to free up this unit.

Gap Analysis

As above.

4.4 Workforce Planning

Introduction

In order to deliver our business strategies and improvement plans we need a workforce that is “*capable, confident, skilled, motivated and engaged*”. Planning for how we will have a workforce that meets this profile is paramount and requires a commitment to attract, develop, retain and recognise talented and motivated employees with the right behaviours who are aligned with our vision and values. To successfully workforce plan, we need to forecast future gaps between demand and supply of critical talent, and have effective strategies and activities in place to bridge those gaps. It is a continuous process of shaping our workforce to ensure it is capable of delivering service and organisational objectives both now and in the future.

Factors that influence our workforce planning

We recognise that the future shape of our workforce, and the many workforce challenges we face in terms of supply and demand, will be influenced by a range of internal and external factors and change themes (e.g. the external market and competition, political and legal changes, changing demographics, society and technological advances). For example, the impact of Brexit; impact on the local employment market of the falling oil price; the changing employment demands of the workforce; ageing population and reduced fertility rate; cuts in external funding with increased demand for services; and the need to modernise and transform how we do business (e.g. impact of our Being Digital Strategy).

Focus on succession planning

The most effective way to meet these workforce challenges is to develop strong succession plans to help us attract people with the knowledge, skills and abilities we need, retain key employees, develop our existing teams and prepare suitable replacements internally through a variety of learning and development activities. Succession planning therefore underpins our workforce planning.

How we will succession plan

Our plans for succession will:

- support **service continuity** when key people leave
- help us to **attract** people with the skills, qualifications, knowledge, abilities we need as well people with the right cultural/motivational fit
- demonstrates an understanding of the need to have the **right number and type** of people to achieve strategic plans
- help us to **retain key employees** and give our staff the future **skills** they'll need
- develops **career paths** for employees which will help us to recruit and retain high potential, top performing people

- prepare **suitable ready replacements** internally through a variety of learning and development activities
- give us a reputation as an employer that invests in its people and provides opportunities and support for advancement (making the Council an **'employer of choice'**)

Our focus is on developing succession plans for key occupational groups within our workforce i.e. business critical, hard to fill posts. In the following sections, we have identified the occupations that fall into this category, the supply and demand issues these occupations face and the strategies, plans and activities that have been put in place to address these issues.

Our business critical/hard to fill occupations

Succession planning actions

Post Titles

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What are the issues?	What we're experiencing	What are our plans?
<p>Communications Business Adviser</p> <ul style="list-style-type: none"> • Poor quality and quantity of applications. • Social media awareness and skills in viral marketing. New methods of communication. • More ability to be self-directed and proactive in their work. Tools and platforms used may be different. There will be a required to deal with a large information output. 	<ul style="list-style-type: none"> • A need to broaden skills / capacity 	<ul style="list-style-type: none"> • Contact RGU to organise placements for students on undergrad and postgrad courses in communication and marketing. • Offer training including social media / viral marketing. • Staff to be trained to use Precise Media Platform which will enable analysis and the monitoring of campaign methods for their effectiveness. • Explore 50% funding to put some staff through a postgraduate qualification in communications / marketing. Explore CIPR / PRCA registration through salary sacrifice.

- Job title open and vague which makes it difficult to recruit externally.

- Potential review of job titles.

Design and Graphics Officer & Design Technician

- Designing for web and social media. More material is moving online and over time this will increase. Therefore, these skills will be more important as time goes on.
- Need further project management skills.
- Limited progression opportunities.

- Offer courses on infographics and viral campaigns. Skills shared with Communication Business Advisers and vice versa to create multi-skilled staff.

Explore suitable courses (inc. NESCOL; The Guardian)

Skills may be shared with the Communications Business Advisers and vice-versa to create multi-skilled staff.

- More scope to run clients and get involved in initial client interactions.

