

FINANCE, POLICY AND RESOURCES COMMITTEE

ABERDEEN, 1 February 2018. Minute of Meeting of the FINANCE, POLICY AND RESOURCES COMMITTEE. Present:- Councillor Lumsden, Convener; Councillor Graham, Vice-Convener; and Councillors Allan (as substitute for Councillor Laing for articles 15 and 21), Allard, Cameron, Councillor Donnelly, the Depute Provost, Jackie Dunbar, Duncan (as substitute for Councillor Houghton from article 10 onwards), Flynn, Houghton, John, Laing, Macdonald, Catriona Mackenzie, Nicoll, Sellar, Townson, Wheeler (as substitute for Councillor Reynolds) and Yuill.

The agenda and reports associated with this minute can be found at:-

<https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MI d=5851&Ver=4>

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DETERMINATION OF URGENT BUSINESS

1. The Convener had determined that the following items of business be considered as matters of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973:-

- Item 9.3 (Council Financial Performance – Quarter 3, 2017/18; and
- Item 10.8 (Disposal of Former Victoria Road School).

The Committee resolved:-
to concur with the Convener.

DETERMINATION OF EXEMPT BUSINESS

2. The Convener proposed that the Committee consider items 11.1 (Aberdeen Art Gallery Redevelopment and Provost Skene's House Refurbishment and Museum Progress – Exempt Appendix), 11.2 (Pension Fund Guarantee Request), 11.3 (Human Capital Management), 11.4 (Dyce Learning Centre Improvements), 11.5 (Ferryhill Engine Shed Lease), 11.6 (Langdykes Road – Proposed Ground Lease) and 11.7 (Disposal of Former St Peter's Nursery, Spital) 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 11.1 of the agenda so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act:- articles 24 and 26 (paragraph 8), article 25 (paragraph 4), article 27 (paragraphs 6 and 10), articles 28, 29, 30 (paragraphs 6 and 9).

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DECLARATIONS OF INTEREST

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

- (1) the Convener declared an interest in item 11.2 (Pension Fund Guarantee Request) by virtue of him being a Council appointed Board member of the organisation outlined in the exempt report. He considered that the nature of his interest required him to leave the meeting and he took no part in the consideration of this item;
- (2) Councillor Laing declared an interest in item 10.1 (Visit Aberdeenshire – 12 Month Progress Report) and item 10.7 (Aberdeen in Colour – A Creative Lighting Strategy and Implementation Plan for Aberdeen City Centre) by virtue of her being a Council appointed Board member of Visit Aberdeenshire and Aberdeen Inspired respectively. She considered that the nature of her interest required her to leave the meeting and she took no part in the consideration of these items;
- (3) Councillor Laing also declared an interest in item 10.2 (Commercial Waste Containers Revised Policy) by virtue of her being a Council appointed Board member of Aberdeen Inspired. She considered that the nature of her interest did not require her to leave the meeting and therefore chose to remain in the meeting for consideration of this item;
- (4) Councillors Houghton and Yuill declared an interest in items 10.9 and 11.1 (Aberdeen Art Gallery Redevelopment and Provost Skene's House Refurbishment and Museum Progress) by virtue of them being Council appointed members of Robert Gordon's College Board of Governors, which was a neighbouring property. They considered that the nature of their interest would not require them to leave the meeting and therefore chose to remain in the meeting for consideration of this item; and
- (5) Councillors Cameron and Wheeler declared an interest in item 9.3 (Council Financial Performance – Quarter 3, 2017/18) by virtue of them being Council appointed Directors of Aberdeen Sports Village. They considered that the nature of their interest would not require them to leave the meeting and therefore chose to remain in the meeting for consideration of this item.

REQUESTS FOR DEPUTATION

4. The Committee had before it a request for deputation from Mr David Fryer on behalf of Torry Development Trust relating to item 10.8 (Disposal of Former Victoria Road School).

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The Committee resolved:-

to agree to hear the deputation from Mr David Fryer immediately prior to consideration of the report, which would be taken earlier on the agenda.

MINUTES OF PREVIOUS MEETINGS OF 1 DECEMBER 2017 AND RECONVENED MEETING OF 6 DECEMBER 2017 - FOR APPROVAL

5. The Committee had before it the minutes of its previous meetings of 1 and 6 December 2017, for approval.

The Committee resolved:-

to approve the minutes as correct records.

COMMITTEE BUSINESS STATEMENT

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

The Committee resolved:-

- (i) to remove item 3 (Ferryhill Engine Shed – Lease), item 8 (City Centre Lighting Strategy and Implementation Plan), item 13 (Lochside Academy Supported Bus Service for Cove – Proposed Fare), item 16 (Towards a Fairer Aberdeen That Prospers for All 2017-20 (Food and Fun) – Plan for School Meals During Holidays), item 17 (Disposal of Former Victoria Road School) and item 18 (Aberdeen Art Gallery Redevelopment and Provost Skene’s House Refurbishment and Museum Progress) subject to the decisions taken later on the agenda;
- (ii) that in relation to item 6 (City Centre Living Study), that officers would circulate further details, if available, of the payment schedule relating to consultants;
- (iii) that the statement would be updated at item 10 (Site at Beach Esplanade/King Street) to reflect an accurate sequence of events relating to AICT; and
- (iv) to otherwise note the updates provided.

COMMITTEE TRACKER

7. The Committee had before it the Report Tracker containing future committee business.

The Committee resolved:-

to note the information contained within the Report Tracker.

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JOINT NOTICE OF MOTION BY COUNCILLORS FLYNN AND NICOLL - LAND ADJACENT TO GATEWAY BUSINESS PARK, COVE

8. The Committee had before it a joint Notice of Motion by Councillors Flynn and Nicoll in the following terms:-

that the Committee -

- (1) Instructs officers to suspend the proposed sale of land adjacent to the Gateway Business Park, Cove (OP53);
- (2) Instructs officers to engage with members of the local community regarding the land which they would require from OP53 in order to work towards their aim of providing a community-based sport facility in the area, as per the spirit of the Community Empowerment (Scotland) Act 2015; and
- (3) That the outcome of these discussions, as well as any legal and financial implications, be reported back in two cycles to the appropriate Committee in the new Committee Structure.

The Committee resolved:-

to adopt the terms of the motion.

URGENT NOTICE OF MOTION BY CONVENER

9. At this juncture, the Convener advised that he was submitting an urgent notice of motion and in accordance with Standing Order 11.5, he was accepting it on the agenda today.

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

that the Committee:-

- (1) deplores that despite the additional revenues received in the draft budget Aberdeen City Council is still the lowest funded council in Scotland;
- (2) agrees that Aberdeen City Council the 3rd largest city in Scotland General Revenue Funding Grant from the Scottish Government including 85% floor funding in 2017/18 was £114.288m;
- (3) agrees that Aberdeen City Councils General Revenue Funding Grant from the Scottish Government including 85% floor funding in 2018/19 will be £92.245m;
- (4) condemns that Aberdeen City Council is receiving a cut to its General Revenue Funding Grant from the Scottish Government this year of £22.043m;
- (5) notes that Dundee City Council the 4th Largest City in Scotland will receive a General Revenue Grant Funding for 2018/19 of £229.820M as against £214.774m for 2017/18, an increase in General Revenue Grant of £15.046m;
- (6) agrees that between them Aberdeen City Council citizens via Council Tax and businesses via Business Rates fund £319.694M which equates to

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- around 79% of the total spend in Aberdeen the highest percentage in Scotland;
- (7) regrets the lack of provision for businesses affected by the poor handling of the business rates issue in the city by the Scottish Government;
 - (8) agrees even with this revised settlement Aberdeen City Council will be forced to look at cuts to vital services and instructs the Chief Executive to invite constituency and Regional MSPs and the President and Chief Executive of CoSLA to a meeting with all group leaders before the budget is agreed by the Scottish Parliament in order for Aberdeen politicians to unite for a fairer settlement for Aberdeen; and
 - (9) instructs the Chief Executive to write to the President of CoSLA copying in the Chief Executive of CoSLA noting Aberdeen City Council's dissatisfaction with the proposed settlement and urges CoSLA to reject the financial settlement offered by the Scottish Government.