5. Assessment of Risks

Service Delivery Area	Risk Category *	Risk Description	Risk Severity	Risk Owner	Controls & Mitigation
Risk of inadequate Business Continuity arrangements	Customer / Citizen; Employee; Legal and Regulatory; Reputation	The OCE suffers a loss of key systems, staff or assets. Potential for serious harm / loss of life to members of the community; litigation; prosecution; reputational damage.		Ciaran Monaghan	Testing regime to support continuing fit for purpose. Non-critical BCPs to be reported to Committee and review regime for critical BCPs to be devised.
Risk of not effectively managing elections	Legal and Regulatory; Reputation	The effect could include results being delayed; results being challenged; and results being declared invalid. The implications of these would be variable, but overall are considered to be "serious".		David Gow	Business continuity evaluated and appropriate arrangements in place to operate without technology. Extensive training programme in place for each election. Workforce planning undertaken and sustainable skills and knowledge secured.
Risk that the Chief Executive's ability to fulfil statutory duties is compromised through inadequate controls and assurance reporting	Legal and Regulatory; Reputation	Failure to comply with statutory duties could have significant personal and organisational impact. These include harm of individuals due to a failure in the council's duty of care or health and safety. They could also include loss of assets (theft, fraud) and sanctions from regulatory bodies.		Ciaran Monaghan	Formal schedule, format and governance forums agreed for all reporting and scrutiny of all statutory officers and other identified officers.
Risk that Health, Safety and Wellbeing incidents including cases of ill health, are not recorded, reported, reviewed and monitored and	Customer / Citizen; Employee; Legal and Regulatory; Reputation	Non-compliance with HSE legislation / guidance, initiatives and corporate Health and Safety policy. Increased costs to the organisation relating		Martin Allan	Review and learn lessons from all accidents and incidents; Engagement with Corporate Health and Safety Committee; Trends reported to SMT; Processes and compliance monitored through audits and management assurance; Implementation of Maximising Attendance Improvement Plan for OCE including implementation of target reduction, evidenced through

<p>that areas for improvement are not identified and implemented</p>		<p>to employee absence. Criminal prosecution resulting in fines or imprisonment. Reputational damage. Compensation claims. Attendance levels impacting service delivery.</p>			<p>performance indicators.</p>
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COMMITTEE	Finance Policy & Resources
DATE	29 June 2017
REPORT TITLE	Condition & Suitability Programme – Approved Changes
REPORT NUMBER	CHI/17/145
DIRECTOR	Bernadette Marjoram
REPORT AUTHOR	Alastair Reid
CHECKLIST COMPLETED	Yes

1. PURPOSE OF REPORT:-

- 1.1 To advise the Committee of the changes made to the three year Condition & Suitability Programme.

2. RECOMMENDATION

- 2.1 It is recommended the Committee note the changes made to the Condition & Suitability Programme.

3. BACKGROUND/MAIN ISSUES

- 3.1 The Council's Condition & Suitability (C&S) 3 Year Programme 2016/17 to 2018/19 was approved at the Finance Policy & Resources Committee on 20 September 2016. At this Committee it was resolved to:-

(e) delegate authority to the Head of Land and Property Assets, in consultation with the Strategic Asset & Capital Board and the Convener and Vice Convener of this Committee, to amend the Programme should priorities change due to unforeseen circumstances during the year, with such changes to be reported to the Committee as a bulletin report;

(f) delegate authority to the Head of Land and Property Assets, in consultation with the Strategic Asset & Capital Board and the Convener and Vice-Convener of this Committee, to allocate projects or additional budgets to/from a £500k contingency fund, with such allocations to be reported to the Committee as a bulletin report;

to approve the recommendations subject to amending recommendations (e) and (f) above to instruct officers to submit a full reports rather than bulletin reports to the Committee.

- 3.2 In line with this resolution a number of changes have been made to the programme and are summarised below. A confidential appendix (Appendix A) identifies the budgetary implications of the changes.

- 3.3 Change 1 – New Project. Aberdeen Treasure Hub.
- 3.3.1 Work – Additional security measures, additional Mechanical & Electrical works, revised fire stopping and gas suppression testing.
- 3.3.2 Reason – The building was handed over to the Council in August 2016. Following discussions with the Council’s insurers it was apparent that the building had to meet further insurance requirements which were not anticipated in the design phase. This work was essential to ensure the building would have sufficient insurance cover and thus be capable of being fully utilised.
- 3.4 Change 2 – New Project. Balnagask House.
- 3.4.1 Work – Call system replacement.
- 3.4.2 Reason – The system is obsolete and does not provide suitable coverage for this home for the elderly. Funding is already allocated to a similar system replacement at Fergus House. Cost estimates indicate that the budget could cover the replacement of both systems. There may be financial advantages to grouping the projects together into one contract.
- 3.5 Change 3 – Additional Budget. Greenbrae School.
- 3.5.1 Work – The extension to Greenbrae School includes a new nursery.
- 3.5.2 Reason – C&S funding was previously allocated to the refurbishment and access improvements to the existing building. The additional funds are specifically for the new nursery element of the extension which contribute significantly to early learning and childcare provision. As part of the grant settlement from the Scottish Government allocations have been given for increasing early learning and childcare provision. To date those allocations have been merged into the C&S programme due to the nature of work.
- 3.6 Change 4 – Additional Budget. Ashgrove Nursery.
- 3.6.1 Work – Development of a forest nursery.
- 3.6.2 Reason – Officers within Education & Childrens Services have now fully scoped the requirements which are more extensive than first indicated. The existing budget did not cover the full extent of work required. This project contributes to the increase in early learning and childcare provision.
- 3.7 Change 5 – New Project. Riverbank Primary.
- 3.7.1 Work – Installation of an additional nursery toilet. Including new partitions, alterations to services and new flooring.

- 3.7.2 Reason – To increase number of nursery places to 50. This project contributes to the increase in early learning and childcare provision.
- 3.8 To make provision for the new projects and additional budget requirements, changes to the programme are required to offset this. In addition to using £470k of the contingency the following changes have been made:-
- 3.9 Change 6 – Budget Reduction. Fergus House.
- 3.9.1 Work – Call system replacement.
- 3.9.2 Reason – Estimated costs less than anticipated. Remaining budget re-allocated to similar project at Balnagask House.
- 3.10 Change 7 – Underspend. Cowdray Hall.
- 3.10.1 Work – Roof repairs.
- 3.10.2 Reason – The budget allocation was based on potentially having to re-roof the entire dome. More detailed inspections identified that this was not required and work has now been completed on part of the dome/roof leaving an underspend.
- 3.11 Change 8 – Underspend. St Joseph’s RC Primary.
- 3.11.1 Work – Toilet refurbishments.
- 3.11.2 Reason – The toilets identified as unsatisfactory by the Care Inspectorate have been refurbished. A large part of the budget remained following the completion of that work. Due to the importance of the additional Education projects it was agreed to reallocate the funds. It is recognised that further toilets need to be refurbished at the school. They will be considered for inclusion in the revised C&S programme.
- 3.12 Change 9 – Deferred Project. Fernielea School.
- 3.12.1 Work – Alterations and reconfiguration to create additional classrooms.
- 3.12.2 Reason – Due to the importance of the additional Education projects it was agreed to defer this project. Subject to Committee approval the project will be added back into the C&S Programme at the September meeting of this Committee. This project was scheduled for 2018/19 which would still be possible if included in the revised programme.
- 3.13 Change 10 – Budget Reduction. Bridge of Don Academy.
- 3.13.1 Work – Toilet refurbishments.

3.13.2 Reason – Budget covers a number of toilets which may have to be phased due to the number involved. Reducing the budget leaves a substantial budget available to carry out several of the refurbishments. The remaining toilets will be considered for inclusion in the revised C&S programme.

3.14 The combined budgetary requirements of the new projects and additional work is £900k. This is offset by the use of contingency and the changes identified, which also amount to £900k. A detailed breakdown is shown in Appendix A.

4. FINANCIAL IMPLICATIONS

4.1 The overall budget across the three years remains unchanged. The £500k C&S contingency has been reduced to £30k. With the three year programme scheduled to be updated for the September meeting of this Committee it is unlikely a reduced contingency will create any issues. If there is an urgent requirement then budget can be made available by the deferring of projects scheduled for year two or year three.

4.2 Corporate fees of 15% are included with the figures stated in the report and Appendix A.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendation of this report.