The Convener spoke in support of his motion and explained the rationale behind his request. The motion was seconded by the Vice Convener.

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

- (1) notes that as per the Stage 1 debate held in the Scottish Parliament on the 31st January, Aberdeen will receive an additional £5.6million as part of the funding settlement;
- (2) regrets alleged comments by the Co-Leader of the Council, reported in the P&J, that the budget may be cut by "£35 million" and further comments that the budget was due to be cut by a further "£3.5million" neither of which reflect the settlement;
- (3) notes that at the meeting of Finance, Policy and Resources on 01 December 2017, the administration voted to reject financial support for the manufacturing sector in Aberdeen;
- (4) notes that the Scottish Government put in place approximately £7.5million for hospitality and office space as part of non-domestic rates relief scheme; and
- (5) calls on the Chief Executive of the Council to write to the Chief Executive of COSLA calling for a review of the funding mechanism.

Councillor Yuill moved as a further amendment:-

to approve the Convener's motion with the addition of Councillor Flynn's amendment number (5) above.

Councillor Yuill's amendment was not seconded, therefore in terms of Standing Order 26.10 the amendment fell.

On a division, there voted:- for the motion (10) – the Convener, the Vice Convener and Councillors Donnelly, Houghton, John, Laing, Macdonald, Sellar, Wheeler and Yuill; for

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the amendment (7) – Councillors Allard, Cameron, Jackie Dunbar, Flynn, Catriona MacKenzie, Nicoll and Townson.

The Committee resolved:-

to adopt the terms of the motion.

CORPORATE GOVERNANCE SERVICE OUTCOME IMPROVEMENT REPORT - CG/17/151

10. With reference to article 11 of the minute of meeting of 20 September 2017, the Committee had before it a report by the Director of Resources which outlined key performance information for the Corporate Governance Directorate service and how it related to strategic priorities.

The report recommended:-

that the Committee note the Service Outcome Improvement Report for the Corporate Governance Directorate and the information contained therein.

The Committee resolved:-

- (i) to approve the recommendation; and
- (ii) that officers investigate whether statistics could be obtained and circulated to members in relation to the number of calls abandoned where people have contacted extension numbers (as opposed to the Customer Contact Centre).

CORPORATE GOVERNANCE FINANCIAL PERFORMANCE - QUARTER 3, 2017/18

11. With reference to article 11 of the minute of meeting of 1 December 2017, the Committee had before it a report by the Director of Resources which provided the full year forecast position of Corporate Governance for the financial year 2017/18, for both revenue and capital accounts.

The report recommended:-

that the Committee note the Corporate Governance forecast revenue and capital position as detailed in Appendix 1 of the report.

The Committee resolved:-

to approve the recommendation.

MATTER OF URGENCY

In accordance with the decision recorded under article 1 of this minute, the following item was considered as a matter of urgency in terms of Section

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50(B)(4)(b) of the Local Government (Scotland) Act 1973 as reporting to this Committee rather than delaying to a later Committee cycle represented good practice in allowing timely consideration of the Council's financial position. It further supported the external auditors in their audit of the Q3 hard closedown.

COUNCIL FINANCIAL PERFORMANCE - QUARTER 3, 2017/18 - CG/18/010

12. With reference to article 13 of the minute of meeting of 1 December 2017, the Committee had before it a report by the Director of Resources which outlined the financial position of the Council, as at Quarter 3 (October – December 2017) and the full year forecast position for the financial year 2017/18, including:-

- General Fund and Housing Revenue Account (HRA) revenue and capital accounts and the associated Balance Sheet; and
- Common Good Revenue Account and Balance Sheet.

The report recommended:-

that the Committee –

(1) note the following:-

- (a) General Fund and HRA financial performance as detailed in Appendix 1;
- (b) Common Good financial performance as detailed in Appendix 3;
- (c) General Fund forecast revenue position as detailed in Appendix 2;
- (d) HRA forecast revenue position as detailed in Appendix 2;
- (e) General Fund forecast capital position as detailed in Appendix 2;
- (f) HRA forecast capital position as detailed in Appendix 2;
- (g) Common Good forecast revenue position as detailed in Appendix 2;
- (h) Group Entities forecast revenue position as detailed in Appendix 4; and
- (i) The requirement to use an Effective Interest Rate (EIR) method to account for the Council's bond issuance in order to comply with accounting standards and the resulting impact of this as detailed in Appendix 1.

(2) agree the following, further details of which are provided in Appendix 1 of the report:-

(a) Reserves

- (i) The Head of Finance review the overall financial position in the context of the Council's Balance Sheet and Reserves and take action to ensure the Council is suitably prepared for future revenue and capital investment purposes;
- (ii) In the context of a) above, the Head of Finance investigate the option to use capital receipts to fund the costs of the VS/ER in 2017/18 and if deemed suitable utilise this option; and
- (iii) The Head of Finance explore the possibility of the scheme referred to in b) above being extended beyond the current expiry date of 1

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April 2018, such that this option is available for use in future financial years.

The Committee resolved:-

to approve the recommendations.

SMALL FINANCIAL ASSISTANCE GRANTS & GALA FUNDING 2017/18 - CG/17/153

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

The report recommended:-

that the Committee consider the application received and agree that no grant be awarded to Austin MacAulay Publishers Ltd.

The Committee resolved:-

to approve the recommendation.

CORPORATE CHILD PROTECTION POLICY AND PROCEDURE - ECS/18/007

14. The Committee had before it a report by the interim Directors of Education and Children's Services which presented an updated Child Protection – Corporate Policy and Procedure and outlined its implications for all Council staff and elected members.

The report recommended:-

that the Committee note the updated Child Protection - Corporate Policy and Procedure and its implications for immediate implementation.

The Committee resolved:-

to approve the recommendation.

VISIT ABERDEENSHIRE - 12 MONTH PROGRESS REPORT - CHI/17/272

15. With reference to article 5 of the minute of meeting of 1 December 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 VisitAberdeenshire in the period from 1 April 2017 to present. It covered Year 2 of the Council's contract for the supply of Tourism Marketing Services and the objectives as set out in the contract schedule.

Mr Chris Foy, Chief Executive of VisitAberdeenshire was in attendance and answered a number of questions from members.

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The report recommended:-

that the Committee –

- (a) note the progress report from VisitAberdeenshire appended to this report;
- (b) note that a financial contribution to VisitAberdeenshire in 2018/19 is subject to the Council's 2018/19 budget setting process; and
- (c) delegate authority to the Head of Economic Development, the Head of Finance and the Head of Legal & Democratic Services to negotiate the 2019-2020 financial contribution to Visit Aberdeenshire, in line with a new contract.

The Committee resolved:-

- (i) to approve the recommendations, subject to amending recommendation (c) above to add 'subject to the Council's 2019/20 budget setting process';
- (ii) to note that details of the negotiated contract would be reported back to the Committee; and
- (iii) to request that information in relation to the economic impact of the service delivered by Aberdeen Festivals be circulated to members.

COMMERCIAL WASTE CONTAINERS REVISED POLICY - CHI/17/265

16. With reference to article 24 of the minute of meeting of the Enterprise, Planning and Infrastructure Committee of 29 August 2013, the Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which provided an update to the policy relating to the ongoing practice of commercial waste containers being left on the public road and to define a restriction in collection times to control the indiscriminate obstruction of streets and pavements.

The report recommended:-

that the Committee –

- (a) endorse the attached policy and approve the proposed course of action to actively reduce the problems associated with commercial waste containers; and
- (b) approve the Implementation Date of 1st May 2018 with enforcement and charging commencing 1st October 2018.

The Committee resolved:-

to approve the recommendations.