6. MANAGEMENT OF RISK

6.1 **Financial**
Report for noting. No risk identified.

6.2 **Employee**
Report for noting. No risk identified.

6.3 **Customer / citizen**
Report for noting. No risk identified.

6.4 **Environmental**
Report for noting. No risk identified.

6.5 **Technological**
Report for noting. No risk identified.

6.6 **Legal**
Report for noting. No risk identified.

6.7 **Reputational**
Report for noting. No risk identified.

7. IMPACT SECTION

7.1 **Economy**

Report for noting. No impact on the strategic theme of economy.

7.2 People

Report for noting. No impact on the strategic theme of people.

7.3 Place

Report for noting. No impact on the strategic theme of place.

7.4 Technology

Report for noting. No impact on the strategic theme of technology.

8. BACKGROUND PAPERS

- 8.1 Condition & Suitability Programme 3 Year Programme 2016/17 – 2018/19 report to Finance Policy & Resources Committee 20 September 2016.

9. APPENDICES

- 9.1 Appendix A – Approved Changes (Confidential).

10. REPORT AUTHOR DETAILS

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COMMITTEE	Finance, Policy and Resources
DATE	29 June 2017
REPORT TITLE	NHS Grampian Continuous Service
REPORT NUMBER	CG17/055
DIRECTOR	Steve Whyte
REPORT AUTHOR	David Forman/Keith Tennant
CHECKLIST COMPLETED	Yes

1. PURPOSE OF REPORT:-

- 1.1 To seek approval of Committee that 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.

2. RECOMMENDATION(S)

- 2.1 The Committee is requested to:
- a) 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.

3. BACKGROUND/MAIN ISSUES

- 3.1 As the Council and NHS Grampian continue to integrate health and social care services through the Aberdeen City Health and Social Care Partnership, there will be opportunity for employees within both workforces to be employed to support service delivery in the combined partnership.

All employees working in the partnership are contractually employed by either the NHS or the Council, but as services integrate and align, there may be occasions where employees may wish to apply for vacancies advertised only by the other partner organisation which results in the need to change their contractual employer.

- 3.2 NHS Grampian is not an organisation covered by The Redundancy Payments (Continuity of Employment in Local Government, etc) (Modification) Order 1999 (or the subsequent amendment Orders). As such, were someone to

move from NHS Grampian to the Council any service that they had accrued with NHS Grampian would not be recognised by the Council for the purposes of calculating entitlement to occupational sick pay, maternity, adoption, and paternity pay, shared paternal leave /pay and annual leave (or any other employment terms and conditions).

- 3.3 To ensure that the Adult Health and Social Care Partnership, in particular, can access the widest possible pool of experienced staff from both the Council and NHS Grampian, consideration should be given to recognising previous continuous accrued service with NHS Grampian in relation to what is detailed under 2.1 above, where an employee moves to the Council's employment. This would remove a potentially punitive consequence of changing employer and so aid the recruitment process by ensuring suitably skilled individuals would not be dissuaded from applying for positions due to detriment to their terms and conditions were they to be appointed. The proposal will apply to all new appointees joining the Council from NHS Grampian.
- 3.4 It should be noted that the recommendation in this report excludes the recognition of NHS Grampian service for redundancy pay purposes, as it is considered that the Council should not be responsible for accruing cost liabilities from a previous employment in respect of any possible future redundancies affecting former NHS Grampian staff. It also excludes the recognition of NHS Grampian service for all other statutory employment rights e.g. unfair dismissal.
- 3.5 It should also be noted that NHS Grampian currently recognise continuous Council service in relation to similar employment conditions where an employee of the Council is appointed to an NHS Grampian post. In addition Aberdeenshire Council and the Moray Council have opted to recognise NHS Grampian service on a similar basis to what is being proposed in this report.

4. FINANCIAL IMPLICATIONS

- 4.1 Costs associated with occupational benefits may increase as recognition of continuous service accrued with NHS Grampian could mean entitlement to occupational benefits such as sick pay from day one of employment. Any extra costs would be case dependent and so are not quantifiable.

5. LEGAL IMPLICATIONS

- 5.1 By approving the proposal employees will gain specific contractual benefits based on continuous service which they would not be entitled to otherwise.

6. MANAGEMENT OF RISK

6.1 Financial

A risk relating to the recommendation in this report is that the costs associated with occupational benefits may increase as recognition of continuous employment for NHS Grampian employees who join the Council could mean entitlement to occupational benefits such as sick pay from day

one of employment. However, it is expected that the risk of significant additional costs is low as the numbers likely to be appointed from NHS Grampian should not be significant and this should be outweighed by an increased ability to attract experienced staff.

Employee

Consideration has been given and no risk or impact was identified.

Customer / citizen

Consideration has been given and no risk or impact was identified.

Environmental

Consideration has been given and no risk or impact was identified.

Technological

Consideration has been given and no risk or impact was identified.

Legal

Consideration has been given and no risk or impact was identified.

Reputational

Consideration has been given and no risk or impact was identified.

7. IMPACT SECTION

7.1 Improving Customer Experience –

By the Council recognising continuous service accrued with NHS Grampian in respect of certain terms and conditions of employment this should contribute to improving the customer experience through improved recruitment and retention of staff within the Adult Health and Social Care Partnership (and other Council services) and the resultant service delivery benefits. Where previously an individual may have felt unable to move to a Council position from NHS Grampian to progress their careers due to not being able to maintain similar accrued service benefits to what they are currently on, the approval of this proposal will help remove this impediment.

7.2 Improving Staff Experience –

By applying the recommendation in this report it is expected that there will be benefits to the staff experience in the Adult Health and Social Care Partnership in particular (as well as in other Council services). It should assist in the improvement of levels of engagement and morale as a 'one service' culture develops within the Partnership. With the removal of a significant potential barrier to advancement, where a technical change of employer would be required and a potential reduction in terms and conditions of service occurring, staff moving from NHS Grampian to the Council will now be reassured that there will be less risk of penalty were they to seek a promoted post in the Partnership (or a post in another Council service).

A consequential benefit of this is to have a more fluid talent pool so that while experienced members of staff progress, being retained by the organisation,

there is a freeing up of posts lower down the organisation structure that allows wider development opportunities for new or junior members of staff.

7.3 Improving our use of Resources –

By applying the recommendation in this report, this may increase the pool of potential applicants for posts within the Adult Health and Social Care Partnership (and in other Council services), and a consequential positive effect may be a reduction in recruitment advertising spend. This may be achieved by reducing the need for external advertising of posts as more are filled from the two partner organisations. It could also reduce the likelihood of requiring to re-advertise posts where attempts to recruit may have previously failed.

Further, by being able to recruit from as wide a pool as possible, the Council should be better able to appoint skilled individuals who can implement more efficient working practices thus leading to improved use of resources.

7.4 Corporate –

The proposal supports the Integrated Health and Social Care strategic plan in that it should enable a wider pool of potential candidates for recruitment to posts within the Adult Health and Social Care Partnership.

The proposal also supports the Council's aims of partnership working as per section 4.3 Working in Partnership, of the Strategic Business Plan Refresh 2016 – 2017.

7.5 Public –

It is not expected that this report will be of interest to the public as it concerns a specific employment related measure that will solely affect NHS Grampian employees who are appointed to Council posts going forward.

7.6 Economy

The proposal will have no impact on the local economy.

7.7 People

An Equality and Human Rights Impact Assessment has been undertaken in relation to this proposal, with no negative impacts identified.

7.8 Place

The proposal will have no impact on the environment.

7.9 Technology

There are no technology implications in relation to this proposal.

8. BACKGROUND PAPERS

The Redundancy Payments (Continuity of Employment in Local Government, etc) (Modification) Order 1999 (and the subsequent amendment Orders)

9. APPENDICES (if applicable)

N/A

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance Policy and Resources
DATE	29 June 2017
REPORT TITLE	Tillydrone Community Hub Update
REPORT NUMBER	CHI/17150
DIRECTOR	Bernadette Marjoram
REPORT AUTHOR	Paul Tytler

1. PURPOSE OF REPORT:-

- 1.1 This report provides an update on proposals for the development of the new community hub in Tillydrone and seeks approval for a construction tendering exercise to take place. This report also provides the committee with an update in relation to the bid to the Scottish Government Regeneration Capital Grant Fund (RCGF).