LOW CARBON TRAVEL TRANSPORT FUND - CHI/17/315

17. The Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which provided an update on Transport's Scotland Low Carbon Travel and Transport Fund.

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The report recommended:-

that the Committee –

- (a) note Aberdeen City Council's potential participation in Transport Scotland's Low Carbon Travel and Transport (LCTT) Challenge Fund;
- (b) note that participation was subject to:-
 - (1) Submission of a successful application to the LCTT Challenge Fund for grant funding of £1,014,772; and
 - (2) Submission of a final business case for the project to a future Policy & Resources Committee;
- (c) note that potential match funding from the Council of £434,903 towards the capital cost of the project Council would come from the existing AECC contingency budget; and
- (d) note the draft business model which had been developed for the operation of the AECC Refuelling Hub and the associated expenditure and revenue streams.

The Committee resolved:-

to approve the recommendations.

LOCHSIDE ACADEMY SUPPORTED BUS SERVICE FOR COVE – FARE STRUCTURE - CHI/17/317

18. With reference to article 10 of the minute of meeting of the Education and Children's Services Committee of 16 November, 2017, the Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which sought approval for the fare structure on the proposed supported bus service between Cove and Lochside Academy.

The report recommended:-

that the Committee -

- (a) approve the fare structure detailed in the report;
- (b) agree to include the option for bus operators to submit a tender bid where their commercial fare structure would apply on the supported bus service; and
- (c) request the Interim Head of Planning and Sustainable Development to provide a service update to members in June 2018 on the outcome of the tendering exercise for the supported bus service detailing what fares will apply.

The Committee resolved:-

- (i) to approve the recommendations, subject to:-
 - Adding the words 'at section 3.3.4' after the word 'detailed' in recommendation (a); and
 - amending recommendation (c) by deleting 'service update' and replacing it with 'brief report'; and

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- (ii) to note that the recommendations agreed would be subject to the 2018/19 budget setting process.

EXTERNAL PARTNERSHIP ACTIVITY - CHI/17/320

19. The Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which sought approval for nomination of an Elected Member to the North Sea Commission's Transport Thematic Group and approval for a working trip to Pemba, Mozambique in February 2018 in order to sign the Memorandum of Understanding between Aberdeen and Pemba.

The report recommended:-

that the Committee –

- (a) nominate an Elected Member to the role of Vice Chair of the North Sea Commission's Transport Thematic Group;
- (b) approve international travel of an Elected Member and Officer to attend up to four meetings per annum of the NSC Transport Thematic Group, subject to Aberdeen City Council's 2018/19 budget setting process; and
- (c) approve the working trip to Pemba, Mozambique and associated costs of a maximum of £1,680 as outlined in this report.

The Committee resolved:-

to approve the recommendations.

TOWARDS A FAIRER ABERDEEN – PROVISION OF MEALS TO CHILDREN DURING SCHOOL HOLIDAYS - CHI/17/322

20. With reference to article 8 of the minute of the previous meeting of 6 December 2017, the Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which sought approval of a framework to enable provision of free meals to school children during school holidays.

The report recommended:-

that the Committee -

- (a) agree the proposed framework for providing school meals to school children during school holidays, subject to securing budget allocation which will be determined through the Council 2018/19 budget setting process;
- (b) delegate power to the Head of Communities and Housing, in consultation with the Head of Finance to approve funding grants for the purpose of providing meals and activities to school children during school holidays, any such funding award to be subject to an agreement approved by the Head of Commercial and Procurement Services;

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- (c) instruct the Head of Communities and Housing to engage the Fairer Aberdeen Board and Locality Partnerships seeking their involvement to determine their role in agreeing funding allocations and subsequent monitoring; and
- (d) instruct the Head of Communities and Housing to report back to the Finance, Policy and Resources committee within fifteen months on the delivery of the programme.

The Committee resolved:-

- (i) to approve the recommendations; and
- (ii) that a Service Update be circulated to members after Summer 2018.

ABERDEEN IN COLOUR – A CREATIVE LIGHTING STRATEGY AND IMPLEMENTATION PLAN FOR ABERDEEN CITY CENTRE - OCE/17/028

21. With reference to article 24 of the minute of meeting of 9 March 2017, the Committee had before it a report by the Director of Resources which sought approval of the Aberdeen in Colour – A Creative Lighting Strategy and Implementation Plan for Aberdeen City Centre.

The report recommended:-

that the Committee –

- (a) approve the Aberdeen in Colour – City Centre Creative Lighting Strategy; and
- (b) instruct the City Centre Masterplan Programme Manager to initiate action to implement Aberdeen in Colour through the development of business cases for creative lighting projects to be considered at future meetings of the Committee.

The Committee resolved:-

- (i) to approve the recommendations; and
- (ii) to instruct the Chair of the City Centre Masterplan Board to enter into discussions with Aberdeen Inspired, Opportunity North East, Aberdeen & Grampian Chamber of Commerce and Creative Scotland to identify any possible funding streams to expedite implementation of the creative lighting strategy and to incorporate the outcome of these discussions within any business cases that are brought before the appropriate Committee.

MATTER OF URGENCY

In accordance with the decision recorded under article 1 of this minute, the following item was considered as a matter of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 as there is a need to ensure that a decision on the future of this building could be taken as soon as possible to allow plans to be developed to bring the site back into economic use.

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DISPOSAL OF FORMER VICTORIA ROAD SCHOOL - CHI/17/312

22. (A) In accordance with article 4 of this minute, the Committee heard the following deputation from Mr David Fryer and Mr Alistair Spence on behalf of Torry Development Trust.

Mr Spence made reference to a meeting with two Council officers who requested details of Torry Development Trust (TDT). He indicated that he had the impression that the officers had made their mind up that the TDT could not deliver their proposals, hence the report's recommendation to market the site.

He advised that in a few short weeks, the TDT had before them three different proposals for the site, however the officer report was not complimentary inferring that they would not be able to carry out their proposals. He wanted to clarify that the comments in the report which stated that they had no interest in what happened to the building as long as it was saved, were very much taken out of context. He explained that what he had referred to in this statement was that he could not care less what was done 'in terms of the three proposals', as long as the building heritage was saved.

The Committee then heard Mr Fryer make reference to the previous meeting on 1 December 2017, at which the TDT presented the case for retention of the very fine examples of granite heritage and the need to link these to new uses to meet community needs following full restoration. He explained that they had received a hand of friendship for the TDT to take the lead to develop alternative uses on the Victoria Road School site and were professionally advised by others in the family of development trusts that up to six months would be needed to present their assessments.

He indicated that TDT had started small and was growing with opportunity and support to progress a detailed evaluation followed by public consultations on identified options to date. He questioned whether the door was being closed on them.

He made reference to the time TDT have had since the previous Committee meeting (27 working days), and during this short time they had identified strong community focused options through meeting three potential development partners and projects that could deliver community benefits such as affordable housing, working mum's nursery, job club, heritage museum and sports/youth provision for Torry and the city.

He advised that in the days and weeks open to them, they had received goodwill, pro-bono offers from individual professionals, the Scotland Town Partnership, Grampian Housing Association and the Development Trust Association to assist and support them as an effective development partner.

He indicated that their community knowledge, skills and attributes of some 200+ years was an invaluable resource in that they were the community cement that could bond

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together a project with the potential development partners to help them achieve a new future for the granite heritage of Old Torry. In addition, in the last week, he explained that they had received 15 applications for membership of the TDT and there were more arriving as interest in their endeavours had grown.

Mr Fryer advised that Torry had a history of centuries of innovation, achievement and enterprise and a soon to be published book would record numerous Torry firsts, many of which now had world-wide significance. He explained that they were driven by that same community enterprise that also brought together funding for the first harbour school at Abbey Road in 1875. He made reference to the School, indicating that it was one of the last granite assets of Old Torry which was taken into Council ownership by the then Aberdeen Schools Board and stated that a locally lead community with inputs and engagement could help restore these fine buildings to once again meet the community needs of today. He requested that the Council should join them and allow them to complete the programme as submitted.