2. RECOMMENDATION

- 2.1 It is 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.

3. BACKGROUND

- 3.1 At present in Tillydrone there are several organisations providing a range of services and activities which support the community, including youth projects, employability & welfare support activities and social and recreational programming. These are delivered from Council buildings and units within a shopping arcade, which is largely no longer used for retail purposes: one unit remains as a small convenience store. There is also a separate Housing Office, where the community can access Housing and other Council services. The buildings, and the shopping arcade in particular, are outdated and becoming increasingly unfit for purpose to the detriment of the centre of the community.

- 3.2 There is recognition that the residents of Tillydrone need better community facilities with the emphasis on encouraging collaboration among different organisations to improve service delivery and better meet community needs. An additional advantage is to make more efficient use of resources, by sharing common facilities rather than each organisation having its own separate building.
- 3.3 The new Community Hub aims to provide a modern and fit for purpose building which will accommodate a variety of services and provide community activities to the benefit of the Tillydrone community.

Project Delivery

- 3.4 The hub has been designed following extensive and ongoing community involvement, and final design work is now underway in line with the project plan. The costs have been verified externally and an application has been submitted for planning permission. Projects will shortly be moved from the shopping arcade to allow asbestos survey, removal and demolition works. The main construction tender will be issued shortly thereafter, with construction expected to begin late in 2017 after demolition and groundworks are completed. This paper seeks approval for the Head of Communities and Housing, in consultation with the Head of Commercial and Procurement to undertake or instruct tendering procedures or competitive quotes procedures as appropriate and the awarding of contracts following thereon, up to the aggregate value of £6million for the entire project.

Project Scope

- 3.5 This project is to build a new Community Hub which will accommodate a variety of services and provide community activities to the benefit of the Tillydrone community.

The hub will:

- Provide a focal point in the community;
- Be accessible to all residents and groups in the neighbourhood;
- Give potential to strengthen Community Empowerment, local community activity, enable easier access to services and bring residents, the local business community and other organisations together in one place to improve quality of life in the area;
- Allow groups accommodated within the Hub to share facilities, resources and knowledge to provide the best possible service to the community;
- Incorporate energy efficient design to reduce energy waste (e.g. insulation, efficient heating);
- a Zero Waste approach is being explored;
- Incorporate up-to-date digital connectivity in its design.

- 3.6 The project benefits are articulated in the project business case and application to Scottish Government Regeneration Capital Grant Fund. In addition, the project benefits are being incorporated in a project benefit realisation plan and integrated project plan.

4. FINANCIAL IMPLICATIONS

- 4.1 The Council has allocated £3.5m in the Non Housing Regeneration Capital Programme, agreed by Council in February 2017. A further £0.6m has been agreed in the Housing Capital Budget to relocate the housing office within the new hub. The project has been costed at £6.0m, with the £4.1m allocation by the Council being supplemented by £1.9m Scottish Government RCGF grant.

- 4.2 The project has been awarded Scottish Government Regeneration Capital Grant funding of £1.9m in addition to the Aberdeen City Council allocation of £4.1m, meeting the overall project budget of £6.0m. The budget will cover demolition, construction, fit-out, internal professional fees, statutory consents and surveys, tests etc.
- 4.3 The project is expected to be revenue neutral with options being explored to deliver revenue savings in energy costs. The project will further allow the consolidation of existing community buildings, including an existing community centre that is not well used and will increasingly require repairs and maintenance: opportunities for disposal will be pursued. The project will further allow two flats to revert to housing purposes, alleviating demand for that housing type and allowing a (small) increase in rental income. Opportunities to reuse the current community library will also be explored as a means of reducing Council assets.