Mr Fryer concluded by asking members to give them the tools and they would finish the job they had started.

(B) With reference to article 9 of the minute of meeting of 1 December 2017, the Committee had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on the discussions with Torry Development Trust following the Committee on 1 December 2017 and sought approval for the recommendations in order to see the property and the site brought back into economic use.

Torry Development Trust's Indicative Project Programme, dated 25 January 2018 had been tabled at the meeting.

The report recommended:-

that the Committee -

- (a) instruct the Head of Land and Property Assets to openly market the site with the aspiration that proposals from interested parties must seek to retain as much of the buildings on the site as possible; and
- (b) note that the outcome of the marketing exercise would be brought back to the most appropriate committee before the summer recess.

The Convener, seconded by the Vice Convener moved:-

that the recommendations included within the report be approved.

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

that the Committee –

- (1) delay marketing the site meantime; and
- (2) extend the period of discussion with the Torry Development Trust to 1 June 2018, to allow them to bring back proposals to develop the site.

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

The Committee resolved:-

to adopt the motion.

In terms of Standing Order 31.1, Councillor Nicoll intimated that he would like this matter to be referred to full Council in order for a final decision to be taken. Councillor Nicoll was supported by Councillors Allard, Cameron, Jackie Dunbar, Flynn, Catriona MacKenzie, Nicoll, Townson and Yuill.

ABERDEEN ART GALLERY REDEVELOPMENT AND PROVOST SKENE'S HOUSE REFURBISHMENT AND MUSEUM PROGRESS - ECS/18/012

23. With reference to article 14 of the minute of meeting of 6 December 2017, the Committee had before it a report by the interim Directors of Education and Children's Services which provided detail on the urgent, necessary and desirable works for Provost Skene's House and sought approval for the additional spend associated with the revised scope of works and construction programme for Aberdeen Art Gallery.

The report recommended:-

That the Committee –

- (a) note the amended programme for the Aberdeen Art Gallery redevelopment as presented in paragraphs 3.3 and 3.4 of this report;
- (b) note the breakdown of works for Provost Skene House which were identified as urgent, necessary and desirable and which were presented at 3.2 (Table 1) of this report;
- (c) approve Option 3 in regard to the refurbishment of Provost Skene's House as detailed in the Exempt Appendix 1 of this report;
- (d) delegate authority to the Interim Director of Communities, Housing and Infrastructure, following consultation with the Head of Commercial and Procurement Services, to undertake a tender process for the procurement and thereafter award of contract to undertake internal and external works;
- (e) instruct the Head of Finance to identify funding options for the additional costs of Aberdeen Art Gallery redevelopment and Provost Skene's House revised scope of refurbishment as presented in Section 2 of the Exempt Appendix 1 and submit this to the Council's 2018/19 budget setting meeting;
- (f) approve the total estimated expenditure for Provost Skene's House refurbishment as detailed in the Exempt Appendix 1 to this report; and
- (g) otherwise note the contents of the report.

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The Committee resolved:-

- (i) to approve the recommendations; and
- (ii) that officers be requested to consider removing inappropriate plastic vent piping and other similar sensible items as deemed desirable.

In accordance with the decision recorded under article 2 of this minute, the following items of business were considered with the press and public excluded.

At this juncture, the Convener intimated that in terms of Standing Order 37(2), Committee meetings shall only continue after four hours from commencement if a decision to that effect is taken by the Committee. The Committee agreed unanimously to continue the meeting.

ABERDEEN ART GALLERY REDEVELOPMENT AND PROVOST SKENE'S HOUSE REFURBISHMENT AND MUSEUM PROGRESS - EXEMPT APPENDIX - ECS/18/012

24. The Committee had before it an exempt appendix relating to the report on Aberdeen Art Gallery Redevelopment and Provost Skene's House Refurbishment and Museum Progress.

The Committee resolved:-

to note the information contained within the exempt appendix.