5. LEGAL IMPLICATIONS

- 5.1 ACC Procurement Regulation 4.1.1 states that: - “No tender shall be invited or contract entered into unless the total estimated expenditure has been previously approved. The allocation of a budget as part of the Council’s budget setting process is insufficient.”
- 5.1.1 This report seeks approval of the total estimated expenditure for a number of services and works contracts to deliver the project without the need to seek separate Committee approval for each and every contract. Procurement of services and works contracts will be carried out in accordance with the Council’s Procurement Regulations and where appropriate, a fully compliant tender process will be conducted prior to contract award.
- 5.2 Failure to authorise expenditure means that work on the project cannot continue.
- 5.3 Formal arrangements governing the occupation of the Tillydrone Community Hub by external organisations (for example, a lease or licence to occupy) will be put in place prior to the date of entry by such organisations. Such arrangements shall be authorised by Chief Officers under the Council’s Scheme of Delegation.

6. MANAGEMENT OF RISK

- 6.1 Consideration has been given to Financial, Employee, Customer/Citizen, Environmental, Technological, Legal and Reputational risks. Impacts have been identified and are managed through the project risk register and project governance arrangements with the Communities Projects Board.
- 6.2 The project is broadly in line with the project plan and approval for the tendering process is required to maintain this and to ensure sufficient progress can be made on construction in 2017/18 to meet the requirement of the RCGF that grant spend takes place this financial year, and the £1.9m grant is not therefore put at risk.
- 6.3 Partners have been operating from various council properties for well over 10 years. These partners are well established community bodies. As such, the risks in relation to the sustainability of these groups and their continued occupation of the hub, is considered low.
- 6.4 An application for planning permission has been submitted. Should planning permission be significantly delayed, this may result in the loss of grant funding. The

risk is being managed through the project management team with close working with planning colleagues and is highlighted in the project risk register.

- 6.5 Any contracts awarded prior to planning permission being granted shall give the Council the right to terminate said contracts if planning permission is not approved.

7. IMPACT SECTION

Economy

- 7.1 The new hub will support the delivery of inclusive economic growth by ensuring improved access to co-located council, partner and third sector services to support people in improving employability and tackling poverty. The project also includes improved retail unit provision allowing potential development of more affordable retail provision for the community, as well as a small retail unit allowing the development of a community or social business, to provide volunteering training and routes to employment for people in the community.

People

- 7.2 The hub will support the delivery of key improvements for people as described in the locality plan, overseen by the locality partnership. Capacity within the community for new activities is limited and the community has a limited community and social offering. The hub will provide increased capacity allowing improved programming with more opportunities for people to engage, improving people's sense of involvement and engagement in the community. The co-location of community projects, Council and partner services will support the delivery of locality plan priorities.
- 7.2.1 The new hub will be fully accessible, improving access to facilities and services for people with mobility issues. The hub will also be a focus for delivery of actions against drivers in the locality plan, particularly around promoting sense of community, feeling involved and overall community cohesion. The locality has a population with around 25% of people from other European countries, and the hub will be a focal point for ensuring services and activities meet the needs of everyone in the community.
- 7.2.2 The hub and projects will also be central in supporting actions to tackle domestic violence, a likely priority from the locality plan. This is a significant issue in the community and the hub and projects will reinforce work to ensure people can access the specialist support and services required to help address this issue.

Place

- 7.3 The hub will significantly improve amenity in the heart of the community, with modern purpose built accommodation replacing out of date and run-down buildings. This will ensure there are places for people to meet, with a new community café (providing training and skill development opportunities). This will underpin locality plan priorities around improving community cohesion.

Technology

- 7.4 The centre will make best use of technology from an environmental point of view – the building will connect to the Combined Heat and Power system and use solar panels to achieve BREEAM building standards; a Zero Waste approach is being considered, to include onsite composting and re-use of food waste; the implications of a connection to the nearby community hydro scheme are also being explored.

The area is already part of the Northern Wifi Regeneration project and community use will continue to be developed and expanded, becoming increasingly important for supporting people with the implementation of full service Universal Credit, expected in 2018.

8. BACKGROUND PAPERS

8.1 Tillydrone Community Hub, Communities, Housing and Infrastructure, 27 August 2015 - CHI/15/234

9. APPENDICES (if applicable)

Not applicable

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