PENSION FUND GUARANTEE REQUEST - CG/17/155

25. The Committee had before it a report by the Director of Resources which outlined a request from an admitted body of the North East Scotland Pension Fund, for Aberdeen City Council to become a guarantor for their pension fund liabilities.

The report recommended:-

that the Committee approve that Aberdeen City Council act as guarantor for the admitted body outlined in the report in respect of their North East Scotland Pension Fund liabilities.

The Committee resolved:-

to approve the recommendation.

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HUMAN CAPITAL MANAGEMENT - CG/18/001

26. With reference to article 16 of the minute of meeting of 7 December 2016, the Committee had before it a report by the Head of IT and Transformation which sought approval for delegated authority to award a contract for a Human Capital Management system following a procurement process and to approve the use of existing revenue budgets for ongoing annual support costs.

The report recommended:-

that the Committee –

- (a) delegate authority to the Head of Commercial and Procurement Services, to award the contract for a Human Capital Management system to the successful bidder;
- (b) approve the use of existing revenue budgets for ongoing annual support costs as detailed within the financial implications section of the report;
- (c) note that the costs of the capital spend was approved by the Committee on 7 December 2016; and
- (d) note that the delivery of this project would be reported through the Transformation Portfolio governance arrangements.

The Committee resolved:-

to approve the recommendations.

DYCE LEARNING CENTRE IMPROVEMENTS - CHI/17/321

27. With reference to article 27 of the minute of meeting of 20 September 2017, the Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which provided an update on proposals for the improvement of the Dyce Learning Centre and sought approval for a construction tendering exercise to take place.

The report recommended:-

that the Committee –

- (a) delegate authority to the Head of Communities and Housing and Community Empowerment following consultation with the Head of Land and Property Assets and Head of Commercial and Procurement Services, to undertake tender processes compliant with the Council's Procurement Regulations for the procurement and thereafter award of contracts for improvement works at Dyce Learning Centre; and
- (b) approve the total estimated aggregated expenditure as detailed in section 4 of the report.

The Committee resolved:-

to approve the recommendations contained within the exempt report.

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FERRYHILL ENGINE SHED LEASE - CHI/17/127

28. With reference to article 9 of the minute of meeting of the Property Sub Committee of 2 September 2015, the Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which sought approval to grant a new long term lease of the engine shed and grounds to the Ferryhill Railway Heritage Trust (the Trust).

The report recommended:-

that the Committee –

- (a) approve the proposed terms for a new 50 year lease to the Trust; and
- (b) instruct the Head of Legal and Democratic Services to formalise the lease incorporating appropriate terms and conditions to protect the Council's interest.

The Committee resolved:-

to approve the recommendations.

LANGDYKES ROAD - PROPOSED GROUND LEASE - CHI/17/313

29. The Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which advised of an approach made by a company to enter into a long term ground lease for an area of ground of circa 0.064 hectares (0.157 acres) which was required in relation to the development of a sub-station as part of the wider proposals for the development of an offshore windfarm.

The report recommended:-

that the Committee –

- (a) approve the proposal for the Council to enter into a long term ground lease of the subjects; and
- (b) instruct the Head of Legal and Democratic Services to conclude the appropriate legal agreements incorporating various qualifications as are necessary to protect the Council's interests.

The Committee resolved:-

to approve the recommendations.

DISPOSAL OF FORMER ST PETER'S NURSERY, SPITAL - CHI/17/318

30. The Committee had before it a report by the interim Director of Communities, Housing and Infrastructure which advised members of the outcome of the marketing in relation to the property known as Former St Peters Nursery, Spital and the offers subsequently received.

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The report recommended:-

that the Committee –

- (a) accept the offer submitted by a company recommended in the report;
- (b) instruct the Head of Legal and Democratic Services to conclude missives for the sale of the property incorporating various qualifications as are necessary to protect the Council's interest.

The Committee resolved:-

to approve the recommendations.

- **COUNCILLOR DOUGLAS LUMSDEN, Convener**

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